

CANADA

HOUSE OF COMMONS DEBATES

OFFICIAL REPORT

SECOND SESSION—TWENTY-EIGHTH PARLIAMENT

18 ELIZABETH II

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COMPRISING THE PERIOD FROM THE TWENTY-THIRD DAY OF OCTOBER, 1969, TO THE TWENTY-FIRST DAY OF NOVEMBER, 1969, INCLUSIVE.

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HOUSE OF COMMONS

Thursday, October 23, 1969

• (10.30 a.m.)

SECOND SESSION—TWENTY-EIGHTH PARLIAMENT—OPENING

The Parliament which had been prorogued on the twenty-second day of October, 1969, met this day at Ottawa for the dispatch of business.

The House met at ten-thirty o'clock, the Speaker in the chair.

Mr. Speaker read a communication from the Secretary to the Governor General, announcing that His Excellency the Governor General would proceed to the Senate chamber at 10.30 a.m. on this day, for the purpose of formally opening the second session of the twenty-eighth Parliament of Canada.

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

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

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

• (11.30 a.m.)

And the House being returned to the Commons chamber:

[*Translation*]

OATHS OF OFFICE

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

Motion agreed to and bill read the first time.

[*English*]

SPEECH FROM THE THRONE

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

Honourable Members of the Senate:

Members of the House of Commons:

I have the honour to welcome you to the Second Session of the 28th Parliament of Canada and to present, on behalf of the Government, various matters which it wishes to lay before you.

Before doing so, may I say that, notwithstanding some unresolved problems which affect our collectivity, and notwithstanding the fears of people of little faith, it was encouraging to find, in the course of recent visits which my wife and I have made to Canadians in all ten Provinces and in the Arctic Islands, that their sense of identity, and of the potential which Canada offers to them and to their children, is strong and healthy.

I was also pleased to make a goodwill tour of the four Commonwealth countries of the Caribbean: Jamaica, Guyana, Barbados and Trinidad and Tobago. These visits abroad were made on the advice of the Government and with the encouragement of Her Majesty.

May I say, too, that Her Majesty's interest in Canada, and in Canadians and their affairs, will bring the Queen and the Duke of Edinburgh to Manitoba and to the Northwest Territories in July of next year to join in the celebration of their centennials.

Canada is a fortunate country, blessed by nature and spared by war, but we are not immune from the effects of conflicts in other parts of the globe. Our world has become so compact, so interdependent, that all humanity is wounded by an outbreak of violence in any corner of the earth. Whether it be in Vietnam, Nigeria, or the Middle East, suffering in any part of the world disturbs the whole international community and affects Canada as a responsible member of that community.

Although we must be aware of the effects of these upheavals on our own country, we are even more concerned about the damage inflicted on the prospects for world peace and the spread of misery and deprivation. The means at our disposal for bringing these conflicts to an end are necessarily limited, but the Government is making full use of its opportunities to help reduce international tension.

We will continue to be an active member of the United Nations. After a quarter of a century of radical changes in its functions and membership, the U.N. needs to be revitalised and strengthened. Canada is presenting its proposals for reform to the present session of the General Assembly.

As weapons become more destructive and weapons' testing more dangerous, the Government is assigning a higher priority to its efforts in the field of arms control. One barrier to a ban on underground nuclear tests has been the difficulty

of verifying that it is being observed. As a practical step towards such a ban, Canada has proposed an international exchange of seismic information.

As long as differences between peoples are permitted to degenerate into hatred and violence, we cannot remain unmoved by appeals for help from the victims of wars. At the International Red Cross Conference last month, the Canadian Government gained acceptance of a principle which it has long supported whereby the Red Cross will be permitted to provide relief during civil wars to civilians on both sides.

In addition to our work in international organizations, we are intensifying our direct contacts with many of the governments and peoples of Latin America, Africa and Asia. At this session you will be asked to consider a bill to create a Canadian International Development Research Centre which will bring together Canadian and foreign experts on the problems of developing economies.

A disturbing element in many countries of the world has been the rising tide of unrest, particularly among young people. It has expressed itself in many ways, in public debate, in peaceful protest and sometimes in violence. Our profound disapproval of the excesses must not blind us to deeply felt and legitimate aspirations. Many citizens in our own country believe that they are entitled to assume greater responsibility for the destiny of our society. Such demands, insofar as they do not conflict with the general welfare, are the expression of a truly democratic ideal. They must be satisfied if our society is to attain its goals of peace and justice.

The Government believes that the time has come to extend the franchise in federal elections and it will therefore recommend to the Standing Committee on Privileges and Elections of the House of Commons that the voting age be lowered to eighteen.

Changes will be proposed in the legislation governing the Northern Territories which will improve the representational character of their Councils.

If the rights and interests of individuals and groups are to be safeguarded, they must be accurately reflected in the political structure of this country and in its basic blueprint, the Constitution.

The Government therefore attaches the greatest importance to the revision of the Constitution and to the progress achieved by the Constitutional Conference. The last meeting of the Conference provided an opportunity for particularly productive discussions, and the Government is determined to spare no effort to ensure the success of this vital task.

History, geography and economics have placed certain of our citizens at a disadvantage. Under legislation enacted during the last session of Parliament, the Government is establishing programs to reduce these inequalities.

The Official Languages Act, which provides for the use of French and English in federal government institutions wherever the composition of the population justifies it, will permit the exercise of essential language rights within a society which recognizes and welcomes a rich diversity of race, religion and cultural traditions.

This resolve to achieve linguistic equality will have its counterpart in social and economic life. During the last session, Parliament enacted legislation which will enable the Government, with the co-operation of the Provinces, to set up programs to reduce regional disparities in employment opportunities and average incomes. In fact, despite the general cutback in its expenditures, the Government, recognizing the overriding urgency of these programs, has decided to allocate an increasing proportion of its revenues to them.

The necessity for raising the level of employment of Canadians of Indian descent and other less favoured citizens will also receive special attention.

Changes in the patterns of need in our society call for a more equitable social policy which will offer assistance and security to people unable to work or to provide for themselves and their families. A white paper on social security will be presented together with a proposal concerning the reorganization of the unemployment insurance program.

Satisfactory relations between labour and management are of critical importance to our social and economic progress. The Government is devoting greater attention to the problems and possibilities of industrial relations and will be putting forward for your consideration amendments to the legislation governing collective bargaining in the industries within federal jurisdiction.

There are many obstacles to be overcome if we are to achieve our economic goals, but inflation is undoubtedly the most serious and the most difficult to control. If we fail to control it, the consequences could rapidly prove disastrous, especially—but not only—for those whose incomes are already low.

In recent months the Government has urged both the public and the private sectors to adopt special measures to combat the dangers of inflation. These measures, which the Government has itself adopted, must be applied by all if further restraints are to be avoided.

You will also be called upon to study proposals for tax reform aimed at a fairer distribution of the tax burden combined with favourable conditions for growth in the national economy. The structure of our tax system must be adapted to reflect more accurately the true circumstances of individual Canadians and of business organizations in our modern society.

One of Canada's most valuable assets is undeniably the richness and variety of her material resources. In some cases, production has increased substantially and outstripped demand; grain is one of the commodities of which reserves have piled up, causing financial hardship to a good many farmers.

Increasing production of grain in many countries has contributed to a decline in our international grain trade and in world grain prices. This reduction of markets and prices has been of utmost concern to the Government, which intends to continue its search for new outlets for Canadian grain and its efforts to improve international co-operation and to re-establish orderly marketing. In addition, you will be asked to consider amendments to the Canada Grain Act which are intended to make our products more competitive in world markets.

The competitive position of Canadian fisheries must also be strengthened, not only through new licensing and marketing arrangements, but also by extending Canada's exclusive fishing zones.

Our resources are immense, but they are not inexhaustible. Although we must encourage their

development, we must also conserve them and regulate their use. Water is among the most precious of these resources. The evidence of past failure to rehabilitate our water resources is there for all to see—befouled water, despoiled beaches, rotting marine vegetation, and diminished fishing. The Government has made known its views on this serious problem, and has begun urgent discussions with the Provinces. Upon their completion, the Government will introduce legislation which will enable it, in co-operation with the Provinces, to improve and preserve our water resources. Thus may we assure ourselves of their continuing benefit for our own domestic use, industrial expansion, and recreation.

While the Atlantic and the Pacific retain their traditional importance for Canada, the Arctic Ocean and its coastal regions may soon enter a period of rapid economic development. Much of this development will undoubtedly occur on the islands of the Canadian archipelago, or in the adjoining continental shelf whose resources, under international law, we have the exclusive right to explore and exploit. With resource development, and the benefits it entails, may come grave danger to the balance of plant and animal life on land and in the sea, which is particularly precarious in the harsh polar regions. While encouraging such development, we must fulfil our responsibility to preserve these areas, as yet undespoiled and essentially in a state of nature. The Government will introduce legislation setting out the measures necessary to prevent pollution in the Arctic Seas. It is also considering other methods of protecting Canada's ocean coasts.

Through the United Nations and its agencies Canada is seeking to establish a system to combat the pollution of international waters which threatens so many forms of life on this planet.

Our aim is a strong and productive country soundly equipped to face the future; but we are equally concerned with the individual Canadian, his rights and his interests. The Government regards national progress and individual fulfilment as indivisible components of its mandate.

The size, complexity and fallibility of the structures that technology imposes on modern societies are often in conflict with the protection and development of individual values. The workings of both private and public institutions may endanger the individual's free expression of his unique personality. He must therefore be protected from anything that jeopardizes his rights or limits his personal development.

To this end, Criminal Code amendments will be submitted to you that would regulate wire-tapping and other invasions of the individual's privacy, and reform the present law governing detention before trial. Bills will be submitted to make federal tribunals more accessible and responsive, and to ensure fair treatment in expropriation cases. There will also be a bill to create a national law reform commission, whose task will be the improvement and modernization of the law and its administration at the federal level.

• (11.40 a.m.)

You will also be asked to review the large body of legislation applying to companies and financial institutions. To enhance the position of the consumer in the market place, the Government will ask you to augment our body of consumer protection. There will be proposals dealing with consumer credit, packaging and labelling, identification of the fibre content of textile products and motor vehicle safety.

In the field of housing, despite the difficulties of inflation, the objective is to construct one million new housing units in five years. The Government will play its part in achieving that objective while emphasizing measures to satisfy the needs of low income families. This and related programs will stimulate social progress, employment, economic growth and urban improvement. They are a recognition of the need for every citizen to live in healthy and pleasant surroundings.

I have mentioned some of the important subjects of legislation which you will be asked to consider at this session. You will also be invited to discuss a number of aspects of long range national policy.

In addition to solving her immediate problems, Canada must be prepared to face the coming challenges of the post industrial era. This calls for a systematic appraisal of Canadian society and of the basic principles that are to guide it. During the past twelve months, the Government has begun this lengthy task. During this session a number of reports and white papers will be presented as part of a comprehensive revision of Government policy. You will thus be invited to examine the Government's findings concerning external affairs, defence, tax reform, citizenship, social security, information, and postal service.

In these documents the Government will define its goals and the means by which it proposes to achieve them, but it believes there is also a need for informed public discussion before bills are drafted in their final form, and before any far-reaching measures are taken.

A more intensive consideration of national policies by Parliament is in keeping with the spirit of the recent reforms in the rules of the House of Commons. These new rules will demonstrate that Parliamentary traditions can adapt to the changed circumstances of contemporary life while continuing to respect the fundamental principles of popular representation.

They are evidence of our common desire to modernize our institutions so that they will satisfy the needs and aspirations of our citizens, and thus enable us to work together in harmony and with renewed energy to ensure the progress and greatness of Canada.

Members of the House of Commons:

During this session, you will be asked to grant the necessary funds for the services and expenditures authorized by Parliament.

Honourable Members of the Senate:

Members of the House of Commons:

The Prime Minister will lay before you today a list of bills that will be submitted to you during the session.

May Divine Providence enlighten your deliberations.

[*Translation*]

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

That the speech of His Excellency the Governor General, delivered this day from the Throne to both Houses of Parliament, be taken into consideration later this day.

Motion agreed to.

Bills in Speech from the Throne

[*English*]

Mr. Trudeau: Mr. Speaker, I should like to table a list of the titles of the several bills which were referred to in His Excellency's speech. I would ask, Mr. Speaker, that this list be printed in today's *Hansard*.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

[*Editor's Note: The list referred to above follows:*]

1. The Canadian National Railway Financing and Guarantee Bill, 1969
2. Small Businesses Loans Act Amendments
3. Established Programs (Interim Arrangements) Act Amendments
4. Canada Student Loans Act Amendments
5. Quebec Savings Bank Act Amendments
6. Canada-Sweden Supplementary Income Tax Agreement Bill 1969
7. Income Tax Act Amendments
8. Customs Tariff Amendments
9. Excise Tax Act Amendments
10. Excise Act Amendments
11. Canada Corporations Act Amendments
12. Trust Companies Act Amendments
13. Loan Companies Act Amendments
14. Canadian and British Insurance Companies Act Amendments
15. Foreign Insurance Companies Act Amendments
16. Investment Companies Bill
17. Canada Cooperative Associations Bill
18. Railway Act Amendments
19. Deep Sea Fisheries Act Repeal
20. Coastal Fisheries Protection Act Amendments
21. Fisheries Act Amendments
22. Salt Fish Development Corporation Bill
23. Canada Grain Act Revision
24. Farm Products Marketing Boards Bill
25. Expo Winding-up Bill
26. Judges Act Amendments
27. Criminal Code Amendments (1)
28. Supreme Court Act Amendments
29. Criminal Records Bill
30. Expropriation Act Revision
31. Law Reform Commission Bill
32. Young Offenders Bill
33. Federal Courts Bill

[Mr. Trudeau.]

34. Criminal Code Amendments (2)
35. Children of War Dead (Education Assistance) Act Amendments
36. Migratory Birds Convention Act Amendments
37. International Development Research Centre Bill
38. Canada Shipping Act Amendments (1)
39. Quarantine Act Revision
40. Canada Labour (Standards) Code Amendments
41. Industrial Relations and Disputes Investigation Act Revision
42. Immigration Appeal Board Act Amendments
43. National Energy Board Act Amendments
44. Dominion Coal Board Dissolution Bill
45. Yukon Placer Mining Act Amendments
46. Yukon Minerals Bill
47. Oil and Gas Production and Conservation Act Amendments
48. Motor Vehicle Safety Bill
49. Radiation Emitting Devices Bill
50. Nuclear Liability Bill
51. Bills of Exchange Act Amendments
52. Uniform Packaging and Labelling Bill
53. Textile Fibres Identification Bill
54. Standards Council of Canada Bill
55. Weights and Measures Act Revision
56. Combines Investigation Act Revision
57. Ocean Shipping Conferences Bill
58. Canada Water Bill
59. Northern Water Rights Bill
60. National Parks Act Amendments
61. Northern Canada Power Commission Act Amendments
62. Canada Shipping Act Amendments (2)
63. Pilotage Bill
64. Air Canada Act Amendments
65. Canadian Research Institute Bill
66. Statistics Act Amendments
67. Canada Elections Act Amendments
68. Representation Commissioner Act Amendments
69. Yukon Act and Northwest Territories Act Amendments
70. Industrial Research and Development Incentives Act Amendments
71. Territorial Sea and Fishing Zones Act 1964 Amendments

INTERNAL ECONOMY COMMISSION

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

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

[*Translation*]

HOUSE OF COMMONS

APPOINTMENT OF CHAIRMAN OF COMMITTEES OF THE WHOLE

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I move, seconded by Mr. Macdonald (Rosedale), that Mr. Albert Béchard, member for the electoral district of Bonaventure, be appointed deputy chairman of the committees of the whole.

Motion agreed to.

[*English*]

PROVISION FOR EXTENSION OF SITTING, OCTOBER 24, 1969

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I move:

That, when this House adjourns this day, it shall stand adjourned until 11 o'clock a.m. Friday, October 24, 1969 and that notwithstanding Standing Order 6(3), the House shall not be adjourned in that sitting until the leaders of all parties have spoken in the Address Debate.

Motion agreed to.

SITTING SUSPENDED

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I would suggest that the sitting be suspended until three o'clock this afternoon.

Mr. Speaker: Is it agreed?

Some hon. Members: Agreed.

At 11.46 a.m. the sitting of the House was suspended until 3 p.m.

SITTING RESUMED

The House resumed at 3 p.m.

SPEECH FROM THE THRONE

ADDRESS IN REPLY, MOVED BY MR. JACK CULLEN AND SECONDED BY MR. GILLES MARCEAU

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

Mr. Jack Cullen (Sarnia): Mr. Speaker, I count it a signal honour to have been called upon by the Prime Minister (Mr. Trudeau) and his associates in the cabinet to move the Address in Reply to the Speech from the Throne. All the constituents of the Sarnia riding, whatever political persuasion, share this honour. I hope, in a vicarious way, my constituents can feel the sense of privilege which is mine today.

On the 8th day of May, 1967, Mr. Speaker, His Excellency the Governor General, in beginning the Speech from the Throne at that time, stated in part as follows:

As my words are being broadcast throughout Canada, I should like to begin on a personal note. I want to say that I am deeply conscious of the possibilities for good for Canada of my new office and duty—that which brings me here today to open the centennial session of parliament.

He continued:

May I renew my pledge at the ceremony of installation, that my sole purpose and effort will be to merit the confidence which has been reposed in me by Her Majesty our Queen, on the advice of her Canadian ministers and by the countless Canadians from every region who have so freely offered their good wishes.

We have every good reason, Mr. Speaker, to be proud of the manner in which His Excellency, the Governor General has performed his duties in that high office.

Some hon. Members: Hear, hear.

Mr. Cullen: It is fitting and proper that during the moving of the Address in Reply to the Speech from the Throne we should publicly acknowledge the deep sense of dedication which he has so obviously brought to that position.

In his comments in 1967, the Governor General established a guideline for those of us who serve as members of parliament and I think we should all consider his comment and his dedication to this proposition, namely:

. . . the possibilities for good for Canada of my new office and duty . . .

Some in this House may have to be reminded from time to time that we are here for the good of Canada and that is our prime responsibility. No one is asked to lose sight of the fact that we are politicians and that we have obligations to our respective parties nor that we, as individuals, are accountable to our constituents. But, in the final analysis, Canada and the betterment of Canada must come first.

Some hon. Members: Hear, hear.

Mr. Cullen: We in this House have an awesome responsibility and it far outweighs the immediate responsibility imposed upon the Prime Minister and his cabinet to deal with present day legislation. We, and I mean all members of this House, have an obligation to make the House of Commons more relevant, to establish to the satisfaction of the citizens of Canada that the government has the single, most important role to play in the development of our country. Our legislation, our conduct, our rules and our dedication all receive the daily scrutiny of the press, radio and television. The legislation of the present Liberal government receives the criticism, constructive and, unfortunately, sometimes otherwise, of the opposition parties. In the various committees of the House this legislation is reviewed, criticized, amended and reported back to the House. This legislation is then subject to amendment and these amendments are debated. There are many safeguards before proposed legislation becomes law and this is as it should be.

It is difficult however to explain to the citizen of Canada who is not familiar with these procedures the necessity for taking time and having safeguards. But that self-same citizen has a good point. I think we must be careful in the House of Commons that we do not take too much time. We must look at the program of legislative proposals, establish the priorities, and then calculate the time which is available to us if we are to ensure that this legislative program will be adopted within the time available.

Rule changes were of course a must and all parties agreed. We could not agree on all of the rule changes and so the government, quite properly, had to accept responsibility for Rules 75A, 75B and 75C, in the hope that they will serve to expedite the business of this House. I am not so naïve as to suggest, Mr. Speaker, that the business of this House can be expedited by the initiative of the governing party alone. I recognize we require co-operation from the opposition parties, no matter what the rules state. The thing that does concern me, however, and I can assure Your Honour it also concerns the people of Canada, is whether we in this House have not become too conservative, with a small "c", about the passage of legislation and whether we are not taking too much time rather than too little with our legislation. When we spend too much time and have too many speakers, do the speeches themselves lose their significance?

• (3.10 p.m.)

I am not looking to make this House of Commons a sausage factory or a rubber stamp office for government legislation, but I would like to see debates on important legislation hold the attention of this House, of the various media of publicity, and of the ci'izens of our country. I would like to see this House of Commons filled with members during the debating period. On one or two occasions in the past year, the hon. member for Winnipeg North Centre (Mr. Knowles) has used the phrase "the cut and thrust of debate". Mr. Speaker, some of the debates in this chamber have been carried on with old, rusty swords—and some of the swords were not even taken out of the scabbards. The hon. member for Saint John-Lancaster (Mr. Bell) gave a first class address on the need of a merchant marine in Canada, but very few even of his own party members were present during that debate, albeit it took place during the private members' hour. The emptying of the press gallery after the question period should surely tell us something.

Consider this. When constituents come to the House of Commons during the afternoon, some members explain apologetically that their colleagues are not present in the house because they are attending committee meetings, or are busy back in their constituencies. Then, when they get into the gallery, these visitors look down to see members who are present reading their newspapers and paying little or no attention to the man who is speaking at the time. How do we convince the press, how do we convince the people of Canada, how do we convince ourselves that this House has any real significance when it cannot hold the attention of the very members who compose it?

The Sarnia *Observer* in an editorial on July 22 entitled "Weaker by the Week" stated:

The real threat to parliament isn't the possible danger of cutting off productive and informative debate on a measure, but the steady erosion of

prestige by tiresome speeches, lack of decorum, obstructionism and poor attendance in the House. The House of Commons is its own worst enemy and every time it aids its own weaknesses it chips away a little more of its own fabric.

That situation, Mr. Speaker, has got to change. I hope it will change—if not in this session, then in subsequent sessions. To be a member of this House is a rare privilege and new members are as conscious of this fact as are their colleagues who have served here for many years. We new members are convinced that the parliamentary form of government is best for Canada. But excellent as it is, it is not sacrosanct; it can be improved, albeit slowly. We have to make changes if the House of Commons is to continue to be relevant to the people of Canada.

[*Translation*]

Mr. Speaker, a few families speak French in my riding. Generally speaking, this is rather rare in southwestern Ontario.

Those voters speak English as well, which makes communication with them easier for me.

However, like many English-speaking Canadians, I wish to learn French, to show in as positive a way as possible that I accept the accomplished fact that we live in a bilingual country.

Some hon. Members: Hear, hear.

Mr. Cullen: Thanks to the encouragement and the valuable help of the Quebec caucus, of my colleagues, and the members of the Progressive Conservative, New Democratic and Créditiste parties, I hope, as other students do, that we will become increasingly bilingual.

Several persons have asked the members of English-speaking ridings why they wasted their time learning French, two sessions a week in the case of total immersion courses—the weeks of total immersion in Saint Jean, in Hull or in Ottawa—and this even during the holidays.

Mr. Speaker, we believe that English-speaking members have the duty to spread this idea of bilingualism in Canada.

We reject those who try to divide us, especially at a time when English-speaking Canadians are becoming aware of their responsibilities in recognizing a bilingual Canada.

Some hon. Members: Hear, hear.

Mr. Cullen: That is how we co-operate. It may not be much, but we feel that it will be of benefit to the country as a whole.

I apologize to my teachers for my errors in vocabulary, pronunciation and my halting delivery. However, and that is what counts most, I thank them for giving me the opportunity of taking a step forward.

[*English*]

Mr. Speaker, this is a time of great affluence in our society and, surprisingly enough, times of affluence create as many problems as arise in any other period. The dangerous psychology of our times has been characterized by one writer as "the revolution of rising expectations". So, the man with one car wants, and expects, two; the man with the television set looks to the time when he will possess a colour set; the family which lives in an apartment is looking forward to owning its own home. And the psychology of the period gives these people every encouragement to expect that these ambitions will be realized. Those who are in positions of power within corporations, those who can decide upon prices and dividends to be paid upon shares, as well as those members of unions which have the strength to bargain collectively, share in the affluent society and this feeds their "revolution of rising expectations. But we in this House have a special obligation to look after those who do not belong to unions, those who do not have the power of the corporate structure behind them but who yet must live in today's affluent society.

That is why this government, along with every member of this House, has a genuine concern for the aged, for pensioners living on a fixed and all too inadequate income, for the government's own retired civil servants who deserve better than they are getting.

Some hon. Members: Hear, hear.

Mr. Cullen: We must look, also, to the position of the veterans who lost many years when they could have been gainfully employed; to the veterans' widows and to those veterans who, though they returned, returned less capable of looking after their own needs than would have been the case had they not volunteered to serve their country.

Some hon. Members: Hear, hear.

Mr. Cullen: This has become almost a trite phrase but it bears repetition: government has an obligation to help those least able to

help themselves. Government also has an obligation to fight pollution, to help find and construct housing, to protect the unwary consumer and to be constantly alert to the need for changes in the Criminal Code so as better to reflect the kind of protection required by present day society.

Government also has an obligation to recognize regional disparity in this country—and we acknowledge the need to cope with that problem. Our proposed Indian policy establishes guidelines for debate, negotiation, compromise and decision. We recognize the sores of national disunity and we must find a panacea for this sickness. We are all disturbed to find "la belle province" becoming "the bellicose province". Each ministry has its own obligation to meet the needs of the people of Canada. Some of the measures necessary will be popular and some will be unpopular but ultimate responsibility rests with the ministry to initiate the kind of legislation which in its opinion best copes with the situation facing Canada.

• (3.20 p.m.)

In English, and in somewhat halting French, I have endeavoured to express some points of view which I feel we in this House should be pondering. We have a new session before us, a throne speech outlining the government's proposals, a program welcoming—yes, demanding—scrutiny and constructive criticism by opposition parties. With the government's lead, with the opposition's criticism and assistance, and with conduct becoming this chamber, we can do that which is good for Canada.

I have the honour to move, seconded by the hon. member for Lapointe (Mr. Marceau):

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

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

May it please Your Excellency:

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

[*Translation*]

Mr. Gilles Marceau (Lapointe): Mr. Speaker, the best time, the richest, the most promising, is the present.

[Mr. Cullen.]

These words probably were spoken before, but I can say that for me today, their meaning and scope goes beyond any description.

Does this mean that I misunderstand the meaning of the mandate that was entrusted to me? Not at all!

[*English*]

As a matter of fact, I am quite positive that I will succeed in giving you the impression that I have passed the illusion stage and that the opportunity given to me by the Prime Minister (Mr. Trudeau) to second the motion for an Address in Reply to the Speech from the Throne is not based on my personal merit but instead on the great importance of this part of the country that I represent and in which I am so proud to live.

[*Translation*]

The history of this part of Canada has been written by Mgr. Victor Tremblay and I hope you will allow me to mention distinctive features, since it is of the utmost importance to know one's country well and to make it well known to those by whom we want it to be loved.

This vast region is made up of four areas: Abitibi, North Shore, Saguenay and Lac St. Jean, which are complementary and form a region of their own, with its distinct character, and an interesting section of Canada as a whole.

The word "Saguenay", meaning "gushing water", is the oldest and most genuine in the Canadian toponymy.

[*English*]

The name Canada, according to history, appears to have been adopted just a few days after the name Saguenay. It is significant and interesting to note that the "Canada" designated at that time was the small area of the country which is today the city of Quebec and its surroundings.

[*Translation*]

The Saguenay region is part of the massif known as the Canadian Shield which is made up of rocks derived from the most ancient structures of the earth's crust.

Its history spreads over more than four centuries; it starts with that of our Canadian homeland of which it is one of the forgotten pearls.

It was discovered at the same time as Canada and was first a settlers' land, but, in view of its enormous water resources, which today produce nearly 12 million horse-power,

and its vast forest, big industry has settled there.

Logging operations are one of the biggest industries in the Saguenay, and this has been so for 130 years. Its main production is pulp and paper, with an annual output of 735,000 tons.

Metallurgical operations began in the area with the building of the Arvida plants in 1926.

[*English*]

I feel the famous Saguenay blueberries are particularly noteworthy. Some say that two of those berries are enough to make a pie. Don't believe it! I know that a single one is more than enough.

[*Translation*]

We have a population of approximately 360,000 people. The greatest part of it is of French-Canadian origin and of Catholic faith; it numbers more than 5,500 Indians. Needless to say, our people have their qualities and their shortcomings: and among those one can mention their honesty, their frankness, their sense of duty, their generosity and their sense of beauty.

Mr. Speaker, I should like here, if I may, to express my regard and my friendship for all the electors of the constituency of Lapointe whom I represent here, and who possess more than anyone the precious qualities I have just mentioned. Believe me, I feel it is a privilege to live among citizens so prominent and so aware of their responsibilities.

In my constituency, which comprises namely Arvida, the aluminum city, and the county town of Jonquière-Kénogami, pilot projects and achievements in the educational and cultural fields have always found a fertile environment, for the people are dynamic, alert and creative.

Five years ago, 30 English-speaking and 30 French-speaking Canadians set up a country-wide, nonpolitical and independent organization—a Canada Committee—whose aim is to promote Canadian unity. Its members are very active in my region.

We also have a memorial centre which was built during centennial year and which is in fact a well patronized regional cultural centre. The federal government shared the construction costs and I hope it will participate in the centre's development because, even if our constitution puts education under provincial jurisdiction, culture has a much wider scope and does not know any provincial boundary. The federal parliament should be involved in this field as it is responsible for protecting and assisting the two main linguistic communities.

The Saguenay has its anthem which was composed in 1938, the words having been set to the music of "Silver Threads Amongst the Gold".

The Saguenay finally has its flag representing its four main resources.

Its vast forest, a source of economic activity, is represented by the colour green, symbol of its age.

The agricultural sector is represented by the colour yellow, symbol of the land which carries and produces life.

Grey stands for industry and trade.

The people, a strong and energetic breed, are represented, no doubt through a coincidence, by the colour red.

The feast-day of the Saguenay falls on June 11.

My majestic and adopted country—that is, my constituency of Lapointe—is not free from serious problems which, even though they exist elsewhere, do not reach such dramatic proportions.

Unemployment now stands at the alarming level of 14 per cent. Since the labour market cannot absorb the ever increasing number of those who want to join it, qualified workers must leave the area if they do not want to graduate as jobless or become dissenters who protest against an affluent society which denies them the right to earn a decent living.

Dairy production makes up an important part of our farming industry. Government policy in that field is therefore likely to have a deep impact and I am far from snapping my fingers at the criticisms voiced recently by several farmers.

• (3:30 p.m.)

Needless to specify that farmers have the right to live as everybody else and do not have to bear alone the economic problems caused by the marketing of their products.

Although I realize how complex those problems are, I nonetheless stress the necessity of finding prompt and effective solutions.

As practical suggestions, in the name of my constituents, I urgently ask:

1. That the Saguenay region be selected as one of the poles of growth essential to any planning. It is obviously essential and urgent to set up an economic substructure in my region.

I take the liberty at this stage of mentioning all the hopes which were raised by the establishment of the Department of Regional Economic Expansion and of expressing on behalf of the people, the confidence placed in its head, the Hon. Jean Marchand, whose competence has been recognized for some time now.

Some hon. Members: Hear, hear.

Mr. Marceau: 2. Moreover, Mr. Speaker, subsidies ought to be granted to transportation companies, so as to make it possible for the products of our area to compete on the outside market.

3. Finally, one of the hopes of my people, in order to get over the serious economic difficulties they are facing, is to see our northern natural resources being developed and it is essential that access roads be built at once to James Bay with a view to developing the forest, mining and power resources available to us.

Such a project has been developed under the name of the "Vermilion Crescent" and it deserves the encouragement of the federal government through every means available.

In order to settle our economic problems, a body known as the Regional Economic Council has been set up in our area which is a valuable intermediary. I do think that through consultations with that agency, the government will be able to find quick and efficient solutions.

As I remember an expression which I heard somewhere: "man misses an opportunity rather than lack for one", I would feel remiss in my duty if I did not take now the opportunity to clear up a misinterpretation of the attitude and the behaviour of the people in my area.

Sir Wilfrid Laurier once said:

> Freedom would soon be but an idle word, were it to leave without any control those who wield power. Endless vigilance is the price of freedom. A nation eager to preserve its freedom should be Argus-eyed and always on the alert. Should it be caught off guard or weaken, every second of idleness will cost it a bit of its rights".

The people in the Saguenay area remember those famous words which serve them as a constant reminder. They are ready to fight and resort to all reasonable and legal means in order to preserve their freedom and identity.

Indeed as Rev. Lionel Groulx, the famous historian, said a long time ago:

> If French-speaking Canadians owe their country some special cultural duty or service, it is clear that it is neither as half-English nor as half-French that they will be of any use, except by admitting but one attitude on their part, that is to be fully themselves.

It is only normal to expect to find, in an area of this country inhabited by forward-looking French-speaking Canadians, a real and sincere alertness and awareness from those who are ready to co-operate, provided they are considered as first-class citizens.

It is undeniable that our people will no longer be satisfied with promises or even with efforts that will not give actual results.

While recognizing, of course, that there are extremists, I assert with certainty that they are not the majority and I say that many of them do not act in bad faith but are insufficiently informed, and the representatives of the people are very often to blame for that.

Besides, it is not for me to judge individuals since they are entitled to their personal opinions in so far as they do not conflict with the public interest.

In that part of the country where I live, 500 miles from Ottawa, there is a sound nationalist, that is not the kind which seeks to destroy and will not co-operate, but the kind which is much more preferable, the one that is identified with the conscious and constant effort of a consistant group which is irrevocably decided to assert its own identity and to make, as such, a real contribution to the whole of Canada.

In short, the spirit which inhabits my fellow-citizens as well as the great majority of French-speaking Canadians is that of an enthusiastic participation, but as equal partners, to the building of a Canada that could be the living and permanent representation of the two founding peoples.

Mr. Speaker, the people to whom I belong have achieved a degree of maturity that will enable them to make a choice inspired by reason and common sense and to check the emotional feelings that might cloud their judgment and jeopardize their safety and welfare.

It is obvious that the French-speaking Canadians of today are much nearer to reality while fully aware of the sacrifices made necessary by this new understanding. While ready to do their best in order to avoid splitting up and dividing Canada, they are also, more than ever, prepared to insure their survival and their fulfilment, whatever the price may be, were they to fail in securing, once and for all equal status and the acknowledgment of their rights, not only in theory but also in practice.

I would feel guilty, at this particular time, if I did not acknowledge the tremendous work done by our very active Prime Minister (Mr. Trudeau) to insure the equality and justice rightly claimed by the French-speaking Canadians, though not at the expense of the English-speaking Canadians who are entitled, not only as a majority group but also as individuals, to our respect, our consideration for the priceless contribution they have made to the building and the preservation of our country.

[*English*]

May I also mention the co-operation of the ministers and of my colleagues in the Liberal party. Their attitude since the 1968 election has made a special contribution to the improvement of the relations between French speaking and English speaking Canadians. We must note that in Ottawa today French speaking Canadians are not strangers but citizens capable of playing a leading role in the conduct of the affairs of our vast country.

[*Translation*]

Moreover, I would not be true to my belief if I did not admit that several members of the opposition have given me a pleasant surprise because they seem so well-disposed towards the French-speaking Canadians to whom, so far, they were too often satisfied to ask simply: "What do the French Canadians want?"

To recognize the existence of others is already a promising start and augurs well for the future but this is not enough to insure the stability and unity of our country. We must reach, as fast as possible, the following stage which is that of genuine co-operation as equal partners.

Indeed, even if it is pleasant to admit that the general atmosphere which has prevailed in Ottawa for a year permits us to entertain serious hopes of maintaining our country in its present limits, all the people of good will must maintain their dialogue not only at the government level but also at the individual level.

This is certainly a challenge which can be taken up only by those who are courageous, dynamic and who really love their Canadian fatherland. Even if it is conceited and even impolite to quote oneself as an example, I do not hesitate to say that my constituents of Lapointe have done it successfully.

I shall certainly astonish quite a few people by disclosing that about 20 per cent of my constituents are not French-speaking; nonetheless, in no other place in Canada perhaps, are the relations better and the mood nicer and more serene, for while each group has preserved its own personality, we have all recognized the relevance of dialogue, co-operation, and respect for individual rights.

I would now like to point out the valuable contribution in that field of such companies as Price Brothers and Aluminum of Canada, who have succeeded in integrating and adapting themselves to our regional environment, where they play a prominent role.

Inspired by what seems to be the great majority of my constituents of Lapointe, and strongly urging people who are still hesitating, I unequivocally declare myself at one with those who are trying to bring about national unity, whatever the linguistic group to which they belong; I would be ashamed, indeed, to be among those who through cowardice, indifference or laziness, have accepted an office with the ulterior motive of working against the interests they are supposed to serve.

The goal of prime importance which is to preserve national unity while safeguarding the diversity of our country, should not be the exclusive concern of parliamentarians. We shall not be able to achieve it without the vigorous and considered participation of all Canadians, regardless of their origin.

I am particularly happy at this time to find that the throne speech mentions the government's intention to give the franchise to the young people of 18 years of age.

At a time when all good wills and all energies are needed, when young people are required to take their responsibilities and play a positive role in the future of our country, to live and behave like citizens, they should not be deprived any longer of the right to express concretely their approval or their rejection of their rulers, simply because a number of them are not completely reliable.

Since I had the honour to be co-chairman with my colleague for Hamilton-Wentworth (Mr. Gibson) of a committee on the constitution, I shall take the liberty, before ending this statement, of setting forth briefly a few general principles on the problems raised at present by the Canadian constitution as I see them.

In principle, I am in favour of amending the constitution, provided that such amendments bring about a renewal and an adjustment of our federalism which is now less effective after being a hundred years in operation.

Canada needs strong federal and provincial governments which must all co-operate constantly.

The range of action of governments nowadays is so wide and problems are so numerous that there is no contradiction is using those words.

I think that the main reason justifying this balance is that personal freedom will likely be best preserved if neither level of government is able to arrogate itself any preponderant power over the citizen.

There must be a fair balance between those powers given to the federal government and those given to the provincial governments, keeping in mind that Confederation was made by the provinces and that anything that might weaken them or unduly increase the powers of the federal government would only worsen the situation and make impractical a new constitution containing any one of these trends.

Having been tested on this continent and increasingly accepted throughout the world at large, federalism, when jurisdictions are adequately distributed, seems to be the system which might ensure the greatest stability, a better co-ordination and a higher standard of living for a group of citizens who want to build up a country as huge as ours, while safeguarding their linguistic and cultural diversity.

• (3:40 p.m.)

[*English*]

We may well find ourselves writing a new page of Canadian history during this session.

[*Translation*]

I hope that we shall work together during this session, that it will be remembered as a decisive step towards the unity and prosperity of all Canadians through open and sincere co-operation by every representative of the people.

In order to refresh the memory of my colleagues, I would like to repeat the words spoken in 1905 by a famous conservative, the Honourable Thomas Chapais:

If need be, let us not fear to widen the scope of our political horizon. Let us always put our country before our party, our traditions before our alliances, our principles before our ambitions.

I just remembered the precious advice given one day by an English humourist to the Speaker:

[*English*]

Stand up to be seen, speak up to be heard, but sit down to be appreciated.

I conclude by saying, rather than singing, in order not to awaken those who might be dozing, the moving words taken from the refrain of a song that is too little known:

[*Translation*]

Canada has a heart bigger than its vast expanse.
Canada has a heart beyond its twenty million faces.
Canada is the heart of its town and country people.
The heart of Canada will win the world.

Mr. Speaker, it is therefore with great pleasure that I second the motion of my hon. friend, the hon. member for Sarnia (Mr. Cullen).

Some hon. Members: Hear, hear.

[*English*]

On motion of Mr. Stanfield, the debate was adjourned.

On motion of Mr. Macdonald (Rosedale), the House adjourned at 3:50 p.m.

HOUSE OF COMMONS

Friday, October 24, 1969

The House met at 11 a.m.

ROUTINE PROCEEDINGS

WAYS AND MEANS

TABLING OF MOTIONS TO AMEND CUSTOMS TARIFF, EXCISE TAX AND INCOME TAX ACTS

Hon. H. E. Gray (Minister without Portfolio): Mr. Speaker, pursuant to Section 1 of Standing Order No. 60 I wish to lay on the table of the House copies in English and French of a notice of ways and means motion proposing amendments to the Customs Tariff and a consequential amendment to the Excise Tax Act. The notice of motion is substantially the same as that required for Bill C-212 of the last session which was given first reading by the House on June 27. Bill C-212 was based on the notice of motion in the budget speech of June 3.

[*Translation*]

I should like to table, pursuant to the same standing order, copies in French and in English of a notice of motion of ways and means to amend the Income Tax Act.

[*English*]

This notice of motion is the same as the one given on June 3 in connection with the budget speech and which was followed by first reading of Bill C-211.

Finally, I would like to ask the consent of the House to permit the material that I am now tabling to be printed as an appendix to *Votes and Proceedings* and to *Hansard.*

Mr. Speaker: Is it agreed?

Some hon. Members: Agreed.

[*Editor's Note: For text of motions see appendix.*]

DESIGNATION OF ORDER OF THE DAY TO DEBATE WAYS AND MEANS MOTIONS

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, pursuant to Standing Order 60(2) I should like to ask that an order of the day be designated for the consideration of the ways and means motions tabled this day.

Mr. Baldwin: Why not for next session too in case you don't get around to it?

COMPANY OF YOUNG CANADIANS

ORDER OF REFERENCE TO COMMITTEE—REQUEST FOR CONSENT TO INTRODUCE MOTION

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, the House will recall the statement made by my colleague the Secretary of State in respect of the Company of Young Canadians. In view of the fact it has not been possible to give notice, I would like to ask for the unanimous consent of the House to introduce a motion for the purpose of establishing an order of reference for the Standing Committee on Broadcasting, Films and Assistance to the Arts. The motion would be in the following terms:

> That the Standing Committee on Broadcasting, Films and Assistance to the Arts be empowered to consider and make a final report to the House, not later than December 5th, 1969, upon the legislative framework, organization, and operations of the Company of Young Canadians, and that, for the purpose of its inquiry, the committee be empowered to retain the services of counsel and to adjourn from place to place within Canada, and that the clerks, counsel, and the necessary supporting staff be authorized to accompany the committee.

As I indicated, unanimous consent would be necessary under the rules to introduce the motion at this time. I believe the context of the committee motion has been discussed in the various corners of the house.

Mr. Speaker: Does the minister have leave to introduce the motion at this time?

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, we do not desire to withhold consent, but I should like to say something when the motion is before the house. I think it would also be helpful if the minister had copies. I have seen a copy in the hands of a member for about two minutes, having looked over his shoulder, but I should like to have a copy of the motion if the minister has an extra one available.

Mr. Macdonald (Rosedale): Do I have unanimous consent?

Mr. Speaker: If there is agreement the motion will be put to the house and, of course, it will be open to hon. members to debate the motion. Is it agreed?

Some hon. Members: Agreed.

Company of Young Canadians

MOTION OF REFERENCE TO STANDING COMMITTEE

Hon. Donald S. Macdonald (President of the Privy Council) moved:

That the Standing Committee on Broadcasting, Films and Assistance to the Arts be empowered to consider and make a final report to the House, not later than December 5th, 1969, upon the legislative framework, organization, and operations of the Company of Young Canadians, and that, for the purpose of its inquiry, the committee be empowered to retain the services of counsel and to adjourn from place to place within Canada, and that the clerk, counsel, and the necessary supporting staff be authorized to accompany the committee.

● (11:10 a.m.)

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, normally we would have no objection and, as a matter of fact, would welcome terms of reference to a committee of the House to look into the legislative framework, the organization and operations of the Company of Young Canadians. For some time we have felt there is a need for an evaluation of the work of this organization and an examination of the Act, which is lacking in clarification on a number of points, as well as the need for a restructuring of the organization itself. Consequently we cannot object to the motion on those grounds.

However, I do wish to express my misgivings because the motion naturally is closely associated in the public mind with the statement made by the Secretary of State (Mr. Pelletier) last Wednesday when he spoke of the fact that unsubstantiated charges of subversion had been made against the Company of Young Canadians. The public naturally will assume that the main task this committee will have before it will be to deal with the charges that have been made. The fact that in the motion before the House the committee is to be empowered to retain the services of counsel only strengthens my misgivings in that regard. If the committee is to look into the structure and legal framework of this organization and evaluate its work, then of course we will be very pleased to support it. But I do think we should express our fears that in the light of the statement of the Secretary of State and in the light of the fact that the committee is to be empowered to retain counsel there is every probability that the inquiry could escalate into a witch hunt.

If Mr. Saulnier, one of the persons who made these charges of subversion, is called and names names, those names will appear in the public press, and the person so named will have the right to appear before the committee. If Mr. Anthony Malcolm, the vice-president of the Quebec section of the Liberal Federation of Canada, is called to substantiate his charges that there are some 27 persons guilty of subversion, 18 of whom were or are members of the Company of Young Canadians, and certainly if he makes these charges before the committee, then the persons so named will be entitled to appear before the committee, and the House of Commons could find itself conducting a kangaroo court.

I am sure every member of the House is concerned about the question of subversion. There are two ways to deal with subversion. One is that if there is sufficient evidence that a person has been guilty of an illegal act he should be charged in the courts. If the person has not been guilty of an illegal act but has conducted himself in a manner unbecoming to an organization supported by public funds, he should be disciplined. If there is no provision under the Act for the executive director to discipline him, the government should ask the House to amend the Act to give the executive director adequate power. But I think a word of caution is necessary. We must remind ourselves that the House of Commons is neither a court of law nor an administrative tribunal. So far as our members on that committee are concerned they will do everything possible to try to see that a House of Commons committee is not used to do things which could more properly be done elsewhere.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): First of all, Mr. Speaker, I would like to point out to the President of the Privy Council (Mr. Macdonald) that the motion just introduced is in English only, not in French. Since it is generally agreed that all federal services should be bilingual, I think that the President of the Privy Council should have had his motion translated so we could read it in French.

As for the motion itself, I believe that most Canadians will be glad to see how promptly the government is prepared to appoint the committee due to report by December 5th on the activities and operations of the Company of Young Canadians.

Everyone knows about the charges that have been made, especially by Mr. Saulnier of Montreal and I think it is time the nation and, above all, that the Canadian Parliament be made aware of those dealings if they are indeed objectionable. We should be told of the charges laid down so that we may see if

there are grounds for them in order not to finance subversion with the Canadian taxpayers' money.

It is high time for the Parliament to take a firm stand and I was pleased by the recent statement of the Secretary of State of Canada (Mr. Pelletier) and by that of the Right Hon. Prime Minister (Mr. Trudeau), to the effect that subversion and terrorism must be ended, especially in the province of Quebec; the Ralliement Créditiste supports unconditionally the setting up in the earliest future of that committee which will report to us by December 5 next.

[*English*]

Mr. A. D. Hales (Wellington): Mr. Speaker, just before you put the motion there are one or two observations I should like to make. May I say first of all that I certainly support the reference of this matter to the committee, but I am afraid that it may entail great expense and another call on the taxpayers' money. I think that at the early stage of this investigation it is unnecessary to hire counsel. Counsel from the Department of Justice should be sufficient, at least to start with.

I also believe that the committee should not be given the authority to adjourn from place to place. I think it would be much more in line with the drive toward economy of the present government to subpoena the witnesses who are to be heard and have them come to Ottawa. Then all the meetings would be held here and Members of Parliament could attend those meetings as well as attend the House.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have listened with great interest to what has been said regarding the establishment of this committee, and I make special reference to the observations of the hon. member for Wellington (Mr. Hales). Certainly the members of this party are always concerned about the amount of money that is to be charged to the taxpayers. On the other hand, I believe that at this stage the right to appoint counsel should be included. Whether or not counsel will be used will be largely determined, I believe, by the course the proceedings will take. I should like to say as an illustration that we will have an opportunity later this session to debate the report made last session by the Special Committee on Statutory Instruments, and that without the valuable assistance which counsel was able to provide to that committee it would have been impossible not only to put the report together as well and effectively as it was done but to buttress it with the precedents, citations and supporting evidence upon which it is founded.

• (11:20 a.m.)

I have never discovered any inability on the part of members of the house to put questions, and when the committee meets there is no doubt that the members of the committee will launch a searching inquiry. If matters come to light which may reflect on individuals, then I think the committee should be able to use the power which will hopefully be given to its members and engage counsel as and when it becomes necessary. I make that point, Mr. Speaker, to indicate the position that we take.

Motion agreed to.

HOUSE OF COMMONS

PRESENCE IN SPEAKER'S GALLERY OF BRIGADIER GENERAL ALBERT GUERISSE

Hon. J. A. MacLean (Malpeque): Mr. Speaker, before oral questions are called perhaps I might have the indulgence of the House to point out the presence in Your Honour's gallery of Brigadier General Albert Guerisse, Surgeon General of the armed forces of Belgium.

General Guerisse is well known to Canadians under his wartime code name of Pat O'Leary, when he was among the most outstanding leaders of the underground resistance movement in occupied Europe. As a prisoner in the infamous Dachau concentration camp his activities in the latter stages of the war resulted in saving the lives of many thousands of the prisoners in that camp.

Some hon. Members: Hear, hear.

ORAL QUESTION PERIOD

LABOUR RELATIONS

LONGSHOREMEN'S STRIKE—EFFECT ON WEST COAST PORTS—INQUIRY AS TO ACTION

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would like to ask the Prime Minister what action, if any, his government intends to take in connection with the strike that has paralysed all five seaports on the west coast?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I will have to defer to the Minister of Labour. He is working on a solution

to the strike now, and I have nothing to report.

Mr. Stanfield: A supplementary question, Mr. Speaker. In view of the crippling effect the strike is having on the economy of British Columbia, involving the lay-off of over 2,000 people in the logging and mining industries, has the government considered any timetable with regard to the various alternatives before it? For example, has the government given consideration to legislation? If so, can the Prime Minister indicate to us what, if any, deadline the government has with regard to possible alternative actions, including actions at present being taken or resorted to by the Minister of Labour?

Mr. Trudeau: Mr. Speaker, we are not anxious to introduce legislation to take away the right to strike from any labour movement when it has been given that right by Parliament. Therefore I have no comment to make.

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I wish to direct a supplementary question to the Prime Minister. In view of the tie-up of 25 ships and the fact that the only problems remaining are non-wage, is it possible for the Prime Minister or whoever is reporting today on behalf of the Minister of Labour to state whether or not top officials from the office of the Minister of Labour have been sent to the west coast to try to bring the parties together in order to resolve this situation which, as I have said, does not involve wages?

Mr. Trudeau: Mr. Speaker, we know this, the Minister of Labour knows it, and the House knows that he has been actively involved in finding a solution to this strike. He has found a way of moving wheat. He has not decided it is opportune for the House of Commons or the government at this stage to embark upon strike or lockout-breaking operations. This has been the position of the government and it remains the position of the government.

THE CANADIAN ECONOMY

STEEL PRICE INCREASES—INQUIRY AS TO INVESTIGATION

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I wish to direct a question to the right hon. Prime Minister. In view of the fact that I am informed the Steel Company of Canada has just announced an increase of 6 per cent to 7 per cent in the price of steel, does the Prime Minister intend to have an investigation made of this increase either through the Prices and Incomes Commission or in some other way, particularly having regard to the fact that steel prices are usually the bellwether of the whole cost of living index?

Right Hon. P. E. Trudeau (Prime Minister): The House knows, Mr. Speaker, that the government has no constitutional jurisdiction to fix wages. The problem of inflation is being acted upon by the government in many ways. The question of investigating price and wage increases has been referred to the Prices and Incomes Commission and it is part of their mandate to investigate such things as the hon. member mentions.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I think the Prime Minister made a Freudian slip when he said that the government had no authority to investigate wages. I am asking about prices and the relationship of those prices to increased productivity. Could I ask the Prime Minister if he can assure the House and the country that the Prices and Incomes Commission will be instructed to make an immediate investigation to see whether or not the price increase announced by the Steel Company of Canada is justifiable, and whether a report will be made to Parliament at an early date?

Mr. Trudeau: Mr. Speaker, we set up the commission under its own authority so that it would not be answerable to the government for each of its actions. It has initiatives of its own and it has indicated that it will investigate the causes of inflation and, if necessary, will link a particular increase to both the wage and price structure. In this particular case the government does not intend to give specific instructions to the commission.

[*Translation*]

WHEAT

INQUIRY AS TO FURTHER SALES—CONTRACT WITH RUSSIA

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I should like to direct a question to the hon. Minister of Industry, Trade and Commerce.

Has the government entered into any other contract for the sale to other countries of the surplus wheat from the West?

I should also like the minister to tell us, if possible, whether he has persuaded Russia to respect her undertakings of a few years ago concerning contracts signed with Canada?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, this question gives me the opportunity to say that the hon. member for Saskatoon-Humboldt, minister without portfolio, is now responsible to the House for the Canadian Wheat Board.

Mr. Caouette: Mr. Speaker, could the minister responsible answer the question?

[*English*]

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, there have been announcements over recent months about specific sales of grain. There was an exchange in the House Wednesday concerning negotiations with the Soviet Union on the old and new agreements. The remark I made then was that it is not good practice to comment on discussions or negotiations which are, or are about to be, under way, so I have no comment to make about this matter.

[*Translation*]

Mr. Caouette: Mr. Speaker, I wish to put a supplementary question to the Minister without Portfolio.

The minister is probably not in a position to give us any details, because it would undoubtedly not be in the public interest, but can he give us some hope that the matter will be definitely settled?

[*English*]

Mr. Lang: Mr. Speaker, I should like to assure the hon. member of my great and continuing optimism about this and all other subjects that I deal with.

Some hon. Members: Hear, hear.

NORTHERN SASKATCHEWAN AND ALBERTA—ASSISTANCE TO GROWERS

Mr. G. W. Baldwin (Peace River): I have a supplementary question, Mr. Speaker. In view of the very aggravated situation in northern Saskatchewan and northern Alberta because of weather conditions there, has the minister anything to offer to the House by way of some form of relief for those people with regard to last year's crop other than what is contained in the pot of political pablum disguised as a Throne Speech?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, it is at least one of the brighter facets of having a surplus of grain that those farmers who have not been able to harvest this year's crop are not as handicapped in filling quotas, with grain on hand from previous years, as they have sometimes been.

TRADE

SOVIET UNION—NEGOTIATIONS TO EXPAND

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, may I address a question either to the Minister of Industry, Trade and Commerce or to the Minister without Portfolio. Is there under way any study or negotiations that will lead to some expansion of trade with the Soviet Union on a permanent basis so that the kinds of sales which have been made will continue on a regular and rational basis?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, as hon. members know, the commercial agreement with the Soviet Union came to an end before the wheat contract itself came to legal termination last July, I believe. Our position is that we wish to clear the ground and come to the conclusion on the wheat aspects of our relations with the Soviet Union and then enter into negotiation on the renewal of the commercial agreement itself.

Mr. Gleave: A supplementary question, Mr. Speaker. My question to the minister really was whether negotiations are being conducted of a kind that will lead to a real expansion in trade between our two countries?

Mr. Pepin: Mr. Speaker, my answer was quite clear when I said that we want to get the wheat aspect behind us before we become involved in further commercial negotiations with the U.S.S.R.

RATE OF INCREASE OF EXPORTS

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, may I direct a question to the Minister of Industry, Trade and Commerce. As Canada's export trade has been expanding at half the rate experienced by Great Britain, the United States and Japan and at one-third the rate experienced by the ten principal industrial countries of Europe, would the minister take the first opportunity on motions to outline to the House and country what steps he and his department plan to take to bring our rate of increase of exports at least up to the level of our principal industrial competitors?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I will

send copies of my recent speeches to the hon. member, for example, on the inauguration of the Export Development Corporation.

Mr. Hees: Mr. Speaker, I have read the minister's speeches and there is nothing in them to indicate that any steps at all are to be taken to increase our trade in any way whatsoever.

Mr. Speaker: Order, please.

NATIONAL DEFENCE

ACCIDENT ABOARD DESTROYER ESCORT "KOOTENAY"

Hon. J. A. MacLean (Malpeque): Mr. Speaker, in the unavoidable absence of the hon. member for Dartmouth-Halifax East (Mr. Forrestall) may I direct a question to the Minister of National Defence about yesterday's tragic accident aboard the Canadian Forces destroyer escort *Kootenay*. Before I ask my question perhaps I might be permitted to express to the next of kin of those who lost their lives and to the survivors who were injured the sympathy of the House generally and especially the sympathy of the subcommittee which visited this vessel just before it sailed. My question is: Has the minister anything further to report on this unfortunate accident? Specifically, what action has been taken to prevent any possibility of the recurrence of similar accidents on destroyer escorts?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, first may I join with the hon. member in expressing our deep sorrow to the families affected by the accident. This unfortunate accident brings home to all of us the hazards and dangers which servicemen in the performance of their duties must face. This is not always appreciated. An investigation is under way into the accident. So far we do not have all the facts. I am told that it was a boiler room explosion. These accidents are likely to happen if something goes wrong, although we do not know exactly what went wrong. There is no further information on the matter except that the next of kin are preparing to be flown to the scene. We have had one request from next of kin that one victim of the accident be buried at sea. We have had no expression of requirements from other next of kin.

INDUSTRY

COPPER SHORTAGE—ACTION TO ASSIST CANADIAN MANUFACTURERS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Industry, Trade and Commerce. In view of the shortage of copper being experienced by the Canadian fabricating industry, can the minister say when he will take steps which on April 1 of this year he said he would take in this eventuality?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, there is some confusion in this matter which I should like to rectify if I may. In April last I tried to prevent the drain of copper from Canada, as a result of the higher price available for it on the London Metal Exchange.

I asked Canadian producers to take care of their usual Canadian clients at the North American price. I more or less froze the situation at that time, and this action is still very much valid.

The present situation is different. Because a strike is taking place I am now asked by some people to force Canadian companies not affected by the strike to drop their usual foreign clients and to sell copper here in Canada on a temporary basis, presumably, at prices lower than those they are obtaining now in foreign markets at a time when copper is available in Canada at the higher price.

So this is an entirely different situation, and I do not think the reference to my April 1 statement in the present circumstances is justified.

Mr. Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Whether or not the minister likes the reference to his April 1 statement, will he, in view of the serious situation and the unemployment being created by this condition, look into it further and make a statement to the House next week?

Mr. Pepin: Mr. Speaker, this is a most difficult situation. I sympathize with the employees of Canadian copper user companies as well as the Companies. The Companies have to pay the higher prices. At the same time I must try, I think, to preserve the reputation of Canada as a dependable exporter. I am weighing the advantages and disadvantages of both sides of the dilemma, but in the present situation I think we had better not mess around with present patterns of distribution of copper. I am not saying, however,

that there will not come a time, if the strike does not end, when the Canadian government will not have to intervene in the way that is being suggested at present by some. Let us hope the strike will end soon.

Mr. Desmond Code (Leeds): Mr. Speaker, may I direct a question to the Minister of Transport. Is he giving consideration to amending the copper export regulations so that Canadian scrap copper will be retained in Canada to help to relieve the shortage of copper which is causing the lay-off of thousands of Canadian workmen?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I know I have a very wide range of responsibilities but I do not think copper is one of them.

[*Translation*]

LABOUR RELATIONS

SUDBURY, ONT.—REQUEST FOR INTERVENTION IN NICKEL STRIKE

Mr. Gaétan J. Serre (Nickel Belt): Mr. Speaker, I should like to put a question to the Minister of Trade and Commerce.

Does the Minister intend to make representations to the competent authorities in order to settle that strike which has been going on in Sudbury for more than three months?

Hon. Jean-Luc Pepin (Minister of Trade and Commerce): Mr. Speaker, I think that the answer given by the Prime Minister a few minutes ago about the strikes on the Western Coast also applies in this case.

EXTERNAL AFFAIRS

COMMUNIST CHINA—OPPORTUNITY TO DEBATE RECOGNITION

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I would like to ask the hon. Secretary of State for External Affairs whether the House will have the opportunity to have a debate on the recognition of Communist China in the first part of this session.

[*English*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I would certainly have no objection if the opposition would like to raise this matter on one of their allotted days.

Mr. G. W. Baldwin (Peace River): A supplementary question, Mr. Speaker. Since this matter could be very important, does the minister not think that the government might be persuaded to add one of its own days to the debate so that we can have two days to discuss the matter?

Mr. Sharp: Of course, Mr. Speaker, the matter could also be debated during the present debate.

LABOUR CONDITIONS

CHURCHILL, MAN.—OUTLINE OF DEPARTMENTAL EMPLOYMENT REQUIREMENTS

Mr. Robert Simpson (Churchill): Mr. Speaker, I have a question for the Minister of Public Works. However, since the same question would also be of interest to the Minister of Indian Affairs and Northern Development, perhaps I might direct it to both ministers. Would they consider making available to the residents of Churchill, Manitoba, as quickly as possible a comprehensive outline of their departmental employment requirements at Churchill for the next year or two? I ask this because the United States has seriously curtailed its research projects at Churchill.

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, I am fully aware of the implications of the conditions that have arisen at Churchill. As the hon. member knows, we foresaw some of them. We have had discussions with the former government of Manitoba as well as with the present government. The acting premier of Manitoba is coming here next week and we will go into the situation further at that time. I am happy to tell the House that both the previous and the present governments of Manitoba have accepted a share of responsibility with respect to Churchill, which is very encouraging indeed. We will work something out, and I hope that subsequently we shall be able to make a statement that will clarify the situation about which my hon. friend is concerned.

HIGHWAY SAFETY

INQUIRY AS TO SETTING UP OF BOARD

Mr. Barry Mather (Surrey): Mr. Speaker, may I direct a question to the Minister of Transport. Bearing in mind the latest figures for traffic accidents in Canada which, according to the latest release, show that 5,000 Canadians are killed every 12 months and 150,000 injured, what consideration is being given by the minister to implementing the decision of his predecessor to set up a public board to concern itself with all matters affecting traffic safety?

Inquiries of the Ministry

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, the government is of course, as much concerned as my hon. friend about the carnage on the highways. There will be a bill introduced very shortly having to do with auto safety. I had one federal-provincial conference with the ministers concerned in the ten provinces and will be having another in a few weeks. If it appears that a board of some kind on a permanent basis offers the best solution to this problem, we will be happy to consider its implementation.

POLLUTION

HARMAC PULP MILL—INQUIRY AS TO ACTION

Mr. Douglas A. Hogarth (New Westminster): Mr. Speaker, my question is directed to the Minister of Fisheries. What action has the minister taken with regard to the massive pollution of the waters adjacent to the Harmac Pulp Mill in British Columbia by the spillage of chemicals which took place last Tuesday night?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, we have our fisheries protection officers on the spot. We are assessing what damage is being done to the fisheries. We are in close touch with the company involved.

Mr. Hogarth: A supplementary, Mr. Speaker. Will the minister please inform the house whether this mill is still operating while these investigations are taking place?

Mr. Davis: The mill is still operating, but the spill in question has been brought to an end.

JET AIRCRAFT—INQUIRY AS TO INTRODUCTION OF LEGISLATION

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Minister of Transport. Is the minister prepared to introduce legislation during this session to outlaw the unnecessary and dangerously increasing form of air pollution caused by jet aircraft? I ask this question because the Ontario Minister of Energy and Resources has asked the federal government to take action to outlaw pollution caused by jet aircraft, particularly at the Toronto international airport, and also because seven United States airlines are now proving they have the technical capacity to remove such air pollution—

Mr. Speaker: Order, please. The hon. member should not support his question by a speech.

[Mr. Mather.]

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, the hon. member laid so much groundwork I am not sure I got the point. In any event, I want to say we are having discussions with the airlines. Whether we have the federal competence to deal with this matter I do not know, but we are certainly prepared to take steps to whatever extent we can to alleviate this admitted problem.

UNITED NATIONS

SUGGESTED ESTABLISHMENT OF INFORMATION CENTRE

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I wish to direct a question to the Secretary of State for External Affairs. In view of today being United Nation's day and also in view of the fact Canada is the only one of more than 50 senior members of the United Nations which does not have a United Nations information centre, will the minister inform the house whether the establishment of such a centre might be in his plans, particularly in view of the increased emphasis on international development on a multilaterial basis by the United Nations?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, it is a suggestion I will be very happy to take into consideration. As the hon. member knows, it is one of the principal aims of the present government to renew the United Nations and the confidence of the world in it, but it is not simply a matter of establishing an information centre. I believe some fundamental reforms have to made in the United Nations itself before there will be the necessary degree of confidence.

SHIPBUILDING

EXTENSION TO OTHER VESSELS OF STEEL SHIP CONSTRUCTION SUBSIDY

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, my question is directed to the Minister of Industry, Trade and Commerce. It is with respect to the reply he gave me on Wednesday at page 11725 of *Hansard* concerning the progress of the Robertson inquiry. I believe the minister was a little too enthusiastic and optimistic in the excitement of the commencement of parliament. Would he like to rephrase his answer now? Will he make a determination to do something about shipbuilding?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): I apologize. I was indeed too optimistic. May I explain that a

committee was formed. We are paying for the chairman of the committee. We are providing staff support to the committee, the members of which are the leaders of the shipbuilding industry.

Good will and good intentions do not bring about an instant solution. The committee soon realized the extreme complexity of the situation. They are now asking me to provide consultant services, $100,000 worth. I have agreed to that because of the importance of the matter. This is now before Treasury Board. They have also asked that the vice-chairman be paid. I am not as sympathetic here as I was on the matter of consultant services.

[*Translation*]

VIOLENT DEMONSTRATIONS

MONTREAL—ADEQUACY OF FEDERAL PREVENTIVE MEASURES

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I have a question for the right hon. Prime Minister in connection with a statement made yesterday by the president of the Montreal Executive Council to the effect that the protective measures offered by the federal authorities in the Montreal region are insufficient at the present time. Could the right hon. Prime Minister say if it is true that the protection offered by the federal government is inadequate in Montreal in emergencies such as those that happened recently, and what corrective measures the government intends to take?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I would need to see the exact content of the statement made by the Executive Council Chairman of Montreal. As far as we are concerned, Mr. Speaker, we find, on the contrary, that the support given by the Federal Government in such circumstances is very much to the point, and during the events that occurred in recent weeks, when the Royal Mounted Police and even some Canadian Army units have entered into action to support the civilian authorities as soon as the request had been made, prove that point.

Mr. Valade: Mr. Speaker, I should like to ask a supplementary question addressed to the Minister of National Defence.

Did the Executive Council of Montreal inform the minister or request his assistance when the troubles developed in Montreal?

Hon. Léo Cadieux (Minister of National Defence): A request was made for assistance, Mr. Speaker, but it did not come from the Executive Council Chairman, but from the Attorney General of the Province as is required by law.

[*English*]

LABOUR CONDITIONS

CPR SHOPS, MONTREAL—LAY-OFFS OF SKILLED EMPLOYEES

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I wish to direct a question to the Minister of Transport. Has his attention been brought to the large scale lay-offs of skilled employees in the CPR shops in Montreal? If so, will the minister indicate whether something can be done to alleviate the difficulties?

Hon. Donald C. Jamieson (Minister of Transport): The answer to the first part is no, Mr. Speaker, but I will be glad to follow up on the request.

FISHERIES

SEALS—AGREEMENT WITH OTHER COUNTRIES RESPECTING KILLING

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, may I ask a question of the Minister of Fisheries. In view of the recent announcement by the minister which brought to a halt for the coming season the killing of harp seals within Canadian territorial waters, I ask the minister whether, so the purpose will not be negated, any action has been taken or any decision reached with other countries with respect to an agreement regarding offshore Canadian waters so that his policy will not be killed by other countries?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, our recent announcement to ban the killing of very young baby white coat seals did not ban the killing of older seals in the Gulf of St. Lawrence. In respect to international relations, we have had several meetings with the other country principally involved, Norway, and we are still endeavouring to establish a quota in international waters in the north Atlantic. In the meantime, pending the establishment of such a quota the hunt will continue as it has always done in those international waters.

Mr. Lloyd R. Crouse (South Shore): In view of the impact this measure will have on the inshore fishermen on the south coast of Newfoundland as well as fishermen of the Magdalen Islands, Prince Edward Island and the Gaspé Peninsula, has the minister reached a decision on what action will be taken to ease

the economic hardship his new measure will impose upon these inshore fishermen?

Mr. Davis: Mr. Speaker, I do not believe there will be economic hardship in that the total number of seals will be the same and the value of the pelts of the older seals may be as much as twice as great as that of the price of the pelts of the white coats which have been killed traditionally in these areas.

[*Translation*]

AGRICULTURE

MILK—ALLEGED FAILURE TO PAY SUBSIDY TO CERTAIN PRODUCERS

Mr. Henry Latulippe (Compton): Mr. Speaker, I should like to direct a question to the hon. Minister of Agriculture.

Many farmers from the province of Quebec complain that they did not receive any subsidy for the production of milk since last June. Could the minister tell the house why such payments were withheld from farmers?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, there has been no refusal to make these payments to the farmers who are entitled to receive them. If the hon. member will provide me with the name and, preferably, the account number of any producer who was entitled to but did not receive his subsidy, I will look into it.

FINANCE, TRADE AND ECONOMIC AFFAIRS

INTEREST RATES—REPRESENTATIONS TO COMMITTEE BY LABOUR

Mr. Walter Deakon (High Park): Mr. Speaker, I should like to direct a question to the hon. member for Gatineau in his capacity as chairman of the Standing Committee on Finance, Trade and Economic Affairs. Will the hon. member advise the House whether the committee, in its deliberations and investigation into interest rates, will obtain the testimony of representatives of labour groups?

Mr. Speaker: Order. I would not think that the question as asked is in order. Questions dealing with the actual discussion and debate in a committee cannot be asked in this way at this time.

[Mr. Crouse.]

EXTERNAL AFFAIRS

VIET NAM—PLANNED WITHDRAWAL FROM INTERNATIONAL CONTROL COMMISSION

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker I have a question for the Secretary of State for External Affairs. Have any countries objected to Canada's plan to withdraw from the International Control Commission in Viet Nam, and is the government's decision in this regard based upon the belief that our participation in the commission does not do anything toward advancing peace in that country?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Perhaps, Mr. Speaker, I ought to begin by making it clear that we are not withdrawing from the International Control Commission. We are, however, considering withdrawing personnel from two of the missions, in Vientiane and Phnom Penh, but they will be serviced from the commission in Viet Nam. There may indeed be some personnel left in those posts, but not from External Affairs.

Mr. R. N. Thompson (Red Deer): A supplementary question, Mr. Speaker. May I ask the minister whether or not this withdrawal is being carried out in agreement with similar policies of other members of the I.C.C.?

Mr. Sharp: Mr. Speaker, the withdrawal of personnel from these two posts is being made through consultation, but I hardly expect that there would be full agreement.

SHIPBUILDING

SUGGESTED AWARDING OF CONTRACT TO SECOND LOWEST TENDERER

Mr. P. V. Noble (Grey-Simcoe): I should like to address this question to the Prime Minister, Mr. Speaker. In view of the fact that all shipbuilding yards in Canada are facing difficulty because they do not have work, and since the government is going to award a contract for the building of two ferries, would the Prime Minister consider giving the second lowest tenderer the job of building one of these ferries in order to help out over a very difficult period?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I believe that the Minister of Industry, Trade and Commerce did indicate that this whole subject was under review and that he was assisting the interested parties in conducting this review in the best possible way for Canadians. I cannot add anything to that at this time.

HOUSING

PROVISION OF MORE MONEY BY FINANCIAL INSTITUTIONS

Mr. John Gilbert (Broadview): Mr. Speaker, my question is directed to the minister in charge of housing. What steps has the minister taken, either persuasive or legislative, in regard to financial institutions contributing more money to the housing field to relieve the housing crisis?

Mr. Speaker: I suggest to the hon. member that the way the question is phrased is an invitation to the minister to give a statement which normally should be made on motions. Perhaps the question should be rephrased.

Mr. Gilbert: Then I will rephrase my question and ask the minister whether he has made any representations to the financial institutions to contribute more money to the housing field to meet the housing crisis?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, we are in almost weekly communication with representatives of the lending institutions. I might say that they have performed fairly well this year and that we will be reaching housing starts somewhat in excess of 200,000. We are in constant discussion with the lending institutions as to their plans for next year.

Mr. Gilbert: A supplementary question, Mr. Speaker. What steps has the minister taken to reduce high interest rates, and is he considering interest subsidies and rent supplements to meet the present situation?

Mr. A. D. Hales (Wellington): A supplementary question, Mr. Speaker. Would the minister agree to make a statement on motions concerning urban renewal?

Mr. Andras: Mr. Speaker, I will give that consideration.

HEALTH AND WELFARE

STEPS TO PREVENT IMPORT OF U.S. DIETETIC FOODS CONTAINING CYCLAMATE

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to address this question to the Minister of Industry, Trade and Commerce. I ask this question in view of the statement of the Minister of National Health and Welfare on the phasing out of the use of cyclamate in diet foods in Canada. What steps is the minister now taking to ensure that United States produced dietetic food products containing cyclamate, which are to be banned in the United States by February, will not be allowed to flood our market prior to the Canadian dead line?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I confess that I was not involved myself in this matter. I will ascertain whether I should have been. I will find out whose ministerial responsibility it is—I presume it comes mainly under Health and Welfare—ascertain what is being done and report to the House.

GRAIN

INQUIRY AS TO APPOINTMENT OF TRANSPORT CONTROLLER

Mr. John Burton (Regina East): Mr. Speaker, I have a question for the Minister without Portfolio, the hon. member for Saskatoon-Humboldt. In view of the renewed difficulty being experienced at many prairie points in obtaining boxcars for grain shipments, and in view of the fact that the new block system of grain movement is still only in the early stages of introduction, is consideration being given to the appointment of a transport controller to deal with some of the current difficulties?

Hon. Otto E. Lang (Minister without Portfolio): No, Mr. Speaker. The block system is proving to work very efficiently indeed. It is now hoped that the blocks will be completely in effect throughout Alberta and Saskatchewan by the end of December and in the rest of the region before the opening of the navigation season. In view of this circumstance I think good progress is in fact being made in this area of transportation.

Mr. Burton: A supplementary question. Although the block system does have some merit, it still will not deal with some of the difficulties that are being experienced. Could the minister enlighten the House as to other measures that are being considered in order to deal with the problem of grain movement?

Mr. Lang: Mr. Speaker, it seems that I may have—

Mr. Speaker: Order. I suggest to the hon. member that he is asking for a general statement that ought to be made on motions.

Mr. Burton: A further supplementary, Mr. Speaker.

Mr. Speaker: The hon. member for Halifax-East Hants.

Inquiries of the Ministry

POWER

MINAS BASIN—COMPLETION OF STUDY

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, may I inquire of the Minister of Energy, Mines and Resources when he expects the Minas Basin power feasibility study to be completed and possibly made available to the public?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I have no immediate information in that regard, but I will take the question as notice and inform the hon. member as soon as possible.

INDIAN AFFAIRS

INUVIK—PROVISION OF ELECTRIC, SEWER AND WATER SERVICES

Hon. George Hees (Prince Edward-Hastings): I should like to address my question to the Minister of Indian Affairs and Northern Development. Why have the Indian and Eskimo people living in the northern part of Inuvik, a townsite which was constructed to serve these people, been denied electric, sewer and water services while the federal civil servants living in the other half of the town have long enjoyed these services?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, what the hon. member just said is not accurate. Many Indians and Eskimos may avail themselves of services in Inuvik. Unforunately, some of these people are not receiving them, because there is a population explosion in the Northwest Territories, due to the good management and the development of that region.

[*English*]

Mr. Hees: A supplementary question. Since the minister has tried to indicate that very few have been denied, why has the loan of $2 million which has been applied for by the town not been granted by the federal government? This is the $2 million that is required to provide these sewer, water and electric services.

[*Translation*]

Mr. Chrétien: Mr. Speaker, I am not aware of this. I shall inquire and be pleased to reply to the hon. member next week.

[*English*]

Mr. David Orlikow (Winnipeg North): A supplementary question, Mr. Speaker. Would the minister tell the House whether there are any white people living in Inuvik who do not have the opportunity to use the light, water and sewer services?

[*Translation*]

Mr. Chrétien: I do not know, Mr. Speaker.

[*English*]

EXTERNAL AFFAIRS

ESTABLISHMENT OF FISHING BASE AT ST. PIERRE—INQUIRY AS TO CONSULTATIONS

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct my question to the Secretary of State for External Affairs. Have any consultations been held between officials of France and Canada over the announced intention of France to set up a large Common Market fishing base at St. Pierre, in view of the impact that such a move would have on the Atlantic Economy?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, if such discussions have taken place I am unaware of them, but I will make inquiries.

Mr. Crouse: A supplementary question. I would appreciate a report as soon as possible. Since these ships would be operating from a French base—

Mr. Speaker: Order, please.

INDUSTRY

INQUIRY AS TO ABANDONING OF INCENTIVE PROGRAMS

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce. In view of the statement made two days ago that the interdepartmental review of industrial incentives is now complete, can the minister say whether existing programs promoting industrial research and development will be abandoned and, if so, which ones?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Not to my knowledge, Mr. Speaker; we are just improving upon them. This review is now the object of a recommendation to Treasury Board, and in due course I will make the necessary announcement.

NAVIGATION

MACKENZIE RIVER—REQUEST FOR STATEMENT

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, will the Minister of Public

Works consider making a statement in the House concerning the state of navigation on the Mackenzie River, the difficulties experienced by the Northern Transportation Company in moving the ever-increasing volume of freight, and the fact that moneys are being denied for the necessary dredging to clear the river?

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, as the hon. member probably knows, we have been pre-occupied with this problem recently. I would not mind making a statement on it. We intend to do major dredging of the river. We have a difficult situation there because of the filling of the dam on the Peace River. In addition, we have had the misfortune of a year when precipitation has been low. The result is that the water in the Mackenzie River is—

Mr. Speaker: Order, please. I suggest that this statement should be made on motions.

NATIONAL DEFENCE

PATROLLING OF ARCTIC WATERS

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, I should like to ask the Minister of National Defence whether the Canadian government is having regular patrols made of Canadian Arctic waters and, if not, why not?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, that is a very difficult question. We do not make a regular patrol, but to demonstrate why not would involve making a long speech.

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The House resumed, from Thursday, October 23, consideration of the motion of Mr. Jack Cullen for an address to His Excellency the Governor General in reply to his speech at the opening of the session.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I think I can speak on behalf of all members of the opposition when I say it is pleasant to be back on Parliament hill and once again become somebody, having been dismissed as nobody when we were last here.

Some hon. Members: Hear, hear.

Mr. Trudeau: You may not manage.

Mr. Stanfield: I should like to congratulate the hon. member for Sarnia (Mr. Cullen) upon his address to the House yesterday.

Some hon. Members: Hear, hear.

Mr. Stanfield: If I may presume to say so, he spoke well and effectively, so effectively indeed that when he was speaking about things the government ought to consider very seriously he seemed to drive the Minister of Finance (Mr. Benson) from the House. Perhaps that was purely coincidental.

[*Translation*]

I wish to congratulate the hon. member for Lapointe (Mr. Marceau) most sincerely on the way he has put forward his point of view.

Some of his ideas on the course that this administration should follow deserve serious consideration. Although far from supporting all he has said, I still realize, as he does, that he represents, for his party and for his constituency, an asset of which they can justly be proud.

[*English*]

I should like to congratulate the two new Ministers without Portfolio, both from Ontario, who have been appointed by the government and also the two new parliamentary secretaries. I wish them every success. I think it is sufficient to say that in all cases the promotions were well-deserved. However, I must point out again that there are as yet no parliamentary secretaries from New Brunswick, Manitoba, Saskatchewan or Alberta.

The country expected, or was led to expect a more extensive shuffle in the cabinet than actually took place—at least judging from newspaper stories which appeared to be rather inspired at the time. They predicted something more drastic. The Prime Minister (Mr. Trudeau) apparently could not bring himself to do this. May I just say to those who lost out this time, speaking from long experience both in the opposition and government, everybody cannot win all the time.

I must also extend a rather rueful congratulation to the government for having discovered the National Parole Board. The Parole Board has for some ten years or more escaped being touched by political patronage. Suddenly somebody, apparently of the East Block entourage, decided that the Parole Board would be just the place to put a couple of retired Liberal warhorses at $23,000 per annum each.

Some hon. Members: Hear, hear.

An hon. Member: The only defeated candidates left; poor Mr. Tucker.

Mr. Stanfield: Mr. Speaker, in criticizing the Speech from the Throne, I do not want to exaggerate. I want to be fair and I want to admit that there was one thing new. In each of the preceding 101 years of Canadian nationhood under the leadership of both parties the speech referred to His or Her Majesty's government. The speech we are now discussing refers simply to the government. This is, of course, a much more elegant method of expression and obviously establishes a very special identity for Canada. At least, it spares Her Majesty the embarrassment of association with a Speech from the Throne which reveals so little commitment to helping the ordinary people of this country.

Some hon. Members: Hear, hear.

Mr. Stanfield: The Canadian people as well as the members of this house could be forgiven if, after the first reading of the throne speech, they regard it as some sort of a clever put-off. But what is most alarming to me is that the government itself takes the document seriously as a Speech from the Throne, and that it actually believes this empty speech is an adequate way for Canada to enter the decade of the 1970's.

There is sort of a special literary quality to the Speech from the Throne. It reads as though it were written by a committee at a cocktail party, such a genteel cocktail party that it recognized the need for establishing a national committee on law reform but was content to consider the question of poverty in Canada at some future date.

The government, sir, is running this country as though it were a private club with a very exclusive membership. If you are poor you do not count. If you are an Indian you are shipped off to the provinces to be looked after. If you are unilingual you run an elevator. If you want to stop the slaughter in Biafra or maintain an effective role in NATO you are not sophisticated enough for the tight little Canada this government foresees.

Some hon. Members: Hear, hear.

• (12:10 p.m.)

Mr. Stanfield: From the first days of this administration, I have been alarmed most by the apparent determination of the influential members of the cabinet to try to fit the people and the problems of Canada into a predetermined mould and to ignore or ridicule those uncomfortable realities which do not fit the preconception. Professor Abraham Rotstein put it very succinctly in the October issue of the *Canadian Forum*. I would like to quote him:

> The Prime Minister's anti-nationalism is well known, but not so apparent is the classical liberalism out of which this derives and how that shapes his basic outlook. A man of many sides claiming a pragmatic approach to politics, he is the most deeply ideological of Canadian prime ministers. This surfaces rarely, but when it does in an unguarded moment of candour, the statement may be a revelation (even after the P.R. types have rushed in to set the statement 'in context'). The most famous of his personal *cris de cœur* is the query to the western farmers, 'Why should I sell your wheat?' It is the perfect embodiment of the ethos of the market economy —it expresses the P.M.'s personal sense of the rightness of things economic. It is worth reflecting on how "deep-seated a commitment it would require to wash out even momentarily, seventy-fire years of the history of the Canadian West—the wheat pools, the battle around the Winnipeg grain exchange and finally the Canadian Wheat Board itself!
>
> The new policy toward Canadian Indians provides a second case. The attempt to have Canadian Indians 'sink or swim' in five years is reminiscent only of the Poor Law Reform Act of 1834—the pivotal legislation for the creation of a free labour market in England's emergent laissez-faire economy. To be told further, as we have been, that one section of Canadian society cannot form treaties with another section, is to wash out in an instant, another two hundred years of Canadian history. The valuable civil rights legislation of the last session of Parliament, in itself a great achievement, rounds out the picture. The cast of mind is unmistakably that of classical liberalism. Despite the P.M.'s personal motto—*la raison avant la passion*—he himself expresses the triumph of the ideological passion, not only over reason but over history as well. This stance is his personal privilege, but in the circumstances it is also the country's burden."

The former minister of transport, now the member for Trinity (Mr. Hellyer), established in our minds a similar fear when he remarked on the inability of the influential members of the cabinet to understand the real problems of the Canadian people. The throne speech confirms that fear because it is largely irrelevant to those millions of Canadians who, for one reason or another, need the help of Ottawa. It is largely irrelevant to those millions more whose prosperity and progress depend upon the leadership of the federal government in meeting the economic and environmental hazards of a new decade.

We will be hearing from the Prime Minister no doubt this afternoon, and I hope he will take the opportunity to fill in some of these gaps and reassure us by bringing forward programs that were not mentioned in the Speech from the Throne dealing with the very real and genuine problems of our people.

There are so many respects in which needs must be met. As a high priority we must adjust, ought to adjust, the old age security and other pensions to relate them more realistically to the increase in the cost of living. A 2 per cent ceiling on the cost of living adjustment is absurd when inflation has been more than 4 per cent for the past several years. We are talking here about people who are unable to help themselves. Surely, it is wrong for us to expect them to bear the burden of inflation or bear the burden of governmental anti-inflationary policies.

Some hon. Members: Hear, hear.

Mr. Stanfield: Of course action should be taken in respect of the serious situation relating to public service pensioners whom the government seems to shuffle to the bottom of the pile year after year. I was led to believe we would see some action taken in connection with a federal minimum wage. There is no mention of this in the Speech from the Throne. I hope the Prime Minister will be prepared to correct this situation. The government ought to recognize fully the urban fact of Canada. A way must be worked out with the provinces so that the cities can be involved fully in the discussions because clearly their responsibilities become more demanding each year and they become more responsible each year for the living environment of an increasing number of Canadians. We, ourselves, put forward at least a dozen specific recommendations in connection with housing, but the government seems to prefer to stand still. Urban renewal, important to the renovation and the whole environment of our cities, has for the most part been put in a deep freeze and yet the Speech from the Throne seems to contemplate this situation with great confidence.

Surely, the government of Canada should give an example to the Canadian Council of Resource Ministers in working out a strategy in respect of every aspect of our renewable and unrenewable resources and in working out a development plan for the various regions of the country so that the provinces and municipalities can proceed with them. The members of my party suggested something similar to a meeting of the Council of Resource Ministers, a meeting in connection with human resources.

There seemed to be a great deal of complacency in the Speech from the Throne with regard to the educational opportunities and the financial abilities of the proper authorities to support an adequate opportunity for education for young Canadians today. Whatever became of the excellent concept behind the Department of Manpower, which seems to be starving from lack of attention and interest on the part of the cabinet as a whole? What indication is there in the Speech from the Throne with regard to the recognition of the importance of establishing priorities in this country?

There is an urgent need for the setting up of a central agency to co-ordinate and lead the fight against all forms of pollution. The water act by itself is quite inadequate. We ought to have a real attack on the problems of our various industries rather than the sort of gesture contained in the Speech from the Throne toward agriculture. This is not the sort of thing the people involved in these industries expected. For example, it seems to be more and more widely accepted that unless a young man inherits a farm it is now very difficult for him to get into agriculture or farming in a viable way. Is this an acceptable situation to this government? Surely, it is not beyond the ability of this government to propose measures, in co-operation with the provinces, which would enable those interested in agriculture, and those qualified to do so, to get into agriculture in a viable way rather than be faced with the present situation in which it seems to be impossible for them to do so unless they should inherit a viable farm.

There are literally dozens of opportunities for federal interest and action and dozens of areas where action is needed. I hope the Prime Minister will take the opportunity this afternoon to fill some of the very great gaps which exist in the Speech from the Throne, because as it reads it is so cold that it is bound to be a keen disappointment to parliamentarians on all sides of the House.

Some hon. Members: Hear, hear.

Mr. Stanfield: It amounts to a notice that we have been summoned here to process a good deal of legislation but will not be asked at this session to confront many of the most urgent problems facing the people of Canada. But if the throne speech is a disappointment to parliamentarians on all sides of the House, it is an even keener disappointment to those Canadians who voted for the government in the belief that it had some commitment to social justice and that it wanted to change lives as well as change laws.

• (12:20 p.m.)

The government has exhibited the same cold detachment when groups or regions in special need have sought help from it. Pensioners have received neither help nor encouragement; farmers trapped by an emergency have been treated to rather special lectures delivered on a tour, and persons seeking housing have been told that there is no crisis, while the 20 per cent of our population who live below the poverty line have still apparently made no impression upon this comfortable cabinet of Canada.

A correspondent of the Montreal *Star*, Mr. W. A. Wilson, wrote the following on September 27:

> No member of Mr. Trudeau's cabinet could legitimately make a speech today outlining the social philosophy of the government for the simple reason that it has none. As time has gone by, this has become starkly clear and, with all that is good about the present administration, it is a shortcoming that we are likely to find overwhelming long before the next three years are over...

The government has made a great show of consultation. They have heard many people. It would be interesting to find someone to whom they have actually listened.

Some hon. Members: Hear, hear.

Mr. Stanfield: It would be interesting to find someone in the government caucus to whom the government has listened, not to mention the majority of the members of the cabinet.

There are a goodly number of young men on the government benches—I am referring particularly to those elected for the first time during the last session—who came to this house with a sense of commitment, wishing to be involved with the real problems of the people and wishing to get things moving. I wonder how those men feel today. The apologists of the government, and there are not as many as there were, argue that this is all part of a plan, a master strategy which devotes the first three years to planning and restraint and then bursts forth with a bright new image in 1972.

Mr. Baldwin: Like Napoleon retreating from Moscow.

Mr. Stanfield: Instead of a new image we need new action from the government, and this would certainly be something new. According to the apologists, it is all a matter of timing worked out by those omnipotent computers, just like the timing of the white paper on taxation which has been mistimed so often.

If the government is deliberately doing very little now so that it can come on strong in an election year, it is not worthy of office. The mandate of the government is for four years, not to sit tight and discuss things for three.

We needed a throne speech that would provide an agenda for action, and I hope the Prime Minister will give us his agenda for action this afternoon, in case we are misinterpreting the throne speech in some way. I hope he will give us a statement of priorities, a strong expression of the concerns of the federal government. Instead, it seems to be clear that the government intends to lead the house in discussion in the forthcoming year, according to the following statement:

> ...a systematic appraisal of Canadian society and of the basic principles that are to guide it.

How very elevating, but what a sour taste it must leave in the mouths of the poor, the underprivileged, the aged and the unemployed who have been waiting for the just society for 18 months and through two speeches from the throne. How sour a taste it must leave to be reassured now that the government is properly engaged in making sure that their telephones are not tapped. How disillusioning it must be to those, especially the young, who have been waiting for positive leadership and waiting for the government to develop the country physically and to develop our human resources.

There is not a word about over-all national development of our young and growing country. Of course, there is one statement in the Speech from the Throne, at page 10, to the effect that our resources are immense but they are not inexhaustible. The same might be said much more appropriately about the patience of the Canadian people. There is not a word expressing concern for the opportunity of Canadians to achieve an adequate education or attempt to ensure that financial resources are available to them. There is not a word regarding training opportunities for individual development. Instead, the following statement appears in the Speech from the Throne:

> The government regard national progress and individual fulfillment as indivisible components of its mandate.

That statement should certainly blow the minds of the electors at the shopping centres in the next election.

Mr. Hees: To the barricades!

Mr. Stanfield: What a disappointment it must be to those who were inspired 18 months ago by the rhetoric regarding a new international commitment.

I am sorry that the Secretary of State for External Affairs (Mr. Sharp) is not in his seat now because I would like to speak quite frankly about this matter. The statements on international affairs are so weak that they must have been written by the minister himself. I should like to quote the following statement from page 3 of the Speech from the Throne: "we will continue to be an active member of the United Nations".

Some hon. Members: Hooray!

Mr. Stanfield: Who would have thought that the government's review of foreign policy would enable them to progress so far that they could make such a pregnant statement.

There is mention in the Speech from the Throne of the Canadian International Development Research Centre which was also mentioned in the last Speech from the Throne. Last year we could not get any clear idea about this project. All that was clear was that the government did not have a clear idea as to what it meant. I hope the idea is at least a little clearer in the minds of the government and that they will take an early opportunity to tell us about it. This is fine as far as it goes, but who are we trying to kid? What have we done recently of which we can be so proud? Now, we are going to tell other countries how to do it and how to go about it. We would be better received if, first of all, we developed a meaningful international development program of our own. Then, perhaps we could look other countries in the eye when we lecture them.

Mr. Hees: Such as France.

Mr. Stanfield: What recognition is there of the crisis in our cities? I have visited, as have others, areas in this country and parts of our cities that have been designated for urban renewal for years. For example, sections of the city of Toronto have been frozen for years and that city has been trying time after time to get a renewal development project accepted. What must be their reaction to the freeze in which urban renewal has been placed? What must be their reaction if they read the Speech from the Throne and saw that there was no real commitment in this area on the part of the government? What happened when the Prime Minister travelled in northern Ontario and was met by delegations asking to discuss their problems and the possible role of the federal government in solving them? A correspondent of the Toronto *Star* was present.

• (12:30 p.m.)

He wrote on September 30:

> A group of slightly nervous shipbuilding employees approached Prime Minister Pierre Trudeau in a Fort William hotel lobby at the week-end with a brief that said their jobs are being wiped out. Trudeau's—

Pardon the lack of proper respect to the Prime Minister, Mr. Speaker, but I am just quoting this as it reads.

> Trudeau's jocular response as a former labour lawyer was:
> "Oh, I used to write briefs like this."
> The men were not particularly amused.
> Like people in communities across Northern Ontario visited by the Prime Minister at the week-end they were getting the old Trudeau cold shower treatment.
> When people brought him their problems, he turned them aside with grace and charm and usually gave them an engaging lecture on the philosophy of government.
> They found a leader who gave the impression of having tried everything and who had a healthy scepticism about the possibilities of changing anything very much...
> For a man who, according to his words in Geraldton, came to power to solve the generation gap, he offered what sounded suspiciously like a circumscribed old man's vision of the role of government.

I am afraid, Sir, this is what the throne speech reflects to me.

Last year when someone pointed out that there was nothing in the Speech from the Throne, the excuse was given that there were a great many left-overs from the previous year with which we had to deal. This year the government put out two excuses in advance for lack of content in the speech. The first was that there were still last year's left-overs, and in fact some left over from the previous year, and the second excuse was that the government were not in a position to make any new plans until they got the economy under control.

Under control, indeed! Under control after the way they have mismanaged it for years?

In 1965, and again in 1967, the government encouraged inflation. In 1968 they allowed it to get out of control. When he brought down his budget a year ago the Minister of Finance (Mr. Benson) thought inflation was almost under control. Certainly, he assumed

the rate of increase would be far less than it turned out to be.

I notice the Minister of Consumer and Corporate Affairs (Mr. Basford) in his place in the House. It is almost two years since his department was introduced as the loyal watchdog for the Canadian consumers. As the watchdog has aged we have noticed, with some sadness, that it has no teeth and a very short leash.

What is happening today is what I tried to warn the House and the government against in the first speech that I made as a member of this House, and what I have warned against several times since then. They are trying to fight inflation by resorting to the deliberate creation of unemployment. May I again quote the distinguished correspondent of the Montreal *Star*, Mr. Wilson:

> Mr. Trudeau is deeply conscious that inflation hurts people. His greatest present need is to answer, as honestly as possible, two related questions: whose inflation pains he is seeking to ease, those of the strong or the weak? Deliberately caused unemployment is an economic weapon that falls upon the weak. It may be necessary to view the government organization as a plant that periodically requires trimming. It is then necessary to recognize that the secateurs are slicing through human flesh and blood.

Let there be no doubt this winter where the responsibility lies for high unemployment. The government is encouraging unemployment because they allowed inflation to run away for two or three years, because they were unwilling to try for voluntary guidelines in prices and incomes until very late in the day. Indeed, there is no sign today that the members of the government are giving the Prices and Incomes Commission any adequate support. In fact, the government seems to be leaving that commission to sink or swim on its own. Indeed, I have seen no effort on the part of the government to try to mobilize the Canadian people to support in every way possible the efforts of the Prices and Incomes Commission to reach some agreement on restraint, and certainly there is not the slightest indication in the Speech from the Throne, or in the government's policies, that they are prepared in any way to temper the winds of austerity to the shorn lamb.

The poor people of this country are those presently affected by this kind of program. Surely, we have not reached the point in this country where we have to leave them to bear the brunt without coming to their assistance, and at the same time be able to maintain an effectively vigorous fight against inflation?

[Mr. Stanfield.]

Some of the members of the government are now behaving as if they discovered inflation. They say they have discovered the need to fight against inflation. Let me emphasize again, as forcefully as I can how the government ignored inflation for so long. All I ask them to do now is to support the program of the Prices and Incomes Commission, and to bring some succour to those poor people in Canada, those unfortunates affected adversely by the government's programs and who are unable to help themselves. Surely, this is not beyond the capacity of the government or beyond the capacity of the country.

Now, I would like to turn to another aspect of the just society. Last week the Prime Minister launched an attack on separatists in Quebec, upon governments in Quebec, and upon the C.B.C. for, unwittingly at least, aiding the cause of separatism. Mr. Speaker, when the Prime Minister stresses the need for national understanding and the need for rallying the country in the cause of federalism, I am with him. I am sure all members of my party are with him.

Some hon. Members: Hear, hear.

Mr. Stanfield: When he is fighting separatism in any part of Canada we are with him.

Some hon. Members: Hear, hear.

Mr. Stanfield: When he is discouraging violence in any part of Canada we are with him and we will support him.

Some hon. Members: Hear, hear.

Mr. Stanfield: When he emphasizes the probable economic damage to Quebec that is done by violence and an incipient threat of separatism, or at least by a good deal of talk about it, I agree with him. I think it is quite proper for him to bring this as forcefully as he can to the attention of any part of Canada that may be involved in this sort of thing—

Mr. Côté (Longueuil): Where is the "but"?

Mr. Stanfield: I am surprised to find such cynicism on the part of the amiable minister across the way. I am sorry if it embarrasses the government to have me praise the Prime Minister. Our purpose is to be helpful on this question, on the great question of the constitution and the great question of our ability to live satisfactorily together in Canada.

Some members of the government, including the Prime Minister, may feel they do not need our help, and that we have nothing to

contribute. But I do assure him that we are here to help, and he may need our help. I would suggest that he move promptly to establish the all-party parliamentary committee on this subject that we have recommended, on the ground that he would find it a help to him in his work.

Some hon. Members: Hear, hear.

Mr. Stanfield: Mr. Speaker, there were one or two aspects of the Prime Minister's comments last week that disturbed me very greatly. Some would be satisfied to say that the Prime Minister attacked separatism, and we should leave it at that. In effect we should forget about the rest of what he said. Let us chalk it up to over-kill, or something like that, which one columnist defines as the Prime Minister's tendency to make dramatic utterances which are mere melodrama.

But with great respect, and I want to be very earnest about this, the Prime Minister of Canada cannot have the luxury of indulging in verbal over-kill. That would be just too dangerous. So, if the Prime Minister of Canada wants to try to defeat the present government of Quebec and elect a Liberal government in its place, that is up to him. I do not quarrel with that. Likewise, if he intends to try to throw Messrs. Drapeau and Saulnier out of Montreal City Hall, that too is up to him. The national leader of the Liberal party may do what he can to change the government at Quebec City and Montreal City Hall. But it is quite another thing for him to try to suggest that those governments are linked in some way with encouraging lawlessness directed against the federal government.

• (12:40 p.m.)

I quote the Prime Minister:

> It is obvious in any society, that all the members of a given society are inter-dependent, that some of its members cannot, on the one hand, encourage lawlessness at the federal level and, on the other hand, preach respect for law and order on the provincial or municipal levels.

Who are the people who "preach respect for law and order on the provincial or municipal levels"? I presume they are the provincial and municipal authorities.

The Prime Minister's statement clearly suggests that he thinks people in positions of responsibility in Quebec City and Montreal "preach respect for law and order on the provincial or municipal level" and then "encourage lawlessness" at the federal level. What else can it mean? Why is it in the speech at all if it does not mean that?

There is no other explanation for these statements than an attempt, subtly or not so subtly, to tar people at both the provincial and Montreal City level with accusations of encouraging lawlesness directed at the federal government. I think that is going much too far.

May I refer to what the Prime Minister said about Radio Canada? The Prime Minister has evidently decided there may be something to the reports to the effect that separatists on the staff of Radio Canada are using the network to disseminate separatist propaganda.

Now, where was he? Why did he remain silent when his colleague the Secretary of State (Mr. Pelletier)—and the President of the CBC—gave quite different assurances to Parliament and the parliamentary committee? I could read into the record a series of replies given by the Secretary of State dating back at least to October 16, 1968. On each and every occasion the Secretary of State did his very best to assure all of us that such fears were unfounded. When Miss LaMarsh quoted Mr. Ouimet on alleged separatist control of Radio Canada, the Secretary of State said on January 15, 1969:

> I do not think there are grounds for such an accusation, and I believe it would be quite hard to prove it.

It would be interesting to know where the Secretary of State stands today. Has he changed his mind or does he continue to support the position taken by the President of the CBC?

On February 18, 1969, the President of the CBC made the following statement to the Standing Committee on Broadcasting, Films and Assistance to the Arts:

> The corporation is doing everything that it is reasonable and proper for it to do to maintain a proper degree of self-discipline within the corporation on this point. It is this objective that Mr. Picard and I, and the management of the corporation, with the backing and support of our board of directors have set for ourselves so far as the abuse of the facilities of the corporation are concerned by persons employed by the CBC who, regardless of their political affiliations, try to make unfair use of the position in which they find themselves.

Some of us have difficulty in accepting those assurances. The Prime Minister, certainly, was silent despite the assurances of the Secretary of State. At his press conference on October 15 the Prime Minister did

not exactly endorse the statement of Dr. Davidson and Mr. Picard when he said:

> You know, we often complain that the CBC, especially the French network, is full of separatists and I daresay it is probably true judging by the results of it.

On Sunday night he gave a pat on the back to Messrs. Picard and Davidson and said they were doing a tremendous job. But he went on to make what to me was a very alarming statement on what would happen if they did not succeed:

> We will assume our responsibilities as a government. We will close the shop. Don't think that we won't do it. If need be we can produce programs—

The people of Canada do not want their television or radio programs slanted toward separatism. There is no doubt about that. There is, and there has been, real concern about this. Neither do they want a state radio-tv network operated directly by the government.

Some hon. Members: Hear, hear.

Mr. Stanfield: Nor do they like to hear threats from their Prime Minister, or anybody else speaking for the government, such as the statement, "If need be, we can produce programs."

Who? The Secretary of State? The Prime Minister? Or the Minister of Transport (Mr. Jamieson), with his experience in broadcasting in his native province of Newfoundland? Are they going to run the network and produce the programs?

Some hon. Members: They tried that before.

Mr. Stanfield: My hon. friends can laugh about it, but it is a very serious matter.

What is meant by this talk about a government trusteeship to run the network? The Prime Minister said, if he will excuse my French:

• (12:50 p.m.)

[*Translation*]

> That is possible, yes, indeed. I cannot offer a definite date, but that is possible.

[*English*]

A government trusteeship! The present managers of the CBC are in the nature of trustees—

Some hon. Members: Hear, hear.

[Mr. Stanfield.]

Mr. Stanfield: —and they are responsible not to this government, but to this parliament.

Some hon. Members: Hear, hear.

Mr. Stanfield: Of course employees who would use the CBC to disseminate propaganda, including separatist propaganda—perhaps particularly separatist propaganda—should be fired. There is no question about that.

Some hon. Members: Hear, hear.

Mr. Stanfield: But in all candour, let me say that we are not going to allow the right hon. gentleman and his political colleagues to decide who is deserving of being fired.

If there is going to be any firing, surely it is going to be done by due process, in a way that will make sure the innocent are protected and that the firing will be done by the responsible management. Let us cut out any incipient McCarthyism around here.

Some hon. Members: Hear, hear.

Mr. Stanfield: We may be concerned about the CBC. A lot of people are concerned about it in this area of separatism and the undue attention given to the separatists. But we are not so hysterical that we are going to turn the CBC over to the right hon. gentleman and his colleagues to run or to control the programming.

We are already too well aware, those of us in opposition, of the tendency of the Prime Minister to caricature all of his opponents as extremists of one kind or another, to characterize them as "nobodies". We are not going to let him instal some kind of trusteeship which would make this network his own personal preserve or the preserve of his party.

The concern I wish to express is that we proceed, as we have always tried to proceed in this parliamentary democracy, with a regard for the protection of the innocent and with respect for due process. My concern is not diluted a bit—in fact it is strengthened—by the serious allegations made yesterday by Mr. Malcolm when he charged that subversive elements financed from abroad have infiltrated the Parti Quebecois and the CYC. It is said that Mr. Malcolm listed the names of 27 alleged subversives in a speech that sounded like a police file. I do not know where Mr. Malcolm got his information, but it only intensifies my concern with respect to these charges to the effect that there has been

serious infiltration. It also intensifies my concern in seeing that we proceed properly in this matter, but with due process.

When he appeared on the television program "Format Trente" on Monday night the Prime Minister was asked if he could document some of his assertions with regard to Radio Canada. It would have been easy to document them; instead, he contented himself with saying these words, and I ask you to excuse my French, Mr. Speaker.

[*Translation*]

Considering the nearly frantic approval I was given yesterday when I made this small, rather tame accusation, I would be tempted to say...

I was the first to be amazed at the indignation expressed by that crowd of 3,000 people for the CBC programs...

[*English*]

In other words, "the crowd cheered; therefore I must be right." How far are we, sir, from sheer demagoguery? It is easier to excuse one outburst that may have been the result of atmosphere at a friendly dinner; but these statements began at a press conference on October 15, were continued in a speech on October 19, and elaborated upon in a television interview on October 20. Sir, we will certainly support proper efforts to ensure that separatists do not have influence in the CBC. But we will not support the Prime Minister in the threats he is making.

Some hon. Members: Hear, hear.

Mr. Stanfield: Without trying to match the Prime Minister for melodrama, I say that the whole performance should provide food for thought for those who are concerned, about ensuring that the authority of government is always exercised responsibly. The Prime Minister always has been a strong believer in the necessity for countervailing forces. No doubt one of these days very soon he will go out and try to redress the balance by making a militant speech about civil liberties. It will be a very gullible audience indeed that does not weigh his words against the illiberalism of some of his comments last week.

Sir, we must ensure that federalism in this country is worthy of victory. That must be our aim. A country like Canada needs strong, active and responsible government. That is why the country was created in the first place. That is the only way we will unite it now and keep it strong against the grave and difficult new problems beginning to unfold as well as the old problems with which we have been left.

Although the constitution is important, it is only part of the package. Equally critical is the determination of members of cabinet to give leadership by using the powers that already belong to the national government. The government does not lack the power to lead; it simply lacks the will. There is a lot that is wrong with the present government. But the single most serious fault is that deep down its members do not want to confront the real problems of the Canadian people. We cannot afford that attitude in Canada. There are too many problems, old and new, which can be met effectively only by strong federal leadership.

The traditional disparities in the country continue and grow ever more acute. They will be beaten only when the Government of Canada decides that we can no longer put up with whole groups of Canadians being trapped in poverty and with whole regions slipping farther behind adequate standards. On grounds of compassion and economics we must take these serious problems seriously; because if we do not they will create a new source of disunity and a new kind of crisis.

[*Translation*]

The authorities of Canadian cities where most new problems can be found cannot solve them on their own, especially with such limited resources. Problems raised by pollution, drugs, housing and transportation have such disastrous national repercussions that they threaten the survival of the country. There is a clear-cut national responsibility for a certain level of government to take these matters in hand and do so without delay. That is the essence of leadership.

The government of Canada must take direct interest in the country's economic growth; everything else depends on that. Our economy will not prosper on its own. There should be some agreement between the governments and private enterprise on the kind of development which we should seek and on the best programs to be carried out.

The national government alone can give that kind of fair and comprehensive leadership.

[*English*]

There are many forces, sir, that would tear this country apart. Some of them almost have. Our party is here to co-operate with the government in keeping this country together and in strengthening it. We will support measures brought forward that will attack directly the problems of the country and of

the people. But there is after all only one force that can hold Canada together and keep it strong. This national government is the one thing all Canadians share. It is the one force that can be effective in making the country effective. If it fails to anticipate new problems or to solve old problems, this country will be weak. There must be a genuine commitment for leadership from Ottawa and there is not one indication of that in the Speech from the Throne. I therefore move, seconded by the hon. member for Peace River (Mr. Baldwin), the following amendment to the address:

but we regret that the Speech from the Throne indicates it is the intention of the government to stall action for another year on policies to improve the living standards of large numbers of our people.

At one o'clock the House took recess.

AFTER RECESS

The house resumed at 2 p.m.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I should like to associate myself with the words of the Leader of the Opposition (Mr. Stanfield) in congratulating most sincerely the mover and the seconder of the Address in Reply to the Speech from the Throne. It is always a pleasure to be able to draw to the attention of the people of Canada the high standard of their representatives in this place, a standard which is by no means confined to any single quarter in this House.

Both the hon. member for Sarnia (Mr. Cullen) and the hon. member for Lapointe (Mr. Marceau) belong to that large group of young and active members of this House who were first elected in 1968. They and their colleagues in all parties have brought with them a degree of freshness and vitality that has enhanced interest in parliament on the part of the electorate and in so doing has raised the stature of this institution. We are proud of today's performances and so, justifiably, should be the constituents of these two members.

Some hon. Members: Hear, hear.

Mr. Trudeau: These gentlemen are both lawyers. While both are newcomers to this place, each has a long record of distinguished service in community affairs which stood them well in the last election and which serves as a solid base for their contributions to this House. Both have displayed competence and diligence in their parliamentary activities and I am confident that hon. members will agree with me when I add that their contributions yesterday will serve as a fine introduction to this debate.

I wish as well, Mr. Speaker, to offer a word of congratulation to the Leader of the Opposition for his speech. He will excuse me, I know, if I do not praise his efforts with the same enthusiasm I have employed for the two members who preceded him. Nor will he expect me to follow his lead and invite this House and the country into a mood of deep despondency about every aspect of Canadian life, excluding perhaps the weather. I do thank the hon. gentleman, however, for his stated recognition that all parties come to parliament pledged to work in the best interests of the country. I hope that he will find that all of his criticisms have been commented upon before the conclusion of this debate. A number of ministers have indicated that they intend to participate during the coming days, which will permit hon. members opposite to receive detailed answers to the many questions which they will be raising.

The task of the opposition is to criticize and newspaper reports of remarks made by the Leader of the Opposition and some of his lieutenants reveal that their intention this session is to raise criticism to a new level. I hope, Mr. Speaker, that they were not referring to the noise level. I hope, too, that by criticism they mean a vigorous and searching inquiry of government activities and policies; an inquiry measured more in terms of depth than length. Possibly some of these news reports were unclear, but I have been left with the impression that the House of Commons might look forward to a struggle of the proportions of the Hundred Years War, perhaps fought in the night with knives.

However, after listening to the Leader of the Opposition this morning, Mr. Speaker, perhaps I should change the simile. It is apparent that the Leader of the Opposition shares the traditional conservative view of government—that it should operate similar to a patron in a shooting gallery, firing away automatically as each target pops up, never giving a moment's thought to the mechanism which causes the targets to jump.

We intend, Mr. Speaker, to identify the root causes of the problems of poverty, of inflation and the like and aim at them. We make no apology that we are not shooting at random. If this is novel to hon. members opposite, I am not surprised. It is not evidence, however,

of any lack of compassion or interest in human beings. The record of the Liberal party is proof of that.

Some hon. Members: Hear, hear.

[*Translation*]

Mr. Trudeau: Mr. Speaker, the Leader of the Opposition (Mr. Stanfield) and myself have had the opportunity to visit, this summer, several areas of Canada and to get acquainted, on the spot, with the problems of the people who live there. I am convinced that as a result, we are both better equipped to assess these problems and the advisability of the solutions which we intend to bring about. In fact, since the house adjourned, all hon. members went back to their respective ridings and have been able to travel all over Canada. We all have had new opportunities to realize the greatness of our country, the pride of our national spirit and the scope of our achievements. In short, we have been in a position to further discover the Canadian fact. We came back with the conviction that we are the citizens of a country which is not simply a northern extension of a foreign state, nor an historic accident, nor the result of the casual gathering of people of various origins. Quite the contrary, we constitute an homogeneous community, with a dynamic, a social organization and a future of its own.

During these last weeks, again we have seen and observed with pride the struggle of the Canadian people against a severe climate and a stubborn soil so as to become the masters of the riches promised to people who are at once industrious and perseverant.

On the other hand, we have noticed with an increasing concern some results of that struggle: the ruthless destruction of a landscape and the useless pollution of air and water. We were all able to assess the price that our society pays for the urban and industrial expansion which, too often, destroys the soul of our land, even though it increases our material welfare. Once again, we realize that an industrial growth, uncontrolled, is a source of danger.

Mr. Speaker, we are all determined, I am sure, to tolerate no longer the human sacrifices of comfort, health and efficiency which are forced upon us by an environment overcome by noise, noxious fumes and industrial waste.

We have all noticed, also, with great interest, the advantages and the benefits enjoyed in the economic field by a very great number of our fellow-citizens. But this could only emphasize in our opinion the sad situation of thousands of other Canadians who, because of circumstances over which they have no control, have to face serious financial difficulties. Those difficulties are numerous and manifold.

Here we have the Maritime fisherman, whose income has been scanty for so long that he could never get but a minimum of essential goods. There, we have the Prairie farmer whose competence and courage made him exceptionally successful and who could buy considerable amounts of land and machines; but he now is threatened with a total loss, because a sudden decrease of his income prevents him from meeting his financial commitments. Elsewhere again, the townsman who lives in a slum, unable to break out of the vicious circle in which he is kept by unemployment, illness and lack of education.

We cannot, nay, we must never give these people the impression that we regard programs, studies or laws as ends in themselves. Such measures have only a meaning if they bring relief to the people in want.

We must not think for instance that the very fact of living in a city allows to hope for economic miracles and that we can solve the problems of the farmers and of the fishermen simply by directing them towards different occupations in the urban centres.

It is beyond doubt, Mr. Speaker, that the population shift from the farms will go on at a constant rate, but this is no reason to agree with those who claim that rural life can no more profit to the country at large, nor to the citizens who have chosen this way of life. And that goes far beyond the simple question of economical effectiveness, even if that question remains extremely important. Thus, we should ask ourselves how we are going to meet the employment and other needs of men who, as landowners, were for many generations independent and self-sufficient people. We must also know what steps are being taken in cities in order to instil into the young people who came from rural areas an awareness of their responsibilities and usefulness, which they often acquired naturally in their native environment.

• (2:10 p.m.)

Lastly, it seems reasonable to ask ourselves whether we were not partially the cause of the present restlessness of the young people, by forcing upon them a social system that seems devoid of stimulants for the individual.

Thomas Huxley once said that the feeling of uselessness is the heaviest burden to be endured by our system.

No Canadian should be considered as a useless person; all citizens should have, on the economical and social plan, the opportunity of a full and fruitful life. Is that what we are offering them when we ask those farmers, who are also pedologists, botanists, mechanics, meteorologists and dealers, to leave their homes in order to settle down in areas where there is no demand for their particular skills? The Canadian farmers, by their sense of responsibility and their dignity, always represented one of the constitutive forces of this country. It would be unfair to under-estimate the contribution these men have made to our society. In some areas of Canada, the necessary transition should be brought about with great care. The federal government commits itself to do so and to respect, in this matter, the rights of all the citizens concerned. A legislation to improve the present situation of the wheat producers will be referred to Parliament for consideration in the course of the present session. Furthermore, the Minister of Agriculture (Mr. Olson) will soon explain the various steps which have been and are now taken to prevent the return of such conditions.

In the course of last summer, Mr. Speaker, we have heard, again both with admiration and concern, young Canadians express criticism over the deficiencies of the social system we are offering them: this criticism had to do with the difficulties facing our native people; with a number of laws the enforcement of which is wronging those who are weak and ignorant; with an international community that accepts killing and destroying as the normal course of event and lastly, with parliamentary and government institutions that do not answer the needs of the Canadians as efficiently as they should. This criticism was not just made random, in a disorderly way; often it was voiced—and we welcome the fact—by political bodies the role of which is precisely, in a democratic society, to provide for the necessary changes. Every member of the house should take at heart to ensure the fruitful participation of our young people in the political life of our country.

[*English*]

This summer, too, we have all watched, even while accepting the optimistic forecasts of Canada's economic future, the debilitating effects of an inflation which has taken root in all western countries and which no government individually has so far been able adequately to control. All hon. members have returned here with the determination to ease these problems and in so doing illustrate once again the important role which parliament plays in the life of Canada.

The leaders of the opposition parties have had much to say about the government's alleged failure to act in controlling spending. They have also had much to say every time we have acted. This kind of inconsistent, automatic criticism prompts me to remind them that the credibility gap is not a phenomenon peculiar only to other countries.

In addition to these activities which we have witnessed, Mr. Speaker, there have been some aspects of Canadian life which we have felt more than seen. Of these, the most evident, and undoubtedly the most important, is the spirit of tolerance and goodwill that is an invaluable Canadian characteristic. Canadians take for granted what so many persons elsewhere seek and envy: human relationships that, by and large, accept without question differences in colour or origin or language.

I stated on July 1 that we seldom reflect how fortunate we are in this country that there is a notable absence of bigotry and prejudice. Events of the past few weeks, however, have demonstrated that we cannot afford to assume smugly that these hateful characteristics are strangers to Canada and are always absent. Nevertheless, if all Canadians are not yet able to live in dignity, by far the greater number of those who are not able to do so suffer from indifference—not from hate; from neglect, not from prejudice. Not here do we find repression clothed in the guise of liberty, or violence tolerated in the name of law and order. This spirit of tolerance is our greatest gift, Mr. Speaker; we must cherish it and never take it for granted. Against it we can judge our stature as a country and as a people.

But tolerance is of benefit only if it remains a positive force. It is evil if it becomes an excuse for inaction or lack of care. Canadians must never become tolerant of poverty, of lawlessness, of suffering. Through their representatives in this place they must continue to make known their desire to share in the task of eliminating these evils, and we here must not flag in our attempts to find solutions.

Our primary responsibility, Mr. Speaker, is to the people of Canada. But the efforts of Parliament to produce a better life must not

be confined for the benefit solely of Canadians. In comparison with the daily lives of the great majority of humanity, Canadians are immensely fortunate, whether measured in terms of political rights, in terms of freedom from the fear of violence, or in terms of standard of living. By contrast, two thirds of mankind live in a state of perpetual misery and struggle, with per capita annual incomes measured in hundreds, not thousands, of dollars.

The world is now too small to permit such disparities to continue. Unless these differences are eliminated, the pressures on the rich nations will become so intense as to force them either to share in equal measure or to make decisions of frightening moral consequence. By the year 2000 the population of the world will be 7.5 billion, twice what it is today, and 80 per cent of these people will be living in the developing countries. There is no rational or moral justification for a lack of response now by Canada and other developed nations to their undeniable needs. In these respects we should be familiar with the alarming observation of Chateaubriand who wrote of a similar, but infinitely smaller, problem in Europe a century and a half ago. He stated:

• (2:20 p.m.)

Try to convince the poor man, once he has learned to read and ceased to believe, once he has become as well informed as yourself, try to convince him that he must submit to every sort of privation, while his neighbour possesses a thousand times what he needs; in the last result you would have to kill him.

These are sobering and frightening thoughts. They explain the decision of Canada, at this time of austerity in most governmental programs, to increase the value of our foreign economic assistance budget and to create, after extensive planning and consultation with other countries, an International Development Research Centre which will be charged with the responsibility of improving the qualitative effect of Canadian and other aid projects. The Centre is an exciting concept; a recognition that accelerated economic growth is a complex task, and is deeply interrelated with problems of social development. I am sure all hon. members will agree that it is fitting that Canada, long among the most active of contributors to foreign aid—and this year the host to the 20th annual meeting of the Colombo Plan countries—should take a lead in this important respect. It must continue to be the responsibility of all of us here to ensure that Canadians will understand the need, and support increasing expenditures, for developmental programs. In these respects, we share the pride of all the world in the important task performed so well for the World Bank by that distinguished Canadian, the Right Hon. Lester B. Pearson. His commission and its report have brought honour to him and to Canada.

Some hon. Members: Hear, hear.

Mr. Trudeau: The breathtaking exploits which took man to the moon this summer emphasize the lack of success which has greeted efforts to overcome the much less exciting, but nevertheless much more difficult and important, task of resolving human differences on this planet. The tragic conflict in Nigeria continues, notwithstanding the efforts of African states and many countries outside of that continent to assist in its resolution. Canada makes no claim to possession of superior wisdom in matters of this kind; it bows to none, however, in its desire to relieve suffering and attain peace. In our efforts to lighten the humanitarian burden, Canadian officials in a number of countries have conducted and are conducting investigations, offering suggestions, advancing proposals; my personal representative has visited Africa twice to talk with Nigerian and other leaders and been to both London and Washington in this same pursuit; the Secretary of State for External Affairs (Mr. Sharp) has been untiring in his travels and discussions—both he and I have held talks with the Secretary General of the United Nations. Canada has not been successful in bringing the war to a conclusion, and this the government regrets. Nor does it make any of us here less sad to know that several African leaders, including one who has recognized Biafra, have stated publicly that there is little if anything that Canada can usefully do in these respects—in addition to what it is doing—at this time while both sides remain intransigent in their basic attitudes and while the overwhelming majority of African states insist that this is a problem for Africans, not outsiders to solve.

The humanitarian consequences of this tragedy, however, are a burden for all mankind, not just Africa. Every child that starves in any part of Nigeria is a matter for the conscience of us all. Canada has been in the forefront in supplying food and relief materials to the International Committee of the Red Cross for distribution to civilians throughout Nigeria, on both sides of the fighting lines. Canadian government contributions amount to some $3 million; we are prepared to make

further funds available when once the delivery blockage is removed. If it is not quickly removed, we shall take other appropriate steps.

While struggling to bring some relief to the suffering peoples in Nigeria, Canada has at the same time been active in its attempts to avoid future situations where political differences might be employed to prevent adequate relief efforts. Canada proposed, and then co-sponsored with Norway, three important measures to this end at the 21st International Red Cross Conference in Istanbul in September. A declaration of principles for international humanitarian relief to civilian populations in disaster situations was unanimously adopted. Two other resolutions were overwhelmingly carried. These are designed to produce international legal principles which will be supplementary to those now in effect in the four General Red Cross Conventions of 1949. They are intended to remove any doubts about responsibility for humanitarian assistance to victims of armed conflicts, whether these conflicts are of an international or a civil character. This was an important initiative, welcomed on all sides. It is another example of the quiet, persistent and often effective way in which Canada, through its skilled representatives abroad, discharges its responsibilities in the international community.

In still another variation of threats to innocent persons, this country will within a period of days have completed the formalities precedent to ratifying the Tokyo Conventions concerning hi-jacking of aircraft. Canada is also the co-sponsor of a resolution now before the United Nations concerning acts of piracy in the air.

The need for constant attention to man's foolishness in the name of pride, of honour, of vanity, must not be underestimated, Mr. Speaker. War, as the newspapers attest every day, is no stranger to this planet. In Nigeria, in the Middle East, in Viet Nam, it flickers and flares. Elsewhere, persons suffer and die as a result of military activities which are not described formally as "war". In southern Africa, and many other parts of the world, personal activities are restricted and human freedoms are confined by military and paramilitary activities. Any of these incidents, or others similar to them, could burst from their confines without notice, and envelop us all.

No single international activity, therefore, rates higher priority in the opinion of this government than the pursuit of effective arms control and arms limitation agreements. Canada refuses to submit without protest to the present nuclear hegemony. It is deeply concerned at the failure of the important nuclear powers, the U.S.S.R., the U.S.A., China and France, so far to ratify the non-proliferation treaty, article VI of which binds parties to negotiate in good faith on measures leading to the cessation of the nuclear arms race, to nuclear disarmament, and to general and complete disarmament. At the same time that ratification is delayed, the development of multiple warhead rockets continues in two of these countries, a development that could make satellite inspection and verification of arms control agreements impossible. The world now stands at a crossroads which, if passed unwisely, could lead to the destruction of mankind. Canada pleads with both the U.S.A. and the U.S.S.R. quickly to begin their strategic arms limitation talks.

• (2:30 p.m.)

In the course of negotiations at the United Nations 26 nation disarmament conference are two conventions, one intended to prevent the nuclearization of the seabed, and the other to control chemical and biological means of warfare. In these negotiations Canada is deeply and energetically involved, represented by some of its most talented public servants. We are at the same time examining very carefully our own activities in research areas to ensure that we are not in any way contributing in an unintended fashion to a situation which all mankind properly regards as abhorrent. Canada is seeking in these studies and in these negotiations, as the world has sought and attained in other environments and for other purposes, international régimes for the protection and the advantage of all countries.

The threat to the human race is so real that we must not permit false reasoning to hinder us in our endeavours. If the application of out-of-date military strategies to alliances with old and trusted friends might lead not to the desired deterrent effect but instead to provocation and to obstacles to détente, then these strategies must be re-examined. In these instances it is the strategy, not the alliance, that worries Canada and we will not hesitate to suggest correctives with the same vigour that we contributed to the establishment of the alliance.

Membership in a community, Mr. Speaker, imposes—and properly—certain limitations on the activities of all members. For this reason, while not lowering our guard or abandoning

our proper interests, Canada must not appear to live by double standards. We cannot, at the same time that we are urging other countries to adhere to régimes designed for the orderly conduct of international activities, pursue policies inconsistent with that order simply because to do so in a given instance appears to be to our brief advantage. Law, be it municipal or international, is composed of restraints. If wisely construed they contribute to the freedom and the well-being of individuals and of states. Neither states nor individuals should feel free to pick and choose, to accept or reject, the laws that may for the moment be attractive to them.

It is in this mood that the government is studying its claims to the waters lying off the islands of the Arctic archipelago. To close off those waters and to deny passage to all foreign vessels in the name of Canadian sovereignty, as some commentators have suggested, would be as senseless as placing barriers across the entrances to Halifax and Vancouver harbours. We would certainly prove by those acts that we were masters in our own house, but at immense cost economically by denying shipping of importance to Canada. On the other hand, if we were to act in some misguided spirit of international philanthropy by declaring that all comers were welcome without let or hindrance, we would be acting in default of Canada's obligations not just to Canadians but to all the world.

In the Canadian Arctic are found the breeding grounds, sometimes the only breeding grounds, of many species of migratory birds. Bylot Island is the site of the nesting ground of the total population of the Greater Snow Goose. It is the site as well of the nesting colonies of some six million sea birds. Along 12 miles of the coast of Somerset Island are the nesting grounds of four million birds. Large numbers of air breathing mammals—whales, seals, walrus—inhabit the waters lying throughout the Canadian archipelago. The existence of these and other animals and birds is dependent upon an uncontaminated environment; an environment which only Canada can take the lead in protecting. The beneficiaries of this natural life are not only Canadians; they are all the peoples of the world.

For those reasons, I say in this place, Mr. Speaker, that Canada regards herself as responsible to all mankind for the peculiar ecological balance that now exists so precariously in the water, ice and land areas of the Arctic archipelago.

Some hon. Members: Hear, hear.

Mr. Trudeau: We do not doubt for a moment that the rest of the world would find us at fault, and hold us liable, should we fail to ensure adequate protection of that environment from pollution or artificial deterioration. Canada will not permit this to happen, Mr. Speaker. It will not permit this to happen either in the name of freedom of the seas, or in the interests of economic development. We have viewed with dismay the abuse elsewhere of both these laudable principles and are determined not to bow in the Arctic to the pressures of any state. In saying this, we are aware of the difficulties faced in the past by other countries in controlling water pollution and marine destruction within their own jurisdictions.

Part of the heritage of this country, a part that is of increasing importance and value to us, is the purity of our water, the freshness of our air, and the extent of our living resources. For ourselves and for the world we must jealously guard these benefits. To do so is not chauvinism, it is an act of sanity in an increasingly irresponsible world. Canada will propose a policy of use of the Arctic waters which will be designed for environmental preservation. This will not be an intolerable interference with the activities of others; it will not be a restriction upon progress. This legislation we regard, and invite the world to regard, as a contribution to the long-term and sustained development of resources for economic and social progress.

We also invite the international community to join with us and support our initiative for a new concept, an international legal régime designed to ensure to human beings the right to live in a wholesome natural environment. In pursuit of this concept I shall be holding discussions shortly about this and other matters with the Secretary General of the United Nations. A combination of an international régime, and the exercise by the Canadian government of its own authority in the Canadian Arctic, will go some considerable distance to ensure that irreparable harm will not occur as a result of negligent or intentional conduct.

Canadian activities in the northern reaches of this continent have been far-flung but pronounced for many years, to the exclusion of the activities of any other government. The

Royal Canadian Mounted Police patrols and administers justice in these regions on land and ice, in the air and in the water. The Canadian Armed Forces carry out continuous surveillance activities; Canadian postal services, health services and communications networks criss-cross these territories to serve those who live and work there. Among these persons are the Canadian Eskimos, who pursue their food and conduct their activities over the icy wastes without heed to whether that ice is supported by land or by water. In all these activities, and in others, ranging from geophysical explorations to the distribution of family allowance cheques, Arctic North America has, for 450 years, progressively become the Canadian Arctic.

Some hon. Members: Hear, hear.

Mr. Trudeau: Hon. members know that there is not now, nor is it conceivable that there will ever be, from any source, challenges to Canadian sovereignty on the mainland, in the islands, in the minerals lying in the continental shelf below the Arctic waters, or in our territorial seas. This happy situation is the result of quiet, consistent policies in the past on the part of all Canadian governments. The present government pledges to be equally consistent. Those policies will reflect Canada's proper interest not only in the preservation of the ecological balance which I have already mentioned, but as well in the economic development of the north, the security of Canada, and in our stature and reputation in the world community.

• (2:40 p.m.)

[*Translation*]

May I say again, Mr. Speaker, that the government is highly interested in what it considers to be the two most valuable assets of Canada: its human resources and its natural resources. The government faces every problem in terms of the administration and development of those resources. Our actions as well as our failings, during this mandate, will, I hope, be assessed in that light. I invite the hon. members to study the present legislative program in the same spirit.

I extend that invitation because I realize that daily decisions concerning immediate problems may often seem unpopular. It is inevitable, that, in a country as huge as Canada, with such varied interests as ours, Canadians should not always agree on what conclusions are reached, solutions are proposed or priorities are established. Nevertheless, those conclusions, those solutions and those priorities will always, this I promise, be in harmony, over the long term, with certain principles.

First of all, we will never sacrifice, in the name of progress, a clean and healthy environment to industrial or commercial development.

Secondly, we will never allow, in the name of efficiency or social welfare, an omnipresent government to substitute itself to the right to privacy or to any other individual freedom.

Thirdly, we will not allow, in the name of freedom of speech, sectarianism to replace tolerance; violence, dialogue; discrimination, moderation.

Mr. Speaker, these principles should hardly give rise to a debate in the house. They are so self-evident that they are not likely to arouse interest. Paradoxically, however, it is precisely for this reason that they require constant attention on our part.

Clean environment, respect for privacy, tolerant attitudes, these are things that Canadians have long taken for granted as being a natural aspect of the happiness of living here. And yet, we run the risk of squandering our wealth if we do not take care of it. Often unknown to ourselves, we yield before the temptation of abuse. I would like to sum up what the government plans to do in order to goad the conscience of our citizens in these areas and what measures are needed to correct the habits of the past.

We intend to tackle the problem of environment, not only in the Northern regions but everywhere in Canada, by directing our efforts mainly to the two major sources of pollution: urbanization and the invasion of modern technology.

Urbanization is not by itself prejudicial to the environment, but inadequate planning and mismanagement may lead, in this respect, to disastrous results, such as unhealthy habitat, in particular. This government is fully aware of the costs and burdens that society bears at the present time for not having, in the past, succeeded in gradually solving the problems inherent to urban expansion. We pledge to remove these difficulties and to find solutions to these problems. The proposed amendments to the National Housing Act are another step in this direction.

The accelerated growth of our cities is not a transitory phenomenon, likely to disappear

in due time. We must not rely on that. On the other hand, there is no reason either to despair. Cities could very well offer an agreeable environment where work, pleasure and life itself could be satisfying. Why should Canadian cities, like those of some countries, be associated with the paralysing fear that the only mention of the word "city" never fails to inspire, because it has become synonymous with slums, noise, disease, crime and lack of educational and recreational facilities? It is our firm determination that Canadian cities get healthier and fully foster human activities.

The same technology that has produced real miracles in the field of communication and transport, as well as in the advance of applied sciences, remains however the most formidable enemy of a safe biosphere. It is no longer possible from now on to escape the unhealthy consequences of a defective destruction of industrial and domestic wastage and the incomplete combustion of residual products. Nature has shown an astonishing capacity for adjustment and reproduction which is not however unlimited. During the course of evolution, many forms of life have disappeared, because they were unable to adjust to survival conditions or to find a proper environment. Their capacity for adjustment was too slow to lead to a biological transformation in accordance with current requirements. The ingenuity and the pre-eminence of man gave rise however to the illusion that he can remain invulnerable to the effect of those natural laws. However, nothing indicates that mankind can elude the risk of extinction.

Indeed, he has too often used the resources provided by his intelligence and his instinct not so much to accept the challenges confronting him as to challenge his own survival. In so doing he threatens not only his own species but also the whole life on our planet.

The present government is firmly determined that no such acts of madness will be allowed to go on indefinitely, at least in Canada. Together with the aforesaid legislation concerning the protection of the Arctic regions, we shall, in the course of this session, introduce a new bill on Canadian waters to prevent pollution of lakes and rivers, as well as a bill governing the operation of appliances that emit radiations. As we have already indicated this year, a study is being conducted at the present time on the risks involved in car and truck exhaust fumes and on means to correct the situation.

All these measures tend to develop the environment where Canadians work and live. Even if such an environment became idyllic, there still would remain a very important task to perform, a task that will never be completed: guarantee to every citizen a life protected against any undue intervention. The growing influence of large undertakings, of big unions, of a powerful government and of large cities will leave us no respite in that connection. Unemployment is an insult to human dignity, and so is an impersonal welfare system. It is also an indignity to provide insufficient protection to our citizens against criminal activities. Every Canadian should feel proud of himself in the presence of his children and his neighbours and he should be able to rely on every level of the government in this respect. Canadian society does not have an overflow of skills; we cannot therefore afford to waste the smallest contribution that each individual can bring to the country. Our history books are unfortunately teeming with cases where, through misunderstandings brave men have seen their designs fall through, simply because they were thought to be non-conformists and because they refused to share in the ideas and beliefs of the community. We cannot accept a perpetuation of social conditions which push some frustrated and powerless men towards the marginal areas of the law, and sometimes even beyond. Our human resources in this country are not so rich that we can say to anyone that we have no answer to his needs and no solution to his problems.

In short, Mr. Speaker, in this time of research and of change, we must see to it that technological progress does not crush the individual. Our country has traditions of individual liberties and deeds which do not allow us to forget that the denial of one single person's rights denies the rights of each and everyone of us. The action that the government has taken, and that it will take during this session in the legal field, answer to the rightful demands from all the people who feel concerned by the matter. The huge report of the Ouimet Commission on the penal reform is being carefully studied. The minister of Justice (Mr. Turner) has had lengthy discussions with the respresentatives of the legal world about the amendments he intended to bring to the Criminal Code as regards bail and electronic eavesdropping.

A bill to institute a committee for the reform of the law will be introduced during this session, so that the federal acts, and the scope of their provisions, should constantly be

subjected to the scrutiny and analysis of legal authorities.

• (2:50 p.m.)

[*English*]

I repeat, Mr. Speaker, these innovations and reforms in the area of criminal law are in some cases overdue. Many of them are in response to demands which have been voiced in an inarticulate but nevertheless sincere fashion by Canadians, young and old, in all walks of life. All of them reflect governmental sensitivity to, and an attempt to understand and rectify, the underlying social causes of crime and disorder. Not surprisingly, their very novelty makes them offensive to some. But their existence on the statute books of Canada is proof that this country is responsive to the needs for social change and is committed to an atmosphere of freedom. It is important that this be understood by every one in Canada, Mr. Speaker.

Canadians should know that this government will control and restrict within its competence any state activity which interferes unduly with individual liberty. We continue to believe that a constitutionally entrenched charter of human rights of the sort proposed last year will serve as a solid base of human values. In these areas of civil liberties no government in the world is more sympathetic nor more active.

I say this, Mr. Speaker, to emphasize that there is no need anywhere in Canada for misguided or misinformed zealots to resort to acts of violence in the belief that only in this fashion can they accomplish change. There may be some places in the world where the law is so inflexible and so insensitive as to prompt such beliefs. But Canada is not the place. Those who would defy the law and ignore the opportunities available to them to right their wrongs and satisfy their complaints will receive no hearing from this government.

Some hon. Members: Hear, hear.

Mr. Trudeau: I say to them that the law enforcement agencies in this country are instruments of government. They are responsible to government and answerable for their activities. This being so I emphasize that unlawful acts of violence perpetrated for any reason will be regarded by this government as without excuse and not to be condoned.

Some hon. Members: Hear, hear.

[Mr. Trudeau.]

Mr. Trudeau: This government has no intention of bending before any real or pretended backlash to so-called "soft" criminal laws. We are not prepared to back into an authoritarian era because of the activities of a small number of criminally inclined persons. But under no circumstances are we going to permit these same persons to assume that this society will tolerate their criminal activities.

We intend to ensure that the laws parliament passes are worthy of respect, and intend to use our powers to ensure that those laws are respected.

Lest these self-styled Robin Hoods, revolutionaries and romantics have any doubts about the results of their activities let them be told that anarchy is a two-way street; that in a jungle community there is no dispensation for the property or the lives of hoodlums and thugs, or of so-called activists parading in the guise of taxi drivers or students; none either for their loved ones, or for any other member of the community. In the absence of respect for the law, we all stand naked and vulnerable.

I am told that centuries ago this point was vividly, if cruelly, made known to their subjects by some wise rulers in ancient Persia. As a dramatic illustration of the advantages of order, periods of anarchy were on occasion permitted.

Those who disrespect legal processes expose themselves to still another danger, the danger that law abiding elements in society will, out of anger for those incidents and out of fear for their own safety, harden their attitudes and refuse to accommodate any changes or remedy any shortcomings. The former Attorney General of the United States, Mr. Ramsey Clark, explained this reaction, in American terms, in these words:

> Fear may have been a good instinct for cavemen; it may have kept them alive. But in our time, it's terribly dangerous. When you're afraid, you lose all compassion for other people. Fear deprives you of the very concern that is essential to remove the cause of that fear. Frightened, you fail to fulfil the obligations of a compassionate and just people—to educate and employ and house and give help to the poor. Finally, fear deprives you of any concern for justice itself. Frightened, you want to shoot looters, to arrest without cause, to hold without bail, to force confessions.

Mr. Speaker, I ask those persons who make bombs, who deny the peaceful exchange of ideas, who are unwilling to accept the decisions of authorized arbitrators, if these are the results they seek, and if they consciously

desire society to descend this spiral to destruction?

We in this House, as representatives of political parties, bear a heavy responsibility in these respects. We must not relinquish the burden which rests on our parties to offer to all Canadians acceptable vehicles for their political activities. If we do not provide proof of the vitality of the democratic process we shall have failed our responsibilities and proved to the critics that the system is indeed at fault.

I wish to add on behalf of the Liberal party, Mr. Speaker, that we accept that challenge; that we intend, in the future as in the past, to be the voice of change; that we shall not foresake our role as advocate of the great main-stream of Canadians; that we intend to listen, to understand, to respond, and to lead.

This Canada of ours is a bold experiment, an experiment that must continue on orderly lines as it has in the past. But order is not stagnation. Orderly change need not lead to any less imaginative or desirable results than would the plans of those who press for precipitate reform.

Bold plans are no less bold because they are thoughtfully conceived. Broad change is no less broad because it is carefully designed.

Orderly change will permit us to retain our sense of direction, our unity, and our diversity. Our unity must be of commitment to a better Canada, a Canada in which all the diversities which give us strength flourish for our betterment, a Canada in which the dignity and worth of every individual are perfected, where each person is given an equality of opportunity which is real, unfettered by disease or ignorance or poverty, a Canada which exists as a free country in a world where freedom and peace are the norm, and not an elusive target.

I have no doubt, Mr. Speaker, that every member of this house shares these goals. Our differences are only in the means of attaining them, in assessment of priority, in judgment of the rate of achievement. This institution of parliament is designed to resolve those differences. I look forward, Mr. Speaker, as I am sure do the leaders of all the Opposition parties, and all hon. members, to a productive and effective session, one which will bring deserved repute to this House and will contribute to our common goal of a better Canada.

Some hon. Members: Hear, hear.

• (3:00 p.m.)

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should like to extend my congratulations to the hon. member for Sarnia (Mr. Cullen) and the hon. member for Lapointe (Mr. Marceau) on their very commendable speeches in moving and seconding the Address in Reply to the Speech from the Throne. Theirs was not an easy task, because it is somewhat difficult to make bricks without straw. One of my colleagues has described the Speech from the Throne by saying it ought to be called the spare ribs speech—a lot of bones and not much meat.

Mr. Mackasey: Like a lot of the ham we are having right now.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Now we are getting from the Minister of Labour (Mr. Mackasey) the boloney he usually slices so thickly.

Mr. Baldwin: This is a meatless Friday.

Mr. Douglas (Nanaimo-Cowichan-The Islands): The Speech from the Throne, like the Prime Minister's speech this afternoon, is filled with pious hopes and good intentions. No one can quarrel with the sentiments of high public morality which have just been outlined by the Prime Minister (Mr. Trudeau). However, I think the Canadian people will be disappointed in the Speech from the Throne and in the speech to which we have just listened, because for over a year they have been expecting that the government would outline its blueprint for the just society, and most people believe that the just society means more than legal justice.

Of course we want legislation which will control wire-tapping, will deal with detention before bail and see that every person has fair and equal treatment before the law. Those are things that members of this party have been advocating for years. It is regrettable that a Liberal government which has been in office for over six years is only now getting around to dealing with those problems. A just society involves more than legal justice. Surely a just society also means social justice and economic justice. However, the Speech from the Throne and the Prime Minister's speech this afternoon were extremely vague and evasive about what the government intends to do in order to provide greater social equality and greater economic opportunity for the people of this country.

In the whole Speech from the Throne there is not a word about unemployment. The

Prime Minister said that there is indignity in a man being out of work. There certainly is. There is not only indignity; there is want for him and his family. What is there in the Speech from the Throne that offers any hope that unemployment will diminish rather than continue to increase? Neither is there a word in the Speech from the Throne about the acceleration in the take-over of the Canadian economy by foreign investors, particularly American investors, which is one of the most pressing problems facing this country. The Speech from the Throne is silent in this regard, and the Prime Minister has not said anything on the subject. What happened to the Canada Development Corporation, which has been at the masthead of every Speech from the Throne brought down by the Liberal party since 1963?

An hon. Member: They did not even bother with it this time.

Another hon. Member: It fell overboard.

Mr. Douglas (Nanaimo-Cowichan-The Islands): This time it has gone with the wind. The Speech from the Throne says that the most pressing problem facing this country is inflation. I think most Canadians would agree with that. It says that the government has taken certain measures to combat inflation, which it hopes other sectors of the economy will emulate. I say, Heaven forbid! The first point I want to make in these remarks, Mr. Speaker, is that the policies followed by the government to combat inflation have been a ghastly, colossal failure.

The government's solutions to the problem have been four-fold: First, to create further unemployment; second, to cut back government expenditures; third, to fire civil servants; fourth, to impose a program of income restraint on pensioners, veterans and welfare recipients. This means, of course, that those who have been hardest hit by inflation are to be the first victims of the government's efforts to combat inflation. These efforts have not only failed to cure our economic ills, but they could conceivably trigger a serious economic recession this winter with unemployment reaching anywhere from 6 per cent to 9 per cent of the labour force.

The government has accepted the theory that the best way to combat inflation is to create more unemployment. This is an extension of the policy contained in the June budget of the Minister of Finance (Mr. Benson). It is simply a carry-on of the policy of his predecessor, namely, that the government should create additional slack in the economy. Unemployment has been rising steadily since 1965. It now stands at 5 per cent of the labour force, on a seasonally adjusted basis. The September unemployment rate is the highest since 1963. The government's policies, far from resolving our economic difficulties, will cause further suffering and hardship while at the same time having little or no effect on rising living costs.

The Economic Council of Canada, in its Sixth Annual Review, warned the government of the dangerous course it is pursuing in these words:

> Further fiscal and monetary restraint conceivably could result simply in higher rates of unemployment and economic slack, with no more than marginal effects on current rates of increase in prices and costs.

The Council points out that since 1967 the Canadian economy has been operating with a significant margin of economic slack, as shown by the present high level of 5 per cent unemployment, seasonally adjusted. The Council also said:

> With unemployment in the range of 4 per cent to 5 per cent... it is difficult to argue that excessive general demand pressure has contributed to inflationary conditions.

• (3.10 p.m.)

However, the government continues with an anti-inflationary policy based entirely on this false premise. I maintain, Mr. Speaker, that the government is using the wrong economic tool to do the wrong thing at the wrong time. Fiscal policy may be a powerful tool in controlling employment, but it is limited as a technique for controlling prices. Reduced federal spending means lower aggregate demand, lower output and lower employment. In seeking an answer to inflation the government is flirting with an economic recession. This inept cure could be worse than the disease. The first casualties in the war against inflation are the very people who are hardest hit.

One must agree with the Economic Council's contention that much of Canada's inflation is imported from the United States as a result of the Viet Nam war. Therefore, restrictive measures will do little to suppress demand; they will have the effect of causing further unemployment without doing much to attain price stability. Economic indicators already show a slackening in United States economic activity. Paul McCracken, Chairman of the United States Council of Economic Advisers, foresees anti-inflationary pressures taking hold late this year or early in 1970.

There is a distinct possibility that the Canadian government's austerity program could result in an economic over-kill that would cause a slowdown of our long-term economic growth, which is so essential to increased production and full employment. There are some indications that this is already happening. The latest Dominion Bureau of Statistics figures show that in the second quarter of this year there was a drop in output of one-fifth of one per cent, compared with the 1.8 per cent increase in the first quarter of 1969 and the 2.7 per cent increase in the last quarter of 1968. Industrial production for August shows a decline of 1.6 per cent when compared with the figures for the previous month.

I suggest, Mr. Speaker, that the government's policy of creating slack in the economy is based on the erroneous theory that inflation in this country is the result of too much money chasing too few goods. There is certainly no lack of goods, and very large sections of the Canadian people are certainly not embarrassed with too much money. The government may have in mind our corporations whose profits in 1968 increased by 20 per cent. But for the old age pensioners, the veterans, the farmers and the fishermen of this country, an abundance of money has certainly not been a problem.

Inflation in this country has been aggravated by an unequal distribution of income and a misallocation of our resources. Far from rectifying the situation, the government's program of restraint will only widen the gap between various income groups, accentuate the unjust distribution of income and impose an unacceptable degree of suffering on that section of the Canadian people least able to bear it.

Second, I suggest that the government's policies to combat inflation are not only a colossal failure but are grossly unfair. The burden of the fight against inflation has been placed entirely on the public sector, while the private sector remains completely unrestricted.

In its attempt to contain inflation the government is cutting back on essential community services. Funds for public housing, urban renewal, winter works, pollution control, drug control and research, salmon spawning projects and hospital construction have been severely restricted. At the same time the commercial sector of our economy has increased its capital expenditures for this year, over 1968, by more than $281 million. Expenditures in this area amounted to almost $1.5 billion last year. A substantial portion of this amount was spent on the construction of prestige office buildings, chain stores, movie theatres and hotels. We maintain that if restraints are needed, surely it would be more sensible to space out postponable private investment and give priority to essential community services such as schools, hospitals, housing, urban renewal and pollution control facilities. The government keeps talking about establishing priorities, but restraints have been imposed without any regard for the social priorities and the needs of the Canadian people.

For example, when medicare is being introduced, hospital construction grants are being discontinued. Health resource grants have been frozen at a ridiculously low figure while supermarkets, prestige office buildings and gas stations proliferate. Apparently the government is prepared to allow the private sector to use our available resources on the basis of profitability, while essential public services are restricted in the name of austerity. The cities of Canada are being extremely hard hit by the government's decision to cut federal expenditures. The growing urban crisis has been left to smoulder and wreak its inevitable havoc in individual despair and social tension. The Economic Council of Canada warned the government of a major housing crisis and urged it to take action in these words:

> ... major new initiatives to cope with the problems in the housing industry are urgently needed if Canadians are to be well housed in the future at reasonable prices.

In spite of this warning, the minister responsible for housing announces that he has no further funds for public housing or urban renewal this year. It is increasingly evident that the free play of market forces cannot solve the housing problems of the low income and middle income families. For these groups the government's decision to freeze public funds for housing means higher rent, poor accommodation and too large a share of their income being expended in obtaining shelter.

Nothing illustrates the governments' schizophrenia better than the announcement of the minister responsible for pollution control, the hon. member for Saskatoon-Humboldt (Mr. Lang), to the effect that the municipalities should apply to Central Mortgage and Housing Corporation for assistance. At the same time the minister responsible for Central Housing and Mortgage Corporation, the Minister without Portfolio (Mr. Andras), indicates that no money is available and advises the municipalities not to send in their applications this year.

Mr. Gilbert: Shame.

Mr. Douglas (Nanaimo-Cowichan-The Islands): While the private sector continues to operate on a "business as usual" basis, the government's austerity program is hurting the economy and creating hardship for whole sections of the Canadian people. Allow me to cite one or two examples, Mr. Speaker. The fisheries services are being cut at a time when the fishing industry faces a crisis. The salmon catch in British Columbia has this year been only a little better than half that of last year. This situation calls for the hiring of more biologists and the expansion of our biological stations. Instead, these are being severely curtailed. The situation is further aggravated by the government's new licensing program. Under phase 1 of this program 1,000 vessels from the B.C. salmon fleet were eliminated last year, and 2,500 vessels will be eliminated this year. The Minister of Fisheries is quoted in the Vancouver *Sun* of September 4, 1969, as saying:

> We are moving towards a commercial salmon fleet manned by professional fishermen.

I suggest that if the minister's policies are continued we will be moving toward the day when most of the salmon fleet will be owned by the fish-handling companies and the independent commercial fisherman will be out of business. Consider the problem of western Canada, which is facing its greatest economic crisis since the 1930's. The sole contribution of the government to solve this crisis has been to increase the amount of money which the farmer can borrow on his farm-stored grain. The government's austerity program has left the prairie farmers in a distressing condition and the prairie economy in a state of disarray. However, no group has suffered more from the effect of rising prices than the old age pensioners and the recipients of veterans allowances. The old age pensioners have an increase this year of $1.58 a month, which is supposed to represent 2 per cent of their income, but in the meantime the cost of living has risen by 5 per cent. The recipients of veterans allowance have received no increase at all. The government continues to evade its responsibilities with respect to this group. The government's austerity program means that these groups, who have suffered so much already from rising living costs, can expect no help whatsoever as long as the government maintains its austerity program at their expense.

• (3:20 p.m.)

The government has over the years talked about a war on poverty. This is the war that never began. It is a war which poverty is winning by default. Almost two-fifths of our population live below the line of deprivation, and one-fifth are below the poverty line. The plight of our Indian, Eskimo and Metis people cries out for compassionate and humanitarian policies. The conditions on some of our Indian reserves beggar description; they are a national disgrace. The government uses its austerity program as an excuse for doing nothing. Even worse, it uses inflation as a cover for imposing reactionary programs that are reminiscent of Herbert Hoover.

The government will have great difficulty in persuading the Canadian people that it cannot cope with the problems of poverty, because it did not have difficulty finding $17 million with which to refit the *Bonaventure* before it went into mothballs. The government had no difficulty finding $49 million for the hydrofoil, and $80 million for the automobile industry. Now we read that Union Station in Ottawa, which is to be demolished in a few years, is to have $600,000 spent on it. My guess is that it will probably be over $1 million. It is being renovated for federal-provincial conferences. Is this the government's idea of social priorities? Is this how the Prime Minister puts into effect all the fine, moral precepts which he enunciated this afternoon? Emerson once said, "What you are speaks so loudly I can't hear what you say".

Unfortunately, Mr. Speaker, our civil servants have been made the villains and the scapegoats of the government's fight against inflation. No intelligent person will object to staff reductions on the basis of efficiency. However, the present cuts in staff mean that the civil service has been largely overstaffed, or essential services are being cut. The government should tell us which is the reason. The government's treatment of civil servants makes a mockery of collective bargaining. In essence, the government has said that any increase in salaries must be compensated by a reduction in staff.

At a meeting at Mount Gabriel Lodge in June of 1968, between Treasury Board officials, deputy ministers, heads of crown corporations, etc., guidelines were established for civil service collective bargaining, and they have been rigorously applied. We in this party contend that if there are to be government guidelines, they ought to apply to both public and private sectors and to all forms of income such as profit, rent, interest, capital gains and dividend payments. They should not be imposed solely upon the wages and salaries of civil servants.

It is doubtful whether any employer in Canada would treat his employees more callously than has the federal government. This is particularly true of the provision that the first to be fired are those 60 years of age and over. If private employers take a leaf out of the government's book there will be troubled days ahead for Canada. There have been some significant omissions in the government's policy of cutting staff. For instance, the Prime Minister's office staff is twice as large as that of his predecessor and costs $350,000 a year, compared with $150,000 a year for Mr. Pearson and $50,000 a year for the right hon. member for Prince Albert (Mr. Diefenbaker) when he was Prime Minister of Canada. The number of elite advisers to the government has reached the astronomical figure of 117, at a cost of $1.5 million.

The Prime Minister has now added two more Ministers without Portfolio, making a total of five Ministers without Portfolio. I do not know why we need more Ministers without Portfolio, unless it is to give regional representation, a reward for services rendered or the Prime Minister feels that some of the ministers he has are not capable of doing the job they have had assigned to them. This is the largest cabinet in Canadian history. No one would object to that if they were doing anything worth while, but when the government is cutting staff and reducing essential public services these additions to the cabinet make a farce of the government's appeals to the public for austerity.

Before I go on with my next point, Mr. Speaker, I want to move an amendment. I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

> That the amendment be amended by changing the period at the end thereof to a comma, and by adding immediately thereafter the following words:
>
> "who are suffering from rising unemployment, lower prices for primary products, and the curtailment of essential public services brought on by the government's misguided anti-inflation policies."

I will now turn to what we in this party believe to be the realistic and effective measures which must be taken in order to cope with the problem of inflation. We say, first, that Canada must attain a greater measure of economic independence. Much of our inflation has come from the United States and arises from the war in Viet Nam. Mr. Smith, the Chairman of the Economic Council, made that clear in his evidence before the Standing Committee on Finance, Trade and Economic Affairs. Professor Watkins, who wrote the report on foreign ownership for the government, put it much more succinctly when he said that not only have we lost the capacity to create economic growth in Canada, but the capacity of the Canadian government to create jobs and to control inflation is negligible. The Prime Minister's statement that we have only a 15 per cent marginal economy indicates the extent to which we are dominated and controlled by economic decisions made in the United States.

• (3:30 p.m.)

It is increasingly apparent that Canada must have a greater measure of economic independence if we are to pursue policies which will promote economic growth, provide full employment and assure a larger measure of price stability. As you know, Mr. Speaker, the take-over of Canadian industry by United States corporations is accelerating at an alarming rate. In July, 1969, the Department of Consumer and Corporate Affairs reported the following figures in connection with foreign take-overs in Canada: In 1963 there were 43 take-overs; in 1964 there were 96; in 1965 there were 83; in 1966 there were 87; in 1967 there were 90, and in 1968 there were 174. We contend that immediate action is required to reverse this trend, one that is eroding Canada's economic independence and preventing us from having the manoeuvrability which is so essential if we are to have a greater measure of control over our economic affairs.

We suggest there are a number of steps to be taken in this direction. First, we think that Canada should move toward establishing a floating exchange rate. This would give us a greater degree of flexibility in pursuing a monetary policy that is more appropriate to our needs. Second, we contend that there should be full disclosure by all large companies, both public and private, of the real source of ownership. Third, there should be legislation to prohibit foreign ownership in key sectors of our economy, as has already been done in the case of banks and the news media. There should be stronger anti-American combines legislation to inhibit foreign mergers, and there should be a take-over tax to restrain the absorption of Canadian businesses by foreign investors. Fourth, we believe we must establish a Canadian commercial corporation, as recommended by the Watkins Commission, to ensure that the goods produced in Canada can be sold on world markets without running afoul of the Trading with the Enemy Act in the United States.

Fifth, we must establish a Canada development corporation, publicly owned and controlled, for the purpose of directing Canadian capital into the development and expansion of Canadian industries.

The second measure we must take, in addition to getting greater Canadian economic independence, is the revision of Canada's tax structure so as to tax all forms of income on a basis of equity. The Carter Report, which was brought down in 1966, has not been acted upon. The government has repeatedly promised a white paper; we are still waiting for it. The latest date offered us is November 7.

I suggest that the Canadian people are prepared to support vital and essential public services provided the cost is borne fairly and equitably by all sections of the population. The Canadian people will not condone having an unfair share of the tax burden fall upon the middle income and lower income groups, while privileged sectors of the economy are allowed to evade their full responsibilities, as has been shown to be the case by the Carter Report.

Third, the government must step up its program to eliminate poverty and to remove regional economic disparity. A start has been made by the government in its program for regional economic development. I am glad to see from the Speech from the Throne that this is one program to which they propose to grant more money. This program, however, must be supplemented by other programs to help those who are below the poverty line, particularly the old age pensioners, veterans and other low income groups. To this end we will be pressing for the establishment of a guaranteed annual income, which in the long run is the only final solution.

Fourth, we believe that special programs must be set afoot to deal with the plight of the Indians, the Eskimos and the Metis. Canada has the productive capacity to create the wealth necessary to help the underprivileged. The economic slack from which we are suffering today represents the loss of several billion dollars a year in potential wealth production. This is why economic growth and full employment are so essential to a prosperous and united Canada. We also believe that housing, urban renewal and pollution control must be given high priority. Improving the environment of Canadians is the major task confronting this government, and a sufficiently large share of our national output must be directed to this end. Fifth, the government must tackle the problem of administered prices. Today at least two-thirds of our prices are no longer responsive to the law of supply and demand but are under the control of monopolies and quasi-monopolies which set their own prices with little regard to the marketplace.

We had a very good example today of how much the government is concerned with this problem. The Steel Company of Canada announced a 6 per cent increase in steel prices. When I asked the Prime Minister about it, he said, "We have no authority to look into wages". We are not talking about wages; we are talking about prices. Is the Prime Minister implying that the increase in the price of steel is due to the increase in wages? This is why we want an investigation.

Mr. William Mahoney, the Canadian director of the United Steel Workers of America, contends that wage increases can be completely met out of the improvement in productivity in the steel industry. I contend that if the government were doing its job it would immediately investigate this increase in the price of steel. If the contention of the steelworkers is correct, namely, that their increased wages can be met completely out of increased productivity, this government has the obligation to require the steel industry to roll prices back to their former figure.

Finally, Mr. Speaker, we maintain that Canada must take a much more independent stand on foreign affairs. Our increasing economic dependency on the United States has unfortunately led to political dependency and acquiescence. Let me give some examples. First of all, the ABM system. On March 19 last, as reported at page 6853 of *Hansard*, the Prime Minister said:

> If, Mr. Speaker, after receiving all the information, we are led to the view that the ABM system constitutes escalation and is conducive to greater peril for mankind, then we shall condemn it. We shall tell the United States that we disapprove. If, on the other hand, we are convinced that the ABM system is necessary though regrettable as a move by the United States, then we shall have to decide whether or not we shall participate in the operation of that system.

• (3:40 p.m.)

The ABM system was hotly debated in Congress. It was finally passed in the Senate by a majority of only one, and was made law by the President of the United States. But during all that discussion the Prime Minister was silent. The proximity to the Canadian border of two of these bases can affect the lives of Canadian citizens. The escalation of the nuclear arms race could affect the survival of the human race, yet the Prime Minister

remains silent. It is all very well for the Prime Minister to speak today in glowing terms of the survival of mankind. The time to speak out was when the whole question of the ABM system was being debated. The Prime Minister said that if the government disagreed with the system, we would condemn it and tell the United States government we disapproved of it. What has the government done? Has it condemned it? Has the government approved it, or is it merely remaining silent and acquiescing?

Another example arises directly out of the ABM system, namely, the nuclear tests at Amchitka in the Aleutians. These tests were announced many months ago but not until September 19 did the government get around to sending a note to Washington. When it did, it was such a mealy-mouthed statement that there was little hope anybody would pay any attention to it.

Two more tests of much greater magnitude are planned. What action does the government propose to take? I suggest to the Prime Minister that after all his fine words today and his expressions of hope for the abolition of nuclear armaments, he has a responsibility to tell this house, the country and the United States the stand we are going to take in respect of the two further increased magnitude tests which will be taking place at Amchitka—and to do so before the installations are in place or preparations even begin.

Another example of our acquiescence in respect of international policies concerns the question of sovereignty over Arctic waters. The discovery of large reservoirs of oil in the Arctic means that this area is now up for grabs, and that countries which looked upon it as a few thousand acres of snow and ice have now become very interested in the area. Canada is in danger of losing its sovereignty and ownership of those Arctic waters by default and by its failure to assert its basic rights. There can be no doubt about our rights.

Mr. Ivan Head, who is one of the Prime Minister's advisers, wrote of our Arctic waters a few years ago:

> —surrounded on all sides by Canadian territory they possess the character of Canadian waters.

Maxwell Cohen, dean of the law school at McGill University, points out that on the basis of the Norwegian fisheries case, decided by the International Court of Justice in 1951, Canada has a just claim to the Arctic waters as being internal waters, though subject to peaceful navigation rights from one part of the high seas to the other. Dean Cohen further points out that since 1958 the world has generally accepted the right of a coastal state to have exclusive jurisdiction over the continental shelf that extends seaward—

The Acting Speaker (Mr. Béchard): I regret to interrupt the hon. member but his time has expired.

Some hon. Members: Continue.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I thank the house for its kindness and I shall not trespass on hon. member's patience much longer. I am just about finished. Dean Cohen has pointed out that since 1958 the world has generally accepted the right of a coastal state to have exclusive jurisdiction over the continental shelf that extends seaward from the mainland to an average depth of 600 feet.

Canadians have no desire to deny peaceful passage through the Arctic waters. However, any mishap to oil tankers passing through these waters could create serious pollution problems. If we are to be the victims of any mishap, surely we are entitled to exercise proper control of these waters. To do this Canada should assert its sovereignty, lest its silence be construed as indifference.

The Prime Minister said this afternoon that legislation would be introduced in respect of the pollution of Arctic waters. We will know better, when we see the legislation, how far Canada intends to extend its sovereignty. The fact remains that a few weeks ago the *Manhattan* sailed through these waters with instructions from Washington not to fly the Canadian flag. This indicates that our great neighbour to the south is questioning Canada's jurisdiction in that area. It is time the government and this House of Commons—indeed this entire parliament—made its position clear not only to the Canadian people but to the nations of the world. Let me close by saying that the failure of the government to deal vigorously with some of the most pressing social and economic problems facing the Canadian people requires most vigorous action by the parties in opposition.

We listened this afternoon to the very eloquent statements made by the Prime Minister as he delineated the plight of people in various sections of Canada; but we listened in vain for any concrete or specific programs which the government has in mind to improve the conditions of the people for whom the Prime Minister shed such eloquent tears.

A Liberal government has been in office since April, 1963. They are not neophytes. The present administration has been in office since June, 1968. It has had ample time for the studies, white papers, royal commissions, interdepartmental committees and all the paraphernalia that is used to avoid having to make a decision. I say that unless the government comes up with much more specific programs and policies than we have seen to date, it will be the task of this party and the other parties in opposition to try to push the government out of its lethargy and prod it out of its self-satisfied apathy.

• (3:50 p.m.)

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, my first words will certainly be to congratulate the mover and the seconder of the Address in reply to the Speech from the Throne (Mr. Cullen and Mr. Marceau). I was not here, in the house when they made their speeches but I read them this morning and, under the circumstances, I think that these hon. members have done a tremendous job while omitting to talk about the Speech from the Throne. It was rather difficult for them because the Speech did not have much substance. We can say that the government has some good intentions but that we have often witnessed in the past governments with good intentions.

That did not prevent, for instance, the seconder, the hon. member for Lapointe, from describing the beauties of his area—and I congratulate him for his sincerity—he is right. The Saguenay region is one of the most beautiful areas in Canada. He said, as evidenced on Page 9 of yesterday's *Hansard* and I quote:

> The people, a strong and energetic breed are represented, no doubt through a coincidence, by the colour red.

A little further on, the hon. member said:

> Unemployment now stands at the alarming level of 14 per cent. Since the labour market cannot absorb the ever increasing number of those who want to join it, qualified workers must leave the area if they do not want to graduate as jobless or become dissenters who protest against an affluent society which denies them the right to earn a decent living.

Mr. Speaker, it is well spoken and I hope that the Prime Minister (Mr. Trudeau) will read again this part and will apply the necessary measures to alleviate this situation which prevails not only in the Saguenay area but in various other areas of the country.

[Mr. Douglas (Nanaimo-Cowichan-The Islands).]

Before coming to the heart of the matter, I would be remiss in my duties if I did not say that I am delighted—since the Prime Minister is in the house—with the firm stand which he has taken for some time now on the terrorists and the CBC. In fact, practically every night the national news of the CBC present Mr. Lemieux of Montreal, a professional agitator who has recently grown two tufts of hair. He looks like an African chimpanzee but he is on television almost every other day.

In the Canadian population there are quite a few sound elements which should be invited by the CBC to say what can be done to unify our country and to make people understand the advantages of a unity respecting everybody's rights. It seems to me that the CBC can still gain some ground and make some wise decisions in this field.

The right hon. Prime Minister said indeed that he trusted the new CBC board. We want to trust them also. However, we believe that if it is true that separatists are invited by the CBC to state their opinions, others should be invited too and this is exactly what CBC does not want to admit.

Mr. Speaker, this does not mean that Ottawa politicians only should be invited to speak on the CBC network.

The right hon. Prime Minister said, in a recent conference, that if its administrators cannot manage to straighten out the CBC, the government would "close shop". Ages ago I said that if the administration of the CBC or the parliament could not handle it, then it should be sold to private interests. Indeed, channel 10 in Montreal creates less trouble than channel 2 of the CBC.

The right hon. Prime Minister attacked the terrorists here in the house. I, too, have repeatedly spoken against them. That does not mean that all separatists are terrorists, nor that all terrorists are separatists. There is quite a difference between the two. One can find, amongst the terrorists, hoodlums who infiltrate organizations, especially with a view to provoking unrest, hand to hand fights, street fighting brawls or destruction, the like of which we witnessed in Montreal on October 7th last.

Mr. Speaker, certain things deserve serious examination. However, that does not necessarily excuse those who spread terror in the city of Montreal, or who would attempt to do so elsewhere. Laws are required to bring them into line; if they are not happy with living in freedom in Canada, then let them bear the yoke in Cuba or Moscow, it matters

little but let them go elsewhere. In Canada, we do not want yokes and, especially, not the yoke of terrorism. We do not want that under any circumstances.

Mr. Speaker, after yesterday's afternoon sitting, I was able to hear, on the CBC news bulletin, the Right Hon. Prime Minister say, in reply to the journalists' questions, that during this session more white papers would be dealt with than legislation.

The last session was that of the just society and the fight against poverty. These matters are not dealt with in the last Speech from the Throne. This must mean that the government has achieved its objective, that of setting up a just society. It seems Canada no longer has any poor. This year, we must then prepare for next year's session and put white papers before parliament. We can then call this session that of the white papers.

• (4:00 p.m.)

A white paper on unsold grain in western Canada, on unsold fish in British Columbia and in the Maritime provinces, on water and air pollution, on consumers' credit, on the reorganization of the fiscal policy, so as to take away from those who have in order to give a little more to those who have not, by means of endless red tape, that may cost as much as the difference between what is given to the poor and what is taken away from the rich.

When things go wrong in Canada, we blame others, not ourselves. The fault lies with the Nigerians, the Biafrans, the United Nations, which are paralyzed, with the arms race, for too much money is being spent on arms. So the National Defence Department's budget is being reduced—the minister knows it—in order to improve the situation.

Yet, things remain unchanged. The fault lies with the countries that do not buy our wheat anymore. Seven or eight years ago, the government used to say to the western farmers: Come on, hurry up, produce more wheat! Six or seven years later, the same government says: Do not produce any more wheat, we cannot sell it, because our former customers have become producers.

The Prime Minister is showered with wheat when he visits Saskatchewan. Because no markets can be found for our Canadian wheat, ministers are being sent around the world to find new markets, but without much success. It is quite a problem! What would be the solution? The Prime Minister does not suggest any. He is still looking for it.

There have been no sittings of the house for the past three months. Three months ago, the Prime Minister told us he needed that time to examine the problem because the opposition would not do it. It took the Prime Minister three months to study it. He grasps well whatever he studies but he found no answer. Maybe is it because he does not understand that well when he is studying or because he simply does not want to see the answer likely to solve the problem? The answer, I shall deal with later.

If things are going the wrong way in Canada it is because of the contesting youth, it is because of the constitution, it is because of inflation. The more we talk about fighting inflation the more it seems to prevail. It is hardly mentioned in the Speech of the Throne. Everybody is aware, however, of the steady growth of inflation in every area in Canada. We find fault in everything except in ourselves.

Mr. Speaker, when Parliament adjourned, on July 25, I said to the house, as appears from the *Hansard,* page 11632:

> Mr. Speaker, in the public interest, I believe it is urgent that we talk, for instance, about the underdeveloped areas, the producers, the farmers, the overall agricultural policy in Canada, the social security structure that should be amended...

...indeed, there is something in this structure that does not work, right now. There are poor people lacking the social welfare they need while others, who have no right to it, are getting it. A number of scandals were brought out into the light, in the province of Quebec, and it appeared that Ottawa had paid 50 p. 100 of all the amounts of moneys stolen from the coffers of the Quebec government, right into the very department of the social security or social welfare of that province. Cases are now pending, at the courts. We shall make no comment right now, but will deal with that matter in due time.

—old age pensions, pensions to veterans and retired people.

Those are matters that should be discussed at the earliest possible date. The government has now been asked for three, four or even five years to consider answers in order to help these retired people. I can hear the minister answering: "The opposition is asking us to spend more money."

But the government has less and less money. And the Treasury will run dry because precisely

the government allows financial sharks to increase their interest rates.

This is the primary cause due to the fact that the government is now at grips with that very financial system.

The government will be supplied by financial sources on which it has to pay accrued interest. If it borrows $1 million or $1 billion—

...on a 20-year basis...

—it will have to pay back—

more than $2 billion when the loan will fall due.

And to pay off the second billion, it would have to borrow again, because this is how the system works.

And as I was saying then, the government seemed to recognize its priority needs.

Evidently, the government intends to introduce legislations concerning underprivileged areas, farmers, unemployment insurance, pensions, social security. However, it fails to introduce the main measure, the most important, that which I suggested when I said:

—the members of the Ralliement créditiste maintain that the first thing to settle in Canada is the monetary system.

It should be settle not according to the will of the hon. member for Temiscamingue or that of the prime minister of Canada, but by means of a credit control commission that will grant the necessary credit to finance economic development, in Canada and in the province.

The government should introduce in the house a precise, clear and lucid legislative program applying to the Canadian monetary system, where can be traced back inflation, the subject the prime minister has dealt with so often these last months.

He dealt with it and we are sinking deeper and deeper into inflation which enables the rich to get richer and the poor to get poorer. This is the system in which we operate and as long as that system controls the destiny of our nation, we will be in the same mess. Whether it be under the government of this Prime Minister or of a future one, we always end up in a dead end. A solution is impossible to find. Such is the situation in which we find ourselves.

The Prime Minister replied, as reported on page 11632 of *Hansard* of July 25, 1969, that the hon. member for Témiscamingue, the leader of the Ralliement créditiste did not surprise him, and I quote:

He was never in power and he will never be. He does not know what is a government.

Did the Prime Minister know in 1942 what a government was when he was campaigning for the CCF party in the North-West of Quebec? Does the Prime Minister remember when he came to Rouyn with Mrs. Thérèse Casgrain to speak about the CCF? Did the Prime Minister know what a government is all about, before being elected as a Liberal member?

Mr. Trudeau: Don't talk about my private life.

Mr. Caouette: Mr. Speaker, I am happy to hear the Prime Minister tell me not to talk about his private life because if I had to choose between his private life, when he was a supporter of the CCF party and his public life, now that he is a Liberal, I wonder sometimes if I would not choose to support him in his private life rather than in his political life.

Some hon. Members: Hear, hear!

Mr. Caouette: Mr. Speaker, when the Prime Minister became a Liberal in 1965, was he aware at that time of what is understood by government. In 1962 and 1963, when the right hon. Prime Minister of Canada wrote at that time that Liberals were fools, did he know what a government really is like?

He stated in the house on July 25th that I did not know about it. Still I was seated here, in 1946, and not on the other side; on this side. It allows us to see what a government can do. We noticed that since the Liberals took office in 1963, the situation has deteriorated and the present economic conditions in Canada have become awful.

• (4:10 p.m.)

And that is not simply true of our province of Quebec as we often hear it said. Let us go in the Maritimes, in Nova Scotia, in New Brunswick. Everybody is faced with a production problem.

Earlier, I was talking about western wheat, but, Mr. Speaker, in Quebec, we have a milk surplus and an overproduction of lumber. In the Lake St. John area, there was a surplus of blueberries this year. Then, you go to New Brunswick—

Mr. Drury: Only one.

Mr. Caouette: That is true, the minister is right and in fact, the hon. member for

Lapointe mentioned that according to an old saying, two berries were enough to make a pie in the Lake St. John area. But he told us yesterday that a single one was enough. We have the proof of it: the hon. member for Lapointe is here.

Some hon. Members: Ha! Ha!

Mr. Caouette: Mr. Speaker, New Brunswick is faced with an over-production of potatoes and southern Ontario with an overproduction of corn.

Our mining areas are in an appalling state of stagnation. In western Canada, it is the wheat. There, students at the Winnipeg University, pay their schooling expenses with barley, I think. That solution has been devised because there is no money.

The right hon. Prime Minister said further that although I have never been in power or been a minister:

A very long time ago, no doubt,

when the member,

was still a child he stated his political theory and economic philosophy. Everything boils down to the monetary system. He found the truth, several years ago. He thinks he can stop thinking, studying and examining because he has the answer to everything: the reform of the monetary system.

The right hon. Prime Minister used those terms, Mr. Speaker.

If there is too much pollution it is because of the monetary system.

There is some truth in that. The right hon. Prime Minister was not entirely wrong. He was jesting, at times, but what is lacking in order to fight pollution in the Canadian waters? Ask the authorities of the province of Quebec! It is not the means of halting pollution that is lacking. It is indeed the money to do it.

We hear the Prime Minister of Quebec blaming the Prime Minister of Canada, and the Prime Minister of Canada answering the Prime Minister of Quebec.

Recently a Frenchman ending on a "Ski" came to Quebec to interpret the constitution, and I congratulate once again the right hon. Prime Minister upon the attitude which he took at that time, when he said that it does not belong to guys from France nor from England to interpret the Canadian constitution anywhere in Canada. Let Canadians do it.

Some hon. Members: Hear, hear.

Mr. Caouette: Why did the Frenchman from France, the French Secretary of State who came to tell the Quebecers what to do, not tell the Michelin Compagnie of France to come and settle in the province of Quebec, instead of going to Nova Scotia if he is so anxious to organize cultural and commercial exchanges between Quebec and France? This shows a lack of sincerity.

In any event, Mr. Speaker, to return to the problem, it is a financial problem.

The city of Montreal was recently faced with a gory revolt. The army had to be called, as well as the provincial police, and the municipal authorities said quite frankly that if their protection system was not too efficient it was because of a lack of funds. There would be no shortage of policemen if there was enough money to pay them.

And I wonder why the right hon. Prime Minister whom I believe to be a very intelligent man cannot understand that the monetary problem is the basic problem in the whole economic and social structure of Canada. This does not mean that money is a deity we should worship; it is a means of exchange that should be put to our service. That's what money is.

Some hon. Members: Hear, hear.

Mr. Caouette: The leader of the New Democratic party (Mr. Douglas) said earlier that we fail to build hospitals and roads because we lack money. We never worry about the material, the skill, the engineers, the contractors and the rest of it, for we know that we have them. We know that we have no money. That is why the right hon. Prime Minister is trying hard to tell us: "Practice restraint." We tell the municipalities and the provinces: "Do not spend."

In Ottawa, we are going to stop spending, up will go the number of unemployed in Canada; a feeling of insecurity is settling in every area, not only in those I mentioned earlier but everywhere, for such is the situation in the country.

What is going on in the lake St. John area, in the Abitibi area? Two thirds of Canada are considered nowadays as designated areas. And the Prime Minister thinks it hilarious whenever we talk of monetary reform.

This year for instance, everybody shows compassion for the fate of our young people. Poor young people, we must help them!

According to the speech from the throne, it is the Prime Minister's intention to propose a legislation in order that the voting age be

lowered to 18, as if that were to feed the young who are hungry. The Prime Minister knows that thousands of young people coming out of multipurpose schools, CEGEPs and universities this year were unsuccessful in their search of employment.

Mr. Speaker, is it not pitiful to see in 1969 a 17, 18 or 19 year-old boy, who has to ask his father, who may be a miner in the Noranda mine, an employee of the Canadian Vickers in Montreal, or of Canadair or of a Winnipeg or Toronto industry, to lend him 25¢, 50¢ or $1 so that he may go to see a movie or buy cigarettes, even if we are told that cigarettes cause cancer?

Mr. Speaker, we know such is the position in which our young people find themselves at the present time and then we are surprised whenever they rebel and question the doings of their elders. We are surprised to see them brutalize somewhat a society into which they cannot integrate.

In that case, Mr. Speaker, should we sincerely blame the young people who wish to form an integral part of the Canadian society? Should we not blame rather their elders, the people in power, who prevent young people from being a part of that society through a lack of responsibility or of legislation at all administrative levels, whether it be municipal, provincial or federal.

Mr. Speaker, the Right Hon. Prime Minister continued, saying:

If housing is in a bad way, the monetary system is to blame. Canadian participation abroad also depends on the monetary system.

There are fewer problems there. The necessary funds are usually found for foreign aid. But when it comes to helping our own country, they cannot be found.

Here, I say what I have always said: I am in favour of foreign aid to the greatest possible extent, but if we can, as people, as a government, as a parliament, grant loans without interest, for periods of 50 and 60 years to such countries as India, South America, and other under-developed countries in the world, why can the parliament, the government not legislate to allow interest-free loans to be granted to our provinces, our municipalities, our school boards, for terms as long as those? If those loans are a good thing for foreigners, they should also be of help to the provinces, the municipalities, the school boards; they should provide for work in exactly the same way as they do in foreign countries.

Mr. Speaker, the Prime Minister was a bit sharp, when he said speaking of the Creditiste members and I quote:

• (4:20 p.m.)

—and for that, of course, they must talk. And in order to do so they must, of course, be in the house. Give them holidays and they vanish out of the picture. They become nobodies—they are just nil.

And at that point, the Liberals cheered.

—They are here, Mr. Speaker, to be seen and to be heard.

However, the Prime Minister should admit that if we are here to be seen and to be heard, it is not thanks to him or to the Liberals who did everything, who contrived every means possible to get rid of us. We have not disappeared. We even came back in greater numbers than before. Why? Because we do not make ourselves heard only in parliament. If the Prime Minister does not know it, he will learn it very soon. We meet people elsewhere; we live with them, year round, holidays or no holidays. We mind our business, as Canon Groulx used to say, and I quote:

Mind your business, but do mind them!

That is exactly what the members of our party are doing here. We are not here simply to try to replace others, but to make concrete and logical suggestions to the government.

The Prime Minister should look at us and take us seriously, instead of blabbing nonsense about us without acknowledging the tremendous work we do. He said, and I quote:

They need a forum and there is none except in the house. They do not want to go in their constituencies, because the people there do not want to see them. They have heard the same things over and over again for too many years. Well, they are welcome to stay in Ottawa if they like.

In the circumstances, the prime minister should have known from experience. He said, and I quote:

They have heard the same things over and over again for too many years.

The same things, that is precisely what we have been hearing, here, in the house, for seven years. We are told of poverty prevailing in this or that area of the country, of our

products that cannot be sold. Now, we even hear about paying the farmers so much per acre as a premium for not growing wheat. We shall soon be thinking of paying the potato growers for not growing potatoes. Then, we shall live in a well-balanced and fully just society: one where payments will encourage curtailment of production and where the number of Canadian unemployed will be maintained and increased.

Mr. Speaker, such speeches as the Speech from the Throne we have heard will not settle the problem.

At the beginning of the speech for instance, the government makes known its intention to take certain measures regarding our international relations and I quote:

—the means at our disposal for bringing these conflicts to an end are necessarily limited, but the government is making full use of its opportunities—

While the government is making full use of those means, the world crisis is getting worse. There is less and less understanding between countries.

A little further, in its Speech from the Throne, the government expresses the hope to extend franchise to the eighteen year olds who actually need the right to live rather than the right to vote. If we could give our young generation the possibility of earning an honest and honourable living, there would be less tragedies such as the ones we have to face now.

Mr. Speaker: Order. I apologize for interrupting the hon. member, but under the standing orders, the time allotted to him has expired. Unless he obtains the unanimous consent of the hon. members he cannot go on.

Some hon. Members: Agreed.

Mr. Caouette: Mr. Speaker, I will not take undue advantage of the broadmindness shown by the hon. members who have allowed me to carry on. It will only take me a few more minutes.

I did have quite a lot to say, but I must be brief.

I come back immediately to the franchise at 18 years of age. We are in favour of it. I would like to draw the attention of the Prime Minister in this connection. As far as 1946, when I was first elected, I asked in this house that the franchise be extended to the 18 year-old, explaining that if our young people were old enough to be enlisted at 18 in the Canadian Army, they were old enough to vote, decide their future and what is to be done in Canada. Since then, exactly 23 years have elapsed. Therefore the Prime Minister is 23 years late on that matter.

Mr. Speaker, we can also read in the Speech from the Throne, the following and I quote:

History, geography and economics ... have placed certain of our citizens at a disadvantage.

I said a few words about it a moment ago.

History, geography and economics appear to have taken such an importance that they involve every region of Canada. But in that chapter, this government states that it will take measures concerning the designated areas that suffer from serious disadvantages in the volume of employment and average income, that it will introduce legislation in order to help them. But, it does not say in what way and does not refer to any specific program. You may send fifty-year old chaps back to school to retrain them but to retrain western farmers or New Brunswick potato growers is rather difficult. On the contrary, we should produce what we can produce and, as I said earlier, help under-developed countries as much as possible, without affecting for all that the normal development of our Canadian economy.

Mr. Speaker, a little farther, further reference is made to inflation, implying that the government had fought it efficiently by levying a new tax and reducing expenditures. Only, this resulted in an increased number of unemployed in Canada, more especially in the province of Quebec, where the unemployment rate reaches about 40 to 42 per cent of the total number of jobless in Canada.

Should we hold only the federal government responsible for this situation? No. Authroities in Quebec should also take their responsibilities in that area, because some works fall under provincial jurisdiction but cannot be done by the province. Why? Because it says: Ottawa is encroaching upon the taxation field. Ottawa is responsible for the things we do not have.

But all the while Ottawa is being run down, no legislation is adopted in the province of Quebec, so much so that everyone is getting annoyed with this situation. For example, while in Quebec they keep saying

that Ottawa is not giving them what belongs to them, at every official opening in the province, a federal member of parliament or a federal minister is invited, but they are afraid to let him address the public because he is from Ottawa, as if French Canadian members of the House of Commons were not French Canadians from Quebec.

Mr. Speaker, I am as good a French-Canadian patriot as any nationalist of the province of Quebec and here in Ottawa. I am proud to represent a Quebec riding, with dignity I hope, as a French-Canadian and as a Canadian. This is not yet understood in Quebec. There is some reluctance, it is believed in Quebec that Ottawa is removed from all that.

Mr. Speaker, the other day, the Prime Minister was right when he said that Canada's address is Ottawa. It is, for all those who have business to do in Canada, whether it is in New Brunswick, in Quebec, in Nova Scotia. This does not prevent the provinces from having rights and from taking their responsibilities. The constitution now gives them those rights; they only have to use them and enforce them. That is all there is to do.

Mr. Speaker, the speech from the throne also states, and I quote:

> The structure of our tax system must be adapted to reflect more accurately the true circumstances of individual Canadians and of business organizations in our modern society.

The Prime Minister just said: Take some money from those who earn more and give it to those who earn less, in order to balance the system.

We are against taking money from those who do have some, so as to avoid stifling personal initiative and to help the private sector. Do not take from the individual his sources of income, because his drive will disappear, and with the disappearance of ambition, out goes progress.

With the huge output we produce each year in Canada, which total salaries and profits cannot buy because they are insufficient, we say that a national dividend should be distributed to each and every Canadian citizen in order to have this purchasing power counterbalance our huge national output. Then, Mr. Speaker, without harming anyone, we would strike an almost perfect economic balance.

• (4:30 p.m.)

There will be no perfection, of course, but near-perfect equilibrium in the purchasing power of consumers, without taking anything away from anybody, because we are against socialist policies which consist in taking from those who have and hand it to those who have not, as they say in English.

[*English*]

Take away from the "haves" to give to the "have nots". Ultimately we will have all kinds of "have nots" and no more "haves" in Canada.

[*Translation*]

Mr. Speaker, that is exactly where we are going with such a socialist policy. We believe that the government will introduce concrete legislation during this session and we shall study it objectively. We are not here merely to say no, no, no to the government and the Prime Minister.

If the Prime Minister does something which makes sense, I am the first one to congratulate him. A moment ago I did so sincerely and openly because I like to see a man who takes a stand and has the courage to say what he thinks.

There is a song often heard in Quebec: "Say what you think, do as you say, but be yourself in the world of today." I agree with the song because it really means something: "Say what you think, do as you say." The Prime Minister usually says what he thinks but, sometimes, he forgets to do as he says. I should like to see him do as he says, and be himself in this world of today.

I believe it would then be possible to provide Canada, this country of ours, with a sound and progressive administration, to reactivate our economy so that every social class in Canada may share in it.

Any association exists for the benefit of its members. The members, here, are the Canadian people. We represent here those people and we must give the whole population a share in Canada's enormous wealth. Our role as members of Parliament is to pass legislation, to set everything in motion and to give every Canadian economic security and individual freedom.

[*English*]

Mr. Hees: Mr. Speaker, I move that this debate be now adjourned.

[*Translation*]

Mr. Marceau: Mr. Speaker, I rise on a question of privilege.

My hon. friend from Témiscamingue (Mr. Caouette) dubbed me a blueberry. Perhaps this is the best compliment that was ever paid to me. However, I should like to point out that to be truly a blueberry, you must have a blue belly. I doubt I can go that far.

[*English*]

On motion of Mr. Hees the debate was adjourned.

On motion of Mr. Olson the house adjourned at 4.35 p.m., pursuant to special order.

House of Commons
CANADA

NOTICES OF MOTIONS

WAYS AND MEANS

Friday, October 24, 1969

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AN ACT TO AMEND THE INCOME TAX ACT

That it is expedient to introduce a measure to provide that the surtax imposed on individuals and corporations by Part 1A of the Income Tax Act be applicable in the case of individuals to the 1970 taxation year and in the case of corporations to taxable income earned in 1970.

NOTICE OF WAYS AND MEANS MOTION

CUSTOMS TARIFF AND EXCISE TAX ACT

1. That section 4 of the CUSTOMS TARIFF be amended by repealing subsection (4) thereof and by substituting therefor the following:

4. (4) Where any order is made after the coming into force of this subsection under the authority of paragraph (b), (d) or (f) of subsection (1), the order shall, subject to the provisions of this Act, cease to have any force or effect with respect to any period following the one hundred and eightieth day from the date of its making *or, if Parliament is not then sitting, the fifteenth day next thereafter that Parliament is sitting*, unless not later than *that day* the order is approved by *resolution adopted by both Houses of* Parliament; and upon the commencement of the period with respect to which any such order so ceases to have any force or effect, all rates of Customs duties and the benefit of any tariff withdrawn by the order shall be deemed to be restored, and from and after the commencement of that period the rates so restored and any tariff the benefit of which is so restored shall, subject to the provisions of this Act, apply as they applied immediately before the day on which the order became effective.

2. That section 7 of the *Customs Tariff* be amended by repealing subsection (1c) thereof and by substituting therefor the following:

7. (1c) When any order is made under subsection (1a), the order shall cease to have any force or effect with respect to any period following the one hundred and eightieth day from the date of its making or, if Parliament is not then *sitting*, the fifteenth day *next thereafter that Parliament is sitting*, unless not later than that day the order is approved by *resolution adopted by both Houses of* Parliament.

21362—5½

3. That section 11 of the *Customs Tariff* be amended by repealing subsection (1) thereof and by substituting therefor the following:

11. (1) On the materials set forth in Schedule B, when used for consumption in Canada for the purpose specified in that Schedule, there may be paid, out of the Consolidated Revenue Fund, the several rates of drawback of Customs duties, *other than any special duty or surtax*, set opposite each item respectively in that Schedule, under regulations by the Governor in Council.

4. That each tariff item in Schedule A to the *Customs Tariff*, other than tariff item 19201-1, that contains the expressions "on and after January 1, 1970", "on and after January 1, 1971" and "on and after January 1, 1972" be amended

(*a*) by striking out the expression "on and after January 1, 1970" and the rate or rates of duty set opposite thereto;

(*b*) by striking out the expression "on and after January 1, 1971" and the rate or rates of duty set opposite thereto; and

(*c*) by striking out the expression "on and after January 1, 1972" and substituting therefor the expression "on and after June 4, 1969".

5. That tariff items 19905-1 and 65200-1 in Schedule A to the *Customs Tariff* be amended by striking out the expression "on and after January 1, 1970" contained in each such tariff item and substituting therefor the expression "on and after June 4, 1969".

6. That tariff items 7303-1, 7311-1, 13650-1, 29005-1, 40401-1 and 40402-1 in Schedule A to the *Customs Tariff* be amended

(*a*) by striking out the expression "on and after January 1, 1970" contained in each such tariff item and the rate or rates of duty set opposite thereto; and

(*b*) by striking out the expression "on and after January 1, 1971" contained in each such tariff item and substituting therefor the expression "on and after June 4, 1969".

7. That section 15 of *An Act to amend the Customs Tariff*, being chapter 12 of the Statutes of Canada 1968-69, be repealed.

8. That Schedule A to the *Customs Tariff* and each order in council made under section 10 of the *Customs Tariff* and section 273 of the *Customs Act* reducing the duty on goods be amended by striking out tariff items 30200-1, 34000-1, 34100-1, 34610-1, 41200-1, 41205-1, 41210-1, 41215-1, 41220-1, 41225-1, 42605-1, 47200-1, 47300-1, 47305-1, 47400-1, 47500-1, 47505-1, 47510-1, 47515-1, 47520-1, 47525-1, 53415-1, 66000-1, 66005-1 and 66010-1, and the enumerations of goods and the rates of duty set opposite each of those items, and by inserting in Schedule A to the *Customs Tariff* the following items, enumerations of goods and rates of duty:

Tariff Item	—	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Rates in Effect Prior to Rates Proposed in this Budget: British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
34000-1	Type, chases, quoins and slugs, for *use in* printing..	Free	10 p.c.	20 p.c.	7½ p.c. Free	17½ p.c. Free	20 p.c. 10 p.c.
34100-1	Babbitt metal and type metal, in blocks, bars, plates and sheets.....	Free	10 p.c.	20 p.c.	Free	10 p.c.	20 p.c.
34610-1	Zinc rods; zinc shapes other than flat-rolled; all the foregoing if containing not more than ten per cent by weight of other metal or metals.....	Free	Free	10 p.c.	Free	Free	10 p.c.

34615-1	Zinc strip or sheet, ungrained, whether or not ground, for making offset plates for lithographing; zinc strip or sheet, not ground or polished, coated on one side with acid-resisting material, *when imported for use by grinders and polishers*, to be prepared for use in photo-engraving; all the foregoing if containing not more than ten per cent by weight of other metal or metals.....	Free	Free	10 p.c.	Free	Free	10 p.c.
41201-1	*Printing presses, n.o.p., with an image or printing area of 374 square inches or larger; mechanical deliveries or conveyors for use with such presses; parts of the foregoing*.....	Free	Free	15 p.c.	Free Free Free 2½ p.c.	Free Free 10 p.c. 15 p.c.	15 p.c. Free 15 p.c. 35 p.c.
41202-1	*Printing presses, n.o.p., with an image or printing area of less than 374 square inches; parts of the foregoing*.....	Free	10 p.c.	15 p.c.	Free Free	10 p.c. Free	15 p.c. Free
41205-1	Machines and apparatus, *excluding those provided for in tariff item 41210-1*, for use exclusively by, and in their capacities as printers, lithographers, bookbinders, paper or foil converters, manufacturers of stereotypes, electrotypes and printing plates or rolls, or manufacturers of articles made from paper, cardboard or foil, namely:— Machines and apparatus for making *matrices*, stereotypes, electrotypes or printing plates of any kind; Machines and apparatus for the preparation of plates by graining, grinding, polishing or sensitizing; Machines and apparatus, including cameras and camera equipment, lenses, prisms, camera and printing lamps, screens and vacuum frames, for transferring *imagery* to *sensitized paper, film*, plates or rolls for use in printing; Machines and apparatus for slitting, winding or rewinding, *having a roll width of less than seventy-two inches;*						

Tariff Item	—	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Rates in Effect Prior to Rates Proposed in this Budget: British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
41205-1 (Cont'd)	Gun and mould apparatus for making press rollers; Machines and apparatus for addressing or wrapping newspapers, magazines, periodicals, pamphlets and catalogues; Machines and apparatus for bookbinding, box-covering, bronzing, bundling, carbon coating, *counting paper, cardboard or foil*, creasing, cutting, drilling, dusting, embossing or producing embossed or engraved effects, eyeletting, *flocking, folding*, gathering, glueing, gumming, inserting, jogging, looping, metal mounting, numbering, pasting, patching, perforating, punching, reinforcing, ruling, scoring, sewing, *sheet feeding*, sheet piling, *spraying for anti-offset*, stamping, staying, stitching, stripping, tube-making, tying, varnishing, or waxing; Parts of all the foregoing.....	Free	Free	15 p.c.	Free Free 2½ p.c. Various	Free 10 p.c. 15 p.c. Various	10 p.c. 15 p.c. 35 p.c. Various
41210-1	*Machines and apparatus for use in the manufacture of manifold business forms, namely:—* *Rotary web fed rubber plate and offset printing presses, and printing units therefor;* *Feed-in units;* *Numbering units;* *Punching units;* *Slitting units;* *Perforating units;* *Winders or rewinders;* *Folders;* *Sheet cutting and piling units;* *Hot carbonizing units;* *Continuous forms collators;* *Snap set collators;* *Continuous forms interleavers;* *Crimp-lock and slitting machines;*						

	Stitchers;						
	Carbon paper processors;						
	Parts of all the foregoing.....	Free	10 p.c.	15 p.c.	Free	10 p.c.	15 p.c.
					Free	Free	10 p.c.
					2½ p.c.	15 p.c.	35 p.c.
					Free	Free	Free
41215–1	Machines *and apparatus designed for* typecasting, typesetting *including phototypesetting, or for producing justified copy; machines and apparatus designed for creating or translating signals, on tape or wire or other media, for programming the automatic operation of the foregoing; typemaking accessories, n.o.p.; parts of all the foregoing; stereotypers' blankets or blanketing*.....	Free	Free	15 p.c.	Free	Free	Free
					Free	Free	10 p.c.
					Free	5 p.c.	10 p.c.
					Free	10 p.c.	15 p.c.
					2½ p.c.	15 p.c.	35 p.c.
					15 p.c.	19 p.c.	30 p.c.
41220–1	Articles and materials which enter into the construction and form part of the machines and apparatus *entitled to entry under* tariff items *41201–1*, 41205–1 *and 41215–1*, when for use in the manufacture of such machines, apparatus and parts thereof	Free	Free	15 p.c.	Free	Free	Free
					Free	10 p.c.	15 p.c.
					Various	Various	Various
41230–1	*Sheets, plates, blocks, rolls or cylinders, ground, polished or otherwise prepared for the production of printing plates, rolls or cylinders*.....	10 p.c.	15 p.c.	25 p.c.	Free	15 p.c.	20 p.c.
					15 p.c.	19 p.c.	30 p.c.
					10 p.c.	15 p.c.	20 p.c.
					Free	7½ p.c.	30 p.c.
					10 p.c.	10 p.c.	30 p.c.
					Various	Various	Various
41235–1	*Printing plates of all kinds, including rolls and cylinders, for the reproduction of non-advertising material in newspapers, or for printing books or music, or for printing periodical publications enjoying second-class mailing privileges the pages of which are regularly bound, wire-stitched or otherwise fastened together, not including catalogues; copper shells, bases, matrices, moulds, exposed positive or negative films and reproduction proofs, for such printing plates*...	Free	Free	25 p.c.	Free	Free	Free
					Free	Free	25 p.c.
					Free	½ ct/sq. in.	½ ct/sq. in.
					½ ct./sq. in.	½ ct./sq. in.	½ ct./sq. in.
					Various	Various	Various

Tariff Item	—	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Rates in Effect Prior to Rates Proposed in this Budget: British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
41240–1	*Stereotypes, electrotypes, and other printing plates made from moulds, n.o.p.; copper shells, bases, matrices or moulds, for such printing plates*..... per square inch	1 ct.	1 ct.	1½ cts.	1 ct. Various	1 ct. Various	1½ cts. Various
41245–1	*Printing plates including rolls and cylinders, n.o.p.; exposed positive or negative films and reproduction proofs, for such printing plates*.....	10 p.c.	15 p.c.	25 p.c.	10 p.c. Free Various	15 p.c. 15 p.c. Various	20 p.c. 20 p.c. Various
42605–1	Machinery and apparatus enumerated in tariff item 41205–1, when for use *exclusively* by, *and in their capacities as* manufacturers of articles made from regenerated cellulose or cellulose acetate; parts of the foregoing.....	5 p.c.	5 p.c.	35 p.c.	5 p.c. Various	5 p.c. Various	35 p.c. Various
53415–1	Press blankets or blanketing, of a class or kind not made in Canada, for use with printing presses....	Free	5 p.c.	10 p.c.	Free	5 p.c.	10 p.c.
53417–1	*Press blankets or blanketing, n.o.p., for use with printing presses*.....	10 p.c.	15 p.c.	25 p.c.	Free Free 24 p.c. 20 p.c.	Free 10 p.c. 24 p.c. 24 p.c.	Free 15 p.c. 35 p.c. 40 p.c.

9. That Schedule A to the *Customs Tariff* and each order in council made under section 10 of the *Customs Tariff* reducing the duty on goods be amended by striking out tariff items 43125–1, 43130–1, 43130–2, 43150–1 and 43155–1, and the enumerations of goods and the rates of duty set opposite each of those items, and by inserting in Schedule A to the *Customs Tariff* the following items, enumerations of goods and rates of duty:

Tariff Item	—	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Rates in Effect Prior to Rates Proposed in this Budget: British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
43125-1	*Toolmakers'*, machinists' or metal workers' precision tools and measuring instruments, namely: Bevels; Buttons; Calipers; Clamps, including key seat clamps and rule clamps; Dividers; Gauges, *including thickness gauges in roll form;* Micrometers; Parallels; Plumb bobs, mercury; Protractors; Punches, automatic centre; Scribers; Speed indicators, hand; Squares; Straight edges; Trammels; Verniers; Vises;						
	Toolmakers', machinists' or metal workers' precision tools and measuring instruments, n.o.p.; Parts of all the foregoing.....	Free	9 p.c.	20 p.c.	Free	9 p.c.	10 p.c.
43130-1	Engineers', surveyors' or draftsmen's precision instruments and apparatus, namely: Alidades; Altazimuths; Aneroid barometers; Boards, military sketching; Clinometers; Compasses; Cross staff heads; Curves, adjustable, irregular, railroad and ship; Curvimeters; Dipping needles;						

Tariff Item	—	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Rates in Effect Prior to Rates Proposed in this Budget: British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
43130-1 (Cont'd)	*Distance measuring apparatus using light, radio or sound waves;*						
	Drafting instruments of all kinds;						
	Drafting machines;						
	Engineering lasers;						
	Gyro converters;						
	Heliographs;						
	Integrators;						
	Levels;						
	Liners, section;						
	Meters, portable for hydraulic engineering;						
	Pantographs;						
	Parallel rules;						
	Parallel ruling attachments;						
	Pedometers and paceometers;						
	Plane tables, military and topographic;						
	Planimeters;						
	Poles, ranging;						
	Prisms, angle;						
	Protractors;						
	Rods, levelling;						
	Scales, flat and triangular;						
	Sextants;						
	Slide rules;						
	Splines;						
	Straight edges;						
	Subtense bars;						
	Tacheometers;						
	Tallying machines, pocket;						
	Tee squares;						
	Telemeters;						

	Theodolites; Transits; *Traversing targets*; Triangles of all types; Parts, *attachments*, tripods, *base plates* and *fitted cases* for all the foregoing.....	Free	5 p.c.	20 p.c.	Free Free Free Free	9 p.c. 5 p.c. 7½ p.c. 18 p.c.	10 p.c. 10 p.c. 30 p.c. 28 p.c.
43150–1	Geophysical precision instruments and equipment of a class or kind not made in Canada; Parts, *attachments*, tripods, *base plates* and fitted cases for all the foregoing.....	Free	Free	20 p.c.	Free	Free	30 p.c.
43155–1	Photogrammetric instruments and equipment for use in the interpretation of photographs and in the preparation of maps and plans from photographs, including the following: stereoscopes, binoculars for use with stereoscopes, parallax bars, height finders, contour finders, sketchmasters, slotted template equipment and accessories for use with any of the foregoing; stereoscopic plotting instruments and equipment of either optical-mechanical or projector type, including such accessories as plotting and tracing tables whether electrically, mechanically or remotely operated, optical instruments for preparing diapositive plates, voltage regulators and electrical transformers, cooling systems, lamps, spectacles, filters, height gauges, principal point selectors and other components for use with the foregoing equipment; all the foregoing of a class or kind not made in Canada and parts and fitted cases for any of the foregoing	Free	Free	20 p.c.	Free	5 p.c.	20 p.c.

10. That Schedule A to the *Customs Tariff* and each order in Council made under section 10 of the *Customs Tariff* and section 273 of the *Customs Act* reducing the duty on goods be amended by striking out tariff items 46200–1, 47600–1, 47602–1, 47605–1, 47610–1, 47805–1, 47810–1, 47815–1, 47900–1, 48000–1, 48005–1, 48100–1, 48105–1, 48600–1, 51100–1, 51100–6, 69605–1, 69610–1 and 69625–1, and the enumerations of goods and the rates of duty set opposite each of those items, and by inserting in Schedule A to the *Customs Tariff* the following items, enumerations of goods and rates of duty:

Tariff Item	—	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Rates in Effect Prior to Rates Proposed in this Budget: British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
46200–1	*Instruments for observation, measurement, experimentation or demonstration in respect of natural phenomena, n.o.p.;* photographic, mathematical and optical instruments, n.o.p.; speedometers, cyclometers and pedometers, n.o.p.; parts of all the foregoing	2½ p.c.	15 p.c.	30 p.c.	2½ p.c.	15 p.c.	30 p.c.
47600–1	X-ray apparatus and X-ray film; microscopes, *illuminating devices and stands for use therewith; the following* surgical, dental, *veterinary and diagnostic articles:* instruments; *sterilizers; cobalt-therapy units; anaesthesia,* surgical suction *and oxygen administering apparatus including motive power and wall outlets but not piping systems.* Parts of all the foregoing; electric light lamps designed for use with all the foregoing; *portable cases and containers for all the foregoing*	Free	Free	Free	Free 2½ p.c. 2½ p.c. 12½ p.c. Various	Free 15 p.c. 15 p.c. 21½ p.c. Various	Free 30 p.c. 35 p.c. 40 p.c. Various
47605–1	Operating room lights designed to minimize shadow, not including bulbs, of a class or kind not made in Canada; chairs and tables for surgical operating purposes; infant incubators; infant and patient *medical-alert or* identification *devices including beads,* tapes and ribbons of any material, *cases therefor and equipment for their application;* electrocardiographs, paper and sensitized film for use therein; apparatus for sterilizing purposes, including bedpan washer-sterilizers but not in-						

	cluding washing nor laundry machines; parts of all the foregoing; electroencephalographic paper. All for the use of any public hospital, under such regulations as the Minister may prescribe.....	Free	Free	Free	Free 20 p.c. 10 p.c. Various	Free 26½ p.c. 19 p.c. Various	Free 50 p.c. 35 p.c. Various
47805–1	Artificial limbs, *with or without power, and all accessories and devices therefor;* spinal and other orthopedic braces; parts of the foregoing.....	Free	Free	Free	Free 15 p.c. 2½ p.c. Various	Free 19 p.c. 15 p.c. Various	Free 30 p.c. 35 p.c. Various
47810–1	Aural, nasal, mastectomy and other medical or surgical prostheses; materials for use in reconstructive surgery; ileostomy, colostomy and urinary appliances *or articles other than infants' pants and diapers*, designed to be worn by an individual; materials and articles required therewith for proper application and maintenance.....	Free	Free	Free	Free 20 p.c. 21½ p.c. 10 p.c.	Free 26½ p.c. 25½ p.c. 20 p.c.	Free 50 p.c. 35 p.c. 35 p.c.
47815–1	*Auxiliary driving control kits and other equipment designed for attachment to motor vehicles to facilitate their operation by physically disabled persons; parts of the foregoing*.....	Free	Free	Free	Free Free 10 p.c. Various	Free 15½ p.c. 19 p.c. Various	30 p.c. 30 p.c. 35 p.c. Various
47820–1	Boots, shoes and appliances for an individual with a defective or abnormal foot or ankle when made to order for the individual or when purchased on the written order of a registered medical practitioner.....	Free	Free	Free	Free	Free	Free
	Invalid chairs, *commode chairs, walkers and all other aids to locomotion,* with *or without* wheels; motive power and wheel assemblies therefor; *toilet, bath and shower seats; all specially designed for the disabled; accessories and attachments for all the foregoing:*						

Tariff Item	—	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Rates in Effect Prior to Rates Proposed in this Budget: British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
47825-1	*Of a class or kind made in Canada; parts thereof....*	Free	10 p.c.	15 p.c.	Free 15 p.c. Various	10 p.c. 19 p.c. Various	15 p.c. 30 p.c. Various
47826-1	*Of a class or kind not made in Canada; parts thereof*	Free	Free	Free	Free 15 p.c. Various	10 p.c. 19 p.c. Various	15 p.c. 30 p.c. Various
47830-1	Artificial larynges; *devices for amplifying speech to audible volume; devices for the audible or visual recording or reproduction of speech or attempted speech, for use in training; attachments, accessories and batteries for the foregoing; parts of all the foregoing. All the foregoing when imported for the use of a mute or partially mute person, of a public hospital, or of a bona fide association or institution for the mute or partially mute, and not for sale or rental unless to those mentioned herein, under such regulations as the Minister may prescribe*.....	Free	Free	Free	Free 15 p.c. 15 p.c. Various	Free 19 p.c. 20½ p.c. Various	Free 30 p.c. 27½ p.c. Various
47835-1	*Alternating pressure mattresses; canes and crutches; ceiling projectors and prismatic glasses, for reading; oscillating beds; patient-lifters; powered feeders, powered page-turners; pressure-gradient elastic supports made to order for an individual in accordance with the written prescription of a registered physician or surgeon; attachments and accessories for the foregoing; parts of all the foregoing. All the foregoing when imported for the use of a disabled person or of a public hospital, under such regulations as the Minister may prescribe*.....	Free	Free	Free	Free 17½ p.c. 20 p.c. Various	Free 17½ p.c. and 61 cts. per dozen pairs 26½ p.c. Various	Free 35 p.c. and $1.50 50 p.c. Various

47900–1	*Materials and articles for use exclusively in the manufacture of the goods enumerated in tariff items 47600–1, 47605–1, 47805–1, 47810–1, 47815–1, 47820–1, 47826–1, 47830–1 and 47835–1*	Free	Free	Free	Various	Various	Various
51100–1	Golf clubs and finished parts thereof; racquets and racquet frames and baseball bats; balls of all kinds for use in sports, games or athletics, n.o.p.	15 p.c.	20 p.c.	35 p.c.	15 p.c.	23 p.c.	35 p.c.
51125–1	*Walking sticks and walking canes of all kinds, n.o.p.*	15 p.c.	20 p.c.	35 p.c.	15 p.c.	20 p.c.	35 p.c.
69530–1	*Motion picture films and filmstrips, with or without sound recording, for deposit as archives and for exhibition without commercial purpose, under such regulations as the Minister may prescribe*	Free	Free	Free	1½ cts.	1½ cts. per linear foot	3 cts.
					Free	1½ cts. per linear foot (20 p.c. max.)	3 cts. (30 p.c. max.)
69605–1	Scientific apparatus (and ancillary equipment thereto), utensils, instruments, and preparations, including boxes and bottles containing *them*; *glassware for laboratory or scientific uses*; maps, charts, *motion picture films, filmstrips, microfilms, slides and* other photographic reproductions and pictorial illustrations; *pamphlets and magazines; reproductions of works of art; sound recordings and* video tape recordings; stencils and cards specially designed for the preparation of library index cards; models, *static or moving*; animals as research or experimental subjects; living plants, seeds, cuttings, buds, scions, tubers, bulbs and root-stock; mechanical equipment *not otherwise enumerated in this item when* of a class or kind not made in Canada; parts of *all* the foregoing. *All the foregoing* when for the use of any society or institution incorporated or established solely for religious, educational, scientific or literary purposes, or for the encouragement of the fine arts (*namely architecture, sculpture, painting, engraving and music*), or for the use of any public hospital, *public library, public museum, university*, college, academy, school or seminary of learning in Canada and not for sale or rental *unless to those mentioned herein*, under such regulations as the Minister may prescribe	Free	Free	Free	Free	Free	Free

Tariff Item	—	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Rates in Effect Prior to Rates Proposed in this Budget: British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
69610–1	Materials and articles for *use exclusively in* the manufacture of the goods *enumerated* in tariff item 69605–1.....	Free	Free	Free	Free Various	Free Various	Free Various
69625–1	Sound recordings specially made for use in the study of languages; sound recordings, *tape recorders and phonographs* for bona fide libraries, and being the property of the organized authorities of such libraries and not the property of individuals or business concerns; under such regulations as the Minister may prescribe.....	Free	Free	Free	Free 13 p.c. 10 p.c.	Free 18 p.c. 12½ p.c.	Free 28 p.c. 25 p.c.

11. That Schedule A to the *Customs Tariff* and each order in council made under section 10 of the *Customs Tariff* and section 273 of the *Customs Act* reducing the duty on goods be amended by striking out tariff items 945–1, 2705–1, 10505–1, 10540–1, 17310–1, 20620–1, 23240–1, 29655–1, 31615–1, 31905–1, 38800–1, 41001–1, 41002–1, 41305–1, 41525–1, 42835–1, 44043–1, 44047–1, 44059–1, 44300–1, 45400–1, 50600–3, 50600–5, 50600–6, 61625–1, 70320–1, 70321–1, 82300–1 and 93404–2, and the enumerations of goods and the rates of duty set opposite each of those items, and by inserting in Schedule A to the *Customs Tariff* the following items, enumerations of goods and rates of duty:

Tariff Item	—	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Rates in Effect Prior to Rates Proposed in this Budget: British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
945–1	Feeds for use exclusively in the feeding of trout *and salmon*..... on and after July 1, *1970*	Free 5 p.c.	Free 5 p.c.	25 p.c. 25 p.c.	Free 11 p.c.	Free 11 p.c.	25 p.c. 25 p.c.

10505–1	Lemon, *lime*, orange, grapefruit and citron rinds, *n.o.p.*	Free	Free	Free	Free 15 p.c.	Free 19 p.c.	Free 25 p.c.
10540–1	Oranges, grapefruit, lemons, *or limes*, sliced or in the form of pulp, with or without the addition of preservatives	Free	Free	35 p.c.	Free 19½ p.c.	3 p.c. 22 p.c.	35 p.c. 35 p.c.
17310–1	Printed books, pamphlets, cards *and sheets* for use in intelligence testing; other articles and materials imported with and specially designed for use with such printed books, pamphlets, cards *and sheets;* cards for use in the teaching of reading or arithmetic	Free	Free	Free	Free 17½ p.c.	Free 21½ p.c.	Free 35 p.c.
19946–1	*Trays of pulp or pulpboard, with pockets, imported for use exclusively in the packaging of peaches and pears in their natural state*	Free	Free	35 p.c.	17 p.c.	19½ p.c.	35 p.c.
20620–1	Materials and articles for the manufacture of the goods specified in items 20605–1, 20610–1 and 20615–1	Free	Free	Free	Free 10 cts.	Free 20 cts. per gallon of the strength of proof	Free 40 cts.
23240–1	*Ossein for use exclusively in the manufacture of gelatine*	Free	Free	25 p.c.	Free	Free	25 p.c.
29655–1	*Pyrophyllite for use in Canadian manufactures*	Free	Free	25 p.c.	Free	Free	25 p.c.
31615–1	*Glass tubing in straight lengths of not less than three feet, not coated, for use in Canadian manufactures*	Free	Free	10 p.c.	Free	Free	10 p.c.
31905–1	*Plate glass, not more than five thirty-seconds of an inch in thickness, for use in the manufacture of laminated safety glass*	Free	5 p.c.	15 p.c.	Free	5 p.c.	15 p.c.
34405–1	*Composition foils, composed of varying percentages of lead and tin, and whether or not containing antimony*	Free	Free	Free	15 p.c.	19 p.c.	25 p.c.
35115–1	*Metal alloy slugs, cast, with diamonds or diamond chips embedded therein, of any size or shape, in condition as from the mould, for use in Canadian manufactures*	Free	Free	Free	Free	Free	Free

Tariff Item	—	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Rates in Effect Prior to Rates Proposed in this Budget: British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
38009-1	*Sheet piling sections of iron or steel, not further manufactured than hot-rolled, and whether or not with handling holes therein*	5 p.c.	10 p.c.	20 p.c.	5 p.c. 17 p.c.	10 p.c. 19 p.c.	20 p.c. 40 p.c.
38800-1	Foundry moulding flasks and jackets for use therewith; *parts and attachments or accessories for the foregoing*	Free	Free	35 p.c.	Free 10 p.c. 15 p.c. 17 p.c.	Free 19 p.c. 19 p.c. 18 p.c.	35 p.c. 35 p.c. 30 p.c. 25 p.c.
	Bits and augers of all kinds; Drills of all kinds, not including those drilling rigs entitled to entry under tariff item 49103-1; *Fishing tools, n.o.p.;* *Reamers, stabilizers, and combinations thereof, n.o.p.;* All the foregoing for use in the exploration or drilling for water, oil, natural gas or minerals, or in mining or quarrying:						
41001-1	Of a class or kind made in Canada; parts thereof	5 p.c.	15 p.c.	25 p.c.	5 p.c. 10 p.c.	15 p.c. 19 p.c.	25 p.c. 35 p.c.
41002-1	Of a class or kind not made in Canada; parts thereof	Free	Free	Free	Free 10 p.c.	Free 19 p.c.	Free 35 p.c.
41305-1	Machinery and apparatus, of a class or kind not made in Canada, and parts thereof, for preparing, manufacturing, testing or finishing yarns, cordage, and fabrics made from textile fibres or from paper, imported for use exclusively by manufacturers and scholastic or charitable institutions in such processes only	Free	Free	10 p.c.	Free 2½ p.c. 10 p.c. Various	Free 15 p.c. 19 p.c. Various	10 p.c. 35 p.c. 35 p.c. Various

41525-1	Sewing machines, *not to include industrial sewing machines*, with or without motive power incorporated therein; parts thereof.....	5 p.c.	15 p.c.	25 p.c.	5 p.c. 10 p.c. Various	15 p.c. 19 p.c. Various	25 p.c. 35 p.c. Various
42835-1	Governors, *n.o.p.*, and parts thereof, for use in the manufacture *or repair* of diesel locomotives.....	Free	7½ p.c.	30 p.c.	Free Free Free	7½ p.c. 10 p.c. 18 p.c.	30 p.c. 20 p.c. 30 p.c.
	Aircraft, not including engines, under such regulations as the Minister may prescribe:						
44043-1	When of types or sizes not made in Canada.....	Free	Free	27½ p.c.	Free	Free	27½ p.c.
	on and after July 1, *1971*	Free	7½ p.c.	27½ p.c.	Free	7½ p.c. (On and after July 1, 1969)	27½ p.c.
	Aircraft engines, when imported for use in the equipment of aircraft:						
44047-1	When of types or sizes not made in Canada.....	Free	Free	27½ p.c.	Free	Free	27½ p.c.
	on and after July 1, *1971*	Free	7½ p.c.	27½ p.c.	Free	7½ p.c. (On and after July 1, 1969)	27½ p.c.
44059-1	Auxiliary power units; Batteries; Bolts, cocks, cotter pins, eyelets, nuts, pins, rivets, screws, turnbuckles and clevis, washers; Brakes, with related operating gear; Carburettors; Direct or inertia starters with or without related operating gear; Distributors; De-icing and anti-icing equipment; Electric generators; Electric lamps; Exhaust gas analyzers; Fittings and couplings; Fuel pressure warning devices; Forgings and castings; Hinges; Hydraulic jacks; Hydraulic pumps; Ignition coils; Instruments;						

Tariff Item	——	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Rates in Effect Prior to Rates Proposed in this Budget: British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
44059-1 (Cont'd)	Landing and navigation lights; Magnetos; Oil coolers; Pressure fire extinguishers; Primer pumps; Propellers and helicopter rotors; Radio for navigation and air traffic communication; Seats; *Shapes or sections, rolled, drawn or extruded, and bars, rods, tubes, plate, sheet and strip, of any metal or alloy thereof;* Spark plugs; Swaged wires and tie rods; Tires and tire inner tubes; Vacuum pumps with related operating gear; Voltage control boxes; Wheels; Parts of all the foregoing; All of the foregoing when of types or sizes not made in Canada and for use in aircraft, aircraft engines, airborne aircraft equipment, or parts of aircraft, aircraft engines, or airborne aircraft equipment.....	Free	Free	27½ p.c.	Free Various	Free Various	27½ p.c. Various
44300-1	Apparatus, and parts thereof, for cooking or for heating buildings, *not to include commercial food processing machines, namely, continuous pressure and atmospheric pre-heaters and cookers, and parts thereof, for sterilizing or for cooking or for both sterilizing and cooking food products in hermetically sealed containers*.....	15 p.c.	20 p.c.	30 p.c.	15 p.c.	21½ p.c.	30 p.c.
44623-1	*Electron beam welding machines and laser beam microwelding machines*.....	5 p.c.	10 p.c.	30 p.c.	5 p.c.	18 p.c.	30 p.c.

45400-1	Frames not more than ten inches in width, clasps and fasteners (not to include slide or hookless fasteners), when imported for use in the manufacture of purses, chatelaine bags or reticules; parts of the foregoing	Free	12½ p.c.	20 p.c.	Free Various	12½ p.c. Various	20 p.c. Various
61625-1	*Scrap or used tires and tubes, wholly or in part of rubber, when imported for use exclusively in the manufacture of reclaim rubber*	Free	Free	Free	Free	Free	Free
65815-1	*Motion picture films, negative or positive, with or without sound; still picture films, negative or positive; video tape recordings; sound recordings in tape, disc or wire form; all the foregoing being news features or recordings of current events*	Free	Free	Free	Free Free Free 15 p.c. 15 p.c.	Free 1½ cts. per linear foot Free 20 p.c. 17½ p.c.	Free 3 cts. 3c/lin. ft. 25 p.c. 30 p.c.
70320-1	Goods (not including alcoholic beverages, cigars, cigarettes and manufactured tobacco) imported by a member of the Canadian Forces or an employee of the Canadian Government, or by a former resident of Canada returning to Canada to resume residence therein, and acquired by him during an absence from Canada of not less than one year for personal or household use and actually owned by him abroad *and in his possession and use* for at least six months prior to his return to Canada *The Minister may by regulation exempt any goods or classes of goods from the six-month ownership, possession and use requirement set out in this item.* Goods entitled to entry under this item shall be exempt from all imposts notwithstanding the provisions of this Act or any other Act. Any goods imported under this item which are sold or otherwise disposed of within twelve months after importation are subject to the duties and taxes otherwise prescribed.	Free	Free	Free	Free	Free	Free

Tariff Item	—	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Rates in Effect Prior to Rates Proposed in this Budget: British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
	92942—Vegetable alkaloids, natural or reproduced by synthesis, and their salts, ethers, esters and other derivatives:						
92942-4	*Caffeine and its salts*	Free	12½ p.c.	25 p.c.	Free	12½ p.c.	25 p.c.
	93404—Synthetic wax; waxes containing synthetic wax:						
93404-2	Polyethylene of a *number*-average molecular weight not exceeding *4,000*	Free	Free	10 p.c.	Free	Free	10 p.c.

12. That Schedule A to the *Customs Tariff* be amended by striking out tariff items 70310-1 and 70315-1, and the enumerations of goods and the rates of duty set opposite each of those items, and by inserting in Schedule A to the *Customs Tariff* the following items, enumerations of goods and rates of duty:

Tariff Item	—	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Rates in Effect Prior to Rates Proposed in this Budget: British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
	Goods (not including alcoholic beverages, cigars, cigarettes and manufactured tobacco except where specifically provided therefor) acquired abroad by a resident of Canada for his personal or household use or as souvenirs or gifts, but not bought on commission or as an accommodation for any						

	other person or for sale, and declared by him at the time of his return to Canada, under such regulations as the Minister may prescribe:						
70310-1	Valued at not more than twenty-five dollars (including alcoholic beverages not exceeding *forty ounces*, and tobacco not exceeding fifty cigars, two hundred cigarettes and two pounds of manufactured tobacco) and included in the baggage accompanying the resident of Canada returning from abroad after an absence from Canada of not less than forty-eight hours.....	Free	Free	Free	Free	Free	Free
	A resident of Canada shall not be entitled to the exemption granted under this item more often than once in each calendar quarter, that is in each quarterly period in a year beginning on January 1, April 1, July 1 and October 1, respectively.						
70311-1	Valued at not more than *one hundred dollars (including alcoholic beverages not exceeding forty ounces, and tobacco not exceeding fifty cigars, two hundred cigarettes and two pounds of manufactured tobacco) and included in the baggage accompanying* the resident of Canada returning from abroad after an absence from Canada of not less than *twelve days*.....	Free	Free	Free	Free Various	Free Various	Free Various
	Goods (other than alcoholic beverages, cigars, cigarettes and manufactured tobacco) acquired in any country beyond the continental limits of North America may be entered under this item although they are not included in the baggage accompanying the returning resident if they are declared by him at the time of his return to Canada.						
	The exemption granted under this item shall be extended only to a resident who, upon his return to Canada, establishes in such form and manner as the Minister may specify by regulation that he has been abroad for a minimum period of twelve days, which form and manner may differ according to the country visited or the mode of travel used.						

Tariff Item	—	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Rates in Effect Prior to Rates Proposed in this Budget — British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
	A resident of Canada shall not be entitled to the exemption granted under this item more than once in a calendar year and he shall not be entitled, with respect to the same trip abroad, to claim an exemption under tariff item 70310–1 if he claims an exemption under this item.						
70312–1	*Valued at not more than one hundred dollars (not including goods otherwise allowed duty-free entry into Canada, nor alcoholic beverages, cigars ,cigarettes and manufactured tobacco) and included in the baggage accompanying the resident of Canada returning from abroad after an absence from Canada of not less than forty-eight hours*	25 p.c.	25 p.c.	25 p.c.	Various	Various	Various
70313–1	*Valued at not more than five dollars (not including alcoholic beverages, cigars, cigarettes and manufactured tobacco) and included in the baggage accompanying the resident of Canada returning from abroad after an absence from Canada of not less than forty-eight hours*	Free	Free	Free	Various	Various	Various
	The exemption granted under this item shall be extended only to a resident who, at the time of his return to Canada, is not entering any other goods under any other item of this heading (or under tariff items 70310–1 or 70315–1 until January 1, 1970).						
	Goods entitled to entry under any item of this heading shall be exempt from all other imposts notwithstanding the provisions of this Act or any other Act.						

The Minister by regulation may, notwithstanding any other provision in customs legislation relating to the entry of goods, excuse a returning resident of Canada from any requirement for making a written declaration or entry with respect to goods entitled to entry under any item of this heading.

The Governor in Council may, by order, on the recommendation of the Minister of Finance, reduce the maximum value of goods that are entitled to entry under any item of this heading but every order made pursuant to this authority shall be published in the Canada Gazette, and shall cease to have any force or effect with respect to any period following the 180th day from the date of its making or, if Parliament is not then sitting, the 15th day next thereafter that Parliament is sitting, unless not later than that day the order is approved by resolution adopted by both Houses of Parliament.

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13. That the heading to the column in Schedule B to the *Customs Tariff* entitled "Portion of Duty (not including Special Duty or Dumping Duty) payable as Drawback" be amended by striking out the expression "not including Special Duty or Dumping Duty".

14. That any enactment founded upon paragraphs 4 to 6 and 8 to 11 inclusive of this motion shall be deemed to have come into force on the 4th day of June, 1969 and to have applied to all goods mentioned in the said paragraphs imported or taken out of warehouse for consumption on or after that day, and to have applied to goods previously imported for which no entry for consumption was made before that day.

15. That any enactment founded upon paragraph 12 of this motion shall come into force on the 1st day of January, 1970, with the exception of items 70312-1 and 70313-1 which shall be deemed to have come into force on the 4th day of June, 1969.

16. That a consequential amendment be made to the *Excise Tax Act* by providing that the reference in Part VII of Schedule III to the *Excise Tax Act* to tariff items 47600-1, 47815-1 and 69605-1 be read and construed as a reference to these items as they read immediately before June 4, 1969.

Queen's Printer for Canada, Ottawa, 1969

HOUSE OF COMMONS

Monday, October 27, 1969

The house met at 11 a.m.

HOUSE OF COMMONS

USE OF ABRIDGED ORDER PAPER, DISTRIBUTION OF DAILY PUBLICATIONS

Mr. Speaker: Hon. members will recall that during the last session an abridged version of the order paper was produced on an experimental basis. The primary purpose of the experiment was to reduce the very high cost of the printing of parliamentary publications without reducing the information provided to hon. members. After consultations with the house leaders of the various parties it appears that hon. members would agree that the abridged version of the order paper only should be published for a further experimental period. Should the short version prove unsatisfactory the regular version would be reintroduced.

Hon. members noticed, I am sure, the great volume of *Hansards*, order papers and other papers which accumulated under their desks in the past session. Following consultations with the several house leaders it has been agreed that the filing of such papers under members' desks could be discontinued. It is therefore proposed that the day-to-day papers and publications will continue to be placed on hon. members' desks but that those papers will be removed at the close of each day. An adequate supply of back issues in both languages will be maintained in both lobbies. The ordinary distribution to members' offices will continue as in the past.

[*Translation*]

I hope that hon. members will find such arrangements acceptable. I shall be pleased to receive suggestions and they will be given due consideration.

ROUTINE PROCEEDINGS

REGIONAL DEVELOPMENT INCENTIVES ACT

TABLING OF FIRST REPORT

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, pursuant to Standing Order 41, I wish to table the first report on the administration of the Regional Development Incentives Act.

[*English*]

JUDGES ACT

PROVISION OF ADDITIONAL JUDGES IN ALBERTA AND ONTARIO

Hon. John N. Turner (Minister of Justice) moved for leave to introduce Bill C-2, to amend the Judges Act.

Motion agreed to, bill read the first time and ordered to be printed.

CRIMINAL CODE

AMENDMENT RESPECTING HATE PROPAGANDA

Hon. John N. Turner (Minister of Justice) moved for leave to introduce Bill C-3, to amend the Criminal Code.

Motion agreed to, bill read the first time and ordered to be printed.

CANADA CORPORATIONS ACT

ADMINISTRATIVE AND CONSEQUENTIAL AMENDMENTS

Hon. Ron Basford (Minister of Consumer and Corporate Affairs) moved for leave to introduce Bill C-4, to amend the Canada Corporations Act and other statutory provisions related to the subject matter of certain of those amendments.

Motion agreed to, bill read the first time and ordered to be printed.

• (11.10 a.m.)

CRIMINAL RECORDS

PROVISION FOR RELIEF OF CONVICTED PERSONS

Hon. John N. Turner (for the Solicitor General) moved for leave to introduce Bill C-5, to provide for the relief of persons who have been convicted of offences and have subsequently rehabilitated themselves.

Motion agreed to, bill read the first time and ordered to be printed.

CANADIAN WORLD EXHIBITION CORPORATION

MEASURE WINDING UP EXPO

Hon. H. A. Olson (for the Minister of Industry, Trade and Commerce) moved for leave to introduce Bill C-6, to wind up the Canadian Corporation for the 1967 World Exhibition and to authorize the writing off of certain costs and the deferral of certain payments connected therewith.

Motion agreed to, bill read the first time and ordered to be printed.

Inquiries of the Ministry

ORAL QUESTION PERIOD

CANADIAN SOVEREIGNTY

ASSERTION OF CONTROL OVER ARCTIC WATERS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Prime Minister. In view of the Prime Minister's statement last Friday about pollution control and international agreements, is it the position of his government that Canada now exercises and intends to assert full sovereign control over all the waters of the Canadian Arctic and particularly over the waters between the islands of the Arctic?

Right Hon. P. E. Trudeau (Prime Minister): I can say yes, Mr. Speaker. This government does take the position that it exercises sovereignty over all the waters of the Canadian Arctic.

Some hon. Members: Hear, hear.

Mr. Robert Simpson (Churchill): I have a supplementary question, Mr. Speaker. Has the Prime Minister received the recommendation from the Standing Committee on Indian Affairs and Northern Development that the government take action as quickly as possible to declare Canada's sovereignty over these waters, which, incidentally, was a unanimous recommendation?

Mr. Trudeau: I have not received this communication yet but I will look into it.

Mr. G. W. Baldwin (Peace River): A supplementary question, Mr. Speaker. Could the right hon. gentleman take some time in the next two or three weeks and possibly table a map showing what in his opinion is the Canadian Arctic and the related seas?

Mr. Trudeau: Well, I could take some time to consider it, and in the meantime, if the hon. member would draw some lines on a map, they might help me.

Mr. Stanfield: Mr. Speaker, I wish to direct a further supplementary question to the Prime Minister. In order to avoid any possibility of misunderstanding, am I to take it from what the Prime Minister said that Canada does claim jurisdiction and sovereign control over all the waters between the islands in the Canadian Arctic?

Mr. Trudeau: Mr. Speaker, if the Leader of the Opposition is talking about the Canadian Arctic, then I repeat, yes, we do exercise jurisdiction and we intend to exercise our sovereignty over that part of the world.

Mr. Stanfield: In order to avoid any misunderstanding, would the Prime Minister directly answer my question whether or not the government of Canada claims jurisdiction and is going to exercise jurisdiction over all the waters between the islands of the Canadian Arctic, for example, all the waters in the Canadian archipelago—the waters between the islands?

Mr. Trudeau: Mr. Speaker, the answer once again is that the waters which Canada claims as its own will be the object of the exercise of sovereignty by the Canadian government, but I am not prepared to state at this particular time where the lines will be drawn.

Mr. Stanfield: As a further supplementary question, am I to take it then that the Prime Minister has not yet made any statement with regard to Canada's claim over the waters between the islands and, if so, how does Canada propose to exercise pollution control with respect to the waters between the islands?

Mr. Trudeau: Mr. Speaker, the Leader of the Opposition is asking me to anticipate the bill which we have said we will introduce in this session of Parliament. That bill will indicate how we intend to exercise control over pollution of these waters.

Mr. Stanfield: One further supplementary question, Mr. Speaker. Will the bill also indicate the areas and define the waters over which Canada intends to exercise pollution control?

Mr. Trudeau: Yes, Mr. Speaker, but I repeated during the debate on the Speech from the Throne that if there are any constructive suggestions from the Opposition, if they could indicate where in their opinion the lines might be drawn, this might permit us, before introducing the bill, to alter our projected drawings.

LABOUR RELATIONS

LONGSHOREMEN'S STRIKE—REQUEST FOR STATEMENT ON PROGRESS TOWARD SETTLEMENT

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, my question is directed to the Minister of Labour. In view of the increasing impact on the British Columbia economy

resulting from the waterfront dispute in Vancouver, with an additional 2,400 employees being laid off today by one company in the forest industry, can the minister bring the house up to date and report on any progress made in his or departmental officials' discussions over the weekend with both parties to the dispute?

Hon. Bryce Mackasey (Minister of Labour): Yes, Mr. Speaker. Yesterday afternoon I met with representatives of the union's negotiating team and last night I met with the representatives of the BCMEA, the management organization. I shall have a further meeting today with the BCMEA. We have succeeded in clarifying the particular points in the proposed collective agreement to which the unions felt they had objection. I do not think the difficulties are insurmountable, and if progress were to continue today as rapidly as it did yesterday this strike could very well come to an end.

I am very pleased to answer the hon. member, who is so knowledgeable about labour aims, and I am sure he would be the last one in this House not to recognize that this strike could be settled tonight if the union were to ratify the agreement which their negotiators thought desirable. If the hon. member is suggesting that I should bring in restrictive legislation, perhaps he could help me draft it, but in the meantime I am trying to settle the strike in the very near future by collective agreement.

Mr. Winch: Mr. Speaker, I do not know why the minister suggested that I am recommending restrictive legislation because he knows I am not. That was a statement he made, not an answer to my question. As a supplementary question may I ask whether in the discussions he held with the union negotiating committee and the employers the point was raised that as the result of a subsequent dispute there might be a further hold-up caused by the threat of dispatchers to place picket lines around the port if they are not recognized as a collective bargaining unit?

Mr. Mackasey: The answer is no, Mr. Speaker.

[*Translation*]

HARBOURS

INQUIRY AS TO CONSTRUCTION OF PORT IN NEW QUEBEC

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I wish to ask a question which arises from the huge mining developments now contemplated for the northern part of New Quebec and which follows up earlier questions.

Would the Prime Minister tell us whether talks have been held or are now going on with the Quebec government, in connection with the building of harbour facilities at Wakeham Bay, in the Bay of Ungava, or elsewhere in the Hudson Strait, in order to guarantee to those mining companies that they will be sure to ship their ore?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am not aware of such talks, but I shall inquire, probably of the Minister of Public Works who must know something about it, since harbours are involved.

[*English*]

EXTERNAL AFFAIRS

FRANCE—COMPLAINT RESPECTING ACTION OF CANADIAN EMBASSY OFFICIAL

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. He is not here, although this is Monday, but I presume there is an acting minister. Can the minister advise if the government of Canada has received through official channels complaints from the French government that the senior counsellor at our Paris embassy interfered improperly with the conduct of the recent French national elections in an effort to force a French official to visit Ottawa as well as Quebec? If so, what has been Canadian response and attitude thereto?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have been notified of this claim and my reaction is that it is preposterous. Nevertheless, I am asking that a report be made to me about the details.

Mr. Macquarrie: I have a supplementary, Mr. Speaker. Is the Prime Minister giving consideration to any discussions or conversations which might seek to forestall a further cooling off in the relations between France and Canada?

Mr. Trudeau: Am I giving further consideration to conversations which might help to forestall a further cooling off? Well, Mr. Speaker, I am not quite sure what is intended by the question, but we are in the process of discussing with the French government the procedure that French ministers will be expected to follow in the future when visiting Canada.

Inquiries of the Ministry

NIGERIA-BIAFRA—INQUIRY AS TO INCREASED CONTRIBUTION TO INTERNATIONAL RED CROSS

Mr. Stanley Knowles (Winnipeg North Centre): May I direct a question to the Prime Minister, Mr. Speaker. In view of the importance attached to the International Red Cross in the Speech from the Throne in respect of the Nigerian-Biafran situation and in view of the announcement by that agency of a cut-back in aid to the victims of the Nigerian-Biafran war because of financial difficulties, is the government considering an increase in its contribution to that agency?

Right Hon. P. E. Trudeau (Prime Minister): Did I understand the hon. member to say, Mr. Speaker, that the International Red Cross said they were cutting back aid? I am afraid I did not understand.

Mr. Knowles (Winnipeg North Centre): Yes, Mr. Speaker, that was the basis of my question.

Mr. Trudeau: Well, Mr. Speaker, this assumes that they have ceased to believe that they can find a working arrangement for flying relief to the Biafran population and—

Mr. Knowles (Winnipeg North Centre): In order to clarify the matter, may I put a supplementary question, Mr. Speaker. As I understood it, the announcement was that the cut-back was being made because of a shortage of funds; hence my question, is the government considering increasing its contribution to make up for this shortage?

Mr. Trudeau: Mr. Speaker, we believe that the International Red Cross is now in the process of trying to establish procedures whereby it will be able to fly further relief into Biafra, and the government is prepared to continue its support if these endeavours are successful. I believe the Secretary of State for External Affairs has indicated that if these efforts are not successful, if we cannot get authority from Colonel Ojukwu for the Red Cross to fly by day and if arrangements cannot be made for flights to be made safely at night, then we shall have to look at other arrangements. But these are hypothetical questions. We still hope that either Colonel Ojukwu will let daylight flights take place in order that the starving population may be relieved or that, alternatively, they will be given safe conduct for flights at night.

[Mr. Trudeau.]

AGRICULTURE

FEED GRAIN FREIGHT ASSISTANCE—RECONSIDERATION OF DECISION AS TO RATE

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, may I direct a question to the Minister of Agriculture. In view of the urgent protest by the Nova Scotia Federation of Agriculture over the Minister of Agriculture's recently announced reduction of feed grain freight assistance rates to eastern Canada, is he now reconsidering that decision?

Hon. H. A. Olson (Minister of Agriculture): No, Mr. Speaker. I should like to make clear the announcement we made last week. There is not to be a reduction in the over-all amount. In fact, there is to be—with approval of this House—an increase in the amount of over-all feed grain assistance. Because of the substantially increased volume, if we are to stay within the limit of the estimates passed by the House, we have to reduce the rates somewhat.

Mr. Danforth: A supplementary question, Mr. Speaker. Since the minister knows that between 75 per cent and 80 per cent of all feed grain used in Nova Scotia is imported from western Canada, does he not feel that as a result of this policy we run the risk not only of discouraging western export to the east but also of undermining the competitive position of western farmers at this very grave period in agriculture?

Mr. Speaker: Order, please. I suggest that the supplementary is argumentative.

Hon. Robert L. Stanfield (Leader of the Opposition): A supplementary question, Mr. Speaker. When will the Minister of Agriculture inform the public of the extent to which feed grain assistance will be reduced?

Mr. Olson: Mr. Speaker, I believe that has already been done by the Feed Freight Assistance Board. However, I will check to make sure that the exact amounts have been made public so that changes in each zone will be known. I believe, however, that this has already been done.

HEALTH AND WELFARE

AVAILABILITY OF FUNDS FOR HAMILTON SEWAGE CONTROL SYSTEM

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a question for the Minister of National Health and Welfare. Is the

government reconsidering as a matter of policy the refusal of Central Mortgage and Housing Corporation to lend funds for a sewage control system for Hamilton?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I believe this matter is now under consideration but I am not aware of the final decision of Central Mortgage and Housing Corporation.

Mr. Aiken: A supplementary question, Mr. Speaker, which I direct to the Prime Minister, about the funds that are being made available for municipal loans to be used for sewage treatment plants. In its cut-back of funds generally being made available, is the government reconsidering its policy with respect to municipal sewage treatment plants?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I think this question might properly be addressed to the Minister without Portfolio responsible for housing who is responsible for that aspect of the matter.

Mr. Aiken: Mr. Speaker, may I clarify the question. As a result of a general policy statement I take it that the Minister without Portfolio responsible for housing does not have the necessary funds from the government. All I am asking the Prime Minister is—

Mr. Speaker: Order, please. Perhaps the hon. member might ask his supplementary. I think it might be easier to consider the matter that way. I do not think we should hear an explanation from the hon. member.

Mr. Aiken: Mr. Speaker, my supplementary is: Is a general review of policy being made with regard to making more funds available for municipal sewage treatment plants?

Mr. Trudeau: Mr. Speaker, a general policy review is being conducted on the whole question of housing.

THE CANADIAN ECONOMY

STEEL PRICE INCREASES—INQUIRY AS TO INVESTIGATION

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, may I direct a question to the Minister of Consumer and Corporate Affairs. In view of the announcement by the Prime Minister last Friday that the government does not intend to give specific powers to the Prices and Incomes Commission to deal with the particular case of the steel industry, has the government requested—not instructed—the Prices and Incomes Commission to investigate the steel price increase in order to ascertain if it is justified? Also, has the minister or any other member of the government made representations to the steel industry requesting that the increase be justified?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, we have had discussions with the members of the Prices and Incomes Commission from time to time, yes.

Mr. Benjamin: A supplementary question, Mr. Speaker. I do not doubt that ministers have had discussions with members of the commission. But did those ministers request the commission to investigate this matter? Also, is the government considering ordering the steel industry to roll back its prices in the light of information now available?

Mr. Basford: Mr. Speaker, as to the first part of the question, the Prime Minister made the government's position clear on Friday. As to the second part, I think it would be more properly answered by the Minister of Industry, Trade and Commerce.

Hon. Robert L. Stanfield (Leader of the Opposition): I ask the minister whether he is taking enough interest in this question to know whether in fact the Prices and Incomes Commission is conducting an investigation?

Mr. Speaker: Order, please. I suggest the question in this form is unacceptable. The Leader of the Opposition has asked if the minister in fact has taken enough interest, and in this way the question is not acceptable.

Mr. Stanfield: Perhaps I might rephrase my question. With proper respect for the minister, I ask him if he knows whether the Prices and Incomes Commission is in fact conducting such an investigation?

Mr. Basford: With proper respect to the Leader of the Opposition, Mr. Speaker, some discussions have been held. I do not think the commission has yet made a decision on this matter.

[*Translation*]

CANADIAN BROADCASTING CORPORATION

CONSTRUCTION OF PLACE RADIO-CANADA

Mr. Henry Latulippe (Compton): Mr. Speaker, I wish to direct a question to the Secretary of State.

Inquiries of the Ministry

Could he inform the house as to the present stage of the construction of the new C.B.C. buildings?

Hon. Gérard Pelletier (Secretary of State): Insofar as I know, Mr. Speaker, the work is proceeding according to plan.

[*English*]

PUBLIC SERVICE

METHOD OF REDUCTION OF PERSONNEL

Hon. George Hees (Prince Edward-Hastings): I wish to address my question to the Prime Minister. The government has made it clear it intends to carry out its reduction of the civil service by 25,000 partly by attrition and partly by dismissals but has not indicated the proportion of each. Because of the great uncertainty in the civil service about this matter, will the Prime Minister now indicate approximately what proportion of the 25,000 people will involve dismissals?

Right Hon. P. E. Trudeau (Prime Minister): I did that, Mr. Speaker, early in August. I made it clear that the total figure of 25,000 was a reduction of the establishment figure for next year compared with that of last year. With respect to that 25,000, we gave instructions to departments to apply the guidelines. It is up to each minister to say how the guidelines apply in his department and how much program cutting or personnel cutting he will have to undertake. I indicated also that it was my assessment it might mean between 4,000 and 6,000 layoffs, the rest being either posts which are not filled or which become vacant as a result of attrition. The figure of 4,000 to 6,000 was an outside figure. Since then I believe officials of the Treasury Board have indicated it might be lower.

Mr. Hees: A supplementary, Mr. Speaker. As it is the government's intention to cut down wherever possible on civil servants, and particularly in the Department of External Affairs, has the government given consideration to having the task of envoy to the Vatican performed by our present ambassador to Italy who lives in the same city as the Vatican, as the Prime Minister well knows, can be in constant touch and would be able to carry out this task very well?

Mr. Speaker: Order, please.

Mr. Trudeau: Mr. Speaker, it is unusual for any country to be represented at the Vatican by its ambassador in Rome. My understanding is that if we are going to have a double accreditation the Vatican prefers to have some other ambassador from elsewhere rather than the ambassador in Rome. This matter has been considered and we decided on balance that it was important enough to have an ambassador at the Vatican.

Mr. Hees: A further supplementary. As the Prime Minister has always prided himself on being a man of intuition, is the fact it has not been done before the reason for not doing it now?

Mr. Speaker: Order, please.

HEALTH AND WELFARE

BABY FOODS—PROTECTION AGAINST HARMFUL SUBSTANCES

Hon. J. W. Monteith (Perth): I would like to address a question to the Minister of National Health and Welfare. In the light of evidence that certain baby foods may contain substances likely to cause brain damage, what steps, if any, has the minister taken to investigate the properties of baby foods produced in Canada and to ensure that any harmful substances are omitted from the preparation of such foods?

Hon. John C. Munro (Minister of National Health and Welfare): I can advise the hon. member that the Food and Drug Directorate in Canada has been conducting studies on baby foods for three years. We have not come up with any evidence at all to suggest that any harm of the nature the hon. member suggests is caused to babies or human beings generally. I also add, in view of alarm over this matter as well as about cyclamates the other day, that the Food and Drug Directorate is reviewing the over-all policy with respect to food additives generally to decide whether there should be more positive criteria to ensure that they have some tangible effect rather than just not do any harm.

Hon. Robert L. Stanfield (Leader of the Opposition): A supplementary, Mr. Speaker. Is the minister satisfied in view of recent experience that his forces and staff in connection with this kind of investigation are adequate for the purpose of protecting the Canadian people?

Mr. Munro: I am advised that the Food and Drug Directorate indicated earlier they need a substantial increase in staff and this is one of the areas where the government has not taken action to drastically reduce the manpower allocation. In fact, the Food and Drug Directorate are now hiring additional people.

Inquiries of the Ministry

[*Later:*]

Mr. Stanfield: Perhaps I might return to the Minister of National Health and Welfare, Mr. Speaker, and ask him whether he meant to indicate that the staff of the Food and Drug Directorate had, in fact, been increased, or whether it had simply not been decreased? If he meant to indicate that there had been an increase, can he tell us the extent of the increase which has been authorized?

Mr. Munro: Yes. The number of positions has been increased compared with the previous level. I cannot give the Leader of the Opposition the exact figure now, but I believe it is somewhere between 150 and 200 positions.

EXTERNAL AFFAIRS

PROPOSED U.S. NUCLEAR TESTS

Mr. Lorne Nystrom (Yorkton-Melville): My question is directed to the Prime Minister. Will the Prime Minister inform the house of the Canadian position toward the further proposed United States nuclear tests on Amchitka Island in the Aleutians?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker, I am not informed of that—I am sorry, the further tests?

Mr. Knowles (Winnipeg North Centre): There are two more coming.

Mr. Trudeau: In a couple of years' time. If it is the Aleutian Islands, Mr. Speaker, I am sorry, I misunderstood. If that is the question, I understand that the preceding test will be a subject of lengthy assessment by the United States government and there are a couple of more years to go before they contemplate proceeding with their next test. Anything can happen between now and two years hence.

Mr. Baldwin: You might not be around to protest.

Mr. Nystrom: A supplementary, Mr. Speaker. Does the Canadian government intend to make our position known to the United States before they decide whether to go ahead with these tests?

Mr. Trudeau: We did make our position known before the last test, and I think, it is a fair assumption that, when we know about the results of that one, we will make our position known again prior to any future tests.

POST OFFICE

LETTER CARRIER SERVICE—INQUIRY AS TO MORATORIUM ON EXPANSION

Hon. W. G. Dinsdale (Brandon-Souris): My question is for the Postmaster General. Has the hon. gentleman imposed a moratorium on the expansion of house to house delivery in our rapidly growing urban communities? If so, for what reason and how long will the moratorium continue?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): Because of the guidelines and the financial restrictions laid on the department we are not extending letter carrier service to new areas, but within areas which are now provided with letter carrier service there will be a continuing increase in services.

Mr. Dinsdale: A supplementary. Is this a part of the improved services under the recent increase in postal rates?

LABOUR CONDITIONS

POSITION OF HARBOURS BOARD EMPLOYEES AS A RESULT OF LONGSHOREMEN'S STRIKE

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, my question is for the Minister of Transport. He is not here but in view of the importance of the matter I would ask whoever is replying for him to answer the following question. In view of the urgency of the situation which is affecting some 65 Harbours Board employees in Vancouver and many others in British Columbia, has any decision been reached to assist them in view of the lay-offs occasioned by the waterfront dispute? Federal employees are not now entitled to unemployment insurance, welfare or government salary.

Right Hon. P. E. Trudeau (Prime Minister): There will be somebody to answer for the Department of Transport tomorrow, Mr. Speaker.

PRICES AND INCOMES COMMISSION

REQUEST FOR STATEMENT ON FUTURE ACTIVITIES—POSITION OF CHAIRMAN

Hon. Marcel Lambert (Edmonton West): My question is directed to the Minister of Consumer and Corporate Affairs. Last Wednesday I asked him two questions with regard to the Prices and Incomes Commission. Your Honour suggested that the answers would be better incorporated in a statement on motions. I now

ask the minister if he is prepared to make a statement on motions shortly with regard to the future activities of the Prices and Incomes Commission and the position of the chairman?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): I do not see why a statement should be necessary. There is no question as to the position of the chairman; he is the chairman of the Prices and Incomes Commission and he will from time to time be making statements as to the work of the commission. I am not sure that I understood the question fully.

Mr. Lambert (Edmonton West): Perhaps the minister would read the questions as I phrased them last Wednesday. He would then be in a better position to judge them, as would Your Honour.

HOCKEY CANADA

REQUEST FOR STATEMENT ON ACTIVITIES

Mr. Robert Simpson (Churchill): I have a question for the Minister of National Health and Welfare. In view of the uncertainty and concern of sports commentators and Canadian hockey fans about the operation of Hockey Canada and, indeed, the very fate of Canada's national hockey team, will the minister take the earliest possible opportunity to make a complete and detailed statement to the House concerning the activities of our national hockey representatives in future months?

Hon. John C. Munro (Minister of National Health and Welfare): I am advised that a complete statement will be made by Hockey Canada in Winnipeg on November 18 setting out their approach and their plans for development so far as hockey generally throughout Canada is concerned. The announcement will also include the names of many of the personnel who will be serving our national team. I think the hon. member will be pleased, indeed, when he sees it.

MANPOWER

SOUTHERN ALBERTA—EMPLOYMENT OF INDIANS IN SUGAR BEET FIELDS—REPORTED DEPLORABLE CONDITIONS

Mr. Rod Thomson (Battleford-Kindersley): My question is directed to the Minister of Manpower and Immigration. Will the minister investigate reports that his department has been encouraging Indians from northern Saskatchewan to move to southern Alberta to work in sugar beet fields under deplorable conditions—and I emphasize the words "deplorable conditions"?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): I shall be happy to investigate the situation.

ADMINISTRATION OF JUSTICE

HAL BANKS—POSITION OF EXTRADITION APPLICATION

Hon. George Hees (Prince Edward-Hastings): In view of statements in the press and over the radio during the weekend to the effect that the Canadian government considers its application to the United States government for the extradition of Hal Banks to be a closed book, will the minister assure the House that this is not the case?

Hon. John N. Turner (Minister of Justice): The last time the hon. gentleman asked me a question about that gentleman was on May 15. I informed the house then that inquiries were being made at my request by my colleague, the Secretary of State for External Affairs, of the Secretary of State's department in Washington to ascertain the position of the State Department on this matter. In September the State Department indicated to the Canadian ambassador in Washington that the Department of the Secretary of State of the United States did not intend to reopen the Banks matter or to take any initiative in respect of it. The department did indicate that while it was open to the Canadian government to start all over again in an attempt to obtain a new extradition order from the courts, there was no suggestion that such an application would meet with success.

Indeed, it was pointed out by the legal adviser to the State Department that since, apparently, there were no new matters of fact and no new questions of law bearing on the extraditability of Mr. Banks the courts might well decide, on an application for habeas corpus, that the case should be put to rest. This advice accords with the view, which I have related to the House, of our own adviser in New York, counselor Richard Kuh, who had represented the Ontario attorney general at the earlier extradition proceedings, that the matter could not be reopened before the courts and was exhausted. This being so—

Mr. Speaker: Order. I assume the minister is reaching a conclusion to the statement he has been making. He appreciates, I am sure, that according to the rules a statement of this kind should be made on motions and should

not be made to the House by way of an answer to a question.

Mr. Hees: Perhaps I could ask a supplementary question that will give the minister another kick-off. Is it not true that the negative attitude now being adopted by the United States government is due precisely to the fact that the Canadian government let it be known in United States quarters that it would be most happy if the Hal Banks case could be quietly dropped because it would be very embarrassing to the Canadian government if he were to come back here and tell his story?

Mr. Speaker: Order. The hon. member's supplementary is obviously argumentative and cannot be considered as a kick-off for a further statement by the minister.

Mr. Hees: It was a statement of fact.

SOCIAL SECURITY

INQUIRY AS TO TABLING OF WILLARD REPORT

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. Has the government considered tabling the Willard report or reports, if there are several, in order that parliament as a whole might participate in the decision-making with respect to any changes in our social welfare and social security program?

Hon. John C. Munro (Minister of National Health and Welfare): No, Mr. Speaker. The government has not arrived at a decision as to tabling or not tabling the Willard report. I would point out to the hon. member, however, that the Speech from the Throne does refer to a white paper on social security which will be brought before parliament in the course of the next few months.

Mr. Knowles (Winnipeg North Centre): Is the possible tabling of the Willard report still under consideration by the government?

Mr. Munro: It is under consideration, but no decision has been reached.

FLOODS

APPROVAL OF DAMAGE CLAIM SUBMITTED BY SASKATCHEWAN

Mr. John L. Skoberg (Moose Jaw): I wish to direct a question to the Minister of Public Works or whoever may be answering for his department. Can the minister tell us whether the federal government has approved the flood damage claim submitted by the province of Saskatchewan and, if so, did it allocate the full $3,500,000 claimed by the province? May I direct my question to the Prime Minister? Has Treasury Board approved this flood damage claim?

Right Hon. P. E. Trudeau (Prime Minister): I heard the supplementary question, Mr. Speaker, but I did not know to what it was supplementary.

CONSUMER AFFAIRS

SUGGESTED INVESTIGATION OF COST OF HEALTH SERVICES UNDER MEDICARE

Mr. A. D. Hales (Wellington): I desire to direct a question to the Minister of Consumer and Corporate Affairs, Mr. Speaker. Would the minister use the good offices of his department, which was established to protect consumers, to investigate the reason most Canadians are paying more for their health services under the national medicare plan while receiving less protection?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): I am not sure that the allegations contained in the question are not true at all. It seems to me that because of the action taken by this government we have exceedingly good medical care in Canada.

MANPOWER

RETRAINING AND UPGRADING PROGRAMS—REPORTED SERIOUS DROPOUT RATE

Mr. Mark Rose (Fraser Valley West): My question is directed to the Minister of Manpower and Immigration, Mr. Speaker. Does the minister have any plans, such as the provision of improved counselling, to overcome what is reported to be a serious dropout rate among students enrolled in manpower retraining and upgrading programs?

Mr. Speaker: I wonder whether the hon. member would not agree that his question asks for the kind of information which ought to be given to the House, if the minister agrees, by way of a statement on motions.

Mr. Rose: Might I rephrase my question, then, and ask the minister whether he will investigate this particular problem?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): I will be happy to do so. I would say in a preliminary way, however, that I do not believe the dropout rate is as reported by the hon. member. As a matter of fact, the record is extremely good.

The Address—Mr. Hees

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The House resumed, from Friday, October 24, consideration of the motion of Mr. Jack Cullen for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Stanfield (p. 34), and the amendment to the amendment of Mr. Douglas (Nanaimo-Cowichan-The Islands) (p. 47).

Mr. Speaker: Order. Before we proceed with the order of the day called by the Clerk I must say that a little earlier I saw the hon. member for Comox-Alberni rising. I assume he wished to ask a question. In view of the fact that we have now moved on to the orders of the day, perhaps he would wait until tomorrow; I shall make sure he is recognized in good time tomorrow.

• (11:50 a.m.)

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I should like to commence by doing what those who have preceded me in the debate have wisely and fairly done. I should like to congratulate the mover and seconder of the address. I think each did a very excellent job in bringing his views to the attention of the House, and I sincerely add my congratulations to those that have already been expressed.

I was particularly interested in what the hon. member for Sarnia (Mr. Cullen) had to say when he devoted a great deal of his time to his ideas for speeding up the processes of parliament in order that we might be better able to handle the very large work load which is being piled higher and higher on parliament each year. All of us in this House, I think, would agree with what he said. Certainly I agree, and I spoke in this regard in the House last July 14.

At that time I outlined three steps which I suggested could be taken to speed up greatly the processes and the business of the House. This would cut down the time required by parliament to handle its business by no less than two-thirds. It would not in any way interfere with the democratic process of parliament or the rights of any member to express himself fully in the House.

After I concluded my speech on that occasion several Liberal members rose to speak. They agreed with what I had said. In fact, I do not know of anyone in parliament or any member of the press who disagreed with what I said or the suggestions I put forward, their practicability or their effectiveness.

[Mr. MacEachen.]

Therefore it seems strange to me that a government which found it necessary to introduce the guillotine measure has shown no interest whatsoever in these measures.

The hon. member for Sarnia will get an answer when he talks to the Prime Minister (Mr. Trudeau) about his ideas. He will find out that the Prime Minister is simply not interested in speeding up the processes of parliament. The Prime Minister wants to control parliament. He wants to computerize parliament by putting legislation in at one end and having it come out on a certain date at the other end, exactly as he put it in, without being interfered with in any way by parliament. That is not the parliamentary process. This will be perhaps one of the first but not the last disappointments or disillusionments to be experienced by the hon. member for Sarnia in respect of both his Prime Minister and the government under which he serves.

On Friday we were treated to the Prime Minister's speech during which he took some time to describe the conditions endured by people in various parts of the country who are living today in poverty. However, there was not one word in his speech about any specific policy the government proposes to bring forward to deal with this very serious matter. In fact, his speech and the throne speech simply deal with this matter in pious platitudes of hope and general intent.

Let me remind the Prime Minister that the poor people of this country cannot eat pious platitudes; they cannot clothe themselves with pious platitudes and they cannot shelter themselves from the cold, the rain and the wind with pious platitudes. What they want is a cessation of task forces and cabinet committees such as those which have been sitting now for a year and a half without producing any visible results.

As a member of a former government I sat on many cabinet committees, and set up task forces. I have never known of a cabinet committee or a task force which, if properly set up and instructed by a minister, could not produce specific and good solutions well within a year. These task forces and cabinet committees are simply blinds covering inaction and the fact that this government does not know where it is going or where it intended to go when it promised on the hustings to produce a just society. The government had no idea how it would do this and today it still has no idea how it will do it.

Why is it that the Prime Minister and the government are adopting a negative attitude toward this very important matter of poverty which the Prime Minister agreed was a national disgrace? The answer was given by no less a person than the former deputy Prime Minister, the hon. member for Trinity (Mr. Hellyer), when he resigned a few months ago. He said very specifically that the Prime Minister was not interested in the ordinary problems facing the poor and less fortunate people of this country. He told us that the Prime Minister was really interested only in questions such as constitutional law, a subject he taught at the University of Montreal. This is a very important question, but I say to him that the people of this country cannot wait for the completion of his philosophical discussions before he attempts to deal with the practical problems now faced by the less fortunate people in Canada.

These are the people of Canada the Prime Minister said he was going to help when he created his just society. Let me invite the Prime Minister and the government to create this just society and bring the task forces and cabinet committees to a conclusion. Let them produce specific policies and then announce those policies to the House and to the country. Let us get on with the job of creating a just society and stop just talking about it.

We must not be too harsh on the Prime Minister about his speech because it was a rather gentle and platitudinous one which accomplished one very important thing. I should like to compliment him for that. It is well known that there are a number of members of the Prime Minister's party who suffer from insomnia. As the Prime Minister spoke, we on this side of the house could see that those gentlemen were gradually overcoming their malady. A strange silence and peace descended on the House like a blanket. Members of the press gallery quietly left, and parliament slept.

Mr. Trudeau: Look at them now.

Mr. Hees: When parliament opened a year ago I spoke during the debate about this matter of poverty. That was on September 20th. The situation had been outlined by the Economic Council of Canada in its report published the previous month. At that time I asked the government to increase the federal minimum wage to compensate for the 13 per cent increase in the cost of living which had taken place since the federal minimum wage was last increased in July, 1965, some three and a half years ago. I suggested this as a first step toward overcoming what the council had described and the Prime Minister had agreed was a national disgrace.

During the past year the people of Canada have been treated to a number of very interesting performances on television. In each case the principal actor was that self-styled Babe Ruth of the bargaining table, the Minister of Labour (Mr. Mackasey). He really is an awfully nice fellow, but he has succumbed to that which even athletes and other people suffer when they start to believe their own press notices. Unfortunately the minister has started to believe the great number of press releases he instructs his publicity people to issue on every possible occasion. It is nothing new for Canadians to see him before the television cameras.

On several of these occasions we heard the Minister of Labour announce that he was pleased to have been able to serve the strong and powerful unions which were in a position to cause the government great embarrassment through work stoppages. In any event he was pleased to have been able to assist them in coming to an agreement with their employers, and to announce increase in wages and fringe benefits of between 8 per cent to 11 per cent a year. This is just twice the increase that has taken place in the past year or so in the cost of living. During that same period and during the previous three years this government has done absolutely nothing to ease the situation of those living in poverty. In fact, during the past year the cost of living has gone up by another 5 per cent, making the situation of these unfortunate people that much worse.

• (12 Noon)

The Minister of Labour in Toronto recently said to certain press men—and it was published in the press—that he believed the minimum wage should be either $1.50 or $1.75 an hour. But have we seen any indication by this government that it intends to increase the minimum wage to any such figures? The answer is no. This wage has been increased for four and half years. Why? Simply because the people living on minimum wages today in all parts of Canada are, because of their lack of education, lack of health and lack of training, unorganized. They are not strong; they are not able to bring pressure to bear upon industry or the government and embarrass the government by a work stoppage. So the government pays absolutely no attention whatsover to them. It has allowed their cost of living to go up by no

less than 18 per cent during the past four and half years with no indication whatever that it intends to increase the minumum wage at this or any other time. It has become painfully obvious that the just society exists only for the strong, the well organized and those able to embarrass the government with a serious work stoppage.

As the government obviously has no intention of laying before parliament at this or any other session in the future a plan for ameliorating the very serious situation which faces those who live in poverty today, I intend at this time to present to parliament a plan which I think will be both practical and effective. First of all, let us ask ourselves, what is poverty and where it is to be found? We learn from the report of the Economic Council, which has become accepted as the authoritative study on this subject, that there are certain income levels which the council claims must be attained by the following categories of our citizens if those poeple are to live above the poverty level. These are the categories: single, with no dependants; single, with one or two dependants; married, with no children; married, with one, two, three, four or five children.

According to the report, the majority of the nearly five million people in Canada who live in poverty today work for the minimum wages set by the federal and provincial governments for the industries which come under their particular jurisdictions. These minimum wages vary between $1 and $1.30 an hour. The federal minimum wage today is $1.25 an hour. As I said earlier, this was raised last in July, 1965. At that time it raised the recipient's wages just above the poverty line. The Dominion Bureau of Statistics tells us that, in the intervening four and a half years, the cost of living has increased 18 per cent and has gone up by 5 per cent during the last 12 months. Therefore I believe it is obvious to everyone that if people receiving the federal minimum wage are to be able to provide a living for themselves and their families above the poverty level, we must raise that minimum wage now by at least 25 per cent.

Now let us have a look at such a raise from the viewpoint of the income standards set by the Economic Council of Canada. The Economic Council takes as its average family one with two dependent children, and says that if such a family is to live just above the poverty line it must receive an income of at least $3,500 a year. If a man receiving the federal minimum wage works a standard 40-hour week he earns $50 a week, and if he works for the full year he earns $2,600 in that year. Because he has two dependent children he receives an additional $200 in family allowances during the year, which brings the total up to $2,800. Therefore, for this family to live above the poverty line, it is obvious that the breadwinner must earn an additional $700 during the year, or an increase of 25 per cent. Therefore I believe the first step in combating poverty in this country is for the federal government to raise the federal minimum wage by a minimum of 25 per cent.

The second step should be to call a federal-provincial conference to persuade the provinces to follow the lead given by the federal government. I believe that if the Prime Minister would point out the need for following the federal lead, both clearly and forcibly, and if the conference is given full television, press and radio coverage, the provincial premiers would find it very difficult, if not impossible, to refuse to follow the federal government's lead and would raise their minimum wages by a similar percentage. I think they would find it difficult, if not impossible, not to take this action whereby they would allow the people living under their jurisdictions, and working for minimum wages, to emerge above the poverty line.

I believe it is important that we realize that raising minimum wages would not increase federal or provincial expenditures by one penny, and therefore would not require any increase in taxes. It would simply require that employers who are paying poverty wages should pay a living wage which would enable their employees to live above the poverty line.

The third step in this fight against poverty, I believe, should be for the federal government to amend its present social security legislation, which discourages a recipient of social security from working at a part-time job to augment his or her assistance by reducing the payment by the amount the person earns from a part-time job. Those who receive pensions and other forms of assistance are kept from living in absolute want and privation by these pensions and assistance, but they are required to live below the poverty line because they are not allowed to supplement their pension or assistance by working at a part-time job.

The majority of those who receive social security benefits because of age, mental or physical disability, or inability to find a full-time job, are able to work at a part-time job, and most of these people are anxious to do so.

For this reason, I believe our social security legislation must be amended at this session to allow the recipients to earn the difference between their pension or allowance and the poverty level set by the Economic Council for their particular category. Once this poverty level has been reached, I believe the assistance can then be cut back at an increased rate as their income rises above the poverty line.

Many of those who receive social security because of age, disability, or some other reason, are unable to do even part-time work and will always be completely dependent upon the assistance they receive. These people really need help. The assistance we make available to them should be sufficient to enable them to live above the poverty line.

To make this possible, I believe our social security structure must be overhauled right away so that those who now are receiving an adequate income, and therefore do not need social security, should cease to receive it. In this way those who really need social security may receive adequate payments which would enable them to live above the poverty line. This would not require the imposition of the means test but could be done, both easily and painlessly, through income tax returns. Such a social security overhaul is long overdue, and should be started by the government without further delay.

• (12:10 p.m.)

As a great deal of our social security legislation is within provincial jurisdiction, there is a great need to amend provincial legislation to permit part-time work to increase the income of those receiving social security at least to the poverty level. This matter should be discussed at the federal-provincial conference on poverty which the government should call, and the provinces should be urged to follow the lead of the federal government. Once again, I am convinced that a strong and logical presentation by the Prime Minister, together with full publicity by press, radio and television at the conference, will persuade the premiers that it makes good sense to amend their present social security legislation to permit those able to do part-time work to do so and thereby lift themselves out of the poverty cycle.

Finally, I would like to suggest some steps for the government to take to enable our farmers, our businessmen and our other producers to expand their production, and thereby increase the national income and make more good jobs available for our people, which is the only real social security. I believe that this can best be done by offering tax incentives to induce our producers to increase both their productivity and the industrial research which they either are, or should be, carrying out. I believe that this is the most effective way to enable our producers to lower their costs and turn out more new, attractive and lower priced products which will sell more readily against foreign competition both in the export market and here in Canada.

Such tax incentives, which we all know are only paid after the desired results have been obtained, will pay for themselves many times over in the form of more income taxes, because there will be more people working and paying income tax rather than living on social security. There will be more commodity taxes because more commodities will be sold and more people will be paying commodity taxes, and there will be more corporation taxes because there will be more production and more corporation profits to tax.

May I say in conclusion that I believe that if the government will take the steps I have outlined, we can go a long way toward lifting our people out of the poverty in which so many of them have been forced to live for so long.

Mr. Gordon Sullivan (Hamilton Mountain): Mr. Speaker, let me first extend my congratulations on the presentation of the throne speech which indicates we can expect a most interesting and, I hope, productive session. As indicated in the legislative outline, we shall again be considering format changes which will significantly influence the conduct of business in this House. Among the proposed changes I hope we shall find that members will be given the right to file speeches for the record without orally delivering them in the House. There is ample precedence for this step as this practice is now followed by, among others, the British House of Commons. There is an obvious saving in time and the purpose of the member as well as the official record are well served.

It is safe to say that every member of this House sought and accepted election with a view to serving his country by effectively representing his constituents. We came here believing that we could make a contribution. We came here believing that a parliament selected by the people should govern this country. We came here with the approval of the people. We came here not only prepared

to listen to our constituents but expecting to find a forum wherein our constituents through us could and would be heard.

While casting about for ways and means to make this contribution we, first year members, have made some remarkable discoveries. All too often parliament does not govern this country. All too often members, regardless of their dedication, are expected to be seen but not heard. We are asked to listen to the nation but we are seldom asked to tell anyone what we have heard. The fault lies with the members of this House.

Under the present system—and this is true no matter what party is in power—a backbench member of the government, because of the party discipline, is expected to vote with his party regardless of his researched opinion. His integrity may well have to be compromised. Only in exceptional circumstances is this practice not followed. It is true that under the present system there is ample opportunity for discussion and consultation. However, after this consultation and discussion, if a government member cannot agree with the government's proposal he is nevertheless expected to vote in favour of that proposal. Why? Because of party discipline. It is absolutely necessary that there be party discipline for the party to operate under our system; our system is completely dependent upon party discipline.

I suggest, first, that there is the possibility that under our present system a cabinet minister could become a captive of the civil service. There is a further possibility that the civil servants, not being responsible to the people or to Members of Parliament, could formulate the policies which could result in the adoption of these policies by the government.

I suggest also that much of the talent in this House is being wasted under our present committee system. For some reason, almost unbelievable in the modern concept of efficiency, members are assigned to a large number of committees dealing with very complex and diverse subject matters and are expected to absorb enough to make a meaningful contribution at the committee level. I submit that we cannot even read, never mind research, all the evidence before all the committees upon which we are asked to serve. The result does not even reach the level of knowing a little bit about a lot of things; it stops somewhere near the area of being quite thoroughly confused about nearly everything. Some members have avoided this particular trap by concentrating on one or two subjects or committees and merely giving lip service to the balance of their committee assignments.

Systems are allowed to develop, but if they do not serve the intended purpose those operating within the system must bear the responsibility for the deficiencies or shortcomings. There is an old homily that says: "Grant us the courage to change those things which can be changed, the strength to accept those things which cannot be changed, and wisdom enough to tell the difference." I take those words as good advice and most applicable to any discussion of rules changes or governmental reform as it applies to this House.

• (12:20 p.m.)

As a new member of the House, and as a government backbencher, I have come to appreciate the effort made by the government to include all the members of all parties in the decision-making process. As I see the cumbersome nature of this process, even the improved model, it is easy to understand the frustration of earlier parliamentarians, the sometimes annoyance of present members, and the impatience of those we represent.

This House has occasionally taken steps to improve its methods of conducting business, legislative or otherwise, and has even made motions toward striking a more presentable listening pose for the benefit of our constituents. Such change is admirable, and is indeed necessary if this institution is to remain a viable force or even a reasonable influence within a rapidly changing society. It is ironical, therefore, that each step, no matter how timorous, is greeted with bleats of delight by the reformers on the one hand, and with charges of creeping republicanism on the other.

During the last federal campaign the Prime Minister (Mr. Trudeau) summed up participation with these words:

> No man alone and no party, even a majority party, can solve these problems if it does not constantly have recourse to the people, if it does not constantly involve the people, not always in the solution of these problems, but in the examination of them.

This recourse to the people is the basic, in fact, the only justifiable reason for even having an elected Member of Parliament. Recourse to the people is the aim and the purpose of better research facilities, regional desks and expanded committee involvement. As two students of political science, Mr. Ian McConachie and Miss Susan Jones, have said, "The ultimate goal is government which is not only responsible but responsive." The

steps taken by the present government have assisted us toward this goal but the steps already taken are, I hope, only a beginning.

There can be no true recourse to the people until such time as each member of this House is better able to reflect the views and positions of his own constituents. This can only become a fact when each member of this House can, in conscience, submerge his concern over the fall of the government and turn his mind directly to the issue at hand and its effect on his people. He must be allowed to bring his acquired insights back here and be heard.

Consideration must be given to a form of government where the executive branch presents its legislative program statute by statute; then after full discussion on all possible amendments the matter is voted upon and, if the proposal brought in by the executive branch is not passed, the government should not fall. I am one who believes that the executive branch is not always correct. I am one who believes in a system that permits the elected Members of Parliament to have the obligation to assume the responsibility of forming their own opinion in the last analysis and of voting accordingly. Surely this is what the electors in our constituencies want us to do.

I propose that there should be a fixed term of government. I propose that election to the office of Prime Minister should come by popular vote. In my opinion we should establish an executive branch of government which is independent of the legislative branch and not responsible to it.

In my opinion the legislative branch should not be under the discipline of the executive branch of any government. We have already come close to acknowledging the existence of an executive branch but we just refuse to accept the responsibility of control. Call it galloping republicanism if you will, but if it might mean more effective or more representative government it should not be rejected simply because it is new to us here in Canada.

I know there are difficulties and disadvantages to such a system but these, to my mind, are outweighed by the greater flexibility afforded by such a change. For example, government by department or government by the civil service would be greatly curtailed and the temptation to dictate, which must sometimes be very real, would be eliminated. The power and the control would be diffused not only throughout the government side but throughout this House.

As a further example the Prime Minister, as head of the executive branch of such a government, could select his subaltern executives from either within the membership of the House or beyond, if he should so desire. There are many circumstances under which a Prime Minister could reach to those who could not or would not dedicate themselves to a political career and invite these special talents to head government departments without joining the civil service.

I suggest that the public and this House would be better served if the need to give lip service were eliminated and members were assigned to one committee only and thereby given an opportunity to become expert in this assigned or selected field. The result would be smaller committees, more thorough examination of proposals and views at the committee stage, and a more direct contribution to resulting legislation. The great advantage would be the emergence of Members of Parliament who are at least equally expert as the civil servants upon whom we now must depend so heavily.

I suggest, Mr. Speaker, that some of the changes I have described could be made through legislation which will come before us during this new session. Other changes will require further consideration, but such consideration should take on a greater air of urgency at the hands of the existing standing committees.

I would like to make it clear that in my proposals there would be no change in the status of Her Majesty the Queen in relation to the people of Canada, and that we remain firmly committed as members of the Commonwealth.

Change is always fraught with some difficulty and can seldom even be described as comfortable, but it is necessary. It is especially necessary if we ever hope to have the members of this House speak for the people and really "tell it the way it is."

No matter how much some of those who have been members of this House for a long period of years would like to cling to an out-of-date system, these proposals will bring the people more in touch with legislation, would be a truer form of democracy and, in my opinion, a more satisfactory form of democracy for Canada. This must be our prime consideration. As the member from Sarnia in his speech said so well, "Canada must come first."

Mr. Cliff Downey (Battle River): Mr. Speaker, I would like to add my congratulations to those offered by other hon. members to the mover and seconder of the Address in Reply to the Speech from the Throne. It was apparent to all of us that they had a great awareness of the current problems facing the country. I also wish to congratulate the hon. member who preceded me. I must say I am in sympathy with a great many of the views he expressed. I believe we should do more thinking along the lines he suggested.

The Speech from the Throne espoused many laudable aims. It would be difficult for anyone to disagree with many portions of it, and if its intentions are carried out with integrity and fairness this Canada of our's will be a better place in which to live.

However, so many of the urgent issues of the day were omitted from the Speech from the Throne that it is very difficult to speak to that document and still remain relevant to the state of the nation as it really exists. Take, for instance, the tremendous national problem of Canada's agricultural industry. I speak now of the whole industry from coast to coast and not just of western wheat production. All that is to be found in the Speech from the Throne on this problem is a suggestion that a crisis indeed does exist in relation to wheat sales, and that Parliament will be asked to consider some amendments to the Canada Grain Act. This is equivalent to tackling a blazing barn with a cup of water. What Canadians have a right to expect from the government is recognition that one of this nation's great resource industries is in desperate need of fundamental overhaul and that speedy and comprehensive action must be forthcoming or there will be a disaster.

• (12:30 p.m.)

If anyone doubts that I speak only for the western farmer let him consult the potato grower in the Maritimes, the dairy farmer in Ontario and Quebec or the mixed farmer in British Columbia. And if anyone doubts the national aspect of wheat production on the prairies let him consider the market where the agricultural machinery manufacturer of central Canada sells his product, where the automobile manufacturer of central Canada sells his cars, where the appliance maker, the tool marker, the steel fabricator and all the other makers of goods and services, largely concentrated elsewhere in Canada than the west, sell their products. Let him ask the railway worker, the trucker, the elevator worker, the longshoreman and the seaman, not to mention the broker, the clerk and all the service businesses attached to those involved in moving grain across this country, how they are affected.

As an example I have here a few figures on recent sales of farm machinery in the west and the lay-offs among skilled Ontario workers that the cut-back in these sales has brought. The Dominion Bureau of Statistics' figures indicate that sales of farm equipment in 1968 declined 14 per cent from those of 1967. Figures for the first five months of 1969 show that sales of new farm equipment in the prairie provinces declined a further 17.2 per cent from 1968.

I have here a request by the Saskatchewan Implement Dealers Association in relation to the situation in the west that I would like to read:

> The seriousness of the western situation is illustrated by a recent request from the Saskatchewan Implement Dealers Association that farm equipment manufacturers set up moratoriums on the interest payments dealers must make to manufacturers for new farm equipment.
>
> The association says that, if dealers are required to pay interest ranging from 10 per cent to 14 per cent on new machinery in their lots, 50 per cent of its 450 members will be forced out of business this year.
>
> The dealers receive farm machinery from the manufacturers on a past-due note and assume money from machinery sales in the summer can be used to pay off the note when it falls due.
>
> But this year, with new machinery sales in Saskatchewan down 30 per cent to 50 per cent, the dealers must pay interest for machines they still have not sold.
>
> "The present cash shortage of farms and the resulting reduction in new farm machinery sales will create a marked and serious decline in the number of farm equipment dealers," Richard Jensen, president of the association, says.
>
> Leo King, secretary-manager of the association, says if manufacturers do not suspend the required interest payments the dealers will ask the provincial government to pass legislation setting up moratoriums.

If this service is to be continued in the west, help must soon be forthcoming. Machine sales figures do not tell the whole story inasmuch as dealers, besides increased inventories, are carrying two or three times as much in overdue accounts as they ever have before. This applies not only to machine dealers but to all businessmen operating in agricultural areas at this time.

The figures for International Harvester show that profits were down in 1968 from 1967 by something like 30 per cent in the western farm equipment area. Average employment in the International Harvester

plant in Ontario was down by 1,000 in 1968 from 1967 and the cuts are liable to be much worse when the 1969 figures are complete. Last week Massey-Ferguson laid off 250 men. The Cockshutt division of the White Motor Company has closed its combine plant for three months with a lay-off of 450 men. This is all in the industrial heart of Canada, right here in Ontario. During the summer Massey-Ferguson extended the vacation period for something like a month, affecting 1,200 employees, because of slow sales. The only reason the disastrous agricultural situation has not had a more adverse effect on our whole national industrial complex is the nullifying effect of our industry in many areas producing to near capacity for the U.S. military machine. But this situation will not continue too much longer.

The problem of wheat production was brushed aside with a few lines in the Speech from the Throne. The government has been well aware of the situation for more than a year and a half. It has sent out task forces, had surveys made and even had the Prime Minister (Mr. Trudeau) take a first-hand look at the situation. So far the only action has been criticism and advice—criticism of the farmer for growing so much of a product no longer in high demand and advice to diversify.

This may be the answer, but to carry it out will require massive government assistance, expert technical advice and a follow-through by way of helping to establish new markets. It will require massive financial assistance to carry out the necessary capital expenditures involved in this change. A grain-producing plant cannot lightly or easily be switched to producing another crop any more than a plant manufacturing tanks can be cheaply or easily retooled to produce motor cars, tractors or brassieres.

The Canadian farmer and the Canadian agricultural community deserve much better from this government than a supercilious nod, and this, I say, is all that the Speech from the Throne gave in this area of agriculture.

An hon. Member: It was uplifting.

Mr. Downey: The Speech from the Throne acknowledged that pollution is a problem and that something must be done. But the implication this government has always left when talking about pollution is that industry is the principal offender. My suggestion to the government is that it should set an example in pullution control, as it claims to have done in austerity, by attending to its own backyard before pointing a finger at its neighbours. One has but to go to the national park at Banff to see an example of this attitude of "Don't do as I do, do as I say." There an establishment directly under the control of the federal government continues to dump raw sewage into the Bow River. What sort of basis is that for discussions with provincial administrations designed to make a co-ordinated attack on pollution?

It was interesting to hear that the government sets so much store by the new Department of Regional Economic Expansion and that the sky is the limit there. Austerity is not to be applied to that department's budget. This is all very fine if the public moneys to be spent on overcoming regional disparity are spent fairly and equitably. But I become suspicious when I see that my riding in central Alberta is excluded from the designated area and the Liberal riding that happens to be represented by the Minister of Agriculture is included. So far as the need for new industry and regional economic expansion is concerned, both ridings are identical. Decisions such as this tend to cast some doubt on the integrity of the whole program.

• (12:40 p.m.)

Even greater doubt arises from the announced priorities within the area designated for expansion. As I recall it, these priorities list Quebec, the Maritimes and Manitoba in that order, with the rest trailing a poor fourth. I suggest to the government that they should take another long look at the area designated, with a view to expanding it to take in areas that stand in equal need of industrial assistance. They could well expand to include areas that lie beyond the immediate area of the large, booming metropolitan areas.

The list of issues barely mentioned or passed over completely in the government's legislative program as outlined in the Speech from the Throne is almost endless. For example, consider the question of pensions. So far the government has paid only lip service to the multiple recommendations contained in the Woods Report. It is true that they have done something for the Hong Kong veterans, but they have made only a token gesture or no gesture at all in other important areas. The old age pensioners and retired federal public servants have been ignored and left to

be crushed between their pitifully low fixed incomes and the steadily rising cost of living. It seems to me that the time is long past for some method of providing an automatic supplement to enable the fixed incomes of old and retired people to meet the bare necessities of life in a supposedly affluent society. Present automatic increases being considered in this area are hardly realistic. I have heard our society described as both affluent and just, but there seems to be evidence that the contrary is true.

The newspapers have been filled with stories about the Company of Young Canadians being a hotbed of seditious activity and about their having links with subversive and terrorist organizations round the world. The front pages have been covered with headlines about the French network of the CBC being controlled by separatists. Indeed, the Prime Minister himself was pictured throwing down the gauntlet to separatists and advising the English element in Quebec to get out, compete, and not allow themselves to be stepped on. Yet there is no hint of these problems in the Speech from the Throne.

I must confess that I was puzzled by the Prime Minister's advice to English speaking Quebeckers. When he said "compete", he did not say how. Should they make larger bombs? Should they take to the streets with bigger and better riots and overturn statues in Quebec? What did the Prime Minister mean when he said "compete"? After all, in a society of violence one can only compete by resorting to even greater violence.

As to the Company of Young Canadians, my solution to the problem is quite simple: abolish the outfit. This would be, to my mind, an admirable economy measure as well as a step toward restoring tranquility in areas of trouble.

The Prime Minister has indicated that he will no longer tolerate violence and lawlessness in this country. This matter must surely be of great concern to him as we cannot help but note that the forces of crime and anarchy in this country have blossomed well during his time in office. That charge, however, is true not only of Canada. The lawmakers of this nation have been so obsessed with human rights that we have ended up with a definite trend that supports the criminal element instead of supporting a victimized society. Our police have their hands tied in this legal jungle. Crime is one of the largest businesses in the country today. Criminals have the money to hire the best brains and to develop and use the best systems devised by education and science. We send our law enforcement agencies against them with one hand tied behind their backs. Our law enforcement agencies cannot use the latest and best techniques because that might infringe on somebody's rights. There is even talk in some areas of the country of taking away the guns from our policemen. Our police are not supposed to shoot until they are shot at. They are supposed to take verbal abuse, sticks, stones and the like, and if some rioters lose a little blood our police may be hauled into our courts and the hue and cry of police brutality goes up.

What a mockery we are making of our law enforcement agencies. To be a policeman today you have to be either a damned fool or damned dedicated. From a practical standpoint the rioter and looter have more rights than has the storekeeper, whose rights are infringed upon. The murderer or criminal who beats and robs honest citizens has more rights than has the policeman who might injure the criminal in the course of subduing him and taking him to the station.

In this vast penal hotel system that we have in Canada, with its central heating, television, recreation and balanced diets, it is more of a penalty to be on the outside and have to put up with taxes, pollution, traffic jams and bill collectors. It is more of a penalty to be on the outside looking in. I see that now we are considering letting the girls in with the boys in our penitentiaries. After a few years our criminals will be beating down the doors to get into one of these educational paradises of crime. What we need in this country are shorter and fewer prison sentences but much more access to the bullwhip and the rock pile, and a few hangings thrown in. I do not think that would be too much. Dignity of the individual seems to apply only to criminals. For the law-abiding citizen or the policeman, there is little dignity in the rapes, beatings and murders that we see in this country today.

Another subject much in the national news is the Canadian Broadcasting Corporation. Many Canadians appear to be perennially unhappy with the performance of this tax-eating monster. Instead of closing down one of its services, reducing its funds or firing employees, why not put it to some national purpose?

Everyone by now is familiar with the crowded universities of this country where

bodies of students ranging from 10,000 to 20,000 no longer permit personal attention in teaching. We seem to see nothing except a mass production technique. A body goes in one end with a high school certificate and comes out of the other with a degree. It seems to me that the CBC could be utilized to provide lectures every bit as personal as those now available in most of our universities. The corporation could be converted into a single, huge, national university at least for instructional purposes. This step might help to solve the grave problems of overcrowding, student financing and expensive facilities, and bring into the national educational net many fine young brains now unable, for one reason or another, to acquire a higher education.

Another matter which I was disappointed to see omitted in the Speech from the Throne deserves to be mentioned. I am speaking of our national oil policy which, of course, is in serious danger. May I now read some comments made by the president of the Independent Petroleum Association of Canada who, in an address on October 11, 1969, said:

• (12:50 p.m.)

Refinery expansion in Ontario has not kept pace with growing needs in that province, imports are now coming in from further east and will grow in volume simply because no refining capacity is under construction. A proposed 100,000 barrels daily refinery for the Toronto-Hamilton area, dedicated to Canadian oil, can't yet start because of local opposition to zoning for a $100,000,000 plant. The plant, when finally site is approved, will take two years to build. It would apparently have no federal or provincial tax concessions to help it compete.

Yet, in Quebec and the Maritimes, massive refinery construction has begun or has been given clearance that would raise capacity by several hundred thousand barrels daily, far in excess of needs of the Canadian markets served by overseas oil. Result will inevitably be new harsh pressures on markets for oil produced in Canada. All of these refineries have been given either provincial or federal tax benefits, or grants in aid. One, on which construction has started in Newfoundland, was recently granted by federal Order in Council a 100 per cent capital cost allowance which gives it substantial advantage over other refineries.

I have no quarrel with government assistance to upgrade the economies of less favoured regions in Canada—but can the concept of aid justify excessive construction of one type of manufacturing plant, to be subsidized by all Canadians whose local benefits will be far less than the burden they will impose on the over-all economy, reducing markets for Canadian production, and increasing the foreign exchange burden of oil imports?

An even more serious defect in present Canadian oil policy is the ignoring of the vital question, security of supply. Canada, in effect, assumes that foreign oil will always be available, at low cost and in adequate quantity, even if emergencies occur; at least until such time as domestic oil from the Atlantic basin or the far north becomes available, hopefully in a few years. The assumption is dangerous, for it fails to take into account the trends of oil supply and demand affecting the major sources of eastern Canada's emergency supplies; and the rising insecurity of oil originating in the Arab nations of the Middle East and Africa.

Again I say we must review the entire matter of oil policy in the coming year.

Mr. Mahoney: On a point of order, Mr. Speaker, I am not too sure this is a proper point of order but will the hon. member consent to identify the document from which he was just quoting and give its author?

Mr. Downey: Carl O. Nickle. This is a speech by Mr. Nickle.

Mr. Mahoney: Could the hon. member give us the date, time and place or something that we might—

Mr. Downey: I do not have the date, sir.

Mr. Dinsdale: It is a recent speech. It is a good one.

Mr. Speaker: Order, please. Perhaps I might rule it is not a point of order. It is a question, and the hon. member does not have to reply to it.

Mr. Downey: Thank you, Mr. Speaker. I will endeavour to find this out for the hon. member for Calgary South.

Mr. Bell: It is by one of your predecessors who sat in your seat.

Mr. Mahoney: Yes, it is a great seat.

Mr. Downey: I have very little further to say on the Speech from the Throne, Mr. Speaker. I have attempted to outline but a few of the major problems that I feel need consideration in the coming year. I only hope that the pious hopes held out in the throne speech will indeed be realized in the coming year.

Mr. Barney Danson (York North): It is a pleasure to rise in this throne speech debate, Mr. Speaker, and particularly to follow my respected colleague from Battle River. His address was most interesting. If his party ever takes power in the lifetime of the hon. member I look forward to seeing him serve in either the role of Solicitor General or Minister of Justice. I think the prison system would then be quite consistent with the philosophies he expressed and we would see a return to

the rack and dipping in icy water. Otherwise I think the hon. member has made some very interesting points which have been well received by the House.

In rising I also wish to compliment my colleagues, the hon. member for Sarnia (Mr. Cullen),—my seatmate, and the hon. member for Lapointe (Mr. Marceau) for their fine addresses in this throne speech debate.

As a Liberal I speak with particular pride about the Speech from the Throne and the subsequent speech of the Prime Minister (Mr. Trudeau) in this debate. It was not full of pious platitudes, as the hon. member for Prince Edward-Hastings (Mr. Hees) suggested, but was a very specific speech and dealt with very specific policies for action and action now during this session. In reply to the hon. member for Battle River (Mr. Downey), may I say I think they are articulated with a degree of clarity and courage that is rare. The leader of my party, the Prime Minister, is known for laying it on the line clearly as he sees it. He speaks as clearly in this House as he has done on television and as he did when in Vancouver and Montreal. He is reaching the people with his clarity and good sense. He has also brought to us some genuine new forms of participatory democracy. I refer to the practice of introducing so many white papers or policy papers which give the public and the members of this House an opportunity for discussion and for thought.

May I call it one o'clock, Mr. Speaker? I will be delighted to continue after lunch.

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

At one o'clock the House took recess.

AFTER RECESS

The house resumed at 2 p.m.

Mr. Danson: As I was saying, Mr. Speaker, before I was so politely interrupted just before lunch, the policy of the government in presenting white papers and policy papers represents a departure which I believe has considerable merit. It is very disturbing. It is disturbing to us as members of the house and it is disturbing to the public because it has a tendency to make us think. It disturbs us. We shall be getting a lot of mail from people who are upset, and those of us who serve on committees will be holding long hearings and listening to the views of interested parties and groups from across the country. It is an interesting process. When we realize what is really happening I think we shall be pleased, indeed, because the whole nation is being allowed to participate in the legislation which is finally passed by this house. I am not quite sure it is good politics, since it upsets people so, but I am convinced it is darned good government and very good for democracy.

We shall see this borne out most clearly, I think, when we come to consider the white paper on tax reform which is to come before the committee upon which I sit. No one really likes to see tax changes. They affect us all in one way or another; we all tend to think that the right taxes are those which the other fellow pays. Nevertheless, we must all carry our burden in this respect, and, realizing this, we fear a change; we prefer the devil we know to the devil we don't know. But if we really believe in this country of ours, if we really want to see a united Canada, as we say, if we really want to cure regional disparities, to do something about pollution and so on, we had better be prepared to put our money where our mouth is, in a fair and equitable way. I hope and believe that this is what the proposed reforms outlined in the white paper on the tax structure will do.

I enjoyed listening to the speeches of the leaders of the opposition parties in the house on Friday. It was entertaining, indeed though a little sad, too. The Leader of the Opposition (Mr. Stanfield) is a good man, a responsible man and a man respected greatly by everyone in this house—no more so than by myself. He criticized our priorities, as he should, and as do we on this side of the house. But decisions have to be made; everything cannot be done at once, and there is so much to be done. He criticized our policy in relation to inflation, but as far as I can see he proposed no viable alternatives. The leader of the New Democratic party also criticized us on this score. I must say I did not stay for the whole of the speech made by the leader of the Creditistes (Mr. Caouette). I believed I had heard it before—that I could go back through *Hansard* and find it all set out there as reported in earlier years. It was something like a manifesto from Marx—Groucho Marx. The leader of the New Democratic party dealt with inflation, and talked about the slack in our economy. When I heard his proposals, his solutions, I realized that he had been caught with his slacks down. He listed government expenditures which were supposed to be contributing

to inflation but I noticed that only one of them had been incurred by the 28th parliament.

He listed a number of solutions, such as increased pensions, guaranteed incomes and expenditure to remove regional disparities—which we are presently making—but all of these proposals really do not affect the challenge presently facing us; I really do not believe they have any bearing on inflation whatever. Then, of course, he talked about anti-ballistic missiles, because they come in everywhere, and he once again outlined proposals for dealing with the effects of foreign ownership. In this regard, I find myself in agreement with some of the points he made. He went on to make mention of the advantages of a floating exchange rate, but before long he floated off across the horizon where I was disinclined to follow him. He quoted the sixth report of the Economic Council, criticizing the government for not following its recommendations, but he made no reference to the testimony given before the committee on finance, trade and economic affairs by Professor Neufeld of the University of Toronto or by Governor Rasminsky of the Bank of Canada who put forward proposals inconsistent with those contained in the economic review—proposals which are consistent with government policy. And government policy in this regard seems to be taking effect at the present time.

• (2:10 p.m.)

I do not think even the N.D.P. members of the committee, with all their simplicity, would accept the simplistic distortions presented in this House on Friday. I am fairly sure they are embarrassed as a matter of fact, because this is the sort of irresponsible fudging of issues that misleads the uninformed they pretend to represent so ably.

The leader of the N.D.P. did, however, mention the increases in the price of steel. His party feels it is all right to raise wages but that these increases should not be reflected in prices. They say that wage increases should be absorbed by productivity increases, not realizing or not admitting that productivity comes not only from dedicated and skilled workers but from skilled management and from profits which are intelligently re-invested in most efficient plants to keep abreast of new technology.

Labour groups regrettably have refused to co-operate with the Prices and Incomes Commission. To date they have been stalling about appearing before the Committee on Finance, Trade and Economic Affairs, which is studying interest rates and inflation. I do hope they will appear before our sittings are ended.

For some reason I fear their leaders, with all their easy criticisms and pat answers, are afraid to be exposed to their own membership —the hard-working union members—who, I am sure, are just as anxious to reduce inflation as any other group in this country. There is absolutely no value to a steel worker's pay increase when it results in a further inflationary spiral which negates the increase won after hard weeks on the picket line. Furthermore, an inflationary spiral of this type hits the very vulnerable, unorganized worker and, worse still, the defenseless pensioner, the unemployed, the handicapped and the aged whom the hon. members of the N.D.P. self-righteously pretend to champion and for whom they almost drown us in crocodile tears. This is irresponsibility, I suggest, of the most cruel type.

As a concerned Canadian, I am fearful about the chain reaction the announced steel price increases can produce. The steel industry in Canada is one of the best managed and most productive in our economy. It pays high wages, as high or higher than those south of the border; it is competitive even on the export markets, is as technically advanced as that anywhere, is profitable and pays dividends. It is also largely Canadian owned, which is an interesting fact. Its decisions are reached in Canada, in its own self-interest, which is also Canadian self-interest. Its research and production facilities are oriented toward our resources and our markets and are eminently successful.

It is because of this success that I appeal to all segments of the steel industry to pause and to continue to show responsibility in the national interest. There is now talk about further increases in the prices of cars, always a direct consequence of steel price increases. Even the Ontario Hydro is using increased steel costs as an excuse to raise electric rates because of the large quantities of steel used in thermal plants. The results of this increase will undoubtedly spread to other sectors of the consumer durables field which has had a remarkable record of price stability over the past decade. Other manufacturers will follow suit.

It is critical to the success of our increasingly effective anti-inflation policies that the

line be held, and held firmly. I appeal to the steel companies to take a position of unprecedented leadership at this time and rescind or moderate their announced increases, at least until the present measures in our fight against inflation begin to have a greater moderating effect on our economy. Then, hopefully, they will be less necessary. This will not be easy, but easy measures will not cure our present problems.

If some increases appear to be unavoidable I would urge the steel companies to sit down with government and labour, perhaps with the Prices and Incomes Commission, to negotiate any essential increases. This course will call for a degree of courage and responsibility of the very highest order, but if no one has anything to hide or fear, they could do themselves and all Canadians a great service indeed. Such an initiative could be the key factor, in addition to continuing government restraint, in breaking the back of the cancerous inflation psychology.

This action could also immediately and firmly establish the Prices and Incomes Commission as a truly effective instrument that could attack other areas of danger, most importantly the exploding services sector of our economy which now accounts for some 70 per cent of our gross national product. This is an area that is difficult to nail down and one to which we have been paying all too little attention.

As I mentioned before, there is disagreement sometimes about our priorities, and even disagreement within our party. In many cases I do not agree, but if we waited for unanimous agreement nothing would be accomplished. Nevertheless, from my orientation, I do not believe we are giving sufficient priority to the question of urban problems, a neglect that could well come back to haunt us. Canada is now 70 per cent urban, and in the 1980's it is predicted it will be 80 per cent urban. By the end of the century, it will be 90 per cent urban. In the urban area of greater metropolitan Toronto, from which I come, we have some 10 per cent of the population and almost 10 per cent of the membership of this house, with some 17 per cent of the membership in our party which sits over here. This is only one of the great urban areas of our nation.

My constituency of York North is especially affected. It sits on the northern edge of Toronto, although some of it is projected into the Metro area. We cannot isolate ourselves from Toronto anymore than the general Toronto region can isolate itself from other regions of the country. What happens in Cape Breton, Rimouski, the Indian Lake area of Manitoba, the Arctic or Roberts Bank is our concern. We are blessed in our region. We have expansion going on daily that would create headlines anywhere else. This hardly ruffles the surface. It is almost routine. I have in mind a 4,000 man increase in employment in one aircraft plant, of which most people in the area are not even aware, which puts additional pressure on the economy of our region. There was a $32 million development in one corner of my riding about which I read in the local suburban newspaper. So, we enjoy success and prosperity beyond measure. This prosperity results only because we are part of Canada and it will not be sustained if all regions of Canada are not prosperous. By the same token, we have very serious problems just as the wheat farmer in the west and the fisherman in Newfoundland have. If they are not prosperous we are not prosperous. Their concern has become our concern.

We can learn from problems in the United States. We can learn about those problems we might anticipate in our own urban centres. We are not immune to them. We have seen indications of these problems in one of our largest metropolitan areas. These problems are accelerating. They must be anticipated and handled. There are economic and social pressures. Living in the biggest city in the country is not necessarily, for me, living in the best. Our region is big enough, with a viable economy and all the important things that make it possible to have a good life, but it could be so much better. It will grow of its own volition without force feeding. We in the Toronto region have a responsibility. Without being parochial we will fight for that which effects us. We ask for your support in fighting these problems we think we must be solved now.

We are delighted with the appointment of a new cabinet member from our part of the country. He is a man with integrity and ability, a man of whom we are indeed proud. We from the greater Toronto area will be diligent in looking after the interests of our region and we ask for your support in this regard. We will not be parochial but we have a responsibility which we intend to assert, and we are asking for the support of our cabinet ministers in this regard to an extent not heretofore forthcoming.

• (2:20 p.m.)

The talk of expanding the metro region of Toronto to the townships of Markham and Vaughan, the largest geographic section of my constituency which as I said is on the northern fringe, could be the thin edge of the wedge in the formation of an uncontrolled megolopolis. It would expand the metropolitan Toronto region or the municipality of Metro Toronto from 240 square miles to 700 square miles, and by the end of the century it is predicted the population increase will be from the current figure in excess of 2 million to something in excess of 5 million people. This situation is not really very far away. What will happen to the towns in this constituency of mine like Markham, Unionville, Richmond Hill, Woodbridge and Thornhill which have their own identity and their own community spirit. In addition, they are semi-rural in their surroundings. What of the villages of Maple and Gormley? I am concerned because we might end up with solid concrete right from Lake Ontario to Lake Simcoe and then we would be faced with problems of transportation and pollution such as we never thought possible. However, these problems are predictable and they will put pressures on the economy of this region which will add to the inflationary pressures.

I suggest that the cost of planning and for the services necessary will be insignificant compared to the cost of neglecting this planning. The cost is incalculable in human terms but I think it is really quite calculable in economic terms. The long term economic and social advantages I believe can at least be equated with the regional economic expansion program, so we must weigh these priorities. The priority at the moment is in terms of regional economic expansion. This, I think, is an excellent program but I hope it does not mean we have to exclude attention to our urban areas. If the sixth review of the Economic Council, to which I referred earlier, tells us anything it tells us that we have much going for us in this country, that our potential is so great, our incomes will increase 50 per cent, I believe, by 1985 and we will have a 30 per cent increase in our standard of living. The Economic Council said all these things are ours "if", and then it listed a lot of things which really in essence boils down to, if we are not stupid, and there are no guarantees of that.

Neglect of urban areas and of the urban fact could be considered stupid. I think we must watch this possibility and deal with it soon. So far as answers are concerned, I do not have the answers. Nothing is certain. I have suggestions, I have viewpoints and I have ideas. The experts in this field have proposals. We cannot be certain of anything but we can be certain that if we wait for absolute assured success, nothing will be done. If we do nothing, chaos is certain. The problems have been greatly aggravated by the neglect of the provinces' rightful responsibility in this field. This brings us back to our constitutional problems. There is a lack of communication between the federal level and the great urban municipalities of this country. In our province of Ontario, the government refuses to bring the Metro Toronto region and the municipal governments into consultations respecting matters directly affecting them. We are making decisions affecting airports around Toronto without consulting the metropolitan Toronto authorities. The provincial government will not let us get through to them.

In the provincial government, there is a minister of everything. He is the minister of just about anything one could name. He has announced a harbour city on Toronto island without consulting the Toronto people. Sure, he comes from Toronto or thereabouts, but this is arrogance of the worst kind. I think this must stop because we cannot accept it. I suggest that we seriously consider establishing a national institute of urban planning or perhaps urban and transportation planning because I think the two are closely interrelated. There is in the United States a committee, the national committee of urban growth and development, which serves this purpose. Such an institute could be associated with our universities, which could have excellent schools of urban and transportation studies. We would have the benefit of expertise there which would not be readily available to the government. Also, we would be training the people in universities to man the urban mechanisms that would be developed as a result. At the federal level, I could envisage Central Mortgage and Housing Corporation being represented as well as the Department of Transport, the Canadian Transport Commission or possibly the Department of Communications which would be vital.

Then, there are the concerns of provincial bodies such as housing, transport and the municipal boards. Most important, the urban centres themselves would be represented, the major urban centres per se, and the Canadian

Council of Mayors and Municipalities. They should be part of the participating groups within such an institute. We are facing an awakening in our municipalities with the introduction of political parties into municipal politics. It is rather interesting that, for the first time, our party has selected as a mayoralty candidate a young man, a professor of political science of the University of Toronto, who everybody thought was a quiet academic from nowhere. He has come forth with the most thoughtful proposals that have ever been put forth in a municipal election in the history of our city. I think the voters of Toronto are beginning to wake up and realize that intelligent people and intelligent proposals are not excluded from municipal government and that there will be responsibility with a responsible party which will have a program. There is some hope now that action will be taken instead of everybody running off like scorpions, doing their own thing. You try to keep away from them and they try to keep away from you, but if you get near them they bite you.

With a responsible, well-led municipal political party I think we can make great strides in our large urban areas. As I said, the problems are certain. Many of them are actually predictable. We have the opportunity and the responsibility, I believe, to plan and anticipate. "Anticipate" is my favourite word. I believe in participatory democracy but I like anticipatory democracy better. In this way we can make decisions for future generations and many decisions for sane development of our urban centres. But if we fail, and if we hesitate or if we are shortsighted or, worse still, blind, future generations could well look back on us not as the just society but as the irresponsible society.

There are other priorities, but there is a long range priority about which I should like to speak which would divide our energies in two directions. One is to the senior citizens, the older people of this country, the people who are vulnerable and have no one speaking for them. There certainly are exceptions in this House. I do not say that anyone is unconcerned, but really the fear people face in their old age is something that cannot be imagined, except by many of us who have lived with it in one form or another. This problem will affect us.

I think we should establish a system in which we make certain there is security and dignity in old age. We do this for very selfish reasons. The most selfish reason is that there is nothing in it for us; it is just a good thing to do and makes us feel good. This is a sign of maturity. They do this much better than we do in what we consider to be less sophisticated societies. Another reason for action in this area is that with some degree of luck, we, too, will be old. I do not mean that the future should be looked after to such an extent that we just live for today and discourage savings to supplement whatever we do as a society for our senior citizens. However, our system should mean that we do not have to fear living with children in a garret or in homes for the aged which are undesirable. Fortunately, many of these homes for the aged are becoming more desirable but as yet there are not enough of them. We should look to the present and future, and direct our energies to those things which are productive, so that we use our productive years productively.

We in this House have really awesome responsibilities to the people of this country. We may make mistakes. We will not solve all the problems, and when we solve some there will be new ones that we did not dream existed. In making mistakes, we will be criticized by the new generation but the members of the new generation will make their share of mistakes, too. However, they know a great deal more than we did at the same age and they are picking out our mistakes a lot more easily. We will not do everything, but we must not be guilty of not trying.

• (2:30 p.m.)

Mr. Lloyd R. Crouse (South Shore): It is with pleasure that I rise to participate in the throne speech debate. My first words will be to congratulate the mover and seconder of the address, the hon. member for Sarnia (Mr. Cullen) and the hon. member for Lapointe (Mr. Marceau). They both spoke well and in a spirit of sincerity and frankness which does credit to the constituencies which elected them to this house.

I also wish to congratulate the two new ministers without portfolio and the two new parliamentary secretaries. There is no question about the fact that the appointments were made to well deserving members but, quite frankly, there are mounting doubts among many Canadians about the over-all capacity of this cabinet to deal with Canada's problems.

I have read and re-read the throne speech searching for the key which will open the

door to the fulfillment of the promise of a just society, but I have searched in vain. The throne speech reminds me somewhat of the eye of a tornado which is almost still, almost without motion, while the destructive gale force winds whirl ever faster and faster until they form a cone between heaven and earth which destroys everything that comes in its path.

By its inaction and indecision, this government is permitting the winds of division and inflation to destroy our economy. These are not my views alone; they are endorsed in very brief words in today's editorial in the *Financial Times* which read as follows:

...the objectives of the legislative program are reasonably clear, but there is still a good deal of mystery surrounding the means.

I cannot understand the apathy of this government. Its pious platitudes about the state of the nation, as indicated in the throne speech, show that the present Liberal cabinet is living in an ivory tower, insulated by their smugness and protected by their own appointed army of executive and special assistants from the economic problems facing Canadians. It was these economic problems that brought mass violence and riots to the city of Montreal, and these economic problems which brought us a summer of strikes in our major mining and industrial complexes, strikes which have continued into the fall. All the while, the vast numbers of self-employed Canadians have suffered grimly, and quietly tried to carry on, but at the same time wondering: "How long, O Lord, how long will my tax burdens keep increasing?"

We find the following words in the throne speech:

There are many obstacles to be overcome if we are to achieve our economic goals, but inflation is undoubtedly the most serious and the most difficult to control. If we fail to control it, the consequences could rapidly prove disastrous especially, but not only, for those whose incomes are already low.

Why did you not do something about inflation while there was still time? I remind the Liberal government that they have been in power since 1963 and the Governor of the Bank of Canada, in each of his annual reviews, warned them each year that inflation must be stopped. However, each year the response was the same and the warnings have been ignored. In 1963, following the election, it was a Liberal program called "60 days of decision" which aided inflation, followed a little later by a program entitled "let us get the economy rolling again" while the economic signs at that time indicated that what the government should have been doing was putting on the brakes. But there was an election to be won in 1965, so the Liberal attitude seemed to be not to worry about the state of the economy. Following their return to office, we soon learned about the new method of ending strikes which was called "the Pearson formula or 30 per cent". This formula was unnecessary and inflationary and it set the pattern for all future demands.

When our currency was devalued in 1962 to 92.5 per cent in relation to the U.S. dollar, in an effort to stimulate and increase our exports, it was to be a temporary measure. This move brought considerable economic benefits to Canada but the Liberal government of the day dissipated the advantages through government extravagance, and the present government is still doing this. Again, these are not only my views.

Mr. Deputy Speaker: Order, please. I am sorry to interrupt the hon. member but I advise him to direct his remarks to the Chair.

Mr. Crouse: Thank you, Mr. Speaker. These are not my views alone. They are endorsed again in today's *Financial Times* in the following words:

There can be no doubt about the contribution of former government wastefulness to the present inflationary problem. The rolling of the money presses caused by government over-spending was central in getting the economy into the mess it is in now.

The strains which the free-spending policies of the past created should be sufficient proof that governments at all levels can no longer afford to waste a penny...

...the past few years have shown that, if the economy is to be kept under control, governments must choose their priorities with the knowledge that there is a strict ceiling on the amounts they can spend.

The trouble with this government is that they say one thing while they do another.

Let me return to the throne speech, and to the following words in it:

In recent months the government has urged both the public and the private sectors to adopt special measures to combat the dangers of inflation. These measures, which the government has itself adopted, must be applied by all if further restraints are to be avoided.

What hypocrisy and what arrogance! The government asks the public to follow its example, but I say: heaven forbid, or we will be in national bankruptcy and West Germany or the United States, which have the strongest currencies, will buy up this country.

How can the government dare say that it has adopted special measures to combat inflation when the Prime Minister (Mr. Trudeau) recently appointed two new cabinet ministers and two new parliamentary secretaries, making this the largest cabinet in Canada's history? The record of appointments of extra staff for the Prime Minister and the cabinet is shocking and scandalous to all Canadians.

When the Conservative party was in office, the leader of that party had three executive aides, whose services cost less than $50,000. When Mr. Pearson was prime minister, he had seven executive aides whose services cost $128,000. The present Prime Minister has a staff of 17 aides whose services cost more than $360,000 at the last count.

If you take the government telephone directory—I have one here—and look at the ministerial departments listed in it, you will see that the increase is almost in the same proportion. I will select the Minister of Agriculture (Mr. Olson), who happens to be in his seat today, and point out that if one were to check the records one would find that minister has a total of nine executive or special assistants or secretaries. In addition, the minister has a deputy minister, who in effect is his assistant. We find that the deputy minister of the Department of Agriculture has a total of 12 exectuve assistants, secretaries and coordinators, including two assistant deputy ministers.

We find that our newest Department of Consumer and Corporate Affairs, has already mastered the art of internal structuring or empire building. Along with the minister, we find eight secretaries, executive assistants or special assistants. In the deputy minister's office, we find a staff of three. There are eight people in the office of the custodian, seven in information and public relations, and 28 in financial and administrative services. The list seems endless. May I point out that these are only the people at the top. This is only an example of a department which never even existed prior to 1968.

There seems to be no set salary pattern for special or executive assistants with the range running from $10,000 for a special assistant in the Department of Consumer and Corporate Affairs to $15,000 for an executive assistant in the Department of Agriculture, to $33,000 for a principal secretary under contract to the Prime Minister's office. The sad truth is that many of these people make no worth-while contribution to Canada's development. The Department of Consumer and Corporate Affairs is a waste of the taxpayer's money and its operations are a farce and a delusion. It is a department whose pronouncements are all bark but no bite. This department is like the meringue on a lemon pie. It is all fluff and no substance—and what a lemon!

• (2:40 p.m.)

The Prices and Incomes Commission is no better. The Canadian Labour Congress and the Confederation of National Trade Unions recently in a joint statement refused to co-operate with the inflationary controls suggested by the commission. What are you in government going to do about it? You ask the working man to adopt voluntary restraint in his wage demands, but if you will go and talk to him he will bluntly ask you, "When are you going to stop pork-barrelling the federal pay roll"?

This is a question I cannot answer. I have served in this House for more than 12 years and I have never been able to learn under whose authority all these special and executive assistants are appointed, what their qualifications are for employment, what is their requirement or on what grounds their salaries are established.

When the workingman asks me who authorized the expensive and unnecessary redecorating of ministerial offices, which cost in the aggregate hundreds of thousands of dollars, I cannot answer. As an elected member of parliament I have never been asked if I approved of this type of expenditure. But these are questions that must be answered by someone, for the biggest problem faced by the government is that they are no longer credible in the eyes of the majority of Canadians. The average Canadian has no faith in their policies. He no longer believes them.

As a result of this lack of credibility, interest rates on loans are now at their highest point in Canadian history, and they are going higher. As a government, hon. members opposite are offering to double my money if I lend it to them for nine years, compounded at 8 per cent, which in effect implies that today's dollar in nine years will be worth only 50 cents. This will be the case if the government does not do better in the years ahead than it did last year.

Trust companies are now offering 9 per cent on five year guaranteed investment certificates; strikes are continuing; labour is asking for still higher wages. On the very day that a request for restraint was made in the Speech from the Throne, the Steel Company

of Canada advanced the price of steel by 6 per cent. This will increase the cost of every new object made with steel in Canada. Surely, Mr. Speaker, it should soon be evident, even to the Prime Minister (Mr. Trudeau), that his government's war on inflation is going badly. The fact it is going badly is understandable when one reads in the throne speech that one of Canada's most valuable assets is undeniably the richness and variety of her material resources. I disagree with that statement because I believe that one of Canada's most valuable assets is undeniably the full employment of her human resources.

The government obviously do not believe this fact since their policies are aimed at slowing down the economy through increased unemployment. According to figures released by the Dominion Bureau of Statistics they are achieving their goal, for the September unemployment rate in Canada reached the highest level for any September since 1963 at 5 per cent of the labour force.

It has always been my understanding that it is our labour force, through its productivity, which increases our gross national product and which makes more goods available. The present policies of the government, namely, high interest rates and high taxation necessitated by a top-heavy bureaucracy, tend to increase prices and also increase unemployment. I ask them this question: Did you never stop and ask yourselves how will increased unemployment and lower production decrease prices? If this thesis is correct, all we have to do is shut down our factories, have everyone unemployed and we will have reached Utopia. What nonsense!

What does the Economic Council of Canada, in its sixth annual review, say about this problem? At page 162 the report reads:

> Unacceptably high rates of increase in prices and costs are diluting many of the hard won gains achieved by Canadians since the beginning of the 1960's. Governments in North America have made it clear that they regard the central task of economic policy in 1969 to be the gradual moderation of current rates of price and cost advance without precipitating excessive increases in unemployment. They have good reason for their concern. The costs of continued inflation in North America are large. They are reflected in hardships for the elderly and the retired, and others on fixed or slow growing incomes, and they may ultimately be reflected in an impairment of the country's competitive position. They are also reflected in the functioning of the capital markets, in the disenchantment of investors with fixed income securities, in continuing high rates of interest and in the financing difficulties faced by governments and some business enterprises.

If our sea captains in Nova Scotia were in charge of our ship of state, and were faced with this logic stated by the Economic Council of Canada, I feel certain they would say: "We have our ship on the wrong course. If we continue we will pile up on the rocks of bankruptcy and disunity. Let us try another tack; let us change direction."

Obviously, the present Liberal government are not ready to adopt this type of common sense approach to our problems. Through you, Mr. Speaker, I tell them that they say they are adopting restraints and cutting costs, but they have not even sharpened the knife. With almost one-third of all the Liberals elected in 1968 either in the cabinet or appointed as parliamentary secretaries they have won their war on poverty. The workingman sees what is going on, and he realizes that through his productivity he must pay the bill. But he cannot always increase his productivity and his wages, and as the demands in the form of higher taxes on his meagre earnings increase, he finds himself with less and less to cover the needs of his wife and family.

We had a strike in one of the major industries in my constituency this summer, and I had an opportunity to talk to some of the men seeking higher wages. Quite frankly, there was little or no animosity toward their employer. When I asked why they went on strike they replied that it was a union decision to secure more wages. And then they said something else. They said political parties are unions of men who, when elected, have the authority to make increased demands on all the workers in order to secure the funds for the payment of running the country and for their pet projects. Their logic was simple and elementary. This is what we call grass roots logic, Mr. Speaker. They stated it in the following terms: "As long as the government of this country makes increasing demands on the wages of the workingman, in the form of increased taxes, we will be forced to strike or make increasing demands upon our employers for more wages".

Obviously the government do not know what to do but when they learn to act, at a time when the economy is in danger of destruction through inflation, with something of the sense of urgency that was developed when dealing with the threat of recession, then and only then will the economy of Canada make progress in an orderly fashion. However, we will get nowhere just as long as they continue to lay the blame for their mistakes on the ordinary citizen who carries a

lunch pail, on the independent farmer and fisherman. He is struggling valiantly to keep up his end, struggling to make both ends meet, but members of the government must do their part.

To the government I say, if you do not know where to begin why not start by cutting down on ministerial staffs? I do not mean the type of heartless and cruel reduction of civil servants announced the Minister of Fisheries (Mr. Davis). These civil servants won their positions through open competition and they carry out the necessary work of research and inspection as well as the implementation of the regulations laid down by the department. When I suggest cutting down I am thinking of the fat padding that has grown around all the departments, from the top to the bottom.

Why not terminate the work of the Royal Commission on Bilingualism and Biculturalism which has spent some $9 million of our tax dollars since 1963, and which has $750,000 earmarked for expenditure this year? Surely, all Canadians are now aware of the French fact and all Canadians, given a fair share of economic opportunities, are prepared to work together for the over-all good of the nation.

At the present time why do we need a Royal Commission on Farm Machinery, a Royal Commission on Pilotage, and a Royal Commission on the Status of Women with a chairman, six commissioners, and at least 12 secretaries, assistant secretaries, executive secretaries, administrative secretaries and research co-ordinators? During the last election campaign I advocated the abolition of this last named commission, and I was applauded by all the women with whom I spoke. Here is a commission that costs us over $500,000 a year, which adds to our cost of living, and which is unnecessary because most men, especially married men, are aware of the status of women. We love, honour and revere them as our wives and the mothers of our children.

The closing down of this commission would not create any unemployment problem because most of the commissioners, including the chairman, are married, with husbands quite capable of providing for their support. If you must have the status of women investigated why not turn the job over to the Senate where we have a group of the most highly paid, highly intelligent, privileged and underworked people in Canada? Surely, the ladies in the Senate, assisted by their male colleagues, could finish this study without any additional cost to Canadians.

[Mr. Crouse.]

Why not cut down on the budget of the CBC which this year exceeds $166 million? I do not advocate the abolition of the CBC but I notice, when travelling in Europe, where the population is more dense than in Canada, European hotels of top rating do not have a television set in every room. If you do not mind the expression, Mr. Speaker, in Canada we have become a bit bug-eyed over T.V.; we have been carried away with the enthusiasm shown by our state sponsored, state paid programmers, and as a result T.V. is now like the old five ring circus. You cannot watch everything that is going on but you must still pay the full price of admission.

Quite frankly, when talking with the working men and women in my riding, they tell me that they cannot sit up all night and watch television. They cannot sit up after eleven o'clock at night and go to work next day. With the exception of Saturday night, many have suggested that TV stations could cut off their programs at ten o'clock, whilst others said eleven o'clock would be acceptable. I do not advocate these hours as a permanent move, but it would be interesting to know what savings could be effected by cutting down on the hours of programming, at least until the present inflationary spiral is brought under control. One hundred and sixty-six million dollars a year is a lot of tax dollars no matter how you count them.

• (2:50 p.m.)

The Throne Speech states that the competitive position of Canadian fisheries must be strengthened, not only through licensing and marketing arrangements, but also by extending Canada's exclusive fishing zones. You can rest assured, Mr. Speaker, that I will watch this legislation with interest, for no government in Canadian history has dealt more harshly with our east coast fishermen.

The fishing and marine industries in the Atlantic provinces seem to be the prime target of the austerity measures of this government. You have taken away the salt assistance for our salt cod industry, calling it a bandaid measure. You have taken away the fishing bounty in the amount of $160,000 as paid to some 11,000 east coast fishermen, a payment to which they are entitled as a result of a treaty that goes back to 1871, between Canada and the United States. You are curtailling the assistance required for maintenance of our small ports from which our inshore fishermen still carry on fishing operations. You have taken a total of $120,000 in research funds from St. Francis Xavier

University in Nova Scotia and from Memorial University in St. John's, Newfoundland. The subsidy for the construction of wooden ships has been removed, resulting in some shipyards closing down while others have reduced their work force by 90 per cent in the last two years. You have taken away the inshore sealing rights.

This action of cutting down the subsidy for wooden ships has stopped the modernization of the wooden fishing fleet. If this course is continued, the present fleet could become obsolete within a few years. How can you justify paying a 35 per cent subsidy on a steel hull without paying the same amount for a wooden hull? Is this the just society as applied to our wooden shipbuilders? The 35 per cent subsidy should be paid on wooden ships as well as steel, since the fishing equipment installed in these ships is identical.

Having removed practically all the fishermen's bandaids, what are you planning to offer them in return? Surely, the Prime Minister (Mr. Trudeau), when he was studying for his black belt—I am sorry he is not in his seat—learned that if you wish to push someone forward you first act as if you wish to push him backward. This brings opposing forces into play on your behalf making the push forward a simple matter. Surely, our fishermen have been pushed backward far enough and the time is ripe to offer them some incentives to go forward. The record will show that the market value of the fish landed in Nova Scotia this year exceeds $100 million and it is reasonable to assume that at least 10 per cent of this amount will find its way back into the tax coffers of the nation in one way or another. I would point out, Mr. Speaker, that 70 per cent of this money is new wealth, as that is the percentage of the catch exported to the United States. This amount must certainly help to meet the balance of payments on imports. I would therefore suggest that you give some of the money that you are taking from the fishing industry back to that industry.

In my native province $1 million a year in subsidy funds for wooden ships would enable Nova Scotia to maintain a fleet competitive with the highly subsidized fleets of other countries operating in the Grand Banks area. However, if you plan to cut out subsidies altogether, we will watch with interest to see if this same policy applies to the CBC and the National Arts Centre. Surely, if our productive industries must stand or fall on their own efforts, the same rule of thumb must apply to entertainment fields. Having provided a $47 million Arts Centre for our national arts there would really be no justification for an annual subsidy toward entertainment in excess of $2½ million, which I notice is the amount listed in the estimates for 1969-70.

Since our fishermen will need new ships, I would suggest that the government provide an incentive for their construction by permitting the cost of any new ship to be written off as an investment allowance, without payment of taxes on earnings, over a three-year period. I would point out also that any nation that has cut out assistance to the fishing industry, such as the United States and Sweden, has noted a decline in the over-all catch landed by that industry.

Since the men engaged in the fishing industry are exposed to many hardships—and young men today are not training to become fishermen—I suggest that they be placed in a special category for income tax purposes. This could take one of two forms. At present, if a citizen is over 70 years of age, he may claim a $500 age exemption on payment of his income tax. I suggest that fishermen should also be permitted this exemption. Alternatively, in view of the fact that their fishing operations are depleting our fishing resources, a fact which has been brought to our attention by scientists, a fisherman's income should be treated in the same manner as taxable income from some Canadian corporations for which a 15 to 20 per cent depletion allowance is acceptable to the government. I believe this special recognition would encourage more men to become fishermen. It would constitute a recognition of the hazards and uncertainties associated with the occupation, while assisting in the future growth and expansion of this important east coast industry.

Speaking as a member of parliament from Atlantic Canada, I believe that improvement in the transportation links between our area and central Canada could go a long way toward solving problems of regional disparity. We had hoped, through area incentives, that Atlantic Canada would have something extra to offer when seeking new industries, but this cabinet has changed all that. This same provision has been extended to a wide area of Canadian territory, taking away our special advantages and enabling the richer provinces to further widen the economic gap between us. However, maritimers are immune to adversity by now and almost numb from the

beating given us by some of your programs. However, we still keep fighting, we still keep trying.

Since our railroad system is not the shortest route to Montreal, and we have not had any serious disagreements with the Americans in recent years, I should like to propose that the present government take a real step forward by advocating to the government of the United States a joint construction program on a corridor road through Maine. This road, linking the trans-Canada highway of the maritimes with Sherbrooke and Montreal, would cover some 180 miles of American territory but it would shorten the route between our area and central Canada and enable us to deliver our products more quickly. I realize the responsibility for constructing this road would rest solely with the United States but surely, with the new oil finds on the northern slopes in Alaska and the need for the rights-of-way for pipe lines through Canadian territory, some suitable agreement could be reached between our government and the government of the United States. In this way the needs and aspirations of our citizens could be met and we would be able to ensure the "progress and greatness of Canada", in the words of the Speech from the Throne. In Atlantic Canada we are still waiting for some sign of the Prime Minister's just society. In my view, a new transportation link between Atlantic Canada and the vast markets in central Canada would go a long way toward making the just society a reality in our area.

• (3:00 p.m.)

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, before embarking on the main part of my comments I am tempted, and will yield to the temptation, to comment upon some of the matters raised in the Speech from the Throne. First, I was struck by the lack of attention in the speech to the critical problem of Canadian economic independence. It seems to me that only when the Government of Canada, and the nation as a whole, have greater control of the ownership of this economy will we be able to really do a job of directing our economy and controlling inflation. To my mind, the casual reference in the speech to farm marketing and income is most outrageous and I shall have more to say about that later. The much talked of Canada Development Corporation, which previous Liberal governments put forward, however weak and anemic it might have been, has again been shelved. The Liberals either are not concerned about this or are so completely enmeshed in the webb of outside corporations which own an ever increasing share of Canada that this government has been frozen into inaction.

[Mr. Crouse.]

The speech also forecasts extensive reform of our taxation system. We shall have to see what this entails. I suggest that the main needs are these: We must have a better redistribution of the tax load, a capital gains tax, a tightening of depreciation and incentive allowances for the mining and resource industries and the provision of higher exemptions and increased tax allowances for families with children. The speech also mentioned that the voting age in this country will be lowered. Mr. Speaker, in Saskatchewan we did that 25 years ago; our response to this measure therefore is automatic. As in so many other things, this Liberal government is 25 years behind the times.

On the matter of housing the speech seems to indicate that the government plans for the future more of what we have had in the past. If that assumption is right, then the Liberals again have missed the point. What we need is not just more houses, but houses at prices which more people can afford, with mortgages carrying interest rates which any of us can afford. Also, on the subject of inflation, unless moves to control inflation include more vigorous action with respect to the corporate sector of our economy, the results of action taken will continue to be disappointing. I suggest two moves the government can make. I suggest the control of profits through taxation, and greater influence by government on how corporations spend and re-invest profits accumulated in Canada. I shall have more to say about that in a few minutes, Mr. Speaker.

While the fight against inflation has been mentioned, we have heard about this government's expenditures on ministerial offices. Reference has been made to the Prime Minister's staff and to the renovation of ministers' offices. There are to be larger ministerial staffs and all kinds of expenses are to be undertaken which show that this government is as arrogant as other Liberal governments have been. Something that was drawn to my attention a few weeks ago illustrates how arrogant this government is. You know, Mr. Speaker, many great things, some of them quite justifiable, have been said about the Minister of Labour (Mr. Mackasey). It now appears that his worth can be measured. His

worth is equal to four ounces and $6.50. Why do I say that? On September 22 the minister made a speech to the annual convention of the Canadian Airline Employees' Association. On Thursday, September 25 the text of the speech arrived at the editorial office of the Regina *Leader Post*. The speech weighed four ounces and had cost $6.50 to send by air express. I should like to know if the Minister of Labour makes a practice of sending copies of his speeches to all newspapers and radio and television stations in Canada? I should like to know that, because I do not think the action taken was proper. I do not suppose the minister sent the speech, but I should like to know what idiot in his office authorized $6.50 of the taxpayer's money to be spent on sending a four ounce speech by air express.

As I said, I was shocked to see that the Speech from the Throne made such casual reference to problems of farm marketing and income. Two paragraphs in the speech referred to the subject. Finally, after being prodded for many months, the government has made an admission. The Speech from the Throne reads in part as follows:

> One of Canada's most valuable assets is undeniably the richness and variety of her material resources. In some cases, production has increased substantially and outstripped demand; grain is one of the commodities of which reserves have piled up,—

Everybody else in Canada knows that, and now the government has admitted it.

In the throne speech the government indicates that it will amend the Canada Grain Act. In my opinion this action is long overdue since very likely it will improve our position on world markets. Yet there is not one word in the speech about strengthening and enlarging the Canadian Wheat Board, and there is not one proposal about farm incomes and the marketing of farm products.

The throne speech also mentions the agricultural crisis through which we are going. We already know that. My party, members of the official opposition and of the Creditiste group, have advanced many proposals during the last year; farm organizations have come up with all kinds of specific proposals, yet the government has not chosen to act on any of them. Few members of the government seemed to listen to proposals made about farm incomes in western Canada. Members of the official opposition recommended a system of acreage payments, as did spokesmen for farm organizations. Our party recommended the implementation of deficiency payments, as did members of farm organizations. Almost all in this house were unanimous in recommending a two-price system for wheat in conjunction with these payments, yet the government took no action. The government has not said why the adoption of the recommended course of action would not be appropriate.

In my opinion, the government's policy, as outlined in the Speech from the Throne, will be to take advantage of the farm crisis, to cause further tens of thousands of farmers to be eliminated from the agricultural industry. That suits the government's purposes. It suits the government not to help farmers with their cash income problem because it wants to speed up the process under which the number of farms is reduced. A small further reduction in the number of people farming is probably inevitable; but surely this process can be carried out over a long term and in a more civilized and humane manner. Too many viable, economic farm units will fall victims to the grand design of the Minister of Agriculture (Mr. Olson) and the government of Canada which seeks to eliminate more farms from the agricultural industry. The government has not as yet properly researched the social and financial loss accruing to the entire community as a result of the further drastic reduction in farm population. I submit that this cost to the community far exceeds any cost that might be involved in maintaining the present number of people on farm units.

• (3:10 p.m.)

I wish to say a few words about the Canadian Wheat Board. I congratulate the Minister without Portfolio (Mr. Lang) for Saskatoon-Humboldt on his appointment. I was under the impression that he held his present job last year. He acted, I thought, in his present capacity in the absence of the Minister of Energy, Mines and Resources (Mr. Greene) who was ill and who has now returned to work. In any event, I congratulate him. The conditions under which the Canadian Wheat Board can operate are the same as they were one year ago. We still face the mess we faced one year ago with respect to the need for box cars, the fair allocation of cars and the delivery of grain to the elevator of the farmer's choice. May I say in reference to the allocation of railway equipment that the DBS figure for carloadings of wheat and other grains on western lines in an 11 week period

from August 1, the beginning of the crop year, to the 14th of this October shows that some 2,700 fewer cars were loaded in this period compared to a year ago and almost 7,000 fewer than loaded in the same period in 1967.

A week ago, Mr. Speaker, I met with representatives from the eight wheat pool committees in rural Saskatchewan. Each of them submitted reports to me on the situation in their particular area. Each of them confirmed that they are in a worse position than they were a year ago. The hon. member for Assiniboia (Mr. Douglas) also met with some wheat pool committees in an area close to that which I represent. I am certain he can report receiving the same kind of information from those committees.

The reports were unanimous in pointing out these areas were still on the unit quota and had not yet delivered 400 bushels per farmer. Some still had not delivered the extra one bushel they are entitled to deliver as a result of their inability to complete the five bushel quota a year ago. All of them reported the desperate financial position of every farmer. All of them felt that cash advances were just another loan that partially postponed the problem and made the day of reckoning all the more horrible to contemplate.

I am going to put on the record a policy statement adopted by my party in the province of Saskatchewan. I am immodest enough to claim some part in the authorship of this statement because there have been speeches made by other spokesmen, from both the federal and provincial Liberal governments in Saskatchewan, laying blame on the Canadian Wheat Board for the position we are in regarding our export markets. I would like to submit that the blame for the situation the western farmer is in rests solely and completely upon the federal Liberal government, aided and abetted by their counterparts in Saskatchewan. Their attempts to shift blame on to the Canadian Wheat Board must not be allowed to succeed.

The Wheat Board can only operate within the limits of federal government policy. The policies of the present government have served to effectively handcuff the Board and prevent it from doing the best possible job for western farmers. These policies also serve to perpetuate the operations of the private grain trade, at the expense of western farmers, and at the same time to undermine the principle of orderly marketing through a central public agency.

[Mr. Benjamin.]

For example, the fact that the Wheat Board must deal through foreign, privately owned grain traders cannot be in the best interests of western farmers or the Canadian nation as a whole and serves as a stricture on Canadian sales in world markets. The turning of a blind eye to provincial and interprovincial trafficking in grain at firesale prices is further evidence of the Liberal government's failure to act in the interests of farmers.

My party, Mr. Speaker, reaffirms its support for the Canadian Wheat Board. Our provincial council calls for an even further enlarging of the responsibilities and activities of the Board, backed by the government of the whole nation. If Liberal governments really do believe in, and support, the Canadian Wheat Board, and the principle of orderly marketing through a public agency, it is time they put their action where their mouth is.

We call on the government to act immediately to, one; bring flax, rye, rapeseed and feed grains under the complete jurisdiction of the Board; two, authorize and pay for the expansion of the facilities and operation of the Board into market and product research, sales offices and staff in importing countries; three, empower the Board to have complete control and direction of grain handling including all transportation facilities needed for the grain movement.

The mess in the railway industry in particular, that part designated to handle our grain and grain products, is as bad as ever and still continues after many years. We have previously suggested the appointment of a controller. This did not seem to suit the government. We now suggest the entire responsibility and authority necessary for the movement of railway equipment for the transportation of grain be placed in the hands of, and under the direction of, the Canadian Wheat Board. As a fourth point, we urge that the government authorize the Board to establish its own grain brokerage agency in order to bypass domestic and foreign private grain trade speculators and, fifth, embody in Wheat Board legislation the principle of the right of farmers to deliver their grain to the elevator of their choice.

This principle has been expounded and pleaded for by political parties, farm organizations and individual farmers since the days of the Bracken Commission—perhaps even before that. There have been some attempts, on paper or in theory, to implement it. When one sees shipping point after shipping point

at which the farmers' own elevator companies are outrageously discriminated against in the allocation of railway equipment, resulting in the percentage of their market dropping from 65 and 75 per cent to 40 and 45 per cent, one finds an indication this government is more interested in the survival of the private grain trade which has been a parasite on the back of western farmers since Canada began.

A sixth point we would like to make is that there should be provision for added farmer representation on the Board. In addition to these six points I have mentioned, and there are many more I could go into which would strengthen and widen the operation of the Canadian Wheat Board, there is a further measure I think many people in this country feel the government should take. We call on the government to institute a system of guaranteed prices based on costs of production and at the same time give the Canadian Wheat Board the freedom to sell in the export market at the most advantageous prices. Whenever those export prices are below the guaranteed price, the national treasury should make up the difference.

Reference was made last Friday by the leader of my party, and by the two previous speakers, to inflation, the steel industry and steel prices. I would like now to dwell a bit on this point if I may. The government's concern for inflation is somewhat justified. All of us must have some concern for it, but when that concern develops into a pre-occupation that goes to the lengths of perpetrating hardships on hundreds of thousands of Canadians while privileged corporations and individuals go merrily on their way, then this or any other government is guilty of the grossest of governmental malpractice.

This government, in the classic old line party so-called free enterprise style, is waging war on inflation by attacking the very people who have in no way contributed to inflation and in fact are the first victims of it. This government forgot about the old age pensioner, old age assistance recipients, veterans on pension, retired R.C.M.P., civil service pensioners, fishermen, unorganized workers and small businessmen. Surely, these are not the people who caused or who are contributing to inflation. Surely, the government's failure to act in their interest is a backwards attack on inflation. The government, in its cutbacks, is hurting its own employees and striking at sections of the economy which are already depressed. According to the DBS summary of quarterly corporation profits after taxes in 1968 and 1969, the category of "other non-manufacturing corporations" is among the lowest. This category, Mr. Speaker, covers agriculture, construction, forestry and fishing. In the fourth quarter of 1968, that section of our economy showed an accumulated loss of $18 million, showed no profits in the first quarter of 1969 and $10 million profit in the second quarter of 1969, which is $2 million less than the same period a year ago.

• (3:20 p.m.)

These are the very industries which are already in a depressed condition and which are, therefore, not contributing to inflation. They have been further harmed as a result of government policy. Failure to place capital into the hands of farmers, fishermen and homebuilders does not, I contend, represent intelligent action to contain inflation. These are areas in which any assitance provided by government would not, in my view, have contributed to inflation; rather it would have helped these vital industries at least to hold their own in the inflationary spiral. Failure to provide adequate increases in pensions for veterans, the aged and those already retired is certainly not the way in which to fight inflation, because it further harms those who are already hurt most by rising prices. Improved pensions for veterans and widows could not be considered inflationary were the government at the same time to take firm measures in those areas where inflation is really being caused. Let me illustrate. In the Speech from the Throne on October 23 the government states it has urged both the public and the private sectors to adopt special measures against inflation. The very next day the Steel Company of Canada thumbs its corporate nose at the government and announces a 6 to 7 per cent increase in steel prices.

For months Government spokesmen lectured, preached and pleaded with the private sector to exercise restraint. Where did it get them? After all the talk about the example the national government was trying to set, what effect has been visible in the private sector? As far as I can see, none, or none that is readily apparent. The fact that the action taken by the Steel Company of Canada was happily followed by the rest of the steel industry proves the private sector is either unconvinced that the action so far taken by the government will have any real effect in the fight against inflation or that they fully intend to act in their own selfish corporate

interest—the country and the public interest be damned.

Apologists for the steel industry, who include some hon. members in the old parties on both sides of this House, will frantically point a finger at wage increases as justification for the increase in steel prices. As has been the case on previous occasions it is certain that most of the cost of wage increases, and, probably, all of the cost, will be more than offset by increases in productivity. When the final figures are published I bet the Minister of Consumer and Corporate Affairs a new hat that this will prove to be is the case. Let me quote from a letter addressed to the Prime Minister (Mr. Trudeau) by Mr. William Mahoney, the Canadian director of the United Steelworkers union. This letter is dated October 22. It deals with this question of steel price increases, and states, in part:

> We want to make it very clear that, in the opinion of the United Steelworkers of America, the settlement terms just approved by our members do not justify any increase in prices. The wage increases and benefit improvements outlined in that settlement can be completely met out of the improvement in productivity achieved by our members over the period of the previous collective agreement.
>
> Government and industry figures on the productivity of our members employed by the basic steel industry were recently analyzed by our union. We sent the details to you, to members of your government, to members of the House and to editors of all major Canadian publications well in advance of this year's negotiations. Figures for the first six months of this year which were not available at that time, confirm that our members' productivity has continued to grow.
>
> We want to emphasize that despite the fact that our members earned their wage increases and benefit improvements in advance it was still necessary for them to go through negotiations, government conciliation, government mediation and finally, go without pay for over eighty days before they could secure those wage increases and benefit improvements. Furthermore, unlike the steel industry, our members will not get special tax treatment, enabling them to use their income loss this year to offset higher earnings in other years.

The letter goes on:

> In contrast, the steel industry can simply announce price increases after a unilateral management decision.
>
> This is a dramatic example of the basic imbalance between government treatment of wage income and government treatment of investor income in Canada. This is the imbalance which must be corrected before your recently-appointed Prices and Incomes Commission can be accepted in good faith by Canadian workers. This is also a dramatic opportunity for your government to correct the imbalance.
>
> We suggest that your government ask the industry to withhold any increase in steel prices until such time as the steel companies can justify such price increases to their customers and to the general public before an appropriate government-appointed Board of Enquiry or the Prices and Incomes Commission itself.

[Mr. Benjamin.]

This letter underlines more forcibly than I can, the need for these corporations, particularly those associated with basic industry, to justify the price increases they place on their products. Incidentally, this time I have not heard the steel industry using the old chestnut that wage increases have brought about these increases in price. The only justification the industry has put forward so far, to my knowledge, is that many of the products to which these increases apply have not been increased in price for two and a half years.

Upon examination, this becomes the most spurious excuse of all. There sure as hell was no justification for an increase during the last two and a half years. If one looks at the profits made by the Steel Company of Canada one finds that in 1964 they amounted to $43,630,000, in 1965 to $45,454,000 and in 1966 to $42,774,000. Now, we come to the period in which the industry says it did not raise its prices. In 1967 the profits were $46,733,000 and in 1968 they were no less than $67,971,000. By the way, these are profits after taxation—net profits. I maintain that having made a profit in 1968 amounting to almost $68 million the government and the country could more properly have expected a price decrease of 6 per cent rather than an increase; the Steel Company of Canada would still be doing extremely well. The ratio of net profit to shareholder's equity in this company was 10.5 per cent in 1967. This was not bad, you will say. Well, in 1968 it had risen to 14.1 per cent. How's that for a fat return? Surely, it is more than can be considered fair and reasonable by comparison with what the big majority of Canadians received as a result of salary and pension increases. And, as we know, farm income actually dropped.

I would point out that corporations such as the Steel Company of Canada are virtually immune to inflationary pressures; they are little affected by tight money and high interest rates. From their large reserves of retained profits they can easily lend themselves the necessary money for plant improvement and expansion at zero per cent. They are also—obviously—not obliged to respond to anti-inflationary measures which the government calls upon itself or upon the

private sector to take. The tragedy is that the multiplier effect of an increase in steel prices, as the products pass through the hands of the manufacturer, the wholesaler and the retailer, will mean that the consumer must pay many times more than the 6 per cent increase I have mentioned. The increase in the basic price will provide a neat cover for automobile, truck and farm machinery manufacturers, enabling them to add an even greater increase to the price of their products, since it opens a beautiful opportunity to make bigger and better profits which can all be blamed on higher steel prices. At the end of the line is the victimized consumer and the private enterprise government which has egg on its face for allowing aid and comfort to privileged friends. Meanwhile, inflation rolls merrily along.

Surely, this is one area in which the government should require restraint. Surely, the government ought now to force a roll-back of an unjustifiable steel price increase. Will the Minister of Consumer and Corporate Affairs act, or has he just been talking a good fight? It is apparent, or at least its is to most of us, that the minister is still talking a good fight. Will the Prices and Incomes Commission act or is it, too, just a paper tiger?

• (3:30 p.m.)

Let us look a little further into this whole area of the private sector to find out whether it has shown any restraint. Again, let us look at corporate profits. In the quarterly summary of corporate profits after tax published by the Dominion Bureau of Statistics, we find figures that are most illuminating. The very industries which are the largest contributors to increased prices and the rising cost of living, as well as to inflation, are the ones which show the greatest gains in profits.

The food and beverage industry, in the first six months of 1969, showed a net profit after taxes of $115 million. That is $27 million more than it showed for the first six months a year ago. The textile industry showed a profit of $45 million in the first six months or $20 million more than a year ago.

The chemical and chemical products industry, our friendly polluters, showed a profit of $82 million in the first six months, $8 million more than a year ago. The wholesale trades—

Mr. Deputy Speaker: Order, please. I am sorry to interrupt the hon. member but his time has expired.

Mr. Benjamin: May I have a moment to conclude?

Mr. Deputy Speaker: Does the hon. member have unanimous consent to continue?

Some hon. Members: Agreed.

Mr. Benjamin: I am sorry, Mr. Speaker, I so enjoyed hearing what I was saying I forgot to watch the clock.

May I close by saying that the government has attacked inflation from the wrong end, as, is usual for Liberals. Until such time as the government exercise some control—and this will not be obtained through voluntary action—over the size of profits made by the private sector and in the direction of investment made by this sector, they will not in fact be able to do very much about inflation.

I find the Throne Speech sadly lacking in measures of this nature. It provides promise that in the future we will have more of what we had in the past year. I, for one could not support such a speech.

[*Translation*]

Mr. Charles-Eugène Dionne (Kamouraska): Mr. Speaker, I read with great attention the traditional Speech from the Throne which depicts existing conditions and sets in uncertain terms the government's attitude towards the present economic situation.

A rather lengthy list of new bills has also been tabled and I presume that more details can be expected during this session concerning what the government intends to do about measures taken to reduce unemployment, that social ailment whose ravages must be restricted by every means at our disposal.

In agriculture, the government will have to define its position in order to boost the morale of farmers who are still faced with nearly insoluble problems which will force a great many of them to sell their land or declare bankruptcy.

Many other problems will require definite legislation and I wish that we may be able during this session to pass practical legislative measures in the interest of the population which expects from the government more comprehension and action than useless debate.

I have listened with interest to those who have participated in the debate until now. The mover and the seconder of the Address in reply to the Speech from the Throne have performed very well considering the circumstances. The representatives of the various

parties all deserve congratulations. I do not doubt that each one of them has expounded his point of view according to his convictions.

I hope it will be recognized that many problems could find a solution if everyone made an effort to understand the ideas expressed by the members of the various parties and to ascertain as wisely as possible to what extent each one really works for the welfare of the country, rather than to promote the interests of one's own party.

In this century of materialism, it is too often forgotten that ideas are at the root of any improvement, however small.

The author of the best editorial for 1968, according to the Canadian Association of French Weeklies, which comprises 107 newspapers, simply headlined his article with these two words: "Good Idea."

He was speaking with much common sense, and I would like to quote parts of that article:

> Ideas are as invisible and airy as electricity. Yet, it has been possible to pick up the electric fluid with wires and aerials. Why should it not be possible to pick up the "intellectual fluid" by more sophisticated means like silence, study and meditation. Let us open our mind still more to new ideas. Let us find them in the jumble of thoughts that beset our mind at every moment.

He ends his article on these words:

> Do not tell me that an idea is worthless. There is something good in every idea; there are only men not willing to take advantage of ideas. Any idea as a whole can bring forth a better one. The needle was invented before the sewing machine. Any idea is the road to a sure development.

I hope the ideas expressed during this session will not be misconstrued nor wrongly implemented, in order to lead to a better understanding of the causes of the difficulties experienced by Canadians. We must also wish that we will find through the exchange of good ideas practical solutions to the numerous economic problems of today.

If we consider long enough the principle that production is aimed at consumption, we shall realize easily that the purpose of production is not reached, and we shall be more prepared to look for the causes of this in the distribution system.

Several economists contend that amortization is now part of the purchasing power. However, it is very difficult to assess its lag and to determine its influence and scope on the immediate availability in terms of purchasing power in the hands of consumers. One or two factors of this kind are enough to reverse the position of recognized experts.

[Mr. Dionne.]

Besides, daily evidence shows us that the purchasing power available to consumers is undoubtedly inadequate.

I have before me an article published in *Le Devoir* in October 1962, following a television broadcast of October 4 during which two different theories had been explained by members of parliament on the problem of wealth distribution. Mr. P. H. Lavallée, an engineer, called the readers' attention to an idea originating with Major C. H. Douglas, also an engineer and the founder of Social Credit, who explored this field through differential calculus (in which time is considered as an operator. One may well wonder whether his position is not closer to reality.

Mr. Lavallée stated, and I quote:

> Where experimental science is concerned, when a system cannot be based on facts, one uses an hypothesis. On the latter one builds a theory which must bring one to the solution one is seeking.
>
> For example, Copernicus Galileo assumed that the earth could rotate around the sun, as the result of which many astronomical problems were solved. Christopher Columbus assumed that the earth was round, and we know what happened. On the other hand, Pasteur went on from the hypothesis (current then) of the infinitesimal. Modern atomic science is based wholly on a hypothesis—that of the structure of the atom. When a hypothesis is inconsistent with the facts, only once, it is rejected and a new one is used.

As for the problem which interests us at the present time, it is fair to proceed in the same way.

Let us state a first hypothesis: The purchasing power provided by production is sufficient to dispose of the latter. How can we explain then that in a normal period, we are often faced with overproduction or rather acute sub-consumption? Great numbers of people would like, in vain, to buy the goods which pack warehouses. There is also unemployment. In short, we are faced with the problem of abundance.

How can we explain that this uneasiness diminishes or disappears in wartime or when the economy is in full progress or, even, when the trade balance of a country is favourable?

Second hypothesis: Production alone cannot finance consumption. If we still want to balance our economy, we must make up for a shortage of purchasing lower. The supplement could take different forms.

Having said what happens in wartime:

(1) With regard to the wages of soldiers and workers employed in war factories (unsold production which cannot be bought);

(2) Massive capitalization for important projects;

(3) Favourable trade balance. Realizing that the last two methods are not sufficient to fill the gap between prices and buying power, Mr. Lavallée adds that another method must be used, and I quote:

• (3:40 p.m.)

The distribution of additional purchasing power to the citizens of the country so as to sell the whole production.

It is always argued that this measure will lead to inflation as if there was no middle term nor any middle course between a chronic shortage of purchasing power and inflation.

If the issue of additional funds is strictly and scientifically controlled, there should not be more inflation than when the Aluminum Company took the decision to invest several hundred million dollars at Kitimat or when the Iron Ore and Quebec Cartier Mining decided to sink more than half a million dollars in Labrador; nor when the St. Lawrence Seaway or the Dew line were built; no more than when it was decided to pay family allowances or old age pensions. But it might be possible to find there a means to balance and stabilize the economy.

Considering the remarks I have just made, the classic economists' position does not seem to me to be unassailable, and I am wondering if the second hypothesis has not at least as many chances to be valid as the first one.

It seemed desirable to me to submit this idea at the beginning of the session and I think I have used wisely the time allotted to me, by promoting the concept of the distribution of abundance rather than praise the government on its achievements or criticize it for what it failed to do.

I shall undoubtedly have an opportunity to take part in the debates on some of the bills we will have to consider during this session. However, I am convinced that if we could direct the legislative work towards this idea of a more equitable distribution of goods, most Canadians would be satisfied with the administration of their country and would be better prepared to respect the government's authority that needs to be strengthened.

Before closing, I should like to say that the Speech from the Throne mentions the government's resolve to achieve linguistic equality. The Official Languages Act constitutes a pressing invitation to all the provinces to take that course which will help save Canadian unity.

This legislation may prove to be interesting training for citizens of good will and most Canadians belong to that category. There is no provision in the act which compels Canadians to speak English and French. But it recognizes existing facts. This gesture has an important symbolic value which should help bring about true bilingualism at the federal level.

Canada is a federation of ten provinces and constitutes a country. In matters of general interest we must act as Canadians and not only as residents of a province.

English is known throughout the world as the commercial language and French as the diplomatic one. Therefore, there is some advantage in having both official languages on an equal footing in Canada and in having them in use in all parts of the country where conditions permit.

The development of interprovincial co-operation could become easier and greatly help to achieve the desired goal; makes a new Canada that will recognize in fact the equality of the two founding peoples.

I would urge all those who are not yet won over to read a speech given by Mr. Douglas How, editor in chief of the Reader's Digest, on October 16, 1963, at the Queen Elizabeth Hotel, about "The Canadians that we could be".

On the first page Mr. How states, and I quote:

What French Canada is asking for would, in a large measure, correspond to what we, English-speaking Canadians, consider necessary in Canada.

And later on he adds:

Through and in spite of this resistance we have created the Canada of today. In making its inventory, English Canada would do well to remember that the miracle of the survival of French Canada played a leading part in the survival of Canada as an independent state.

On the other hand, it would not be a bad thing for French Canada to remember that such a miracle was only possible on account of English Canada. We needed one another. What remains to be seen is whether we can convince one another to maintain that kind of co-operation.

Otherwise, should this country break up, we will have to conclude that we were not strong enough to make the best of our opportunities and to take up the challenges inherent in them. Therefore the tragedy then would not consist in such a division, which would be but the logical result of a matter of fact. The tragedy would consist in not having been able to become what we could have been. Such is the essence of our history, of the present crisis, of our future. We can overcome such a difficulty and add to our size. But if we do not overcome it, we run the risk of losing ground—and even worse.

Mr. Speaker, I am confident that Canadians will be able, at the right time, to come to decisions that will enable everyone to live in harmony and to make of this country what it should be, namely a united Canada working in harmony towards her destiny.

Mr. E. B. Osler (Winnipeg South Centre): Mr. Speaker, I have the honour of representing the people of the Winnipeg South Centre constituency, in this parliament of which so much is expected. To me, it is a great honour as well as a great task.

[*English*]

As we come into our one hundredth year in Manitoba, which is a province that has featured both languages so strongly in its history, I think it is only fitting that I should try, in my own small way to accept that fact by struggling slightly to begin my speech in French.

An hon. Member: Why not continue in French?

• (3:50 p.m.)

Mr. Osler: I would love to be able to do so. I guarantee that six or seven years from now I shall be able to do so.

Some hon. members may have noticed on the front of my car a distinctive looking licence plate bearing the number 100 and saying "Manitoba—The First 'In' Province". This is a sort of gimmick adopted by the province of Manitoba this year to draw attention to the fact that on July 15, 1970 we will be celebrating the hundredth anniversary of our entry into confederation. Although we were not a party to the original negotiations which resulted in the Dominion of Canada, we joined the dominion three years and 15 days after it had been born. So, we were the first "in" province, as my licence plate declares to all and sundry, and we are very proud of it.

It was in Manitoba that the separate thrusts of English and French penetration of this continent collided, and in Winnipeg, where the Red and Assiniboine rivers meet, where these two peoples resolved, after an initial clash, to bed down together and, with the native Indians of the area, build a distinctive little colony of their own. It was here that the good faith of the new Canadian confederation was first put to the test.

As the centennial of Manitoba draws near, the name of Louis Riel looms large in my home town. Like myself, he was a member of parliament. He was elected to this House three times but he was never allowed to take his seat. Yet, he retains a claim to a place in history, for it was he who insisted that the colony of Assiniboia must only join Canada on negotiated terms acceptable to the people who lived in it. He was not a French Canadian; he was a French speaking citizen of the Northwest. Just as W. L. McKenzie and Joseph Papineau had insisted some 30 years before in Ontario and Quebec, he insisted on representation by population for the west.

Probably Riel should be considered Manitoba's Father of Confederation. He was not its sole founder—I do not think it is right to call him the founder of Manitoba as some people want to do today—although assuredly he was one of the founders. Others would include Chief Henry Prince, who signed the first treaty between Canada and the Indians of the Northwest—it was treaty number one signed in 1871—and who spoke for his people as their elected delegate in the troubles of 1869 and 1870 in which Riel first featured. He was descended from Chief Peguis, who in turn negotiated and signed the original treaty with Lord Selkirk in 1819.

The Earl of Selkirk was another person whom we should consider as another founder of Manitoba. He established the first permanent settlement in the Northwest by bringing Irish and Scottish dispossessed crofters to this land and setting them up on the banks of the river.

Then, there was Alexander K. Isbister, a native of the Red River region, a man of mixed blood, who headed a delegation to the British government in 1846. His efforts resulted ultimately in some measure of local representation on the Hudson Bay Company's governing board.

Then, we have Louis Riel senior, the father of the man who was more famous, who helped to establish free trade and break the Hudson Bay Company's monopoly in the entire Northwest.

Then, we have a Nova Scotian, Adams George Archibald, the first Manitoba lieutenant governor. By his insistence on "keeping his cool" on all questions and by his determined fairness to all factions he guided Manitoba through its first difficult years and set the pattern for tolerance and justice of which we are all so rightly proud. After Archibald there were many others, many natural leaders who emerged from the countless immigrants who flooded into our land

and made it what it is today. So, I suggest that Riel is our Father of Confederation, and many more people share my view regarding his claim to be founder of Manitoba.

What has all this to do with us here and now? I suggest that if we want to know where we are going, we must sometimes pause to look backwards to see where we have been. It is useful also to note that although Manitoba's boundaries have expanded greatly since it came to confederation as the postage stamp province, and its population now exceeds one million people, we still consider ourselves to be a region, or part of a region, distinct and unique from all the others.

Confederation is attractive to us now, as the idea of Canada was attractive one hundred years ago, only to the degree that it allows us to contribute in our own way to Canada as a whole. We came in voluntarily one hundred years ago and we remain in the confederation voluntarily as the beginning of our second century looms ahead; but now, as then, we have our own distinctive ideas about how some of Canada's remaining problems should be solved.

In the Speech from the Throne I noted many subjects of interest to us all. We are all interested in the reform of the United Nations; we are all interested in the idea of a Canadian international development research centre; we are all interested in helping our Indian and Eskimo peoples to help themselves; we are all interested in the subjects of social security, amendments to collective bargaining laws, the enforcement of measures to fight inflation, the fight against pollution, further amendments to the Criminal Code, consumer protection laws, etc.

But there are some items that to me will test the government's seriousness of intent in so far as regional equality is concerned. I commend the Prime Minister (Mr. Trudeau) for his continued efforts to revise our constitution and for his statement that the federal constitution must always provide for the integrity of the regions or provinces making up the state. I am intrigued by his suggestion that the four Senate divisions of Canada might be used as the basis for developing a consensus on certain matters. In this connection, it is interesting to note that Sir Alexander T. Galt, one of the more able Fathers of Confederation, wanted a Senate in which some approach to federal equality between the various sections of the country would be secured, and felt very firmly that we should have an upper house elected on a territorial basis to give some weight to the legitimate differences of opinion between regions which would otherwise be swamped in a legislative assembly elected on the basis of population.

It is good to see that the federal government proposes to increase funds to reduce regional disparities, and it will be interesting indeed to discover whether the white paper on taxation aimed at achieving a fairer distribution of the tax burden has any features in it that might provide a sort of built-in compensation for those of us who live in parts of the country that appear to offer less glamorous opportunities than the central provinces. It is gratifying to see that we will have amendments to the Canada Grains Act. While no one can hope to sell a commodity such as grain as easily as it used to be sold in the good old days, it is only common sense to bring our system of grading and marketing into line with the systems that prevail among our competitors.

In housing, and particularly in urban renewal, I hope to see some formula adopted that is not a simple freeze. Just as the government intends to emphasize measures to help low income families in housing, I hope they will consider measures to help in a special way low income regions to catch up with the more affluent parts of this country.

This is not a land where all can be centralized; it is too vast, too complex and too diverse for that. The glory of Canada will be found in the quality of the lives of the people living in all sorts of places, in all sorts of styles. We are not enamoured of the melting pot theory, thank God. We should rejoice as much in the achievement of Didi Woolgar, who runs an art shop of quality on the ground floor of a Yellowknife hotel, as we do about the National Arts Centre across from Parliament Hill. Perhaps we should rejoice more over Didi's achievement, and others like her, than over the ones that are so finished and final.

My fellow members from Winnipeg—of whom I see one across the House right now—will no doubt remember, as I do, the seeds that have grown into our own magnificent centennial hall and the cultural achievements of Winnipeg. When I was a boy the people of Winnipeg heard concerts in the old Grace Church and the old Board of Trade building, where the performers had to compete with the noise from shunting engines in the Canadian National yards nearby. What was

developed in these unlikely places were art indigenous to the skills of our own peoples, so that what we have today in Winnipeg is founded firmly and is not imposed upon our people from on high. This is as it should be because the exciting truth is we are a "becoming" nation and we must build for ourselves as we go along, and seek our own solutions.

• (4:00 p.m.)

We hear a lot about the search for a Canadian identity. Professional panelists make their livings searching vainly for this elusive thing before the beady eyes of television cameras—in colour, yet! They search in vain, for the thing they look for is already there, had they only the wit to see it.

Not long ago I attended the marriage of two young friends of mine. The bridegroom's heritage was Scots-in-Canada for 170 years, plus French-in-Canada for 300; the bride's people had been living in Canada since long before the middle of the nineteenth century. Why search for an identity here? Why look for things that all 20 million of us should now be taking for granted, and working as hard as we know how to improve?

There are some among us who dissent loudly and clearly about many things they think are wrong with this country today. Thank God they have the right to do so, so long as they respect the rights of others in the process. Things can be improved;they ought to be improved; they must be improved. But as we go about this process of improving the quality of life in Canada today let us remember the monument to Jacques Cartier on Gaspe's rugged coast, and also the memorial to the bush pilots of Canada that stands on the summit of a harsh peninsula jutting out into Great Slave Lake beside one of the most isolated capital cities in the world. For more than 400 years men have been striving to make of this a great country. We must continue to do the same.

Mr. Jack McIntosh (Swift Current-Maple Creek): Mr. Speaker, I, too, wish to congratulate the two government members, from Sarnia and Lapointe, who moved and seconded the Address in Reply to the Speech from the Throne. Maybe I should add that I regret they are not present in the House to hear my congratulations.

There are many shortcomings and inadequacies in the Speech from the Throne upon which I might touch. Generally speaking, it was a sorry document, long on ringing phrases but woefully short of hope for the average Canadian. If this speech presents, as some commentators friendly to the government have said it does, the skeleton of the long awaited just society, then God help Canada because the bones are the bones of a monster.

The speech is studded with references to the individual, his rights, his privileges, his protection. It fairly breathes concern for the individual Canadian.

Mr. Turner (Ottawa-Carleton): Hear, hear.

Mr. McIntosh: Unfortunately, Mr. Minister, it fails to inform us how this concern will be translated into action. There was passing reference, too, to the bogey of inflation. But again any suggestion of action on the part of the government was exceedingly vague. All in all, the speech was most notable for what it did not say, for the areas that were untouched, for the problems by-passed or ignored. Whether this was intentional or not, we are not at this time prepared to say.

I have in mind one particular group of Canadians who, apparently, were entirely overlooked. This is the large number of solid Canadian citizens forced to subsist on fixed incomes. Forgetting them is crime enough, but to emphasize their chief enemy, inflation, without giving any hope of remedial action, is unforgiveable.

Pensioners, particularly retired federal public servants, are a ghost army that must haunt any government with a conscience, but one which the present government has obviously deliberately excluded from the fabric of the so-called just society. I believe they constitute a spectre that will torment the government in the months ahead.

These retired persons do not enjoy the general benefits that flow from rising incomes and improved living standards. They are the helpless targets of inflation. With fixed incomes and diminishing purchasing power, they suffer most. Some of them have some measure of flexibility, through personal initiative, to try to off-set the ravages of inflation. Others are dependent upon pension plans or superannuation schemes, provincial or private, that are more modern, more effective and more humane than is the federal system. It is for that reason, Mr. Speaker, that I wish to confine what I have to say to the plight of the superannuated public servants of Canada.

For a long time now, through their chosen bargaining agents, public servants have sought to have superannuation included as a

bargainable point during collective bargaining sessions. They have described the present system as inadequate and antiquated and feel, rightly I believe, that they should be allowed to contribute their ideas to modernizing it and making it adequate to the times. In an excellent brief presented to a joint committee of parliament in January, 1967, the Professional Institute of the Public Service made this point strongly. They hold this view even more emphatically today in the prevailing economic atmosphere.

Some of the figures advanced in support of their case before that committee bear repetition today. For instance, experience indicates that federal public servants who retire at age 65 live, on the average, for another 14 years. Those who retire at 60 live for 17 more years. About 20 per cent of public servants live 20 and more years following retirement. In view of the advances continually being made in health and medicine, this period of life may be expected to increase, not decrease.

In 1949 a pension of $150 a month was considered reasonable, if not princely. Today, 20 years later, it barely pays the rent. Many of the 20 per cent of pensioners who retired in the 1949 era are still eking out an existence on pensions too often well below even the $150 figure. Surely, Mr. Speaker, social justice and common decency demand that the real value of the pension, in terms of current purchasing power, should be maintained for these public servants. They should not be penalized by society for having been born 20 years too soon nor, I believe, should their career of service to the country be set so cheap as to condemn them to degradation and want.

What justification can there be for denying them all the benefits of all the advances achieved since their retirement? As a good employer, and as the exemplar of the rights and protection of the individual within a just society, the government should ensure that their retirement benefits are automatically adjusted to the increased costs of Canadian life.

The old system of adjusting government pensions has obviously failed to meet the need. We should now consider some means of making post-retirement adjustments that will achieve the objective of the superannuation plan, which is to provide retired public servants with a standard of living related to the standard enjoyed prior to retirement. Whatever means we choose to accomplish this, it cannot be of the periodic review type where action can come only after need has far outstripped the remedy. To help reach this desirable objective, those most intimately concerned with it, the public servants covered by superannuation, must have a voice. That is why I claim superannuation must be negotiable at the bargaining table.

In a number of other countries pensions are a proper topic for negotiation. The federal civil service retirement system of the United States has a cost of living increase formula linking pensions with the consumer price index. Our aim must be to provide the same justice to Canadian public servants, to ensure that there is automatic adjustment to meet changed economic conditions. I realize that such a formula would entail additional cost, but this cost does not necessarily have to be an additional burden on general government expenditure.

I was pleased, Mr. Speaker, that I was in the House this afternoon to listen to the hon. member for York North (Mr. Danson) when he tried to explain the reason that this session of parliament might be called the "white paper session". He said that we in the opposition criticized but offered no alternatives, and he also implied that our suggestions would create additional expenditures. I had intended to deal at length with some of the statements he made, but I was pleased to note that immediately after he sat down the hon. member for South Shore (Mr. Crouse) rose to his feet and answered all the statements that I had intended to answer.

• (4:10 p.m.)

I was amazed when I heard the statement, which has been made several times during the course of this debate, that the cost of the present Prime Minister's staff is twice that of his predecessors, $350,000 a year compared with $150,000 a year for Mr. Pearson and $50,000 a year for the right hon. member for Prince Albert (Mr. Diefenbaker). The number of elite advisers to the government has reached the astronomical figure of 117, at a cost of $1.5 million.

These are some of the things, Mr. Speaker, for which we criticize this government. It is not our position to tell them how to run their business. We offered alternatives to the general public in 1968 that were not accepted. The solutions offered by the present government were accepted, and what does the public of Canada find today? They find the government has no answers, that they want a session full of white papers by means of which

they can study today's problems. What have they been doing for the last 18 months? They were supposed to know the solutions. The Liberals told the people of Canada that they knew what the solutions were before they took office. All opposition parties, and quite rightly so, criticized them for the inaction that will become apparent during the next 12 months, the term of this session. They say now they do not know what the answers are but will study the problems. I would say that those members of the general public of Canada who put their cross on the ballot for the present government will long remember, and one wonders whether they will do it again.

I want to say that the problem I am dealing with at the present time does not entail expenditures for the present government or the public of Canada. There appears to be sufficient earning power within the fund itself to offset any additional cost. This additional cost could be offset to a large extent, if not entirely, if the government were to bring the superannuation account into the economic world of today. Civil servants have advocated this course since 1967 when they presented their last brief.

The government should credit the superannuation account with interest at rates somewhat closer to those prevailing elsewhere throughout the economy. Private employers can invest pension funds in a manner calculated to offset increased payments and adjustments. The government cannot. But it could increase the superannuation account interest rate from 4 per cent to a more realistic figure. As things now stand, public servants are forced to lend money to the federal government through superannuation payment deductions at a rate of 4 per cent. In view of conditions prevailing outside this captive fund, this is little short of highway robbery and, I am certain, would not be condoned in any other joint venture unless one party had dictatorial control over the fund, such as the government has over the superannuation account.

superannuation account.

Even the latest issue of Canada Savings Bonds yields 8 per cent at maturity and interest rates on other investments sold in the open market are even higher. Today, reference has been made to outside groups which are paying 9 per cent on borrowed money. Savings accounts in chartered banks constitute a far better investment bet today than does the federal superannuation account, yet public servants have no choice. It is this to which I object. Civil servants have no voice or control over this account.

Funds are borrowed from the Canada Pension Fund at rates approaching 7 per cent—last year it was 6.92 per cent—and the unemployment insurance fund sells bonds at comparable rates. Yet the superannuation fund, fed by a compulsory flow from a captive army of public servants, yields a pitiable 4 per cent. The province of Ontario pays 6 per cent on a comparable fund. Why can the federal government not do the same thing?

In the 11 years to 1968, the superannuation account increased nearly three times to close to $3 billion. This was $3 billion which the federal government had at its disposal at the bargain rate of 4 per cent—$3 billion that, in effect, public servants were forced to lend to the government. They had no alternative. They were forced to lend this money to the government which, in its wisdom, saw fit to pay them 4 per cent when the government would have had to pay at least 8 per cent, according to the last bond issue, to borrow money from the general public. What made the phenomenal growth of the fund possible was the fact that in every one of the 11 years contributions exceeded payments—certainly an indication that these payments did not keep abreast of the rising cost of living. In 11 years the account earned over $648 million dollars in interest, at 4 per cent. Had a rate similar to Ontario's 6 per cent been effective there would have been $324 million more in earnings available to meet pension adjustment payments. In other words, 50 per cent more would have been put into that fund if the federal government had paid the same rate of interest on their superannuation fund as the province of Ontario.

The account paid out $509 million over 11 years, while taking in $531 million over the same period, without touching any of the original investment. What would $324 million additional have meant to retired public servants in those years if it had been paid out as an adjustment on the cost of living? In other words, taking these figures roughly, if there had been an adjustment clause in this account, civil servants on pension would have enjoyed at least a 50 per cent higher standard of living.

The superannuation account consists of public servants' own money, but it is at the disposal of the government, and entirely controlled as to earning power and use by the

government. Little wonder that public servants today are crying out for some voice in the handling of their own fund. On the face of these figures I have quoted, the government may have been smart in its own, narrow field of financing but it has been guilty of gross mismanagement of the fund in the interests of its contributors and in neglecting the best of interests of public servants. The least we can do now is to adjust the superannuation account interest rate to something like the government's long-term bond yield.

We must act to make sure that provisions are made for automatic adjustment of the pensions of retired public servants to the cost of living. In order to arrive at an acceptable and fair method of doing this, the superannuation system of the federal government should be made negotiable between employees and their employer.

There is a wider field of possibilities lying beyond this basic need, Mr. Speaker. They are possibilities that any government genuinely interested in people and professing concern, such as this government does, for the individual Canadian in a just society would be wise to explore. For instance, there is the question of making funds available from the superannuation account for housing loans to public servants. There is the urgent question of improvement in widows' pensions. There is the question of control of the fund by joint committee of representatives of the employer and employees, and the possibility of investment beyond the present narrow confines imposed by the present Act.

I think this House should be given the opportunity of overhauling the Public Service Superannuation Act thoroughly, if not in all its particulars then, certainly, in a few specific instances. I am not interested at the moment in trying to apportion blame for the past "victimization" of Canada's public servants, but I do believe that they have been victimized by the arbitrary nature of the legislation and the operation of the supperannuation account exclusively by the government. Let us now have a little participatory democracy. Let us allow the public servants of Canada to have a little say in how their money is handled and how their retirement position can be improved. I would ask that the Prime Minister give meaning to some of the words he uttered in this House on Friday when he stated that his government's primary responsibility is to the people of Canada. The figures offered by some other members of this House have shown him how the cost of operating his office has risen since 1963 from $50,000 a year to $350,000 a year. I wish he would give the same consideration to the Public Servants who have served this country well and whose costs have also increased, although not in the same proportion. I think in this regard he should practice what he preaches.

• (4:20 p.m.)

Referring to another group in our society, the Prime Minister said this on Friday:

> There is no need anywhere in Canada for misguided or misinformed zealots to resort to acts of violence in the belief that only in this fashion can they accomplish change.

He went on to say:

> Those who would defy the law and ignore the opportunities available to them to right their wrongs and satisfy their complaints will receive no hearing from this government.

I ask the Prime Minister, the members of the cabinet and, in particular, the minister present, what opportunities will be given to our public servants to right their wrongs and satisfy their complaints in connection with their superannuation fund. I hope there is some plan of action. If there is any substance to the Prime Minister's speech, and if he is genuinely concerned with unrest and discontent among certain groups in our society, I suggest this is one area where he can immediately demonstrate that there are other means that can accomplish change, right wrongs and satisfy complaints. This is one area where one word from the Prime Minister will rectify this injustice.

Many of us in the opposition are only too well aware that it is unwise to listen to what the Prime Minister says. We are much better informed if we watch what he does. I am sure that many thousands of Canadians who once had faith in the just society will be watching for immediate action to be taken by this government on this issue.

[*Translation*]

Mr. Guy LeBlanc (Rimouski): Mr. Speaker, I am pleased to give my modest appreciation of the Speech from the Throne and to indicate what I believe to be the views of my constituents as regards the policies expressed therein.

While listening to His Excellency the Governor General last Thursday, we could, once more, observe that the ultimate goal sought by the government is always to provide more happiness to every Canadian citizen. In fact,

the government, the Liberal party, the right hon. Prime Minister (Mr. Trudeau) give more and more importance to the respect due to the human being. Their primary concern is the welfare, security and liberty of each citizen, and they have expressed that concern with remarkable clarity and vigour in the Speech from the Throne.

During the first session, before beginning to carry out its program of justice, the government thought it advisable to revitalize its proposed legislation and to improve its working tools, particularly, the parliamentary procedure. Although it was not an easy thing to do, and of limited interest to the general public, this has nevertheless been completed.

All the legislation passed during the first session as well as the preliminary work done to prepare this new session, have been summarized in a Speech from the Throne of a new type. We consider this speech as a most happy initiative taken by the government, an initiative that deserves to be praised.

All the realizations listed in this speech, whether the Official Languages Act, the reorganization of the government, the measures to control inflation and to protect the consumer, to name only a few of them, are for the government the assurance of a successful session to come.

Now, it is generally anticipated that because of the austerity program which is going to prevail for an indefinite length of time in order to reduce the threat of inflation, the government will insist on a certain stability of the administrative structures, on simplifying the administration to ensure greater efficiency within the federal departments, services and programs. This concern for efficiency seems to be, at present, the government's top priority. We can but approve because it is wise nowadays to be very cautious before launching any large scale undertaking.

There is, however, a very happy exception to this austerity program, namely the projects of the Department of Regional Economic Expansion whose budget is to be increased, which would make this department the main weapon in the fight against social, economic and regional disparities. We are delighted, my constituents and myself, that the Rimouski constituency, which I have the honour to represent in the house, is in the pilot regional development area of the Lower St. Lawrence and the Gaspé peninsula. This is why we have set our hopes on the hon. member for Langelier (Mr. Marchand), in charge of the Department of Regional Economic Expansion which he heads with efficiency and in a masterly way.

That is why the amendment moved by the Leader of the Opposition (Mr. Stanfield) surprises me a little, as it must surprise many among us. As I read it, it says that the government intends to stall action to eliminate what I would summarize by the word "poverty" in some areas of our country.

It seems to me that this priority, as spelt out in the Speech from the Throne, is an answer to the question of the Leader of the Opposition.

Some members of the opposition along with those who are against the government and the Liberal party may criticize the Speech from the Throne, saying that, like all government programs, it is insignificant and does not contain anything spectacular to draw public attention and prompt editorialists or radio and television commentators to engage in written or oral analyses. Yet, it was not so long ago when major statements were made and, rightly or wrongly, they were described as shattering. About two months ago, the Prime Minister explained his position on austerity and efficiency measures taken by the government to streamline administrative structures and fight inflation. He also explained, on October 19, the attitude that the government might take in connection with the management of certain Crown corporations, for instance the C.B.C.

Following those statements, I believe that the majority of Canadians approved the Prime Minister, while admiring his qualities of true leader, and especially his great frankness, and, particularly, that integrity of mind peculiar to him.

The Speech from the Throne is nothing but a preamble, a foreword characterized by its brevity and its clarity. Some will perhaps say that it is not complete, that it gives a very vague idea of what the legislation program of this session will be.

I think it is the opposite considering the list of the titles of the bills that the Prime Minister tabled in the house before the moving of the Address in reply. According to me, the list is the practical complement of the legislative program outlined in the Speech from the Throne. Indeed, is it not an appropriate answer to the questions some could ask? Is it not the concrete expression of our program of activities for this new session? Does not each

title of those bills relate to Canadian priorities?

• (4:30 p.m.)

During the parliamentary recess—although the word conveys the wrong impression because members from all parties undoubtedly saw to their duties during that period while members of the Cabinet continued to govern the country—some people have been working, judging from the list of bills and the impending publication of White Papers on most important matters, such as fiscal reform, social security and foreign affairs.

This indicates that White Papers will be increasingly used to inform Canadians in advance on priority questions of interest to them and to invite them to make their views known. Anyone can see that there are priorities in Canada and that the government has undertaken to determine them quite accurately.

As for reforms concerning individual rights, we have noted the proposal for lowering the voting age to 18. If it is implemented, it will hopefully result in encouraging more people to take an interest in federal politics.

We have also noted the government's desire to amend again the Criminal Code in order to restrict the use of wire-tapping and other eavesdropping devices for a better protection of the rights and privacy of the individual.

The government is still concerned with the problems that interest the people to the highest degree, like housing. This seems to be the third priority set by the government. As a matter of fact, in spite of the threats posed by inflation, and the need for an austerity program, the government has set as its objective to build in a five-year span one million houses and dwellings likely to meet the needs of low-income families.

With the same principles underlying its programs, it plans to protect the consumers even further, to undertake an in-depth reform of the unemployment insurance scheme, to improve labor-management legislation and to check water pollution.

If it cares for the problems confronting the people, the government does not care less for those where the people are less directly involved, as, for instance, the revamping of the Constitution which is one of its priority projects.

Far from forgetting this problem of the Constitution, the government is giving it greater importance and will spare no effort to make this important revision successful. Therefore we have here a fourth priority.

We also see that the government remains mindful of international politics, to take stock on these questions, to put things in order. The session has scarcely started, but we will all have many opportunities to come back on the plans outlined in the Speech from the Throne.

At this point, I am pleased to join my colleagues who have approved and congratulated the mover and the seconder of the Address in reply to the Speech from the Throne. Both have discharged their duties with much thoroughness and grace. The hon. member for Sarnia (Mr. Cullen) stated brilliantly his views and those of his fellow-citizens concerning Canada's main problems, our role as members of parliament and the question of poverty in our affluent society.

On the other hand we noted very enthusiastically that the hon. member for Lapointe (Mr. Marceau) recalled to us the importance of the Saguenay, his region. Talking with much spirit and verve he described the region and told us of its history in a very colourful style.

These two members have certainly done justice, not only to their constituents but also to all of us who sit in this house. That is why, falling in stop with several other hon. members, I wholeheartedly, support and congratulate them.

Many people in Canada where very much interested in the Speech from the Throne, and so were, I am sure, my constituents. The citizens of my area, Mr. Speaker, cannot but develop a keen interest in our activities and welcome the program announced in the Speech from the Throne, mainly because of the priorities stated in it, namely, those related to the budget and to the projects of the Department of Regional Economic Expansion. However, I am sure that they have their own views on these programs to which they will contribute constructive criticism.

A few months ago, the citizens of the pilot area of the Lower St. Lawrence, the Gaspé Peninsula and the Magdalen Islands to which belons the population of the Rimouski riding I have the great honour of representing, decided to engage into an era of planning. In the meantime, the latter was high lighted by two historical dates; May 1967, in the course of which was set up at Chandler, the Regional council for the development of Eastern Quebec and May 1968, during which the representatives of both the Quebec government and the government of Canada, signed

at Rimouski the general agreement on Canada-Quebec co-operation, an agreement which has to do with the first five-year plan of the expansion program drafted by a non-profit corporation, the Eastern Quebec Development Board.

My fellow-citizens in the pilot area were happy to see, in 1967, the setting up of a body which would become their spokesman with the Eastern Quebec Regional Development Board and in that capacity a valuable interlocuter, ready to accept their representations; but all the happier in 1968 when the federal-provincial agreement was signed which provided for some $260 million to be spent over a five-year period on developing their economy and thus improving their lot.

Since then, that is in the last 17 months or so, under the terms of that agreement, things have been done, steps have been taken in various fields such as agriculture, fishing, forestry, tourism, urban development, transportation; the national park at Forillon is not the least of those measures. In fact, it represents quite an accomplishment in which all will rejoice when the time comes to really develop tourism in that huge area of Canada.

I must, however, take this opportunity to say that the local people and the Regional Development Council have been quite concerned with regard to the setting up, the improvement of the infrastructure of the services and other instruments essential to the industrialization of the pilot area; and I believe that they are becoming increasingly concerned, and rightly so. The chairman of the Regional Development Council has stated repeatedly that the development project for eastern Quebec would be a complete failure unless everything was done to ensure the growth of existing viable industries and to promote the establishment of new industries capable of creating new employment, social and economic staibility and progress.

• (4:40 p.m.)

I believe that those words were both sensible and timely. My fellow-citizens know that it is incumbent on them, first of all, to see to it that such words are constantly translated into action, both by them and by the government. That is when they rely more and more on the assignment given the Minister of Regional Economic Expansion and his officials, on their vitality and vigilance.

The traditional tasks and undertakings should no more be financed through the special appropriations provided under some agreement. Nor for our own good and that of the country, should the role of the pilot area and its people be that of a Guinea-pig only. It should evolve normally, all the experiments should be carried out within the pilot area and the local citizens should be allowed to share in them. Speaking about the necessary infrastructure of industrialization one normally implies urbanization, housing policy and services as well as functional industrial parks, adequate seaports, railway and air services and industrial promotion.

Recently, some joint intermunicipal urbanization boards were established, in order to urbanize specific areas selected by the Eastern Quebec Development Board. In my opinion, the first commission, or one of the first to have been established in the area, is the one covering Rimouski-Mont-Joli-Prince in the constituency which I represent, the most highly populated community in the area.

This commission has quite a heavy task to perform, and it is agreed that it will be unable to discharge it without the financial assistance of the government.

As for functional and modern industrial parks equipped with all the necessary facilities and sidings, it is obvious that it is in the first place a municipal and provincial responsibility, but following newly adopted legislation, the federal government has a great responsibility in that field, whence the importance of the most perfect accord in that regard between the three levels of government.

A federal-provincial committee on transport was recently formed to determine the necessity and ways of improving the transportation system, in order to answer the needs that will arise when other programs of the plan are carried out. It aims at preparing a program for the establishment of an integrated transportation system and at judging the impact other programs of the plan had on communication networks.

It has been said recently that this territory has numerous harbor facilities and even excessive equipment in that field, without a rational utilization. Let us hope that the study of the commission will rationalize those structures. People in my riding are somewhat worried about this and are greatly interested in the commission's work. We all hope we will keep intact what we have acquired in nearly a century.

We want a rational improvement of what we have and here I refer especially to the

Port of Rimouski—wharves of Pointe-au-Père and Rimouski East—which until now has been the most profitable one in the area. That modern seaport is a multi-purpose one. It may serve industry as well as agriculture. I refer here to the transportation of goods in general and to the ferry services. Year round navigation is relatively easy in our area, in the lower St-Lawrence, along the coasts, where ice is broken easily during winter time.

Seaports in industrial and urban areas must be kept in working order at all times and ready to play their part fully, especially in the industrial field.

Air services are also important. The existence however of a regional airport in the pilot area—the Mont-Joli airport—should not bring about the closing down of local airports already existing but provide for their continuation for the benefit of local transports in the Gaspé peninsula, in the lower St. Lawrence and on the north shore. The Rimouski airport should in this field remain the local airport.

The difficulties faced by farmers in my constituency are not too different in principle from those faced by the farmers in Canada as a whole, except that farmers in our area have to put up with the various options resulting from the intensive development of our territory.

First, there is their low income, a very hard problem to solve. Our farmers are worrying more and more about agricultural or semi-agricultural concerns, too small to be economical, about the unsteadiness of price yield and hence of the agricultural income, about regional disparities which seem to be increasing. Perhaps their greatest problem is the increase of the production cost, which goes hand in hand with the reduction of the selling price.

The marketing problems, the continuing decline of our rural communities, the problems raised by our markets and our international exchanges our frequent surpluses in farm products affect them also to the highest degree.

We should help them find other skills; it might be in this area that a better use of our agricultural research is most necessary for them. They too produce or can produce more than the demand requires. Finally, in spite of the praise-worthy effort in that direction for the past few years, they would have an increasing need for retraining. In fact, they would have an increasing need for means of improving their knowledge of the agricultural technology and their general training.

While a systematic effort was being made in order to reorganize our farmers in their main specialty, the dairy industry, and while it was decided to increase their production to such a level that their operation would become economical, the government at the same time had to legislate on the production quotas at the national level. However, it would have been very useful to our farmers to enjoy then a regional quota. That would have been logical and reasonable, I think even in the framework of a national policy, in view of the fact that those farmers lived in a pilot area recognized by the government.

In any event we can indeed say and think that the government has a very well thought out agricultural policy. However, because of the very serious problems of the agricultural class, it will ensure that next year, following the report that must be presented shortly by the Commission of Agricultural Planning, be a year of careful examination of the status of the farmer.

Mr. Speaker—

The Acting Speaker (Mr. Béchard): Order. I regret to interrupt the hon. member, but his time has expired. Unless there is unanimous consent of the house, the hon. member cannot continue his speech.

Some hon. Members: Agreed.

Mr. LeBlanc (Rimouski): Thank you, Mr. Speaker. I will use this time to end my speech as soon as possible by summing it up.

It is obvious that by referring to the wishes and the opinions of my constituents, I could have presented a much longer list of problems.

I confined myself to territorial planning and, especially, in the end, to agriculture. My constituents, I know, are interested in all the problems that are discussed in this house, that is, parliamentary procedure, the role of the members, international politics, in short, in all the problems concerning the well-being of all our fellow-citizens.

Before ending my remarks, I wish to say that I am proud of the people in my area because they wish above all to play their part in this vast country of ours. They understand, as we all do, that parliament is first and foremost the expression of their freedom, the freedom of the people expressed through the mouth of their member, that the government organizes and must organize itself in order to

become more efficient and more dynamic, and that all the people of Canada must live in brotherhood and unity.

Some hon. Members: Hear, hear.

• (4:50 p.m.)

[*English*]

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I rise to take part in this debate in the hush of expectancy in this great chamber with a large and attentive audience. I am pleased to note that in the last five minutes five more members on the government side have come in, increasing their total membership in the House by 50 per cent. I congratulate them on their perspicacity, as mentioned by the Minister of Manpower, and Immigration (Mr. MacEachen), who is here at this particular time.

Let me also congratulate the mover and the seconder of the Address in Reply to the Speech from the Throne. As my friend the hon. member for Swift Current-Maple Creek (Mr. McIntosh) said, I am sorry that the mover was not a sufficiently powerful advocate to persuade more of his fellow members to pay attention to what he said. I hope, however, they will read, inwardly digest and take some encouragement from his remarks.

I want to congratulate the seconder. I had the pleasure of serving with him on what I considered to be a very important committee which dealt with statutory instruments. I am satisfied that his committee made a very momentous advance in dealing with parliamentary traditions in this House. It brought forward a revolutionary document. This is something for which I and some other members have been working for a number of years. I was very happy that my advocacy, coupled with certain pressures a year ago, was effective and I was successful in persuading the government to set up this committee. I am firmly of the opinion that it will have a very considerable impact on the workings of this parliament.

I believe that far into the future, beyond that time when the impact of many bills to be placed before us and considered will have diminished, the effect of this committee's work, in the sense that it brings a real measure of participatory democracy to the people of this country, will continue. This will assist members of this house in dealing with these tremendous problems which face all of us in western democracies. More than 90 per cent of the measures which affect the people in a democracy are those that are not seen in the form of legislation but rather in the form of orders-in-council and regulations. I do not intend to use this occasion to establish my position in this debate. As was indicated by the President of the Privy Council (Mr. Macdonald), we will have an opportunity to do so later on.

I should also like to congratulate the two hon. members who have become Ministers without Portfolio. This increases the number of cabinet members to 30. In passing, I note that it is of some interest that this matter of inflation has finally reached the cabinet.

Let me also congratulate the three hon. members who have been promoted to the position of parliamentary secretary. They have now taken one step closer to the real position of power. I am sure they will distinguish themselves in the particular areas of responsibility to which they have been assigned.

It is my intention to say something about this matter of the Speech from the Throne and this debate. In view of the fact that we are at this time enjoying a parliamentary siesta, hon. members are not here in large numbers. In my opinion, this should continue to be a very important debate. Hon. members in all parts of the house have now returned from their constituencies. They should be bringing here the sense of the urgency they felt in respect of certain problems during the course of their peregrinations.

It has been my experience in the almost 12 years I have been here that this is the time when problems should be put to the house in order that, through the processes of democracy, solutions can ultimately emerge on to the legislative assembly line. If, as a result of discussions with the people at home, an hon. member has an idea he feels should be ventilated in this House, it is during the throne speech debate that he has the first opportunity to do so.

• (5:00 p.m.)

While I do not expect all ministers and government backbenchers—nor for that matter all the opposition members—to be here, I think this is a time and place when members should be present in much larger numbers, particularly government members, to take heed of what is being said. Some hon. members on the government side have suggested that the backbenchers, particularly those on

the opposition side, are not offering any constructive suggestions. I suggest to these hon. members that they read between the four corners of the debate on the Speech from the Throne, where they will find suggestions advanced from time to time as a means to alleviate some of the distress which hangs over this country and as a means to deal with some of the problems which we all know exist. There is a multitude of proposals, all of which cannot, of course, be accepted by the government but which could be considered, properly refined and some of them used. If this is not to be the case, we might well consider doing something else with the time now being used in the Throne Speech debate.

Let us think of something important. For example, I have on the order paper a proposal that some means should be found by the Standing Committee on Procedure and Organization to deal with private members' bills. I think probably the most flagrant hypocrisy we have in this house is that members public bills are advanced year after year, debated for a time limit of one hour and then sent back into the limbo from which they emerged. In my view it should be the practice here, as it is in the United Kingdom, Australia and most democracies, that for a limited number of such bills there should be an opportunity to test the feeling of the House. A vote should be taken on some of them—I do not suggest on all of them—so that we can evaluate the efforts of hon. members who have laboured, made an intensive study of an idea and brought forward a private member's public bill. They should have the right, at least during the course of a parliament, to have their bills put to the question in the House. This does not, of course, mean that the government must accept them. The government may not be ready for them. Some bills may involve a point of view that is repugnant to the philosophy of the government—if one can find a government which has a philosophy—or they may involve the expenditure of money which the government may feel is not within its scope at the time. But at least the government would be put on the spot and would have to take a stand. I would have to use the Whip to call in its members to vote against bills which some government members have introduced.

If we cannot make better use of the time spent on this type of debate, I suggest this as an alternative. I say, in answer to those members on the government side who have been critical of the opposition for not offering constructive suggestions, that they should read well what has been said by opposition members during the debate on the Speech from the Throne; they should read the amendments which opposition members have put forward from time to time during the course of the debate, and they should read the private members resolutions which are advanced. If this were done, I believe there would be all kinds of opportunity for the government to consider useful and attractice means to deal with the problems of our country.

There have been suggestions that the Speech from the Throne is part of a carefully planned scheme of this government. In order to erase any doubt as to my position may I say that I agree wholeheartedly with the Leader of the Opposition (Mr. Stanfield) in his description of the speech from the Throne as nothing but a stalling device. The apologists for the government, those who attempt to rationalize its position and the plodding, pedestrian passage of this government, turning the Prime Minister from a go-go dancer to an exponent of the Hesitation Waltz during the course of 18 months, have their explanation for this. I understand those members of the press who are in reality really an extension of the Liberal propaganda machine which have a duty to do and have performed it well within the limits of their ability. They have rushed with loud whinnies of explanation into a rationalization of this conduct. What has dumbfounded me is the less irresponsible part of the media which has bought this doctrine.

What is this three year doctrine or plan? The first year it was to carry out the mandate of the Pearson administration, follow the program and put into effect all the pieces of chewed-up legislation which were not completed. My answer to that is simple; I could say "nuts". I shall go further, however, and deal with it. I tell the people that 14 members of the present cabinet were members of the previous administration, and I believe, 24 members of the cabinet were supporters of the previous administration. The programs, policies and legislation advanced by the previous administration must have had their support; they must have supported them both in and out of the House. It is quite irrational for them now to say with an appearance of reluctance that they were compelled to do this. Even if you do not accept that point of view, in June, 1968, an election was held and the Prime Minister secured what he had asked for, namely, a majority government; the first majority government in this House

for ten years. Since the Prime Minister had this mandate there was no necessity for him to carry out any part of the program of the previous administration if he did not believe in it, if his supporters on the government benches did not believe in it and if his ministers did not believe in it.

I suggest there were many other things which should have had priority, and there was no reason at all for the Prime Minister, his followers and the people in this cabinet—the professional procrastinators who follow along with him—not to go ahead and deal with the problems and priorities which now have come into focus. That was the first year. In the second year, what do they say? The second year is the year of white papers, the year in which they will bring forward suggestions and set wheels in motion through the machinery of government to find out what the people are thinking. We do not have very much time left to deal with some of the very serious and difficult problems which we face. I am an advocate of the use of white papers. There is a time and a place for submitting to the legislative examination of hon. members of this House ideas which at a later date can be incorporated into the policies and financial programs necessary to make life better for the people of this country. But there must be a time element involved. A period of at least two years must be involved in this process. A white paper must be submitted at least two years before the legislation is required obviously, the white papers of this year may become the legislation of next year, and that will be the last year of the three-year program. The third year will be the year of legislation. Then we will be ready for an election, when the legislation is still fresh on the statute books and not yet brought into effect to a degree where it could have any apparent benefit to the people.

• (5:10 p.m.)

This is not the way in which a responsible, democratic government should be acting. It is more in the line of a classical Liberal pattern of deceit, delay and confusion. There are those who say that the Prime Minister is not really a Liberal. I say he is, and I think he and the Liberal party deserve each other. I make the point that there is no doubt that the right hon. Prime Minister is a Liberal. It is rather a question of the date of the Liberalism which he follows. Some of my friends suggest he is a Mackenzie King Liberal; others take him back as far as Gladstone. But I think you have to go back a little farther than that. I would go back to the time of Genghis Khan and fit him into those times.

It would be bad enough if all this procrastination, delay and confusion took place in normal times, but these are not normal times. Today we have face serious, difficult problems such as inflation. It is just called inflation if you are in the carriage trade, but if you are of the class of people who are really hurt by it—the class of people to whom our amendment is addressed—inflation means a rise in the cost of living, a rise in the price of milk and bread and an increase in the cost of renting accommodation. All these are problems which bear very seriously upon men and women of below average income. They are the ones who are the sufferers. They are the people who are being hurt desperately and to whom inflation is not something which you can absorb, not something you can pass along to customers and to people with whom you deal. They are the people to whom inflation is, in fact, a major tragedy. This, of course, compelled our party to move the type of amendment we did.

There is also the problem of welfare and social adjustment, the problems of housing, of transportation and of the urban sprawl which has now confronted us. These problems compelled the hon. member for Trinity (Mr. Hellyer) to part company with his leader and the cabinet. He did not think that the position being taken by them could in any sense provide reasonable and rational solutions. There is the problem of industrial unrest. There is the problem of unemployment, and social problems such as the use of drugs, pollution and civil disorder. There are also problems connected with our native peoples, problems of regional disparity and those of agriculture.

I could speak for some time on the problem which affects my constituency and all parts of northern Alberta and northern Saskatchewan, that is, regions afflicted by the inability last year to market the grain which the farmers produced and the difficulty of harvesting this year because of incredibly bad weather. In many cases less than 25 per cent of the crop was harvested. The government was unable to offer any reasonable suggestion which would be of benefit to these farmers.

There will be other opportunities to speak about this problem in the House, but I take the time now to indicate to the Minister of Agriculture (Mr. Olson), to the Prime Minister and to the Minister without Portfolio charged with the responsibility of the Wheat

Board (Mr. Lang), that I and members of this party will not rest until the government has done something to solve the problem. Each day these matters will be brought to the attention of the government, and it will either act or stand exposed to the people of Canada in all the nakedness of their legislative program.

These problems exist. They exist, of course, in many other countries in the western world, but I think they are aggravated here because we have a federal system. A federal system is brought into existence because of geographic and economic diversities in the country. It is therefore essential to have a central government and regional governments. But the federal government structure and the problems which exist in that structure are exaggerated in Canada because of ethnic, cultural and linguistic distinctions.

It is not good enough, as this government would have us believe, to delay and to stall for three years. In three years it will be too late. I suggest to you, Mr. Speaker, that many of the problems which four years before loomed a little more than a cloud on the horizon have now become a great storm hovering over us. In 1972 they will have dissipated their energy and destruction over the whole country. I very much fear that if the government intends, because of the three year plan, to delay taking serious action in regard to some of the problems I have indicated, the people of this country should take heed of the consequences.

There is the question of our national unity. The other day the Prime Minister made a speech which he has followed on one or two occasions. He has been praised by some members of the press and by other people. He has been praised by his own party. I go along with him when he says that there should be no place in democracy for violence, that there should be no place in our system of working out our problems amongst ourselves, in complete, for taking to the streets with bombs and devastation. However, unfortunately, when people have been denied for so long many of the things to which they consider they are entitled, they resort to the power of protest. We have seen this in the United States, in France and in Germany, and we are beginning to see it in Canada. So while I agree with what the Prime Minister said in this respect, I do not think that this alone is enough. There will be protest, and people will take to the streets; there will be demonstrations until the problems which cause the demonstrations and protest have been, if not eliminated, at least the subject of meaningful attention and a reasonable attempt has been made to deal with them.

There is talk of separatism in the province of Quebec. All of us deplore separatism, whether it is in Quebec, British Columbia, Alberta or any part of this country. We all believe that we have made in the northern part of the North American continent a rather unique attempt to bring people from various countries together with our two founding peoples and with the native population. We have attempted to work out a means of living together in peace and harmony with a common national interest. It is difficult, even under the best of circumstances, when these distinctions exist. Last May I was in Strasbourg attending meetings of the Council of Europe. I was fascinated by what I was told by my colleagues, by officers of the commission and the Court of Human Rights. I was told by the registrar of a case which had been dealt with by the commission and then tried in the court which dealt with the problems of language rights in Belgium. When you have these racial and cultural distinctions in a country you are bound to have problems, and I do not think you will ever completely eliminate them.

• (5:20 p.m.)

Added to these problems are those of economic disparity, of unemployment, of the inability of people to find housing and all the concurrent difficulties which crowd into great urban metropolitan areas such as we have in Toronto and Montreal. When we consider the difficulties in connection with the process of education and these are added to the other problems which face us, we realize it will take a great deal of hard work and effort to reach solutions. The effort must be made in a way that will convince the people who have these problems that they are known, that their problems are being attended to, or at least that a serious effort is being made to do so. I do not think the Prime Minister's speech affected one person in the province of Quebec who believed that the way for Quebec lay in separatism. That is not the way to do it. The way to deal with it is in this House and in the council chambers of the cabinet. If the Prime Minister thinks otherwise, then I think he is completely wrong. Deal with the serious economic problems and you have dealt with separation.

Oftentimes the Prime Minister and the government remind me of a doctor sauntering along a lane to attend a patient, exchanging philosophical quips with the people on each side of him, and by the time he gets to the man's house he finds the patient is dead. I fear this will be the situation here. It is all very well to take a tough line; it is all very well to talk as the Prime Minister talked, but by itself it is not enough. Quite sincerely I urge the Prime Minister, the members of his cabinet, and other supporters of the Prime Minister and the government to ensure that before this session is over we get away from some of the trivia on the order paper. I am not saying they are parts of a legislative program which are not needed—probably all of them are needed—but there is the question of urgencies and priorities.

There is the question of the cost of living. The Minister of Consumer and Corporate Affairs (Mr. Basford) has at least five bills to introduce, including a uniform packaging and labelling bill. What will we have from that? Will we have the minister on a television program telling housewives how to order goods, stressing to new mothers the virtues of standard size Flush-a-Bye disposable diaper? Is this the legislative program with regard to consumer problems? Something more than that is needed, Mr. Speaker. These problems require a concerted effort. Time has stolen from the federal government the opportunity to act. Time will not permit this government, this parliament and the provincial legislatures to work out in a calm, deliberate way methods of changing the constitution whereby we will have a better division of powers so that each sector will in its own tidy way be able to deal with the problems. There will have to be concerted action. This means that the government and 11 legislatures will have to say, "We must accept a concerted, pragmatic attack on specific issues." This involves a measure of harmony amongst the legislatures and the government which does not exist today.

When the Prime Minister goes to Montreal and makes a political speech at a political dinner, savagely attacking the government of Quebec and the administration of the city of Montreal, when the president of the Liberal party goes to the province of Nova Scotia and makes a scurrilous attack on the government of that province, when the federal government before the end of the last session successfully forces down the throats of provinces such as Alberta and Ontario a type of medicare program which was not acceptable to them, and when the federal government fails to deal with the problems of agriculture in western Canada, how can there exist the harmony necessary for all the government officials involved to sit down and say, "These problems are urgent and essential. We must get together. We must forget the constitution. We must in a constructive way attack the problems of pollution, the problems of inflation and the problems of the large cities"?

This is the only way progress can be made, but I suggest the government has not established the necessary climate or mood. Time is running out. Time is not on our side. Therefore, I urge the government and its supporters to understand the priorities and urgencies exist today; that these problems confront the people of Canada and they must be dealt with now—they cannot wait the expiration of the three-year plan.

[*Translation*]

Mr. Gaston Isabelle (Hull): Mr. Speaker, first of all, I should like to congratulate very warmly my hon. colleagues from Sarnia and Lapointe (Messrs. Cullen and Marceau) for moving the Address in reply to the Speech from the Throne.

It is fortunate, Mr. Speaker, that at the opening of a new session, the hon. members may discourse as they like on important subjects of the Canadian life and draw the attention of the house ot the existing or eventual problems that the members will have to face or, again, who know some regions with which they are very familiar.

I suggest that the eight appointed days for the Address in reply to the Speech from the Throne are intended to draw the attention of all citizens on certain problems, as I mentioned a moment ago, and to receive suggestions with respect to means of improving the laws in order to remove some disparities that are, in my view, social injustices.

• (5:30 p.m.)

The democracy in which we live makes available to us this important dialogue technique and those who took advantage of it have reaped great benefits.

Bearing this in mind, Mr Speaker, I shall try once more today to draw the attention of all the members in this house and of the government upon the problems of an urban area which lies at the feet of the national capital, that is the Hull area. As a representative of this region, if, in this house, I have

already dealt many times with its economic stagnation, it is for the simple reason that nobody seems able to understand that our problem is due to our being near Ottawa and far from Quebec.

Everybody knows that Hull is in a particular situation owing to its geographic position and its demographic composition. While we have repeated many times in this house that the Ontario-Quebec border excludes the city of Hull from the direct scope of federal authority, nobody will question the fact that Hull and its surroundings are part of a whole commonly known as the national capital area.

That is the cause of all the economic and social stagnation affecting our region since the establishment of the capital of Canada. As I said earlier, at a short distance from the capital, there is a flourishing city, a town proud of its origins, caught between two giants, the federal and provincial governments who have decided lately to wage a long-drawn constitutional war against each other.

The people who are faced with all the normal problems of a region, in addition to those coming under federal-provincial jurisdiction, incur the odium of all the fruitless quarrels that divide politicians and governments. This has prompted some fools in the province of Quebec recently to compare the city of Hull to that of Strasburg and to say that, in an independent Quebec, Hull, like Strasburg would lie at the border of another country, that is, of Canada.

Is it possible to be so narrow-minded, Mr. Speaker, as to dare mislead such an intelligent people with such a ludicrous hoax? One has only to study the history of Strasburg to realize that the population of Hull will never agree to play such a part.

I repeat that the problems which face our region are due to our proximity to Ottawa and to our distance from Quebec. Since the outbreak of this sham fight and exchange of letters, Quebec is reported to be very sensitive on the matter of territorial integrity, especially in our district located near the national capital. But while saying that territorial integrity must be preserved, this territory being in the province of Quebec but also in the national capital area, Quebec has never done anything to promote its development. Rather, they have tried to pick quarrels, and to discourage investors. Thus, no benefit is derived from the natural resources to be found in abundance in our region. Instead, a great many administrative structures, for which Quebec has great fondness, have been created, which, essentially, only contribute to weigh down the normal process of regional government. Through all such structures an attempt is made to solve the problem fully.

The entire problem stems from there, but it is actually only last May that the federal government announced its intention to invest large sums of money in the centre of Hull. This will promote an extraordinary economic development on the Quebec side.

It is then that ministers and high officials of the Quebec government first came to Hull in swarms as large as on the occasion of the St. Jean-Baptiste parade, in order to calm down the dissatisfaction which keeps increasing in our region. But I think that we touched the sore spot by announcing that on April 1, 1970 will be erected the first of several federal buildings in Hull. It will be built in the section which we designated as the centre of Hull. But the city of Hull and its surroundings have never been known to the rest of Quebec.

I quote at random a few examples which struck me and which I have taken down for the information of the house.

When the Quebec Professional Golfers Association held its annual tournament two years ago at the Rivermead Club, Montreal's *Le Devoir,* which is an extremely serious newspaper, wrote this in its sports page: Hull, Ontario.

I thought that maybe this was a mistake, but some time later a Quebec minister came to Hull and congratulated the new mayor on having defeated Miss Whitton who was then running for the Ottawa mayorship. This shows you how well people know our region.

And, on top of that, during federal-provincial conferences, the Quebec delegates and the ministers have rented luxury suites in Ottawa hotels, even though they are so proud of their province. Why did they not spend their money in Hull, in the province of Quebec, since they brag about Quebec's know-how?

More recently, in the daily column of my good friend Henri Laperrière, of the newspaper *Le Droit,* it was reported that a Quebec minister of Agriculture—who once sat on the other side of the house—sent him an invitation written in English only. Quebec knows how to do things. Perhaps he thought that because the newspaper *Le Droit* is located in Ottawa, it must be an English paper.

That is how well our region is known. And that is why we are today the victims of those useless disputes over federal and provincial jurisdictions. In the province of Quebec, they court the English-speaking people in their presence, but back home, they crucify them.

In France, they act as Quebecers to show that they are independent and do not represent Canada.

In the United States they hoist the Canadian flag to make Americans believe that they are Canadians so that they can obtain capital investments, but once they return to Quebec they crucify Canada.

It is a hide-and-seek game, a drawing-room war, a match of hanky-panky and literary contests. It is in this context that our region lives and it is in this light that we have come to be known nearly everywhere in Quebec.

I would also like to say a word about the transportation system with which we must be satisfied. In fact, people from our region must pay double fare to get to work, as 50 per cent of them are employed in Ottawa.

We also suffer from various disparities, precisely because we do not enjoy the same jurisdictions on the Ontario side as in Quebec although we belong to the same economic region.

• (5:40 p.m.)

In the province of Quebec, the laws are different, which prevents many Ontarians, who are nevertheless living in the same area, to come and settle on the Quebec side. I mean the Estate Tax Act.

Outside the problem of transportation, many others prevent us from making the strides that we should have made as residents of a same area.

I believe it is the responsibility of the National Capital Commission to develop the whole district of the National Capital both on the Ontario and the Quebec sides.

If we are to establish a separate corporation to develop the district on the Quebec side in order to preserve the integrity of the territory, we will create administrative problems that will engulf us in useless debate.

In my opinion, it belongs to the National Capital Commission to develop the district, following consultations with the interested governments, and I mean the municipal authorities. In my opinion, we do not need other administrative structures to develop the district on the Quebec side.

The National Capital Commission has already been most useful, and it can still be useful if the province of Quebec is not in a position to develop the Hull district. If they lack funds as we believe it to be the case—they should rent the Hull area just as they did the area of Forillon in the Gaspé Peninsula to establish a national park.

I think that the people of Hull are tired of all those sterile discussions and that they want to live, at last, not as second-class citizens, but as equal partners like the citizens of Ottawa.

People are unhappy with the disparity in the sales tax, the transportation utilities and the estate tax between Hull and Ottawa. There is also the psychological factor which prevents people from coming to live with us because, in the province of Quebec, the unemployment rate is 7.2 per cent as compared with 3.1 per cent in Ontario and 4.9 per cent for Canada as a whole.

As to the possibility for our students to undertake university studies, it is limited to enrol at the University of Ottawa. Even there, the doors are not wide open. When vocational college graduates from the Hull area want to enter university in Quebec City or Montreal, they are told simply that there is no room except for students from the Quebec City or Montreal area. Vocational college graduates have no choice other than attending the University of Ottawa.

This is why ministers are mistaken when they tour our region to say it is their responsibility to develop the Quebec side, in the best interest of the province and the region. When they fail to include the Ottawa area in that region, they forget that it is one and the same economic region which cannot be cut off by a boundary, even an interprovincial boundary.

This is where I think the federal government should intervene, because the boundary is interprovincial. The government is duty bound to implement projects prepared earlier for developing the Hull area.

Today, we have to cope with technological evolution. Right now, at this very moment, there are huge traffic tie-ups at the entrances of Highways 8 and 11 leading to downtown Hull. Conditions are similar on the approaches to the Cartier-Macdonald and Chaudière bridges simply because no traffic is allowed on the Champlain bridge which has been used for 40 years. It is just like someone who would wait to buy a new suit because the one

he is wearing is falling apart. It is normal that bridges be closed for repairs but, meantime, there are bottlenecks and motorists grow impatient.

I hope that such conditions will never be seen again, particularly if we keep in mind the magnificent tourist attractions of which our region is so proud.

I need not comment on the ski centers: Vorlage, Edelweiss, Camp Fortune, Mount St. Marie, which require better roads of access so that they may contribute to the development of Western Quebec.

In the name of the integrity of the land the federal government and the National Capital Commission are prevented from building roads. At the time the Gatineau Park was developed, we had to ask the City of Hull to expropriate on behalf of the federal government in order to prevent the Quebec government from objecting. That is the way it goes, but it is certainly no way to encourage progress and development.

In my opinion, Quebec should wake up to the truth. Hull's situation is a case of long term agony for the Quebecers who live in an area they are so proud of. They should allow the federal government to service the land in order to improve the everyday life of the people of that area.

Mr. Speaker, the subject of bilingualism was brought up together with a lot of other things but in Quebec they are adamant in their efforts to have us accept a kind of unilingualism. Representations are made everywhere and, in my opinion, Quebec will find itself turned into a ghetto with, perhaps, civil revolution as the outcome.

Some people are not quite mature enough to realize that bilingualism is the key to a fantastic economic power. Good ideas have nothing to do with the language in which they are conveyed. Travel broadens the mind and after a while we start to wonder why we should hesitate to learn a language other than French or English since we feel the need to learn several languages.

• (5:50 p.m.)

The economic power of bilingualism opens doors in many more places than one would imagine. In Canada, we should take advantage of the fact that the national trade is split up in a proportion of 73 per cent for the English-speaking sector and 27 per cent for the French-speaking.

If a business in the English sector did not have French on its labels, it would lose 27 per cent of its market; on the other hand, if a business in the French sector does not have English on its labels, it runs the risk of losing 73 per cent of the Canadian market.

The Canadian market is a fantastic training ground for doing business in a language other than one's own. In addition, Canada is the only country endowed with that advantage, that of having the economic power of bilingualism, which gives it access to French-speaking and English-speaking countries throughout the world without the burden of adaptation.

The United States, the United Kingdom and France do not have that advantage.

Our education, our products, our domestic markets give us this opportunity; we should therefore take full advantage of it on international markets.

At the present time we cannot benefit fully from the exceptional power of bilingualism for various reasons; I shall not go into them now. A country must have a balanced economy throughout the land. Canada has two cultures but it must have only one economy. In a speech one of my friends made recently, he said: It is easier to build a united Canada through economy than through culture. The flag of a nation represents its culture. To fly a flag, we need a mast to represent the economy of the country.

You can easily fly two flags on the same mast but it is impossible, without tearing it up, to fly the same flag on two masts.

The key characteristic of money is that it can serve as a vehicle for understanding; to have money is less important than to know how to use it.

Trade is the common denominator of all social and political factors, of traditions, religions, cultures and languages. It is that which makes a political society.

I think that we will never make a good French Canadian out of an English Canadian just as we will not make a good English Canadian out of a French Canadian. But with both of them it is possible however, to make a very good team. Besides, we could perhaps remove from our heritage the Anglo-Saxon subtleties and the whims of Jean-Baptiste. We would then discover a common interest: the building of Canada. In my opinion, what we lacked, here, is national pride. We do not have a patriotic soul.

When we visit our country from one constituency to another we can only be moved by contemplating these vast territories, these fantastic national resources which are only waiting for man to put them to use. We must farm the land because this country which we love so much, we did not make people love it enough.

This is the reason why, for a few years, and despite dissensions, as we remember, we managed to endow Canada with a flag. We have got one, but we did not have time—the members of parliament being very busy as well as the governments—to generate among all Canadians, whatever their mother tongue, a national pride by showing them the beauties of the country. In my opinion, if the Canadians, between themselves, held diverging views, it is perhaps because their country was very big or because the means of transportation were lacking. Indeed, who could devote ten days to tour Canada?

Today, in the jet age, we shall know and appreciate one another much better. This is where lies, I think the whole problem of today's Canada.

With regard to economic disparities, we must be careful that our country does not get bogged down through division, whether the province of Quebec or other provinces are the cause of the splitting up because those upon whom will rest the responsibility for that division could say, as is mentioned in the Bible: "Let his blood fall upon us and upon our children." I think that in Quebec at the present time we are a little dazzled by a sort of progress which may not have been experienced for some years, thanks to men who were energetic at the beginning of the sixties but who ran out of breath because they had probably progressed too far. I still believe that Quebec will rise up again with dynamic men who will ring together again all those who want this province to remain within Confederation and who will continue to further the development of this great country of ours.

Some hon. Members: Hear, hear.

[*English*]

Mr. Pilon: May we call it six o'clock, Mr. Speaker?

The Acting Speaker (Mr. Béchard): It being six o'clock p.m. I do now leave the chair until eight o'clock p.m., pursuant to Standing Order 6(1).

At six o'clock the house took recess.

[Mr. Isabelle.]

AFTER RECESS

The house resumed at 8 p.m.

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I very much welcome the opportunity provided by this debate to make some brief remarks about the current economic situation and particularly about the problem of inflation.

We in Canada have lived through the longest period of prosperity in Canadian history, beginning in 1962 and running for almost ten years. We as a government want this period of inflation—of prosperity, rather—to continue.

Some hon. Members: Oh, oh.

Mr. Bell: I hope the press gets that.

Mr. Benson: Only if the period of prosperity continues can we do the things for the poor and the needy of this country that ought to be done. I would indicate briefly to hon. members that over the past ten years we have made a great deal of progress in the area of social development in this country. We have brought into being the Canada Pension Plan, the Canada Assistance Plan, a guaranteed income for people beyond the age of 65; we have seen the implementation of medicare, and a retraining program second to none in the world has been established. I hope that we in Canada can see this development continue.

I have said before, and I repeat, that the number one problem we face in this country today is the persistent upward spiral in prices, costs and incomes. Other than this we have a prosperous and viable economy. However, unless and until we bring this spiral of inflation under effective control all the aspirations of this house toward a better life for all Canadians, all our hopes for continuous high employment, for a rising standard of living and social justice for the poor and the depressed in our country will come to naught. If rapid inflation persists, we face instead a loss of confidence in the real value of money, a serious rundown in the economy, the erosion of export markets, rising unemployment, a heavier burden upon the poor and widening divisions within our country. This is why, as I said in my budget speech, the number one task in economic policy today must be to deploy all available forces, public and private, more aggressively than ever in the battle against constantly rising prices.

I must confess to being puzzled by the position of the opposition parties. They frequently profess a great concern about this problem, particularly, and rightly so, about the effect of rapidly rising prices upon people who must live on fixed and low incomes. Yet in their participation in the debate on Friday last it seems to me that their main demand was for the government to give up the fight, or to rapidly boost expenditures in each of several dozen directions at once. Nothing at this moment could be better calculated to worsen the situation in the most desperate way.

It is important to put the matter in its true perspective. There should be no need to elaborate upon all the destructive ramifications of the kind of price increases we have been experiencing for more than three years, but it is essential to understand fully the real nature of the present situation; to understand why, despite the deployment of strong anti-inflationary policies, the situation has persisted for so long and in so acute a form. I do not think we can look at it in the light of the conventional analysis of a recurring cyclical turndown and upturn of business, production and employment.

Mr. Stanfield: Who does?

Mr. Benson: There is, I suggest, a major new development today. It arises from the unprecedented success we have experienced in maintaining high levels of employment and incomes throughout the post-war period, particularly over the past decade. For the first time in history we have managed to sustain an almost uninterrupted expansion of the national economy for a period of almost ten years. It is the very strength and vigour of this long economic upswing which has given such intensity and persistence to current inflationary pressures. Too many Canadians, unaware or forgetful of the principles upon which our market economy must operate, have come to expect that continuously rising incomes for everybody are now to be had as a matter of right rather than as a just reward of economic discipline, production and effort on their part.

There is another relatively new dimension to our current situation. Destructive inflation is not just a Canadian problem; rather, it is almost global in scale. In nearly every country with which we trade the rise in prices has been close to or even worse than our own. The consequences are obvious. International competitiveness is not able to exert its customary restraining influence. Instead, with some notable exceptions such as wheat, the prices of many of the goods we sell abroad have also been advancing. So too, with the prices of many of our imports. With a quarter of our total output flowing into exports, and an almost equal proportion of imports, we are inevitably caught up to some degree in world-wide inflationary pressures.

• (8:10 p.m.)

This is not to say for one moment that we are helpless in the face of such pressure. Quite the contrary. Even if we cannot insulate ourselves from the influences of other countries, especially the United States, there is much we can do on our own account. The fact is that the sharpest rates of increase in prices, especially in recent months, have taken place in just those things for which the domestic economy is mainly responsible. This is true of most domestic services, ranging from medical fees and hospital costs to transportation services and haircuts. It is true of urban land values and housing; it is true of construction; it applies in many public services. We can and must do a better job of restraining prices and costs in all these and similar areas, and to the extent we are successful in achieving a better price performance than our trading partners we will reap rich rewards in the growth of real production and real incomes.

The broad outline of the government's policies to achieve this objective is quite clear. We have given first attention to what is called the setting of the big levers of monetary and fiscal policy. Here we have had the closest co-ordination and harmonization of policy between the government and the Central Bank. We have agreed upon the broad and interlocking strategy required in each field, with the details of program and application left to the appropriate authority. In this connection may I bring to the attention of the house the remarks on monetary policy given by the Governor of the Bank to a business conference in Toronto only last Thursday.

As for fiscal policy, the crucial decisions were taken in my first budget a year ago. At that time we adopted the tax measures necessary to assure a balance in the public accounts budget during the current fiscal year, given a normal growth of production at acceptable levels of prices. That action represented a successful shift in fiscal policy in the face of continued inflationary pressure. Last June, with further evidence of a potential overheating of the economy and renewed

price pressures, we concentrated upon controlling expenditures and budgeted for a restraining surplus. In fact, as price and income increases have tended to advance more rapidly than hoped for, the federal budget is now exerting an automatic stabilizing influence and I now expect that the surplus will be significantly larger than I had forecast in my budget last year.

We are holding, and must hold, to this course notwithstanding the many appeals and urgings that we should increase government spending on many worth-while and desirable programs. I can assure hon. members opposite that there is scarcely a single item of desirable, increased spending they have mentioned which has not been argued even more forcefully and persuasively by one or more members on this side or by my cabinet colleagues. We should like very much to do the easy and popular thing—to spend freely on higher pensions, increased allowances, more subsidies for farmers and fishermen, further aid to the poor, more housing, beautifying cities, overcoming pollution, higher salaries for everyone, and so on. Believe me, over the past several years this government has done a great deal to increase expenditures on social benefits to the Canadian public. Nothing could be simpler than to spend freely on these things, and nothing would be more irresponsible. Nothing would be more damaging to the real, longer term interests of all the people these things are intended to serve. We must reject the politically expedient, short-term response and opt for a responsible fiscal policy which will contribute to the real economic health of our country and to the genuine interests and welfare of all Canadians.

We have sought, as well, to supplement fiscal policy by stimulating and encouraging the idea of voluntary restraint. There is no question that if the organized economic interest groups in our society—business, labour, professional associations, landlords, other governments—were to take a strong stand in favour of even a modest degree of restraint, and to act upon it, we would roll back the forces of inflation in very short order. The government has worked for over two years to put this idea across, and the Prices and Incomes Commission was expressly designed to help in this work. I think we have made some progress. Certainly there is a wider understanding of the issues involved, of the gains to be won by voluntary restraint, than ever before in our country. There is much more to be done, and notwithstanding a temporary setback I am confident that the work of the commission will yield valuable results. In all of this it is absolutely vital that the government itself should show the way—and this, as the Prime Minister (Mr. Trudeau) made crystal clear last August, we are determined to do.

A third part of the framework of government policy against inflation concerns the regional aspect. Difficult disparities obviously complicate the task of containing inflation and maintaining high levels of employment. Monetary policy, by its very nature, must apply on a country-wide basis. There is no way, within an integrated national economy enjoying the free movement of people, goods, services and capital among all its regions, to provide for broad monetary restraint in some regions and monetary ease in others. The Central Bank, however, has always followed a policy of asking the chartered banks to keep in mind the needs of the slower growing regions whenever they find it necessary to restrict their lending and I have completely supported them in this effort.

Fiscal policy is somewhat more flexible. Even here, however, there are important limitations. The national government cannot lightly take up tax measures which seem to discriminate in favour of the taxpayers of one region or province as against those in another. As for expenditure, when total demands so far outrun revenues, as in our case, we have a clear duty to be sure that funds are provided only for genuinely worth-while projects and programs, even in lagging regions. There is no justification for simple make-work palliatives. This is all the more important because increased expenditure in the lagging regions works its way rapidly throughout the economy. Soon it adds to the intensity of demand in other regions such as southern Ontario, one of the main areas of inflationary pressure in the country.

In spite of these problems, we embarked in the last budget on certain selective measures geared to the regional aspect of the inflationary problem. Both the acceleration of the Kennedy Round tariff cuts and the temporary deferral of capital cost allowance on certain types of building in rapid-growth provinces had this purpose. Over the longer term, however, we place major reliance upon the expanding program of regional development. This is one of our highest priorities, and increasing funds are being allocated to it. There is as well the very large and rapidly

increasing equalization grants paid to the lower income provinces.

• (8:20 p.m.)

Perhaps I might note one aspect of the new equalization system which has assumed added significance under current inflationary conditions. The strong growth of tax revenues in the most rapidly expanding provinces also brings about a substantial increase in federal equalization grants to the less expansive provinces. These latter are thus able to finance a growth in provincial expenditure and employment-creating works even when higher spending on direct federal programs may be held back. In this fiscal year, for example, we now estimate that equalization grants to the less affluent provinces have grown by $144 million, a 25 per cent gain over the last fiscal year.

Nevertheless, regional unemployment remains as one of the most stubborn and intractable problems we must face. Reference was made last Friday to the national problem, with the rate of unemployment averaging about 5 per cent for the country as a whole. In fact, for all the provinces from Ontario to the west the rate averages out at only 3.4 per cent, well within the target range of so-called full employment. But in Quebec and eastward the unemployment rate is averaging about 8 per cent. I am satisfied that the solution to this deep-seated problem certainly does not lie in allowing inflation to rage unchecked. That would only worsen the problem. It is mainly the economically weaker regions of the country which must carry an undue share of the burden of higher costs and prices since they lack the power to win proportionate gains in income. This disparity and inequity can only be overcome by pinpointing our development effort even more selectively to accelerate basic economic growth in these regions, and this is the aim of our government.

Here the fourth part of our framework of current policies is particularly relevant. These are the policies and programs concerned with the supply or production aspects of the economy. Perhaps the broadest and most important are the expanding programs for improving manpower skills and mobility, programs on which we are spending a tremendous amount of money in this country, probably proportionately more than any other country in the world. In this regard, the steady expansion of the Department of Manpower is given a high priority, and as mentioned in the Throne Speech, new proposals for unemployment insurance will help reinforce these efforts. Similarly we have the rapid growth of our aid to the provinces for university, professional and technical education which we deem to be of great importance in our country.

I should mention as well the notable example of the very substantial government support being given to the financing of housing. Here we fully expect to again hit the target of 200,000 housing starts this year, this in the face of record high interest rates and continued extreme pressures in mortgage and financial markets. Unfortunately, even though the rate of residential building is very high, costs have continued to mount, particularly in certain centres of the country. This has certainly been one of the most unfortunate effects of the excessive rates of wage settlements which have taken place in the construction industry in several major cities across the country this year.

Mr. Stanfield: Mr. Speaker, I wonder whether the minister would permit a question. I do not wish to interrupt him and could wait until he has finished. The minister speaks of the economy being overheated. Is he suggesting the inflation is due to excessive demand? Could he clarify his view with regard to this?

Mr. Benson: I think I made it quite clear in what I have been saying to date. In the economy one could not say there is necessarily excessive demand, but there is a cost-price pressure at the bottom which is pushing up inflation in the economy. It would be very nice to find a simple solution to the inflation problem in the country such as the hon. member suggested last week; that is, that we adjust government spending upwards and put more pressure on the economy by creating excessive demands.

Mr. Speaker, if I may continue, it is unfortunately true that although everyone professes to be alarmed about inflation, there are important members and groups in the community who are not really deeply concerned. I would say this often includes members in the opposition. They are mainly the people who are able to exercise their economic power to stay ahead of the game. Even if their costs rise they are able to wrest proportionate and frequently greater increases in prices or incomes from the rest of the community; and if and when the crisis develops and their position is threatened, they would be the first

to come running to the government seeking help.

This is partly why, despite all our efforts, the upward spiral of prices, costs, wages and other incomes has not yet been effectively checked. I am the first to acknowledge this fact. Even though anti-inflationary policies have been deployed since early this year, the fires are still burning strongly in our economy. Until very recently the pace of price and wage hikes has been tending to accelerate rather than to slow down. Obviously it takes time for measures of restraint, either in the form of higher taxes or curtailed spending, to work their way through and affect the private spending decisions of individuals and business firms. There is also a large element of so-called cost-push inflation, higher costs of materials, services and wages, built into the economy going back over two or three years. I have already mentioned the impact of international inflation. All of these factors, taken together with the influence of the long economic upswing, have combined to create the great problem of deep-seated inflationary expectations. This is the expectation of people who believe that inflation will go on forever and they should get whatever they can out of it. I should like to assure the House that it is the intention of the government that this shall not happen, and it will not happen for the benefit of the little people in our country.

Some hon. Members: Hear, hear.

Mr. Benson: The Governor of the Bank of Canada, in the speech I mentioned—

Mr. Skoberg: Mr. Speaker—

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

Mr. Skoberg: Mr. Speaker, would the minister allow a question?

Mr. Deputy Speaker: I would point out that the minister has the floor and it is his decision.

Mr. Benson: Mr. Speaker, I would be very pleased to answer my hon. friend's question as soon as I finish the few more words I have to say.

The Governor of the Bank of Canada, in the speech I mentioned, has put it this way:

> I do not believe that one can explain either the insistence of lenders on receiving such high interest rates or the willigness of borrowers to pay them without reference to the strong expectations of continued inflation that have developed. Borrowers have been reluctant to postpone expenditures for fear of incurring higher costs later, and lenders have sought to protect themselves against the impact of rising prices by refusing to lend except at high rates. Inflationary expectations have unhappily become a central feature in our economic situation, and it is a central task of economic policy to try to eliminate the causes of these expectations.

I have to say it is on this last crucial issue that I think the Economic Council of Canada has in part missed the point in their most recent annual review. I have read that document with care and I do not think that either the analysis or views of the Council are nearly so far removed from my own as has been quite loosely suggested.

• (8:30 p.m.)

It seems to me that our differences turn out to be essentially matters of degree and not of basic principle. The Council is concerned about the dangers of excessive fiscal restraint and they focus upon the so-called lags, or the delay in the impact of policies upon the actual level of economic activity. There is, however, a further lag which the government cannot ignore. To borrow a familiar term, this is one of credibility. Governments may be slow to recognize emerging economic trends and to act upon them, but under present conditions people may also be slow to believe that the government means what it says about checking inflation. The proof of the pudding is in the eating. We cannot be sure of breaking the cycle of inflationary expectations and actual price increases until there is clear and positive evidence of a slow down in the rate of inflation in our country.

This is why we cannot afford now to ease up on the fiscal and other brakes. Indeed, I have been receiving many letters from across the whole country urging more drastic measures of control, particularly an all-out freeze on prices and wages. Most of these letters come from little people, pensioners, low wage earners, farmers and fishermen, housewives struggling to balance their household budgets; from all those, in short, who lack the economic power to bargain their incomes up as fast as prices increase. There is no doubt in their minds as to the need for all-out controls over both prices and the wage gains and fee increases they see being won by organized labour and professional groups. This is what these correspondents are asking for, rather than higher government spending and taxes in our country as proposed by members of the opposition.

I do not, of course, believe that we should resort to blanket controls except under conditions of the gravest crisis and only after other efforts have proven fruitless. Apart from the

need to secure some constitutional accord with the provinces to make controls legal, it is clear that the web of directives and controls urged by the New Democratic Party in place of fiscal and voluntary restraint would rapidly entangle the entire economy and produce stagnation, unemployment and inequity within our country. Let there be no mistake—if we are to control prices, there is no alternative but to control wages at the same time.

Some hon. Members: Hear, hear.

Mr. Benson: Direct and indirect labour costs account for nearly three-quarters of the total production costs in our country. If we are to control the investment of capital, as suggested by the N.D.P., we will delay or in many cases put a stop to many major projects, with a consequent sharp fall in production and a drastic increase in unemployment, especially in the areas of Canada where higher employment is necessary. If we are to control output and production, as suggested by the N.D.P., the inevitable consequences are arbitrary judgments, gross inequities, rationing, and for the first time in Canada since the war, a black market. Worst of all, the state will have to move into every factory, every store, every office, every trade union and every household. Perhaps this is the kind of communist control that the N.D.P. wants for our society, but I do not believe that we need it. We can move along to the objectives that we want to accomplish without adopting drastic measures such as the ones which have been adopted in Cuba and China.

Some hon. Members: Hear, hear.

Mr. Baldwin: Don't forget rule 75C.

Mr. Benson: From what I have said, Mr. Speaker, I hope it will be evident that we have no intention of easing up or giving up on the war against inflation.

Some hon. Members: Oh, oh.

Mr. Benson: I know that the truth bothers the N.D.P. It always has and probably always will.

Some hon. Members: Time.

Mr. Benson: We will control inflation in this country. It is merely a matter of deciding whether we must impose further monetary, fiscal and other controls to accomplish this objective or whether the people within the economy—encouraged by hon. members opposite, I hope—will take the voluntary steps that are necessary so that we can move forward in this country without having the inflation which we have at the present time.

Mr. Baldwin: You said this two years ago.

Mr. Deputy Speaker: I am sorry to interrupt the minister but his time has expired.

Some hon. Members: Continue.

Mr. Deputy Speaker: Is there agreement to allow the minister to continue?

Some hon. Members: Agreed.

Mr. Baldwin: This is too good to waste.

Mr. Benson: I can only say it is better than anything I heard last Friday.

Mr. Baldwin: You were not even here last Friday.

Mr. Benson: I was here and I listened, although not with interest, to the Leader of the Opposition (Mr. Stanfield).

Mr. Baldwin: Your peerless leader is not going to like that.

Mr. Benson: Neither do we contemplate the opposite extreme, that of hog-tying the economy and the people of Canada in a tangle of bureaucratic, arbitrary decrees as to the prices they should charge, the wages they should seek or the investments they should make in our country. Our approach will continue to be the one we have been following steadily for many months, using broad fiscal and monetary policies to keep the economy from excessive overheating, stimulating longer-run regional growth and employment, and emphasizing our interest in the regions that need developing in our country, the high unemployment regions east of Ontario. We will continue our efforts to add to the productivity and efficiency of the economy and to seek a broader understanding as well as the co-operation of the entire community in voluntary restraint. These are the policies which will do the job for the greatest good of the greatest number of people in our country. In due course they will bring our enormously productive economy back to a firm basis for continued growth and expansion. When that prospect is firmly in sight—and we are reviewing the situation on a daily basis—we will be the first to initiate a relaxation of restraint. No one is more anxious than the government to carry forward all the new programs and good things for the people of

Canada which we believe lie within our potential grasp, and indeed they will be carried out under this government.

Some hon. Members : Hear, hear.

Mr. Deputy Speaker: I am prepared to recognize the hon. member for Red Deer (Mr. Thompson), but I understand the hon. member for Moose Jaw (Mr. Skoberg) has a question.

Mr. Skoberg: The minister suggested he would be prepared to entertain a question. I should like to ask him whether he considers that voluntary restraint will accomplish a wage and price control, and if he does, what part of our society will be disadvantaged under these conditions?

Mr. Benson: I never said that voluntary restraints would accomplish wage and price controls, unless all segments of the society agree upon them. My hon. friend has seen what happened recently in the Prices and Incomes Commission with respect to voluntary restraints. May I say at this point that there does not appear to be an immediate prospect of their being undertaken. But I would also say to my hon. friend that imposing wages and price controls, even if we had the power to do so in this country, would not achieve the objectives easily or without a great deal of disruption in our economy. I think the people of Canada would accomplish the objectives we desire if they would restrict their demands for increased income, be it profits or wages, in relation to the increases in productivity within the economy.

• (8:40 p.m.)

Mr. Stanfield: Would the minister be good enough to answer one further question? I believe it is implicit in what he said that the aged have suffered more in comparison with those who have been able to take advantage of inflationary opportunities. Is it his opinion that it is necessary to hold the aged in that inferior position, for example by maintaining the 2 per cent ceiling on adjustments with regard to the cost of living? Is he of the opinion that this is essential to an adequate fight against inflation in Canada?

Mr. Benson: Mr. Speaker, I will simply say that for the first time in Canada's history a federal government, a Liberal government, recognized that inflation would affect the older people in our country. We instituted a guaranteed income for older people in this country. We started it at $105 per month, with a maximum of 2 per cent added for increases in the cost of living, and we were the first government in the history of Canada to do this. I would also like to say that this figure of $105 is $60 above what was provided by the previous Conservative government.

We believe in helping the older people in this country, and we do not believe that the poor people, the underprivileged people, should suffer because of inflation. That is why we want to beat inflation. If hon. members opposite would stop encouraging the government to spend more money, thus increasing inflation, it would help us in our battle against inflation so that we may accomplish the ends we have in mind.

Mr. Knowles (Winnipeg North Centre): That was a mini speech.

Mr. Benson: Next question?

Mr. Speaker: The hon. member for Red Deer (Mr. Thompson).

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I wish to join with my colleagues in congratulating the hon. member for Sarnia (Mr. Cullen) and the hon. member for Lapointe (Mr. Marceau) for moving and seconding the Address in Reply to the Speech from the Throne. In particular I commend the seconder of the Address in Reply because I believe he has proven himself a worthy replacement for his predecessor the hon. separatist gentleman who is now deputy leader of the Parti Quebecois, and if the good of the nation requires his leadership in that constituency I trust he will have continued success.

I was a little concerned that the hon. member for Sarnia devoted much of his speech to criticizing this institution of which we are members. Even from watching the functioning of this House during the last couple of days it seems to me that what the hon. member ought to be doing is preaching more to his own caucus and less to the House. I am sure he must understand that the real strength and heartbeat of democracy radiates from this institution; therefore, we must all work together to improve its performance and efficiency. We must never lose sight of the fact that it is here that we have an opportunity to speak on behalf of those we represent, and to express opinions that are as diverse as is the nature of our country.

I also wish to congratulate the two new members of the cabinet on their appointment to office, the hon. member for Windsor West (Mr. Gray) and the hon. member for York-Scarborough (Mr. Stanbury), but must point out that this raises the size of the Canadian cabinet to the highest it has ever been in history. I only hope their contribution might be equal to the size of the cabinet. However, I find it difficult to understand the policy of the right hon. Prime Minister (Mr. Trudeau) in constantly increasing the numbers of those who assist him, whether in cabinet or in his office. One of the things which the Prime Minister has missed in his appeal for a new approach to things is the reform of the cabinet itself, which now is certainly a top-heavy organization. If the cabinet is to continue in the old pattern of things, it will not assure the kind of efficiency that the Prime Minister wants from his government.

The most impressive thing about the Speech from the Throne was the lacklustre approach it took to our problems. The public have shown an obvious lack of enthusiasm for it, even as the attitude of this House indicates to-day. I have noticed this from reading comments in the press and from contacts I have had within the past few days with various people across the nation. It is true that its positive emphasis is placed on strengthening Canadian unity, but on the other hand it promises little to meet the present day problems of Canada.

Tonight we listened attentively to the Minister of Finance (Mr. Benson). It was interesting to note that he continually condemned the opposition for lack of a program as an alternative to that proposed by the government. It is the responsibility of the government to propose policies that will correct the problems we face. It is all right for the Minister of Finance to try to lay blame on the opposition, but I point out that when the votes were counted in the last election and the Prime Minister received the support of the majority of representatives in this House, he immediately assumed the responsibility for initiating programs and policies necessary to strengthen the country. The responsibility of the opposition is to criticize and to effect constructive improvements to these policies and programs.

It is just not enough for the Minister of Finance to take the low-keyed approach that he took tonight, saying that our greatest problem is inflation and that the government must control it. There are scores of other problems pressing upon us which, unless they are solved, will result in it not mattering whether or not we succeed with the problem of inflation. What we need, as the Leader of the Opposition (Mr. Stanfield) stated so well, is a Throne Speech that will be an agenda for action on the one hand and at the same time will be a strong expression of federal government concern regarding the nation's problems, particularly those in relation to national unity.

The Speech from the Throne made an appeal to young people by referring to a proposal to drop the voting age to 18 years. However, it is of interest to note that this recommendation is to be studied by a standing committee. In fact, much of the Speech from the Throne disturbed me because from its tone it seemed that instead of a Prime Minister speaking to his people we heard the voice of one who sounded more like a president.

The approach taken by the Prime Minister during the parliamentary recess indicated that this institution is not held in the same respect and regard by him as that held by his predecessors. The Speech from the Throne is actually a speech from our monarch, but for the first time this Speech from the Throne failed to speak of the cabinet or the government as Her cabinet or Her ministers. The only mention of the monarch in it was with reference to her pending visit to Manitoba.

• (8:50 p.m.)

I only hope that the Prime Minister will take the advice of His Highness Prince Philip when he said that if the Canadian people decide the monarchy is no longer an acceptable and useful institution in Canadian life, it would be up to them to do something about it, but it should be done openly. If it is the intention of the Prime Minister to eliminate the role of the monarch in our system of government, I think he owes it to the Canadian people to come out and say so, instead of letting it gradually slip away in the hope that they will let it go by without too much comment or criticism.

Coming back, Mr. Speaker, to the lowering of the voting age, during the last ten years it has been my impression that the young people of Canada have not really been demanding that the voting age be lowered. In fact, there is very little pressure from the young people on this subject. I think it is a good thing to encourage young people to participate directly in the process of government.

However, I do not think there is going to be any radical change in voting patterns, because in the three western provinces which have taken the lead in this there has been no evidence of any basic change in the pattern of voting.

What our young people are really looking for, particularly from the right hon. gentleman who is our Prime Minister, is leadership that will inspire them for the years ahead when they replace us, with the knowledge that what is being done now is preserving and strengthening the nation of which we are all a part. I find it very difficult to accept the lukewarm, passive approach to the basic problems as expressed in the Speech from the Throne. I would remind the government that on every side there are problems facing us that must be dealt with. It is not good enough to say that we are going to call a federal-provincial conference some time in the future, or that there is going to be a white paper on this or that. It is essential that the government give some indication of how it intends to solve these problems.

We are told that by 1980, 80 per cent of the people of Canada will be living in metropolitan or urban communities. This illustrates the tremendous need for adjustment in the area of transportation alone. Something will have to be done that is far different, far more impressive than that which is being offered at the present time.

The Speech from the Throne mentioned that the housing target for the next five years is one billion new homes in Canada. That is a notable target and we would all accept it. But how can we reach a target of one billion new homes with interest rates as they are at the present time? In fact, it is impossible to expect that people will be able to purchase the homes they need, and should have, if the interest paid over an amortization period of 20 to 25 years is two or three times the value of the home itself. What has been said about that? Nothing.

It is one thing for the Prime Minister to say that it is an international problem and refer to monetary policies—and in this he must include the inflated cost of money—but it is not good enough simply to say that this is a situation which affects the whole world while we in Canada do nothing about it.

The Minister of Finance has stated, quite correctly, that we have had a sustained and continuing period of affluence and economic expansion over the last few years, but does

that necessarily mean inflation is inevitable? He also mentioned that with the exception of wheat our exports have increased in price during the past year. I suppose he would imply that this meets the increased cost of production. But let him not talk that way to the farmers of this country. They know it is not just wheat that is involved. As they face the problem of inflation, probably more acutely than any other group in the country, they know it is not just wheat that has gone down in price. All grains and cereals—even beef, at its present high level—are still below what they were in price a few years ago.

The crisis that today faces Canada's farming industry demands more immediate and determined action than we have seen up to the present time. In fact, with a good deal of the western harvest already under snow and with little hope of its being taken off this fall, the crises that have developed in the west during the last few months have become more acute. I would like to think that the Speech from the Throne carried some word of encouragement for the farmers, but there was nothing in it.

I say to the Minister of Agriculture (Mr. Olson) and those involved with policies relating to the sale of agricultural produce that we are not just facing a depression in western Canada today—we are in it already. A situation that has been difficult will inevitably become more difficult. This situation will not go away by itself. There is nothing in the Speech from the Throne for western farmers or eastern farmers, either.

I realize, Mr. Speaker, that there is no easy solution to this problem but I do not accept the criticism from the government benches that we on the opposition side are just out to destroy or oppose those positive things they might suggest. Neither do we wish to encourage or incite the government to spend vast sums of money which are not readily available. Nevertheless, the problems are there.

The Speech from the Throne said something about the pollution of air and water. We know this is a tremendous problem, but it is no solution to say that in the future there will be a white paper on this matter, or that a federal-provincial conference will be called. It is imperative that some indication be given on how this problem will be dealt with by the federal government.

As I gauge the reaction of the Canadian people to the Speech from the Throne there is not very much optimism for the future as it

relates to the hard facts of life, and particularly to the economy. We are told that the white paper on tax reform will be available in about ten days, but unless it contains positive proposals to encourage the development of our own resources and to expand the productivity of this nation we are only talking to the wind. This is an area where the responsibility of government falls directly upon the Prime Minister and his cabinet. The Minister of Finance should talk more about what inflation actually is and how imperative it is that the productivity of this nation be speeded up to catch up with the tremendous overhead that the cost of government represents in this country. Today, with inflation pressing in on us, we are paying for the sins of governmental policy of the last five years. The cost of governing has gone up much faster than the increase in the growth of productivity. We have heard the CBC mentioned as an example. I would remind the House that last year the total expenditure of the CBC was more than $196 million.

• (9:00 p.m.)

It would seem that there are ways in which this type of expenditure can be reduced. I am opposed to the abolition of the CBC, but we cannot afford the type of luxury involved in this tremendous expenditure of public funds. Similar charges could be repeated over and over again as one looks at policies of government expenditure and investment that have been carried on during the past five years. We need policies that will encourage the growth and development of this country and give us time to catch up with the growth of overhead costs incurred in financing the government of the country. That brings me to a point on which I wish to spend a few minutes. It concerns a policy that was implemented during the summer recess. It has been talked about but not really discussed in depth, and was touched on in the closing weeks of the previous session. I am speaking of the industrial incentive program announced in August.

The government has expressed concern over regional disparities in Canada. Unemployment, wages and costs, standards of community service, and consequently standards of living vary considerably in different regions of the country. In fact, as one crosses the breadth of Canada one sees that the differences between our regions divide us more from one another than do the differences that exist between us and our U.S. neighbour from north to south. It is this factor that makes the governing of our country so difficult for any government. The federal government has recognized the problem that exists and has designated certain regions of Canada. In fact, there is one of these areas in every province, because all provinces have areas which the government considers to be most in need of stimulus and improvement. The government will grant substantial funds for capital investment to any manufacturing industry located in one of these designated regions. It will also make a grant for new jobs that are created.

I suggest, Mr. Speaker, that the incentive program can not be expected to be a significant stimulus for new industries to establish in an area in which they otherwise would not have become established. As explained by government spokesmen, the incentive program is intended to be an incentive to industries which are planning to establish new plants, or to diversify into manufacturing new products, to locate in a designated area instead of some other area. It is therefore just as important for us to know where such industries will be attracted from as to define the areas to which they are to be induced to move. In other words, the program is a "have and have not" program in that every community is either labelled as one into which industry is to be encouraged to locate or as one from which industry should be diverted. Obviously, the economic health of the various regions of Canada ranges all the way from white to black through every shade of gray; and this black or white approach will in my opinion create serious discriminatory and inequitable situations.

In my constituency we do not expect any program of industrial incentives. For the most part the economic health of industries in central Alberta is good. I am concerned about the type of policy that will be developed in this incentive program, under which communities that are not in the hot or incentive areas will be forced to cool off. Indeed, the incentive program will draw industries away from the areas which are developing and place them in areas where it is to the manufacturer's benefit to locate.

I think it is accepted by all that the major urban centres of population, areas which are known as the hot areas of the country, are natural magnets for industry. They have built-in markets, transportation systems, pools of skilled labour and ancillary specialized services. On the other hand, labour is more expensive, more unionized and less stable;

land taxes are usually higher, as is the cost of living. Pollution, zoning and other restrictions are often more severe. Nevertheless, some industries are still able to locate outside metropolitan areas. Some are obliged to do so because of the nature of the industry. These are the "fall out" industries and they are the only industries that will move from one place to another if encouraged to do so by the incentive program. We are not, therefore, really talking about the over-all industrial picture of Canada; we are talking about a small proportion of industry which might be affected by this incentive program. You cannot describe such industry with any black or white label.

The smaller cities are fiercely competitive for these fall out industries, and it does not seem unreasonable to assume that the industrial location incentive plan will receive the most careful consideration of all fall-out industries. I would have thought, however, that the government could have come up with an incentive program that is not tax supported. Incentives in the form of concessions could have been given. Those incentives could have taken the form of tax allowances to encourage industries to locate in areas according to need.

I submit that for the government to say a certain area must be classified as an incentive area is the wrong way to approach the problem. The net result will be that we will worsen the situation and make it more difficult for areas, which at present are able to carry on by themselves, to carry on in future because under the new incentive program they will be discriminated against. I would have thought the government could have introduced a program which would have placed a premium on new industries being established in the "cool off" areas so as to balance the incentive of the hot areas. There could be direct and positive assistance other than direct subsidies to industries which wish to locate in areas not covered by the over-all incentive program as outlined by present governmental policy.

It seems to me that in trying to encourage industry to locate in various areas of the country we must develop a national viewpoint as opposed to a merely regional viewpoint. It is therefore obvious that the present type of program will make it increasingly difficult for those areas outside the incentive program, and which are not part of the industrial and urbanized hot areas, to compete with those areas which are to be given incentive assistance.

[Mr. Thompson.]

We have heard examples of the type of program the government ought to consider, and it would do well to listen to suggestions coming from this side of the house. It should not condemn our suggestions as being frivolous and merely aimed at bringing about increased expenditures in an attempt to solve our problems.

Mr. Stanfield: Hear, hear.

Mr. Thompson: We face many other problems in Canada. We commend the Prime Minister for his attitude toward some of the problems which affect national unity. National unity does not depend on just cultural or political differences. It does not just depend on the solution of language difficulties. National unity will come about when the over-all economic and social development of this country is dealt with in an equitable way so that we may develop our tremendous reserve of resources, physical and human. At the same time there must be the type of government that will suit our needs. Our government must work for the national good. Canadians must not be burdened down with bureaucracy and the high cost associated with it. Essential projects must not be discarded because of government policies.

As we look at the coming months, at the legislation on the order paper and at the problems that involve us all, we can only hope that this session will be profitable. I encourage hon. members on the government side to study the proposals put forward by the Prime Minister in the Speech from the Throne and then to stand according to their convictions. Unless we come to grips with the basic problems affecting the over-all welfare of our country we shall not meet our responsibilities as we ought to meet them.

• (9:10 p.m.)

It is to this end, Mr. Speaker, that we extend congratulations to the mover and seconder of the Speech from the Throne and to the new cabinet members. We trust this session of parliament will be worth while as far as the developing and unifying of our nation is concerned.

[*Translation*]

Mr. Gaétan J. Serré (Nickel Belt): Mr. Speaker, first I would like to join with previous speakers and congratulate the mover and seconder of the Address in reply to the throne speech, the honourable members for Sarnia and Lapointe (Messrs. Cullen and Marceau).

They certainly did a good job and I am pleased to see once again that the present government is made up of qualified men.

I would also like to pay tribute to three great men who sat in this house before me: senator Hurtubise and Léoda Gauthier, both deceased, and judge Odias Godin who sat in the house between 1958 and 1965 and who is present in the house this evening.

Mr. Speaker, these three remarkable men have left their mark not only on my region but throughout the country.

In the next few minutes, I shall try to give my impression on the contents of the throne speech. Then, I shall do my best to draw the attention of the house to problems peculiar to my riding of Nickel Belt and to Northern Ontario. Finally, I intend to inform the government about representations by the people whom I have the honour and pleasure of representing.

Mr. Speaker, I would not forgive myself if I failed to congratulate the right honourable Prime Minister (Mr. Trudeau) for his sense of realism, his clearsightedness, his devotion and his courage since he came to power. Under his leadership, the government of this country is achieving gradually the just society which it proposed to establish.

Indeed, his philosophy of the just society emerges with a greater clarity and vigour in the speech from the throne. When reading carefully that document which sets forth a program much more personal, concrete and specific for this second session, one realizes that it contains a sound philosophy for the country, a philosophy designed to show a growing difference towards the individual, to define the public weal above all in relation to the improvement in the well-being, the security and the freedom of each individual.

Last year, after having succeeded in laying the foundations of a just society through the reform of parliamentary procedure, the government now proposes, in this second session, to really set itself to work by introducing bills designed to do justice to Canadian citizens.

One has only to review some of the most important legislative measures which will be proposed in the second session to realize that the government is firmly determined to pay more attention to our people who are in less fortunate conditions than the rest of the country.

Like my constituents, I am pleased that the government is establishing programs to reduce economic regional disparity and to further protect the rights of individuals and minorities.

Here are a few examples: it will give special attention to the necessity of employment surveys among Canadians of Indian descent. It intends to vote an increased budget for the Department of Regional Economic Expansion which becomes the main instrument in the fight against social and economic disparities. Some of the measures are the guarantee of liguistic rights and programs of assistance for minorities; a tax reform aimed at establishing a new formula for a fairer distribution of the tax burden; a complete revision of the policy on social security; amendments to the legislation governing labor-management relations; new Criminal Code amendments to provide better protection of individuals' rights; and special attention to housing problems.

We all know, Mr. Speaker, that despite the threat of inflation the government's objective is to construct, over a period of five years, one million new housing units to meet the needs of low-income families.

The government will also propose measures to eradicate water pollution, a revision of the legislation regarding consumer goods in order to give consumers a better protection and a thorough reform of the unemployment insurance plan to make benefits available to a greater number of unemployed.

Under the heading of reforms affecting the rights of individuals, I am very happy to find that the government intends to lower the voting age to 18. The young people from my riding know that I have been working for a long time towards that goal. Mr. Speaker, I am not one of those who entertain doubts and misgivings about the ability of the younger generation to take those new responsibilities.

• (9:20 p.m.)

On the contrary, I have always had great confidence in youth. Since I am one of the youngest members of this house, and a professor, I can say from personal experience that today's youth is much more mature and better informed about politics than previous generations and, in many cases, in a much better position to exercise its right to vote than a certain class of adults.

I say: Let us have no fear of giving responsibilities to our young people. They will protest less and bring a most valuable contribution to their environment and to our country.

In my riding, there are already a significant number of young people of 16, 17 and 18

years of age who are very actively engaged in politics and who could teach a great deal to their elders. They are undoubtedly a great source of inspiration in their own circle.

I am convinced that this change of attitude in the federal policy will encourage a growing number of young people to take more interest in State affairs.

Mr. Speaker, there is no doubt that the population of the Nickel Belt constituency, the large constituency, which I have the honour to represent in this house, looks favourably upon the new measures considered by the government at the beginning of this second session, and I am sure my constituents are ready to support it. However, it is not all beer and skittles in Nickel Belt and Northern Ontario. We have to face a lot of specific problems that go back a long way; some of them are becoming so acute that they call for immediate action from the governments.

The most serious problem in my region is unquestionably air and water pollution. This problem has been rampant for several years and the situation is getting worse and worse instead of getting better.

Last Friday the Toronto *Telegram* published an article entitled: Sudbury: devastation total. The disastrous situation in which my region is plunged is fairly well analysed there. My constituents are getting very impatient at the government inaction about it. They do not intend to remain passive any longer. They are well determined to take the necessary steps and invite the government to act immediately. The continuing effort of a citizen committee from Sudbury and the area, under the skilful leadership of Mr. Paul Falkowski, deserves certainly to be pointed out here.

Mr. Speaker, either according to tradition or to the constitution, it has always been recognized that pollution was a provincial field of jurisdiction. However, since it has become apparent that the provincial government has been unable to find solutions to control pollution, my fellow-citizens as well as myself are urging the federal government to intervene.

Some hon. Members: Hear, hear!

Mr. Serré: Since this problem is quite extensive in the Sudbury area, a research centre to help the corporations to find some means to control pollution should be established as soon as possible.

[Mr. Serré.]

My constituents will certainly be more reassured if they note that the federal government is now determined to take the initiative by introducing during this second session a new bill aimed at preventing water pollution.

The housing crisis is quite acute in my constituency as the result of a lack of funds. The government will have to give its immediate attention to that problem by finding means to provide funds at more reasonable rates of interest to people with low incomes.

I strongly hope that the government will seriously consider the possibility of withdrawing the 11 per cent tax on building materials, at least for individuals who wish to build their own homes. I especially hope that the provincial authorities will stop blaming Ottawa and that they will assume their responsibilities in that field by providing the municipalities with the water, sewage and planning services they need.

Some hon. Members: Hear, hear!

Mr. Serré: I can hardly understand that such a corporation as the CBC which is entirely subsidized by the citizens is left so free to broadcast what it likes without having to answer for it to the people. I suggest that this situation is completely abnormal, and that we, as the elected representatives of the people, should be able to exercise greater control. My constituents are stirred up, and rightfully so, because of certain programs that have a very bad influence on the people of this country.

The sole effect of many programs is to lower the moral standards. There are, of course, many good programs, but more effort should be put, I think, into attempting to present a greater number of educational and cultural ones.

The people of northern Ontario were very happy to learn of the introduction by the Department of Regional Economic Expansion of a program of subsidies to secondary industries. It will surely help to reduce the poverty and unemployment that exist presently in many sectors of my district and in the whole of northern Ontario.

I believe, however, that this new program, like similar ones in the past, is of benefit only to certain selected groups and to certain more-favoured sectors, at the expense of the poor and of the less-favoured regions. For that reason, I have invited the municipal authorities in my riding to take it upon themselves to establish the structures liable to

attract industries to their localities. Many municipalities have already responded and have created industrial committees, and for this I congratulate them.

I am sure they will receive all the necessary co-operation from the various government agencies. I have already repeatedly stressed in the house the need for secondary industries in northern Ontario. There is no need for me to belabour the point now. May I simply enumerate the types of industries that more than any others would be of benefit to the economy of my region.

Plants for machine assembling and construction of mining equipment could be established, a local slaughtering house with an inspector on permanent duty in order to encourage the raising of cattle, a local warehouse for agricultural products, increased assistance to the farmers who are now forced to leave their farms on account of lack of facilities, in order to allow them to compete with the other centres of the province and the country.

Special attention should be given to the tourist industry. It is known that in northern Ontario natural resources and scenic beauties are diverse and plentiful. For example, I hope that the federal government will consider the possibility of developing a national park in that part of my constituency which is called French River. As is well known, this region has a rich historical past. It was the road followed in days of yore by Champlain, the first missionaries and the first settlers who developed northern Ontario.

Many other types of industries could prosper in my constituency. In order to ensure a proper development of this vast region, I feel that a socio-economical study should be undertaken by the Department of Regional Economic Expansion.

Such a study would promote a better coordination of local efforts and better planning.

My French-speaking compatriots in Ontario are greatly pleased by the determination of the present government in its efforts to ensure linguistic equality in the federal government's agencies, and wherever it is warranted by the population breakdown.

Franco-Ontarians are following very closely the efforts of the Secretary of State (Mr. Pelletier) who is devising an assistance program for French-speaking minorities, aiming not only at ensuring their survival but mainly at enabling them to develop fully within the Francophone and Canadian frameworks.

Having conducted for several years their struggle for survival, and their fight is certainly bearing fruit, if we consider that nearly three quarters of a million French-speaking Canadians live in Ontario, the biggest concentration being in the Nickel Belt area, in northern Ontario, my French-speaking compatriots now see more reason for hope in the new policy of the federal government and in the change of attitude of the provincial government who has just granted French secondary schools to the French-speaking population.

• (9:30 p.m.)

Such commendable initiatives certainly deserve our admiration and all our gratitude.

However, now that we are guaranteed linguistic equality under the law, we must not stop there. The French-speaking people of Ontario recognize, as does the Secretary of State, indeed, that bilingualism will be short-lived if it is not founded on cultural bases which immerge us in tradition and provide us with a sense of evolution.

At the priority level, we need, therefore, some cultural stimulation. The French-speaking people in Ontario have at their disposal few French cultural services and the existing ones are often inferior to the valuable English cultural services or less interesting.

Prompted by a strong desire for perfection and self-achievement, in order to participate on an equal footing with their English-speaking fellow-citizens, in the building of a united country, my constituents, like myself, urgently demand that the federal government designate as a bilingual district the Sudbury area; that subsidies be granted to various social and cultural services, that the C.B.C. establish as soon as possible in Sudbury a French television station with a local production centre responsible for Ontario public affairs and the development of local talents.

They also ask that additional financial assistance be granted to French newspapers. Special attention should, for instance, be given to the only French weekly in the Sudbury region, *Le Voyageur,* a local undertaking which certainly deserves recognition; but which is having a hard time to subsist due to lack of money. They want additional grants for the Laurentienne University of Sudbury to promote cultural activities and retraining courses to be made more easily available to the French population by providing French courses in Sudbury.

I already know, Mr. Speaker, that the Secretary of State and the government will find the necessary means to comply with those legitimate requests from my fellow-citizens of northern Ontario.

Mr. Speaker, I am proud to represent a most diversified population. The Nickel Belt riding and the Sudbury region are populated with men and women of all possible nationalities, with the most varied cultural background. The valuable cultural contribution from all these various ethnic groups, and I have particularly in mind the Ukrainians, the Italians, the Germans and the Finnish people, to mention just a few, is certainly the greatest resource of my region. The extraordinary thing is that despite this mosaic of races, religions, languages and cultures, we have learned to live together, growing and mutually enriching each other in perfect harmony.

We have really achieved unity in diversity. That is why I don't hesitate to offer my region as a model for the whole country. I would even go as far as to assert that the future of Confederation will be decided in Northern Ontario. In that sense we are perhaps twenty years ahead of the other parts of the country. Indeed my region already gives a true picture of what Canada could be tomorrow.

Now I would like to challenge certain extremists of the province of Quebec, including Mr. Lévesque, who have no faith in the country's future and I would like to invite them to climb down from their ivory tower and to spend some time in my region. They would certainly find it a beneficial source of inspiration.

[*English*]

Mr. Speaker, I want to move to a more progressive and effective session. I hope my constituents will continue to give me their support, their recommendations and their most valuable suggestions so that with them, together with all members on all sides of the house, we can work for the common good of our great country, Canada.

The Acting Speaker (Mr. Béchard): Is the house ready for the question?

Some hon. Members: Question.

The Acting Speaker (Mr. Béchard): It being 9.45 o'clock p.m. it is my duty, pursuant to section 3 of Standing Order 38, to interrupt these proceedings and forthwith put the question necessary to dispose of the amendment to the amendment now before the House.

The question is on the amendment to the amendment. All those in favour of the amendment to the amendment will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Béchard): All those opposed will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Béchard): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Béchard): Call in the members.

The house divided on the amendment to the amendment (Mr. Douglas) which was negatived on the following division:

YEAS

Messrs:

Aiken
Alexander
Alkenbrack
Baldwin
Barnett
Bell
Coates
Code
Crouse
Danforth
Dionne
Downey
Fairweather
Flemming
Godin
Grills
Hales
Harding
Knowles (Winnipeg North Centre)
Lambert (Bellechasse)
Lambert (Edmonton West)
Laprise
La Salle
Latulippe
MacEwan
MacLean
Macquarrie
MacRae
McCutcheon
McGrath
McIntosh
Monteith
Muir (Lisgar)
Nesbitt
Noble
Peters
Ricard
Ritchie
Rose
Schumacher
Scott
Simpson
Skoberg
Skoreyko
Southam
Stanfield
Stewart (Marquette)
Thompson
Thomson
Valade
Winch
Woolliams—52.

NAYS

Messrs:

Badanai
Barrett
Basford
Béchard
Beer
Benson
Blair
Blouin
Borrie
Boulanger
Breau
Caccia
Cadieux
Cafik
Cantin
Chappell
Chrétien
Clermont
Comtois
Côté (Richelieu)

Division

Côté (Longueuil)	Laflamme	Smith (Northumberland-Miramichi)	Trudeau
Crossman	Laing	Smith (Saint-Jean)	Turner (London East)
Cullen	Lang	Stanbury	Turner (Ottawa-Carleton)
Cyr	Langlois	St. Pierre	Weatherhead
Danson	Leblanc (Laurier)	Sulatycky	Whelan
Davis	LeBlanc (Rimouski)	Sullivan	Whicher
Deakon	Lefebvre	Thomas (Maisonneuve)	Whiting
De Bané	Legault	Tolmie	Yanakis—106.
Douglas (Assiniboia)	Lessard (LaSalle)		
Drury	Loiselle		
Dubé	MacEachen		
Duquet	MacGuigan		
Émard	Mackasey		
Forget	McIlraith		
Francis	McNulty		
Gendron	Mahoney		
Gervais	Major		
Gillespie	Morison		
Givens	Munro		
Goode	Noël		
Goyer	Olson		
Gray	Osler		
Guay (St. Boniface)	Pelletier		
Guay (Lévis)	Pepin		
Guilbault	Pilon		
Haidasz	Portelance		
Hellyer	Pringle		
Hogarth	Richard		
Honey	Richardson		
Hopkins	Rochon		
Hymmen	Rock		
Isabelle	Roy (Timmins)		
Jamieson	Roy (Laval)		
Jerome	Ryan		
Kierans	Serré		

• (10:00 p.m.)

Mr. Speaker: I declare the amendment to the amendment lost.

On motion of Mr. Knowles (Winnipeg North Centre) the debate was adjourned.

HOUSE OF COMMONS

APPOINTMENT OF CLERK ASSISTANT (LEGAL)

Mr. Speaker: It is my duty at this moment to inform the House that the Governor General in Council has appointed Marcel R. Pelletier, Esquire, B.A., B.PH., LL.L., D.G.S.L. Clerk Assistant (Legal) of the House of Commons.

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

HOUSE OF COMMONS

Tuesday, October 28, 1969

The house met at 11 a.m.

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

INFLATION—VOLUNTARY RESTRAINTS—
INQUIRY AS TO OTHER MEASURES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister whether, in view of the comment of the Minister of Finance last evening that he saw very little chance of success at the present time of a program of voluntary price and wage restraints, and thereby seemed to pull the rug from under the Prices and Incomes Commission's program, is it the intention of the government to ask the commission to consider some other approach to the problem of inflation?

Right Hon. P. E. Trudeau (Prime Minister): I did not hear the comment, but of course the Prices and Incomes Commission is considering all approaches. They did not put all their hopes in the proposed December conference but are considering other techniques. Therefore, we remain optimistic and, I must say, very determined to continue the fight against inflation by every means available to the government.

Mr. Stanfield: I have a supplementary question, Mr. Speaker. In view of the comment of the Minister of Consumer and Corporate Affairs yesterday in connection with the steel price increase that if management and unions do not exercise voluntary restraint as urged by the government, "then we will have to use less voluntary measures", to use his own words, is the government considering less voluntary measures and, in particular, is it considering seeking a constitutional amendment to enable the government to resort to either full scale or partial wage control methods?

Mr. Trudeau: Among the less voluntary measures we include, of course, fiscal and monetary policies, but the matter of price control is something that the government is considering. I appreciate the remarks of the Leader of the Opposition about the constitutional difficulty. We are also considering it. If necessary, we will discuss the problem with the provinces to see whether, if needed, price and wage controls can be introduced.

Mr. Stanfield: A supplementary question, Mr. Speaker. In view of the statement made by the Minister of Consumer and Corporate Affairs, and in view of the scorn poured last night by the Minister of Finance upon compulsory price and wage controls, whom are we to listen to, whom are we to regard as speaking for the government in connection with anti-inflationary measures—the Minister of Consumer and Corporate Affairs or the Minister of Finance?

Mr. Trudeau: Both, Mr. Speaker—

Some hon. Members: Oh, oh.

Mr. Trudeau: —and the Prime Minister.

Some hon. Members: Hear, hear.

Mr. Trudeau: The conclusion is not very difficult to draw that we are keeping all options open. Of course we would hesitate and regret to embark upon a course of wage and price controls and income controls because of the constitutional difficulties, arising out of the federal structure of Canada, but we are not closing off that option. The Minister of Consumer and Corporate Affairs indicated, and I repeat what the Minister of Finance is indicating, that we are hoping other alternatives will be workable ones.

Hon. George Hees (Prince Edward Hastings): Mr. Speaker, I wish to direct another supplementary question to the Prime Minister. As the Governor of the Bank of Canada, in answer to a question put to him at a meeting of the Finance Committee last spring, said that the government two years ago should have imposed consumer credit restrictions if it had the power to do so, may I ask whether the government is appealing to the provinces for the power to bring in consumer credit restrictions?

Inquiries of the Ministry

Mr. Trudeau: Mr. Speaker, we are considering the cost of consumer credit restrictions, and we are even in the process of determining whether we would be able to adopt this course without recourse to or co-operation from the provinces. This is a constitutional point which is not quite clear. As the hon. member knows, it may be possible that the federal government could act on its own and, if so, we would envisage that. Otherwise, if necessary we would discuss it with the provinces, as we would other aspects of income and price control.

Mr. Hees: I wish to ask one final supplementary question just to make this absolutely clear. If the government finds out it can impose consumer credit controls without the consent of the provinces, is it the intention of the government to impose these controls?

Mr. Speaker: Order. The question as asked is hypothetical. The hon. member for Moose Jaw.

Mr. Hees: My question got the Prime Minister off the hook.

INTEREST RATES—CONTROL OF INCREASES

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, could the Prime Minister tell us whether or not it is the intention of the government to allow interest rates to rise without restraint?

Right Hon. P. E. Trudeau (Prime Minister): I am sorry, Mr. Speaker, I did not hear the question as I was being prodded by other members across the way.

Mr. Hees: The Prime Minister was feeling a little ashamed for not answering my straightforward question, Mr. Speaker.

Mr. Speaker: Order, please.

Mr. Skoberg: I will rephrase my question. I do not believe the Prime Minister heard it. Is it the intention of the government to allow interest rates to rise without restraint?

Mr. Trudeau: Mr. Speaker, interest rates would be part of the whole approach which would cover controls on incomes, wages, prices and so on. I repeat that we are not anxious to get to the stage where constitutionally, either alone or in conjunction with the provinces—or by prodding the provinces—we would have to embark on these various areas of direct governmental control and interference with the operations of the market, but I repeat that if necessary we are determined to take all necessary measures available to the government to break the back of inflation.

[Mr. Hees.]

CHARGEX CARDS—CONSIDERATION OF WITHDRAWAL

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I wish to direct a supplementary to the right hon. Prime Minister. Is the government giving consideration to an attempt to persuade the major chartered banks to withdraw their Chargex cards which have been distributed so widely, particularly in view of the great increase in credit which has been extended by these cards?

Right Hon. P. E. Trudeau (Prime Minister): I think the suggestion is one for their consideration, Mr. Speaker, but I have been given to understand that voluntary restraint has been exercised by the banks themselves on their advertising and publicity in this area. If this is not the case, then perhaps we might discuss it with them.

PENSIONS

RETIRED CIVIL SERVANTS—INQUIRY AS TO INCREASE

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I wish to direct a question to the President of the Treasury Board. Last Wednesday when I asked the Prime Minister a question about certain pensions, including the pensions of retired civil servants, he suggested to me that I should wait until I had seen the Speech from the Throne. Since there is nothing in the Speech from the Throne about the pensions of retired civil servants, may I ask the President of the Treasury Board if the government will soon be in a position to announce an increase in these pensions?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I would hope that in the not too distant future it would be possible as a consequence of the progress in the general review to make a statement in respect of the pensions of superannuates.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I have a supplementary question. Is the government giving favourable consideration to making such increases? A statement is of no help unless there are increases.

Mr. Drury: Mr. Speaker, perhaps even more than the hon. gentleman I would like to see the current inequities rectified. There are difficulties in the way, but intensive discussions are now going on with a view to achieving the best possible solution.

[*Translation*]

NATIONAL PARKS

MONT ST. MAGLOIRE, QUE.—INQUIRY AS TO DEVELOPMENT

Mr. Adrien Lambert (Bellechasse): I should like to put a question to the Minister of Indian Affairs and Northern Development.

Could he tell us whether negotiations are now being carried out with the government of the province of Quebec concerning the establishment of a national park in the Bellechasse constituency, more specifically at Mont St-Magloire?

Mr. Speaker: Order. I think that this question should be put on the order paper. If the hon. member believes that it is urgent to study or discuss it, he could notify me and it would be deferred as a matter to be debated at the time of adjournment.

[*English*]

GRAIN

OILSEEDS—MOVEMENT TO OVERSEAS MARKETS

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, my question is directed to the Minister without Portfolio from Saskatoon-Humboldt who answers for the Wheat Board. Can the minister assure the House that the Wheat Board is able to have the oilseed crop, mainly rapeseed and flax, moved through the pipe line to overseas markets, inasmuch as this year they seem to be one of the bright spots in the grain situation?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, the minister can assure the House that everything is being done that is necessary by the Wheat Board to expedite the movement of the crop to the markets as these markets open up.

Mr. Ritchie: I have a supplementary question, Mr. Speaker. Have any sales of flax been lost to date because of failure to have this grain in a forward position?

Mr. Lang: Mr. Speaker, it is my understanding that the appropriate amounts of flax and rapeseed have been in a position to meet sales, so the answer is obviously no.

STABILIZATION OF PRICES BY INTERNATIONAL GRAINS COUNCIL

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a related question for the Minister of Industry, Trade and Commerce. Can the minister report to the House what, if any, progress is being made at the International Grains Council level with respect to the stabilization of grain prices? I do know that negotiations have been going on, and during the summer recess there has been a lot of concern about price stabilization.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, as the hon. member says, there have been meetings, in Washington, in Brussels, and in Buenos Aires. The result of these meetings has been a strengthening of prices and also the development of a monitoring system between the major exporters which I think is reflected in the improved grain situation at this time.

INITIAL PRICE ON DEFERRED DELIVERIES

Mr. A. B. Douglas (Assiniboia): Mr. Speaker, a supplementary question for the Minister without Portfolio from Saskatoon-Humboldt. In view of the fact that prairie farmers who were prevented from delivering the full five-bushel quota last July are now beginning to deliver on their deferred delivery authorizations and are shocked to discover that they are receiving an initial price 20 cents lower than last July, what, if anything, is being planned to correct this discrimination?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, as the hon. member mentioned, the deferred delivery applications have now been processed or processing is being completed. The wheat delivered on the deferred delivery permits goes into this year's wheat pool. Under the law there is only one initial price at time of delivery for the whole of that pool; therefore it is true that those concerned with that delivery receive this year's initial price. It is, of course, also true, given some hardening of price as referred to by the Minister of Industry, Trade and Commerce, that people receiving the lower initial price would be in a position to receive some compensation by way of final payment.

Mr. Baldwin: Don't hold your breath.

INDUSTRY

POTASH—AGREEMENT BETWEEN SASKATCHEWAN AND STATE OF NEW MEXICO

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce. Could he kindly advise the House if there were any consultations between the government of Canada and the government of Saskatchewan

before that province entered into an agreement with the government of the State of New Mexico regarding production quotas, North American floor prices and other conditions in relation to potash production?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I answered this question when the House resumed sitting after the summer recess. I said that on a number of occasions either I or my officials have cautioned the Premier of Saskatchewan against an arrangement that would be dangerous from the point of view of legality, economic desirability and so on. But it is difficult for us to judge this matter before we know what the final arrangement will be. We are keeping in touch with the premier on this subject.

Mr. Lambert (Edmonton West): A supplementary question, Mr. Speaker. Will the minister not take into consideration the fact that the Governor of New Mexico and the Premier of Saskatchewan are between them, setting a floor price for potash all across Canada and that a foreign government is agreeing with a provincial government to fix prices within Canada's domestic market?

Mr. Pepin: Mr. Speaker, my hon. friend will be interested to know that the Premier of Saskatchewan has said that he is not doing anything—I mean with respect to proration—that is not being done now by the government of Alberta, with regard to oil.

HOUSING

SENIOR CITIZENS PROJECTS—ROLLING BACK OF INTEREST RATES

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, may I direct a question to the Minister without Portfolio responsible for housing. Is the government taking steps to roll back interest rates on moneys supplied to Central Mortgage and Housing Corporation to be used for senior citizen housing projects? Will those rates be stabilized at levels not higher than they were last June?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, perhaps I missed part of the question but I am afraid I am not quite sure of its import. Would the hon. gentleman elaborate on what he is driving at? Is he referring to section 16 loans?

Mr. Barnett: Yes, Mr. Speaker. May I rephrase my question and be more specific. Is the government, under the limited dividend section of the act, taking steps to roll back interest rates applicable to senior citizen housing projects to a level not higher than the 6⅞ per cent charged last June? Also, will the rate be stabilized at that level?

Mr. Andras: Mr. Speaker, interest rates under section 16 and section 35 loans must reflect the cost of money to the government. This has been the standard practice in the past. I am afraid I cannot encourage the hon. gentleman by saying that these interest rates will go below a rate that is slightly above the government's borrowing rate.

Mr. Barnett: Mr. Speaker, may I direct a supplementary to the Prime Minister. In view of the answer just given, would he consider the idea of subsidizing the interest rate applicable to projects that entail the building of senior citizen homes and the like?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, we have considered the matter. We feel at this time that our best approach is to make an over-all attack on inflation, and this is what we are doing.

DRUGS

SUGGESTED EDUCATIONAL PROGRAM IN SCHOOLS

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, may I direct a question to the Prime Minister about the subject of drug use, because it is now becoming a grave national problem. I had hoped to see the Minister of Justice here. Would the Prime Minister be prepared to have his government consult with provincial Attorneys General and Ministers of Education so as to encourage the setting up of an educational program in elementary schools, high schools and universities in order that the youth of Canada will be informed and become more knowledgeable about the use of drugs?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, we share the hon. member's concern about the need to have information disseminated on this important matter. That is why we have set up a commission under Dean Le Dain. We are not considering any specific action along the lines the hon. member has suggested until that commission has reported.

Mr. Woolliams: A supplementary question, Mr. Speaker. I appreciate that the commission

is now investigating this question. But since many high school students and young people in our universities are being charged with possession of marijuana and trafficking in the drug, and many of them cannot afford bail and therefore remain incarcerated, will the government not consider measures to make the law uniform and to make certain that sentences meted out in this country do not vary from province to province? I ask this question because this matter is within federal jurisdiction.

Mr. Trudeau: Mr. Speaker, sentencing is not within federal jurisdiction, unless the hon. member is suggesting that we embark on the unusual course of setting a fixed sentence from which a judge cannot depart and over which he has no discretion.

Mr. Woolliams: A supplementary question, Mr. Speaker. The Prime Minister must be aware that in some cases young people are charged under the Narcotic Control Act, in which case they are liable to sentences of 7 to 14 years, while in other cases they are charged under the Food and Drugs Act where the sentence called for is much less.

Mr. Speaker: Order, please. Is the hon. member asking a supplementary question?

Mr. Woolliams: Yes, Mr. Speaker, but I had to give a preamble in order that the Prime Minister will be filled in on the law. In view of the fact they can be charged under various acts, is the government prepared to make the law uniform so that the youth of this nation will know what they are likely to be charged with?

Mr. Trudeau: Mr. Speaker, this too hinges very much on the report of the Le Dain Commission on the recent situation. He is the Dean of the Osgoode Hall Law School. He is looking into all aspects of the problem. There are sociologists and psychiatrists, I believe, on the commission. We expect to have a complete report. I must say the government does share the concern of the hon. member about this area of the law. We have already, in the past session, announced some steps to correct shortcomings, but we do not find the matter is sufficiently dealt with at this time. That is why we set up the Le Dain Commission.

Mr. Lambert (Edmonton West): On a question of privilege, Mr. Speaker —

[*Translation*]

Mr. Henry Latulippe (Compton): Mr. Speaker, may I direct a question to the Minister of Transport—

[*English*]

Mr. Speaker: Order, please. Perhaps we might allow the hon. member for Compton to ask his question and then we might go to the hon. member for Edmonton West on his question of privilege.

[*Translation*]

CANADIAN NATIONAL RAILWAYS

INQUIRY AS TO AWARDING OF CONTRACT TO CANADIAN STEEL CAR

Mr. Henry Latulippe (Compton): Mr. Speaker, I wish to direct a question to the Minister of Transport.

Would he say to this house if he is aware that the Canadian Steel Car was awarded a $10 million contract by CNR and that this contract will be entirely carried out at Hamilton, Ontario?

Would the minister tell this house why Montreal did not receive a part of this important contract?

Mr. Speaker: As the hon. member makes reference to a contract or a situation which requires no immediate action, I think it might be advisable that the question should be put on the order paper or discussed at the time of adjournment tonight.

[*English*]

PRIVILEGE

MR. LAMBERT (EDMONTON WEST)— DELIVERY OF "HANSARD"

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question of privilege is a personal one but it affects all members of the House. In the past we received *Hansard* promptly by 9.30 or 9.45 a.m. For some unexplained reason we have not been getting that type of service since the resumption of the session. In fact, last Friday's *Hansard* was not delivered to our boxes until approximately 9.45 a.m. on Monday. In light of the new system of clearing the space below our desks, which I may say is most inconvenient, I think some explanation should be furnished as to why there is this apparent delay or change in procedure.

Mr. Speaker: I might indicate to the hon. member that I have made inquiries about the situation. I am told this has happened before at the start of a session. There are organizational difficulties at the printing bureau. It is hoped that by the start of next week that department of government will have become

fully operational and will supply *Hansard* as it has done in previous sessions before eleven o'clock each morning.

EXTERNAL AFFAIRS

YUGOSLAVIA—PROVISION OF MEDICAL AND OTHER SUPPLIES FOLLOWING EARTHQUAKE

Mr. G. W. Baldwin (Peace River): My question is directed to the Prime Minister. Has the government made any inquiries following the earthquake disaster in Yugoslavia as to the extent of requirements for medical and other supplies in that country? Is the Canadian government prepared to contribute any such supplies as may be required?

Right Hon. P. E. Trudeau (Prime Minister): I will have to take that up with the Secretary of State for External Affairs, Mr. Speaker; the department will supply answers to any oral questions asked about this matter.

NATIONAL DEFENCE

WEST GERMANY—REVALUATION OF DEUTSCHMARK—ALLOWANCES TO SERVICE PERSONNEL

Mr. P. M. Mahoney (Calgary South): My question is directed to the Minister of National Defence. In view of the revaluation of the deutschmark, does the government intend to increase allowances to Canadian service personnel in Germany to restore their effective purchasing power in the local economy?

Hon. Léo Cadieux (Minister of National Defence): The director of pay services is looking into this matter to determine to what extent and in what areas in particular the servicemen will be affected by the revaluation. We have not yet reached any conclusions.

Mr. Mahoney: A supplementary question to the President of the Treasury Board, Mr. Speaker. When the franc was devalued did the government not reduce allowances paid to foreign service personnel in France to compensate for their increased purchasing power?

Mr. Speaker: Order, please. The question is argumentative.

ADHERENCE TO GENEVA CONVENTION

Mr. R. Gordon L. Fairweather (Fundy-Royal): I have a question for the Minister of National Defence. Is Canada's adherence to the Geneva Convention of 1925, which outlawed chemical and biological warfare, still in effect?

Hon. Leo Cadieux (Minister of National Defence): I believe this technical question should be directed to the Secretary of State for External Affairs, Mr. Speaker. As far as I am concerned, I can say we are not involved in chemical or biological warfare except in its defensive aspects for the purpose of providing our servicemen with the proper equipment to defend themselves and protect the population.

FISHERIES

INQUIRY AS TO INTERNATIONAL CONFERENCE CONCERNING RESTRICTIONS ON CATCHES

Mr. Lloyd R. Crouse (South Shore): I have a question for the Minister of Fisheries, Mr. Speaker. Having regard to the decreasing population of cod, whitefish and herring off our coast, is the minister giving any consideration to convening an international conference to discuss restrictions on the catching of fish off the continental shelf?

Hon. Jack Davis (Minister of Fisheries): We have been in touch with other countries through the usual channels and have expressed our concern about the decline in the Atlantic fish population. However, we are not considering an exceptional conference for this purpose.

Mr. Walter C. Carter (St. John's West): Since the minister has planned to meet with the captains of large vessels fishing off the Labrador coast to discuss the development of fishing resources closer to home, may I ask what talks, if any, will be held with the numerous owners of smaller vessels who have suffered equally this year?

Mr. Davis: We are going to meet with all the skippers.

INQUIRY AS TO ESTABLISHMENT OF SALT FISH MARKETING CORPORATION

Mr. James A. McGrath (St. John's East): Can the Minister of Fisheries tell the House whether the government proposes to bring in legislation this session setting up a salt fish marketing board? If so, will it be brought in before Christmas?

Hon. Jack Davis (Minister of Fisheries): I certainly hope legislation along those lines can be brought in as soon as possible.

CANADA DEVELOPMENT CORPORATION

INQUIRY AS TO LEGISLATION

Mr. Randolph Harding (Kootenay West): I wish to direct a question to the Prime Minister, Mr. Speaker. In view of the government's declared intention on many occasions to bring down legislation to incorporate a Canada development corporation, will a bill to incorporate such a body be introduced in the present session?

Right Hon. P. E. Trudeau (Prime Minister): Precisely because this has been mentioned in two or three Speeches from the Throne, I believe, and because parliament has not so far found time to act upon it, I do not wish to make any further commitment. But I hope to see further action.

Mr. Baldwin: Or further inaction.

Mr. Trudeau: Or further inaction.

[*Translation*]

NATIONAL CAPITAL

SUGGESTED LEASE OF HULL REGION FROM QUEBEC

Mr. Gaston Isabelle (Hull): Mr. Speaker, I should like to address a question to the Prime Minister.

Due to the inertia and bad faith of the Quebec government concerning the development of its territory in the Hull area, is it the intention of the federal government to come to the rescue of the citizens of Hull who are victims of federal-provincial conflicts, by renting the Hull area on a long term basis for the purpose of building roads and new buildings?

[*English*]

AGRICULTURE

CHEESE—DATE OF MEETING WITH ONTARIO AND QUEBEC PRODUCERS

Hon. George Hees (Prince Edward-Hastings): I have a question to direct to the Minister of Agriculture. Has the minister decided on a date when he will meet with the cheese producers of Ontario and Quebec, such a meeting having been requested in a joint letter from the producers on September 12?

Hon. H. A. Olson (Minister of Agriculture): I will check to see whether a mutually convenient date has been determined.

Mr. Hees: A supplementary question. I brought this matter to the personal attention of the minister by telephone some weeks ago. Has he really not had a chance to consider this important request?

Mr. Speaker: Order, please.

FARM MACHINERY—INQUIRY AS TO BARBER COMMISSION REPORT

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): My question is directed to the Minister of Agriculture, Mr. Speaker. Can the minister advise us when we may expect the Barber Commission report on the price of farm machinery?

Hon. H. A. Olson (Minister of Agriculture): I am not sure I can give the hon. member a precise date when we shall receive the final report of the Barber Commission. We did receive an interim report as long ago as last March covering certain aspects of this inquiry, and in the last few days we have received a further interim report. This is now in the hands of the translators and printers, and we hope it can be tabled in the House soon—at any rate, as soon as it is ready.

NATIONAL DEFENCE

POLICY RESPECTING BURIAL OF DECEASED SERVICEMEN

Mr. J. M. Forrestall (Dartmouth-Halifax East): May I direct a question to the Minister of National Defence. Is the government giving sympathetic consideration to relaxing, at least in peacetime, the longstanding policy which requires that servicemen who lose their lives at sea or while serving abroad should be buried at sea or in the country in which the casualty occurred? I ask the minister whether consideration cannot be given to this question, particularly in the light of the policy followed by the United States, whose fallen war dead are brought back to the United States for interment?

Hon. Léo Cadieux (Minister of National Defence): As the hon. member has indicated, it has been a longstanding policy that Commonwealth servicemen who die overseas should be buried in a military cemetery especially set aside for that purpose. This policy has been reviewed from time to time but it is still in existence. I instructed my departmental officials some time ago to review the policy once more to determine whether there was not some way in which we could accommodate the wishes of those who would prefer, in

peacetime, to have their dead buried in Canada.

There are a good many implications here. This involves a Commonwealth agreement. It would also imply the setting up of a special branch at National Defence headquarters to administer the suggested arrangement. As I say, we are examining all these aspects but a conclusion has not yet been reached.

AGRICULTURE

INQUIRY AS TO FINAL REPORT OF TASK FORCE

Mr. A. B. Douglas (Assiniboia): I have a question for the Minister of Agriculture. Has a definite date been set for the presentation to the government of the final report of the task force on agriculture?

Hon. H. A. Olson (Minister of Agriculture): I have received an undertaking from the task force on agriculture that a report will be presented by the end of this year.

LABOUR CONDITIONS

POSITION OF HARBOURS BOARD EMPLOYEES AS A RESULT OF LONGSHOREMEN'S STRIKE

Mr. Harold E. Winch (Vancouver East): May I ask the Minister of Transport whether he is in a position to answer the question I raised yesterday, namely, what financial provision is being made for the employees of the Harbours Board who have been laid off as a result of the dispute on the Vancouver waterfront?

Hon. Donald C. Jamieson (Minister of Transport): I thank the hon. member for having drawn this matter to my attention. Of 50 men laid off, approximately 12 were not eligible for unemployment insurance. This was an obvious inequity and the Harbours Board is arranging to compensate these 12 men to the same level as if they were receiving unemployment insurance.

HOUSING

SEWAGE SYSTEMS—AVAILABILITY OF FUNDS FOR HAMILTON PLANT

Mr. Lincoln M. Alexander (Hamilton West): I should like to direct a question to the Minister without Portfolio in charge of housing. The Minister of Energy and Resources for Ontario has indicated there will be no federal assistance forthcoming in connection with the construction of a sewage plant at Hamilton, whereas the Minister of National Health and Welfare indicated in a statement yesterday that discussions were still proceeding in this connection. Will the minister kindly advise us which of these statements is correct and whether, in fact, an effort is being made by the government to review its entire policy with respect to grants to municipalities?

Hon. Robert K. Andras (Minister without Portfolio): The statement made by the Minister of National Health and Welfare is accurate. Sewage treatment loans to Hamilton and to other municipalities are being studied and are subject to negotiation and review. We have this year extended some $50 million in sewage treatment loans; this represents a very high percentage increase compared with anything done earlier.

At any given time the government must acknowledge some limitation on the resources available for even good programs such as the one mentioned by the hon. member. Right now we are seeking the advice of provincial ministers as to their needs in this and other housing areas. When we have the benefit of the collective results of their suggestions I shall be going to the Treasury Board and to the Department of Finance for our capital budget for next year. I certainly hope all members of the House bear in mind their wish to see these projects furthered when I place my estimates before them. There is no freeze on sewage treatment loans. The budget for this year has been subscribed and we shall be dealing with future applications including Hamilton's, as soon as the new budget is available.

Mr. Alexander: A supplementary question, Mr. Speaker. I take it from the minister's answer that I would be correct in saying that the city of Hamilton has not been refused?

Mr. Andras: That is correct, Mr. Speaker, there has been no refusal. We will be negotiating with the city of Hamilton in light of the ideas of the responsible minister of the province of Ontario on whether any particular priority will be applied to this community in that province.

URBAN RENEWAL—INQUIRY AS TO REMOVAL OF FREEZE

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I ask the Minister without Portfolio in charge of housing whether he can inform the House how long the freeze on urban renewal is to continue?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, another hon. member

asked me the other day to make a statement on motions on this matter, and I intend to do so at the earliest opportunity. If the Leader of the Opposition will be patient I will try to do so during the next few days.

[*Translation*]

BILINGUALISM AND BICULTURALISM

QUEBEC—ASSIST ENGLISH RESIDENTS TO LEARN FRENCH

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I would like to ask the Prime Minister whether his government is willing to grant the tax exemption requested by the premier to allow the Anglophones of the province of Quebec to learn French?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I presume the hon. member is talking about the Quebec premier. There are other premiers in the country.

I think the Secretary of State will soon answer the question. The hon. member probably knows that in the first weeks of November, the education ministers of the provinces will be meeting with the Secretary of State who, at this occasion, hopes to state the government policy in that matter.

[*English*]

INDUSTRY

ELECTRICAL EQUIPMENT—SASKATCHEWAN PLAN TO PAY WITH GRAIN

Mr. A. D. Hales (Wellington): Mr. Speaker, I should like to direct my question to the Minister of Industry, Trade and Commerce. Had he or any member of his department any consultation with the Premier of Saskatchewan before the premier introduced the plan to purchase heavy electrical machinery and pay for same with grain?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I have talked to the premier of Saskatchewan about this, and so has the Minister without Portfolio. I have now written to him outlining some of the disadvantages to other industrial sections of the wheat bartering system.

Mr. Hales: A supplementary question. Did the minister impress upon the premier the very discriminatory effect of this program and how disastrous it would be to Canadian manufacturers of heavy electrical equipment?

Mr. Pepin: As I said that is part of my letter, Mr. Speaker.

GRAIN

NORTHERN PRAIRIES—SUGGESTED ASSISTANCE TO OFFSET POOR CROPS

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my question is for the Minister of Agriculture. In view of the difficult harvest that the farmers of the northern prairies are having for the second year—in some operations less than half of the crops have been harvested—does the minister have any specific plan for an immediate injection of cash in any form into this economy?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, there has been a very substantial injection of cash into the economy through the cash advances system. I am sure that the Minister without Portfolio from Saskatchewan could advise how much has been advanced, but it is a significant amount.

Mr. Yewchuk: A supplementary question. Do I take that answer to mean that the act will be amended in order to allow advance payments on grain that is still in swath and standing in the fields?

Mr. Olson: No, Mr. Speaker, the hon. member cannot take my answer as meaning that.

INITIAL PRICE ON DEFERRED DELIVERIES

Mr. Jack McIntosh (Swift Current-Maple Creek): Mr. Speaker, my question is directed to the Minister without Portfolio in charge of the Wheat Board and arises out of his answer to a question about payments on deferred delivery grain. The excuse he gave was that the government could do nothing about an additional payment because this would be contrary to the Act. How, then, does he relate his answer to the action taken by the government in allowing deferred deliveries?

Mr. Speaker: Order. The hon. member's question is argumentative.

TRANSPORT

ATLANTIC PROVINCES—PROGRESS OF STUDY

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, my question is for the Minister of Transport. Since the minister will be making a very important visit to the Maritimes this week in regard to matters connected with transportation, would he like to pave the way by telling us what progress he is making with the study on Atlantic transportation?

Mr. Speaker: I suggest to the hon. member that this information should be given by way of a statement on motions.

Inquiries of the Ministry

FISHERIES

SHIP CONSTRUCTION—INQUIRY AS TO DIRECT LOAN PROGRAM

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, may I direct a question to the Minister of Fisheries. When does the minister propose to bring in his program of direct loans to fishermen to enable them to build vessels for fishing?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, a program of that type is under consideration, but I am unable to announce when it is likely to become effective.

HOUSING

MANITOBA—DECISION RESPECTING URBAN RENEWAL PROJECTS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the minister in charge of housing. Is the minister yet in a position to state the government's decision with respect to the four urban renewal projects discussed with him by a delegation from Manitoba on September 13?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, as I indicated to the delegation at the time, we are prepared to consider and we suggested that the delegation accept our meeting a commitment in regard to a certain portion of one of the schemes. There is no further information that I can give the hon. member in regard to the four schemes presented by the Hon. Mr. Green at the time, though I hope to be in touch with him some time before the end of the year.

FLOODS

APPROVAL OF DAMAGE CLAIM SUBMITTED BY SASKATCHEWAN

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, my question is for the President of the Treasury Board. Has the Treasury Board approved the flood damage claim submitted in September by the province of Saskatchewan?

Hon. C. M. Drury (President of the Treasury Board): I am not aware of that, Mr. Speaker. I will make inquiries.

NORTHERN AFFAIRS

NORTHWEST TERRITORIES AND YUKON—DEVELOPMENT OF GOVERNMENT

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is directed to the Minister of Indian Affairs and Northern Development. Will the hon. gentleman be making an announcement soon with respect to the development of government in the Northwest Territories and the Yukon territory, an announcement that has been pending since 1966?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I shall be visiting Yellowknife and Whitehorse early next month and I shall make statements on those matters.

INDIAN AFFAIRS

INUVIK—PROVISION OF ELECTRIC, SEWER AND WATER SERVICES

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): While I have the floor, Mr. Speaker, I would like to answer questions asked by the hon. members for Prince Edward-Hastings and Winnipeg-North on Friday, about the situation at Inuvik. As far as the two million dollar loan requested by the municipality is concerned, the decision rests with the government of the Northwest Territories. Mr. Hodgson, the commissioner, went to Inuvik a few weeks ago to discuss this problem.

With regard to housing in this region, unfortunately there are Whites and Métis who are in the same situation as the Eskimos and the Indians.

[*English*]

Mr. G. W. Baldwin (Peace River): A supplementary question, Mr. Speaker. Has the minister received any notice of the request of the municipality of Churchill to leave the province of Manitoba and become part of the Northwest Territories, apparently alarmed at what it sees going on at the present time in the city of Winnipeg?

Hon. George Hees (Prince Edward-Hastings): A supplementary question to the Minister of Indian Affairs and Northern Development. I was very interested in his statement, but it was very hard to make out whether or not the $2 million loan—

Mr. Speaker: Order, please. Orders of the day.

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

• (11:50 a.m.)

The House resumed, from Monday, October 27, consideration of the motion of Mr. Jack Cullen for an address to His Excellency the Governor General in reply to his speech at

the opening of the session, and the amendment thereto of Mr. Stanfield (p. 34).

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, there are two sentences in the Speech from the Throne which state a principle with which I am in very strong agreement. I would be very happy if I could be convinced that the government also believes in this principle to the point of acting on it. The sentences are to be found at page 3 of *Hansard* for October 23, 1969, where the throne speech is reprinted. These are the sentences:

> In addition to solving her immediate problems, Canada must be prepared to face the coming challenges of the post industrial era. This calls for a systematic appraisal of Canadian society and of the basic principles that are to guide it.

As I understand those sentences, they say to us that we must solve our immediate problems but that we must solve them on the basis of principles that will be good in the years and the decades that lie ahead. I thoroughly and very strongly agree. One of the chief complaints my colleagues and I level at the present government is that it is not using methods to solve today's problems that will suffice in the years that lie ahead. Surely we are all agreed that the major problem facing us in Canada is poverty. Formerly we used the phrase "poverty in the midst of plenty". I think what is disturbing our society today is poverty in the midst of affluence. Anyone who would presume to understand and explain all the troubles which beset our day and generation, particularly by any simple answer, would be foolish. I think it is fair to say, however, that one of the reasons there is so much unrest and unhappiness, and one of the reasons there is so much resort to violence and other ways to try to correct things, is that far too many people are poor in the midst of a society and in the midst of an age in which they are given pictures of the kind of life they could enjoy but which they are completely denied.

Poverty in the midst of affluence is sapping the spirit of far too many of our people. In a moment or two, I shall document the statement I now make, that one of the main things that is wrong today is that the gap between the poor and the rich has widened immeasurably. It has become far too wide for our society to hold together. One thing we must do is narrow that gap. We must really take steps to bring up the standard of living of those in the lower brackets rather than just go on adding to the number of those who enjoy being part of a wage or salary élite. In other words, I insist that an attack on poverty, an attack that is determined to get rid of it, an attack that it is determined to take us into the kind of day when we will not be forever talking about the poor, about the needy and about welfare cases, is what our government, our parliament and our country should be carrying out.

It is my contention that this government is talking about poverty and talking about its concern for the poor, the pensioners and so on, but really is not applying itself to this problem, to use its own concept in the Speech from the Throne, by following principles that will be any good ten, 20 or 30 years from now. As I see it, our society in this age of affluence, and this age of technological capacities that are beyond our imagination, will hold together only if people enjoy as a matter of right their share of the standard of living we are able to produce. The phrase "guaranteed annual income" is one that is kicked around. The idea that people should enjoy a standard of living as of right is one that is becoming more and more part of the language of those who talk about these problems. But the government still talks about doing things for the needy and the poor when its job should be to create the kind of society and economy in which there are no poor.

The government says it is concerned about these matters and is showing its concern by an all-out war on inflation. Last night we listened to the Minister of Finance (Mr. Benson) as he beat his breast and told us how the government is fighting inflation. Why, says the minister, are we fighting inflation; it is because we want to protect the pensions of the pensioners and the position of the poor. If I were to use the sophisticated language my friend the hon. member for Peace River (Mr. Baldwin) sometimes uses I would just say "nuts". This is not a war on inflation that is designed to protect the poor or the pensioners because prices are still going up; the cost of living is rising faster than the pensions, and the pensioners and others who are on fixed incomes are losing their standard of living and will continue to lose it no matter what this government does. The government is using the old age pensioners and those on fixed incomes as an excuse for the kind of campaign that will keep inflation within bounds for the benefit of those at the upper levels.

As the Minister of Finance said last night, those who are strong, those who are in the

upper brackets, feel somehow they will keep up with it. As a matter of fact, some people gain because of inflation. All those people do not want is for it to get out of hand. So, we have this talk of needing to protect the pensioners to give us a so-called program against inflation which is really just a case of trying to protect those at the top of the scale.

I congratulate the Leader of the Opposition (Mr. Stanfield) for joining some of the rest of us in complaining about the 2 per cent ceiling on the increase made in the old age pension and in the Canada Pension Plan benefit in any one year. Some of us have been complaining about this since it was brought into effect in 1966. But the Leader of the Opposition is perfectly right when he puts to the Minister of Finance a question which the Minister of Finance will not answer, namely, "Is this what you have to do; do you have to depress the position of the old age pensioners in order to fight inflation?"

The position of the pensioners is not improved by having the worth of their pensions devaluated. All it does is make it possible for those who are strong, organizations like the steel companies, to strengthen their position. But those at the bottom end of the stick are not covered at all. The government says—and we heard it again last night from the Minister of Finance—that this government has done so much for the old age pensioners. He started to tell us how there was an increase from $55 to $65 and to $75 and that now those on the guaranteed income supplement are up to $105 or $109 a month. This all sounds very good. But may I point out that the gap—and this is the important thing in social terms—between the pensions of our old age pensioners and our retired civil servants, on the one hand, and those of us, on the other hand, who are on incomes that we can bargain for, or the gap between pensioners and those working, has become so much wider that this increase the government talks about really does not mean anything at all.

• (12 noon)

Let me mention a case. It will not be very popular within these walls but I shall mention it anyway. The Minister of Finance likes to talk about the pension having gone up. Yes, it has. Twenty years ago it was $40 a month. Now, if one is receiving the GIS he can get about $109 a month, an increase of $69. That sounds good. But in that same period when the pension was $40 a month—and I refer to ourselves because we are typical of what has happened in Canadian society—we were receiving a total income of $6,000 a year. We are now getting a total of $18,000. I point out that it is not just a matter of proportions, of one having gone up two and a half times and the other having gone up three times, but it is a matter of a greatly widened gap. The gap then was between $480 a year and $6,000; now the gap is between about $1,000 and $18,000. So, let the minister not stand there and beat his breast and tell us of the wonderful things the government has done for old age pensioners. In relative terms, in terms of the gap between them and society generally, the picture for them has become far worse.

[Mr. Knowles (Winnipeg North Centre).]

I have on my desk a copy of a book called "Taxation Statistics", the 1969 edition, as published by the Department of National Revenue. As hon. members know, we get this book every year. It is full of figures which most of us have difficulty comprehending, and I am included in that group. But I am interested in a table on page 147 of this volume which is entitled, "Yearly Distribution of Taxable Returns by Income". It gives a certain amount of information for the years from 1946 to 1967. It tells how many people were reporting incomes in certain brackets for each of those years. Although those with incomes so low they are not reported are not included, I find that in 1946 there were one and a half million people reporting incomes of under $2,000, and 21 years later one and a half million is still the number of persons reporting incomes of under $3,000. So the position of those at the bottom of the income ladder has improved. In 21 years it has improved from $2,000 a year to $3,000 a year, but at the other end of the scale I find that whereas in 1946 there were only 20,000 taxpayers reporting incomes of over $10,000 a year, there are now 500,000 reporting such incomes.

I know that a case could be made on the other side by those of the chamber of commerce mentality who might say: "Look how we have improved things". That is fine. I am glad to know there are many more people receiving incomes on which they can enjoy the good and just life, and all the other kinds of lives of which mention is made. But while we have moved people of the middle and upper income brackets up to incomes that are in the stratosphere, we have still a million and a half of our people who report their incomes down at $3,000 a year or less. I submit that $3,000 a year in 1967 is less than was $2,000 in 1946.

The point I am making by these figures, and I make it in terms of relating old age pensions to other incomes, is that we have allowed the gap to widen in this country in

the last 20 years. Perhaps the thing has been happening since the beginning of time, but that is no reason for us not to stop it. So long as that situation continues to exist, I say our society is in danger of falling apart and that many of the things that happen today, many of the attempts to change things in ways that are not orthodox, many of the revolts and much of the unhappiness, are due to the fact that people live in the kind of age in which they learn over radio and television, as well as in feature magazines, of an affluent and luxurious life that is available but they cannot get anywhere near it because they are still in this depressed condition down at the bottom of the ladder.

It is very much like the picture in world terms. We have done much in the last couple of decades in terms of external aid. We have given tremendous sums of money in one way or another to the developing countries, and the living standards in the developing countries have been raised. However, at the same time we have raised our own average standards in North American and in the western world to such an extent that the gap between those in the developing countries and ourselves is wider than ever. I submit that that fact is one that challenges the world, and that unless something is done about it we are in for trouble. That is another subject that some of us talk about on other occasions. I believe that our government is terribly remiss in not yet having gone up even to the 1 per cent of our gross national product for external aid to which it is committed. I think it should be at least 2 per cent. But at this particular time I am talking about Canada. I think that the most serious problem facing us is the one that I have been trying to delineate, namely that we are allowing the gap between the poor and the wealthy to get wider than ever, that this is unfair to the poor and the needy and that it is dangerous so far as our society as a whole is concerned.

I know that it is very popular to talk about these things and to say that we must do something for the poor, but this is what bothers me about it. We keep on talking about doing things for the poor, but we still leave them out there, a different group who shall always be with us. Even if someone tries to quote the Bible at me, I do not agree that they need always be with us. In my view, what we have to do is to narrow this gap even if it means getting over the notion that it can be done without affecting the rest of us. This is what most people want to do. I think the hon. member for York North (Mr. Danson) made an allusion to this yesterday, and I congratulate him on it. He said that we want to help the poor but we do not want it to cost us anything. I think there are ways in which we could bring the lower income people up to a certain level without having to cut into the incomes of those in the middle and upper brackets. I think that increasing employment, producing more goods and services—particularly the goods and services that the needy and the pensioners require—is one way to do it. However, I want to say categorically, even if I am speaking only for myself, that if we have only so much money to spend, if we have to follow this government line with which I do not agree, then we will have to re-allocate some of that money. We will have to impose higher taxes on high salaries and incomes, and on corporate wealth, so that we can increase the pensions of our old age pensioners and retired civil servants, so that we can give a better break to our war veterans, particularly those on the war veterans allowance.

Having made that reference, may I say that one of the things in the Woods report which pleased me in principle as well as because of the people who are affected—and incidentally this is something that the government has accepted in its white paper—is the recommendation that in the case of all Hong Kong veterans who can demonstrate any disability whatsoever, a 50 per cent disability pension will be awarded, which has the consequence of a full widow's pension when any of those veterans die. Actually, we learned in the Veterans Affairs Committee that this provision will cover just about all living Hong Kong veterans. I believe there are only about eight who have not established some disability and the whereabouts of some of them are beyond discovery. In spirit, therefore, what that report recommends is that those men who served in Hong Kong shall be treated as veterans virtually because they were there. Virtually because they went through the experience of those years as prisoners, they should be regarded as deserving of a 50 per cent disability pension, and their widows of a full widow's pension as a matter of right. It is a kind of guaranteed income.

• (12:10 p.m.)

I like the idea, and we will have to come to the day when we do this across the board; when we stop talking about giving money to people because they are poor, because they

can meet a means or a needs test. We will have to reach the point where we say to people, "You are people; you are citizens; you are human beings. You are here as part of this modern industrial society, or post-industrial society, that can produce all kinds of wealth, and therefore you are entitled to a standard of living that is a reasonable minimum—yes, whether or not you do anything at all for it." I think this is implied in those two sentences I read at the start of my speech in which the government says that we have to make "a systematic appraisal of Canadian society and of the basic principles that are to guide it."

We will not build a new Canada or a just society for the year 2000 if in the year 2000 we are still saying, "We will give you a pension or an allowance if you are poor, if you can demonstrate that you need it." We won't hold this society together that long in that way. We will hold it together only if we achieve that equality among Canadians that says, "Because you are here, because you are Canadian, you have rights."

That is the reason that I make no apology whatsoever, even on the morning after that intemperate speech which we heard last night from the Minister of Finance, and even in the light of the things said in this House earlier this morning, for saying that what should be done right now by the government is to increase a number of these pensions about which some of us talk frequently.

The old age security pension should go up not just $1.58 a month in January; it should go up to $125 or $150 a month. The retired civil servants should have their pensions increased. In that connection, I welcome the speech made yesterday by the hon. member for Swift Current-Maple Creek (Mr. McIntosh) and the speeches that have been made from time to time by other members of the House. These pensions should be raised in the order of 50 per cent or 60 per cent, without any question. I think that the principle which is to apply to the Hong Kong veterans might also apply to all World War I veterans still living, and their widows. Let us get away from these tests that can be applied. Let us say to people, "You belong to certain groups and you have rights." The day will come when everybody who is a Canadian has certain rights, particularly the right to a guaranteed standard of living, regardless of all other considerations.

I also think, Mr. Speaker, that something should be done about the case of those provinces which have not yet moved over to the Canada Assistance Plan where people are still on old age assistance, or in receipt of the blind person's allowance or the disabled person's allowance. Those allowances should be increased. We left them behind when we last increased the old age security pension. Previously, when we used to increase the old age security pension we used to increase those other pensions as well. Now, we have brought these disability pensions up to $75 a month, but there is no guaranteed income supplement for these people.

All of these categories should receive pension increases right now. For the Prime Minister (Mr. Trudeau) and the Minister of Finance to say, "We cannot afford to do this because we have an austerity program and we have to fight inflation" is, I think, sheer nonsense. In fact, I think I am entitled to use the word hypocrisy, because it does not solve the problems of pensioners at all to carry on this phony war against inflation. Their position is getting worse by the month and by the week.

In my view we could afford pension increases on the basis of increased employment. I think that is the way to do it. But if the government is not prepared for that and does not have the wit to devise policies that will result in increased employment, and if it says, "We have only so much money to go around," then I say do not ask the pensioners to bear the brunt of the fight against inflation.

If members of the government say they feel for pensioners, then let the government help them out right now. If that means increasing taxes at the higher income levels I am for it. If that means cutting out some of the wasteful, extravagant expenditures such as those on the Prime Minister's staff, then I am for that, too. In fact, I am sure that all governmental expenditures, as with expenditures of society as a whole, have all kinds of fat at the top, with all kinds of affluence being enjoyed by do-gooders who are concerned about the poor provided this concern does not cost them a cent, provided it does not mean a lessening of their privileged position.

I do not think this is the kind of society that will hold together, the kind of society that is satisfied to leave one and a half million people in the position that they report incomes of less than $3,000 a year, while we go on trying to put as many people as we can into a wage and salary élite. To me this is extremely important, not just because of the needs that these people face right now, but it is extremely important if we are to hold our society together.

So, Mr. Speaker, I say that I welcome this declaration of principle that the government has given us in the Speech from the Throne, its assertion that we have to solve today's problems in the light of basic principles that will guide us in the years that lie ahead. But I ask this question: Does anybody in this House of Commons think we are going to guide our society ten or 20 years from now on the basis of means tests and needs tests, on the basis of keeping thousands, perhaps millions of our people down in lower brackets while others are away up in the stratosphere?

Surely, the only principle that is going to hold our economy, our society and our people together is one which makes the declaration that we are all Canadians and we are all entitled to a certain share of the wealth we are able to produce. That means a guaranteed minimum income below which no one will be allowed to fall. That means people enjoying and having that income as a matter of right. It means getting away from the day when the best the government can do is to say to people, "We will help out and fight battles for you if you are poor." Let us stop using that language. Let us not divide ourselves between the rich and the poor. Let us all be humans. Let us all be Canadians. Let us devise policies that will make things better for Canadians now, and better for Canadians in the future.

A clear demonstration that the government believes in the two sentences that I quoted at the beginning of my remarks would be given if the government would say, "All right; right now, as a matter of right we will say to the old age pensioners, we will say to the retired civil servants, we will say to the veterans on the veterans allowance, we will say to other pensioners, 'Even though there is an austerity situation, even though there are problems you have rights. We are going to accord those rights to you by increasing your pensions, and we believe that having done so things will be better both for you and for the country as a whole.' "

If the government would respond to the plea that some of us in this House have been making across the years, and give the pension increases we have been urging, it would be a better day for our older people now, and a much better day for all our people in the Canada of the future.

• (12:20 p.m.)

[*Translation*]

Mr. Roland Godin (Portneuf): Mr. Speaker, I should like to congratulate the mover and the seconder of the Address in reply to the Speech from the Throne, the hon. members for Sarnia and Lapointe (Messrs. Cullen and Marceau). They performed admirably, speaking with remarkable ease in either of the two official languages.

I have great admiration for them in that respect. As for myself, I am not outstanding in that field, but I hope that someday I shall be able to speak a second language. Unfortunately, I have little time for practice now because the riding I have the honour of representing includes 90,000 people.

On the other hand, it is obvious that the four members from Prince Edward Island who represent 105,000 constituents are in a better position than I to become bilingual, if they devote their spare time to study.

Mr. Speaker, let us leave for a moment the individual ridings to consider the country as a whole. The Speech from the Throne of Thursday last contains many amendments to the just society proposed a year ago, and the numerous questions we shall have to deal with this year are evidence that last year's legislation has to be done again.

Although we intend to deal with all questions and to amend several laws, we may rightly question the results, in view of the fact that Canadians are still squeezed between a large national output, on the one hand, and accumulated surpluses as well as inadequate purchasing power, on the other hand. In order to divert people's attention, economists contradict themselves publicly about the causes of poverty in an affluent society.

Those quite knowledgeable men, and others who are less knowledgeable as well, take pleasure in classifying objectives of economic behaviour, as they say so well, in the hope of palliating structural and regional disparities and distortions. Everything is allowed to cover up the real truth and to hide from the people the true reasons for the period of unrest we are going through.

For instance, we refer to the chronic period of unemployment Canada has been experiencing for a few years as the cyclic and seasonal fluctuations of employment.

While financing charges and various taxes push upwards the prices of commodities and services essential to our survival, the people responsible for those increases tell us of plans to stabilize prices at a reasonable level.

While computers take the place of accountants and clerical workers, while machines take over from the workers in the plants, we

still unfortunately find within the Canadian administration some dreamers who say that full employment is still possible.

The Prime Minister (Mr. Trudeau) tries his hand at changing the meaning of words to justify his inaction with regard to the real issues and to be able to launch a mixed attack on problems that do not exist. In my opinion, the most misused word in Canada, the word that does for everything, is "inflation".

Here, I would like to refer to page 2 of *Hansard,* for October 23, where the following can be found:

> There are many obstacles to be overcome if we are to achieve our economic goals, but inflation is undoubtedly the most serious and the most difficult to control.

Mr. Speaker, the word "inflation" was really representative of the situation that prevailed during the war and the following years.

In fact, as most workers were then paid to destroy or to make articles intended for destruction, what was bound to happen happened. At one time there was more money in the citizens' pockets. The purchasing power was stronger, higher than the value of the products for sale. That was inflation.

Today it is different. Inflation may be the problem of the authors of the Speech from the Throne, that is the problem of a few Canadians earning $30,000 or more a year. It is certainly not the case of most Canadians.

Following the proliferation of and increase in taxes of all kinds, it is strange to hear the government make statements like the one we find in the Speech from the Throne of October 23, and I quote:

> In recent months, the government has urged both the public and the private sectors to adopt special measures to combat the dangers of inflation.

Mr. Speaker, it is easy enough to forget that taxes add to the price of goods, but we must admit that the Canadian government must have a lot of nerve to inform us of its strategy which consists in uniting all possible forces, both public and private, to fight inflation more vigorously than ever.

Mr. Speaker, can we ask 75 per cent of the families in the province of Quebec whose income is lower than $4,000 per year, the businessmen who are going bankrupt, the farmers who are forced to auction live-stock, goods and implements, the industries which are folding up, the great number of people on relief, the unemployed, to wage war against inflation?

[Mr. Godin.]

What about the 85 per cent of the Canadian population in that fight? What can they do to prevent prices from increasing?

Unfortunately, this government too often makes us believe that it does not even know why prices have gone up. I think it is time that we show some logic for, as I have already said, the Canadian problem is not one of inflation, but of plenty.

A manpower retraining program was recently launched. Small armament contracts were awarded. Subsidies were paid for winter works. Certain advantages are now given to so-called designated areas, and yet, the economic unrest is only worsening. Some ministers, some hon. members and some economists handsomely rewarded seem unaware of that, and the Canadian population is conscious of that fact and is justifiably concerned.

That is the first thing that needs to be done, and I agree with these words written by a responsible economist in the publication *Ensemble* on May 15, 1969:

> Mr. Alfred Rouleau, president of the Co-operation Council, stated that poverty created more poverty, that the poor no longer accepted to be deprived of essentials and that the mass media tempted them to lead an easy life while they lacked bare necessities.
>
> In Quebec, about 450,000 people (children included) receive public assistance and have a yearly income varying between $1,500 to $2,000, or $35 to $45 per week. Those are the people who live in the slums of our cities or on our unproductive farms. Add to them the low-income workers and farmers and you have one Quebecer out of five living in poverty.
>
> At first a minimum guaranteed income should be ensured to those who are not able to work and employment should be ensured to those who can work.
>
> In Canada, according to professor Henripin, two thirds of the poor would disappear thanks to a substantial increase in family allowances and above all thanks to the increase in the allowances according to the number and the age of the children.

Mr. Speaker, if we want to go further, an adequate policy based on our national production would allow us not to eliminate two thirds of the poor, mais to improve the lot of all the poor in our country.

• (12:30 p.m.)

Everyone must be able to make use of the advantages of progress because our society will be soundly established only if it can ensure to each and everyone of its members not only a sufficient use of the present goods but also of all those which a truly social organization is in a position to offer them. It is only when everyone's livelihood is properly

assured that certain classes may begin to live in luxury and abundance.

The abuse of the right "to use and abuse" the advantages of social production is almost a spoliation and no words are strong enough to brand those responsible for it: the exploiters, the dishonest administrators.

Humanity has the right to live. This is the basic principle. To make it possible a proper distribution of wealth is necessary.

Goods are so plentiful in the world that the temporal needs so conducive to the practice of virtue should be honestly enjoyed by each and everyone of us. In the face of the affluence of goods produced by machines which replace him, man thus deprived of the means of earning his living has but a choice between hardship and affluence.

Pensions, allowances should result from gratuitous rights to a share of the production. Not from the outcome of the work of those who labour to earn their livelihood but only from the social capital made up of the social factors of production technology, and the machines of which we are all the joint heirs.

Mr. Speaker, in the third edition of *Warning Democracy* published in 1935, Major C. H. Douglas, had this to say about finance and industry:

> If we consider the fact that the production of goods of all kinds per unit of mechanized worker used, and if we consider also that such energy in the last 100 years has increased by 3,000 to 4,000 per cent, three things can happen. Each and everyone of us must consume 30 to 40 times more than before and further increase his consumption as soon as the energy allows an increase in the production; or we must get rid, through exports or otherwise, of our production surpluses or else we must admit that the so-called unemployment problem is a result of the progress of applied science to industry and that we must modify thoroughly our distribution system.

Jacques Maritain wrote in his book entitled *Humanisme intégral,* and I quote:

> The law of *usus communis* tends to state that, at least and first for what concerns the primary needs, the material and spiritual needs of the human being, it is advisable that people get for nothing as many things as possible.

Mr. Speaker, we consider that the family represents the vital cell of society and that the real aim of the economic activities is to ensure, from the point of view of the real human good, the resources that are necessary to family life.

Besides, if we consider that all men have an equal right to use the earthly goods, and that with regard to the primary material needs of the human being, it is advisable that people get for nothing as many things as possible on the basis of social justice.

We consider that the fruits of production today come mainly from a social capital that has accumulated for several generations, and that the fruits of the social capital should be distributed in a social way to each and every member of society as heir of this social and cultural heritage. We hold the opinion that the guarantee of a vital minimum that would cover the primary needs in food, clothing and housing is perfectly workable today, in view of the economic conditions of production and of the production capacity in Canada.

Thanks to the advent of automation, of cybernetics and the utilization of new production techniques, we consider that the productive work of man is becoming less and less necessary and is replaced by machines in factories where automation is taking over.

Since American economists and sociologists have already stated, in an open letter addressed to President Johnson, that the first condition to avoid economic and social disorder in the present state of production which frees man from work without succeeding to reemploy him usefully is to ensure unequivocally to every individual and to every family a minimum income that would be guaranteed as a right, may I be allowed to move, seconded by the hon. member for Compton (Mr. Latulippe), the following subamendment:

> ... that the amendment be amended by replacing the words "of large numbers of our people" by the following: "of all Canadians by the introduction of a plan of a guaranteed minimum income."

Mr. Speaker, since the guaranteed income does not exist in Canada, the members of the Ralliement créditiste recommend that an annual income be guaranteed through the payment of a national dividend, that could represent one fifth of the gross national revenue, which amounted in 1969 to $67 billion. That would provide for security without the need to increase taxes.

I move this subamendment today because people have been talking about it for over 30 years. More recently, namely in September 1964, the Labour Gazette published the following statement from an economist, Mr. Theobald, delivered at the meeting of the 51st annual conference of the International Association of Personnel in Employment Security (IAPES) and I quote:

> The effects of cybernetics revolution will be so far-reaching and so rapid that it will be impossible to provide for full employment. In other words, the efficiency of machines will keep on increasing

at such a rate that employers in the public as well as in the private sectors will find it more economical to own or rent machines than to hire workers.

At the same meeting, a guest speaker, Mr. Gilles Endicott had this to say, and I quote:

Automation is compelling us to change the basic notion that there is no salary without corresponding labour. While it may seem altogether revolutionary and contrary to the Calvinist ethics on the subject, we have to accept the principle that revenue is not necessarily related to labour.

More recently, Mr. Speaker, one could read in the Thursday, September 11 issue of *Le Devoir*, and I quote:

The New Democrats have rushed into print in the last few days briefs that are to be used as background material for discussions at the convention which will be held in Winnipeg, at the end of October.

This week, they published, under the signature of economist Marion Bryden, another brief on the possibility of establishing a guaranteed annual income scheme.

Further on, there is an article by Pierre-C. O'Neil, from which I quote:

Marion Bryden gives an account of the conclusions arrived at by the subcommittee of the revision committee on the NDP policies with regard to a guaranteed annual income.

The committee reaches a compromise between the negative income tax, the guaranteed minimum income and what it calls a "demogrant", that is a payment made to all citizens, every month, which would vary according to the area, the age of the individual and other factors.

Mr. Speaker, here also is an excerpt from the magazine *Sept-Jours* dated March 29, 1969. I quote:

The Leader of the Opposition in the Commons, Mr. Robert Stanfield, also committed his party, during the last federal elections, to the concept of a guaranteed minimum income for every citizen.

But the highlight of all those discussions comes from the Minister of National Health and Welfare (Mr. Munro), and again I quote from the magazine *Sept Jours*:

The federal Minister of National Health and Welfare, Mr. John Munro, takes great care not to commit the government in this regard; however, he does say that, as far as he is concerned, a guaranteed minimum income is probably the normal outcome of the evolution of the Canadian social security and welfare programs.

Mr. Speaker, again I say that I moved the subamendment today thinking of the 13 million Canadians who have no income and yet have to pay all sorts of taxes levied by the governments at every level.

In closing, I trust that all the hon. members who want our country to progress will give me their support.

[Mr. Godin.]

[*English*]

Mr. Hyl. Chappell (Peel South): Mr. Speaker, may I first add my words of praise to the mover and seconder of the address in reply to the Speech from the Throne for the high standard which they set for this debate and congratulate those who have spoken since for maintaining that high standard. I hope I do not deviate from it.

I wish to speak about democracy, the need for discipline in democracy, and what we, the members, may be able to do about it.

Many important issues have been raised in the Speech from the Throne and the speeches which followed. Pollution, poverty, housing, drugs, and the cost of living are without doubt important and must be debated and dealt with in a climate of urgency. But related to each specific problem and overriding them all is our guilty realization that the average citizen feels that he is voiceless, that democracy is too remote that individuals are almost meaningless. Today people are immediately informed of the issues which we discuss here, but real participation for the vast majority never comes. This will not do.

• (12.40.)

During the last decade, we have seen upheaval everywhere. Objection and protest have often descended into violence. This lawlessness has run through labour, university students and other groups. Threats and selfish force are on the increase. Just recently we had a glimpse of chaos in Montreal.

These groups which resort to violence have one thing in common—the theory that by demonstration and destructive activity their demands will be recognized. At the moment their number is relatively small, but make no mistake, they are organized and will continue their vicious tearing at the fabric of society until stopped. Taking their lead from tactics employed by some of the large international unions they would have what they want regardless of the cost to others or even the nation. Their lawlessness and disrespect for others, often to the extent of real cruelty, is a bayonet pointed at democracy.

The strength of the protesting groups lies not so much in their physical ability to destroy as in the atmosphere that they create—namely, that they are full of ideals and are the only ones to act on them, that it is honourable to believe that the end justifies the means and that those who do not act violently for some cause are indifferent and slothful and therefore evil. They have taken advantage of democracy's freedom of speech

and freedom of protest, and by adding violence they get news coverage. They have become "the read abouts", the "listened to's" and their protests and activities have become the concern of the nation. Do the leftouts join them or some equally violent opposing group, or do they make themselves heard through direct contact with us?

The ordinary law abiding citizen is coming to believe that demonstration with violence is the only way to make his argument effective. Too many are saying it is the only way to get things done. They are beginning to feel that anything short of this results in being ignored and left out of effective participation. In some parts of the country, they think that their members are far away in Ottawa and might just as well be on the moon.

Violence and disrespect for the dignity of others has always been the birthplace of dictatorship and communism. Democracy as we know it is on the brink of extinction unless we can immediately throw up barriers of effective discipline through the marshalling of moral strength. Laws are really the accepted standard of behaviour for a community, ordinarily enforced by a minimum of personnel, but this balance is upset if organized groups, determined to put their own interests above law and society, are allowed to flourish. Once we arrive at the stage where auxiliary police and troops are required, we know that democracy is embattled.

The discipline which we must produce is not more police or troops but united opinion, of people knowing they are united, and so with sufficient power and moral authority to smother out the fires of these vandals who would destroy our society.

We cannot pretend that 264 members, no matter how hard working and willing, and we are, can alone overcome what in one decade has become a sickness in the western world, but we must attack it by every means possible. One form of machinery is immediately available, the elected representatives from each riding. We must play a greater role and become recognized as knowledgeable spokesmen for this non-belligerent majority.

We call ourselves representatives of the people but are we effectively understanding and dealing with the feelings of resentment of the vast majority who are not heard, partly because of the racket of the noisy few and partly because of our failure to transmit to them what government is doing and receive from them their attitudes toward the proposals? Even ten years ago, most people were content to simply pay taxes and keep quiet, but today's informed public insists upon explanation and participation. Our choice is, do they do it through our leadership or by joining a protest group?

Some hon. members of the House may shy away from what is after all an enormous and pervasive problem, but just because it is so big and there are seemingly more immediate and great issues to which the leaders have addressed themselves, let us not refuse to face it. Time looks over his shoulder and questions our delay.

We must start somewhere to reproduce the sense of contact once felt between the member and his constituency. We no longer have ridings of 5,000 to 10,000 where each member knows his constituents by their first names, and the riding and its problems intimately. We now have ridings with diverse and conflicting problems, many of them international with local connotations. It is not possible to handle these as we did in the past.

The greatness of the democratic system is that we, the government, belong to the people. Increasingly in this day of paternalism and automation people resign themselves to the fact that they belong to us and in their resentment, some would cast aside the system and revert to more barbaric codes. It is up to us to reassert the basic greatness of the system by drawing more from the roots of the system and this must include being in and part of the riding at least one day a week. We have an obligation to go to the people. They have an obligation to come to us. We must hear from them. I want to hear from them and I know other hon. members do also. We recognize some protest is not only good, but necessary. However, we have been hearing the whines of a small minority, composed in part of a few half-baked post-graduate university students who are rapidly becoming professional agitators at our expense, and ridiculous demands from a few irresponsible labour organizers. They consist of a greedy, selfish, little minority. Now, let us hear the deep voice of the majority.

After a five day week in Ottawa, we have Saturdays and Sundays for our families and our ridings. A week end is not enough time to perform the service required, but to make it worse, while in Ottawa we are not nearly as effective as we could be because we do not have proper facilities.

By today's business standards our offices and facilities are archaic. If they were made as efficient as modern business or industry.

we could immediately become 400 per cent more effective in communicating with our ridings. It has always amazed me that democracy will spend so many millions of dollars to elect us and to keep us here, then blunt our efficiency and stifle our activity by failure to supply facilities and services commensurate with the job to be done. We do not ask these services for ourselves, but for the people we serve.

If we spent more time in our ridings we could let our constituents know that government, through their representative, is being brought to them and that they do have a voice, that they are not cut off and removed from the issues which are daily presented to them by television and press. Is it not much better that a member spend more time in his riding taking an active part in the discussion of national and local issues rather than always sitting in the House listening to what are sometimes dull and repetitive speeches, and voting like a puppet? On many occasions our votes could be registered by proxy.

• (12:50 p.m.)

Let us start with the realization that we should be in our ridings at least one day a week. It would not be our day, but their day. And better the same day for all of us, so that all of the people know that on that day government is in the ridings. If on that day we spoke to several classes of high school students and community groups we could, in a relatively short while, promote a feeling of participation and belonging, more respect for the law and government, and perhaps slow the pendulum of destructive force and, with luck, start it back.

Mr. Speaker, I hope I have sown some seeds that may grow to a new relationship between the members and the people.

Mr. Bell: Mr. Speaker, we have already done a pretty good morning's work and I wonder whether we might call it one o'clock.

Mr. Speaker: Is that agreed?

Some hon. Members: Agreed.

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

At one o'clock the House took recess.

AFTER RECESS

The house resumed at 2 p.m.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, in rising to address you and the multitude of members of all parties who are poised to hear my few words, may I begin with congratulations to the mover and seconder. I listened to them with great interest. To the seconder I should say that in the Tracadie district of Hillsborough we do not grow blueberries so large that one or two would make a pie; we need a dozen or so and thereby, perhaps, enhance a variety of flavor in a blueberry pie which even the Saguenay might envy.

Thus far I have enjoyed this debate. I think there have been some very interesting speeches. But I was amazed to hear the Minister of Finance (Mr. Benson) last night show his lack of appreciation for what occurred on Friday. Surely, he forgets that his own leader made the longest speech of the day. Should word get to his leader that he thought so little of all the speeches, then the angry spot might glow on Caesar's brow and the Minister of Finance might not be so comfortable thereafter.

It would, of course, be unusual if a member of the opposition stood up and said that the Speech from the Throne was the greatest, and I am not going to say that. It is platitudinous. But so have many of its predecessors been platitudinous. There are some things that I missed in the speech. For example, I waited expectantly to hear something about the Canada Development Corporation, but there was not a word. Methinks it might be necessary to appoint some kind of task force to find it again. I wonder where the former minister of finance is at the present time? Nor did I hear the suggestion that we work again at the harmonic elements of our national anthem. This, too, has been done before. The expression "the government" which was used in 1967 instead of "my government", has returned. The change from the pronoun to the article I do not understand. If it is meaningful, I should like to know what it means. If it means nothing, then why bother with these literary changes?

I notice that the Speech from the Throne tells us that the Prime Minister (Mr. Trudeau) will announce items of legislation. Does this mean that the throne is being narrowed and the Prime Minister's perch being heightened? Probably it does. I remember that a Speech from the Throne indicated that we were heading for 60 days of decision. At that time frenetic activity was forecast. The founder of my party was a man of another type. They referred to him as "old tomorrow". I suggest this government is not even

"old tomorrow" or "old next year". Perhaps in the next three years we might get something done.

The "just society" has in fact become the "just wait society". Meanwhile, we shall be showered with studies, overwhelmed with white papers and deluged with reports. Never has so much study of so many issues been done with so little result. I wonder what statistician would be able to enumerate the number of reports and white papers that are already yellowing with age within the cupboards of ministers or, perhaps, on top of or under the regional desks.

If the government would like to do some studying, I would commend to them two kinds of documents for study and consequent action. These would be the many reports that the Auditor General of Canada and the public accounts committee of this house have made. If the government will follow the recommendations and suggestions contained therein, they will have a more efficient and economic government, something to which they have claimed allegiance.

Do we really need to look further into the question of poverty to be sure of its existence and its prevalence? Is it lack of information that deterred the government from taking measures to grapple with the deep-seated economic difficulties facing the Atlantic area? It is not lack of information, sir, but lack of will. Indeed, while the phrase "regional disparity" has been discovered and lip service paid to it, the government itself to this very day does, and continues to do, things which increase that disparity and make more acute the economic difficulties of the Atlantic region.

I need point only to the city of Charlottetown in the heart of my constituency where, at the present time, the government of Canada is diminishing its operations, thus creating unemployment, cutting back the effectiveness of its governmental role and contributing to a shrinkage of the economy. Can we study our problems out of existence? I fear that the promise of a remote report is no substitute for immediate action. Studied indifference is still indifference, and to this indifference the people of Canada will not pay great tribute.

• (2:10 p.m.)

It is painful to see such a relaxed attitude in the face of so many challenges which cry out for stirring action. We live in the age of the image-makers, the hidden and perhaps well-paid persuaders. Yet, we are led to believe that the image so dominates the actuality that the people of Canada will like this approach. I have actually read in the press that this is the smartest form of government, that you can consolidate anything you are going to deliver if you deliver it in three years' time. The hope that the people of Canada will go for this yellow-light document pays little respect to their intelligence or comprehension. Do we think that the people of an intelligent, enlightened country like Canada will applaud do-nothingness for three years and then when presented with—it will not be a just society; it will have to be updated—another form of panacea for the distant future will say "aye, aye, this is it". Surely, after three years of do-nothingness a great reservoir of good will will not be built up for those seeking a public mandate.

We have reached the ultimate in the ad man's technique. I read not long ago that the efficiency of the present government was marked by the fact the cabinet was now functioning under a committee system. I have never been in a cabinet, and probably never will be, but I do know that in Sir Robert Borden's memoirs he devotes a substantial portion of a chapter to writing on the division of labour in his cabinet under the committee system. To some people all that is necessary is to say such and such a thing is new to get someone to believe this is indeed the case.

While we are concerned about lack of activity, about studied indifference and about building a wall of reports between human need and governmental action, there are one or two fronts on which the government seems positively electric with activity.

An hon. Member: Patronage.

Mr. Macquarrie: My colleague says "patronage". I am limited to 30 minutes, so cannot discuss that!

The last session ended and this one began with a zeroing-in on the Company of Young Canadians. The throne speech referred to the "rising tide of unrest, particularly among young people". The government is now to adopt a policy long since adopted by several provinces, including the province of Prince Edward Island, to extend the voting age to 18. This is right and good. But in what they are doing they are showing contempt for the committee system and the committee of which I was a member last year. The usual procedure is that committees recommend to the House. Now, the government tells the committee

what to do. The vote at age 18 is good. I could not help but be very enthusiastic about this since I was early in my advocacy of this suggestion. I wonder if it is enough. It will help. But is it an adequate response to the problems which the Speech from the Throne very rightly sets out?

I was concerned when the Company of Young Canadians was brought into the discussion at the last session. There were quotations and references to acts of subversion. I agree profoundly with the leader of the New Democratic party who asks, in effect, what has happened to due process of law and where are the courts. If there are subversives in a group, it is the courts which should be in action and the matter should now be sub judice. I am not at all happy at the suggestion, that when any official casts doubt on any governmental organization young or old, we are then immediately moved into a three-pronged, two-pronged or one-pronged inquiry in respect of that organization. There may be in the Company of Young Canadians a lot of people who lack wisdom. A lot of old Canadians lack wisdom. They may make mistakes, but if they do criminal acts it is the courts which should deal with them.

What puzzles me is that here is a group of people containing only 174 volunteers, I am told, all across Canada. I may be an incredulous person, but I cannot believe that these 174 young people constitute such a threat to the 20 million people of Canada or to our political system that everything has to stop and priority has to be given to an investigation of this group. I say this because I am convinced, while there may be members of that organization who are not helpful and who are not carrying out their mandate, there are fine young people doing good jobs among the Indians and elsewhere. Does it help them to have the blanket of investigation thrown over them? The implication of the Secretary of State (Mr. Pelletier) is that if an investigation is not enough perhaps a trusteeship is what we will have. "Trusteeship" is one of the operative words of late.

Some of the Prime Minister's recent speeches have won him plaudits in the press outside Quebec. This has given him maximum exposure on the English network of the CBC. I do not think that portion of the CBC is likely to be threatened with trusteeship. I have seen the Prime Minister on television about 11 hours over the last few weeks. It will be safe for a while. Some of the goals and values which the Prime Minister spoke about in his now famous Montreal speech before his own party are goals and values which are universally commended. Even those of us who are nobodies when we are 50 yards away from him cherish the unity of Canada and the preservation of the federal structure. He has no monopoly on this. Nor is he alone in realizing that, while Canadian federalism is a precious value it is also a frail fabric and requires constant support and much harmony and continued good will. We all know this.

So there is much approval for the Prime Minister's posture and his positive utterances in Montreal a week ago Sunday. It made excellent television, although as I watched the Prime Minister of Canada and the leader of the Parti Quebecois I thought that a stranger in our midst might well ask who was the moderate. But the value of the Prime Minister's performance cannot be measured by the intensity of the oratorical lightning or the volume of the forensic thunder. The final judgment will be on whether or not he has aided the forces of unity or by the vigour of his attack and the extreme nature of his suggestions has unwittingly, unknowingly and regrettably I am sure aided the cause which he sought to diminish. This is the question to which the answer has not yet come in. Might he not be enhancing the separatist cause by giving it such prominence? I wonder, I wonder.

I speak of separatism as the cause espoused by a lawful party in the province of Quebec. We have had in Canada many separatists. Joseph Howe was one. He came to Ottawa as a cabinet minister. Mr. Fielding was a separatist and came to Ottawa under Laurier. Mr. Riel was certainly a separatist and we have a stamp coming out next year commemorating him. But terrorism and separatism are not the same thing. On the question of the terrorists who would destroy our social values, the Prime Minister is right in his every utterance. As our leader said on Friday, all of us in this party are with him in his attitude and expressed firmness in respect thereto.

• (2:20 p.m.)

I think that those who advocate separatism are wrong. Their ideas are wrong for Quebec as well as for the rest of the country, and because Quebec is a part of my country I presume the right to say that they are wrong. No portion of the country can do other than suffer economically, spiritually and in every other way if the creation of our forefathers should be destroyed and if the act of

faith which built a united Canada should prove not sufficiently strong for the stresses and strains of the 1960s and 1970s. But while they are wrong, they are not illegal, and the distinction between the separatists and the terrorists must be clearly made. We have had terror and we have had violence while Mr. Lévesque was still a Liberal and before the Union Nationale took power and long before the Company of Young Canadians was formed.

Surely, we have sufficient faith in the political processes of democracy to meet those who would divide this country in the marketplace of ideas, and surely it is our task and duty to show the values of confederation and, something which is still more important and sometimes a bit difficult to do, to make an effort to make the values greater and more attractive. I pass no judgment, but I wonder if the slashing and the threatening is in fact the best answer. It is easy to say "we will starve out Radio-Canada and, if necessary, put it under trusteeship", and that was said; I have checked the record. These are very serious dangers. Do we have to kill the patient to root out the tumor? As the Leader of the Opposition (Mr. Stanfield) pointed out on Friday in a most able speech—which was not adequately reported, may I say since it is fashionable now to criticize the press. A government operating the broadcasting service is the last thing this country needs in this image-making age.

There are plenty of weapons at the disposal of the government for public enlightenment or propaganda. We do not want the media turned over to the government. That is a great danger which was foreseen many years ago and which was guarded against in free states with eternal vigilance. It is regrettable that the Prime Minister (Mr. Trudeau) often seems a little too ready to slip into the excesses of threat and suggestion which of themselves are dangerous to the harmony and unity of the country, even though in the days following he tends to back off, especially if he has to face someone like the president of the CBC who stands his ground. But the explanatory notes do not always catch up with the basic text which in the first place captured the national attention. It is not for me to pass judgment upon the Prime Minister, although I am coming close to it, but I would say that after the tumult, the excitement and the hurrahs of the party faithful die down, there is time for reflection as to whether this kind of sortie here, attack there and onslaught elsewhere is in fact the best kind of national leadership for this troubled country at this time.

I read an interesting editorial in the Brandon *Sun* entitled "Steady, There...". It reads in part as follows:

> Prime Minister Trudeau, who keeps counselling Canadians to moderation in all things, should take a bit of his own advice. The Prime Minister has thrown rather serious charges at the French language CBC, he has rebuked the French government in the strongest possible terms, and he has apparently taken rather seriously the charges that the Company of Young Canadians was involved in disturbances arising out of the Montreal police strike.
>
> As Robert Stanfield pointed out, neither State Secretary Gerard Pelletier nor CBC President George Davidson had given any indication that an investigation of the French CBC was necessary.

Then, I go on to the final paragraph which reads:

> Mr. Trudeau, like all politicians, must feel tempted occasionally to come out against sin. He did it over the weekend, blasting separatists and the French government. Maybe it's out of his system now.

I suppose there are those who suggest that the government is hoping through its actions to build up a reservoir of good will which perhaps will put its sister party in power in the province of Quebec and return it to power here three years hence.

In this connection I should like to read here an item on the Australian election. I read it not to make a comment on the Australian election, because I do not know the prime minister there, but because it is written by a very able and outstanding commentator who wrote the following after the near defeat of the government of Prime Minister Gorton. I think this is the kind of thing that our Prime Minister might want to hear, and perhaps officials of one of his regional desks might clip it out and hand it to him. It reads as follows:

> ...the Sydney *Morning Herald* said it was due to Prime Minister John G. Gorton's "slightly arrogant, impulsive one-mand-band style of leadership".

Australia is a long, long way from Canada but I wonder if human nature is all that different, and I wonder if an intelligent electorate is so different that the same result might not be vouchsafed here.

Before I sit down I would like to say a word about the subamendment which was presented to the house a short while ago. I am

one of those who takes these votes very seriously. I remember some years ago when a certain great national party voted in this place for funny money because apparently they wanted to vote against us. This is not my philosophy. I am very interested in rationalizing, making more efficient and compassionate, our welfare structure. All of us should be. We are betraying our mandate if we are not.

Assurances against the ravages of grinding poverty are a responsibility of the modern state, but to go on record as advocating a guaranteed minimum income in this manner might escalate, and indeed distort, the expectations of many Canadians. I believe that a thoughtful approach must include a recognition of the important place of incentives in any reformed welfare system. So, for this reason, I cannot support the subamendment. It is not often that I suggest that I carry the judgment of my colleagues on matters of policy. I do not want to burden them with that responsibility. But it is conceivable that in this case I will not be a voice crying in the wilderness or the lone voice of truth in a great and truthful party. While I cannot support the subamendment, I appreciate its presentation in this general debate and I look forward with interest to a further elucidation from the members of the party which presented it. They will probably bring forward some ideas, short of unusual currency variations, which might further inspire us all in our concern for this important matter.

So I feel that it is only right and proper, since we should all take seriously propositions, motions and amendments that are presented to this house, to indicate at this early stage that I must part company with the members of the Ralliement Créditiste who, in my judgment, are not always wrong but have a fairly good average in that field.

• (2:30 p.m.)

Mr. Allen B. Sulatycky (Rocky Mountain): Mr. Speaker, one of the intentions announced in the Throne Speech is the allocation of greater funds for regional development. These are expenditures much to be welcomed. I am sure most hon. members have had an opportunity to observe for themselves the disparities which exist between various regions of the country, and even in pockets within the same region. The government is to be commended for its continuing attempts to bring equal opportunity to all citizens, no matter where they may live. Concern about regional economic disparities is not new in Canada. It has occupied the attention of previous governments, and this government is placing increasing emphasis on the problem. Some of our developmental programs are almost a decade old. The time has arrived for an evaluation of their effectiveness. In some cases a basic reshaping of organization structure may be desirable.

I understand and accept that it will take many years to bring certain regions to an acceptable social and economic level. In many cases, the time required will be several generations. Those who expect immediate and permanent results expect the impossible. I do not suggest that we search to see if the desired ends of regional development are being attained. It may be too early to make an accurate assessment on this point. However, certain basic patterns are emerging from our various developmental programs. We can see these trends and we can project them. It is important that we make these observations and projections now to ensure that the ends of the regional development program are met in the shortest possible time.

We have had experience with various programs in the province of Alberta. Several of these are located in my riding and I shall concern myself chiefly with them. However, I should say that from discussions I have had with other hon. members, from having served on the Standing Committee on Regional Development during the last session of parliament and from my own research, my conclusions can apply to regional development programs throughout Canada.

I wish to deal first with the ARDA program. It is one of our oldest plans for regional development. It was conceived by a previous government. Large sums of money have been allocated to it and many people who should have been assisted under the program held high hopes for it. The avowed ends of the program are good. It promised an eventual end to rural poverty. In this day, when we are blinded by the magnitude of the problems of urban Canada, the first picture which becomes obscure is that of the poor farm family. ARDA promised eventual relief for such families, through programs designed to rehabilitate and re-establish certain rural people into effective employment and income opportunities.

ARDA activities in the constituency of Rocky Mountain are taking place in the area known as Census Division 14. The main current project is entitled "The Rural Development Program in Census Division 14." As with

other ARDA programs, it is a joint federal-provincial program, with provincial employees providing the necessary administration.

The first ARDA activity in Census Division 14 started in 1963. Local people were encouraged to get involved. ARDA planners stated that all projects would be started only by local initiative and that eventually local residents would handle their own plans and devise their own solutions to problems. Many people became interested and did become involved. Many ideas and potential solutions to problems were offered. However, few have been implemented.

The high hopes have turned to frustrations. People no longer wish to be involved; they are disillusioned and dissatisfied. Even those persons who were originally the staunchest supporters of ARDA are now among its most vocal detractors. Today, many people in the ARDA area consider ARDA a giant hoax that has been perpetrated in order to provide employment for a few planners and sociologists. Under these circumstances, when such suspicion exists, the prospect of successful implementation of plans, regardless of their origin, is, to say the least, remote.

There are three reasons for the lack of success of ARDA, wherever such lack of success is evident. The first and most basic of these reasons is insufficient concern for people. ARDA planners often seem to be planning for the sake of planning. They do not plan in order to help people. The individual is lost in the concept of a plan.

The second reason is the failure of ARDA planners to respond to the voiced and demonstrated needs of people, of groups, of communities. The felt needs, when made known to ARDA officials, have been largely ignored.

The third cause of ARDA ineffectiveness is the rapidity with which ARDA officials seek escape from criticism under the shelter which any federal-provincial cost sharing program inevitably provides. Let me describe some of the situations which give me cause to be critical of the operation of a program which, if properly administered, would not or should not attract criticism.

The first of the disquieting cases which has been brought to my attention involves a farm couple, both of whom are nearing 60 years of age. For nine years they had lived on, and operated, a small farm. They believed that if they could clear a small additional acreage they could thereafter maintain themselves in comfort by operating a small dairy herd. An application was made to ARDA for assistance with the clearing costs, but ARDA officials decided that, rather than provide funds for clearing, the small farm which the couple owned would be purchased and they would be relocated on a more suitable site. If that were impossible, then the couple were to be placed on a scheme described as early retirement.

ARDA paid $5,200 for the small farm, and after a portion of this amount was used to clear debts against the title there was appreciably less than the purchase price left in the hands of the farmer. Having now found themselves without a farm, and with only a few thousand dollars, the couple again contacted ARDA. It was then that they were told that the early retirment plan was nothing other than welfare payments. In addition, they were told that ARDA would not relocate them on another farm because they were considered too old to be starting a business. Nevertheless, the couple tried for some time to get established in other areas, but lack of resources prevented them from doing so. What I have described is certainly a case in which ARDA, rather than improving the social and economic situation of the couple involved, has contributed to a worsening of it.

In another instance, a young farmer who held a well-paying job in addition to farming a small farm was encouraged to enlarge his farm holdings. He was assured by ARDA officers that the enlarged farm would be economical and that he would be able to support his family adequately from it, and from it alone. Having received this assurance, and having been advised that ARDA would assist in procuring the additional farm land he required, he left his outside employment to devote all his efforts to establishing his farm on a better basis. Six months later ARDA officers advised him that, having reconsidered his plans, they would not now assist him in enlarging his operation as they thought it economically unfeasible. There is no reason for me to detail further the resulting implications for this farmer.

In neither of the foregoing cases was any thought given to the people involved, their needs or their feelings. There are many other such instances which I could describe. One other case deserves mention.

Some time ago the federal government committed the sum of $378,000 to assist in land clearing operations in Census Division 14. The provincial government was to match this amount. More than two years ago ARDA officials started taking applications from farmers who wished assistance to clear land.

These farmers were encouraged to commence the clearing they desired. Many farmers applied for the assistance, paid the $25 application fee and were told to begin clearing. Hundreds of acres were opened as a result. However, when the time came to pay for the clearing no funds were forthcoming. Farmers were told by ARDA officials that minor details still had to be cleared up, and that Ottawa was blocking progress.

Every opportunity was seized to place the blame on the federal government which, in fact, had nothing to do with the problem. However, because ARDA officials could hide behind the jurisdictional shield they could avoid pressure from the affected individuals. After many months of waiting, some land-clearing contractors finally took legal action against a number of farmers for the amounts owing for land clearing, and because farmers were primarily responsible to the clearing contractors many farmers had their existence threatened through seizure proceedings.

• (2:40 p.m.)

Lately Alberta ARDA officials have placed a veil of secrecy around the land clearing program and although I am told that the clearing which had been completed has now been paid for, I have not been able to find evidence of this. Perhaps I should not say that there is no evidence. The farmers who had made applications for assistance have now been approached and are being asked to pay an additional application fee of $25 because, so it is said, the $25 they paid two years ago when applications were first taken was only a deposit.

The land clearing program is to be one of the chief ARDA efforts at improving the condition of agriculture in Census Division 14. It is a program which, in fact, could help many farmers. However, many who could be helped will actually not receive any benefit because the planners who conceived of the land clearing program failed to recognize all the aspects of the scheme, and now having hardened their thoughts on it refuse, in typical bureaucratic fashion, to respond to the sound suggestions for improvement made by the people who will be affected. In order to receive assistance in land clearing, a farmer must provide a small portion of the cost himself. Although this portion is small, to the farmer whom the plan is intended to benefit, it represents in many cases all the capital resources that he can muster. The result is that, having brought more land into a useable state, the farmer cannot use it because he has expended all his capital and does not have any available to invest in the livestock or machinery which may be necessary to make economic use of the new land.

Many persons have suggested that in order for the land clearing program to be fully effective it should go hand in hand with another program to assist farmers, through provision of credit or otherwise where necessary, for the purchase of livestock or machinery or whatever may be necessary, to put the newly cleared land into full productive use. It is pointed out that if new grazing land is cleared, it is of little value if the owner does not have the capital to purchase the cattle to graze on it. However, in spite of such obviously sound suggestions, ARDA officials refuse to budge from their own concepts of the plan.

The local people who still maintain hope for the success of ARDA are doing all in their power to make it work. The advisory council, composed of people from all walks of life and from throughout the ARDA area, are always looking for ways in which permanent social and economic benefits can be brought to the individual and the community through ARDA. However, of late everything is being stalled by what is being described by ARDA officials as a lack of money. Mr. Speaker, this is hard to believe when one realizes that almost $7 million has been committed in this ARDA area and very little of it has yet been spent. Furthermore, no government cut-backs in ARDA spending have been or are likely to be made. The only conclusion at which one can arrive is that bureaucratic inefficiency, tardiness and reluctance on the part of some planners to accept ideas other than their own, are being covered up by allegations that no money is being provided for the ARDA projects.

One other situation causes me concern. In our regional development programs we tend to emphasize what we have done rather than what remains to be done. We have accomplished nothing compared to what remains before us. However, even more disturbing are attempts to hold out as evidence of a successful program, accomplishments in which ARDA was but slightly instrumental. Several days ago I met an acquaintance of some years who is a successful farmer within the ARDA area. He previously farmed a relatively small holding and held other fulltime employment. About two years ago a large corporation purchased his

small farm for a proposed pulp mill. As a result, he obtained sufficient capital to be able to acquire a new and larger farm elsewhere. He chose an area within Census Division 14 and approached ARDA for assistance in assembling the necessary land. ARDA provided this assistance but it was hardly crucial. The individual involved could very well have made all the necessary arrangements, financial and otherwise, on his own. Now, however, this farm is a show place for ARDA. It includes a new, modern house and other necessary farm buildings. Anyone, such as visiting parliamentarians, who wishes to see what ARDA has accomplished is directed by ARDA officials to this farm.

Not very far away on another farm is a large billboard proclaiming the ARDA program in the area. It is very conspicuously placed near a large tract of newly cleared land, creating the impression that ARDA is responsible for this progress. There is no sign to rectify this false impression, pointing out that the owner's own resources provided the new land. False fronts may be necessary in the motion picture industry, but they have no part to play in the war on poverty. We must concentrate every effort on doing all that yet remains undone. Energy must not be dissipated in congratulating ourselves on our few achievements, real or imagined.

With that caution, let me now turn to an ARDA program which has proven worth while. I do so simply to support a later argument. Between Calgary and Banff is situated the reserve of the Stoney Indians. It is a magnificent setting, a broad, flat expanse of land lying at the foot of the Rockies. The Trans-Canada highway bisects it. By all measures, it is an ideal locale for a large tourist-recreational development. Some of the Indian leaders saw this possibility and with the aid of ARDA funds, a consulting firm was employed to study the feasibility and devise a plan for a major tourist development. The plan is now complete. It envisages a development which will result in a bright future for the Indian people on this reserve. The residents of the Stoney reserve look forward hopefully to the day when the plans can be implemented. It is to be hoped that ARDA will make substantial funds available for this project, just as it did for the initial study.

The point which I believe emerges in the difference between the expenditure of ARDA funds in the Stoney Indian situation and the expenditure of funds in Census Division 14 is that in the former case ARDA simply provided funds but was not involved in the administration. I might note that even in Census Division 14 there are a number of ARDA programs which are producing tangible results. One of these is a retraining program. In this case ARDA is simply paying the cost of retraining individuals to enable them to obtain better employment. Again, the administrative involvement of ARDA in this program is minimal.

It is my belief, Mr. Speaker, if the money we spend on ARDA is to be put to the best use and is to result in benefits to the people whom it is intended to benefit, then the administrative participation of ARDA in these programs, both at the federal and provincial level, must be kept to a minimum. Arrangements must be worked out which will prevent the "buck passing" which now exists, and the ideas and suggestions of the people affected must be implemented by the people themselves.

There is one other phase of our regional development plan which gives me concern, Mr. Speaker. This is the type of development provided for under the Regional Development Incentive Act and which was previously provided for under the ARDA program. It is intended to increase employment opportunities in areas of the country which lack such opportunities. Generally, these are areas where unemployment is high and the average earnings are low. It is hoped that by encouraging industry to locate in these areas the income levels will gradually be raised so that eventually the disparity between such a region and its wealthier neighbours will be erased, or at least narrowed. It is now becoming clear that this is not always the case, and that in fact in many cases the establishment of industry in a designated area or region results in the solidifying or enlargement of the economic gap.

Let me explain, Mr. Speaker, how I arrive at this conclusion. When an industry, with the aid of taxpayers' money, establishes in a slow growth area the wage scales in the area are generally low. Many industries take advantage of this, as they can because of the high rate of unemployment and the scarcity of jobs, by paying wages only slightly above the local level but very much below the national average for the particular industry. Indeed, I know of cases in which the difference being paid to an employee doing the same work is in excess of one dollar per hour. That is, an

employee in a plant in a designated area may be receiving $1.60 or $1.65 per hour, whereas an employee of the same firm doing the same job in a plant located in a wealthier region may be getting $2.60 or $2.80 an hour. Even productivity is not the catch in some of these cases because it can be shown that the plants within the designated areas are equally or more productive than their counterparts elsewhere.

• (2:50 p.m.)

The undeniable conclusion is that many industries have taken advantage of the incentives being provided to locate in slow growth areas and are now doing their best to maintain the lowest possible wage scales. The result is that disparities are not being corrected. In some cases a study of wage settlements show that some employees of industry in designated areas are earning less now, in terms of constant dollars, than they were three or four years ago. Wage increases in some of these plants have been, on an average, only 10 cents an hour, whereas in many cases employees in the same industry elsewhere have received over the same period increases of between 60 cents and $1.00 per hour. The result is that disparities have become greater.

We must begin to realize that industry is accepting incentives and tax concessions but is not always accepting the responsibility of maintaining and providing adequate economic situations for its employees. Often an industry which has been encouraged to come to an area by incentives is the largest employer in the area. Because of this, it has a captive labour force and thereby is able to keep wages to a minimum.

We must take a serious look at some of the situations we have seen developing. I recognize the jurisdictional difficulties in dealing with industrial matters within the provinces. However, it must be our role to point out to industries accepting incentives that they must play a role in the battle against regional disparities by adopting a positive position rather than taking advantage of the situation to increase profits while preserving an inequitable wage structure.

One further situation which I believe deserves comment is the shortage of housing in communities which have attracted industries through one or other of the incentive programs. I have within my riding one industry which was established under such a program and it has given indication that it must close its operation because there is insufficient or inadequate housing for its employees. While I recognize that housing cannot properly come within the scope of the regional development plan, some avenue must be sought through which those communities which would benefit under the plan do not lose such benefits. At the same time, we must make certain that taxpayers do not lose the value of funds expended on the incentive program through the closing of industries as a result of lack of adequate housing.

I believe the programs of this government are right, Mr. Speaker. They are designed to strike at the problems which this country faces. However, we must always guard against the possibility that in the implementation of policies sight is lost of their purpose.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, may I congratulate the mover and seconder of the Address in Reply to the Speech from the Throne. I have no wish to repeat criticisms already made about the position of the government, as revealed in the Speech from the Throne. To many westerners, the speech was notably lacking in concern for their part of Canada, empty of expressions of confidence in this country's tremendous potential and excessively pre-occupied with matters to which I, as a member of parliament and taxpayer, would not assign top priority.

It is now obvious that, having been in office for one year and a half, this administration is either incapable of recognizing today's major problem or disinterested in tacking it. I believe, together with many other Canadians, that the great problem facing our country right now is how we are to obtain the means to support our apparently insatiable appetite for so-called free services. The problem of Canadians is this: how are they to tailor their tastes to suit their purses. Over the past six or seven years, we have allowed the old emphasis on progressive national expansion and development to die away and have replaced it with a sick obsession. We are obsessed with refinements of the complete welfare state.

However desirable certain social welfare measures may be—and I am thinking of measures like the universal pension plan, hospitalization as well as medicare—they are always and inevitably exceedingly expensive. Not only is their initial cost tremendous, but they follow a historical pattern of rapid escalation in cost. The result is that a plan that was supportable when initiated in one year, becomes an intolerable financial burden through rapidly rising costs in the next year.

It seems to me that the path of wisdom and financial responsibility lies in undertaking only that which you are reasonably certain you can pay for without being driven either into bankruptcy or into the position of carrying a crippling load of debt. The average Canadian family no doubt wants a car; perhaps it wants a second car, a new colour TV set, and so on. Perhaps the wife wants a fur coat and the husband new golf clubs. The children may want assorted expensive luxuries. But I am convinced that the average Canadian family, while it may want all these things desperately, will only commit itself to buying them when it has the means at hand. Today, when some member of the family wants a special item, the wife goes out to work to acquire the means of buying it or the husband may moonlight with the same aim in mind. One way or another, through exercising personal decision and initiative, the family decides that if it wants something badly enough it must take steps to acquire more means with which to buy the desired object. My chief criticism of the Pearson government, and the government that has succeeded it, is that they bought everything in sight without taking the precaution of increasing their means. We have been guilty of self indulgence. We went for every brightly packaged scheme the federal government offered, without bothering to remember that not one of them was free and that they were all possible only through vast outlays of tax money.

There are only two or three ways of getting more tax money of which I know: you either raise rates on the existing tax base, which means that you invent new and ever more burdensome taxes, or you do what is most sensible, expand your tax base. The latter point is the one upon which Canada ought to have been concentrating. That is the meaning and purpose of national development. We Canadians must develop our economy so that it will yield more taxes without taxation becoming more burdensome. The great fault of this government lies in its having all but given up a positive policy of national development in favour of firefighting, emergency economic measures.

Canadians want and need greater and more expensive educational facilities and greatly improved health facilities. Canadians want to overcome and need to overcome poverty. These are all estimable desires and are no doubt necessary. But, and it is a big but, all these aims are very expensive of attainment and all must be paid for by public funds.

We see today what unnecessary friction and dispute can be caused when vastly expensive schemes grow beyond the point where it is feasible to cut them back or control them. The provinces are charged with the administration of these schemes. Their tax revenue is inadequate and they seek more from the federal government. The federal government must retain the lion's share of its tax revenues for its own particular purposes. The federal government and the provinces wrangle; they argue and exchange bitter reproaches. Even those creatures of the provinces, the municipalities, get into the act because they are at the bottom of the heap and more hard pressed for tax revenue than any level of government. Such an atmosphere makes cooperative endeavours all but impossible and as a result of such bitterness and frustration, regionalism and separatism flourish. The nation as a whole suffers. In Canada today, we must aim at putting ourselves in the position of having our cake and eating it, too. We should develop this nation to the point where it will yield sufficient tax money to carry any tax supported project the majority of Canadians may desire.

• (3:00 p.m.)

But to do this we need leadership at the federal heart of the country. We need to be given a national purpose, with national goals and a national direction. Today, such leadership is clearly lacking. Canadians are gradually retreating into their regional shells, being suspicious of their fellows, sensitive to imagined slights and ready to magnify any grievance. This atmosphere of suspicion, distrust and inertia is the great sin of this government. It has set party advantage and personal enthusiasms above the national good. It operates on a basis of personal and political expediency. This government is guilty on many counts, but on none so clearly as on the count of neglecting Canada's agricultural industry. Indeed, Mr. Speaker, this neglect has reached a point where it has become a very real threat to a part of the national economy that cannot be allowed to die without dealing the whole national economy a devastating blow.

We in this chamber are familiar with the crisis in grain sales. The government has known about it in intimate detail for more than 18 months. The government has been strangely languid in its approach to this problem. However, it did pay sufficient attention to it to set up various task forces, study groups and councils to look into it. In fact, it

is this crisis to which the west owes the distinction of a visit from our Prime Minister (Mr. Trudeau). It is true this visit was a mixed success but it was free of the hysterical excitement that was a feature of his election campaign trail. Nevertheless he came and, if he failed to conquer, at least he saw for himself.

Unfortunately, the result of all this attention has been precisely zero. The western grain producer has been deluged with advice, laved in criticism, lectured and ignored. He is still waiting for some practical and sensible government action that will give him the hope he needs to enable him to hang on and tough it out. It is a strange attitude for a national government of a country whose agricultural community accounts for about $1 in every $8 of foreign trade and pays about $1 in every $10 of income tax.

If the social planners who appear to dominate this government regard the agricultural community as passé and something that should be allowed to die out, surely their colleagues among the economists of government—and this government must have some of those around—can see that agriculture and the agricultural community is vital to Canada, both socially and economically. They must realize the number of industrial jobs in central Canada directly dependent upon western grain production. They must know of the railway workers, the dock workers, the brokerage firms and dozens of service businesses who depend in large part for their prosperity upon the health and progress of agriculture.

Yet all we find in the throne speech is a promise to bring in the Canada Grain Act for amendment at some time, as though this would, by itself, in the twinkling of an eye, rectify everything. What is needed is far more than mere tinkering with the Canada Grain Act. The industry must be examined, as a whole and in all its parts.

The evolution of grain production in Canada is a story of tremendous technological and scientific development at the level of production on the farm within an old, inflexible and unchanging framework of storage, distribution and marketing. The western grain producer long ago graduated from horse-drawn equipment to modern machines but the handling, transportation and marketing line upon which his economic success depends remains in the days of the horse and buggy. Grain handling has become a question of grain storage. This is where the

[Mr. Ritchie.]

plug is in the line and until we can devise ways of speeding up the evacuation and sale of grain, the farmer will continue to bear the brunt of slack times.

Just today the minister who answers for the Wheat Board stated that the rapeseed and flax crops would be speeded to market. This is one of the few bright spots in the grain economy at this time. As the result of a failure of the crop in Europe, the minister was able to assure the House that the delivery of the rapeseed and flax to the ocean ports would be on time.

A couple of weeks ago, according to some western newspapers, some doubts were expressed by the trade as to whether this could be accomplished. There is some evidence that some small sales of flax may have been missed by not having the grain at the port from which it would be shipped. In addition, on the west coast there is the problem of loading ships with grain for shipment to China.

The Richardson Weekly Grain Market Letter of October 23, 1969, sets out the terms of the settlement which avoided the holding up of grain shipments to China. It states:

> This will not interfere with wheat shipments to China as they provide their own boats, but exporters are having a great deal of difficulty chartering suitable ocean freight for other destinations because of the low repute in which the port of Vancouver is held by vessel owners.

Another way in which the grain industry in western Canada must be helped is to ensure that the port handling facilities can deliver on time. The elevator operators could not care less if the grain moves. They receive a steady income. The railways and the shipping interests can scramble for other business. Only the farmer is tied to the grain and when it does not move, he does not get paid.

As I mentioned previously, Mr. Speaker, this Speech from the Throne is an uninspiring document reflecting an uninspiring government. I notice that mention is again made in it to the necessity of emphasizing the government's bilingual and bicultural program. I will not thresh old straw. Everything that could be said about this program was said at the time of the debate on the official languages bill. I will simply recall my warning given at that time that this program, couched in the uncompromising terms in which it is and backed with untimely and ill-considered vigour, will do more to disunite than unite Canadians.

Already it has strained our slim reserve of good will. One need only look at the sort of thing that happened in the tiny town of Willow Bunch in Saskatchewan to realize that the picture of the relationship of ethnic groups within our multi-ethnic society is not either as simple or as easy to resolve as the Prime Minister and his colleagues would have us believe.

In closing, I should like merely to reiterate my belief that the nation's business has been set by this government on the wrong course. We should be looking outward, not continually inward. We should be pressing expansion of Canadian society and Canada's economy in every way possible, not hobbling it with regulations and inhibiting it with non-essential expenditures.

We are still young. Let us avoid being brainwashed into believeing we are prematurely old. Let us behave like a young and vigorous nation with boundless horizons before us, not like a nation that has passed its prime and seeks only to eke out an existence.

• (3:10 p.m.)

Mr. Paul St. Pierre (Coast Chilcotin): Mr. Speaker, I rise to speak on the question of Arctic sovereignty. I intend to speak generally of the north, particularly the high Arctic, and of pollution, which is a matter closely associated with the question of sovereignty before us today, pollution of water, land and air. These are matters of concern to all men. I must apologise to the House for sounding like a northern raven when I speak; I am afraid I have a cold. I am sorry that my hon. friends in the New Democratic party have not found a cure for colds. They have found a cure for all other ills known to man, so I do not know why they have overlooked the common cold.

Mr. Thomson: We are working on it.

Mr. St. Pierre: Thank you. I should like to consider, in the time available to me, several aspects of the affairs of the north and I intend later in my remarks to make two specific recommendations for immediate government action in this regard. First, though, I wish to take the opportunity to congratulate the mover and the seconder of the Address in Reply to the Speech from the Throne, the hon. member for Sarnia (Mr. Cullen) and the hon. member for Lapointe (Mr. Marceau). The hon. member for Lapointe discussed blueberries in his area. One blueberry makes a pie, he tells us. I recognized there the remark of a truly honest man. He would do very well in Coast Chilcotin, because we have similar ideas. Whatever we may say, we always adhere to the truth.

I recall one man from Coast Chilcotin who visited Ontario on one occasion and spoke at great length about the height of the mountains, the growth of the timber and the expanse of the lakes in the country from which he came. After some little while his host drove him to Niagara Falls. "I suppose you have something like that in Coast Chilcotin, too?" he asked. As I say, the man from Coast Chilcotin was a very honest man. He thought for a long time before replying: "No, we don't have anything like that. But we have plumbers who can fix it." Always be honest, Mr. Speaker, like the hon. member for Lapointe.

Before dealing with questions affecting the Arctic I should also like to make a few general comments upon the Speech from the Throne. Last year, when I first spoke in this House, I complained about the careless spending habits of governments in recent years. I said this one had yet to prove itself. I suppose it has still to prove itself, and will be doing so for its whole term of office, however long that may be. But it does seem only fair to congratulate this government on having the political courage to trim its spending to its income.

The Minister of Finance (Mr. Benson) told the House yesterday that he expects to keep spending well below government income in the present fiscal year. This is not easily done. It is not easy for a government to trim 25,000 jobs from the civil service lists. But it needed to be done. I am one who feels that the duty of government is to govern, however unpleasant the decisions it must make may sometimes be. I sense that this government is showing the necessary courage and forethought.

I should also like to make a few observations on another aspect of government, one with which the Prime Minister (Mr. Trudeau) dealt during the last election campaign. He spoke of the necessity of the federal representatives retrieving some of the power of decision-making which had fallen into the hands of the bureaucracy. As a general observation in this respect I must say that the Prime Minister and his government still have a long way to go. In the long run this government and this parliament may be judged by the degree of success they achieve in taking the power to make decisions back from the mandarins. It is my personal feeling that the

remedy may lie not in the green chamber, where debates frequently tend to be set pieces and highly partisan, but in the all-party parliamentary committees; it is these committees which may provide the instrument for operation against the overweening arrogance of some sections of the bureaucracy.

Now, let me turn to the north. The north is at this moment awakening from a long sleep and we shall not be able to order it back to sleep. Things are happening there which offer great opportunities for Canada, as well as great responsibilities and considerable danger. We cannot wish them away. We cannot say: it is too soon, we are not ready to develop the Arctic; give us 20 years to prepare for this expansion. I believe Arctic affairs entered upon a new era with the discovery of the Prudhoe Bay oilfields in Alaska. No one knows the full extent of this deposit. It amounts to at least ten billion barrels and there are probably fifty billion barrels in the reserve. Indeed, there may be 300 billion barrels, which would amount to more than all the oil ever discovered in the continental United States.

What about Canada's share? The government is involved with private industry in the Panarctic Syndicate. At the Arctic symposium held in Montreal in March of this year, one authority estimated Canadian Arctic reserves at no less than 50 to 100 billion barrels of oil and 300 to 500 trillion cubic feet of gas. To quote Mr. R. A. Hemstock of Imperial Oil Limited, the oil industry generally will then become involved in operations of the following order: the drilling of between 700 and 1,400 exploratory wells and of between 6,000 and 12,000 development wells the construction of 4,000 miles of access road, 4,000 miles of trunk road and 8,000 miles of gathering lines in addition to camps, towns, airfields and support facilities for a working population of 10,000. All this in an environment which was once considered so hostile to man that we more or less wrote it off as uninhabitable. In some of the areas now under exploration even the ingenious Eskimo cannot survive. So far, Panarctic Development has completed two wells. It is significant that in sinking the second well they hit hydrocarbons, a gas deposit. Those who travelled to the Sabine Peninsula with the standing committee concerned with northern development two months ago are not likely to forget the sight of that gas well blazing out over the desolate tundra of the Arctic.

Here, I might digress for just a moment. It is interesting that most of this Panarctic exploration is concentrated at Melville Island. In 1820 when Edward Parry wintered his ships at the southern end of this island he built a small handcart and led a group of sailors to the north shore. In his journal, written at the time, he noted that when the iron wheels of the cart struck the shale in some areas the shale gave off the smell of petroleum. This was in 1820. It has taken us a long time to put down the first drill.

There is another interesting feature connected with this exploration by Parry. No European visited the island again for 30 years, in fact, until the search for Sir John Franklin in the 1850's. And there, 30 years later, when McLintock visited the island, the marks of Parry's little handcart were still discernible in the soil. Here, too, there is a lesson for us: the Arctic ecology is very frail.

The United States government is showing an awareness of this fact. The permit for the construction of the pipeline from Prudhoe Bay to the southern terminus on the southern coast of Alaska must contain some of the most stringent regulations ever established in this field. I have the document here and I shall read just a few of these conditions. The company has to post a $5 million bond from which any environmental damage would be made good as far as possible. Any areas disturbed must be repaired as far as practicable. The company must file a detailed contingency plan for controlling oil spills and pipe line leaks. The government may require the realignment or modification of pipelines to meet unforeseen environmental conditions. The pipeline may have to be re-routed around areas with unstable soil conditions. Great care must be taken to avoid melting the permafrost. Passages for fish must be provided in all cases where a pipeline crosses a stream; it must be buried underground, not laid on the stream bed. Construction may be halted to protect key wildlife areas during seasonal nesting activities and fish migration.

• (3:20 p.m.)

There is more, but clearly the United States government is showing an awareness of the dangers of development in the north and Alaska. This is one of the dimensions of the problem which we Canadians will have to consider, and consider very soon. It could affect our own territory very shortly, particularly if, in addition to the Alaskan pipeline, we see a pipeline coming down the Mackenzie to bring Prudhoe Bay oil, and hopefully Canadian oil, to the markets in the centre of the continent.

There are other methods of moving oil which are under consideration. There might be a pipeline across barren land to the port of Churchill on Hudson Bay. Canada's Herschel Island might become a sea port for Prudhoe Bay crude. But what has caught our attention most of all during the past year has been the *Manhattan* project.

I am not going to go into the details because I think hon. members are quite familiar with them. An amount of $39 million has been spent by a consortium of oil companies, headed by Humble Oil, to see whether a specially strengthened United States supertanker could smash its way through the barrier of ice that lies in the Northwest Passage. A subcommittee of our own Standing Committee on Northern Development went north in August to meet the *Manhattan* and to welcome the initiative taken. As the record shows, we pointedly welcomed them to Canadian waters, with the accent on "Canadian" waters.

At the moment the *Manhattan* voyage appears to have been a partial success only. The hope and expectation was that this heavily strengthened ship could smash the ice barrier in McClure Strait. The plans of Humble Oil were gigantic in scope. If this experiment were successful, then by the second quarter of next year, 1970, the company expected to let contracts for 250,000 ton supertankers. Their long range goal was to have two of these tankers a week pass through the Northwest Passage, 52 weeks a year.

To what extent their enthusiasm has been moderated by the experience in the north, I cannot say. However, we must note that the *Manhattan* did not succeed in forcing her way through the polar pack ice in the McClure Strait. In fact, she behaved pretty much in the manner that our own coast guard people predicted; she became beset, and the *John A. Macdonald,* a Canadian icebreaker, had to free the vessel. She then sailed south through the Prince of Wales channel and, to the surprise of nobody, got through in that way to the opposite side of the archipelago. But it has been an exploit and will add very considerably to scientific knowledge of ice conditions. Again, we should congratulate the spirit of enterprise of those concerned, and we look forward to the time when this valuable information about ice will become available to us.

Incidentally, Mr. Speaker, since Canada's attention, as so often, has focussed on the deeds of people of other nations, I do not suppose that many Canadians noticed that it was a Canadian ship the *Chesley A. Crosbie,* which this year scored another notable first in the north by sailing to within 500 miles of the geographic north pole. This is the farthest that any commercial vessel has penetrated north of the North American continent.

The shipment of dry cargo is one matter. Quite another is the shipment of oil. It is this continuing *Manhattan* project—it is continuing as far as we know—which also poses, in addition to the great opportunity provided if the project is successful, a major danger to the Canadian Arctic. Many ships have been lost in the Arctic, invariably in the same manner. They become beset by the ice. They are nipped by the ice and, when released by the movement of the ice away from the sides of the ship, they sink.

To lose a tanker containing a quarter of a million tons of pollutant in the form of crude oil in the Arctic would be a disaster greater than any man-made disaster of this kind the world has ever seen. But what I wish particularly to draw to the attention of both the members of the government and members in all parts of the house is that we really do not know how bad the situation would be since there has been a complete lack of research into the subject.

The waters of the passage range in temperature from 27 to 31 degrees Fahrenheit. A little closer to the continental shelf the temperature is between 33 and 35 degrees. However, we do not know what will be the action of crude oil spilled into water of this temperature.

It is suggested that oil spilling out into water of this temperature would probably form a gelatinous mass. When it reached the shoreline, where it might be exposed to temperatures of 50 below, it might turn into a hard plastic. The only information that I have been able to find as to its behaviour is that this pollution might last for decades, and possibly for centuries. Most crudes contain poisons, some of which are as lethal as DDT.

I did say, Mr. Speaker, that I had two subjects to which I intended to draw the government's attention and urge immediate action, and this is one of them. I suggest that the Department of Energy, Mines and Resources should immediately institute a full program of research in Arctic waters using Prudhoe Bay crude oil to provide us with a body of fact. Since we are the nation most immediately concerned in this matter, ours is the government which should initiate such studies.

This is not a question that we should turn over to other nations or leave to the investigation of private companies. The government should ascertain as early as possible precisely what is the result when crude oil, and especially Arctic crude oil, is spilt in sub-freezing temperatures.

My second point is associated with the first one, and I will make it now. What is the potential of our Arctic fisheries resource? We have known for years that there are a great many species of mammals and fish in the Arctic waters. Many Eskimos have formed co-operatives and are canning some of these sea foods for sale in the south. But how great is this particular resource? Is it over exploited or, as is more probable, under exploited? Might there not be room for considerable expansion of this industry?

I questioned the Minister of Fisheries and Forestry (Mr. Davis) about this in the fisheries committee last year, and his answer was to the effect that, as far as he knew, Canada had never surveyed the fisheries resources of the Arctic. We simply do not know how extensive are these resources in Canada's third ocean. I suggest to the minister that now is the time to make this discovery, and to do so not simply for the immediate benefit that an extension of Eskimo fishing operations would bring. It may be that in this regard Canada will become engaged in debate in the United Nations or elsewhere. Our people will want to speak of the value of our marine resources in the Arctic, and our case will scarcely be strengthened if we have to admit publicly that we really do not know what they are. In my opinion, Mr. Speaker, these two departments of government can and should be undertaking this valuable service with all possible speed.

These are just a couple of aspects of Canada's great duty to protect this area of our country, and this, of course, inseparably involves sovereignty. The waters within the archipelago are Canadian waters, and we must make this clear to the world community.

I suggest there are two things we must make clear. First, we must make clear that we welcome commercial shipping in these waters, as we have always welcomed such shipping in Canadian waters. It would be intolerable if it were suggested that this country close the passage to the shipping of the world, assuming that such passage were made possible by modern day technology.

[Mr. St. Pierre.]

• (3:30 p.m.)

But simultaneously we must point out that this nation will decide what constitutes innocent passage and that we will close the passage to vessels likely to cause intolerable damage to the waters or land of Canada. Perhaps in the United Nations we shall see developed a new régime for oil shipments on the world's oceans. I hope so. It is needed. The Prime Minister has indicated that his government will press for this and I think we should welcome the Prime Minister's statement. However, the possibility of such a development does not relieve the government of its clear responsibility to give its prime attention to Canada's sovereign seas. The prime duty of this or any other government is to act first in what it conceives to be Canada's national interest. Of course, we must have among us who will say, nay. I note in an edition of a Toronto paper for December 16 that the hon. member for Don Valley (Mr. Kaplan) is reported as suggesting Canada should declare these waters to be hers. He is quoted as saying:

> Our legal experts tell us we wouldn't have a chance before the International Court at The Hague.

When he refers to "our legal experts" I wonder whether he is speaking perhaps of the Right Hon. Lester B. Pearson who, on October 21 at a NATO meeting in Washington, said:

> Permanent ice should be assimiliated with permanent land. The government would be well advised to do the utmost to ensure that Canada has control in the Arctic, especially since it is possible that nuclear weapons will be deployed there.

Or perhaps he was speaking of Dean George Curtis who, on behalf of the Canadian government, made extensive investigations in respect of our land sovereignty in the early fifties at the time the DEW line was being started. When speaking before the Canadian Bar Association in Ottawa he said that Canada had a very strong case for drawing base lines around the tips of these islands and declaring them to be Canadian waters. I could go on to deal with the remarks of Dean Cohen and others who have spoken on this subject. There is no certainty in these matters. There is never any certainty in matters of international law or in any legal matter. I am satisfied, however, that our position is very, very strong.

There is not time for me to review the many theories on international law, but they are numerous. There is the hinterland theory

from the Greenland case. There is the Norwegian system which permits the drawing of base lines around the Arctic archipelago. There are the rights of exploration, discovery and continuous and effective occupation. Neither is the case of Indonesia comparable with our Arctic archipelago, although we are told the United States leans toward that view. Indonesia is an ocean archipelago. In our case, the Arctic is an extension of the continental land mass. International shipping has moved for a thousand years through the Indonesian islands. International shipping has never moved through the Canadian Arctic without the Canadian government's knowledge and, frequently, with Canadian government assistance as indeed was the case when the *John A. Macdonald* accompanied the *Manhattan*.

It is suggested that the United States government would hail us before the international court. They would seem to be in a rather poor position to do so because the United States subscribes to The Hague court with a proviso, the Connolly amendment. I am sure if they chose to take this stand it would not take this parliament long to pass its own reservation, its own Connolly amendment. It is suggested that the United States government might favour using another nation to serve as its running dog in this situation. But what nation? Norway? Hardly, in view of the fact that it has a base line system. What nation then—Japan, Peru? Perhaps. I am convinced it is not only in the Canadian national interest particularly but in the interest of the United States government and all governments that Canada should control these waters. The best and only sure control is to make it clear to the world that they are ours.

The Prime Minister has spoken of a three-pronged action—legislation to establish conservation regulations in northern Canada, a statement on Canadian sovereignty and, finally, the inducement of the United Nations to act. Like many members on both sides of this House I eagerly await the details, but since in the last session I was critical of what I considered to be government inaction or even indifference I now wish to express a feeling of gratification at the considerable progress shown to date. I think it is also most gratifying that members of this House, and Canadians generally, are showing keen interest in our vast northern territories.

In closing, I should like to quote from the journals of Warburton Pike, a sportsman who spent much time on the barren lands at the turn of the century. One of the quotations is this:

> A dweller in cities is too wrapped up in the works of man to have much respect left for the works of God, and to him the loneliness of forest and mountain, lake and river, must ever appear but a weary desolation.

Probably this feeling pervades in much of Canada although, as I say, there have been some encouraging signs of genuine interest by Canadians in the vast northern reaches of our land. The second quotation I believe in some sense might answer those who say that the Arctic is far away; it is cold, inhospitable and really what value can it have. I suppose the answer is that beauty is in the eye of the beholder. Pike had an Indian guide named Saltatha who was approached by a missionary priest. This is Saltatha's answer to the priest:

> My father, you have spoken well; you have told me that Heaven is very beautiful; tell me now one thing more. Is it more beautiful than the country of the musk-ox in summer, where sometimes the mist blows over the lakes, and sometimes the water is blue, and the loons cry very often? That is beautiful; and if Heaven is still more beautiful, my heart will be glad, and I shall be content to rest there till I am very old.

I thank hon. members for their courteous attention, Mr. Speaker.

Some hon. Members: Hear, hear.

• (3:40 p.m.)

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, may I first of all warmly congratulate the mover and seconder of the Address in reply to the Speech from the Throne, the hon. member for Sarnia (Mr. Cullen) and the hon. member for Lapointe (Mr. Marceau), with whom I am better acquainted.

While listening last night to the laudatory comments on their speeches, I understood that there certainly will be a most valuable pool of candidates at the next convention for the leadership of the liberal party. There is no doubt in my mind about that.

I would also take this opportunity to congratulate my leader for his excellent speech a few days ago. I have read carefully the speech of the Prime Minister (Mr. Trudeau) and I am under the clear impression that it is full of good intentions.

Of course we would have preferred to find in it very concrete and valuable information. We get the answer that details will be given in the white papers which will be presented

during the session. So we shall continue to hope for a few months.

At the beginning of my remarks I would like to take the opportunity to congratulate the Prime Minister for his recent decision to appoint an ambassador to the Vatican. Indeed I have long realized the justification for such a move.

I have heard or read the speeches of other members whom I would like to congratulate for having expressed their views and presented to the house the needs of their constituents. Some parts of the Speech from the Throne deal more particularly with my area or constituency and I wish to make a few comments about them.

Firstly, I would have liked, as so many others in Canada, to see my constituency included in the designated area program. I thought I had made sufficient representations to the Minister of Regional Economic Expansion who was co-operative and provided me with a very interesting file. Indeed, following thorough studies and information given me about my constituency, I had thought that would be enough to warrant the designation of my constituency.

Of course some arguments were put forward to me, such as the economic consequences of the vicinity of the city of Montreal. Indeed, that city is 40 miles away. Those consequences were valid while Expo was on, but today, they are not. As for the international airport which could be beneficial to my constituency, I am quite sure that we will only feel the advantages of that project, in three, four or five years.

Until such difficult years are upon us, I would have liked the reasons for our representations to be considered as valid. I still hope that, through further representations, the government and the minister will agree to come back on their decision and to grant to my region this advantage that other regions already possess.

There is something also about housing. The matter was discussed throughout the last session. I am convinced that the measures referred to in this house last year will not be sufficient to give the building industry the push it needs.

Last year, it was suggested to facilitate loans and to set easier terms for repayment. I think that, as long as this loathed 11 per cent sales tax on building material is maintained, the problem is not seriously faced.

This tax is very heavy today for those who want to build a house of their own. Moreover, as long as no serious thought is given to granting loans for housing at a rate of 5 to 6 per cent to workers who earn $10,000 or less a year, the government can dream up a number of measures, publish fine White papers in which it offers ever more attractive loan and repayment facilities that may extend over a period of 40 years, without however giving to those who earn from $5,000 to $10,000 a year the opportunity to own their own house.

I am also wondering if the government is taking these considerations seriously, since I raised the matter last year. Furthermore, other hon. members spoke about it last night and the hon. member for Ontario (Mr. Cafik) referred to it.

Therefore, I do not see how on a short term basis it is possible to get the construction industry going again. We should think more of the pride that the worker takes in owning his own house. He very often becomes quite another man in the community. To own one's home is at the same time being able to take part in the social activities of his parish or of his riding. That could help the worker to become more useful to society.

I think the government should examine the possibility of granting loans for housing at 5 or 6 per cent interest and, if necessary, of making up the difference between those interest rates and the prevailing rates. Since the building industry affects a large percentage of Canadian workers, a higher employment rate would bring more taxes to the government.

Last year, I had hoped, when we debated a non confidence motion on unemployment, that the people drawing unemployment insurance benefits would become more productive.

Though regretfully I must recognize that this system is now spoiling a generation. It is unthinkable to continue to increase unemployment insurance benefits and to leave those people unemployed when municipalities are in a precarious financial situation with insufficient funds. It seems to me that the government should intervene and that such a proposal could be studied by the Minister of Labour (Mr. Mackasey). Municipalities could avail themselves of the services of those men who would get a weekly pay without having to spend a cent.

Very often municipalities—in my region as elsewhere—have work to be done. Their main concern is always the same: the budget.

• (3:50 p.m.)

I wonder if it would not be a commendable and profitable gesture for our country to

allow our municipalities to put those men to work at no cost at all. Those who would be inclined to refuse work would not deserve to be paid and we know very well that most of those who collect unemployment insurance benefits and welfare allowances are able-bodied and willing to work.

In so doing, we would help our municipalities carry out some projects. In fact, there are in my area several rivers which are an eyesore because their banks are poorly maintained. We could fix them up, perhaps not as well as those of the Rideau canal, so that tourists might be tempted to visit our municipalities a little more often. That would also represent an extra asset for the municipality.

I think this is a suggestion that should be taken into consideration by the government, in order to make a high percentage of our workers more active than they are now, because if the government claims that it is better to pay them for doing nothing, I still think most members would nevertheless wish that such action be taken. I dare hope they will support me in this.

The throne speech also dealt with reforms in the welfare system. I imagine that there are many things to be done. We are told that the forthcoming white paper will bring us the answer. I think every member of my party, including myself would like nothing better than to discuss this matter thoroughly and to undertake sweeping changes.

I must not forget to mention the importance in my constituency of the tobacco industry.

Tobacco growing is a feature of my constituency where are to be found 90 per cent of the cigarette tobacco producers in the province. Many things have been said on the subject of tobacco. The producers in my region are really worried and rightly so. I was informed after the sale of tobacco last Friday that so far prices have declined from 2¢ to 3¢ a pound, due to the fact that companies feel uneasy following the statement made by the Minister of National Health and Welfare (Mr. Munro) last year.

The Committee has met several times and some people have acknowledged the danger created by smoking while others have tried to prove the opposite. One thing is certain, we know a lot of people who never smoked as well as smokers who died of cancer. Of course 80 per cent of the people who die of cancer are smokers, as 95 per cent of the Canadian people smoke.

However, the leaders of the Tobacco Growers Association assure me that they are definitely prepared to negotiate, to discuss and even to help the government, in every instance where an improvement could be made. In my opinion, the goodwill shown by the tobacco producers deserves a special consideration from the government.

What has particularly surprised me is the attitude of the government as a whole in this regard. During a trip which I made in New Brunswick with the committee on agriculture, the Minister of Agriculture, Mr. Lévesque, assured us that he could count on further appropriations to improve the soil for tobacco growing and to extend the lands. I congratulate him on his efforts to promote that interesting industry, which moreover does nothing but benefit the Department of National Revenue.

However, the Minister of National Health and Welfare goes to great lengths to frighten people by telling them that tobacco may produce cancer, and I fail to understand the attitude of the government because it is prepared to allocate additional funds to improve tobacco farming while at the same time advising people to quit smoking.

I wonder what is the opinion of the Minister of National Revenue (Mr. Côté) about this, especially when earnings of the tobacco industry are reported close to $500 million. Of course, it is a noble gesture for the Minister of National Health and Welfare to stand up for public health. I would agree with him if an attack could be launched against abuses that may lead to cancer.

Tobacco is not necessarily the only form of abuse. It is the case also of alcoholic beverages and so on. It is surprising to note that people singled out one industry which after all represents several millions of dollars. Everyone knows that the Tobacco Producers' Association is prepared to negotiate with the government and to co-operate with it in every way.

Therefore, I urge the government to show a more responsible attitude. The Minister of Agriculture (Mr. Olson) must agree to continue the promotion of the product, if justified, and the Minister of National Health and Welfare must come to an agreement with the Minister of Agriculture; finally, the Minister of National Revenue must tell us what the Canadian tobacco industry is worth in terms of dollars.

I trust, Mr. Speaker, that an important industry in my riding will no longer be

harassed. If, unfortunately, tomorrow morning tobacco should no longer be in use in Canada, I would want the government to find a solution for all the producers in my area and for those in Ontario who are in greater number.

I hope that the government will accept to deal with this question a little more seriously than it did last year. Co-operation must exist between the Departments of Agriculture, National Revenue and National Health and Welfare.

I will take the liberty to give my opinion after spending one year in the house. As many other hon. members, I probably had to listen to some lengthy and sterile debates in order to bring about changes in our procedure, some of which were excellent. We even limited some debates which had not made me sick anyway.

Goodwill should also accompany those reforms and those measures. As an individual, before coming to parliament, I heard all sorts of observations. The people often seemed to have lost confidence in their elected, because of protracted debates and representative flippant speeches.

In addition, some members reneged on some of their commitments. It is always easy to make promises on platforms, but once in the house it is at times difficult to work objectively. Sometimes, it is difficult for some members to support good legislative measures.

I therefore hope, Mr. Speaker, that in the coming session, the Canadian parliament will regain the confidence of the electorate. I should like parliament to be more practical and especially more objective. I hope that we will all work together in this house as administrators and not as politicians.

What I said publicly I shall repeat here in this house: We must work with objectivity and uphold the truth more often. We will need a lot of courage. I cannot accept that we should limit ourselves to politics in this house. I feel that there is room for politics during election campaigns. So much the worse for those who overdo it, so much the worse for those who deal especially in the political outbidding.

I dare hope and believe that some day we will see, in Canadian parliament, a courageous and serious opposition that can support the good measures which the government introduces. I also hope that the government will respect and accept the suggestions of the opposition that could improve the proposed legislation.

[Mr. La Salle.]

• (4:00 p.m.)

If in all fairness, we took that stand, we would make good the promises that we made during the electoral campaign. It is perhaps the great fault of parliament of lacking objectivity at the right moment. Therefore, I venture to think that it will be possible to show such objectivity not only in the interest of the members but also of society.

I wonder if one can go as far as to say that the interest of society must come before that of the party. Personally, I would be inclined to think so and I am ready to devote my time to safeguard, first, the interest of society through a political party which grants me the right to speak in order to defend the aspirations of my constituents.

When I speak about objectivity I do not mean that we must abstain from saying what must be said in this house.

In this speech from the throne, many problems are mentioned. There is one perhaps that was not brought up, through lack of courage or fear of causing disunity in the country. The problem facing Canada is that of Quebec. Perhaps it would be easier not to mention it in order to avoid more or less laudatory remarks, but this would also show a lack of frankness and of courage. There is between Quebec and Ottawa a link which could not be defined during the last session, even with the great promise of a just society.

What is a just society? This concept may be difficult to define, but I think that attempts are made every day to find its true meaning.

The problem of Quebec is surely quite as important as any other. Indeed, it is a constitutional problem which was hardly mentioned in the speech from the throne. We wonder if the time has not come to concern ourselves with the status of Quebec within confederation. We should put to work to the committee appointed to set up the basis of a new constitution. I believe the time has come to settle the matter with objectivity and to discuss it in all good faith here in this house, as well as with our colleagues from the other provinces. People should no longer be led to believe that here, in Quebec, there is only a minority eager to have a new constitution which will define, once and for all, the place of Quebec and its aspirations, as well as the guarantees of its fulfilment within the Canadian nation.

No one dares acknowledge that Quebec is in a particular situation. At least, no one seems to be willing to raise the subject in the house lest it should hurt the feelings of certain members. Some venture to say that there is in Quebec a group of independentists or "pequists".

It has often been alleged, in press conferences, for instance, in order to reassure the rest of the country, that they were nothing but a few people of no importance at all. I truly believe that what they call in Quebec the third provincial party is something quite serious. This is likely to be a matter of wonder for some, of concern for others.

We have three parties in Quebec and that hostility which might have been due to the question of the new constitution has been with us for the past ten years. One may reproach Quebec—and the federal government through its prime minister, for whom I have much respect, often did so—for not knowing where it is going as far as the constitution is concerned.

The Quebec government, through all its premiers has quite often stated its position on the constitutional question since 1960.

Quite recently, working papers on the constitutional question were made public. Moreover, the Quebec government had the opportunity of expressing its views very clearly on educational radio, pollution, mining rights, international relations and medicare.

Then, why would a storm burst so often on the question which has been asked on numerous occasions during the years 1960-62: what does Quebec want?

Attacking some personalities in the Quebec government, ministers or public servants, as the Prime Minister (Mr. Trudeau) did a few days ago in Montreal, on the pretence that these ministers or public servants are alone responsible for all the federal-provincial problems, is, I think, a major mistake. Such a mistake is all the more serious as it was committed by the Prime Minister of Canada himself, a man whom I would have expected to be better informed and less prejudiced.

We must not forget that the re-exoneration of the present federal system is not done by a few people only but rather by a major section of the population, and this remains a continuing concern for Quebecers, no matter who is in power in Quebec city.

The constitution has been challenged for several years now and it is pure stubbornness to refuse to face the facts and to think that only a few people in Quebec want a reform in depth of the constitution.

Of course many observers think that the present government won the elections in the rest of the country by implying that it was necessary "to put Quebec in its place".

The only question I ask the government is: "What really is Quebec's place within Confederation?"

A few days ago dangerous words perhaps were said in Montreal in a flight of oratory. Quebec as it is today has been described in somber and tragic colours and everybody has been condemned indiscriminately. The attack on the legally constituted authorities in Quebec and in the City of Montreal has worried more people than it has reassured.

Much publicity was given to those who want to divide Canada while, in the same breath, it was being said that those people represented a very small minority of the population. If such is the case, why does the Prime Minister give so much attention to the matter? On the other hand, if this group is really large, one has the right to ask whose fault it is.

Quebec as it is today definitely refuses to accept the interpretation that is being given to the Canadian constitution. That may be annoying to the government and it has proclaimed throughout English Canada that it would control Quebec and would put it in its place. I suggest that the matter must be discussed in this house, in the most objective manner possible, because Quebec refuses to yield in spite of those comments.

Under such circumstances, I understand the impatience of the federal government as well as that of the provincial government and the citizens of that province.

Allow me to say a few words about the Quebec-France agreements.

The Canadian government is acting today as if it were sorry to have agreed in 1965 to the establishment of direct relations between Quebec and France. Did it perhaps feel then that those France-Quebec agreements would be of no consequence?

We realize today that those agreements have become quite important, precisely because they meet the needs of Quebecers.

The government of Canada is worried about that. It would like to take over the whole matter, while the agreement concluded with France in 1965 aimed precisely at easier and more direct relations between Quebec and France.

The government of Quebec has been accused of picking quarrels over protocol. I wonder how to characterize the attitude of the present government which would like any French minister or official who intends to visit Quebec to go and bow in Ottawa, even when it is not necessary.

I am very anxious to get explanations about this. Could there be one law for one's friends and another for one's foes? I would like to know.

• (4:10 p.m.)

Mr. Speaker, before closing, I should like to ask again for the drafting of a new constitution in which would be enshrined the guarantees needed if the citizens of Quebec are to prosper. I therefore demand that a special debate be held on this subject during this session and that a free vote be taken then.

I rely, of course, on the support of Quebec members to give a clear and faithful explanation of the particular situation prevailing in the province of Quebec and of Quebec's special needs. Being assured of their good faith—

Mr. Speaker: Order. I regret to interrupt the hon. member, but I must point out to him that his time is over, unless the house agrees to let him go on—

Some hon. Members: Agreed.

Mr. La Salle: Mr. Speaker, I thank my colleagues for having granted me two more minutes. This is all the time I need to round up my speech.

I therefore request that we hold a special debate in this house, Mr. Speaker, not only for the benefit of Quebec but also for the benefit of the whole of Canada. I feel that we should have the courage and sincerity to discuss quite openly with our colleagues from the other provinces the importance of this constitution in the interest of Canada and of Quebec. To refuse this debate which would be bound to enlighten the minds of Quebecers as well as of Canadians, would be to agree with those who already imagine that Quebec's sovereignty would be a solution to the problems of that province. I hope that those remarks will be of a kind to produce positive and favourable results.

I said that I was relying on the support of the hon. members from the province of Quebec who understand better than anyone here in this House the importance of defining, once and for all, the role of the province of Quebec in Canada.

[Mr. La Salle.]

In my opinion, it would be beneficial to the province of Quebec to remain part of Canada. I am one of those who believe that Canada will also benefit by it. The province of Quebec will then remain one of the fair provinces of this country. However, one would need courage and objectivity to study that question and to define it precisely, for the matter of a new constitution has been discussed for ten years. We are growing impatient, and the present situation, for those who dream of the independence of the province of Quebec, is perhaps the result of that too long awaited reply which never comes from the federal government.

Mr. Speaker, I have made those remarks, imbued with great objectivity—at least that is my opinion—in the belief that I was serving not only my province, but also my country.

[*English*]

Mr. David Weatherhead (Scarborough West): Mr. Speaker, it is an honour to take part in this debate today, and along with previous speakers I should like to add my congratulations to my friends and colleagues, the hon. members for Sarnia (Mr. Cullen) and Lapointe (Mr. Marceau), upon their excellent speeches in moving and seconding the Address in Reply to the Speech from the Throne.

The two main problems in my riding of Scarborough West and in most of the country are the high cost of living and a high level of taxation. I was, therefore, happy to hear the government reiterate in the Speech from the Throne its determination to continue unabated its fight against inflation. We all know how the burden of inflation falls most heavily on those who depend on low and fairly fixed incomes, particularly pensioners, wage earners with weak bargaining powers, persons on welfare, as well as others who are unable to increase their incomes.

The new Prices and Incomes Commission appointed by our government a few months ago has been busy meeting with representatives of labour unions, business organizations as well as the federal and provincial governments to try to work out a scheme of voluntary restraints involving about 5 per cent for wage increases and 2 per cent for price increases. I certainly approve, as an example of restraint in spending, the federal government's recently announced policy, the aim of which is that there will be 25,000 fewer public service employees, mostly as a result of normal retirement, resignations, etc.; that the

armed forces will be cut from about 98,000 to between 80,000 and 85,000 men and that some bases around the country will be closed. The defence spending cuts will keep defence expenditures within a $1.8 billion ceiling, which represents about 17 per cent of our total expenditures.

Spokesmen for organized labour stated last week that wage restraints would not be acceptable. It is natural that they would be very reluctant to agree to wage restraints until they see some evidence first of a moderation in prices, rents, interest rates and other costs.

It does appear from what the Minister of Finance (Mr. Benson) said in the House last night that the monetary and fiscal policies of the government are beginning to have the desired effect of reducing inflation. However, the inflation psychology is still in evidence and it is certainly to be hoped that a broad form of voluntary restraint of wage and price expectations in all segments of the public will come about. There is no question that wage controls—and you could not have one without the other—are inherently very distasteful and extremely difficult to enforce. However, if the ever increasing cost of living is not soon checked, I believe our federal government will have to consider seriously commencing consultations with the provinces—which have the constitutional jurisdiction over price and wage controls, except in wartime—to decide on the best way of implementing such controls.

With respect to high taxes, the public has a difficult time differentiating between the taxes levied by the different levels of government. In metropolitan Toronto, our municipal taxes for municipal and school purposes are a heavy burden on the homeowner of modest means. Here, our Provincial Liberal party is advocating that 80 per cent of education taxes should be paid from general provincial revenues. Such a policy would reduce school taxes in Scarborough by about two thirds. The 5 per cent provincial sales tax affects people on modest incomes much more than it affects those with higher incomes. On the federal level, the freezing of expenditures in most government departments, as well as the reduction in the public service and the armed forces above mentioned, will reduce the amount of income and other taxes that would otherwise be needed. However, it is expected the white paper on tax reform, to be released on November 7, will contain many proposals which will make our federal tax laws more fair and equitable. We are all waiting eagerly for this report.

The Speech from the Throne also mentioned the issuing of a government white paper on social security in the next few months. In this regard, the future of family allowances has been speculated upon. In my second report to my constituents last June one of the queries in the attached questionnaire concerned family allowances. A great number of constituents replied, and 30 per cent were in favour of cutting off family allowances to those families earning more than $7,500; 30 per cent wanted to leave the allowances as they are now; 20 per cent wanted to abolish them completely and 20 per cent wanted them increased or had other comments. Since some $600 million is spent annually on this program, it is natural and wise that it be reviewed. However, as a father of five small children, I know how my wife looks forward to her monthly family allowance cheque; and from the heavy correspondence on the subject that I received from the riding I firmly believe that most of the moneys now being paid as family allowances are being spent wisely by the mothers concerned for food, clothing and school supplies for their children. At this time I would, therefore, be very reluctant to see any substantial change in family allowances unless new government policies adequately compensate families of modest means in particular.

We have heard much in recent months about various guaranteed income schemes, and I certainly hope that the white paper on social security will make particular recommendations with regard to this. I must confess that a year or two ago it seemed to me that a guaranteed income plan would only be possible at some distant date. However, I now believe that Canada cannot afford to wait long for such a plan. It is absolutely essential that we should provide a sufficiently high minimum to give every Canadian the opportunity of a decent standard of living, along with the maximum incentives to encourage recipients to seek work and training.

A year old experiment in New Jersey with negative income tax using 400 families appears to have been successful and is an improvement over their current welfare system. The experiment will continue for three years and eventually involve 1,000 families. Under that plan, a family of four is receiving $3,000 from the government if it earns no income at all; $2,500 from the government if it earns $1,000, for a total income of $3,500;

$2,000 from the government if it earns $2,000, for a total income of $4,000 etc., until the point is reached where it will receive no additional moneys from the government at all if it makes $6,000 a year or more.

The recent plan of President Nixon is somewhat more modest. It gives a maximum payment of $1,600 to a family, with aid ceasing after the family's total earnings reach $3,920 a year. As a result of the New Jersey experiment, it is estimated that the cost of a similar plan for Canada will run at between $1.5 billion and $2 billion above our current welfare programs. This is certainly a great deal of money; it is about the total cost of our annual defence spending. A more modest plan would cost less and a considerable amount of money could come from greatly reduced federal government spending on family allowances and Canada assistance plans, which now total about $1 billion.

Accordingly, I believe that as soon as our fight against inflation is won, which one way or another should be fairly soon, we should immediately proceed with a guaranteed income plan that combines maximum incentives to work with obtaining retraining, an adequate income base being guaranteed by the government. At the same time, the proposals of the white paper on social security will give us the opportunity to re-arrange and rationalize our many diverse and overlapping welfare programs. Many of these programs could be eliminated or partly replaced by a new guaranteed income scheme. However, there still would be some Canadians, because of physical or mental handicaps, that would require additional welfare over any guaranteed income base, and so it is not realistic at all to state that a guaranteed income plan would replace all of our current welfare programs.

• (4:20 p.m.)

A guaranteed income plan, no matter how good, will not in itself eradicate poverty. The hundreds of millions of dollars the federal government gives to the provinces toward post-secondary education, its student loan policy which give the opportunities of higher education to almost all who can benefit from same, combined with the excellent occupational retraining and manpower mobility programs of the Department of Manpower and Immigration, are additional requirements. The new incentive programs of our Department of Regional Economic Expansion in the underdeveloped areas of our country are also very necessary. However, these various federal policies, combined with a guaranteed income plan, would go a long way toward the discontinuance of the poverty cycle in these underdeveloped areas and among the disadvantaged groups of peoples, including the urban poor in Canada, where it now exists.

The plan indicated by the federal government to transform its unemployment insurance system into a more broadly based income maintenance program, and to add nearly one million Canadians to those eligible for benefits, would supplement and possibly supplant some of the guaranteed income plan ideas. Out of a labour force of 8.1 million, some 6 million are now covered by unemployment insurance and the proposed new coverage would increase the coverage to 7 million. Some 200,000 to 600,000 receive benefits every month.

At present, only workers earning up to $7,800 are covered and are required to pay weekly contributions. Under the new plan, it is understood that the ceiling will be raised to include employees receiving much higher incomes, perhaps all salaried persons no matter how high their pay. As the Toronto *Daily Star* said in their lead editorial yesterday:

> This means in effect a new tax on the well-to-do for the benefit of the poor. Contributions from higher income specialists and executives who are rarely out of work or in need of help will swell the unemployment insurance fund for the benefit of lower paid workers for whom unemployment is a real threat.

The added revenue obtained in this way would make it possible to increase the now too low benefits paid to those who are out of work and would also make it possible to extend the maximum period for which benefits can be received beyond the present period of 52 weeks. The apparently proposed addition of sickness and maternity leave benefits would also be most welcome.

While a general guaranteed income plan will have to wait until the fight against inflation has been won, I can see no reason why the old age security and guaranteed income supplement to our senior citizens cannot at least be increased annually at the same rate as the cost of living. I do not think I am being inconsistent in advocating this while agreeing with anti-inflationary measures in general. The Throne Speech reiterated the necessity of increased government spending in regional development programs and those dealing with our Indians and Eskimos. I believe increased pensions to our senior citizens are of equal urgency.

Certainly, we should not overlook the fact that by bringing down the qualifying age over the last five years from 70 to 65 as of January 1, 1970, our government has benefited a great number of our senior citizens. Of course, the Canada Pension Plan is greatly benefiting more and more of those people reaching 65. The old age security pension of $79.58 as of next January 1 is received by some 1,600,000 Canadians and some 780,000 of them receive additional moneys through the guaranteed income supplement which in January will give our senior citizens a maximum of $111.41 a month. However, at present, the old age security and the guaranteed income supplement can only be increased 2 per cent a year, while the increase in the cost of living recently has been considerably greater. Accordingly, I believe that as a minimum the necessary legislation should be amended to allow an annual increase in these pensions of at least the same percentage as the annual increase in the cost of living.

A general guaranteed annual income plan discussed earlier would particularly benefit our senior citizens and this is one of the reasons I believe it should not be long delayed. However, if the dangers of inflation prevent it from being initiated soon, I would think that the present amounts of the old age security and guaranteed income supplements paid to our senior citizens should be reconsidered. An increase in our old age security pension of $10 across the board to the 1,600,000 receiving same would mean $190 million more that would have to be paid from the federal treasury.

While this might have some advantages politically, it would be giving considerable money, in total, to those of our senior citizens who are fairly well off, and who would not really need it. Such an across the board increase of, say, $10 would also make little appreciable difference to those who depend entirely on the old age security and guaranteed income supplement. Accordingly, I believe that along with automatic, annual increases in both the old age security and guaranteed income supplement to completely cover annual increases in the cost of living, the government should increase the maximum of the guaranteed income supplement by $25 a month.

Such an increase in the guaranteed income supplement would cost the federal treasury between $120 million and $150 million a year, but it would be received by approximately a half million senior citizens who are in most need, those who have really no other income. However, it was these people 65 years and over and those approaching that age who did so much to build and develop our great land, who made sacrifices in the two wars, went through the depression and had so much to do with our post-1945 economic expansion. I firmly believe that we have an obligation to more adequately take care of them.

I believe also that the federal government, in its capacity as an employer, has a special obligation to increase the pensions of its retired civil servants, particularly those who have been retired for a number of years and who are trying to keep body and soul together on pitifully small pensions. These people directly worked for the good of our country over long and difficult years. Our government would not only be giving them well-deserved help by increasing their pensions, but would be leading the way, by example, in persuading the provincial and municipal governments as well as private businesses to do the same for their retired employees.

During the summer recess I had the privilege, as a member of the Standing Committee on Veterans Affairs, of taking part for three weeks in the hearings on the government's white paper on the report of the Woods Commission on the Canadian Pension Commission. There are about 950,000 veterans in Canada, of whom about 166,000, including widows, receive disability benefits under the Canadian Pension Act. Of the 148 recommendations of the Woods Commission, the government in its white paper accepted all but 30 in whole or in part. A new and more independent appeal division, the granting of basic 50 per cent minimum pensions to all Hong Kong veterans who have any disability at all, additional payments to the multiple disabled, a broader "benefit of doubt" clause with respect to evidence of disability presented by veterans, are some of the proposals contained in this white paper.

While we have held 23 meetings and heard 57 witnesses from the Department of Veterans Affairs, the commission and all the major national veterans' associations, we intend to hear considerable more evidence before preparing a report or reports. I have been very impressed with the high calibre of these witnesses and their devotion to the needs of their former comrades. I am sure I can speak for every member of our committee when I say that our minds are still open and we will carefully consider all the evidence and representations before preparing our final reports.

• (4:30 p.m.)

There are very important items in the Speech from the Throne which I shall not have time to discuss in any detail this afternoon. Perhaps a few can be mentioned, however. Water pollution is a subject of increasing concern across the country and though much of the constitutional responsibility for its control lies with the provinces, the proposed Canada water act which would designate as a water quality management area any body of water in which there is a significant national interest and provide fines of up to $5,000 for every offence, will help co-ordinate the fight against water pollution in this country.

In the course of my speech during the budget debate last June I discussed in considerable detail the need for the federal government to continue to take an active interest in policies designed to promote new housing in our large urban areas. I personally praised the many amendments to the National Housing Act which we passed last spring. These, together with the amendments to the regulations, should help considerably in this regard. I was happy to read in the Speech from the Throne of the government's commitment to seeing that one million new housing units are built in the course of the next five years and that particular attention is to be paid to satisfying the housing needs of low income families. Latest figures show that we are presently ahead of last year's pace in housing starts and there is every indication that these will total more than the required 200,000 for 1969 by the end of the year.

The discovery of an enormous oil field near Prudhoe Bay in Alaska and, more particularly, the voyage of the United States *Manhattan* through the islands of the Canadian Arctic have brought home to us the tremendous potential of our Arctic resources. Some concern has been expressed as to whether we have been exercising our sovereignty over these territories. However, both the Speech from the Throne and the speech made by the Prime Minister (Mr. Trudeau) during this debate last Friday show clearly that there is absolutely no question as to our sovereign rights, not only over the islands of the Arctic archipelago but over the continental shelf which lies under the water between them. The Prime Minister also made it clear that the government is determined to take every step necessary to protect the natural environment of the Arctic waters from pollution by foreign ships.

[Mr. Weatherhead.]

Nor have I had the time in which to discuss new consumer protection legislation dealing with packaging and labelling standards, the identification of fibre-content in textiles and compulsory safety requirements for autos, including exhaust controls. Similarly, the subject of imminent new legislation having to do with wire-tapping, bail and the Expropriation Act reforms might have been discussed in some detail—and these are only a few of the many important matters dealt with in the Speech from the Throne.

In closing, Mr. Speaker, I should like to congratulate the government on proposing the reduction of the voting age to 18 years. I had the privilege last year of being invited to many of the schools in my riding to discuss issues with the students, and of playing host to many classes from our schools when they visited Ottawa to see parliament in action. I found the students well-informed, inquisitive and intelligent, with a real concern about the problems and injustices in the world. Decreasing the voting age to 18 will mean that some 1,200,000 more young people will be entitled to vote. Classes in civics, political science and related subjects in high school will now become more meaningful and from the age of 18 our young people will, from now on, exert a significant influence on Canadian governments and policies. I am certain this influence will be very beneficial to our federal parliament and to the country as a whole.

Mr. Charles H. Thomas (Moncton): I wish to join those who have offered congratulations to the mover and seconder of the address. They did a good job with the meagre material with which they had to work. It must have been difficult to arouse much enthusiasm for some of the platitudes which are larded throughout the speech. The lead editorial in the Ottawa *Journal* of Friday, October 24, expresses this very well under the heading: "A smug speech Trudeau gave Michener". I quote:

> Poor Mr. Michener will not have felt very comfortable uttering some of the yawn-like statements on the state of the nation which Mr. Trudeau put in his hands to read from the Throne.
>
> "Notwithstanding the fears of people of little faith it was encouraging to find in Canadians in all ten provinces and in the Arctic islands that their sense of identity and of the potential which Canada offers to them and to their children is strong and healthy."
>
> So all who are disturbed about disunity and disparity and disruption of purpose are merely "people of little faith?" They might gain more faith if this government and all governments and

politicians showed more concern and determination to deal with the clouds we all see over this country.

Who are these people of little faith? Would they be the unemployed, those who cannot find work even in the affluent society we hear so much about? Would they be those who cannot find decent housing, those who have been waiting so long for this government to provide a housing program not just for the rich but for those who cannot afford down payments and who cannot pay high mortgage rates? Or would they be the civil servants who are being made the scapegoats for this government's so-called war on inflation? The President of the Canadian Labour Congress, in a recent statement in Ottawa, dealt with this aspect very well. I quote from this statement:

The federal government's action in firing civil servants is one of the most brutal and callous decisions ever taken by a government. These civil servants and their families are being needlessly sacrificed to satisfy a government policy of austerity, a policy which at best is highly questionable at this time.

We already have a high unemployment rate in Canada and this latest move by the government will only serve to aggravate our unemployment problem. If the government felt that it was really necessary to reduce the size of the public service, it could have adopted other means of accomplishing this without resorting to outright dismissals. It could, for example, have depended entirely on the normal attrition process of not filling positions as they become vacant. Instead it has chosen a policy which can only lead to the demoralization of the entire public service. The long established principle of security of tenure has been destroyed. The government, instead of displaying exemplary conduct as one of the biggest employers in Canada, has selected a course of action which can only tarnish its image in the eyes of prospective employees who will think twice before joining the public service.

This is not a situation which is peculiar to Ottawa or to one region of the country. I find when talking with civil servants in my area that there is a general disillusionment with the service. There is a real breakdown in morale because no one knows when the next cuts will come, no one knows whose job will be declared redundant. Where is the encouragement or the inducement to join the civil service as a career? In my own city of Moncton, as is the case all over the Atlantic area, lay-offs have been announced in government departments and many loyal workers with as long as 25 years service, including veterans of the second world war, have felt the weight of the government's axe.

I would be the first to agree that inefficiency and waste should be eliminated from the civil service. But this process should be carried out selectively, not with the axe but, rather, by judicious use of the pruning knife. Cut out the fat, but don't destroy the lean in the process. Does it not constitute a confusion of purposes for the Minister of Regional Economic Expansion (Mr. Marchand), on one hand, to recognize that the Atlantic area is one of regional disparity where special measures must be taken to create new jobs, while, on the other hand, the President of the Treasury Board (Mr. Drury) contributes to unemployment by throwing people out of work?

• (4:40 p.m.)

Where are these people going to find other jobs, Mr. Speaker? Do you fight inflation simply by throwing people out of work? How do you explain to these people that they must make sacrifices when the government itself is making no effort to cut back? How can you explain this move to such people when they know that there has been no cutback in the staff of the office of the Prime Minister? His office costs have jumped to $350,000, compared with $150,000 when his predecessor was in office. His advisers now number 117, at a cost of $1.5 million. It is pretty hard to go to a civil servant who has suddenly been laid off, who has received no compensation other than one week's pay for each year of service, and explain to him why he has been laid off when he knows at the same time that the government has made no effort at all to cut back its own staff.

The editorial in the Ottawa *Journal* on Friday, October 24, to which I referred previously, continues in this way:

The Government has come belatedly and inefficiently to the fight against inflation. It was only in August Trudeau announced it was now time to "cut the fat" from Government operations, though Louis Rasminsky and most every other authority in the land had been urging economy for a dozen years. A few days after announcing the fat would now be cut, the Government stated it would spend $600,000 to renovate Ottawa's old station to make nice party rooms for Government conferences—a building that is to be torn down in five or six years anyway.

To tell the Governor General to imply to the country on behalf of the Queen that the Government has done its duty against inflation and now it is up to the public—is to tell Canadians they are fools.

When the cabinet originally announced its decision to eliminate some 25,000 jobs from the federal civil service, it assured us that this would be done without too much dislocation of employees since most of them would be eliminated through the normal process of

attrition, resignation and so on. I, personally was assured by senior officials of various departments that every effort would be made to place redundant employees in other jobs that would become available through retirement. This procedure was understandable and acceptable, but within a few weeks the Prime Minister announced that he was ordering a freeze on hiring in the civil service. Even though there were vacancies in certain departments, these vacancies would not be filled.

This is in direct contradiction to the original policy statement of the government and can lead only to hardship and the destruction of morale in the public service. We now have the anomalous situation in the federal civil service where certain departments that are short staffed have openings, where there are qualified people laid off in other departments—clerk 4's, accountant 3's, whatever they may be—who can fill those jobs, but because of the Prime Minister's directive these people cannot be placed.

On October 17 the gravity of the situation in the Atlantic area became so evident that it prompted me to send the following telegram to the Prime Minister and to the President of the Treasury Board:

> Announced layoffs in Moncton office of supply and services plus rumored layoffs in other government departments and agencies in the Atlantic area are causing great anxiety in the civil service and are a direct contradiction of stated policy that this is an area of regional disparity entitled to special consideration. This action will increase the disparity between Atlantic region and the rest of Canada and is compounded by recently announced freeze on civil service hiring which makes mockery of assurances that these people will be absorbed by other departments. I therefore urge that you honour previous commitments by immediately suspending freeze on hiring in Atlantic area until all affected persons are either absorbed by other federal departments or until the Department of Regional Economic Expansion initiates long awaited policies to provide them with other employment. The gravity of the situation transcends sectional and political considerations and demands that we present a united front. I am sending a copy of this telegram to all Atlantic M.P.'s requesting that they meet in Ottawa within the next two weeks and present the Atlantic case to your government.

Copies of this telegram went out to the Minister of Supply and Services (Mr. Richardson) and to the Minister of Regional Economic Expansion (Mr. Marchand), but I regret to say that up to the present day the only acknowledgement has been from the secretary to the Prime Minister. This is another indication to me of the complete disregard that this government has for the problems of the Atlantic region. Although they pay lip service to them time after time, when we ask for action we are completely ignored.

I might say that many of my own colleagues replied to invitation indicated their appreciation of the problem and promised their support. I am now appealing to all Atlantic M.P.'s to present a united front to see whether we can get the action our area deserves.

The Speech from the Throne contains this paragraph, as reported at page 2 of *Hansard* for October 23:

> History, geography and economics have placed certain of our citizens at a disadvantage.

We in the Atlantic area do not need to be told that.

> Under legislation enacted during the last session of Parliament, the Government is establishing programmes to reduce these inequalities.

I think all members will agree with that and will say "Amen". But we have heard that said so often over the years. We are always given promises for the future. The Atlantic area has been studied and restudied. There have been white papers, commissions, surveys of all types, to the point where we must now be the most analysed people in the world. White papers and studies are fine, Mr. Speaker, but unless they are followed up with proper, comprehensive action, they are nothing but a waste of money.

All members of the house from the Atlantic region welcomed the formation of the new Department of Regional Economic Expansion. While it was not everything we desired, we did feel that at long last here was a department that would co-ordinate all of the various programs in that area, with the object of formulating a competely new concept of regional development which would bring our area up to some sort of parity with the rest of Canada.

I welcomed the report tabled in the house yesterday by the minister, his first report. While there is not a great deal in the report, I want to congratulate him on assisting in the establishment of the first new industry to be set up in this area. However, we need a great deal more action than this if we are to reduce the disparity that exists between the Atlantic area and the rest of Canada.

I also agree with the concept of growth centres. I think this is a much better approach than the old scattergun approach of granting assistance whenever it was requested. However, before growth areas can attract

new industry they must have the infrastructure—a word I do not like but which seems to be a common term nowadays—to encourage industry to settle. I prefer to call this requirement social capital or social overhead. In other words, in order to attract new industry to a growth centre you must provide the roads, the transportation facilities, the land banks for housing the workers who will come into the area, sewage facilities and those municipal services that the municipality concerned probably cannot afford to finance on its own.

• (4:50 p.m.)

This is the area in which the Department of Regional Economic Expansion should be doing more than it has been. It is all right to attract industry or attempt to attract it. However, the first thing industry will ascertain is whether the area has housing for its workers, whether it has proper transportation facilities so it can ship out of the area and whether there are proper facilities for pollution control and so on. I urge the minister and the officials of his department to speed up action on these problems. I know several municipalities are ready with development plans but, as always, are hampered by lack of funds. One of the most pressing problems in the city of Moncton is the nine level railroad crossings in the city proper. Over the years it has been recognized there must be a complete relocation of tracks in the area to free land for industrial purposes and to eliminate most of the transportation problems. The city has gone ahead on its own and, indeed, in the last week has developed an excellent study through the co-operation of consultants. I appeal to the minister and the officials of his department to give this proposal serious consideration when it is presented to them.

The people of the maritimes for months and years have been hammering at the fact that they must have a completely new and comprehensive transportation policy for the region. We were all quite encouraged in June when the Minister of Transport (Mr. Jamieson) made the statement in the House, in presenting his new bill, that he would collaborate with the premiers of the provinces in the appointment of a committee to discuss this whole problem and come up with a comprehensive policy on transportation. I, for one, was greatly disturbed, as I believe were all members of the Commons transportation committee, when the minister's statement that he was again suspending the freeze on freight rates appeared in the press. I suggest to the minister that this was a breach of faith with the people in the Atlantic area. They were given verbal assurance in this House that changes would not be made in the existing structure until such time as the new committee came up with an over-all program. This has caused a great deal of concern in the area. I should like to read from a recent editorial which appeared in the Saint John *Telegraph Journal*:

> Just within the last week it was learned that the railways proposed to cancel less-than-carload freight service into the region November 3, leaving only the substantially higher express rates for small shipments. Then the Federal Transport Minister said he had asked the railways to defer the action.
>
> But he promptly threw another uncertainty into the situation by announcing that a federal-provincial committee was studying the idea of eliminating general transportation subsidies within the Maritime Freight Rates Act territory—a 20 per cent federal subsidy on the cost of moving goods from point to point within the Atlantic Provinces and eastern Quebec—in favour of using the funds in a concentrated way to assist a limited number of commodity groups or selected geographical areas within the region. That leaves everyone wondering whose costs go up 20 per cent and whose go down.
>
> We need a new transportation policy, without a doubt. The rest of Canada got a new deal in March, 1967, and this region was promised one at that time.
>
> But we also need a reasonably stable situation now and until that new deal is worked out. The present bewilderment harms existing business and hampers development.

I confirm this editorial statement. Shippers in the region are now at a complete loss to know what rates to expect on certain commodities. They do not expect lower rates; they know they will go up. There is complete confusion there now because the shippers do not know what transportation costs will be involved. in connection with the merchandise they have to move. This to me would seem to be another typical example of the way this government has operated over the past year. With all their talk of participatory democracy, consultation with the people, the fact that they will sound out all shades of opinion to get theses and antitheses and arrive at syntheses —all good phrases—they will show a complete disregard for the wishes of the people and certainly show a complete lack of co-operation with the provincial authorities. Lubor J. Zink, in the Toronto Telegram for October 22, 1969 under the heading "PM shows contempt for democracy" said:

> It is the product of the contradiction in Mr. Trudeau's theory and practice of government.

In theory, he postulates "participatory democracy", i.e., direct and presumably constant involvement of the electorate in the process of Government...

In practice, however Mr. Trudeau negates what he preaches.

His method of Government shows contempt for any form of democracy; it is secretive and authoritarian.

Far from going to the streets, he does not even go to Parliament with his decision-making process.

A very good example of the way this government completely ignores parliament is the recent action of the Minister of Transport in appointing his Atlantic transportation committee without notifying the House or consulting it. He at least might have had the courtesy to tell us who the appointees were and who the members of the committee were. The press report stated that the committee had met in Halifax and had taken certain action. I think, however, that the Minister of Transport at least should have had the courtesy to let us know what was being done. The article continues:

His policies are hatched behind closed doors by anonymous task forces, in secret conclaves with hand picked technocrats, and they are announced as Prime-Ministerial edicts.

Where Parliamentary approval is still necessary, even after Mr. Trudeau's emasculation of representative democracy, his decisions are presented to the Commons by a docile Cabinet as Government policy, and rammed through by the docile Grit majority.

To expedite the rubber-stamping process, and make it foolproof, Mr. Trudeau wound up his institutional retooling period by putting the muzzle of Rule 75C on the Commons last July.

How accurate a description that is of the method by which this cabinet operates! There are many examples of this complete disregard for parliament and the committee system. The mover of the Address in Reply to the Speech from the Throne made a statement that co-operation among the parties is necessary to get things done. I say to him I am glad there is one member on the government side who recognizes there must be co-operation by the opposition parties if there is to be hope of getting legislation through. But to get co-operation one must deserve it, one must earn it.

How can the government earn co-operation from this side of the House if it ignores completely the niceties of parliament, ignores the work of the committees, and if decisions are taken by the cabinet while the committee is still discussing policies. There are many examples of this. This type of thing happened so often in connection with the work of the transportation committee that now the members of that committee know their work does not mean anything. It happened in respect of the agricultural committee and the committee on external affairs. Co-operation cannot be obtained unless it is earned. In closing I should like to quote again from the Ottawa *Journal* of October 22, 15 months after the election. This editorial was written before the Speech from the Throne was delivered, when great things were expected. We have heard so often that this was to be the session of action in which so much new legislation would be introduced. This was to be the Trudeau year. Mr. Pearson was left behind. The *Journal*, together with other papers, naturally expected great things. This is what it wrote:

• (5:00 p.m.)

Fifteen months after the election, the glowing Liberal campaign speeches of 1968 are overdue promises to pay on which the government must make good or face the disappointment and scorn of the electorate.

This government is obviously again postponing action which should be taken and they are doing nothing to relieve the hard-core problems of unemployment, under-employment, inflation, lack of housing and pollution. Therefore, I most heartily support the amendment put forth by my leader.

Mr. Hubert Badanai (Fort William): Mr. Speaker, following the time-honoured custom of extending congratulations to the mover and seconder of the Address in Reply to the Speech from the Throne, I wish to join those who preceded me in congratulating the hon. member for Sarnia (Mr. Cullen) and the hon. member for Lapointe (Mr. Marceau) for their exceptionally interesting contributions which dealt in part with the history and natural aspirations of their respective constituents. I also wish to take this opportunity to extend my personal congratulations to the two new Ministers without Portfolio and to the two new parliamentary secretaries. In these appointments the Prime Minister (Mr. Trudeau) has recognized ability, hard work and dedication.

The Throne Speech reflects the sincere desire of the government to give the people of Canada the best government possible in the times in which we live. The Ottawa *Citizen* of Friday, October 24, 1969, summed up the real intent of government concern on subjects of primary importance to every Canadian such as peace, poverty, youth, individual rights, consumer rights, pollution, grain marketing, the underdeveloped world, inflation, tax

reforms, housing, etc. It is a program aimed at achieving economic and social goals, a program which has never been found in any previous Throne Speech since I have been a member of this House.

In the matter of peace, I doubt whether there is a country in the western world that is more concerned with peace than Canada, and it has been the traditional concern of Liberal governments to promote international friendships as an ideal for peace. The evidence for everyone to see was our action in sending a peace force to the Gaza Strip during the Suez crisis in 1955, action which won for Mr. Pearson the Nobel Peace Prize when he was Canada's Secretary of State for External Affairs, and more recently in sending the Canadian peace force to Cyprus. The action we took at that time was generally considered to have averted a possible war.

In the matter of poverty, the war on poverty is not an empty phrase but is a serious attempt which shows that the government means business. This is evidenced in its policies which are designed to achieve a just objective. Perhaps it is not irrelevant to point out that a Senate committee under the chairmanship of my good friend Senator Croll is about to hold across the country hearings on the question of poverty in the various regions of Canada, with the end result being arriving at recommendations to be made to the government on how best to deal with this internal problem which all of us, regardless of party, would like to see solved. I should like to remind hon. members that it was Senator Croll who first suggested the supplementary income benefit of $30 per month to pensioners, who need only fill out a simple income tax form in order to qualify; and this additional benefit is now pegged to the cost of living.

Speaking about poverty, the question of a guaranteed income for all Canadians will have to be examined and studied. The concept of an all-embracing welfare plan which would guarantee a minimum income is a very attractive package if and when we can afford it. Personally, I am not against it; nor is any member of the government. I believe the idea should not be shelved in a remote pigeonhole, but rather should be studied by a competent committee of economists who are removed from political influence. Such a committee could serve the government well in an advisory capacity.

On the subject of youth, I believe that the proposal to amend the Canada Elections Act to lower the age of voters to 18, as mentioned in the Throne Speech, is welcomed. Various reasons can be advanced for lowering the voting age. First of all, I think it is the logical development of a process which has been going on for a long time, especially since the last world war when youths of 18 were entrusted with technical and often dangerous assignments. As everyone knows, originally the right to vote was greatly restricted by one means or another and for many years it was considered the privilege of a few. The age of 21 was presumably selected because it was considered an age at which a person reached maturity; but because conditions have changed greatly over the years, the Prime Minister has wisely decided in this matter, as in other fields, that the time has come to break new ground and lower the voting age to 18. This move is in line with his intention to channel the enthusiasm and energy of our young people into the mainstream of Canadian political life, instead of letting them loose to agitate authority and take part in irresponsible and often subversive activities.

When speaking of youth one cannot ignore the criticisms leveled at some of the activities of the Company of Young Canadians. I have personally received several communications from my constituents complaining about certain activities of the members of the Company located in Thunder Bay. The concept of the Company of Young Canadians and its objectives are worth preserving, notwithstanding the adverse publicity with regard to the activities of a few unqualified people who are probably unfit to serve in this noble experiment.

• (5:10 p.m.)

The Company should not be disbanded, but I would certainly dismiss anyone with subversive motives whenever those motives are brought to light. I believe it is a sound decision of the minister to have the activities of the Company investigated by a parliamentary committee. The minister has promised a thorough investigation and whatever action may be necessary to attract capable and qualified young men and women to make their just contribution to the betterment of Canada.

The inflationary trend of consumer prices in recent years has affected not only Canadians but the people of every country in the western world. Long ago the government took steps to meet the problem, which is not one of easy and immediate solution. As soon as the

Prime Minister took office, sensing the concern of the nation about the spiralling cost of living he lost no time in appointing a full-time minister in charge of the Department of Consumer and Corporate Affairs. With characteristic zeal and drive the new minister began his difficult task of controlling unscrupulous credit and advertising practices. I am confident that his dynamic and serious dedication will bring beneficial results. I am sure that the protective legislation envisaged in the Throne Speech will be translated into measures beneficial to all concerned. In the meantime, I should like to mention that anyone wishing to offer a suggestion about goods and services should write to Consumer, Box 99, Ottawa. This is part of the service furnished by the Department of Consumer and Corporate Affairs.

Now I wish to say a word about pollution. The Speech from the Throne stated:

> Through the United Nations and its agencies Canada is seeking to establish a system to combat pollution of international waters which threatens so many forms of life on this planet.

With public concern over pollution growing steadily, more and more thought is being devoted to the organization of pollution control and to the roles that the various governments must play, because it is not just a federal responsibility; it is also a provincial and municipal responsibility. It is also an international problem. The late John F. Kennedy had the problem of pollution in mind when he said:

> The race between education and erosion, between wisdom and waste, has not run its course ... Each generation must deal anew with the raiders, with the scramble to use public resources for private profit and with the tendency to prefer short-run profits to long-run necessities. The nation's battle to preserve the common estate is far from won ... The crisis may be quiet but it is urgent.

For several years an International Joint Commission has been studying pollution in the Great Lakes and as a result it is expected that some action will be forthcoming in the near future. Recently statements have been made blaming the pulp and paper industry for polluting our waters. It is my understanding that the industry has been concerned with the problem; indeed, some companies have spent considerable sums of money on efforts to control water pollution. The Great Lakes Paper Company of Fort William has taken a lead in the installation of controls in the district of Thunder Bay and it is to be hoped that its experiments will soon bear fruit. The

Logger, a publication dealing with the woods industry, recently reported:

> The Ontario Paper Company Limited will spend $5,000,000 on a three-stage pollution abatement program over the next two years, Company President Robert M. Schmon announced.

However, I would hesitate to advocate measures so strict that they would force plants to close down. I think that in this matter, as with other problems, patience and discretion must provide the guiding line to the achievement of an eventually satisfactory solution. The Department of National Health and Welfare has conducted an extensive program on the evaluation and control of air pollution, the result of which will in all probability be the enactment of a national clean air act. The Canadian Chamber of Commerce, in a policy statement on pollution at its last annual meeting, made the following recommendations:

> 1. That the federal government co-operate fully with the provinces and the United States in investigating existing pollution control legislation and in developing truly effective measures for environmental pollution control.
>
> 2. That since tax incentives are allowed industry regarding expenses incurred to prevent water pollution, suitable incentives relating to air and/or land pollution be accorded industry.

I fully endorse the Chamber's proposal as one of the best means of meeting the problem of pollution. In recent months a great deal has been said about a capital gains tax. The Carter Commission on Taxation, whose recommendations after nearly three years still have to have practical effect, did a great deal to create endless discussion on the pros and cons of a capital gains tax. Canada is a growing country, it needs a constant supply of development capital. The Carter Report recommended a capital gains tax. It specifically mentioned its value as a deterrent to land speculators who in recent years have made huge profits on the demand for building sites. In that area a capital gains tax would be justified. However, other factors must be considered before we can apply such a tax equitably. The tax structure would have to be devised in a way that would not prevent a shortage of development capital. Perhaps a limited capital gains tax could be devised which would meet present day conditions.

The arguments of NDP members against the effects of American investment in Canada are typical of that party's attitude toward the United States, an attitude which is consistently hostile regardless of the benefits to Canada which American capital has brought

by creating jobs for Canadians. Mr. Earl McLaughlin, Chairman and President of the Royal Bank of Canada, is reported to have said in a speech recently that the reason we have so much American investment is that investors have faith in a prosperous, growing Canadian economy. He emphasized that Canada's future prosperity and growth depend on a continuing inflow of investment capital from abroad.

Does foreign investment mean foreign control? Mr. McLaughlin does not believe so. Investment by Americans, Englishmen, Frenchmen, Italians or Germans is not made by their governments; these people are not arms of their respective governments, and Canadian companies owned or controlled by foreign investors are good corporate citizens and must conform to Canadian laws. The business behaviour problem of foreign investment is a false problem and the fear of foreign domination from this source is a groundless one; it is as irrational or neurotic as the fear of foreign debt.

• (5:20 p.m.)

Mr. Speaker, press reports to the effect that the reserve forces of Canada will be reorganized consistent with the announced proposed changes in national defence policy, and that such reorganization will see a strength reduction of 50 per cent in the militia nationally, with the possibility of larger reductions in Ontario, have sparked a sizeable body of public opinion against such a move. I have received several letters and a brief from members of the Senate and honorary appointees of Thunder Bay militia units, the Lake Superior Scottish Regiment and the Lakehead Service Battalion, urging the maintenance of our militia without curtailment.

It has been pointed out that the militia units suffered under a series of post-war reorganizations and curtailments, culminating in the major changes of 1965 which reduced six units to two in Thunder Bay and restricted them in the Port Arthur armoury. Few other than local residents realize that in essence geographical and transportation reasons confined the militia to the city of Port Arthur as far as the area of Thunder Bay was concerned. With the formal amalgamation of the cities of Fort William and Port Arthur taking place on January 1, 1970, the units will be in a much better position to service the whole community and additional enrolment may be expected.

From the standpoint of economy, I understand that the savings involved in the reduction would be insignificant. What is more important is that the 400 or more young people who have enrolled in the militia at the Lakehead have added materially to our safety and protection which the very presence of the uniformed force affords in case of need. The militia also provides a valuable place for many young men to profit by their experience; it is helping them to develop healthy citizenship. I express the hope that before any action is taken to curtail this valuable means of citizen protection in cases of emergency, the matter will be re-examined.

Having taken an active interest in immigration ever since my election to the House of Commons, I should like to reiterate what I have been saying for years, namely, that every effort should be made to ensure a continuing flow of immigrants to Canada as a consistent policy. The flow of immigrants in 1966, 1967 and 1968 reached a respectable number. This year, however, the flow appears to be tapering off at an alarming rate. As a matter of fact, it began to drop in 1968.

Some time ago a Toronto industrialist, himself an immigrant, called for the large-scale immigration of unskilled workers in the fields of mining and agriculture. He said that both fields were starved of workers, which meant lower productivity and higher cost. Yet the very area in which this successful businessman observed the greatest need had the sharpest drop in the 1968, and worse, still, 1969 immigration figures.

I know that the Minister of Manpower and Immigration (Mr. MacEachen) is very much concerned with the need for filling up our empty spaces by following an aggressive policy of immigration that is consistent with our economy. Speaking in Vancouver a few months ago he stated that since 1950 more than 27,000 business ventures had been started in Canada by immigrants. They have involved almost $355 million in working capital—and these are only the new immigrant-headed firms that are known to the government. There are probably a great many more. Those 27,000 new businesses have provided employment directly for 82,300 workers since 1950, many of whom are also immigrants. Indirectly, of course, the new ventures have created many more jobs. The immigration figure for 1967 was 222,876. In 1968 it fell to 183,974, a drop of 38,902. For the first quarter of this year the figures show a 14 per cent

drop in comparison with the same period in 1968.

Now, Mr. Speaker, I wish to bring to your attention a question which for years has been the concern of not only my constituency but the entire region of northwestern Ontario. I refer to the discriminatory freight rates which have had an adverse effect on established industries and are a deterrent to prospective industries. The problem of transportation has not just to be viewed from the point of view of benefit to southern Ontario. Freight rates to northern and northwestern Ontario are unrealistic, and I urge the Minister of Transport (Mr. Jamieson) to give consideration to having this matter referred to the Parliamentary Committee on Transport and Communications for a thorough review of every aspect on the situation.

On September 27 last, during a visit of the Prime Minister to the cities of Fort William and Port Arthur—which was part of a successful tour of northern and northwestern Ontario—the mayor of the new city of Thunder Bay asked that the announcement of the advent of the new city which will come into existence on January 1, 1970, be made in parliament. Such an announcement would stimulate and inspire the more than 100,000 citizens to strive to make their new city one of the best in the country. The mayor also suggested that the new city, rich in Indian history and lore, should be considered a suitable area for the establishment of a research centre on Indian affairs. I am very happy to endorse both proposals and I hope that the Prime Minister, whose visit to my constituency was one of the highlights in the community, generating enthusiasm and affection, will give favourable consideration to both suggestions.

Mr. Speaker, the Throne Speech has revealed a carefully planned program designed to give Canadians legislation to fit the times. The Prime Minister is to be commended for his determination to listen not only to his professional advisers but for seeking the views of the people in the streets of the nation. This, I believe, has helped translate the suggestions made to him informally by both young and old into the policies outlined in the Speech from the Throne.

• (5:30 p.m.)

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, in my turn, I wish to congratulate the mover of the Address in reply to the Speech from the Throne. He took that opportunity to make a very objective review of the economic and social situation in our country and of the main problems with which we have to grapple. He made very accurate comments on our parliamentary system and I support them generally, save as concerns Standing Order 75c, which is quite normal.

I share his view that our first goal should be Canada's development, but I may add that such an objective should include the security and liberty of every Canadian.

My congratulations are also meant for the seconder of the motion, who did very well. He had enough courage to say how high the unemployment rate is in this area of the country. He spoke briefly of the problem of the dairy industry and said that he is far from brushing aside criticisms from farmers against the government dairy policy for 1969-70.

In the Speech from the Throne of the first session we expected the government to talk about agricultural policy.

In last year's Speech from the Throne I had hoped for the announcement of a new farm policy, mainly for changes designed to solve the very serious problem now confronting Canada's industrial milk producers.

I was greatly disappointed in the last session with the way the industrial milk was dealt with. I had hoped that hon. members would have the opportunity to discuss that policy before its application so as to be able to suggest the necessary changes. But alas there again I was greatly disappointed.

On March 31, 1969, the Minister of Agriculture (Mr. Olson) made known at the very last minute the government dairy policy for 1969-70. It is unfortunate that things are done that way.

The producers were always hoping that we would have the opportunity to discuss this matter in the house, due to the almost general dissatisfaction of the dairy producers caused by a policy that penalizes a number of farm labourers.

Reducing the subsidy from $1.33 to $1.25 per hundredweight resulted in a considerable loss of revenue for the manufactured milk producers. The tax increase on exports to 26 cents per hundredweight, as well as the additional tax of 52 cents per hundredweight on surplus production set by the quota, compared with that of 1968, contributed also to the drop in the farmers' revenues, thus creating more acute problems.

In any event, we have been told, rightly maybe, that the reduction of the subsidy and the lowering of the quota, as compared with 1968, were due to a more plentiful production, which resulted in a surplus.

Now, Mr. Speaker, the excess production that we may have, in Canada, is possibly due, I admit, to an increase in production. But another factor has contributed also to this surplus: it is the importation of 188 million pounds of coloured spread and of 47 million pounds of dairy products of all kinds.

These dairy products and this spread have been put on the Canadian market and as the income of the Canadian people has a tendency to decrease, especially the workers' income, I understand why the consumers are inclined to buy cheaper products.

In last year's report, the Economic Council of Canada stated that one Canadian family out of five lives in dire poverty. It would be possible to dispose of a greater quantity of dairy products if the revenue of those who really need them were increased. The amendment moved by my colleague from Portneuf (Mr. Godin), asking the government for a guaranteed minimum income for all Canadians, would bring about an improvement.

I would also invite the government to seriously consider the briefs which have been presented to the standing committee on agriculture by the C.F.U. and the Federated Cooperative of Quebec, when the committee toured the eastern provinces and Ontario.

Those suggestions will probably be examined by the committee, but since time is running short, I would ask the Minister of Agriculture (Mr. Olson) for an early publication of the committee report, in order to find a solution retroactive to April 1, 1969.

It will perhaps be objected that we can only eat our fill. Right, but I will answer that we can only buy according to our purchasing power and when there is only one wage-earner in a family and there are seven, eight or ten months to feed, it is not surprising that the available purchasing power is insufficient.

This is another reason why it would be necessary in Canada to increase indirectly the income of our Canadian families without it having any effect on prices. There are in the country 13 million persons without any income who are dependent on 8 million workers whose income is made up of salaries and profits. One part of the world does not know how to dispose of its production, while the other is destitute. This phenomenon exists in Canada as in other countries.

• (5:40 p.m.)

He had the opportunity to find out during October what Mr. Pearson, former prime Minister of Canada, was asking not only of the Canadian government, but also of other governments, because of the mission that has been entrusted to him. He asked them to investigate the assistance given to the poor countries by the rich ones. In his report, we find the following phrase "Transfer of resources between rich and poor countries".

Canada has an abundance of resources, an abundance of products. I believe that we could afford to increase our assistance to the countries that are really in need. This would be a humanitarian deed which, at the same time, would be of service to Canadian agricultural workers.

My attention was drawn to an article published in *L'Action* of October 20, 1969. At some function at the United Nations, a former CBC announcer stated, and I quote:

"the real cause of the Nigerian conflict lies in millions of barrels of oil."

and I believe that is right, and I quote further:

"Let us have the courage to admit that no economic interest is worth two million people."

added Mr. Burke who had been invited to speak at the events that took place to celebrate United Nations Day.

The Prince, with head bowed, followed the proceedings in front of a large picture showing a famished Biafran child.

"I ask you to note the expression—

I hope that he was not addressing his question to the Prince but to his audience.

—on the child's face, this could be your own child, this could be you."

In view of the present situation, I suggest that responsible politicians generally want to tackle the problems facing humanity: poverty and surpluses.

The income of manufactured milk producers has declined in 1969, and we are now coming back to the reasoning of a former federal minister of agriculture who said, in 1965, something extraordinary, as reported in an article entitled "Quebec farmers complain for nothing". I quote:

"Farmers from Quebec and elsewhere are complaining with a full stomach", Mr. Harry Hayes, Minister of Agriculture, indicated yesterday at a press conference. "Those who speak of stagnation are talking through their hats", he categorically stated. The minister applied his remarks both to

the dairy industry and to agriculture in general. "A Quebec farmer would need, he contended, six dairy cows and two hogs only to net an annual income of $2,400."

Mr. Speaker, the government took the necessary measures to improve the lot of dairy producers and farmers in general. They refused to believe that statement from the minister.

In 1967 also, representations were made by our farm organizations. The situation improved again, and in 1968, it was still much better. I take pleasure in repeating this, because it is true, and I do this to encourage farmers and producers to improve their milk and their herds, in order to meet governments' requirements.

However in 1969 the disaster begins. So I ask myself the following question: Do we really intend to go back to what the minister said in 1965?

In any event it is necessary to face things squarely and to examine the situation seriously. We must recognize that if the province of Quebec has produced the greater volume of industrial milk, losses have been greater there also. Not only have millions of dollars not found their way into the farmers' pockets, but because of the decrease in subsidies, fines and taxes on exports, their income has decreased.

Thus indirectly, without noticing it, the government is supplying with arguments those who are in favour of separatism in Quebec.

Some will say, and rightly so, even if I do not share that opinion, that the federal government is to blame. If we have fewer millions in the province of Quebec, it is again because of the policy worked out in Ottawa, and we are right in wanting to secede.

Mr. Speaker, I know these arguments have a false ring and must be turned down, but, in any event, we have to face the facts.

We sometimes hear too: Those darn farmers, they are never satisfied. The more they get, the more they ask for, and subsidies will have to be cut. If some day they want to get rid of that policy, its phasing out must start now.

Mr. Speaker, the subsidies granted by the government for manufactured milk benefit first and most of all the Canadian consumer. We, manufactured milk producers do not care whether the price of the product is paid entirely by the consumer or if part of it is absorbed by the consumer and the government. The fact remains that the product has its value and the producers are entitled to be paid for it: this is where the farmers' income comes from.

Because of this policy which should be changed without delay, a great number of farmers have left the farm. There have been auctions by the hundreds. One only has to travel across the eastern provinces to realize the number of farm hands who have left the trade and are now unemployed or exist on welfare.

A very small number have succeeded in landing jobs in industry, in rural centres or in towns, and that has contributed to increase the plague of unemployment. It is for this reason that I urge the government to implement its program of economic expansion and industrial development of rural centres.

In order to decentralize industry, it is not enough to talk about it. Action is called for. And I have found only recently that there are responsible men with drive and the ability to run industries, provided they are permitted to breathe, so that their undertaking may prove successful.

The high interest rate, credit restrictions, in short, all kinds of annoyances contribute to discourage those who have initiative and who wish to do something.

In a parish of my constituency, at Saint-François, a man had one day the tremendous idea of launching a small industry way out in the country. I went to see it last Saturday and was amazed to realize how this man, whose sons are interested in the expansion of their family undertaking, was successful in building up something fantastic and creating an industry which Americans come to visit and where they place orders. This concern provides employment for our Canadians and, at the same time, a market for Canadian products. There are 65 families earning a living in that industry.

Last summer, the director—this is not even a company—decided to enlarge the plant. After applying to the Economic Development Board in order to obtain benefits offered by the government to those who need them, he received a letter which left him with the hope that he might benefit from grants made in such circumstances. I hope that the problem will be settled but, at any rate, the deal fell through and that man, who could still expand his industry considerably, simply decided to cut the expansion short and even, if it were possible, to sell his business, perhaps to some Americans.

As members of parliament, we ought to take our responsibilities and to see to it that

such measures are really beneficial to rural centres, so that small businesses may develop and provide more jobs for our workers who have given up agriculture and have now to be retrained.

I have before me a table which is an answer to a question I put on the order paper, about the subsidies granted under Bill C-129, in 1968. This is the answer that was given to me: In the province of Quebec, the subsidies granted were of the order of $54 million and the amounts paid out totalled $8 million.

Unfortunately, out of the $8 million, $4.5 million were absorbed by two large corporations and the balance was distributed among small industries.

Mr. Speaker, I suggest we should encourage the development of large corporations, but we should not forget small industries. Besides, we should endeavour to reach an early decision, in order to enable those who have any initiative left, to do something for the development of Canada.

Lately, I read in a newspaper that the Manitoba premier is also his way and wants his province to benefit from industrial development. He is probably using the same arguments as we are. Here is what he said in Montreal:

> By keeping for myself the Department of Industry and Commerce, I hope I can give the assurance that we shall keep on encouraging private business to come and settle in our province and to take advantage of the numerous opportunities for investments that are to be found there.

I think that if it is good for the people there to work in this way, it would be equally advisable to do the same in our province and it is high time that this opportunity be given to all those who have initiative and the courage to undertake something and to make a success of it despite the obstacles.

• (5:50 p.m.)

In the Quebec area, one shipyard employed 2,000 workers. I attended a meeting organized by the C.N.T.U., on September 30, in order to meet responsible people in the area, at the municipal as well as the provincial and federal levels. I was surprised to hear that the Lauzon shipyard has jobs for only 800 people. The situation affects some workers in my riding who are now unemployed since they earned their living at the shipyard.

I would like to draw the government's attention to the fact that in 1880, Canada had 7,300 freighters. We then held the fourth place among the countries of the world. In 1969, we had dropped to the twenty-first, because we have only four ships.

If we do not have any ship nor merchant marine, I understand that we do not need any shipyard. However, we should ask ourselves the following question: Do we have the necessary streams for shipping? Do we have goods to be shipped? Do we have workers to build those ships? Do we have shipyards? Have we all what is required to accomplish something? To that, I will answer yes. We can take advantage of the magnificent St. Lawrence river and the Great Lakes. We have access to the seas. Ore, wood, commodities, etc. must be shipped. If it is profitable to ship all those goods in foreign bottoms, it seems that they could be shipped in Canadian bottoms. It would also enable our workers to do their best, because we have specialized workers in those fields.

What is missing to realize all that? The answer is always the same: money! People say that the Créditistes always see a dollar sign. It is true and it must be said. I mentioned all sorts of necessary things, but where is the dollar sign to make all these things work.

I wish to congratulate the Prime Minister (Mr. Trudeau) and the government—I do not confine myself to criticism, for what is good. I take pleasure in doing so.

They want to tackle the problem of water pollution. It is an excessively serious one. People may not realize it, but those who care for the future, for the health of mankind, have made studies and in their reports have recommended that the governments, at all levels, take the necessary action in order to check this plague.

Unfortunately, farmers are contributing indirectly, and without knowing it, to water pollution, through the use of various fertilizers and chemicals which are carried everywhere by the streams, the rivers, the Great Lakes.

I therefore invite the government to do a little more research on chemical products in order to find a non-chemical way of activating plant production.

I realize that my time is running out. Unless the Chair allows me to finish my speech, and this is why I hurry, I should like to draw the attention of the house to another problem which is crucial in my region: retraining courses for adults.

Every week, I receive numerous phone calls and letters from individuals who are refused by Canada Manpower Centres and are told: We have no room for you, all places rented

have been taken and we cannot accommodate any more students.

Mr. Speaker, I am asking the responsible minister to inquire while there is still time—it is still only October—to see if it would not be possible to rent student places in greater number in order to meet the requirements of the people who are not too lazy yet to refuse to go to school. They want to do something. It may perhaps not be 200 per cent beneficial, but at least they should be given the opportunity to believe that they are useful and to become useful in the future, because as we develop industry we will require their services.

I have read in the Speech from the Throne that the government intends to reform taxation. A study is contemplated in order to assess taxes in a more equitable manner, and I am for it. I would wish that that study will take two factors into account. Indeed there is an area where, in Canada as elsewhere, it is necessary to unite two things to implement a project. I am thinking of labour and capital. When it comes to taxing labour, it is always more heavily taxed than capital and the proof is in the 1969-70 budget. Indeed labour is taxed at the rate of $4,190 million and capital, that is the big corporations, is taxed at the rate of $2,210 million, a difference of $1,980 million.

When the time comes to reward labour and capital, invariably capital is put ahead of labour. Here is proof. According to a table published by the Dominion Bureau of Statistics for the year 1968, personal savings of workers amounted to $4 billion while those of large corporations totalled $8 billion.

In my opinion, it is imperative to study the situation and attempt to find a solution in order to distribute the fiscal load more evenly.

Mr. Speaker, I conclude my remarks by saying that there are in Canada very intelligent people capable of great discoveries and great accomplishments in all fields. They are highly qualified managers because they are with it people, people who can do things and initiate reforms. But when it comes to the monetary system, they give up because it is sacrosanct. Nobody wants to touch it, nobody wants to fix it.

Those who claim that major Douglas' proposals for adapting the monetary system to modern realities are illogical, are sometimes people who would have us forget our real economic problems. Their claims serve as a drug to make us forget the great problems of the day.

To my mind, problems should not be glossed over, truth hidden, and the people asked to deprive themselves, to tighten their belt, when we know not what to do with our production, the wealth accumulated by men for men. According to me, this is truly a drug. It is a drug because it is unrealistic.

I therefore support the amendment moved to provide a guaranteed minimum income for all Canadians, because that is physically possible. It will certainly not be likely to make lazy people out of them, no more than those who are wealthy have become lazy. It has been proved that when one is lucky enough to have the money required to undertake something, one works night and day. We are not lazy people.

Some hon. Members: Hear, hear.

[*English*]

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

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

[*Translation*]

Mr. Eymard Corbin (Madawaska-Victoria): Mr. Speaker, I am pleased to respectfully offer you my compliments at the outset of this new session. The way you continue to carry out your important functions entitles you to the esteem and the admiration of all hon. members.

I am pleased to congratulate again in this house the mover and the seconder of the Address in reply to the Speech from the Throne, the hon. member for Sarnia (Mr. Cullen) as well as my good friend the hon. member for Lapointe (Mr. Marceau). They admirably carried out their important task and their well informed comments are an indication no doubt of the high quality of the debates which will take place in this august chamber.

Mr. Speaker, I would have a great many subjects to discuss today. Some members of the opposition might find it strange that I do not praise the Speech from the Throne but I want to reassure them immediately because I do not dissociate myself from it in any way. This afternoon I had to tape a radio program

and my constituents will know Sunday the support I give to the new legislation proposed in the Speech from the Throne.

During the 30 minutes available to me, I will deal in some detail with some of the problems which confront the potato growers in my area. I hope that these comments will seem to my city colleagues mainly, like a refreshing breeze since last year they were compelled to listen to endless debates on wheat, which no doubt will continue for some time yet.

I am going to deal now with potatoes, which is a matter of concern for me and of great interest to a lot of my constituents.

Mr. Speaker, a few weeks before parliament resumed, I had the opportunity to work at harvesting potatoes in my constituency. At that time, schools are closed for two weeks, not only to allow schoolboys and schoolgirls to earn some money in order to buy decent winter clothes, thus alleviating the burden of the family bread-winner, but also because there is a shortage of manpower at harvest time. In spite of the machinery they have now they still have to hire people to work in the fields. Everybody is engaged in the harvesting of potatoes. It is the main concern of the majority of the people for about a month, from September 15 to October 15.

The growing and processing of potatoes, together with the paper and pulp industry are the basis, the structure of the economy in my area.

The slightest fluctuation on the potato market are immediately reflected, on the Sunday collection in rural areas as well as on the volume of business of furniture and car dealers.

The potato industry is a precarious one. Some influences beyond the control of producers are more often than not detrimental to them.

• (8:10 p.m.)

Of course, there is some appearance of a certain prosperity which seems to impress the people visiting our area; however, in many cases, the buildings conceal serious financial problems affecting farmers.

True, Mr. Speaker, the quality of a product is the first factor that influences a buyer. I dealt with the matter in the course of the first session and I do not intend to bring it up again. Nevertheless, I must say that quality control is subject to rules and regulations made by the federal Department of Agriculture and to their enforcement. In that respect, the accredited fruit, vegetable and potato inspectors responsible for controlling the quality before a product appears on the interprovincial market or the export market, are faced with some difficulties.

Evidently, our potato shippers apprecaite legal restraints no more than our other citizens. Yet, most of them accept such restraints because they result in a product of better quality and, needless to say, in better prices.

But, to be fair, a legal restraint must apply equally to all.

And yet, in the potato industry, as in others, some people sit on the fence, so to speak, in respect of what the law does and does not allow. Thus, some shippers always manage to evade the rules and, consequently, the inspector and the inspection, by means of subtle wiles.

It is a well known fact that 15, 20 or 30 years after the enactment of a law, a person of average intelligence succeeds in finding ways to evade it. It is also admitted that successive amendments to a law, amendments to provide for exceptions, weaken its intrinsic value and make it so flexible that precedents make its implementation impossible.

What precisely makes it difficult to control the quality of table potatoes or of seed-potatoes for export is first of all that a few shippers do not comply with inspection regulations or fail to honour the confidence placed in them by some rules; secondly, the rules now in effect open the door wide to abuses and thirdly, the government austerity program prevents the inspectors from working overtime so that they cannot claim any additional travel expenses in the course of their regular duties.

I already mentioned human weakness as regards potato shippers. I now want to refer to the weakness of the legislation and rules on marketing. Here is what happens to potatoes shipped to another province, Quebec or Ontario, which are our main domestic markets. The law provides that any shipment ought to be inspected before crossing a provincial border. Normally, shipment and inspection take place before six o'clock in the evening during regular working hours.

Sometimes it is absolutely necessary to load a truck rather late in the evening to meet certain terms of a sales contract. I said "in the evening". It is then impossible to have an inspector due to the austerity program because higher officers have instructed their

subordinates not to make any inspection after 5 or 6 o'clock. If they do so, they are not paid any travelling expenses or extra salary.

Inspectors are therefore staying home and some shippers, aware of the difficulty they would have in designating the quality of their potato shipment, take advantage of that to contravene the regulations which encourage them to do so. The shipper can, as a matter of fact, obtain a permit, a release at the inspector's home and then get an authorization from the weighing officer of the highways department to proceed to Quebec.

Of course, potatoes are always subject to an inspection at the point of delivery, be it Gaspé, Montreal, Ottawa or London. However, potatoes are so seldon inspected at the point of delivery, that there might as well not be any inspection. If inspections were stricter, surely, some shipments would be confiscated, but we never hear about any such thing. Thus, low grade potatoes finally reach the large markets, to the prejudice of conscientious growers and the reputation of our product.

I wonder if the Minister of Agriculture (Mr. Olson) is aware of this practice. I think he would agree with me that the absence of a strict control in the long run can only work against the good standing of our potatoes and give New Brunswick producers a poorer competitive position.

I ignore what is being done in Prince Edward Island or in other provinces in this respect. It remains, however, that most farmers graciously accept compulsory inspection. It is the best guarantee that their product will meet the highest government standards. Our farmers work hard to assure the fine quality of potatoes. They invest annually in the industry they cherish thousands of dollars to buy certified seeds. They take infinite care to control all kinds of contagious diseases.

The harvest is still quite an expensive operation nowadays and as the cost of farm machinery is not decreasing, as we know, profits are finally never guaranteed.

The potato market has experienced disturbing fluctuations during the past four years. This year, we are regaining confidence, because of crop failure in other countries and because apparently, it was not as good as it is usually here.

All this to say that awkward regulations and dishonest shippers can jeopardize the good reputation of New Brunswick potatoes in the province of Quebec and in Ontario as well.

[Mr. Corbin.]

It is necessary to pass more stringent regulations, to abolish those which have become obsolete, or else completely do away with regulations. But then, I think that would mean flirting with disaster.

Nobody, not even the shippers of bad quality potatoes, will lose. On the contrary, all shippers will benefit from the good reputation of a Canada No. 1 product from New Brunswick, and they will get higher prices as an extra bonus.

Another factor which makes it possible to avoid inspection is the allocation by the Department of Agriculture of warehouse numbers. A registered warehouse can ship table potatoes to another province, without inspection at the shipping point, but subject to inspection at the point of delivery. The original aim of this regulation was good, but there is so much abuse—some shippers take this as an excuse to ship goods of inferior quality—that the system of registered warehouses has lost some of its shine, if not all its value.

I do not invent these things and I insist in bringing them to the attention of the Minister of Agriculture.

I had several talks recently with farmers, shippers and federal government inspectors in my region; they all agree that the release permits and the system of registered warehouses must be investigated immediately so as to render justice to farmers and shippers who are careful to abide by all the provisions stipulated in the act in order to market top quality products, something which entails considerable expenses.

Those permits should be cancelled and then the inspectors should be given the tools that they need to do their work properly and completely. They should be paid for their overtime and reimbursed for the expenses incurred by them while carrying out their duties, whether in the day-time, at night or on Saturdays.

A small number of farmers or of potato shippers have obviously no right to endanger the potato market by their dealings or their violations of the regulations. The government has a moral obligation, as long as this act remains in force, to see that it is strictly enforced.

• (8:20 p.m.)

I am under the impression that the Minister of Agriculture is not aware of those problems, perhaps because his high officials themselves are not. If they are, it seems to me that they

do not see the disastrous effects of the austerity program, having regard to the quality control program related to potato shipments in a designated area of the Maritimes, which means a lot.

I would not be telling the whole truth if I were to put all the blame on the farmers of my region. I know, from reliable sources, that some Quebec buyers very often buy in our region potato shipments which are never subject to federal inspection.

Naturally, this is mostly done at night. It could also take place during the day as there are never enough inspectors to meet the requirements at certain times.

In this regard I would hardly accept that the following proposal come under the austerity program: that the number of part-time and seasonal inspectors be materially increased to meet the present demand. In normal times, a permanent inspection team would be enough, but when important export contracts are negotiated, there are not enough inspectors to perform the task. Inspection, which also offers the farmer an opportunity to learn, is carried out too quickly in order to look after everyone.

Please note that I am not criticizing the principle nor questioning the merits of the austerity program itself. I am rather in favour of it. I simply question whether this is the right time to apply it to the potato inspection service which is quite essential.

Mr. Speaker, the government and the Minister of Agriculture gave a hand to potato growers last year for the third year in a row. That measure was greatly appreciated and the $600,000 subsidy granted under that program gave some hope to an industry which was beginning to feel the pressures of an overproduction that kept increasing from year to year.

Last year, in the house, we heard a great deal about the problems of wheat producers. I am quite sympathetic to their requests for governmental assistance, believe, me, because there was really a problem there. The assistance program is still and will remain in effect for some time.

The conditions in which New Brunswick and Prince Edward Island potato growers find themselves are strikingly similar to those of western wheat farmers, except that potato growers are far less numerous. The cultivated area is much smaller and the total value of a potato crop will never be comparable to the wheat harvest of a crop year.

We should not for all that consider as less important the potato industry, which constitutes the basis of farm activities in the Maritimes provinces and represents, in 1969, a total of many million dollars.

On the national level, the potato's importance is very small but as far as we are concerned in New Brunswick and Prince Edward Island, things are quite different. And the big difference is that the potato, unlike wheat, is a highly perishable product.

I wonder if the potato grower in the Maritimes, or in Canada, realizes that the potato market is over-saturated, year after year, and that as a result prices barely cover spring investments.

What the potato grower lacks most when planting time comes is a rough idea of the total number of acres that will be planted in Prince Edward Island, New Brunswick, Quebec, Ontario and even out west. Planning should be done in this regard, at the national level.

We also feel the effects of the lack of planning of our neighbours in Maine and other states in the western U.S.A., where huge quantities of potatoes are grown.

None of us have a sure way of forecasting, with any degree of accuracy, what the coming crop will be. Of course, it is difficult to predict, but not impossible. In addition, the first crop forecasts of the federal government are often inaccurate, and when they are revised, more often than not towards the end of December, there is a sudden dip in the price of potatoes on the market.

This means that a better way should be found of assessing the crop, as soon as it comes up, in the fall, so that action might be taken more rapidly and, especially, more accurately, so that the industry will not be dealt an awful blow at the peak of the sales season.

For many years, and even today, the market price the grower gets for his potatoes depends on many factors which often have nothing at all to do with logic.

There is much speculation in that field, and it is true that fortunes have been made or lost through speculation alone.

Still, it seems to me, as it does to an increasing number of potato growers, that the market price should not depend solely on speculation, but should rest to a greater extent on a logical system.

[*English*]

I will give you one example of the highly speculative nature of potato marketing as

quoted in the latest issue of Fraser's Potato Newsletter, subtitled "Prince Edward Island's only Publication for Potato People", published by Harry Fraser Hazelbrook in Prince Edward Island. It is a good publication. This passage in particular speaks for itself:

> Ontario's potato crop is nearly all under cover, we understand and, as we predicted in earlier letters, it was a very light crop. One prominent Alliston area grower contacted us this week and advised that the Maritimes could have the eastern Canada potato market tied up this winter, if Maritime growers would only realize their commanding position. This is not an independent opinion either as the Ontario Fruit and Vegetable Growers Association's weekly potato information letter has counselled Ontario growers to "sit back and hold potatoes and let the Maritimes supply the cheap product until they are sold out, then let's move in and take the market".

To say the least, such a state of affairs could be considered by us to be completely unsatisfactory. However, in my opinion it points out quite clearly the need for some kind of controlling body, preferably national in scope, to rationalize the marketing of potatoes throughout the nation, and especially to meet head-on the increasingly severe competition from U.S. producers and European surpluses which slowly but surely are invading some of our more stable and traditional South American markets.

The federal government cannot enter the field of provincial jurisdiction by setting up what would amount to a national potato marketing board without the provinces' consent and co-operation. On the other hand, it would be as a first step the role of the federal government to show leadership in the field by pointing out to the provinces the urgent need for the establishment of such a body and the danger of the collapse of the potato industry generally if yearly surpluses are allowed to continue much longer. I do not know why the application of gentle pressure on the provinces would not lead them to agree to the formation of such a national body, giving it powers with teeth in order to check the degeneration of what was once a flourishing industry.

It is true that the traditional marketing of potatoes is rapidly being overtaken by the marketing of processed products. An announcement was made this summer that McCain Foods of New Brunswick would establish a $5 million potato processing plant in my native city of Grand Falls in my riding. The news was heartily welcomed. It was also announced that the plant would be the first industrial venture to be considered for subsidy under the new Regional Development Incentives Act. I am confident that under this new act, at least one more processing plant will be established in my riding, thus creating many hundreds of jobs. However, we must realize there is also the danger of the potato market becoming a monopoly of a few. Time does not allow me to develop this idea further but, believe me, it is a matter of growing concern to potato growers throughout New Brunswick.

The processing of potatoes is solving some of our marketing problems, but it will certainly not be the ultimate solution. The traditional way of marketing through brokers may be with us for some time yet, but I am sure it could benefit from more rationalized methods of meeting competition and pricing. I hope our government will take some leadership in this field before potato producers find themselves in a situation similar to that of the western wheat grower.

• (8:30 p.m.)

[*Translation*]

I hope that the present potato selling campaign will have excellent results. Everybody was pleased, for example, with an export contract for 600 wagons of potatoes intended for Chile but first drought had to strike Chile so that we could profit by it.

Potato growing as well as wheat growing cannot and must not rely on agricultural disasters in other countries. I can assure you that the potato grower of my area, at least, is the last man to wish that his activity be subsidized, to the tune of millions of dollars, by the federal government. He would rather leave his farm than accept this.

However, it would be unfortunate to be driven to that because the best potatoes in the world are grown in my constituency.

I am convinced that a little imagination, goodwill and a lot of co-operation between the provinces and the federal government can promote this market on a more solid basis. This is my present wish.

Mr. Speaker, I know that my time is expired but I ask for the indulgence of the house so that I can finish my speech which will last perhaps three more minutes.

[*English*]

Mr. Speaker: The hon member's time has expired and I gather he is seeking the consent

of the House to continue beyond his allotted time. Is this agreed?

Some hon. Members: Agreed.

Mr. Corbin: Thank you, Mr. Speaker. In conclusion I would like to quote from a publication of the now defunct Atlantic Development Board, entitled "The Competitive Position of Maritime Agriculture," published earlier this year in Ottawa. This is a remarkable study of great value. In connection with potato production it is stated very plainly that not only can potato production in the Maritime be sustained at its present level, but there is also room for expansion. I quote:

> The potential for expansion for potato production in the Maritimes is related primarily to increases in demand in areas outside the Maritime region. For Maritime producers this increase could come from three sources: population increase in central Canada, a larger share of the domestic market and increased exports. New Brunswick and Prince Edward Island have virtually the entire seed export market for Canada and if their quality can be maintained their advantage will likely continue. Table stock exports and exports of processed products from Canada also originate mainly in the Maritimes. Maritime producers and processors should be able to capture a large proportion of any export expansion in these products. All of these aspects of the potato market (seed exports, domestic and export table stock markets, and domestic and export markets for processed potatoes) need further study and analysis before the potential for expansion in Maritime potato production can be fully and satisfactorily appraised.

So there it is. Who will tie the bell around the cat's neck, Mr. Speaker? May I humbly suggest that further investigation in this field be carried out by the ADC., the successor of the ADB. I would like to see a more aggressive and permanent sales and promotion campaign undertaken in all countries of our traditional South American market. However, it must be undertaken early in the year. I am under the impression that we missed the boat last year in this respect. So far this year things have improved somewhat.

Potatoes should receive at least a tenth of the attention now accorded wheat in respect of negotiating trade agreements with foreign countries. Canada is but a midget in potato production compared with many European countries, but Europeans know that we have one advantage over their produce—that is quality. With quality we can compete favourably with any country in the world for foreign markets. Right now I believe our handicap is insufficient effort in regard to promotion. If the Minister of Industry, Trade and Commerce (Mr. Pepin) can convince me otherwise, so much the better. However, other countries have shipping advantages that we do not have, as well as lower shipping costs and greater proximity to foreign markets. This enables them to more easily dump their yearly surpluses.

No wind is a favourable wind to the sailor who cannot decide which port he is making for. So I say here and now, let this government establish goals. To the Minister of Industry, Trade and Commerce, who in my opinion is one of the best captains that boat ever had, I say: Head out for these ports with a full cargo of Canada No. 1 table or seed potatoes. If they originate from New Brunswick so much the better.

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I can think of no better way of starting my speech tonight than to refer to the Canadian Commission for UNESCO and an article in its bulletin entitled "Man and his Environment." I believe all of us in the House will agree that we have men, women and children in this country and that we do have an environment. The problem we have not yet solved is how to have a society in which men, women and children can live in a proper environment, with dignity and in tune with the times in which we live. The article to which I referred said that the experts had called attention "to the present fact and future danger of serious pollution, degradation, or outright destruction of the natural environment of which man is a part."

I am sure all of us were pleased that the Throne Speech said pollution control legislation would be introduced in this House. Only time will tell whether that legislation will have teeth. I am also sure we agree that all areas of Canada are polluted. Speaking of my own area, the various streams in the Moose Jaw region have been polluted by people who have made use of natural resources. I wish the Minister without Portfolio (Mr. Lang) from Saskatoon-Humboldt were in the House tonight. During the summer he visited the west and spoke at a number of Liberal meetings which were not open to the general public. He told the people there that some of their pollution problems would have to be solved by themselves. I can assure you, Mr. Speaker, that people as individuals do not pollute our streams. Manufacturing plants must bear the prime responsibility for such pollution and should be held responsible for

correcting the situation. I quote further from the article "Man and his Environment".

> The positive aspects of man's control of his environment will be explored to determine the most effective way to achieve a design for living that would encourage the pursuit of beauty and enhance dignity in human relationships.

Some time ago I received from one of my constituents a letter about pollution. I am sure many hon. members remember the television program "The Way It Is", which dealt with a number of cases of pollution. My constituent dealt with the matter much more succinctly than I possibly could. Referring to logging in Algonquin Park, he wrote:

> —I wish to stress that all men of vision must condemn this practice. Surely it is the duty of all such men to constantly maintain vigil to see that the few unspoiled areas preserved in our national and provincial parks be passed on unimpaired to future generations of Canadians. Surely a country blessed with the resources of Canada need not infringe on the few wilderness areas set aside for non-commercial roles. Surely the practice of proper timber resource management ... of commercial forest areas should ensure that all future generations of Canadians will be guaranteed the enjoyment of exploring and enjoying the unimpaired beauty of Canada's national and provincial parks.

• (8:40 p.m.)

He continues a little later, referring to the type of strip mining going on in the Kootenays—and I am sure the hon. member for Kootenay West (Mr. Harding) is well aware of the situation there:

> ... to restore such strip mining areas to a degree as will eliminate the occurrence of acid mine drainage from polluting our rivers and as well enable reforestation of the area thus avoiding undue erosion as well as making the area of some future value ...

Mr. Speaker, the only purpose in raising this matter now is to assure the minister responsible for pollution control that he will have the utmost support if he will put teeth in the legislation he brings before the House. Unfortunately, I believe it will be a watered-down version, a "voluntary" type legislation, which means very little in this day and age. When the Minister without Portfolio (Mr. Lang) was in the west recently he mentioned that the municipalities should be asked to initiate programs supporting the legislation. I have brought this statement to the attention of the municipalities that I have visited recently and I assure you, Mr. Speaker, that the minister responsible for the legislation will be deluged with letters and information which he will find very useful if he is really concerned about the problem.

[Mr. Skoberg].

I now turn to something in a more serious vein—and I am not suggesting that pollution is not most serious. As one person out in the west said recently, he has two concerns: one is immediate cash in his pocket and the other is survival. He was talking about pollution of our atmosphere and the pollution of our general economic climate. Recently there has come to light the proposed dismissal and firing of many civil servants. The leader of my party has already dealt with this matter. I am sure that we in this House agree that responsible government needs an efficient staff of civil servants. I would like to quote from a speech made some time ago—before I was born, in fact. Lord Dufferin, speaking to the Agricultural and Arts Association in Toronto on September 24, 1878, had this to say, and I think the same holds true today:

> The civil service of the country, though not the animating spirit, is the living mechanism through which the body politic moves and breathes and has its being. Upon it depends the rapid and economical conduct of every branch of your affairs and there is nothing about which a nation should be so particular as to secure in such a service independence, zeal, patriotism and integrity.

This government has unilaterally, with very little consideration and very little negotiation with the Public Service Alliance of Canada, implemented changes which should have been brought about by attrition. I supported the comments made by the Minister of Labour (Mr. Mackasey) in this House when he endorsed the Freedman Commission Report which stated that no changes should be made without prior negotiation. It has been suggested that the Prime Minister's magical figure of 10 per cent could be taken care of by attrition in two years' time. This would look after his austerity program. I would ask that the House, and particularly the government, give serious consideration to the matter of attrition, which has of late been accepted in all responsible management and labour negotiations. If the government deliberately releases some senior civil servants it is quite likely that others will leave of their own accord. We will then have the brain drain we hear so much about. This is a deplorable situation.

In the last two days I have had the opportunity to attend the International Labour Organization conference now in session at the Chateau Laurier in Ottawa. I shall also attend it tomorrow. I am sure we all agree with some of the conventions passed at ILO conferences throughout the years, although they

cannot be ratified by the government of Canada because of the provisions of the British North America Act. When we realize that the various provincial governments also have to agree to these conventions, we know why it is difficult to actively participate in the ILO and why very few of the conventions have been passed.

Mr. Speaker, it seems to me that once again we are getting into a situation where the government of Canada is reversing its stand. Instead of trying to achieve a strong central government, the trend is to decentralize and give the provinces much more power. It has been said that we in Canada believe in strong central government, whereas in the United States of America the states have strong central power. It seems that the United States is trying to achieve a strong central government with less power in the states, whereas Canada is deliberately moving in the direction of more power vested in the provinces and less power to the federal government.

Speaking now for myself and not for my party, Mr. Speaker, I say that the people of Canada are fed up with our educational system wherein people moving through mobility programs from province to province results in children being educated under a number of different educational programs. The armed forces are in the situation where their children may have to experience different educational programs because the individual provinces cannot get together and adopt a uniform system of education. This situation, again, exists because of the British North America Act. If a government is not prepared to accept responsibility, nothing is easier than to blame everything on the B.N.A. Act rather than trying to make the necessary changes to the act.

Of one thing I am positive, Mr. Speaker—that the people of Canada from coast to coast believe in one nation. Sometimes it seems that the government is trying to divide this country by saying that the provinces must be given unilateral authority in certain affairs. I do not believe this authority should be given to them. This may be another situation wherein many legal brains in the country are making a fortune at the expense of the individual, and I say that with due deference, Mr. Speaker.

I would now like to turn to a situation that has come to light in the House and this is in regard to Phillips Cables Limited. This matter has been brought to the attention of the Minister of Industry, Trade and Commerce (Mr. Pepin) on many, many occasions. It is a great disservice for the government to suggest that the company has to look after itself and find its own markets for copper; and it seems ridiculous that Phillips should have to buy Canadian copper through a British firm, the London Metal Exchange, when the copper never leaves Canada, just to comply with the regulations. I know that many people in this House and many editorial writers regard our party as one that believes in the nationalization of all industry. Many in our party believe that if we have regulations to control industry it does not matter whether that industry is foreign or Canadian owned. Phillips Cables represent a Canadian industry that could go out of business today because the government is not prepared to pass regulations which would enable it to operate most successfully.

• (8:50 p.m.)

The government is not prepared to pass regulations which would ensure that the Phillips Cables Limited have adequate supplies of copper to keep it in business. I am expressing not only the point of view of labour but that of management when I say this. This government will stand forever condemned if Phillips Cables are forced out of business because they cannot obtain enough copper. The government cannot use the excuse that the strike is causing difficulty. Many years ago this company attempted to obtain copper from another company which will not now deliver to it. The company had to pay more for copper coming via the London exchange even though the copper was coming from Canada.

I am also disturbed about the freeze applied to non-competitive freight rates in the Atlantic region. In a news article emanating from the Department of Agriculture, the minister said—and I hope he is listening—that beyond doubt the adjustments being made will also correct some inequitable situations which now exist between rate zones, and that specific changes in rates will be announced later by the Canadian Livestock Feed Board. The import of those words is that once again those who are most concerned about the matter will be left in a state of confusion. The news release dated October 16 went on to say:

> The increase in demand for Western feed grains has been due primarily to poorer oat and corn crops in Ontario and a more attractive price relationship for feed grains for Western Canada compared to U.S. corn than has prevailed in the past.

I ask the minister, whom are we really trying to protect? Are we protecting our own

growers, or United States corn growers? If we are trying to protect our own producers, that is fair enough; but the press release seems to indicate that the minister is interested only in helping United States corn growers.

I now wish to speak about a subject I am fairly familiar with, that of railways. I am very concerned about the safety of railway operations. In the past I have tried, unsuccessfully, to have the Minister of Transport initiate public hearings into various mishaps that have occurred on railways, but nothing has happened. The mishaps are still occurring; people are still being maimed and killed and nothing is being done about it. I read from a circular letter addressed to all CNR section foremen of the Saskatchewan area, which says in part:

> As you are no doubt aware, the increasing number of derailments account track conditions is a matter of grave concern throughout the Railway industry as a whole. This concern is becoming more apparent, not only in the United States, but in Canada as well.
>
> The incidence of derailments at switches has recently shown a sharp increase and would suggest that switch maintenance is being overlooked due to the pressure of other work.

I can assure you, Mr. Speaker, that the number of maintenance-of-way employees has been drastically reduced in this country to the point where it is no longer possible for them to adequately patrol railway tracks. Nevertheless, these employees are held responsible for derailments. Inevitably, derailments cause injury and death, but when these matters are brought before the Canadian Transport Commission they are hushed up and not made public. The accidents which are occurring are not being given the publicity they deserve. The government is obligated to make sure that railways operate safely. When you have an air line accident involving an aircraft there is a full public inquiry and the results of the inquiry are made available to everybody. There ought to be the same sort of inquiry into any Railway derailment. Unfortunately, the results of such inquiries often are not made public. You should see the type of inquisition that is carried on, Mr. Speaker. Instead of putting the blame where it belongs, our authorities often blame the employees themselves.

I now wish to speak about agriculture. When I was out west recently I spoke to a man about our Minister of Agriculture (Mr. Olson), who had returned from Europe in a very optimistic mood. The man commented on the minister's optimism by saying it is like a Baptist Minister at a hanging—always optimistic. I hope the minister's optimism is justified and that we shall have new markets for our products. No one in this house will downgrade the efforts the minister has been making to help agriculture. Nevertheless, I believe if one examines the record one will see that planning in our agricultural economy is nonexistent. I received from the minister on October 17, 1969, a letter on the subject of agriculture. Unfortunately, it contains no suggestion from the department as to how farmers in any area can diversify their production. In the last year or two, and particularly last year, we heard a great deal about diversification. It is the latest political catchword. Unfortunately, the people in agriculture often do not know how to diversify or what crops they should grow. When they ask the government how to diversify, the government does not answer, because it does not know. That is understandable. No one really knows what the catchword "diversification" means. It is simply a political cliché that has appeared in the press, in the minister's statements and those of many others.

If this government is really concerned about agriculture, let it come out with a policy statement. It should make papers submitted to agricultural conferences and congresses available to those engaged in agriculture so they would know what to do. The minister has said that as soon as one of these documents is translated he will make it available to us all. I tell him that in many parts of Canada where they speak English they do not have to wait for a translation. I am sure the people of those areas would welcome receiving from the minister any papers he has on the subject. Our agricultural community must be given direction.

In my trip out west last month I heard people say that to some extent the government must be brutal; it must designate certain areas as being suitable for certain crops. Many thousands of acres are used to grow crops which are unsuitable for the area. Whether the government likes the idea or not, the people engaged in agriculture must be governed by certain regulations.

At this point may I make some suggestions about on-farm stored grain. I am sure the minister realizes that in western Canada many millions of bushels of grain are stored in what are colloquially known as Trudeau bins. These are temporary structures. I have

the feeling that unless the government takes immediate action in this area, it will prove to be a very temporary government. The elevators charge one cent per bushel per month for grain to be stored. I think handling charge is 3-3/4 cents. Farmers who must build bins to store grain ought to be entitled to at least one cent per month per bushel for their on-farm stored grain. Surely that is not asking too much. This is done in other parts of the world. Once again I ask whether the government will let our agriculture drift, or will it give it guidance? I ask the minister to consider seriously paying storage costs to farmers for on-farm stored grain. In this way many farmers in western Canada who have built storage facilities could be reimbursed for their outlays and storage costs.

Another matter I wish to mention is cash advances for those who are renting land. At present these people are not entitled to cash advances. I realize that my remarks do not interest those in the potato growing business. Cash advances are made only to those farmers who own land. Even though an individual may own land, if he also rents land from someone else he will not be paid one nickel in cash advances not even on the land he owns.

• (9:00 p.m.)

Surely it would not be too much to ask the government to pass a regulation which would permit the individual producer to at least borrow money on his own land. With the idea machines and the electronic devices we have today, surely this could be done. Under the present circumstances people renting land are in a very invidious position; they are discriminated against. Under the present regulations nothing can be done to solve this problem.

The Minister without Portfolio from Saskatoon-Humboldt (Mr. Lang) was asked a question by the hon. member for Peace River (Mr. Baldwin). It appears at page 17 of *Hansard* for October 24. He was asked what assistance the people in the Peace River country were going to receive. The answer was as follows:

> Mr. Speaker, it is at least one of the brighter facets of having a surplus of grain that those farmers who have not been able to harvest this year's crop are not as handicapped in filling quotas, with grain on hand from previous years, as they have sometimes been.

Surely no one with practical knowledge of the subject would allow such an answer to appear in *Hansard* or even make such a statement, when the individuals primarily affected do not have a surplus of grain on hand. It is a disgrace to this House that a minister should make such a statement. It again points out the fact that the whole bureaucracy of our government is composed of people who have no practical knowledge of the field with which they are dealing. The people of Canada, not only those engaged in agriculture but those in every other field of endeavour, are increasingly finding this to be true. It is time we tried to find people with practical knowledge, experience and education to fill these positions and deal with the very serious situations which exist.

I now wish to relate a recent experience. There was a serious hail storm. No. 2 northern grain was being purchased at 50 cents a bushel. The minister was well aware of this. At the same time this year's feed grain and No. 1 and No. 2 northern were being purchased for 35 cents a bushel. Barley was being purchased at 25 cents a bushel for large feed lots. The people operating large feed lots are naturally in the cattle business.

This leads me to the last question that I wish to ask the minister. Why does he not put all feed grains under the jurisdiction of the Canadian Wheat Board? There does not seem to be any justification saying this cannot be done. Feed grains must be put under the jurisdiction of the Canadian Wheat Board if we are to expect an orderly marketing of our grain. To suggest this cannot be done is, in effect, saying, "I don't care; the people in the cattle business are being well looked after." If we are concerned about only one industry, to the detriment of those growing grain, it is time we found out why we have this policy.

Another point I wish to raise is the land bank concept, which receives considerable attention in the United States, although I do not necessarily agree with many of their policies. If we are to recognize agriculture as one of the basic industries in Canada, we must have land available which can be put into production on a year's notice. Why do we not invent a land bank concept of preserving the land and paying the farmer for the land that is to be put into production? There seems to be money available to large corporations, the writing off of taxes, etc., but the principal concern about the agricultural economy is forgotten. This is a matter we ought to be considering.

With regard to the Canadian Wheat Board, Mr. Speaker, too many people in responsible positions in Canada are deliberately trying to undermine the Wheat Board. I strongly believe that the Canadian Wheat Board can do the job, if given the proper tools. Too often in the past this government and its cabinet have not given the Canadian Wheat Board the tools with which to do the job. I am sure those who remember the loss of a barley sale a year or two ago realize that if the Canadian Wheat Board had been in a bargaining position it may not have occurred. What disturbs me is that international brokerage firms are involved in the marketing and manipulation of our grain. I wonder how many other countries allow international brokerage firms to handle their sales of grain. How many countries are ahead of us in so far as the brochure for trying to sell Canada's grain is concerned?

The Canadian Wheat Board, if given the authority, could handle the complete transaction, but we must ensure that we back them up. There are too many people—there is one in particular in Saskatchewan—who in the press deliberately condemn the Canadian Wheat Board. I can only think this is being done in order to get back to the old hatchet system of the open market and to do away with the Wheat Board. In this way more people would become millionaires.

I am sure the minister has looked fully into the situation at the port of Churchill. I am certain this matter has been dealt with in this House. Many hon. members know Mr. Gray, the Secretary-Treasurer of the Hudson Bay Route Association, and agree that we should extend the insurance which is provided there. Mr. Gray made a very forceful point with regard to the handling of rapeseed and flax. He indicated that we could increase the sale of these grains through Churchill if the port was allowed a more open season. There is no ice at this time at the port of Churchill, yet the season is closed. This question should be looked into. I hope this has already been done.

In today's mail I received a press report from the Calgary *Herald* dated October 11, 1969. I hope the minister will interrupt and correct me if it is wrong.

The Acting Speaker (Mr. Béchard): Order. I regret to interrupt the hon. member but his time has expired, unless unanimous consent is given for him to continue.

Some hon. Members: Agreed.

[Mr. Skoberg.]

The Acting Speaker (Mr. Béchard): Is it agreed?

Some hon. Members: Agreed.

Mr. Skoberg: Thank you, Mr. Speaker and members of the House. This press report states:

> ... United Grain Growers Limited in Lethbridge in November, it may be possible to have the delegates inspect a project which has been kicked around in UGG board meetings for some time ... this is the potential purchase of the federal government inland terminal elevator for the purpose of integrating it into the UGG elevator system ... UGG has bought the federal inland terminal elevator at Moose Jaw ...

I wonder if the minister would interrupt me at this time and say whether that is correct? It would be most interesting to know if it is. If it is correct, it has been kept a deep, dark secret until this time. I had not heard of this, and I come from the Moose Jaw area. There has been no indication of this purchase. The minister is nodding his head. I am glad to know it is not correct.

Mr. Knowles (Winnipeg North Centre): He was shaking it!

Mr. Skoberg: Which way? I would like to say in closing that we all realize the name of the game is "change". All members of the House are prepared to accept changes which will benefit the people of this nation. If changes are proposed by the government at this time, they will have no problem getting their legislation through the House so long as it is to our betterment and improves the conditions which now exist.

Many people in this country are living on fixed incomes. This is degrading, to say the least. Pensions should be increased. There is no purpose in my speaking about that subject because it was very forcefully dealt with this morning by my colleague. If we are to have faith in a government that is telling us they believe in a society that is just for everyone, that government should bring in legislation which will do just that.

• (9:10 p.m.)

I was most displeased last night to hear the Minister of Finance (Mr. Benson) telling everyone that carrying out certain ideas expressed by members of the New Democratic Party would mean the state moving into every factory, every office, every trade union and every household. He was at pains to

point out what a terrible situation would be created. Mr. Speaker, it is not possible to have a flourishing economy unless it is planned. No one can tell me that the people of this nation, those who are doing without essentials at this very moment, those who are subjected to interest rates which scalp them, would reject action which is in their interest. The minister must realize that the people do matter and that this is a nation to be proud of—one nation, if only the government would do something about it.

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, it is customary during the debate on the Speech from the Throne to extend congratulations to all those who have been recognized in a special way since parliament last met—those who have been promoted within the cabinet and so forth—and also to extend congratulations to the mover and seconder of the Address. This has been done already by many speakers in the course of the debate and all I intend to add to this traditional aspect of our proceedings is that I heartily endorse those sentiments.

This is not the first debate on the Address in which I have taken part. As a matter of fact, as I look across to my right at the hon. member for Malpeque (Mr. MacLean) I am reminded that it is about 19 years since we were first exposed to the mysteries of this Parliament of Canada; since we arrived on Parliament Hill to conquer new worlds and change the destiny of the nation. I am sure that is the sentiment of a good many members when they first arrive in parliament.

Looking back over that period of Canadian history one realizes that there have been many changes. Some have been for the better and others have been for the worse. I note that the Prime Minister (Mr. Trudeau) in his contribution to the debate on Friday last summed up his remarks by saying, in effect, that it was the government's intention to direct the processes of change in such a way as to ensure they would redound to the general good of Canada. I have the exact words before me as reported on page 43 of *Hansard*. The Prime Minister said:

> We intend in the future as in the past to be the voice of change; we shall not forsake our role as advocate of the great mainstream of Canadians and we intend to listen, to understand, to respond and to lead.

Over the past 19 years I have heard many speeches, as you can well imagine, Mr. Speaker, and I have learned to take many of the sentiments expressed in this chamber with the proverbial grain of salt. I have become somewhat less idealistic than I was when I first came here, and I have concluded that the best way to interpret the earnest of the desire of any administration is not necessarily to draw conclusions from the words which are spoken but to watch the policies of the particular administration or political leader concerned for proof of action in the best interests of Canada.

Tonight I want to deal briefly with some of the changes which have taken place in recent years and which I feel are not in the best interests of this institution of parliament nor in the best interests of the unfolding development of Canada as a nation from sea to sea. I like the sentiment expressed by the Prime Minister in some exalted words at the conclusion of his speech. He said this institution of parliament was designed to resolve differences to which he had referred, and I agree heartily with that proposition. Unfortunately, fundamental changes are taking place in this institution, changes which I feel go in a direction completely opposite to the sentiment expressed by the Prime Minister in his contribution to the debate the other afternoon. Maybe in considering this question of change we have arrived at a point where the change is so fundamental that it is almost as profound as during a period such as the Reformation, which changed the basic perspectives of the society of that time.

Values are changing in the world in which we live today. As the old preacher in the book "Green Pastures" expressed it: "Everything not nailed down am coming loose." We are faced with all the problems generated by a fundamental change in values in the direction of relativism of the new morality, and of tensions created by the advent of the permissive society which are having such a disastrous influence on our basic social institutions, be they the family, the institutions of education or even those of parliamentary democracy. It is the virus of this profound change—perhaps I should use the word "poison"—which is biting deep into the body politic. As has been forcibly brought to our attention, this is reflected particularly in the younger generation of Canadians who were born into the nuclear age, who have been programmed into the computer age and who, more recently, were skyrocketed into the space age. In these circumstances it is not hard to understand why there is confusion, as is made

manifest in some of the activities which have come to public attention, to the attention of the government and to the attention of all members of the House in recent weeks. I quote, for example, what has occurred with respect to the government's charges against the Company of Young Canadians, the group which was established by legislative decree of this House just a few years ago to be a vehicle whereby young Canadians could participate on a voluntary basis in giving guidance amid the profound social changes which have been affecting Canada so seriously.

I could refer also to the disturbances in our universities which have become the occasion of almost daily headlines in our newspapers and which certainly have been reported prominently by that great public organ of information the Canadian Broadcasting Corporation, which has itself been facing certain difficulties as a result of the deep-seated process of change which has been going on.

• (9:20 p.m.)

The Prime Minister has responded to these indices of confusion and disorganization in Canadian society and, as the Leader of the Opposition (Mr. Stanfield) said so effectively the other day, has engaged in verbal over-kill in order to make the point that he wanted to make at that time. The situation could be expressed in another way: He was, perhaps, using a baseball bat to kill a flea. In other words, Mr. Speaker, his was a sudden, almost emotional, response to a very delicate situation.

Since the statements of the Queen's first minister in Canada have a profound influence right across the country in view of the prestige of that office, if we are not careful, Mr. Speaker, this sort of thing could result in incipient McCarthyism and witch-hunting which, of course, is not a reasonable approach to the problem of reflecting serious social change. Indeed, it has now reached the point where it is attempting to tear at the very foundations of national unity.

One problem in this House of Commons that does not change from year to year is the basic consideration given to policies that are enunciated and brought forward by government, supported by this parliament, which are designed to bring together Canadians of all ethnic origins from sea to sea in what we like to refer to as national unity. The problem of national unity in a country like Canada becomes more difficult to deal with in periods of rapid change, and we are passing through such a period at the present time.

[Mr. Dinsdale.]

In another statement that the Prime Minister made recently he said he had solved the problem of national unity, and that in another five years he would perhaps be able to move off the political stage. Having listened to hon. members from all parts of Canada in the course of this debate outlining the economic problem that are facing various sections of the country, it would seem to me that a statement of that kind indicates that the right hon. gentleman is very much out of tune with the prevailing mood and spirit of the nation. Never was there a time when there was more restlessness and confusion in the Canadian body politic.

In recent years that there has been a tendency to concentrate upon the issues that separate us rather than upon those that bring us together. The Prime Minister has this exasperating habit of heading in two opposite directions at the same time, and this makes it very difficult for the Canadian people, who are part of the Canadian mosaic, to understand exactly where the Prime Minister is going. It is almost like riding into the eye of a hurricane. As I have said, Mr. Speaker, the problem of national unity becomes increasingly difficult during periods of social change. It therefore behooves all of us, in our observations on the subject, to underline and support some of the fundamental institutions which have been the unifying forces in Canada since the beginning of this nation.

For example, I do not think it is helpful at this time constantly to downgrade and erode such a fundamental institution as the monarchy. I do not want to dwell on this theme at any great length, but even in the official references in the documents of Canada we have had it underscored that the role of the monarchy as a symbolic, unifying force in this nation has been downgraded and eroded. The Secretary of State (Mr. Pelletier), in a speech that he made during a visit to London last summer, indicated that Canada will inevitably become a republic. Well, now, that is his belief and his sentiment. For myself I do not think there is anything inevitable about a process of that kind. Actually, the institution of constitutional monarchy has been one of the main sources and symbols of Canadian unity down through the years. Indeed, it has made possible our movement forward as a nation in the midst of all kinds of divisive and centrifugal forces in the Canadian body politic.

Another very important example of this technique of moving in two ways at the same time, of downgrading an institution merely because it is traditional and of long standing, is this: At the other end of the scale we find spokesmen for the government, from the Prime Minister down, moving toward a policy of narrow nationalism in recent announcements of changes in defence policy. In the sort of world in which we live, one in which the impact of change is even more profound on the international scene than on the domestic scene, this has caused a spirit of pessimism to prevail at the United Nations. It has also caused the former Prime Minister, Mr. Pearson, to state that the affluent nations must be more generous in their support of the underdeveloped nations. I think that any institution that has achieved progress in bringing together a consort of nations as a meaningful international body should be supported with increased enthusiasm by the government of Canada. Regrettably, government spokesmen in recent months have seen fit to downgrade NATO.

The North Atlantic Treaty Organization was moulded from the challenge of international Communism which arose in the latter 1950's. We in Canada gave until recent times our wholehearted support to this organization. It was regarded, in the first instance, as a co-operative form of military defence on the part of Atlantic nations against the threat of external subversive influences. But it was more than a military force; it was also the nucleus of a political entity.

• (9:30 p.m.)

It was devoutly hoped it would become the nucleus of a significant political force which might even move forward to become the pioneering experiment in some form of international federalism. Many members of this House have had the opportunity to attend NATO Parliamentary Association meetings. There has always been there great enthusiasm and support for the ultimate objectives of the NATO Parliamentary Association becoming a useful forum that would see the North Atlantic communities grow closer together in the beginning of a new total international co-operation which is urgently needed in the sort of jungle situation which prevails in the dealings between governments at the present time. If we downgrade our military contribution to NATO it means that our voice in the political deliberations of that important body will be equally downgraded.

I was overseas this summer for a couple of weeks and was shocked to see the rapid decrease, almost to the vanishing point, of the prestige of Canada in such countries as West Germany, the United Kingdom, Belgium and all the other countries which are playing a vital role in the promotion of the NATO ideal both military and political. We have unilaterally, without consultation with members of this House and certainly ignoring the recommendations of the comprehensive study made by the External Affairs Committee, withdrawn our strong support for the North Atlantic Treaty Organization.

This is just one example. Many others could be quoted. Perhaps the main criticism I should like to make is that much of this has been done without parliamentary approval. In fact, there has been a move in the opposite direction. Many of the announcements are made outside this House when parliament is in recess. It would almost appear to be a deliberate device to avoid criticism. Unfortunately, the Prime Minister's version of participatory democracy seems to be to appeal directly to public opinion rather than the slower and more difficult process of parliamentary discussion. I believe that one thing in this process of change which has brought about so much confusion in the nation has been the tendency of the government to an increasing extent to downgrade the principle of responsible government which is absolutely essential if parliament is to continue to play the unifying role that the Prime Minister mentioned in his speech when he said this institution of parliament is designed to resolve the differences that are wracking the Canadian community at the moment.

These topics have been referred to many times. I could talk about the roster system whereby ministers show their lack of respect for the principle of responsibility by indicating they feel there are more important duties to attend to in their ministerial responsibilities than listening to hon. members in this House. The tendency of ministers to make statements outside the chamber undercuts the elected representatives on the government and opposition sides of the House. There would appear to be a tendency to govern through the mass media. In this way there is instant communication with instant solutions for all the problems which change almost as

quickly as the kaleidoscopic images on television. There would appear to be the assumption of a presidential role without the checks and balances of the presidential system. Announcements are made at press conferences rather than in this chamber, particularly on the eve of the opening of parliament. The distinguished parliamentary correspondent, Charles Lynch, refered to this in a recent article when he said:

> In their press conferences, few American presidents have ever covered ground as sweeping as Mr. Trudeau did yesterday—telling off France, Quebec separatists, the Company of Young Canadians in rapid-fire order, plus recognizing the Vatican.
>
> He enlarged his cabinet—already the largest in Canadian history—by adding a wheat minister and an assistant finance minister, and said the cabinet might grow even bigger.

The growth of the power of the executive is one of the disturbing features I have noticed take place surreptitiously and constantly in the 19 years I have been in this chamber. If the Prime Minister, when he refers to the process of change and the necessity of consulting the institution of parliament in resolving differences, really means this there must be more than words; there must be action. This action must be vastly different from the action and the attitude which has prevailed in the executive branch of this government since it assumed office just over a year ago.

Parliament is no longer the sounding board of the process of government in Canada. Some people say that parliament is dead, that this House is dead and that there is no interest and no confrontation in debate across the chamber. It is suggested that as a consequence members stay away in droves. The high court of public opinion, the raison d'être of this institution, tends to become a legislative treadmill. There is nothing that reveals the real intent of this government in the House of Commons more clearly than its insistence on Bill C-75 in the dogdays of the past session last July.

Another problem that relates very closely to this whole difficulty of maintaining national unity in a situation of growing diversity is the necessity to deal with the continuing problems, in fact the growing problems, of regional disparity. Important as parliament is as a sounding board of public opinion, we will not really come to grips with the problems of Canadian nationhood until we deal in concrete terms with specific economic problems.

One of the few specifics mentioned by the Prime Minister during that confused election of 1968 was the necessity of dealing with regional disparity and bringing about a more equitable economic situation in the various parts of Canada. Unfortunately, in the changing circumstances the poor have become poorer and the rich have become richer. I am referring not only to individuals but to the underdeveloped parts of Canada. There is lack of diversification in the economy because of the tendency for political power as well as economic development to concentrate in the two big central provinces. I believe it should be mentioned that at the present time there are movements both in the far eastern part of Canada and in western Canada. Discussions are going on with a view to making a united appeal to Ottawa to break up the core of economic power in the golden triangle to which reference is often made.

• (9:40 p.m.)

On looking at the Speech from the Throne I agree with other hon. members who have referred to its lack of specific policies and its generalities in dealing with the great economic issues of Canada. It almost seems that the present government, as was said by the Right Hon. Louis St. Laurent in reference to the lack of interest of governments over the years in the development of the north, is dealing with the problems of the extremities of Canada, both east and west, in a state of absentmindedness. It appears as if the present government regards east and west as colonies to be placated but not to be provided with the economic programs that are needed if we are to really deal with one of the major difficulties of national unity, that is, regional disparity.

I could point out many examples of this kind, but in view of the shortness of time I would just mention in passing—I see that the hon. member for Winnipeg South Centre (Mr. Osler) dealt with the subject the other day—that an important event is to be celebrated both in Manitoba and in the Northwest Territories next year when both these parts of Canada will be celebrating their centennial. This underlines the fact that when Manitoba was first carved out of the Northwest Territories in 1870 and when the Northwest Territories as a whole became a part of the Canadian federation, a new dimension was added to the Canadian community which has added a positive and dynamic force to what we in western Canada call the Canadian mosaic. What has happened in western Canada is that

a spirit of Canadianism that has been derived from peoples who have come in search of the freedom and opportunities of the new world has produced a mosaic that is as colourful as the Canadian maple leaf in autumn.

The Acting Speaker (Mr. Béchard): Order, please. I regret to interrupt the hon. member but his time has expired. Unless unanimous consent is given to allow him to continue, he will not be able to do so.

Some hon. Members: Continue.

Mr. Dinsdale: Thank you for your generosity, Mr. Speaker, and also I thank hon. members. I would like to have dealt with specific problems, such as the problem of the agricultural community in western Canada. Many western spokesmen have brought this difficulty to the attention of the House, and if the Prime Minister and his ministers are really listening, I am sure they will have the basis of policies which if applied to solving the difficulty will make a major contribution in dealing with what has become a major economic crisis.

The crisis has now been recognized in the appointment of a special minister to deal with wheat. I am sure that we will see some solutions coming out of this particular corner of the cabinet. The minister is a westerner; he understands the difficulties and certainly he has had enough advice to enable him to deal with them.

There is only one further contribution that I would like to make in offering advice, that is to underscore the fact that salesmanship is the real solution to the problem of wheat which has become a glut rather than a benefit to the Canadian economy generally. The farmers have already put forward a suggestion which were it adopted by the government would, I am sure, accelerate the sale of the surplus grain that is piling up in the Trudeau bins as the hon. member for Moose Jaw (Mr. Skoberg) referred to them, and it would not cost the public treasury a penny.

The Minister of Agriculture (Mr. Olson) has already been approached about this matter. The farmers want to set up a farmer-financed sales agency to get out and sell grain aggressively so as to get beyond the international cartels that have no particular interest in selling Canadian wheat. They would finance it out of a small deduction from each bushel of grain. It would be something similar to the United States export marketing agency which has recently been set up to deal with their similar problem of surplus agricultural products.

I will not transgress further on the time of the House, but by way of summary I will go back to my opening remarks and say that I agree heartily with the Prime Minister when he says that the fundamental problems of Canada today have been aggravated, if not precipitated, by the processes of change that are striking at the very foundation not only of Canadian society but of the world community. Change can be either positive or negative. It does not necessarily bring about a renaissance in national and international life. There must be positive leadership and there must be concrete programs if a just society is to be established in fact as well as in name. It must be based not on words but on action. This is the major criticism of the Speech from the Throne and it is the major criticism of the government. The words are fine, the music is pleasant, but we seem to be dancing in circles. Let us match action with policies and programs to deal with some of the fundamental difficulties to which I have referred briefly and to which reference has been made by other hon. members. Especially let us stop the erosion of the institution of parliament so that members, instead of becoming ciphers and nonentities or, as the Prime Minister himself said in the final days of the last acrimonious session, absolutely useless in dealing with the affairs of the nation can contribute to this much publicized just society.

I say to the Prime Minister: Give us a chance. Listen to the advice. I am sure that we shall meet in a positive way the challenge of change rather than create greater disunity and division in the Canadian nation, which has been the case during the first few months of this administration's life.

Mr. Steven Otto (York East): Mr. Speaker, I think I shall have the pleasure of closing off this enjoyable day. First I want to congratulate the mover and seconder of the Address in Reply to the Speech from the Throne. I expected those hon. members to make laudatory remarks. People will read their remarks and the Prime Minister (Mr. Trudeau) has taken notice of them.

• (9:50 p.m.)

Of course, they expect to be lauded and complimented. I have listened to all the other speeches, especially those from backbenchers, and I found them very interesting. Indeed, I

thought that some of them under the guise of flattery were rather critical of the government, I think that is a good thing. From my experience I would like to tell backbenchers that if they are going to be critical of the government the safest place to do it is right here in the House of Commons. Do not do it in the press because then your criticism will get down to the ministers and to the Prime Minister and you will be chastised. Do not do it in letters to your constituents. Do it here in this House where you are absolutely safe. Certainly there are ministers who attend in this house but they very seldom pay attention to speakers; they are busy writing letters so the backbencher can say what he likes. Further, all the members of the Press Gallery leave the chamber right after the question period. For most of the rest of the time there is only one gentleman sitting in the Press Gallery. This has been my experience over seven years. There are two sitting there now, and that is rather usual. I strongly suspect that one of the gentlemen to whom I refer is not even a reporter; I suspect he is a hired man put there to make it appear that the press is represented in this House.

As the hon. member for Brandon-Souris (Mr. Dinsdale) said, it is sad that this House is no longer an effective House, an effective organ. It is a fact that the parliamentary system does not completely suit this form of government or this country. Most of the time we talk at each other rather than to each other; then the parliamentary secretaries talk to the ministers, the ministers talk to the deputy ministers, the deputy ministers to the establishment, and the establishment talks to God. Nobody really cares what we are saying here. Therefore I repeat my advice to new members. In the seven years that I have been critical of the government not once have I been chastised for being critical of it here in this chamber.

When I approached the bar of the other place to hear the Speech from the Throne I of course could not hear very well because there was no loud speaker system. However, I did catch a couple of words with which I was very pleased.

Mr. Knowles (Winnipeg North Centre): That was on Wednesday. The loudspeaker was working on Thursday.

Mr. Otto: Anyway, the words I thought I heard were that we were going to have a Canadian research centre or corporation. This has been talked about for many years. It is something we should have, to advise our government. We should have a comprehensive research organization which will at least diagnose our problems carefully and accurately and provide a base upon which the government can act. Unfortunately, when I read the Speech from the Throne I saw it referred to a Canadian international research centre which is to give advice on our contributions to the newly developing nations. Of course, that will be a good thing also. I have no criticism of it, because in many cases aid given by both the United States and Canada has not necessarily been used to the best advantage.

I recall that some years ago in Turkey I saw a brand new road that had been built with American money, a road which sort of went from corner to corner. It started nowhere and ended nowhere, but certainly took in a great number of zigzags. When I inquired why it served no particular purpose I found that certain members of the government had houses or land in various places and the road went through each of those places. Indeed, a great deal of Canadian money has also gone the wrong way. Therefore if this proposed centre is a good one it will serve a useful purpose. However, it seems to me that we in Canada need such an organization—a "think tank" as it was once called. Last year the Prime Minister said he was in favour of such an organization. I think the quicker it is established the better it will be.

I jotted down some of the points that I thought should concern a Canadian research centre if such is formed. It should not merely be concerned with research for marketing or for government. It should be a composite research project. At present we have research branches in various departments of government. This is something quite new; there were none eight years ago. But these branches do not talk to each other. The agricultural research branch feeds advice to the Minister of Agriculture (Mr. Olson), and other branches advise the Minister of Finance (Mr. Benson) and the Minister of Industry, Trade and Commerce (Mr. Pepin). Each one is on a different tack. We cannot function in this day and age without a composite basis, a carefully packaged research concept that will encompass all departments and work in conjunction with them. This is not something new.

In 1951 the Japanese government formed the Japanese Trade Research Organization for Japanese industry, commonly known as Jetro.

I recall that one of the first reports compiled for it was commissioned from a Canadian company, Gruneau Marketing Research. It dealt with cameras and how the Japanese could introduce cameras that would capture half of the world market. This is only 1969 but already Japanese cameras, that is high-priced cameras, command half of the world market. I recall another example in connection with Jetro. It concerned luggage. I saw a report which indicated not only the type of luggage that Canadians liked but also its shape, the type of plating—whether nickel or brass—who bought most of the luggage sold in Canada, what clubs they belonged to, what religious denominations they professed, and how they would accept Japanese salesmen. We do not have this effective type of research. What we have are research organizations in the various departments, without any common purpose.

Mr. Deputy Speaker: Order. I am sorry to interrupt the hon. member but it being ten o'clock this House stands adjourned until two o'clock tomorrow afternoon, pursuant to Standing Order 2(2).

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

HOUSE OF COMMONS

Wednesday, October 29, 1969

The house met at 2 p.m.

ROUTINE PROCEEDINGS

VETERANS AFFAIRS

PENSION COMMISSION—REFERENCE TO STANDING COMMITTEE OF REPORT, EVIDENCE AND WHITE PAPER

Hon. G. J. McIlraith (Solicitor General) moved:

That the report of the committee appointed September 8, 1965, to survey the organization and work of the Canadian Pension Commission, tabled on March 26, 1968, and the evidence adduced by the Standing Committee on Veterans Affairs in its study of the aforementioned matter during the first session of the twenty-eighth Parliament, including the white paper on veterans pensions, be referred to the Standing Committee on Veterans Affairs.

Motion agreed to.

CANADIAN NATIONAL RAILWAYS, AIR CANADA

PROVISION FOR CAPITAL EXPENDITURES, GUARANTEEING OF SECURITIES

Hon. E. J. Benson (Minister of Finance) moved for leave to introduce Bill C-7, to authorize the provision of moneys to meet certain capital expenditures of the Canadian National Railways System and Air Canada for the period from the 1st day of January, 1969, to the 30th day of June, 1970, and to authorize the guarantee by Her Majesty of certain securities to be issued by the Canadian National Railway Company and certain debentures to be issued by Air Canada.

Motion agreed to, bill read the first time and ordered to be printed.

CHILDREN OF WAR DEAD (EDUCATION ASSISTANCE) ACT

AMENDMENTS RESPECTING ELIGIBILITY, ETC.

Hon. G. J. McIlraith (for the Minister of Veterans Affairs) moved for leave to introduce Bill C-8, to amend the Children of War Dead (Education Assistance) Act.

Motion agreed to, bill read the first time and ordered to be printed.

SMALL BUSINESSES LOANS ACT

EXTENSION OF CATEGORIES OF LENDERS

Hon. E. J. Benson (Minister of Finance) moved for leave to introduce Bill C-9, to amend the Small Businesses Loans Act.

Motion agreed to, bill read the first time and ordered to be printed.

CANADA SHIPPING ACT

AMENDMENTS RESPECTING COST OF MEDICAL AND HOSPITAL SERVICES TO CREW

Hon. G. J. McIlraith (for the Minister of National Health and Welfare) moved for leave to introduce Bill C-10, to amend the Canada Shipping Act.

Motion agreed to, bill read the first time and ordered to be printed.

• (12:10 p.m.)

RAILWAY ACT

EXTENSION OF AUTHORITY OF CANADIAN TRANSPORT COMMISSION RESPECTING TELEGRAPH AND TELEPHONE TOLLS

Hon. G. J. McIlraith (for the Minister of Communications) moved for leave to introduce Bill C-11, to amend the Railway Act.

Motion agreed to, bill read the first time and ordered to be printed.

INTERNATIONAL DEVELOPMENT RESEARCH CENTRE

PROVISION FOR ESTABLISHMENT

Hon. C. M. Drury (for the Secretary of State for External Affairs) moved for leave to introduce Bill C-12, to establish the International Development Research Centre of Canada.

Motion agreed to, bill read the first time and ordered to be printed.

ORAL QUESTIONS

THE CANADIAN ECONOMY

STEEL PRICE INCREASES—CONSULTATION WITH GOVERNMENT—PRICES AND INCOME COMMISSION STUDY

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask

a question of the Minister of Finance. Did the Steel Company of Canada consult the government of Canada before making the recent announcement of price increases on its products?

Hon. E. J. Benson (Minister of Finance): No, Mr. Speaker.

Mr. Stanfield: Mr. Speaker, I should like to ask a supplementary question. In view of the fact that in 1967 the then Minister of Finance told the House that the Steel Company of Canada had consulted the government before the increase which took place at that time, has the government on this occasion protested the lack of consultation by the Steel Company of Canada before the recent price increases?

Mr. Benson: No, Mr. Speaker.

Mr. G. W. Baldwin (Peace River): I have a supplementary question for the Prime Minister, Mr. Speaker. In the light of existing jurisprudence on this question, would the right hon. and learned gentleman not agree with me that there must be joint action with the provinces and that the assertion of the Prime Minister when he rushed out of the House to say on television that the federal government was considering taking sole action sounded suspiciously like the mouse that roars?

An hon. Member: The mouse wants to roar. Better let him.

Mr. Speaker: I have to rule that the hon. member's question is suspiciously irregular. It cannot be received at this time because it is asked in an argumentative manner.

Mr. Stanfield: I have a further supplementary question for the Minister of Finance, Mr. Speaker. In view of the fact that in 1967 the government of Canada requested that price increases be deferred for six months, was there any reason why the government did not ask the Steel Company of Canada to defer the recent price increases for the same period of time?

Mr. Benson: Immediately preceding the price increase there was a prolonged strike in the steel industry resulting in a large wage settlement. I understand that the Prices and Incomes Commission is going to look into the matter in an attempt to find whether or not there was justification for the increase in prices and wages. I should like to congratulate them for their action in this regard.

Mr. Stanfield: A supplementary, Mr. Speaker. In view of the failure of the government to request deferment of the price increase, even though deferment was agreed to in 1967, can the minister state the significance of the investigation announced by the Prices and Incomes Commission in relation to the government's anti-inflationary policy?

Mr. Benson: Mr. Speaker, the reason the government did not ask for a price deferment on this occasion was that we did not have the facts and we have not got the right to command these facts from either labour or industry. The Prices and Incomes Commission, as I presumed they would, are looking into the situation. When the facts are reported this House will have the opportunity of looking at them and deciding whether or not the actions of labour and management in this case are inflationary or were justified, and I would hope we would have a great deal more knowledge of the facts than we have at present—

An hon. Member: You mean more increases.

Mr. Benson: —to wage the fight in this matter.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a supplementary question to the Prime Minister. Since the Prices and Incomes Commission is now studying this matter, will the government make it known to that commission that it would welcome an early recommendation on which the government can act?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the things that the Minister of Finance, the Minister of Consumer and Corporate Affairs and I have been saying are an indication that we hope there will be an early report on this matter. If it appears that there will be no early report, then we shall have to consider other ways of making the facts known.

While I am on my feet answering a question, Mr. Speaker, I hope you will allow me to correct the misinterpretation inherent in the question asked by the hon. member for Peace River. He quoted me as having said that the federal government would suggest the control of prices and incomes. I said that that is something we are considering; that if a constitutional amendment is needed we will discuss it with the provinces.

Mr. Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. So that the Prime Minister's answer will be clear,

may I ask if he wants only a report from the Prices and Incomes Commission or does he want a recommendation on which the government can act? That was my question.

Mr. Trudeau: Mr. Speaker, as the Minister of Finance said, we want to know the facts. It will be up to the commission to present them in any way it wants to, either by way of report or by recommendation. I repeat, it is an independent commission and we cannot dictate to it its terms of reference in a case like this. After having obtained the facts from the commission we shall have to consider what action to take. Alternatively, if we fail to ascertain the facts because of delay, we shall have to consider alternative means of action.

Mr. Stanfield: May I direct a supplementary question to the Minister of Finance, Mr. Speaker. Will he not request a deferment of these price increases until the commission has conducted its investigation. Even though the commission may have announced that it will make no findings of fact, will the minister not request it to do so? In view of the experience of 1967 will the government, in place of this morning's sloppy announcement, not request a deferment of price increases until a meaningful investigation has been conducted by the Prices and Incomes Commission so that some action may be taken?

Mr. Benson: Mr. Speaker, I regret my hon. friend's derogatory comment about the Prices and Incomes Commission which I think is doing a pretty good job. It has been trying to do something about controlling inflation.

Mr. Hees: Answer the question.

Mr. Benson: I will answer the question if my hon. friend will permit me to and stop interrupting. Of course we can ask people to defer potential price increases; perhaps we could ask labour to defer its wage increases. However, we have the power to force neither of these things, and anything we say in this regard would be merely an expression of pious hopes.

Some hon. Members: Oh, oh.

Mr. Benson: I hope the Prices and Incomes Commission will in a very short period of time determine the facts in these particular circumstances. Then we, both as a government and as a parliament, will have the right to look at them and decide whether these increases are inflationary in the circumstances. Some people in the House may prefer to express an opinion about who is to blame when they have the facts and not express opinions before they know anything about them.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, may I ask a supplementary question?

Would the Prime Minister be more specific about this fundamental matter and tell us whether he or his government has appointed, officially or unofficially, a group of experts who would determine if the federal government is empowered by the Canadian constitution to control prices and wages without encroaching upon provincial powers?

Mr. Trudeau: This general matter has been referred for consideration to the Department of Justice which, as the hon. member knows, acts as an adviser to the government on constitutional and legal matters.

Mr. Fortin: I have a supplementary question for the Prime Minister, Mr. Speaker.

Do the terms of reference of the task force provide for this particular aspect of the question, that is the federal government authority in this instance, to be examined?

Mr. Trudeau: Mr. Speaker, this is the same question. We have asked the Department of Justice for an opinion and their counsels always answer as fast as they can.

[*English*]

Mr. Eldon M. Woolliams (Calgary North): A supplementary question, Mr. Speaker. In view of the answers the Prime Minister has given to other hon. members, will he advise us whether his law officers have advised the government that it is unconstitutional for the federal government to control prices at this time in the light of the inflation crisis?

Mr. Trudeau: Mr. Speaker, we will receive the advice of the law officers of the Crown and we will decide to act upon it as we see fit.

Mr. Woolliams: A further supplementary. My question was clear. Have the law officers advised the government whether it is constitutional or unconstitutional? Does the Prime Minister have that advice at this time?

Mr. Trudeau: Perhaps some time in the past it might have been done, Mr. Speaker, though I am not aware of it. On this specific

issue, we have referred the question to the Department of Justice in recent weeks. There has been no advice yet on that particular point.

[*Later:*]

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, since the government's intention to control prices and wages reveals its failure to stem inflation, can the Prime Minister tell us if he intends to check inflation by bringing before parliament other measures than price and wage controls?

Mr. Trudeau: Mr. Speaker, I shall repeat what I said to the hon. member for Peace River. These questions imply that we have announced measures which we did not announce. We did not say we had failed and were going to control prices and wages. We said—and that is the position of the Minister of Finance and mine—that we would not close any doors before the urgency of fighting inflation. We feel that all means accessible to the federal government will be considered and used if necessary.

I believe the hon. member for Peace River is asking questions mainly because he is looking for an opportunity to be facetious. I find it unfortunate that he should spread inaccurate information through his questions.

Some hon. Members: Hear, hear.

[*English*]

INFLATION—INCREASE IN GENERAL WHOLESALE INDEX—ADEQUACY OF BUDGET MEASURES

Hon. George Hees (Prince Edward-Hastings): I have a question for the Minister of Finance. The Dominion Bureau of Statistics has just announced that the general wholesale index has increased by four-tenths of one per cent during the month of September, which is a rate of 5 per cent a year. Does the government intend to introduce any new initiatives at this time to counteract the steady rise in the cost of living and inflation in view of the proved inadequacy of the measures introduced in the last budget?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the adequacy or inadequacy of the measures introduced in the last budget is yet to be determined. I would like to assure my hon. friend from Prince Edward-Hastings that this government intends to overcome the inflationary problem in Canada. It intends to take all the steps necessary and it will not close any doors with respect to actions that might be necessary in the future. However, I would like to say to my hon. friend that there is an indication, both here and in the United States, that the steps taken by our government and by the government of that country are having effect. I hope that more stringent measures are not necessary or that a prolongation of tight monetary and fiscal policies in Canada will have to go on too long. But it would be much easier, as I said the other night, to slow down the rate of inflation in Canada if we had the co-operation of all the people of Canada, including members of the opposition.

Some hon. Members: Oh, oh.

Mr. Hees: Does the government consider that the present rate of increase of inflation amounting to 5 per cent a year indicates that it has been successful in curbing inflation? Does the minister not agree that the two measures he introduced in the budget have completely failed, as everybody connected with them says every day of the week?

Mr. Speaker: Order. The hon. member is asking for an expression of opinion and I am afraid he is out of order.

Hon. Robert L. Stanfield (Leader of the Opposition): I should like to ask the Minister of Finance whether the research project announced by the Prices and Incomes Commission this morning is an example of the tough line he and the Prime Minister were talking about.

Mr. Benson: I am astounded that the Leader of the Opposition, who pressed so hard for the establishment of an independent prices and incomes commission, should stand up in the House of Commons a few months later, when they are trying to do their job, and criticize them.

[*Later:*]

Mr. Hees: A supplementary question for the Minister of Finance. Has the minister not noticed that his colleague, the Minister of Consumer and Corporate Affairs, has stated categorically that the measures introduced in the budget are altogether inadequate to curb inflation?

Mr. Speaker: Order, please. The supplementary is argumentative and is no more acceptable under our rules than the previous question asked by the hon. member.

Mr. Hees: Mr. Speaker, on a point of order, could I ask whether the Basford who said that was the Minister of Consumer and Corporate Affairs, or was it some other Basford?

Mr. Speaker: Order, please. The hon. member is getting even more out of order.

INFLATION—INCREASE IN PRICE OF HOUSEHOLD DETERGENTS

Mr. W. B. Nesbitt (Oxford): I have a question for the Minister of Consumer and Corporate Affairs, Mr. Speaker. I note he is not here today but I am sure I can direct it to the Minister of Finance who will, I know, take an interest in this subject. Has the minister made representations to the soap companies or to the Prices and Incomes Commission concerning the apparently shocking rise during the last six months of more than 50 per cent in the price of household detergents? I ask this question because I have evidence beside me which shows that the price of household detergent has risen from $1.39 early last May to $2.13 this October. It is right here.

Mr. Speaker: I would remind the hon. member that questions are for the purpose of seeking information and not for giving information to the House. In the second place, it is not in accordance with the rules to use exhibits either in the statement of a question or in answering questions. Having said this, I would add that the first part of the question is in order and that the minister may reply.

Hon. E. J. Benson (Minister of Finance): Having heard the hon. member's soapbox oratory, I will undertake to pass on his question to the Minister of Consumer and Corporate Affairs. I ask the hon. member to submit the information in his possession to my colleague.

Mr. Nesbitt: I apologize to Your Honour if I have in any way offended the House by producing what you have referred to as an exhibit, but I assure Your Honour that it was only for the purpose of quoting the prices accurately as they appear on soap boxes.

Some hon. Members: Oh, oh.

TRANSPORT

TRUCKING—EXAMINATIONS OF COMPANIES' RECORDS BY INTERSTATE COMMERCE COMMISSION

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I wish to address a question to the Prime Minister. To the knowledge of the government, is the United States Interstate Commerce Commission sending enforcement officers into Canada to examine the records of Canadian truckers? If so, is this being done with the consent and approval of the Canadian government?

Right Hon. P. E. Trudeau (Prime Minister): This is not being done to my knowledge, Mr. Speaker. I will gladly look into the question.

EXTERNAL AFFAIRS

CHANGES IN CANADIAN DIPLOMATIC ESTABLISHMENTS

Mr. Stanley Knowles (Winnipeg North Centre): May I direct a question to the Prime Minister, Mr. Speaker. In view of the uncertainties which seem to exist regarding cuts or changes in our diplomatic postings, and in view of reports that this question is under the personal control of the Prime Minister, will the right hon. gentleman make a statement at an early date telling us which embassies are to be continued or cut back, and what changes are to be made?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker, I shall not be making a statement, but the Secretary of State for External Affairs will make one. This is within his departmental prerogative and he will make a statement as soon as he comes back from Victoria.

OFFICIAL LANGUAGES

APPOINTMENT OF COMMISSIONER

Mr. A. D. Hales (Wellington): Mr. Speaker, I should like to direct my question to the Secretary of State. Has the minister or the government appointed a commissioner to administer the languages bill which was passed by the House on July 7, I believe, some four months ago? If not, when may we expect such appointment?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, my answer to the hon. member is that under the legislative measure that has been adopted and that has come into effect on September 7, I believe, that appointment will in fact be made by way of a resolution of the two houses. It is the government's intention to move this resolution as soon as possible following the debate on the Address in reply to the Speech from the Throne.

Inquiries of the Ministry

[*English*]

Mr. Hales: A supplementary question, Mr. Speaker. Will the provisions of that Act take precedence over any provincial languages bill that may be in force?

Mr. Speaker: Order, please. The hon. member is obviously seeking the expression of a legal opinion, or the interpretation of a statute by the minister. This is not in accordance with the rules.

PUBLIC BUILDINGS

EXTERNAL AFFAIRS, OTTAWA—CONSTRUCTION VIS-À-VIS DEFERMENT POLICY

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, my question is directed to the Minister of Finance. Would the minister tell the House how he is able to reconcile the calling for tenders for the new external affairs building to be constructed in Ottawa with his commitment to defer construction of government buildings in those areas where in his June budget he applied deferred depreciation on the construction of commercial buildings?

Mr. Speaker: Order. The question asked is clearly argumentative.

OIL

REQUEST FOR ADDITIONAL FUNDS BY PANARCTIC OILS LIMITED

Mr. Randolph Harding (Kootenay West): Mr. Speaker, my question is directed to the Minister of Finance. In view of the recent report that Panarctic Oils Limited has practically exhausted its development funds and is expected to ask both the government, which has a 45 per cent interest in the company, and the industry brokers for another $10 million by the end of the year, I would ask the Minister of Finance whether any request for additional funds has come from Panarctic Oils Limited and, if so, what has been the government's decision in this matter?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, no such request has come to my notice at this point.

FISHERIES

OPERATIONS OF SOVIET TRAWLERS NEAR CAPE SMOKY

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I have a question for the Secretary of State for External Affairs or for the Minister of Fisheries, both of whom should be in the house according to the roster. Since they are absent I will direct my question to whoever is responsible for one or other of those departments. Has the government made any representations to the Soviet embassy concerning the operations of 40 or more Russian trawlers within our so-called 12-mile limit near Cape Smoky, Cape Breton, thus causing hardship to the inshore fishermen of this area?

[Mr. Pelletier.]

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): Mr. Speaker, the activities of the Russian fleet have been observed, but there is no evidence that they have come within the so-called 12-mile limit. We are keeping the fleet under close surveillance. If it does come within our boundary, no doubt those responsible will be arrested and the Minister of Finance will be aided in his problem of finding additional revenue.

CANADIAN BROADCASTING CORPORATION

INVESTIGATION OF SEPARATISM IN RADIO-CANADA BY CRTC

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I am tempted to pursue the last subject but I will decline to do so. I direct my question to the Secretary of State. Has the hon. gentleman ever directed the Canadian Radio-Television Commission to investigate separatism in Radio-Canada?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): No, Mr. Speaker.

[*English*]

HEALTH AND WELFARE

CONTROL OF USE OF PESTICIDES

Mr. Walter Deakon (High Park): Mr. Speaker, may I direct my question to the Parliamentary Secretary to the Minister of National Health and Welfare. Can he advise the House what steps are being taken by the Department of National Health and Welfare to control the sale and use of pesticides, this being a mounting problem that is now confronting the public?

Mr. Speaker: Order. I think that in view of the way the question is asked it should be answered by a statement on motions. If the hon. member feels it should be answered today, perhaps this might be done at the time of adjournment tomorrow.

CANADIAN NATIONAL RAILWAYS

CONSULTATION WITH CONTRACTORS AS TO FORM OF TENDERING

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I direct my question to the Minister of Transport. In view of concern expressed by many contractors who are bidding for government jobs, I should like to know whether any negotiations are being conducted by the Canadian National Railways and the Canadian Contractors Association in regard to acceptable forms of tendering and the types of contracts to be used by the concerned parties?

Mr. Speaker: Order. I am wondering whether this is a matter that should be placed on the order paper. If I am wrong and there is urgency to the matter, then the question can be considered at the time of adjournment.

NAVIGATION

MACKENZIE RIVER—REQUEST FOR STATEMENT

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is for the Minister of Public Works. The other day I asked him whether he would make a statement on Mackenzie River navigation and he said he would. I wonder whether the minister could give us any indication when we might expect this statement? This problem is causing a great deal of concern in western Canada.

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, I think I would prefer to make it some time early next week.

Mr. G. W. Baldwin (Peace River): A supplementary question, Mr. Speaker. Before doing so, would the minister be good enough to examine the private member's public bill that I have placed on the order paper dealing with this issue?

Mr. Laing: I will, Mr. Speaker.

PUBLIC WORKS

CONSTRUCTION OF DAM ON SHUSWAP RIVER

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, I should like to direct my question to the Minister of Public Works. Has the government given any consideration to the construction of a dam on the Shuswap River, as requested by the Salmon Arm Ratepayers Association when it appeared before the Standing Committee on Fisheries and Forestry?

Mr. Speaker: Order. In my view this question should be placed on the order paper.

Inquiries of the Ministry

NATIONAL PARKS

PRINCE EDWARD ISLAND—INQUIRY AS TO SECOND PARK

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct my question to the Minister of Indian Affairs and Northern Development. It is similar to the question he answered the other day from the hon. member for Humber-St. George's-St. Barbe. Is the minister able to advise whether negotiations or discussions are under way with the province of Prince Edward Island regarding the establishment of a second national park in that most scenic province?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Yes, Mr. Speaker.

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): A supplementary question, Mr. Speaker. Can the minister advise the House when the second national park for Saskatchewan, which was promised in 1965, will be developed?

Mr. Speaker: Order. I remember that during the course of the last session the House reached a general consensus that questions regarding national parks throughout the country should normally be placed on the order paper unless there was a matter of urgency concerning a particular park, at which time verbal questions might be allowed. I suspect that unless we return to that practice we will have questions every day about the many proposed and existing national parks throughout the country. I suggest to the hon. member that any question that is supplementary to the original question should be placed on the order paper.

PUBLIC SERVICE

DELAY IN ISSUING RETROACTIVE PAY CHEQUES

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Supply and Services. In view of the many complaints that we are receiving from public servants about the delay in issuing their retroactive pay cheques, some of the delays extending over many months, can the minister indicate the date by which all outstanding retroactive pay cheques will be received by the public servants concerned?

Hon. James Richardson (Minister of Supply and Services): Mr. Speaker, as the hon. member knows, the Central Pay Office has been under a very heavy workload recently. This

has been brought about by the fact that there have been so many new collective agreements. However, steps have been taken within the department to improve the situation. We have added 60 additional employees, and my objective is that the pay office will be current by the end of November.

REGIONAL ECONOMIC EXPANSION

NEWFOUNDLAND—INQUIRY AS TO DEVELOPMENT PROGRAM

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I should like to ask the Minister of Regional Economic Expansion whether he will indicate that recent discussions have been held with the province of Newfoundland regarding a program of development for that province, and whether this program will be announced in November as suggested by a friend of the Minister of Transport, the Premier of Newfoundland?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, we are having continuous discussions with all the provinces and we hope that in the near future we will be in a position to announce the programs which will come into effect on April 1st next.

[*English*]

Mr. Lundrigan: Will the minister indicate whether this record will be renewed during the current year because we heard the same thing just over a year ago now? I think the record must be stuck; it sounds like it.

NATIONAL ARTS CENTRE

REDUCED RATES FOR OLD AGE PENSIONERS AND OTHERS

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, has the Secretary of State initiated a policy to reduce the rates for old age pensioners and similar groups in respect of programs at the National Arts Centre in order that they may enjoy performances there?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, this matter does not concern the minister but the directors of the National Arts Centre. As far as the department is concerned, it has often expressed over the last year its desire to democratize culture as much as possible and to put subsidized cultural events within easy reach of the people across the country.

[*English*]

Mr. Dinsdale: Mr. Speaker, will the Secretary of State indicate whether any such privileges are afforded to certain groups in Canada?

[*Translation*]

Mr. Pelletier: I cannot answer the question from memory, Mr. Speaker, but I will be very pleased to get the information.

[*English*]

COMMUNICATIONS

SOUTHERN LABRADOR—REQUEST FOR TEMPORARY REINSTATEMENT OF DOT SERVICE

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): Mr. Speaker, in view of the fact that the target date of Bell Canada for improved telephone service in southern Labrador has been set ahead to January, 1970, and in view of the fact that the Department of Transport withdrew its radio, telephone and telegram service from that area on August 1 of this year to coincide with the inauguration of the improved Bell Canada service which did not materialize, will the Minister of Transport arrange for the radio, telephone and telegram service of the Department of Transport to be reinstated and maintained until such time as Bell Canada has completed its installation in 1970 and is capable of providing reasonable communications in that area?

Mr. Speaker: Order, please. The hon. member has made a representation. To the extent that what he has said is a question, it should be placed on the order paper.

EXTERNAL AFFAIRS

YUGOSLAVIA—PROVISION OF MEDICAL AND OTHER SUPPLIES FOLLOWING EARTHQUAKE

Mr. G. W. Baldwin (Peace River): Mr. Speaker, will the Acting Secretary of State for External Affairs or his Parliamentary Secretary answer the question I asked yesterday regarding the earthquake disaster in Yugoslavia, and indicate whether the Canadian government has shown a willingness to supply urgently required medical and other supplies which may be needed?

Hon. C. M. Drury (President of the Treasury Board): I do not have a report in this regard but one will be made tomorrow.

NATIONAL PARKS

JASPER—BY-ELECTION RESULTS

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I should like to ask the Minister of Indian Affairs and Northern Development whether he is aware of the result of a by-election in an area including the townsite of Jasper, and does he feel this is an endorsement of the parks policy in our mountain national parks?

FISHERIES

SALMON FISHING LICENCES—POSITION OF INDIANS

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I should like to direct my question to whoever is answering today for the Minister of Fisheries. Would the minister agree to a reference of the whole question of the proposal regarding salmon fishing licences on the west coast to the Standing Committee on Fisheries?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): Mr. Speaker, I will bring this matter to the minister's attention. He is in British Columbia today.

Mr. Barnett: I should like to ask a supplementary question on this same subject, and I direct it to the Minister of Indian Affairs and Northern Development. In view of the very serious impact on the Indian people of British Columbia as a result of the proposal by the Minister of Fisheries, does the minister support the idea of referring the whole proposal on salmon fishing licences to the committee on fisheries for consideration and report?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, the Minister of Fisheries and Forestry and myself have regular discussions concerning what we can do in order to assist Indians as regards fishing, and our relations are excellent. I am ready to consider the hon. member's suggestion.

[*English*]

INQUIRY AS TO ESTABLISHMENT OF SALT FISH MARKETING CORPORATION

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a question for the Acting Minister of Fisheries or the Parliamentary Secretary. Is the minister meeting today with representatives of the salt fish trade and can he assure the house that such discussions will in no way impede the introduction of the legislation to set up a salt fish marketing corporation?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): He is not meeting with them, Mr. Speaker; he is in British Columbia. He intends to meet with these people in the next two weeks.

LABOUR RELATIONS

LONGSHOREMEN'S STRIKE—EFFECT ON EXPORTS AND IMPORTS

Mr. F. J. Bigg (Pembina): Mr. Speaker, in the absence of the Minister of Labour I should like to direct my question to the Minister of Justice. It concerns the west coast longshoremen's strike. I have a telegram in my hand from Sherritt Gordon Mines advising me that five outgoing ships and two incoming ships are held up as a result of this strike. The company feels that unless strong and definite government action is taken soon there will be a very serious loss to Canadian industry. Will the minister get in touch with the Minister of Labour to see what can be done is this regard?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I know of no one who is in closer touch than the Parliamentary Secretary to the Minister of Labour.

Mr. Jim McNulty (Parliamentary Secretary to Minister of Labour): Mr. Speaker, the minister is looking into the situation regarding the west coast strike. Both sides have been asked to resume negotiations at two o'clock tomorrow, and this will be done.

REGIONAL ECONOMIC EXPANSION

FUTURE OF FAIREY OF CANADA PLANT

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, could the Minister of Regional Economic Expansion indicate whether his departmental officials have entered into or are at present holding discussions with officials of Fairey of Canada and/or Grumman Aircraft about the future of the Fairey of Canada plant?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Not that I am aware of, Mr. Speaker.

Mr. Forrestall: In view of the fact that the future of 400 or 500 families is very much in doubt and very uncertain, will the minister find out whether negotiations are taking place

with a view to putting some money into an oceanographic study in this area?

Mr. Marchand (Langelier): I will do that with pleasure.

TRANSPORT

ATLANTIC PROVINCES—REQUEST FOR STATEMENT

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, may I take Your Honour's suggestion of yesterday and invite the Minister of Transport to make a brief statement on Atlantic province transportation matters, hopefully this afternoon during the throne speech debate? I ask him to do so because I know he is sincerely interested in this aspect of transportation and because there is some uncertainty about certain aspects of future legislation.

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I will be glad to do what I can in response to the hon. member's request.

Mr. Bell: We could even arrange for the minister to make two speeches.

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I should like to ask the minister to indicate to the House what response he made to the premiers of Atlantic Canada and other people concerned with transportation in respect of the re-introduction of a freeze on freight rates in maritime Canada?

Hon. Donald C. Jamieson (Minister of Transport): The response, Mr. Speaker, was the one apparent at the time legislation was introduced earlier this year to establish a federal-provincial committee to determine how best to use this money. The committee has met twice, or at least once, and has reported considerable progress. It appears that the members are quite pleased.

Mr. Lundrigan: Mr. Speaker, could the Prime Minister indicate to the House whether his government has any other such plans to assist Atlantic Canada in respect of regional disparity?

Mr. Speaker: The hon. member will recognize that his question is of such a scope that it would require an answer by way of a statement normally made on motions.

Mr. James A. McGrath (St. John's East): I have a further supplementary question, Mr. Speaker. Would the Prime Minister consider the area as one eligible for foreign aid in view of the failure of the government to come up with a reasonable solution?

[Mr. Forrestall.]

CANADIAN NATIONAL RAILWAYS

NEWFOUNDLAND—REVIVAL OF PASSENGER SERVICE

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): My question is directed to the Minister of Transport. Will the minister advise the house if a decision of the Canadian Transport Commission was necessary to revive the CNR passenger service in Newfoundland in order to accommodate delegates to the Liberal leadership convention which will be held in St. John's this coming weekend?

Mr. Speaker: Order, please. The hon. member's question seeks either a political or legal interpretation of the facts. In both instances he is out of order.

SPORTS

PAN-AMERICAN GAMES—INQUIRY AS TO FINANCIAL ASSISTANCE TO WINNIPEG

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct my question to the Minister of Finance. Is he yet in a position to answer questions I asked him during the last session and about which I wrote him during the recess concerning the possibility of the federal government assisting Winnipeg with its deficit respecting the Pan-American games which, after all, were a centennial event for Canada?

Hon. E. J. Benson (Minister of Finance): If I have not answered my hon. friend's letter yet, I apologize sincerely and will make sure that the answer goes out very shortly.

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed, from Tuesday, October 28, consideration of the motion of Mr. Jack Cullen for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Stanfield (p. 34) and the amendment to the amendment of Mr. Godin (p. 175).

Mr. Steven Otto (York East): Mr. Speaker, last night I made some introductory remarks about subjects covered by the Throne Speech. I am rather glad I made those remarks last night rather than today because I see the Prime Minister (Mr. Trudeau) sitting here today. Just before last night's adjournment I began speaking about a Canadian Research

Corporation. I was very pleased to hear this afternoon the introduction of a bill with respect to the International Development Research Centre of Canada. In other words, the government is not wasting much time in putting forward legislation for the establishment of a centre which they feel is necessary. That is to say that after all these years there is some doubt as to whether all the money we put into external aid has been properly used, and I think the government has acknowledged that we can no longer afford to fly by the seat of our pants in this respect; therefore, a centre is being formed to ensure that any money we contribute to external aid is properly used. The conclusion to be drawn from this is that although we recognize the necessity of setting up a research centre to give us advice with regard to the external aid program, we do not seem to appreciate the urgency of establishing in Canada a research centre for ourselves. But we spend a great deal of money and we run large business corporations in Canada by instinct and by assumption rather than on the advice which such a research centre could give us.

I mentioned last night a research organization which is being used by the Japanese government; it is called the Japanese Trade Export Trade Organization. Today I would like to illustrate Canada's needs at present as compared with what we have done in the past. For example, when the St. Lawrence Seaway was being planned—in fact, when it was being built—Japanese and other manufacturers in the shipbuilding industry had already on the books of their companies the projected construction of giant transports which within the next ten years will make the St. Lawrence useless. We spent a fortune on the construction of the Seaway and nobody bothered to check what was going on in the world of transport. This lack of planning will cost us a great deal of money because the St. Lawrence canal system will have to be enlarged in order to accommodate the new transports and the new cargo-loading ships which will be built in the future.

Mr. Forrestall: Send them to Halifax.

Mr. Otto: Of course, it would require a great deal of research into whether those ports can be used efficiently. I will give another example of what we are doing by instinct or by assumption. Let us consider the assumption which the Minister of Finance (Mr. Benson) made when he put forward the resolution with respect to deferred depreciation. The idea was that this would stop commercial construction. Any capable research organization would have advised the government that this would not be so; that indeed this type of legislation will be ineffective. I can speak of other ideas which are assumed by all of us to be accurate today, such as the one that any fiscal measures of restraint imposed by the government will be extremely effective in controlling inflation. Of course, the assumption is based on the supposition that any government policy with respect to the tightening of credit will immediately bring a reaction. The assumption is carried further and it is assumed that if credit is more costly, businessmen will have to pay more for the use of money and they will then say to labour: We cannot pay you $3 an hour; you must accept $2.50. Of course, this is nonsense; it does not happen these days.

There is more than one guiding principle in the minds of businessmen. The government can do what it likes; business works on different principles entirely which are not necessarily in accord with the government's fiscal measures. The consumer also has his own ideas as to when he will buy and when he will not buy. Research for a projection of this type can be carried out efficiently, with the purpose of advising the government as to the likelihood of any reaction to proposed legislation. For example, let us consider labour. I have heard it said many times, even today, that something must be done to solve the problem of labour-management disputes. Questions have been asked as to whether there is such a thing as a labour-management dispute because so long as the businessman and the entrepreneur can make alternative investments and so long as we function under the profit system he must make a profit. Large and very efficient organizations have already stated their doubt as to the existence of such a thing as a labour-management dispute. They should be called, more accurately, labour-consumer disputes, but of course government departments continue to function with old ideas and concepts.

The essential need for a composite research organization lies in the Department of Industry, Trade and Commerce. It is difficult to imagine the department having an expert staff projecting our export sales, to which countries we will sell certain products, what they will buy, and so on. I will give an example. Some years ago I was informed by the department of trade and commerce that a wonderful place in which to dispose of a

great deal of refrigeration and air conditioning equipment was South America. The company in which I have an active interest put a great deal of money into this export market with almost no results because, first, the German export people are well entrenched there and, second, our department of trade and commerce did not know where the approaches should be made. Indeed, they did not even know what type of equipment the South Americans wanted. They did not even inform us that in South America a knowledge of Spanish or Portugese is mandatory. I am referring to 1961. Furthermore, they did not tell us that unless one had a good contact with the clergy one's chances of selling there were almost nil.

• (3:00 p.m.)

A proper type of research organization can do a great deal of work. It can produce the facts and figures that should be presented to all departments. If we are to develop our export trade to South America we must know what products we can sell there and at what price, what credit we should give, how long its term should be and how much we should import from that area. At present the Department of Industry, Trade and Commerce has only a small internal research organization which by and large tells the minister or the deputy minister what he wants to hear and not what he should hear. And so we go merrily on our way with trade, agriculture and welfare; no department has a really good diagnosis of the ills involved in these matters.

It has been pointed out that we have the Dominion Bureau of Statistics. I am not saying that statistical research is not important; of course it is, but statistics are useless unless they are applied. What is necessary is the proper application of statistics, of good research and of knowledge available at the beck and call of every department of government and private industry.

Therefore, I suggest to the government that from now on if we are to move at all in any field we must have research into every phase of it, preferably through a central agency where we can have the equivalent of the Rand Corporation in the United States from whom private industry can obtain information. Our research people should be employed in this area instead of scooting off to other countries. In this way the government itself, the greatest business, the greatest spender, could have accurate information with respect to a project, could receive a projection of what a dollar spent would bring in, and could be assured whether certain ideas and projects were sound and acceptable.

Our great failing at present is that we embark upon many new projects merely on instinct and not on a basis of knowledge. In today's business world good, accurate diagnosis is essential. Therefore, Mr. Speaker, although I am pleased to note that we are going to apply research to our external aid program, I am very disappointed that we will not have in Canada and agency such as was promised last year by the Prime Minister (Mr. Trudeau), that is, a research agency which will serve the Canadian government and the Canadian people.

[*Translation*]

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I thank you for allowing me to speak at this time.

I would very much have liked to see in the house the Minister of Finance (Mr. Benson) as well as other cabinet members, in addition to the Solicitor General (Mr. McIlraith) and my good friend the Minister of Indian Affairs and Northern Development (Mr. Chrétien) who are not affected by what I want to say this afternoon, because I want to speak mainly about finance. There are large holes on the government side, and many empty seats in each row. But, the absence of the ministers will not be taken as an indication of their concern for the present economic situation, because if it were, there would be very little hope left for the Prime Minister's policy and the concerns he expressed yesterday would not mean anything, nor would the remarks made by the Minister of Finance.

[*English*]

In any event, Mr. Speaker, I would first like to congratulate the hon. member for Sarnia (Mr. Cullen) on his admirable presentation of the traditional Address in Reply to the Speech from the Throne. This is always a difficult task, even for more seasoned members. In this particular case one wonders whether one could have applied the description of *déja vu* to the speech of the hon. member, because he came into this chamber a relatively short time after the Speech from the Throne was delivered in the other place and delivered to us a fully prepared, textual speech. Incidentally, Mr. Speaker, this is a practice that I do not commend to hon. members. It is far better that hon. members should make their speeches in a spontaneous fashion even though without such polished grammar.

As I have said on previous occasions, hon. members have merited the support of their constituents, not on the basis of textual speeches but on the basis of having appeared on platforms with other candidates and there speaking what was in their hearts and minds. Therefore, let us do away with all these long-winded textual addresses which are made when someone piles a number of *Hansards* on his desk, places a written speech on top and reads from it. When that happens we do not know whether they are the hon. member's words or the words of someone else.

[*Translation*]

It is proper, on the other hand, to congratulate the hon. member for Lapointe (Mr. Marceau) who gave us a speech of his own and who, thank God, has nothing in common with his predecessor here. We are happy to have this new member represent the Lapointe constituency. I congratulate the mover and the seconder for their performance in delivering the traditional speeches.

[*English*]

I wish I could say the same thing for the speech of the Minister of Finance (Mr. Benson) because, again, as a seasoned member of this house I object to ministers coming in here with completely textual speeches from which they will not depart. This is only acceptable in the House if one is reading statistics, if a quotation is being read or if a very closely reasoned argument is being followed and one must refer to a text. I cannot say that the minister's speech was a closely reasoned argument, and there were very few statistics in it. I believe ministers should deliver good, oral speeches without relying upon executive assistants or on speeches put together by departmental staffs.

The Prime Minister (Mr. Trudeau) did not reply to the Leader of the Opposition (Mr. Stanfield) in any way. The Prime Minister, too, read us a textual speech in which he dealt philosophically with certain matters, but frankly there was no joining of debate. However, I think the Minister of Finance started a debate on the question of inflation, a debate which I hope to continue. Inflation is with us and it is a most important subject. The Minister of Finance devoted his entire speech to a justification of government policy and attitude with respect to inflation. I am not going to criticize all of his speech because I say thank goodness the government is finally concerned with inflation. But having heard the Minister of Finance, the Prime Minister and the Minister of Consumer and Corporate Affairs (Mr. Basford) it reminds me of what is said about a convert to some new form of religion, namely, that the convert is far more vocal and far more ardent in support of his new-found philosophy than is the long-time practitioner.

During the summer recess the Standing Committee on Finance, Trade and Economic Affairs inquired into the subject of high interest rates. That committee was meeting right up to the opening of this session, and I hope it will return to its work fairly soon. I am sure the committee will not be able to arrive at any positive solution, any cure-all formula, but I think it will agree with the proposition put forward by my leader, and to some extent by the Minister of Finance and other members, that the problem of inflation will be better solved, and this in a more equitable and acceptable manner, if it is done on a voluntary basis.

• (3:10 p.m.)

I think the Prime Minister (Mr. Trudeau) was right yesterday when he said the government hopes that the back of inflation can be broken by voluntary means. To this extent I wish the government well in its fight. Although I think it is going about this problem in the wrong way, I also think that everybody in Canada must support the government in its ultimate aim to beat inflation. I do not care whether this involves the person on a low pension, or the highest income earner in the land; inflation is a most insidious enemy and we must all fight it. Each one of us must be concerned and we must not leave the fight to the other fellow. I think it is rather cheap for the Minister of Finance to say that the opposition is responsible for all sorts of demands to spend more money. Maybe he should put his money where his mouth is, as the saying goes.

Some hon. Members: Hear, hear.

Mr. Lambert (Edmonton West): What demands? We can show that there are also demands on the government side, legitimate demands. We are concerned with the non-working poor and the working poor. We are concerned that something be done about welfare. Is that saying that the government should embark on some grandiose scheme of spending? Not at all. The whole welfare scheme should be reconsidered. I will come to that a little later in my speech.

The Prime Minister asserts that there will be a rigorous examination of priorities. Mr.

Speaker, I wish he could speak to his predecessor who some years ago, when asked about the establishment of government priorities pooh-poohed the idea and said this would not be discussed with the provinces. I wish to God it had been discussed back in 1965 and 1966 in so far as handling inflation in Canada is concerned. If it had been, we would be much better off.

Let us first of all establish that inflation in Canada is not the entire responsibility of Canadians. I should like to read from the Sixth Annual Review of the Economic Council of Canada, page 163, which explains the difficulty that we as Canadians have in rebutting inflationary influences, particularly those from the United States. Neither of these countries can isolate the other. When Professor John K. Galbraith appeared before the Committee on Finance, Trade and Economic Affairs the other day he exhorted Canada to take steps to combat inflation because this would assist the United States to do the same. I doubt that it would, although it might be of some help. But the influence is rather the other way. The two countries are so inextricably linked by trade that it is impossible to say that problems of inflation in the United States can be isolated from those in Canada, and vice versa.

Yesterday and on previous occasions the Minister of Finance indulged in some back room nit-picking when he criticized the Economic Council of Canada for the statements appearing in the following paragraph of its review:

> In Canada, it is difficult to maintain that current inflation is a reflection of excessive demand pressures, for the Canadian economy has been operating with at least a moderate over-all margin of slack since 1967. On the other hand, in the United States the problem of price and cost inflation has been very much one of excessive demand aggravated by the impact on the economy of the war in Vietnam. Until some easing of price and cost increases takes place in the United States, Canadian policies to deal with domestic price and cost problems will be handicapped. Further fiscal and monetary restraint could conceivably result simply in higher rates of unemployment and economic slack with no more than marginal effects on current rates of increase in prices and costs. Moreover, tighter restraint in Canada this year is likely to have its main impact on the economy next year. And if excess demand pressures in the United States are brought under control by the latter part of 1969, the principal result of stringent demand policy restraints in Canada this year might well be seriously mistimed to push the economy into a poor economic performance.

There have been complaints about this paragraph, but I would have held the Economic Council of Canada lax if it had not posted this warning against embarking on harsh monetary and fiscal measures to contain inflation just because the results will not be immediately apparent. The causes are deep-rooted and remedies may taken one, two or three years, by which time conditions will have changed. According to the Dominion Bureau of Statistics there has been a disquieting decline in real domestic products—here I am not speaking of the gross national product—which would indicate that there could conceivably be some unwonted softening in certain sectors of the economy covering manufacturing and service industries, resulting in turn to a diminution of credit. It was quite correct that the Economic Council of Canada should point this out. As the minister indicated, Mr. Speaker, the government is also faced with a credibility problem. It certainly is.

Some hon. Members: Hear, hear.

Mr. Lambert (Edmonton West): That is the self-same minister who stood up in this House on Monday afternoon and said, "We will defeat inflation." It is the self-same man who, as President of the Treasury Board, in the spring of 1968 told the House that as a result of the changes in taxation—that is, the increase in taxation in the 1967 budget and the cut-backs in expenditures that were put into force by the government after its defeat on the tax bill—"I guarantee that we will balance the budget for this year." What happened? We had a deficit of over $700 million.

Some hon. Members: Shame.

Mr. Lambert (Edmonton West): That was his guarantee. At that time I said that when the minister dies they will probably find tattooed on his chest the words, "I guarantee to balance the budget." Now I think we will add a second line, "We will defeat inflation."

Some hon. Members: Hear, hear.

Mr. Lambert (Edmonton West): I have as much faith in the credibility of his statement as I had in the one he made in 1968. In saying that I do not mean that I wish the government to lose the fight against inflation, because we are all in it.

Some hon. Members: Hear, hear.

Mr. Lambert (Edmonton West): So let no one say that we are trying to subvert the government in its attempt to fight inflation.

• (3:20 p.m.)

If we want to see how bad inflation is, let us consider interest rates. The long term government rate as of last week was 7.77 per cent, 1 per cent higher than last year. On 91-day bills it was 7.63 per cent, and on 182-day bills, 7.72 per cent. Both these rates are about 2.25 per cent higher than last year. That is what the Canadian saving public thinks of the government's fight against inflation. It has discounted those intentions, so far as interest rates are concerned, by a further 2 per cent. That, Mr. Speaker, is a measure of the government's credibility.

The cost of living increases. At the end of September, 1969, the Consumer Price Index stood at 126.6. At the end of September, 1968, it was 121.1. It is up, not by four points but by about 4.5 per cent. On the same date in 1967 the index stood at 116.6. Is it any wonder that our pensioners, low salaried people and those who are not in economic power groups are complaining, when in the last couple of years we have seen a ten point spread in the Consumer Price Index?

The wholesale price index was 283.4 at the end of August, as against 271.6 for the same date in 1968, representing an increase of 4.3 per cent. Those who are interested in the Canadian public and housing have only to look at the *DBS Weekly* report of Friday, October 24, to see the index on building materials. Taking 1961 as 100, the total index for residential building materials as of September, 1969, was 138.9. In other words, building materials have increased 38.9 per cent since 1961. Since last year they have increased by a total of 4.3 per cent. For non-residential materials the index over the last year went up by 4.9 per cent. I am speaking of building materials only. If one adds to that index the astronomical increases of labour costs that go into building construction, one can see what has been happening.

Just consider the wage settlements of those who can shield themselves from inflation by being members of economic power groups. Consider the building strikes in the city and how they have been settled. Look at the rate increases provided for the next two or three years in Toronto. While the steel strike in Hamilton was being settled, carpenters of that city settled for a wage rate that will take them to over $7 per hour in 1971. Is there not any sense in this regard? Can it not be understood that all this is self-defeating?

The government has placed a great deal of reliance on voluntary restraints. This afternoon the Minister of Finance tried to twit the Leader of the Opposition (Mr. Stanfield) about the statement the Prices and Incomes Commission made today with regard to the investigation into the steel price. He suggested that the opposition was not sincere in its concern about what has happened. The Leader of the Opposition and all members on the Conservative side of the House have asked for some form of voluntary restraint. Nevertheless, the events of the last week have shown that the pious exhortations of the Prices and Incomes Commission that business, management, labour and government should enter into voluntary restraints were rejected out of hand by the CLC and the CNTU.

We then asked the Minister of Consumer and Corporate Affairs what will happen now, because this rejection is a torpedoing of the Commission. I think all members of the House are legitimately concerned about what will happen if the Prices and Incomes Commission, the vehicle selected by the government to fight inflation, must be rescued after being torpedoed on its first attempt at being effective; because that will not be the last time the commissions efforts may be thwarted. Yesterday the Minister of Consumer and Corporate Affairs said, "The increase of 6 per cent in the steel price will be looked into", as though there would be some form of examination to see if prices could be justified. Let me read in part what the Prices and Incomes Commission said about this in its first press release:

> While the Commission is still engaged in seeking a set of commitments from private groups and government, it is, therefore, not in a position at this time to render a judgment on what is, or is not, justified in a particular case.
>
> What the Commission can do, however, is to examine particular situations in order to bring the facts before the public, not for the purpose of condemning the parties concerned, but as a way of illustrating the kind of wage and price behaviour which has become very widespread in recent years.
>
> This is what we intend to do in the case of the steel industry.
>
> No one should think of this investigation as a trial leading to a verdict.

The public, Mr. Speaker, has been misled by the government.

Some hon. Members: Hear, hear.

Mr. Lambert (Edmonton West): The Minister of Consumer and Corporate Affairs, by his attitude and demand for an investigation, has led the public into thinking that the Steel Co. of Canada and other, similar companies will have to justify their price increases, and if

they cannot justify them great pressure will be brought to bear for those prices to be rolled back. Nothing like that will happen. The Prices and Incomes Commission says it cannot do it. Our dealing with inflation through this commission will take far longer than anyone can possibly foresee. I am disappointed to see the government's selected vehicle being backed too pusillanimously. That is a big word, Mr. Speaker, but the problem is big, too.

There is before this House an amendment put forward by the Créditistes. I cannot speak about their motives for moving it, nor do I intend to. So far as our party is concerned, that subamendment as it stands cannot be supported. In his speech the Leader of the Opposition laid great emphasis on the absolute necessity for a comprehensive review of our whole program of welfare. We must ask ourselves: Is it doing the job of eradicating poverty as a social blight, not only the poverty of those who do not work but the grinding poverty of the working poor? Incidentally, the people in both these groups are about the most helpless victims of inflation.

At our party's conference at Niagara we came to this unanimous conclusion:

> Poverty exists in many forms, in many different environments and for many reasons. It is more than an economic problem. The strategy of anti-poverty, therefore, must be flexible so that it can be adapted effectively.
>
> Poverty must be fought in many different ways; public welfare is but one weapon in this fight.
>
> We are concerned that the terminology—"guaranteed annual income"—does not adequately describe these principles because it fails to recognize the central place of incentives in a reformed welfare system.

When addressing the closing session of that conference the Leader of the Opposition said as follows:

> • (3:30 p.m.)
>
> I am particularly pleased by your commitment to break Canadians free of the poverty which imprisons too many of our citizens. The inadequacy of the present system is clear. You have given definite direction to me and to the caucus, to develop a new and more adequate program, with an emphasis on incentives.
>
> That necessarily implies a fundamental change in the Canadian approach to welfare—to include provision for the working poor, as well as the non-working poor.
>
> The consensus you expressed gives me a mandate to proceed, along with caucus, in developing the kind of program I have been discussing for 18 months.

For those reasons, Mr. Speaker, it is impossible for this party to support the amendment to our amendment. There are many other items of which I could speak at this time when dealing with inflation, but I come back to the simple theme that all members of this house must unite in the determination to defeat inflation. We may differ in our methods. For example, I cannot accept the proposals put forward by the Canadian Labour Congress, the Confederation of National Trade Unions and the New Democratic Party that there should be a Prices Review Board but that wages should be a non-negotiable item outside the examination of any such board. This makes a joke of the whole question; therefore, we cannot accept it.

I much prefer voluntary restraints because I believe that we in Canada have an inflation psychosis based upon expectations. Many people are tied to major labour contracts which have annual escalations going forward two or three years. Our public servants at the federal, provincial and municipal levels have similar contracts. Everyone is asking: Can I pay for it next year because I am going to get an increase of so many cents an hour or so many dollars a month; it is guaranteed under my working agreement.

There is this expectation of inflation—it is better to spend now because it will cost more later. After all, the president of the Trust Companies Association of Canada—

Mr. Speaker: Order, please. The hon. member's time has expired, unless he has the consent of the House to continue.

Some hon. Members: Agreed.

Mr. Lambert (Edmonton West): Thank you, Mr. Speaker, and hon. members of the House. I shall not detain you too long.

The president of the Trust Companies Association of Canada, an association whose members have the lion's share of the money that goes into the mortgage market, indicated in his evidence before the Standing Committee on Finance, Trade and Economic Affairs that one of the fiscal measures adopted by the Minister of Finance, namely, the deferral of the capital cost allowance, had not appreciably retarded construction. Why is that? It is due to the expectation of inflation, that by deferral of one year it will cost that much more to construct the building and therefore it is much better to proceed with it this year and perhaps stretch out the capital cost allowance that would have been available this year to next year or the year after. It will never be lost, but the cost next year will be

that much more; therefore, it is better to go ahead now.

I doubt whether there has been much effect this year. There might be a little more next year. When experts tell us these things, we doubt the effectiveness of certain measures that have been adopted by the government. If the government can show us a program that is credible in its performance with regard to a program of defeating inflation, it will have the support of this House. Up to the moment they have not done that. Therefore, we want to see the level of government expenditures. We want to see how credible they can be with regard to a number of the measures they have taken. On that basis, Mr. Speaker, I ask hon. members to support the motion of the opposition which condemns the actions the government has taken so far in this connection.

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I join hon. members who have complimented the mover and seconder of this motion. Some hon. members know I had the honour of performing that task at the opening of the centennial session. I am very well aware that it is an honour which remains a highlight in the career of any parliamentarian. I think it is safe to say that many members of this House share the concern of the hon. member for Sarnia (Mr. Cullen) when he spoke about the fact that there is perhaps a growing irrelevancy with regard to the public attitude toward parliament.

As a comparatively new member of this House I am forced to the conclusion, albeit reluctantly, that this perhaps is no longer where the action is, in the strict sense of the word. From the point of view of the public, to use a familiar expression, they are off doing their own thing and leaving it to us to mind the store. In other words, it seems that the kind of discussions we have had during this debate and some of the speeches we have heard indicate that we have an almost total involvement with the present and we are not doing enough thinking about the future.

Not enough consideration is being given to goals and objectives for Canada. As a result we are not really tuned in with those we are trying to serve. This is quite an understandable situation. I do not think any of us could disagree that there is an enormous amount of truth in an old expression, if I may paraphrase it, which says that matters that are of immediate concern more or less force you to move aside the crises. In other words, we seem to be always preoccupied and concerned with today and do not really get enough opportunity to talk about tomorrow.

The business of running the store, as I call it, is rather important to Canadians. It is very important that we apply our best talents and maximum capabilities to the business of managing the affairs of the nation. I am trying to say—and I would like to emphasize it—that this is not the totality of our job in the House; that in fact what the Canadian public is looking for as much as good management of the here and now is leadership with regard to the definition of goals for the future. They are looking for the clarifying of national purpose, and some indication from us that we have the ability to look far enough ahead to try and shape the structure of this country and to anticipate what the situation will be 5, 10 or 20 years from now. I suggest that is part of our responsibility that perhaps we are not coming to grips with sufficiently at the present time. With the greatest respect to the opposition, I agree that if I were in their place I would probably do precisely what they have done because it is the conventional wisdom to adopt that attitude. But I do not believe that much of what we heard from hon. gentlemen opposite has been of too much value in coming to grips with the immediate problems. It certainly has not helped us to define the goals, objectives and purposes to which I have referred.

We have had a steady and rather good recitation of rather obvious social and economic inadequacies. These are as well known to us as they are to hon. members opposite. They are certainly well known to those people within the Canadian public who are affected by the inadequacies. The opposition has simply said: This is wrong, this is wrong and this is wrong. What is the government going to do about it? With great respect, I say there have not been many concise and explicit indications of what the opposition parties would do under these circumstances. If I can paraphrase a familiar expression relating to another Conservative, when they suggest that there are instant solutions, in their hearts they know they are wrong.

• (3:40 p.m.)

The Leader of the Opposition (Mr. Stanfield) must surely know better than most that this is so. Despite what the previous speaker said, it is a fact—I am sure it is of concern to hon. members opposite—that the Niagara Conference did not arrive at an agreed and precise program for dealing with poverty, one

that was capable of instant implementation. That conference revealed what surely could have been expected in advance, namely, that there is a wide range of thinking on the subject that there are differences of opinion as to the approach which should be taken. There is no concensus among members opposite or, for that matter, among members of the party to which I belong, as to the precise mechanism which can be employed in order to lick the problem of poverty. Therefore, I suggest it is wrong to pretend that there are instant solutions.

Similarly, the Leader of the Opposition and many other hon. members from eastern Canada recognize that there are no simple answers in the field of economic development; that it is not enough for one's heart to be in the right place. We have witnessed many demonstrations of this, none more revealing than the experience with the heavy water plant at Glace Bay. Can anyone question the fact that the New Democratic Party has no instant solutions? It is apparent at this very moment in Winnipeg that a classic confrontation is taking place between various elements in that party over the question of foreign domination. The leader of the NDP, speaking in this House not more than two or three days ago, criticized the government for being too soft on foreign ownership. But his former colleague in this House, now the distinguished premier of Manitoba, having been faced with the realities of office says he is not one who wants to threaten foreign capital; that far from being any kind of a menace he is a small "1" liberal. In fact, he is wooing that kind of capital.

It is very easy simply to lambaste the government and assume that the shortest route to power lies not in the direct articulation of alternative policies, which are then open to questioning, but rather in a continuous assault on the actions and policies of the government. This is fair ball, of course, and nobody argues about that. It is a perfectly legitimate function of the opposition to adopt such a role. Nevertheless, it is an inadequate role and if it never rises from that level surely what will happen is that eventually—and I am being presumptuous enough to risk giving a little advice to the opposition—the public will realize, as it has done repeatedly over the years, that no alternative is being offered and that those who are merely ridiculing what is being attempted are not worthy of public support.

Let me now say something that is of great concern to me personally in this connection. I refer to fishery problems in Newfoundland. I give hon. members opposite full credit for having as much concern as I do for the needs of this area. A year ago there was in this House a tremendous discussion on fishery matters. The kind of discussion that took place was all too familiar. Nearly 500 years ago when John Cabot sailed into Newfoundland waters for the first time he reported that the cod were so numerous that one could catch them in a bucket weighted with stones. I suspect that if hon. members opposite from Newfoundland had been around at that time—and I confess there are occasions when I almost believe they were—the first thing they would have done would be to demand that we give Cabot a subsidy. At the very least they would have suggested that in some way or another we should reduce the price of baskets and of stones.

This has been the conventional, traditional approach ever since. In fact, what happened a year ago illustrates what I have in mind. Because the fishing industry was in very bad shape there were persistent and numerous demands for additional millions of dollars to be poured into the sinkhole of fishing subsidies. To his credit, the Minister of Fisheries (Mr. Davis) resisted that demand. He took what was obviously a more difficult path in seeking to get at the root cause of the problem. As a result of that forward-planning a special price support program was introduced in order to assist the fresh fish industry which since then has experienced a pronounced strengthening of markets. This situation has almost completely reversed the prospects of many of the fresh fish plants in the sense that while they were near bankruptcy a year ago, a great many of them have a chance to make a reasonable profit this year.

Mr. Lundrigan: May I ask the minister a question?

Mr. Jamieson: If the hon. member would not mind waiting until I am through, I will answer all questions then.

There are, of course, serious problems still facing the industry but we have made what I believe to be the most significant progress in 20 years in terms of the outlook for fresh frozen fish. This year we shall be introducing the concept of a salt cod marketing and development corporation. All this is an illustration of the fact that an orderly approach to the solutions of these problems does work.

Another thing this demonstrates—and it should be of interest to all hon. members—is that by obtaining greater co-operation from

those whose lives are being affected by various government decisions and the like, this process works even better. It has been my experience that if we talk to the fishermen, for example, it is pointless to expect them in the first instance to do anything other than look for an immediate solution to their difficulties. But when they are invited to talk over the subject they are far more capable than most, in the majority of cases, of appreciating what are the root causes of their difficulties and of accepting recommendations which in many instances were initiated by themselves or by their representatives.

In order to conduct this process, in order to involve fishermen, farmers, students or any other group in our society, it is necessary for them to be in possession of the facts. It seems to me that we in this House must devise a better program to provide a more plentiful flow of information, and more meaningful information to the people. Over the years—and I am not attributing responsibility for this to any one government or party—a tremendous amount of unnecessary secrecy has developed in connection with the business of government. It seems to me, we have done this: Somewhere, way back, we started from the assumption that everything was secret and that only the minimum information possible should be released. Surely a far better and more democratic approach would be to proceed on the assumption that everything is open, and only to withhold information from the general public when this is clearly necessary on the grounds of public interest or for security reasons.

Mr. Knowles (Winnipeg North Centre): Let us begin today.

Mr. Jamieson: It is the intention of the government this session to examine the whole question of information policy to see whether we can find some means by which we can meet some of the legitimate objections which are now raised, both by members opposite and by members of the general public, by removing unnecessary restrictions on the flow of information to the Canadian people. I would assume that one of the considerations which has always caused governments to move warily in this field is concern about the possible charge of propagandizing. However, I do not believe it is beyond the competence of this House to devise a system of safeguards to prevent that kind of thing happening. In any event, the government is prepared to try, and I hope we should receive the wholehearted co-operation of all parties, not only because a freer flow of information would result but because it would help to eliminate a greater amount of the mumbo-jumbo which accompanies the information that does reach the general public. Much of it is unintelligible, confused and complex.

• (3.50 p.m.)

I realize more than most that it is terribly important not only that we make more information available but that it be better information in the sense of its understandability. Of course, the mere provision of information in this way is not of itself any assurance that we will achieve a more viable democracy or a greater degree of the participation that I think we all agree is desirable. A good deal will depend on the public; an enormous amount will depend on our mass media.

Hon. members know of my own background and profession; therefore, I think I can say with perhaps a little more confidence than most that I understand the problems of the ladies and gentlemen who occupy our press gallery and of those throughout the country who are charged with responsibility for the media. They have a tremendously complex job to do. Despite the fact that there is sometimes a general level of irritation among people in public life, on balance I am prepared to defend the proposition that Canadians are served better by their mass media, taken in the round, than people in most other countries. Having said that, Mr. Speaker, I know from personal associations and friendships that there still is within our whole media complex a good deal of inadequacy. No one recognizes this more than most responsible members of the media and those who are charged with the responsibility for their direction.

I am not sure how one approaches this problem, because the pressures on the media are enormous. In the first instance, there is now an incredible flow of news and information. As I said a moment ago, despite the fact that there is not as much information of importance as there should be from government sources, there is an almost limitless amount of information pouring out from all manner of sources.

Mr. Baldwin: Does the minister agree that there is a tendency to give capsule news?

Mr. Jamieson: There is, Mr. Speaker, and I was about to come to that. In the second place, there is a broad spectrum of issues with which the media may deal. Thirdly, and

in answer to the comment of the hon. member for Peace River (Mr. Baldwin), there is public anxiety to get virtually all their news in capsule form. This has led to a tendency to compact news almost out of recognition in many respects. In addition, perhaps more importantly and in direct answer to the hon. member's question, there has been the growth of what has come to be called interpretative or personal journalism.

So we have a situation where the media do not report what the hon. member for Peace River said, but what somebody thought he said; or, even twice removed from the fact, what they thought he meant. Not content with that, the media go on to say that what they thought the hon. member meant does not really make sense, and then the bulk of the comment becomes what the writer concerned really feels is the truth about the subject.

As I say, Mr. Speaker, this is one of the problems. Having practised this intricate art with as much skill as most, I suspect, I do know all the pitfalls. Basically, I think the problem arises not so much from any personal desire on the part of the commentator, columnist, or whoever it is, to do this kind of thing as from the necessity to respond to what is a very fundamental and basic public demand these days for capsule views, for instant opinion and the like.

I think it is perfectly legitimate for us in this house to say that since the media have very carefully safeguarded their right over the years to be recognized as the so-called fourth estate, as an integral part of the democratic or parliamentary process, so is it perfectly legitimate for them to comment in any way that they choose and to report in any way that they choose upon the activities of this honourable House, any members of it or on the government of the day. No one is questioning that right. But I do suggest, Mr. Speaker, that perhaps this is now becoming something of a one-way street and that we ought to ask a little more often than we do whether there is not also a contrary right on the part of members of the House and those to whom and about whom I have spoken to make known when in fact the media are wrong. In other words, is it appropriate for us simply to endure, to a degree in silence, distortion or an obvious and demonstrable error of fact? I do not think it is necessary for us to do this, and it is very unhealthy when it occurs.

Furthermore, lest this be construed as some kind of suggestion of a new imposition on the media, I know from my own experience that the great majority of responsible journalists would welcome this kind of confrontation. I suggest that within this general challenge to inform Canadians in better manner than has been the case up till now, we collectively and as individual members must find the mechanism and the time to reply to obvious and glaring mistakes which occur in even the best regulated families in the journalistic field. I think that what I am trying to achieve goes even beyond, first, the provision of information and, second, the ability of the public to have total access to this information.

The third and perhaps key point in the whole communications process that enables us to do the second part of the job that I discussed at the beginning of my remarks, namely, to try to define goals and objectives and give the Canadian public some form of leadership, is to enable them to use this information in an effective way; for example, to have the widest possible choice of media. This is the basic protection that we can have in this complex field. It will only work if the public is prepared to examine different points of view through whatever media they receive their information, and to add the still essential ingredient of personal judgment. If they do that, and if they examine the whole perspective of opinion they will probably discover, for example, that the truth lies somewhere between Douglas Fisher and Lubor Zink.

In any event, Mr. Speaker, once this occurs and once there is an interested and discerning public, we must ask whether it too will achieve what we are trying to achieve by way of participation and understanding. I do not believe that it will unless we can also in some way exert influence on all media, and on those who make use of the media, to correct what is now a glaring imbalance in our sense of values nationally.

I think that our market oriented economy, however useful it has been in providing us with a very amazing array of consumer goods and with affluence, has in fact generated a new kind of discerment—not a very deep-rooted kind of discernment of that—among the Canadian public. The media have been much more successful in selling the marketplace than in selling ideas. What people are really being challenged to do far more today than at any previous time is to make a value judgment, for example, between car A and car B, or between the whole range of consumer goods to which I have referred. The result of this enormous impact by the media is that value judgments in regard to those things

which might be described as being for the common good are not being made.

For example, Mr. Speaker, one of the interesting things about the television phenomenon—I do not know whether any hon. members have thought about this when viewing different programs—is that television has generated a new kind of social consciousness. That has become perfectly obvious. This it has done rather quickly. A program that is pointing up the neglect of our Indians will probably be accompanied by advertisements, in full colour, for red convertible loans. The program that tells us about the threats and dangers of pollution also has within it advertised invitations to get away from it all, to fly the skies with United to sunny Hawaii and forget the whole stinking business.

An hon. Member: Why not Air Canada?

Mr. Jamieson: Yes, let us say Air Canada. The point made by the hon. member for Edmonton West (Mr. Lambert) is a quite legitimate one and also raises another of those tension points in the whole question of what is the proper and adequate role of various government agencies in these matters. I hope he will not divert me from my central theme because I should like to talk to him about that.

• (4:00 p.m.)

The fact is that in this kind of a complex, whatever the benefits of a market-oriented society—and I shall not go into that question today—there is no doubt that people have been far more successful in selling goods than they have been in selling ideas. One of the challenges we face is how to make a value judgment in respect of programs to correct situations and what is actually needed. It is our intention to declare our feelings to the public on these matters of concern. I came across a quotation from the German writer Dahrendorf who said this about the public attitude today:

> Ours is a world of highly individual values which puts the experienced happiness of the individual in first place and increasingly lets the so-called whole slip from sight.

In other words, this is a re-affirmation of the new suggestion being made to people to do their own thing. If that is so, is it really going to make very much difference in the long run if in fact we solve the inflation problem or do any of the other things which have been pre-occupying many of our members and about which the opposition has been criticizing the government for its lack of action?

What I am really saying, without getting too philosophical about it, is this: it is not enough to ask how we are going to solve inflation. What we really have to ask is: To what end are we solving inflation? If you do not have some answers in that connection it is surely evident that the frustrations that have been building up within the Canadian society, and which are symptomatic of much of the world today, will not be any less simply because we have reduced the price of sheet steel by $6 per ton or knocked $100 off the price of an automobile.

These things are important in themselves, of course, but as the history of the post-war world surely demonstrates, what has really happened is that we have increased our affluence enormously and moved ahead economically and socially at a rate unprecedented in Canadian history, but at this moment in time human frustration and uncertainty is greater than it ever was.

So I say we must look for these goals and objectives, and we have to find a way through which we can bring a greater degree of public participation into being. I want to re-emphasize that we are trying to make the information available. We are trying, through the use of white papers rather than legislation, in the first instance, to lay matters before the public on an alternative kind of basis by saying: This is the way we are proposing to move, but we want to hear from you whether it is the right way to move. We might say: This is one choice, here is another—and lay out before the public a whole range of choices. This is what I am hoping to do within the Department of Transport regarding the big issues with which we are engaged.

We within the department are not the repository of all wisdom. It is not the case that we know, better than everyone else with whom we have to deal, what is the best solution. Through these techniques we in the government are trying objectively to achieve a greater degree of involvement. We can only do this together.

I do not believe that on this point any kind of partisan base is likely to cause any friction among us. I agree with the hon. member for Edmonton West (Mr. Lambert) on this point. We can, surely, be united in attempting to define the goals to which I have referred. We must ask ourselves, in the first instance, what kind of Canada we want and then move to a definition of a broad purpose that will give Canadians a real sense of involvement and some justification in answering the question: What does it mean to be a Canadian?

This is all terribly nebulous and there is tremendous danger, when one speaks like this, of being guilty of empty rhetoric. But these questions have to be asked.

I came across another quote the other day which members may be interested in hearing. It is so ancient that it could in fact be depressing and at the same time give us cause for encouragement because it indicates that in spite of how bad things appear to be, apparently they are not particularly new. This was a critic writing about the failings of Peloponesian policy making. He said:

> Each member presses its own ends which generally results in no action at all. They devote more time to the prosecution of their own purposes than to the consideration of the general welfare. Each supposes that no harm will come of his own neglect, that it is the business of another to do this or that. And so, as each separately entertains the same illusion, the common cause imperceptibly decays.

Without our knowledge, is this imperceptible decay on the way? I suggest that perhaps it is unless we acquire a better sense of balance. I have suggested that we need this within the country. I have tried to point out some of the reasons for the present situation. I think we need combative politics and partisan politics, but I suggest there are issues which override these considerations. It is my hope that we will be big enough to deal with them. If we are, for that reason we will be remembered. If we are not, we will be remembered for simply having done the storekeeping and nothing else. In fact, there is then a good question as to whether we will be remembered at all.

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I feel it is my duty this afternoon to rise and participate in this Throne Speech debate at the opening of the second session of the 28th Parliament of Canada. Before moving to the topic I have decided to discuss, I wish to associate myself with my colleagues in the House in extending my sincere congratulations to the mover and seconder to the address in reply to the Speech from the Throne. While I do not agree with every detail of the comments of these gentlemen, they did give very forthright and commendable addresses and I am sure their constituents will be very proud of them.

I should like also to express my congratulations to the two new ministers and the new parliamentary secretaries. In passing, let me comment on the fact that we in the west are a little concerned about the allocation of some responsibility. I have in mind the removal of the responsibility for the Wheat Board from the Minister of Industry, Trade and Commerce (Mr. Pepin) and the allocation of that responsibility to the Minister without Portfolio from Saskatoon-Humboldt (Mr. Lang). This hon. gentleman is in my estimation a very competent and able individual with a commendable academic career.

These appointments involve qualified men, but none of them have had any experience in dealing with the problems facing western agriculture. When the move was made it was surprising that the responsibility was not transferred directly to the Minister of Agriculture (Mr. Olson) who is a practicing farmer and a man steeped in western tradition. Surely he understands and appreciates more fully the conditions and problems of agriculture in the west. We now have four ministers dealing with problems in respect of the wheat board. This is perhaps a case of having too many cooks spoiling the broth. The Minister of Industry, Trade and Commerce is still involved with problems of wheat sales. The new Minister without Portfolio is charged with responsibility for the Wheat Board. We also have the minister who has just spoken, the Minister of Transport (Mr. Jamieson) who is interested in moving grain. The Minister of Agriculture would naturally be interested in the welfare of the agricultural industry. At times I am sure we will be confused about where to place responsibility in respect of certain agricultural difficulties.

I should like to make a few remarks on a topic which is of concern to this nation and which significantly underlines the inadequacy of the Speech from the Throne that the government has presented. I intend to focus my remarks on the plight and the challenge of western Canada's wheat economy. This topic has profoundly affected and shaped the temper and consciousness of the house. This is appropriate. The western agriculture industry has been a cornerstone in the quality of life which Canadians have aspired to achieve from the inception of this nation.

• (4:10 p.m.)

The wheat farmer has been a historic and consistent ally of our national development. Often a sector of our society deserves simple applause. However, I have expressed these sentiments with regard to western Canada because I wish to deal with their problems which call for the sympathy and constructive imagination of all. First, we are in the first quarter of a new crop year and a review of

the western panorama is most appropriate at this time. I would like to report a few simple facts, and I ask this house to endeavour to appreciate their human and social meaning.

The essential facts in the 1968-69 crop year were that our wheat and wheat flour exports fell to 304.3 million bushels. In context, this means that our sales level now only equals that of exactly one decade ago. Our sales are down 187 million bushels from the high of 591.6 million bushels in 1963-64. Further, a bitter companion of this truth is that the average price paid to farmers, per bushel, is now approximately $1.50 compared with $1.85 per bushel only a year ago. The direct economic result of this calamity is clear from DBS statistics which I quote as follows:

Farm Cash Receipts.

Preliminary estimates indicate that, during the first six months of 1969, farmers total cash receipts from farming operations in all provinces except Newfoundland, reached $1,903.1 million, about 10 per cent below the revised value of $2,134.6 million realized during the first half of 1968. Included in these estimates are cash receipts from the sale of farm products, Canadian Wheat Board participation payments on previous years' grain crops, net cash advances on farm-stored grains in western Canada, deficiency payments made by the Agricultural Stabilization Board and supplementary payments to dairy producers. No deduction was made for the cost incurred by farmers in the production of the commodities sold. Estimates of the expenses incurred in farming operations together with total farm income are published annually in the DBS publication "Farm Net Income".

I will not bore the house further with these statistics. They can be found in DBS catalogue number 21-202. Further, DBS statistics of September 26th state the following, which is of specific relevance to western Canada:

Reflecting the decline in the Canadian Wheat Board participation payments and receipts from the sale of wheat, farm cash receipts in the prairie provinces dropped appreciatively. This was most noticeable in Saskatchewan where receipts fell from $512.1 million in 1968 to $308.3 million this year, a decline of 39.8 per cent. For Alberta and Manitoba, the decline was 20.8 per cent and 13.6 per cent respectively. Cash receipts were higher in all other provinces with the highest percentage increase being exhibited by Nova Scotia with a gain of 17.4 per cent.

This is confirmed in newspaper headlines in western Canada. I have here a number of clippings with headlines such as: "Wheat Economy Deep in Crisis", "Outlook Said Dismal for Export of Wheat", "Agriculture Importance on Decline" and "Few Options Open for Farmers". A simple and very human reality follows which affects the lives of every citizen in the linchpin provinces of Manitoba, Saskatchewan and Alberta. Whole communities and thousands of families are anticipating bankruptcy. The inadequate quota of five bushels per acre, at inadequate prices, means that western farmers are now $65 million in debt to the federal treasury in the 1967-68 cash advances. There is no need to speak of this any further, but there is a need, indeed an obligation—and considering the present government, a challenge—to argue that the crisis of western Canada requires new, bold and successful national responses.

The Prime Minister (Mr. Trudeau) has spoken with some eloquence and with a rare kind of passion about order and unity in our society. I am here to help in my way. However, I warn the Prime Minister and his government that the bedrock foundation of social and political harmony is composed little, if at all, of statutes or rhetoric. For instance, lowering the voting age and legislation on wiretapping is not an answer to western agricultural problems. Frankly, the west will not be a place of genteel and high-minded dialogue that is forgotten while her economy is casually being undermined. A cavalier and shoddy attitude has been the hallmark of this government's approach to western Canada, and what is more important, this seems likely to continue unless the government deserts its oriental fatalism and finds an *élan* for constructive reform in agriculture. These are my conclusions about the present government, but I do not state them for political advantage. There are no meaningful points to be scored on past behaviour. I am most concerned about the behaviour of the government next year. It is here that I look for reform.

There may well be an economic catastrophe if no change is made. As a citizen and as a politician I do not welcome such a catastrophe. Inadequate sales and falling prices are a cause of trouble. This inadequacy continues to plague us in the House, and it is caused by the fatalism of this government. One has only to quote the Minister of Industry, Trade and Commerce (Mr. Pepin) when he announced on September 25 the sale of 86.2 million bushels of wheat to the People's Republic of China in the following manner:

This sale to China is very gratifying. But I must caution the farmers, and the public, against being overly optimistic about export volume this year. Exporting and importing countries in the northern hemisphere have had good wheat crops. Thus we have no reason to believe at this time that our exports will be much larger than last year.

Further, the Canada Grains Council stated the following on September 28:

The decline of the Canadian share of wheat exports started in 1968, extended into 1969 and under present conditions the horizon appears dim.

If all this were an unalterable truth, I suppose I could accept the implied invitation of the government and rally around the flag to teach the west something about accepting one's fate with a generous and forgiving heart. However, I disagree that we should take such a pessimistic stance. Furthermore, I say most emphatically that the single most damnable and divisive act of this government has been its withdrawn approach and defeatism with regard to the future of western Canadian agriculture. I would like to give a clear example. The Winnipeg *Free Press* of September 5 reported the following:

Agriculture Importance on Decline—Olson Makes Known Results of Government's Sponsored Studies. Agriculture will decline in importance in the Canadian economy in the next ten years, studies made by three federal department economists show. Their findings were released Friday by Agriculture Minister H. A. Bud Olson.

I have here a copy of the press release. I am sorry that the name of the Minister of Agriculture is associated with the pessimistic and fatalistic tone of this report. It says:

1. In 1966, about 10 per cent of the population lived on farms. By 1980 this will drop to 6 per cent.
2. In 1967, about 5 per cent of Canada's gross national product came from agriculture. In 1980 this will be about 3 per cent.
3. The agriculture and labour force will decline from 559,000 (7.6 per cent) in 1967 to about 386,000 (4 per cent) by 1980.

I emphasize the point that despite the mechanization of our farms and the reduction of our farm population, the volume of our agricultural products has increased, and the fact is that exportable agricultural products are the second largest source of income of Canada. Therefore, we in western Canada are unable to understand the mentality of this government which associates itself with the very pessimistic views of some of its economists. It seems to me that this study is largely a waste of time and is harmful to the necessary recovery of western agriculture. To publicize a hypothetical project which generates in a responsible press a headline such as "Agriculture Importance on Decline" is immensely damaging to western Canada.

• (4:20 p.m.)

The minister has not released a series of guidelines for action, but a projection of withdrawal. Is this an invitation for Canadians to ignore the present plight of western Canada and its future contribution to the Canadian economy? Considering that the government has only one constructive legislative proposal to make in response to the plight of western farmers, it is an understatement to suggest that the Minister of Agriculture could have better employed his experts. Are the forecasts of these studies of much importance? Do we have to live within them? Is it right that the minister should popularize them? The assumptions underlying this report are probably complete. However, to be credible they must remain considerably static. I cannot accept, for example, that production and marketing policies must remain the same and that our share of international markets will not change and can be predetermined.

I do not agree that it is good enough for long-term planners or cabinet ministers to advertise the proposition that if trends continue and a particular share of the market is obtained, sales volume will be at a predictable and predetermined level. Shares of market and markets are not predetermined but are established by competitive positions, the price and services packages and by promotion efforts in other marketing instruments. In today's world it is not good enough to share developed markets. Such assumptions do not pre-occupy energetic governments. Aggressive and modern selling practices could not have been part of the assumptions of these projections. We do not have aggressive or modern selling practices. Compared with our largest competitor, the United States, we spend very little on such a basic task as marketing research. To conclude this point, there is no proper case to be made that we cannot achieve prosperity for the population of western Canada. The pessimists have not a complete case, and considering the dictates of history and immediate experience our assumptions should be optimistic. Our resilience, technology and energy argue the point.

Mr. Speaker, I have said this because I want to be constructive. However, I have had to assert that the positive is appropriate, that optimism is required, because the government would wish it otherwise. Since this House recessed this summer my party colleagues and many others sat down together for three days at Regina and for three days at Niagara Falls to assess the extent of the western agricultural crisis and what policies should be developed by the federal government. Some of our conclusions I would like to quote, and of one I would like to speak. The Regina conference on western agriculture stated as

follows on the question of future markets and the demand for western products:

We reject the pessimistic view of the present government and the federal task force on agriculture on the future of cereal sales for the next decade.

We do not disagree that there will be a static position for future markets of high grade wheats, but we say most emphatically that the future demand for lower grades of wheat for both domestic and feed grains consumption have not been fully exploited.

Today wheat surpluses in the world are only sufficient to cover one year's total demand. This means if there is to be a drought or a crop failure in any part of the world the world cereal picture would shift from one of surplus to deficit in a very short time.

In the meantime, western agriculture is suffering from an income gap which is having serious effects upon the economy of the whole nation. Since we should expect future increases of demands for cereal grains to make our present surplus a real asset, the nation should assist in carrying the costs of this reserve.

Because of the growing opportunities for low grade and new cereals immediate programs should be applied to assist proper adjustment.

We see the future demand for livestock products from western Canada as being good. However, we must warn that a rapid shift from wheat to cattle could mean a disaster to the stable growth of that industry.

The government, in the Speech from the Throne, offers amendments to only one agricultural act. We recommend much more. I quote the Niagara Falls conclusions as follows:

It was felt that a Canadian grain-selling agency was necessary to give grain the type of aggressive salesmanship necessary in international markets.

Until now the Wheat Board, in co-operation with the Department of Industry, Trade and Commerce, has been depending on international commission houses, of which there are a number of multi-million dollar concerns spread over the world, to handle the actual mechanical transactions involved in international sales. All they are interested in is getting a quarter per cent or a half per cent of the selling price arranged for each commodity. I think we are on the right track when we advocate the establishment of a Canadian grains selling agency. Dealing with the International Grains Agreement at the Niagara conference, we stated:

The repudiation of the International Wheat Agreement and the creation of the International Grains Agreement has meant that the five major wheat exporters have essentially lost equal bargaining power with consumers in establishing price levels of sales that would be tolerable to their own producers. The exporters' responsibility is still to seek export prices compatible to the production costs and fair returns for their own producers. But our acceptance of the International Grains Agreement has made this very difficult for those five major producers.

We condemn the government for repudiating the International Wheat Agreement which was, unlike the present International Grains Agreement, an institution which could protect the interests of the Canadian producer. Furthermore, this government took this step without consulting the Canadian wheat producers themselves.

So now we recommend:

1. We should now make it our immediate and priority aim to re-establish an unanimity among these five major producers to once again establish international prices tolerable to their own wheat producers.

2. We should try to establish with Russia and other in and out exporters of wheat a working agreement on these basic prices which are to be established again by the five major producers.

3. We should develop within these international agreements greater flexibility so that lower quality grains can more properly contribute to the incomes of western farmers.

4. We ask that during the next meeting of the five major producers before the next International Grains Agreement conference to establish new price dimensions, the costs of goods and services of the farmer due to inflation be considered as a factor when those new prices are established.

We also took a look at the growth of the cattle industry and we had this suggestion to make:

In co-operation with the provinces we would promote a moderate and steady expansion of the beef industry in all parts of Canada by:

(1) encouraging better use of pasture in conjunction with water and grain,

(2) establishing and developing co-operative and private feed lots, and

(3) encouraging conversion of high yield, low quality wheatland into pasture and forage to allow for expansion of beef-cow numbers.

Dealing with the role of food aid in international development we had this to say:

Our position is that Canada should meet all requests for food by the World Food Program. We are disappointed that governments have failed to supply areas of extreme crisis such as the Gaza Strip and Biafra. If multilateral agencies are unable to act then our government should stand willing to work a bilateral agreement in relieving distress.

The essence of using food in international development is to give highest priority to the development of food supplies in the newly developing nations. Realizing this objective will require decades to achieve, Canada should take the lead in persuading other nations to build up inventories of strategic food items. This should be undertaken within multilateral agencies such as the World Food Program or F.A.O.

Dealing with the subject of floor prices we stated:

We recommend that the Agriculture Prices Stabilization Act be brought up to date by bringing into play the increased knowledge that we have of production efficiency levels in the products covered by the legislation.

The subject of acreage payments was discussed and we said:

> Acreage payments are like cash advances; not final answers to the farmer's fundamental problem. However, they should be considered as a proven technique of bridging the income gap while allowing maximum freedom for the farmer to choose the diversification program most suitable to his own needs.

On the matter of transportation we said:

> We recommend that in view of problems consistently arising in the movement of cereal grain in western Canada, which bring hardship, inconvenience, and financial loss to individual farmers, an over-all co-ordinating authority be established to direct the movement of cereal grains.

Storage has been a major problem this fall for farmers in western Canada. It is hard to estimate the cost to farmers in their efforts to borrow money to provide storage to protect the grain they have taken off their land this year. On the question of storage we stated:

> We recommend that the money spent by the federal treasury on the Temporary Wheat Reserve Act for grain storage be divided between commercial storage and farm storage on the basis of six cents per bushel per year.

• (4:30 p.m.)

These tasks must now be pursued by the government if it is to claim it has done what was possible, what was required. But more specifically, I appeal to the government to establish a manly, practical and essential understanding with our greatest competitor, the United States. The history of the present crisis calls for this action as a basis of recovery. I think this puts the finger on the crux of one of our biggest problems. We have a great deal of unsold grain in western Canada and have lost markets because of the temporary lapse of the International Grains Agreement. When our officials returned from the Kennedy Round talks in Geneva we in western Canada were met by the headlines in the Regina *Leader* to the effect that the Americans had dumped wheat into the Japanese market at 22 cents a bushel below the floor price. I can understand the reaction of our competitor countries such as Argentina, France and Australia. When they saw a major nation such as the United States taking advantage of the lapse in the wheat agreement, they immediately did the same.

However, Canada remained honest for another 18 months, but last April the Minister of Industry, Trade and Commerce (Mr. Pepin) advised the House that he had instructed the Wheat Board to start cutting prices in world markets. This sent a shudder through western members who felt it was the last straw. It was exactly what our friends across the line wanted us to do, and within two weeks they were pointing the finger at us. Canada and France were named the culprits, when actually it was our neighbours to the south who started the ball rolling.

I would make a suggestion and draw on my experience of a few years ago when I had occasion to deal with similar matters. Perhaps the Prime Minister (Mr. Trudeau), the Minister of Industry, Trade and Commerce, the Secretary of State for External Affairs (Mr. Sharp) or the Minister without Portfolio (Mr. Lang) with responsibility for the Canadian Wheat Board should make a private visit to the United States and talk to their counterparts behind closed doors with no radio, press or television coverage. We are not anti-American, but I think we should be pro-Canadian. Perhaps before the next conference they would be able to reach a decision on what should be the floor price under the International Grains Agreement. If $1.95½ is not a realistic floor price—and I have talked to many farmers who feel that possibly it is an excessive price—perhaps something more realistic, say $1.75, could be set as the floor price and we could start from there.

Importers know that Canada grows the best wheat in the world. Under the old wheat agreement we have for 18 years satisfied our customers because of our reputation as honest brokers who bargain fairly and who produce good quality grain. If we set a good example to the exporting and importing nations of the world we should get our fair share of world markets. As I stated earlier, Mr. Speaker, this is not party policy; it is a suggestion of my own which I think is practical and I think our friends to the south would respect us for it. Again, I appeal to the government to establish a manly understanding with out greatest competitor, the United States.

This present crisis had much of its origin in 1966. The federal government has had the responsibility since then to develop policies to meet the common crisis, but it has failed. In 1966 the United States made a number of changes in her wheat policy which adversely affected Canadian growers. They were obvious at the time but our government did not act. The United States wheat acreage allotment was increased by about 30 per cent, a modified two-price system was introduced using domestic milling certificates and aggressive selling in commercial markets supplanted much of the earlier emphasis on food aid. As a result in 1967-68 the United States was the only major exporter to increase wheat

exports while total world exports declined by about 15 per cent. Because of our indecisive response to the new challenges our wheat exports declined by almost 40 per cent.

In closing I should like to say this, Mr. Speaker. In the short term, government policy has probably averted a cash shortage which could have been ruinous to a viable industry. An assessment of marketing difficulties and opportunities must now be rigorously and frankly undertaken. This economic area must harmonize supply and demand for two reasons. First, the kind of assistance the farmer is now receiving in terms of cash advances can only be repaid by sufficient acreage quotas in the future, otherwise western agriculture will become hideously indebted to the federal treasury; secondly, the wheat economy cannot, and historically should not become a burden to the financial capacity of the government. If we are to make any progress in meeting the hurtful and chronic poverty of agriculture in the regionally depressed areas of eastern Canada and the maritimes, western agriculture must again become a contributing cornerstone of our economy.

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, every so often in this debate in which the House is engaged I find myself thinking of it as a state of the nation debate. In other words, in the traditions of this parliament we come back from the far corners of our big country and give to those members of the House and the government who take time to listen some report of the state of the nation, as it were, in our particular corner of it. In the last hour or so we have heard something about the problem of marketing wheat from the member for Qu'Appelle-Moose Mountain (Mr. Southam) and we have heard about the problem of marketing fresh and salt codfish in Newfoundland from the Minister of Transport. But I suppose some of the matters on which I shall speak this afternoon will not have come to the particular attention of either of those hon. members.

I found it quite interesting that in the spirit of this debate the Minister of Transport (Mr. Jamieson) spoke to us as a member from the Province of Newfoundland rather than in his capacity as the Minister of Transport. I think his speech could give us some food for thought. He gave us a picture of the true tradition of debate in reply to the Speech from the Throne, where one can be reasonably expansive about one's own viewpoint, at the same time recognizing that other members have something to contribute to the progress of public life in this country.

Indeed, Mr. Speaker, as I listened to him I wished that his colleague the Minister of Finance (Mr. Benson), who appears to be in a rather panicky and near hysterical state these days, had been in the House to absorb something of the spirit and the approach taken by the Minister of Transport. When I listened to the Minister of Finance on Monday I began to feel that the state of the nation must be much worse, at least from his point of view, than I had found it during the time I spent in my own constituency. I wonder if the minister has read his remarks in *Hansard*. He seemed to be almost hysterical and in a trigger-happy mood. I should like to draw some of his remarks to the attention of the House. He was referring to capital investment policies, priorities, and proposals of the NDP for controls in our economy in terms which reminded me, a member from British Columbia, of the tone of voice adopted by the Premier of British Columbia in the provincial election of not too long ago when, on being panicky about his prospects of returning to power, the Premier pulled out all the stops and pushed all the political panic-buttons. When referring to the NDP proposals the Minister of Finance said, as reported on page 147 of *Hansard*:

• (4:40 p.m.)

> —the inevitable consequences are arbitrary judgments, gross inequities, rationing, and for the first time in Canada since the war, a black market. Worst of all, the state will have to move into every factory, every store, every office, every trade union and every household. Perhaps this is the kind of communist control that the NDP wants for our society—

In his election campaign the Premier of British Columbia talked of the heavy hand of the Marxist socialist state, but I did not expect that the Minister of Finance, when discussing the seriousness of the state of the nation and what can be done to overcome inflation, would display such shattered nerves. Considering some of the remarks made by the Prime Minister (Mr. Trudeau) during the question period, about the imposition of certain controls if certain voluntary measures do not work out, I am inclined to think that the Minister of Finance is more worried about his colleagues in cabinet. Perhaps by his remarks he was lashing out at those colleagues indirectly, since he could not lash out directly. I am afraid that the minister has been speaking about imagined comments emanating from our party, because remarks he has attributed to members of this group bear no resemblance to statements made by our spokesmen inside or outside this chamber.

As the Minister of Transport said, in each session the Canadian parliament deals with the immediate crisis that lies before us. I agree that at the same time we must try to look ahead. Having been in the chamber somewhat longer than the minister has been, I think I can say that in each session of parliament we look at the future of our country and try to determine in which direction we ought to move. Commenting on the radio the other day on the particular characteristic of this session, I said that this may become known as the session of the great inflation debate. It will be a watershed in our attempt to come to grips with the realities of inflation.

Earlier in his Monday night speech the Minister of Finance spoke of the great problem of our deep-seated inflationary expectations, meaning no doubt the expectations of people who believe that inflation will go on forever. They want all they can get out of it. The minister said this:

> I should like to assure the House that it is the intention of the government that this shall not happen, and it will not happen for the benefit of the little people in our country.

Some people in this House have for many years been trying to say that the little people of Canada are endangered by inflation. This session may become a watershed inasmuch as for the first time in my experience a Minister of Finance in this chamber appears to be taking inflation seriously enough to do something about it.

In the period since the end of the second world war—and during the war we had some controls—a certain trend has been followed in our economy. That trend, with the exception of one or two brief periods of so called recession, was one of inflation. During most of this period there has been sitting on the treasury benches a government that calls itself Liberal. We had a Liberal government after the war which deliberately turned its back on any kind of orderly control in our society. It abandoned all wartime controls almost overnight, encouraged the formation of an inflationary price spiral and ignored the pleadings of the labour leaders of the country who asked the government not to abandon controls completely. They said that if the government was prepared to take this course they were prepared to recommend to the constituent unions of the labour congresses that they hold down the lid on demands for wage increases unless those wage increases could be tied to increases in productivity.

Today when a Liberal Minister of Finance says, "I should like to assure the House that it is the intention of the government that this shall not happen", meaning that the inflationary spiral shall not go on forever, no one should be surprised if some members in this chamber display skepticism. Never before has a Liberal Minister of Finance taken seriously suggestions that inflation poses a danger to the little people of Canada.

Year after year we have seen the real purchasing power of our people eroded. We have seen the government refusing to take action which will prevent our little people from falling farther and farther behind so far as incomes are concerned. Their incomes have fallen behind those enjoyed by other groups within the economy. I hope the panic the minister has evidenced will cause sober thinking in government circles and that government members mean what they say when they talk about measures to halt the spiral of inflation. After all, that is what some of us have been talking about for a long time. If the minister is really serious, I for one do not mind if he waxes slightly hysterical and makes wild and inaccurate observations about this party's position. It is worth paying that price if our Minister of Finance is prepared to seriously tackle the question of inflation. Nevertheless, when one remembers the situation the minister has left our little people in, the old age pensioners and others who seek housing, one begins to wonder how much of what he says he means. Only yesterday I asked the Minister without Portfolio responsible for housing a question about the roll-back of interest rates affecting projects under section 16 of the National Housing Act. The situation I was alluding to is not unique to Port Alberni, but I did that because of the fact that the housing society in Port Alberni, the Alberni Valley Senior Citizen's Homes, had developed a project to meet the growing need for accommodation for senior citizens. They had taken all the necessary initiatives and had raised locally the money necessary to engage architects to draw the sketch plans for a new high-rise hostel-type development for senior citizens.

• (4:50 p.m.)

This project was to meet the real demand—not more than the real demand—for this type of accommodation in the community. They had received the necessary preliminary approval from the authorities of the province of British Columbia. They had reached the stage where they could proceed to the working drawings and they anticipated early construction. They suddenly discovered all their

plans were thrown out of calculation because the government of Canada was not prepared to check the impact of inflation upon the little people, the senior citizens, who would live in this low-income housing development.

Appeals and inquiries were directed to the Minister of Finance by the Alberni Valley Senior Citizen's Homes organization, supplemented by representations from the city of Port Alberni and the Port Alberni and District Labour Council. These representations pointed out to the Minister of Finance that they will have to abandon this project. So far the Minister of Finance has not acknowledged these representations. That is why I had to stand in this House at the beginning of the session to find out whether the government had any intention of doing something about the problem which would enable this local organization to follow through with its own initiative in trying to prevent the impact of inflation upon the little people, to use the words of the Minister of Finance. This initiative was a second stage. It is a follow-up of a project which came into being a number of years ago. I had to probe to find out whether the government is going to make it possible for these people to do something about stemming the tide of inflation and its impact on the little people. I was told by the Prime Minister that the government is not going to do anything to make it possible for the project to proceed.

The Prime Minister stated that the government will not consider granting a subsidy on the interest rates which would have enabled this project and others like it across the country to proceed. They will not take that minor step to stem the impact of inflation on the little people, that is, grant a reduction of 1 per cent to the effective interest rate that had been charged earlier this year.

If we are to talk about stemming inflation, the government must start to take some initiatives which are within its means. It is not necessary to go into the realm of price controls and all the other fearful things the minister is worrying about to deal with this kind of problem. This is one of the minor things that can be done without putting any strain on the financial structure of the government. To have stemmed the tide and held it in this particular area would have meant a simple supplement. This is a method which the government could have used but which the Prime Minister says they will not use. They could have supplemented a very small part of the total commitment of this year for Central Mortgage and Housing Corporation. In other words, it would have stemmed the tide while some of the other measures the government is talking about are taking effect.

Perhaps by the time next year's appropriations are required by CMHC for this purpose there will be a fall-back of interest rates. But why penalize certain groups when most of the funds have been appropriated at a lower interest rate? Why penalize groups who have developed their projects in good faith, believing they could proceed according to plan, by refusing to hold the ceiling on interest rates in this very special field which has always operated within the framework of the Liberal government's national housing policy at less than the standard commercial rates for housing?

While I am pleased to see that the Minister of Finance is taking the problem of inflation more seriously than other Liberal Ministers of Finance in my experience have done and I believe the facts as they have been laid before us bear this out, I have some skepticism as to how effective the ideas and proposals of the federal government will be in this connection. This is why I find it difficult to take too seriously the bland words of the Minister of Finance when he states he will see that inflation does not happen.

There are many matters with which one could deal in this debate. At the beginning of my remarks I referred to it as being a state of the nation debate. It represents the fundamental contrast between our system and that of the United States. In our parliament it is the private members who come back from across the country and tell the government about the state of the nation. This is in contrast to the United States Congressional system, where the state of the nation speech is delivered by the head of the executive branch.

I understand that the Secretary of State for External Affairs (Mr. Sharp) is involved in an important and necessary conference in Victoria. I had hoped to raise at this time certain matters which are of real concern in British Columbia and which come within the realm of his activity. As the Minister of Indian Affairs and Northern Development (Mr. Chrétien) is in the House today I shall deal with certain matters which I trust are somewhat dear to his heart and defer my remarks on the other subject to another occasion.

The minister will be happy to know that the *Alberni Valley Times* of the city of Port Alberni published a speech the minister

delivered to the Saskatchewan Liberal Women's Federation in Regina, Saskatchewan, on October 2. The editor's comment states:

> The Times reprints it because of the local interest in the matter of the new federal Indian policy.

The minister's words do get around the country. Even when he is speaking to such an august body as the Saskatchewan Liberal Women's Association in Regina we learn of it on Vancouver Island. When I read this speech I recalled some of the observations and questions in the House earlier this year when the minister announced his new Indian policy. My colleagues and I indicated at the time that we felt the minister was very sincere in his desire to move forward in this area of his responsibilities. It was obvious to me from the somewhat defensive attitude which the minister exhibited during this particular speech that he felt some of his proposals had met with unfair criticism. He kept on saying the statement did not mean this, it did not mean that, and so on. I do not have time in which to read the entire speech into the record; the minister can do that himself, if he so wishes when he makes his contribution to the debate.

• (5:00 p.m.)

No doubt it is true that the minister's proposals have indeed met with unfair criticism from some quarters, or what is perhaps even worse, that they have not been properly understood. I have myself been critical of some of the proposals but in the main, my criticism has been concerned with what was left out of the policy rather than to what was embodied in it. In fact, I believe the minister will find that my hon. friend from Skeena (Mr. Howard) and myself agree that many of the propositions advanced in the policy statement are propositions which many of the Indians in our area endorse. I refer to equal treatment of Indians in the field of education, welfare and so on.

What has disturbed me most deeply is the omission from this policy statement of any recognition of the basic rights of Indians arising from aboriginal claims. If I understood the minister's answers to me last session correctly, he maintains that because these claims are not substantiated by written documents they are unrealistic and non-negotiable. In my view, if the minister continues to act on this assumption he will defeat his own basic ends and we shall never solve the Indian problem, at least as far as the Indians of British Columbia are concerned. The Parliament of Canada thought it had put an end to the British Columbia land question in 1927. It may have thought so. Parliament may have thought the issue was dead, but it will not lie down.

Having referred to the speech the minister made in Regina, a speech in which he quite properly defended his position, I should like to draw attention to an article which was published in the Vancouver *Sun* of Wednesday, September 3. This sets out what is being done in another situation, one in which the background is in many ways similar. It is an article about the situation in the State of Alaska where, as in British Columbia, treaties with regard to land were not made with the Indian people.

Apparently the United States and the State of Alaska do not intend to sweep the whole thing under the rug and say that because no agreement exists the claims of the Indians are unrealistic. This article states:

> Congress has before it four proposed solutions—three put forward by the parties involved in the dispute: the state, the federal government and the natives, as represented by the Alaska Federation of Natives. The form of the settlement has been more or less agreed upon by everyone concerned.

I shall not read all the details but here are the main points. It says, first, that there should be a land grant. Discussion is going on about how many million acres should go to the Indian people of Alaska. Second, all parties concerned agree there should be a federal monetary settlement for lands taken in the past and for the final wiping out of all claims. The administration, the state and the natives have all settled on the figure of $500 million although they disagree about how rapidly it should be paid. Third, it has been agreed that the money should go into development corporations in which all natives would hold shares. The article goes on to say that the exact nature of these proposed corporations has not been worked out. The major disagreement yet to be resolved concerns something else: the natives want a 2 per cent royalty on revenues from state and federal lands.

I think this is something which the government should consider. I should like to see this whole question examined thoroughly by the government or by a committee. What, in the opinion of the government, is the difference between the land question in British Columbia and the land question in Alaska? In both cases no treaties were made. In both cases people of European descent encroached on land which the native people had occupied. Apparently in the United States there is recognition that the native claims

should be dealt with. The Government of Canada, however, refuses to recognize that such claims have any substance.

The Acting Speaker (Mr. Béchard): Order. I regret to interrupt the hon. member but the time allotted to him has expired—unless, of course, there is unanimous consent to his continuing. Is that agreed?

An hon. Member: Go on.

Mr. Barnett: I am content to let the matter rest there, Mr. Speaker. I can pursue it again if necessary. There will be other opportunities.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, first of all, I wish to congratulate the mover (Mr. Cullen) and the seconder (Mr. Marceau) of the Address in reply to the Speech from the Throne. Those hon. members thus had one of their first opportunities to express their views in the house and, above all, to point out to a certain extent the needs of their respective constituencies.

I wish to call the attention of the house to two problems that I consider extremely serious and which were not mentioned in the Speech from the Throne.

On several occasions, since 1967, I have addressed oral or written questions to the Minister of Consumer and Corporate Affairs (Mr. Basford) concerning fraudulent bankruptcies in Canada.

If you refer to the official documents tabled in the house, you can see that a revision of the legislation on bankruptcy was promised. Mention of it was made in the Speech from the Throne and in the legislation introduced for this purpose. Up to now nothing in the government attitude leads us to expect an early inquiry into or revision of the Bankruptcy Act.

This problem is worsening from day to day. In the province of Quebec alone during the first three months of 1968 $32 million were lost in fraudulent bankruptcies and the figures we have for this year are even more alarming.

This loss of $32 million in three months represents an average of $11 million a month for the province of Quebec alone. This means also a loss of about half a million dollars a day because of really fraudulent bankruptcies. These figures spread fear and shock in industrial and trade circles, but it seems that during the last three years the federal government did not carry out its promises.

According to *The Gazette* of Friday, October 3, 1969, one of the officers in charge of fraudulent bankruptcies in Montreal claimed, and I quote:

• (5:10 p.m.)

[*English*]

Fraudulent bankruptcies in Quebec have accounted for a record-breaking $32,000,000 in commercial losses in the first three months of 1969, a Montreal Police Department expert said yesterday.

"The illicit trade has grown to such proportions in recent years that I'm convinced the revenue obtained in fraudulent bankruptcies is used to finance organized crime projects," Lieutenant Leo Talbot told the conference . . .

Lt. Talbot said he finds it difficult to explain why efforts to contain this type of crime have not been more intense.

[*Translation*]

Our police forces are wondering how it is that the federal government has done nothing in the last two years, at least, to carry out its promise to introduce a new measure in respect of the Bankruptcy Act.

In spite of the promises made in the house, nothing in the bills tabled last week by the Prime Minister (Mr. Trudeau) gives us any hope that such a review will be undertaken.

Although I cannot discuss it at length during the time allotted me, I want to raise another problem which is extremely important, in my view. It deals with another sphere of the economy and has to do specifically with our young people.

It is about the drug problem which is as frightening, if not more, as that of bankruptcies. In the newspaper *La Presse,* on May 14, 1969, this is what one could read:

North Americans consume 25 tons of aspirin daily.

Each year, Canada imports legally 33 tons of barbituric powder, that is an average of 7.4 tablets per Canadian.

Canadians buy legally each year 71 million tons of stimulating amphetamins.

—These facts have been revealed by Mr. Keith Kincaid, a journalist who has done research in this field and published the article from which I just read an extract.

I go on with the quotation.

It is obvious that Canadians live with chemical products intended to make them forget their worries, ease tension, bring sleep, improve their dispositions, fiight weariness and stimulate energy.

It is somewhat frightening to see how many doctors prescribe drugs they hardly know, combine incompatible products which could have a dangerous effect . . .

Dr. S. J. Holmes, psychiatrist from Toronto, explains this as the symptom of a sickness deeply rooted in socio-economic conditions which produce dissatisfaction, conflict and tension.

On May 22, 1969, the Minister of National Health and Welfare (Mr. Munro) addressed a convention of the American Pharmacists Association in the following terms:

Speaking about the increasing use of marijuana and other hallucinogenic drugs in a first speech before the Canadian Pharmaceutical Association, I said I was worried about the alarming way the number of marijuana users was growing. I quoted the figures that were available then: 54 cases in 1964; twice as many in 1965; more than 400 in 1966; almost 1600 in 1967. We now have the 1968 total,—

At the present time, according to the statistics provided by experts in that field, about 20 per cent of the student population are addicts and use all kinds of drugs.

In my opinion, this is an extremely serious problem. Our youth take large amounts of drugs and barbiturates. The federal government in its Speech from the Throne does not even mention it. Another Montreal newspaper reported the following and I quote:

Adiction to heroin costs $1 billion to the community. The traffic and consumption of heroin throughout Canada costs about $1 billion per year to society as stated this wekend by Dr. Houssein Moghadam of the School of Hygiene at the University of Toronto.

I could continue to quote statistics and comments to give you some idea of the importance of this problem.

One piece of news made a particular impression on us last year. As a matter of fact, there appeared in the newspapers—and the federal government did nothing about the matter—the following news item:

Sixty million dollars worth of drugs are seized: Scotland Yard implicates the Defence Department and the RCMP exonerates the number one suspect.

A certain quantity of chemical products used to manufacture LSD, which would have netted sixty million dollars on the black market; a technician of the CBC in Toronto poisons himself with cyanide while being questioned by the police.

The first concrete fact rests in the revelations made this morning by a Scotland Yard spokesman, who stated that this famous British police department has broken up a vast international drug ring which literally flooded with LSD the west Coast of Canada and the United States...

The ring, by selling this product on the black market, would have made $60 million...if Scotland Yard had not intervened...

...But a Yard spokesman had just said yesterday morning again, that documents and letters found in the home of Kussner, in Toronto, had made it possible to arrest two men in London, then to dismantle the ring. The Yard spokesman had then revealed that documents had been seized with the LSD, indicating that the drug was sent to Canada for refining...in a laboratory of the Canadian Department of National Defence, before being put on the market in Vancouver and the United States.

[Mr. Rondeau.]

Mr. Speaker, following that report, nobody here, not even a committee of the house, succeeded in getting to the bottom of the charges made by a very important Scotland Yard detective.

Everybody knows that the problem of drugs in Canada is getting worse and worse. As a matter of fact, a Montreal school now buys for $5,000 worth of barbiturates or drugs of all kinds every week.

The situation is getting more and more serious. Our young people show an ever stronger tendency to use the most harmful drugs. They go from marijuana to hashish, methadrin, LSD and, finally, heroin. The situation keeps deteriorating, and exemplary convictions only will put an end to that mad craze.

Since the beginning of 1968, only 200 pounds of marijuana which sells retail for $1,600 a pound have been seized.

At the present time, Montreal is flooded with barbiturates. Hashish has become popular and for the first time heroin has appeared on the market.

According to certain newspapers, 1,000 barbiturate addicts would be waiting for admission at the Joliette hospital.

Some time ago, Detective Sergeant Jacques Durocher gave examples of trips and the noxious effects caused by the use of this drug in our society, particularly among the young people on whom depends the future of Canada. These are his words:

—Under the influence of LSD, they think they are traffic lights; they plunge amidst the stream of cars at peak hours trying to stop them. In certain cases they have caused crashes in which people were injured;

He further states:

A youth thought he was the Iron Man. Totally gone on a "trip", he lay down on a bed and plunged a kitchen knife into his heart. He was 17.

• (5:20 p.m.)

In my constituency, a young 19 year-old man attending a technical school in the Eastern Townships took his life 12 hours after having taken a dose of barbiturate.

I could give hundreds of such cases.

I could even mention the case of a 27 year-old intern, who went into the operating room chuck-full of LSD 25. In his "hallucinatory" state, he forgot three surgical instruments in the abdomen of the "female patient", and while at it, removed the ovaries, the gall-bladder, the pancreas, and threw everything through the window.

Now, Mr. Speaker, this seems exaggerated, but it is true.

These facts are alarming for our society and I think that the government should have taken special notice of it and put an end to the harm caused at present by that drug. As one knows, it is very easy nowadays for anybody who wants to use drugs to get them from recognized agencies, and especially from physicians.

Mr. Speaker, I shall conclude my remarks by commenting on the amendment to the amendment moved by the hon. member for Portneuf (Mr. Godin) and seconded by the hon. member for Compton (Mr. Latulippe) and dealing with a guaranteed minimum income for each Canadian.

For several days, this house has been discussing the fight against inflation. I wonder where the Minister of Finance (Mr. Benson) and the government experts found their definition of the word inflation, in their efforts to fight it. Surely, we should know what it is before we fight it. The best way to find the right definition is to look in the Larousse or Quillet dictionaries, both give exactly the same definition.

At page 543 of the Larousse dictionary, the word inflation is defined as follows:

> Economic imbalance characterized by a general increase in prices—

Up to this point, I think that we all agree, but the definition indicates also the cause of this evil and I continue:

> —and which stems from the excessive purchasing power of the body of the consumers (individuals, corporations and governments) in relation to the quantity of goods and services available to them.

This means that inflation implies that there is too much money in circulation. Is it that the minister now intends to fight inflation on the basis of this definition and that we all agree with the Larousse definition? Of course not, the minister does not care about the definition. On the contrary, I think that in Canada, at the present time, there is not much money in circulation.

One look at the statistics of the federal, provincial and municipal governments and the school boards, at the needs of the Canadian people, at our production and at the unemployed, the families who need that production, to conclude that the problem in Canada is not one of production, because the Minister of Industry, Trade and Commerce (Mr. Pepin) and the Minister of Regional Economic Expansion (Mr. Marchand) tell us that the production should be increased. The Minister of Finance, on the other hand, tells us that we should produce less.

Thus, restraint on one hand and increase of the productivity on the other. We, the members of the Ralliement créditiste, say that our problem is one of distribution and all the newspaper articles which tell us of the problems of our municipalities are capable of giving quite another definition which leads us to believe that we do not live in a period of inflation.

On September 17, 1969, the newspaper *L'Action* said about the city of Montreal, and I quote:

> The population of Montreal has only tripled since 1900, but the city's budget has increased a hundredfold.
>
> In the meantime, interest charges on the debt have increased sixfold, from $13,400,000 to 1948-49 to $77,100,000 in 1968-69.

The city of Montreal pays at the present time more than $85 million per year, in interest charges only, and the largest city in my constituency, that of Granby, showed in 1957 a debt of $2,750,000—

Mr. Speaker: Order, please.

[*English*]

The Acting Speaker (Mr. Béchard): Order, please. It being 5.30 o'clock p.m. it is my duty, pursuant to section 4 of Standing Order 38, to interrupt these proceedings and forthwith put the question necessary to dispose of the amendment to the amendment now before the house. The question is on the amendment to the amendment. All those in favour will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Béchard): All those opposed will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Béchard): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Béchard): Call in the members.

Division

The house divided on the amendment to the amendment (Mr. Godin) which was negatived on the following division:

• (5:30 p.m.)

YEAS

Messrs:

Barnett
Dionne
Fortin
Godin
Knowles (Winnipeg North Centre)
Lambert (Bellechasse)
Laprise
Latulippe
Peters
Rodrigue
Rondeau
Rose
Winch—13.

NAYS

Messrs:

Aiken
Alexander
Alkenbrack
Allmand
Andras
Badanai
Baldwin
Barrett
Béchard
Beer
Bell
Benson
Bigg
Blair
Blouin
Boulanger
Breau
Brown
Buchanan
Caccia
Cadieux (Labelle)
Cafik
Cantin
Carter
Chrétien
Clermont
Coates
Cobbe
Comeau
Comtois
Corbin
Côté (Richelieu)
Côté (Longueuil)
Crossman
Crouse
Cullen
Cyr
Danforth
Danson
Deakon
De Bané
Dinsdale
Douglas (Assiniboia)
Drury
Dubé
Duquet
Émard
Fairweather
Flemming
Forget
Forrestall
Francis
Gendron
Gervais
Givens
Goode
Goyer
Gray
Grills
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Gundlock
Haidasz
Harkness
Harries
Hees
Hogarth
Honey
Hopkins
Horner
Howard (Okanagan Boundary)
Hymmen
Isabelle
Jamieson
Jerome
Kierans
Lachance
Laflamme
Laing (Vancouver South)
Lambert (Edmonton West)
Lang (Saskatoon-Humboldt)
Langlois
La Salle
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Legault
Lessard (LaSalle)
Lind
Loiselle
Lundrigan
MacEachen
MacEwan
MacGuigan
MacLean
Macquarrie
MacRae
McCutcheon
McGrath
McIlraith
McIntosh
McKinley
McNulty
Mahoney
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Marshall
Mazankowski
Monteith
Moore
Morison
Muir (Lisgar)
Munro
Murphy
Nesbitt
Noble
Noël
O'Connell
Olson
Osler
Otto
Peddle
Pepin
Pilon
Portelance
Ricard
Richard
Richardson
Ritchie
Rochon
Rock
Roy (Timmins)
Roy (Laval)
Ryan
Schumacher
Scott
Serré
Simpson
Skoreyko
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Southam
Stafford
Stanfield
Stewart (Cochrane)
Stewart (Marquette)
Stewart (Okanagan-Kootenay)
St. Pierre
Sulatycky
Sullivan
Thomas (Maisonneuve)
Thomas (Moncton)
Thompson (Red Deer)
Tolmie
Trudeau
Turner (London East)
Turner (Ottawa-Carleton)
Whelan
Whicher
Whiting
Woolliams
Yanakis
Yewchuk—165.

[The Acting Speaker (Mr. Béchard).]

• (5:50 p.m.)

Mr. Speaker: I declare the amendment to the amendment lost. The question is now on the amendment. All those in favour will please say yea.

Some hon. Members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

And more than five members having risen:

Mr. Speaker: Is it the wish of hon. members that we proceed with the division without the ringing of the bells?

Some hon. Members: Agreed.

The house divided on the amendment (Mr. Stanfield) which was negatived on the following division:

YEAS

Messrs:

Aiken
Alexander
Alkenbrack
Baldwin
Barnett
Bell
Bigg
Carter
Coates
Comeau
Crouse
Danforth
Dinsdale
Dionne
Fairweather
Flemming
Forrestall
Fortin
Godin
Grills

Division

Gundlock
Harkness
Hees
Horner
Knowles (Winnipeg North Centre)
Lambert (Bellechasse)
Lambert (Edmonton West)
Laprise
La Salle
Latulippe
Lundrigan
MacEwan
MacLean
Macquarrie
MacRae
McCutcheon
McGrath
McIntosh
McKinley
Marshall
Mazankowski
Monteith
Moore
Muir (Lisgar)
Nesbitt
Noble
Peddle
Peters
Ricard
Ritchie
Rodrigue
Rose
Schumacher
Scott
Simpson
Skoreyko
Southam
Stanfield
Stewart (Marquette)
Thomas (Moncton)
Thompson (Red Deer)
Winch
Woolliams
Yewchuk—64.

NAYS

Messrs:

Allmand
Andras
Badanai
Barrett
Béchard
Beer
Benson
Blair
Blouin
Boulanger
Breau
Brown
Buchanan
Caccia
Cadieux (Labelle)
Cafik
Cantin
Chrétien
Clermont
Cobbe
Comtois
Corbin
Côté (Richelieu)
Côté (Longueuil)
Crossman
Cullen
Cyr
Danson
Deakon
De Bané
Douglas (Assiniboia)
Drury
Dubé
Duquet
Émard
Forget
Francis
Gendron
Gervais
Givens
Goode
Goyer
Gray
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Haidasz
Harries
Hogarth
Honey
Hopkins
Howard (Okanagan Boundary)
Hymmen
Isabelle
Jamieson
Jerome
Kierans
Lachance
Laflamme
Laing (Vancouver South)
Lang (Saskatoon-Humboldt)
Langlois
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Legault
Lessard (LaSalle)
Lind
Loiselle
MacEachen
MacGuigan
McIlraith
McNulty
Mahoney
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Morison
Munro
Murphy
Noël
O'Connell
Olson
Osler
Otto
Pepin
Pilon
Portelance
Richard
Richardson
Rochon
Rock
Roy (Timmins)
Roy (Laval)
Ryan
Serré
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Stafford
Stewart (Cochrane)
Stewart (Okanagan-Kootenay)
St. Pierre
Sulatycky
Sullivan
Thomas (Maisonneuve)
Tolmie
Trudeau
Turner (London East)
Turner (Ottawa-Carleton)
Whelan
Whicher
Whiting
Yanakis—113.

Mr. Speaker: I declare the amendment lost. This house stands adjourned until 11 o'clock a.m. tomorrow morning.

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

HOUSE OF COMMONS

Thursday, October 30, 1969

ROUTINE PROCEEDINGS

The house met at 11 a.m.

PRIVILEGE

MR. MACQUARRIE—METHOD OF PUBLICIZING POLICY STATEMENTS BY MINISTER OF COMMUNICATIONS

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I rise on what for me is a rare exercise, namely a question of privilege involving a matter which impinges upon or could impinge upon the privileges and effectiveness of all hon. members of this House, and I intend to make a motion for referral of the subject matter to one of the standing committees of the House.

I have in my hand a document from the Department of Communications addressed to the news editors of the radio stations in Canada, which reads as follows:

Radio stations will soon be able to obtain, by simply dialing a telephone number, policy statements of national importance made in the House, at a press conference or in a speech, by the Minister of Communications, Eric Kierans.

The system will allow radio stations anywhere in Canada, where there is a telephone service, to get a recorded statement (60 to 90 seconds) preceded by a service message by dialing a government number in their area.

An hon. Member: His master's voice.

Mr. Macquarrie: The document continues:

The statement can then be recorded by the stations for use in their news broadcasts or saved for public affairs programming.

We will let you know soon the number you must call.

This is over the name of Frank Howard, Director of Information Services, Communications Department.

An hon. Member: 1984.

Mr. Macquarrie: This, sir, is a serious matter. The relationship of Parliament to the media is one of great significance at the present time. There are queries whether or not television should be in the House, on the doorstep of the House, or in neither place. This is a time when we see a great proliferation of information officers in the departments of the members of the executive.

This is a matter of especial importance in that it involves the particular minister who has a special role and powers in reference to broadcasting in this country because, by Order in Council P.C. 1968-1305, those powers regarding licensing which once were vested in the Minister of Transport have now been vested in the Minister of Communications. So it is not a far stretch of the imagination to envisage that the news editors of the radio stations across the country, having dialed the number, may in certain respects expect to hear "his master's voice", as the old expression has it.

Some hon. Members: Hear, hear.

Mr. Macquarrie: This matter, Mr. Speaker, should be investigated. If this is a proper relationship of a member of the House of Commons to the media, it should not be the exclusive property of the ministers or a particular minister. If it is an improper relationship with the media, if it embodies the concept, even remotely, of managed news, then it should be thoroughly investigated by the proper committee of this House and the practice curtailed forthwith. It may indeed be a proper performance or it may be a highly improper performance. But this relationship is of such significance in these days when we are told that the media is the message, that the situation could be very serious if the minister and the media are the same. I therefore propose to move the following motion:

• (11:10 a.m.)

That the conduct of the Postmaster General and Minister of Communications, as evidenced by a letter distributed from his office and relating to the availability of statements made by him or on his behalf to the radio stations of Canada be referred to the Standing Committee on Privileges and Elections.

Mr. Speaker: I doubt very much whether it would be in the interest of the House to enlarge the debate on the question of privilege raised by the hon. member for Hillsborough. I have studied the notice which I received from the hon. member in accordance with the requirements of the rules. I have

looked into the precedents and I am now in a position to indicate to the House whether I consider that there is a prima facie case of privilege, since this has to be determined before the motion can be put in a formal way to the House.

It may be useful at the beginning of the session for me to stress once again, as I have tried to do in the past sessions, the very nature of parliamentary privilege. Privilege has been defined as the sum of the fundamental rights enjoyed by each House of Parliament collectively and by members of each House individually, without which they could not discharge their functions, and which exceed those possessed by other bodies or individuals. In the seventeenth edition of May's Parliamentary Practice at page 43 we find the following:

> When any of these rights and immunities, both of the Members, individually, and of the assembly in its collective capacity, which are known by the general name of privileges, are disregarded or attacked by any individual or authority, the offence is called a breach of privilege, and is punishable under the law of Parliament.

Parliamentary privilege as a separate part of the common law includes the following special rights and immunities available to Members of Parliament:

> —freedom of speech, in the sense of immunity against suits in defamation; freedom from arrest in certain very limited circumstances; exemption from court duty as a witness or as a juror; protection against undue influence, and reflection on Members.
>
> There are also the collective privileges of the House dealing with the control of its proceedings and publications; the calling and protection of witnesses; reflections and indignities affecting the House as a body or as an institution; the right to set up its own rules, and the traditional privileges claimed by the Speaker on behalf of the House at the opening of Parliament.

I stress the essence of the definition of privilege itself so that hon. members will realize that it is only in very extreme circumstances that there can come to the House a legitimate case of privilege on the basis of the real and accepted and traditional definition of parliamentary privilege.

The question has often been raised whether parliamentary privilege imposes on ministers an obligation to deliver ministerial statements and to make announcements and communications to the public through the House of Commons or to make these announcements or statements in the House rather than outside the chamber. The question has been asked whether hon. members are entitled, as part of their parliamentary privilege, to receive such information ahead of the general public. I can find no precedent to justify this suggestion. Hon. members will remember that there was an interesting and somewhat protracted debate on a question of privilege raised in the last session by the hon. member for Calgary North (Mr. Woolliams). The arguments which were advanced at the time were studied closely and the precedents were discussed in a ruling of the Chair reported at page 869 of *Votes and Proceedings* of March 31, 1969. The precedents which were quoted at that time are in my view applicable to the circumstances outlined by the hon. member for Hillsborough. There may be, in such circumstances, a question of propriety or a question of courtesy. There may be a grievance. But in my view there cannot be a question of privilege. In the circumstances I regret that I cannot put the hon. member's motion to the House.

[Mr. Speaker.]

ROUTINE PROCEEDINGS

FINANCE, TRADE AND ECONOMIC AFFAIRS

REFERENCE TO STANDING COMMITTEE OF SUBJECT OF INTEREST RATES

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, I understand there have been consultations with representatives of the other parties in order to move with unanimous consent a reference to the Standing Committee on Finance, Trade and Economic Affairs. The purpose of the reference is to give the committee an opportunity to consider the present level of interest rates in Canada in relation to rates in other countries and to economic conditions in Canada and elsewhere.

With unanimous consent, Mr. Speaker, I move, seconded by the Minister of Industry, Trade and Commerce (Mr. Pepin):

> That the Standing Committee on Finance, Trade and Economic Affairs be empowered to consider the present level of interest rates in Canada and their relation both to rates in other countries and to economic conditions in Canada and elsewhere;
>
> And that the evidence adduced by the committee in its study of the aforementioned matter during the first session of the twenty-eighth parliament be referred to the committee.

Mr. Speaker: Has the minister leave to present this motion?

Some hon. Members: Agreed.

Motion agreed to.

BUSINESS OF THE HOUSE

PROCEDURE RESPECTING INTRODUCTION OF PUBLIC BILLS

Mr. Speaker: The House will note that on today's order paper there are listed many public bills for introduction by private members. It would be difficult at this time for the Chair to review the provisions of each of those bills. May I therefore suggest to the House that we adopt the procedure which was agreed upon by the House in several recent sessions, namely, that we proceed to the introduction and first reading of these bills so that each may be scrutinized between now and the time appointed for their second reading in order to determine whether there be any defect therein with respect to the practices and usages of the House.

Therefore, in order to save the time of the House, taking into consideration that perhaps more than two hours would be required to introduce each of these measures separately, it is suggested that by unanimous consent all the bills listed for introduction on today's order paper be deemed to have been introduced, given first reading and ordered to be printed and allowed to stand for second reading at the next sitting of the House, subject, of course, to a subsequent examination as to the regularity of each bill.

To be more specific I should mention that some five bills appear at first blush to have the earmarks of money bills and therefore could be ruled out of order. Hon. members who are sponsoring these bills may want to give some thought to arguing the procedural point when they are brought before the House for second reading. These bills are:

An Act respecting the Canadian Heritage Foundation Act;

An Act relating to Indian Lands in the province of British Columbia;

An Act to amend the National Housing Act, 1954 (Municipal Water and Soil Pollution Projects);

An Act to amend the Canada Pension Plan (Housewives' contributions and benefits):

An Act to amend the Public Service Staff Relations Act.

These bills will have to be studied carefully before a definite opinion is given. The Chair will take into account, of course, all the procedural arguments that may be submitted to the House.

It is agreed that we proceed as has been suggested?

Some hon. Members: Agreed.

Public Bills

PUBLIC BILLS

FIRST READINGS

Bill C-13, to establish the Office of Parliamentary Commissioner—Mr. Thompson (Red Deer).

Bill C-14, to amend the Canada Elections Act (Political Affiliations of Candidates on Ballot Papers)—Mr. Anderson.

Bill C-15, to amend the Canada Fair Employment Practices Act (Age Discrimination)—Mr. Saltsman.

Bill C-16, to amend the Criminal Code (Modernization of Law of Picketing)—Mr. Broadbent.

Bill C-17, to amend the Food and Drugs Act (Listing of ingredients)—Mr. Saltsman.

Bill C-18, to amend the British North America Act, 1867 (Abolition of the Senate)—Mr. Knowles (Winnipeg North Centre).

Bill C-19, to amend the Electoral Boundaries Readjustment Act—Mr. Lambert (Edmonton West).

Bill C-20, to better assure the Public's Rights to Freedom of Access to Public Documents and Information about Government Administration (Administrative Disclosure)—Mr. Mather.

Bill C-21, to amend the Criminal Code (Fine print clauses)—Mr. Mather.

Bill C-22, respecting Little League Week—Mr. Whelan.

Bill C-23, to amend the Criminal Code (Tire Safety)—Mr. Mather.

Bill C-24, to amend the Hazardous Products Act—Mr. McGrath.

Bill C-25, to amend the National Transportation Act (Fair competition of railway companies)—Mr. Leblanc (Laurier).

Bill C-26, to amend the Criminal Code (Pollution)—Mr. Anderson.

Bill C-27, to amend the Criminal Code (Young offenders)—Mr. Woolliams.

Bill C-28, to preserve and promote Native Indian and Eskimo Arts and Crafts—Mr. Howard (Skeena).

Bill C-29, respecting Canada Day—Mr. Brown.

Bill C-30, respecting Canadian currency (Effigy of former Prime Ministers)—Mr. Stewart (Cochrane).

Bill C-31, to amend the Canada Evidence Act (Incriminating statements)—Mr. Orlikow.

Bill C-32, to amend the House of Commons Act (Internal Economy Autonomy)—Mr. Howard (Skeena).

Public Bills

Bill C-33, respecting Pilot Training Flights by International and Regional Air Carriers at International Airports in Canada—Mr. Goode.

Bill C-34, to amend the Food and Drugs Act—Mr. Mather.

Bill C-35, the Canadian Heritage Foundation Act—Mr. Roberts.

Bill C-36, to amend the Small Loans Act (Advertising)—Mr. Orlikow.

Bill C-37, Respecting Disclosure of Names of Drug Addicts—Mr. Haidasz.

Bill C-38, respecting the Control of Lobbying—Mr. Mather.

Bill C-39, to amend the Navigable Waters Protection Act (Prevention of water pollution)—Mr. Anderson.

Bill C-40, to amend the Financial Administration Act (Parliamentary Commissioner for Administration)—Mr. Thompson.

Bill C-41, to amend the Government Organization Act, 1969—Mr. MacDonald (Egmont).

Bill C-42, respecting the Metric System—Mr. Peters.

Bill C-43, to amend the Canada Labour (Standards) Code (Notice and Payment to Employees in case of Discharge or Lay-off)—Mr. Knowles (Winnipeg North Centre).

Bill C-44, to repeal the British Columbia Indian Reserves Mineral Resources Act—Mr. Howard (Skeena).

Bill C-45, respecting the presence of the National Flag of Canada in both Houses of Parliament—Mr. Stewart (Cochrane).

Bill C-46, to amend the Canada Labour (Standards) Code (Application restricted to physical movement)—Mr. Leblanc (Laurier).

Bill C-47, to amend the Food and Drugs Act (Labelling)—Mr. Anderson.

Bill C-48, to amend the Bank Act (Regulation of Excess of loan interest rate over rate of interest on debts payable by bank)—Mr. Saltsman.

Bill C-49, to amend the Canada Fair Employment Practices Act (Age or Sex Discrimination)—Mr. Forrestall.

Bill C-50, relating to Indian Lands in the Province of British Columbia—Mr. Howard (Skeena).

Bill C-51, to amend the Canadian Citizenship Act (Freedom of Conscience)—Mr. Peters.

Bill C-52, to amend the Industrial Relations and Disputes Investigation Act (Charity versus Closed-Shop Union Dues)—Mr. Lambert (Edmonton West).

[Mr. Speaker.]

Bill C-53, to amend the Canadian Citizenship Act (Time off without loss of pay for appearance in Citizenship Court)—Mr. Knowles (Winnipeg North Centre).

Bill C-54, to amend the Railway Act (Responsibility for Dislocation Costs)—Mr. Skoberg.

Bill C-55, to amend the Criminal Code (Abortion)—Mrs. MacInnis.

Bill C-56, to amend the Criminal Code (Company-censored Housing)—Mr. Orlikow.

Bill C-57, to establish a National Capital Region Planning Board—Mr. Francis.

Bill C-58, to amend the National Transportation Act (Restricted Application)—Mr. Leblanc (Laurier).

Bill C-59, respecting the Metric System—Mr. MacLean.

Bill C-60, respecting the Employment of Women in Federal Jurisdiction before and after Childbirth—Mrs. MacInnis.

Bill C-61, to amend the Canada Labour (Standards) Code (Three Weeks Annual Vacation after Three Years)—Mr. Knowles (Winnipeg North Centre).

Bill C-62, to amend the Electoral Boundaries Readjustment Act—Mr. Monteith.

Bill C-63, respecting Canada Day—Mr. Borrie.

Bill C-64, to amend the Immigration Act (Mental Retardation)—Mr. Mather.

Bill C-65, to amend the British North America Acts, 1867 to 1965, with respect to the Quorum of the House of Commons—Mr. Knowles (Winnipeg North Centre).

Bill C-66, concerning the Exportation of the Growth and Produce of Canada—Mr. Peters.

Bill C-67, to amend the Unemployment Insurance Act (Age or Sex Discrimination)—Mr. Forrestall.

Bill C-68, to amend the Canada Pension Plan—Mr. Saltsman.

Bill C-69, to restrain the use of Tobacco—Mr. Mather.

Bill C-70, to amend the Broadcasting Act (cigarette advertising)—Mr. Mather.

Bill C-71, to amend the Canada Labour (Standards) Code (Severance Pay)—Mr. Peters.

Bill C-72, to amend the Canada Elections Act (Youth Vote Participation)—Mr. Mazankowski.

Bill C-73, to amend the Immigration Appeal Board Act—Mr. Haidasz.

Bill C-74, respecting Sir John A. Macdonald Day—Mr. Macquarrie.

Bill C-75, respecting the Electoral Boundaries Readjustment Act—Mr. Cullen.

Bill C-76, to amend the Criminal Code (Abolishment of Corporal Punishment)—Mr. MacDonald (Egmont).

Bill C-77, to amend the Canada Labour (Standards) Code (Provision for a Ninth General Holiday with pay)—Mr. Knowles (Winnipeg North Centre).

Bill C-78, to amend the Canada Elections Act (Qualifications of voters and candidates)—Mr. Laprise.

Bill C-79, to amend the Bills of Exchange Act and the Interest Act (Off-Store Instalment Sales)—Mr. Orlikow.

Bill C-80, to amend the Public Service Employment Act (Age Discrimination)—Mr. Forrestall.

Bill C-81, concerning reform of the bail system—Mr. Mather.

Bill C-82, to provide for the Establishment of the Alaska-Yukon Highway Authority (Alaska Highway)—Mr. Thompson (Red Deer).

Bill C-83, respecting noise in factories—Mr. Mather.

Bill C-84, to amend the Indian Act (Rights of Indian woman upon marriage)—Mr. Rock.

Bill C-85, respecting Human Rights—Mrs. MacInnis.

Bill C-86, to govern, license and regulate the operation of Rainmaking Equipment in Canada—Mr. Peters.

Bill C-87, to amend the Canada Elections Act (Qualification of electors)—Mr. Allmand.

Bill C-88, to amend the Regional Development Incentives Act—Mr. MacDonald (Egmont).

Bill C-89, to amend the Agricultural Stabilization Act (Five Year Base Price)—Mr. Stewart (Marquette).

Bill C-90, to amend the National Housing Act, 1954 (Municipal Water and Soil Pollution Projects)—Mr. Alexander.

Bill C-91, to amend the Territorial Sea and Fishing Zones Act—Mr. Anderson.

Bill C-92, respecting the Electoral Boundaries Readjustment Act—Mr. McBride.

Bill C-93, to amend the Combines Investigation Act (Floor Penalties, Criminal Joint Tortfeasors, and Moieties)—Mr. Orlikow.

Bill C-94, to provide for the humane treatment of vertebrate animals used in scientific and industrial experiments, tests or training by recipients of grants from the Government of Canada, by agencies of the Government of Canada and by persons manufacturing or testing pharmaceutical or biochemical products for sale to the Government of Canada or to any of its agencies—Mr. Groos.

Bill C-95, to amend the Criminal Code (Air and Water Pollution)—Mr. Allmand.

Bill C-96, to amend the National Trade Mark and True Labelling Act—Mr. Anderson.

Bill C-97, to amend the Canada Elections Act (Students' Franchise)—Mr. Deachman.

Bill C-98, to amend the Canada Pension Plan (Housewives' contributions and benefits)—Mr. Saltsman.

Bill C-99, to amend the Canada Labour (Standards) Code (Increased Minimum Hourly Wage)—Mr. Knowles (Winnipeg North Centre).

Bill C-100, to amend the Small Loans Act—Mr. Orlikow.

Bill C-101, to amend the Canada Elections Act (Proxy Voting)—Mr. Comeau.

Bill C-102, to amend the Criminal Code (Preventive Detention)—Mr. Orlikow.

Bill C-103, to amend the British North America Acts, 1867 to 1965, (Duration of House of Commons)—Mr. Peters.

Bill C-104, respecting Canada Day—Mr. Broadbent.

Bill C-105, respecting the labelling of hazardous household products—Mr. Mather.

Bill C-106, to amend the Criminal Code (Cruelty to Animals)—Mr. Mather.

Bill C-107, to amend the Food and Drugs Act (Labelling of dates on perishable commodities)—Mr. MacDonald (Egmont).

Bill C-108, respecting the Inspection (Safety Standards) of Motor Vehicles—Mr. McCutcheon.

Bill C-109, to amend the Statistics Act—Mr. MacDonald (Egmont).

Bill C-110, to amend the Food and Drugs Act—Mr. Allmand.

Bill C-111, to amend the Department of Transport Act—Mr. Goode.

Bill C-112, to establish a National Capital Region Pollution Control Board—Mr. Francis.

Bill C-113, to provide for the Protection of News Sources (Press Privilege)—Mr. Peters.

Bill C-114, to amend the Public Service Staff Relations Act—Mr. Allmand.

Public Bills

Bill C-115, relating to the Control and Management of the Water Resources of Canada—Mr. Baldwin.

Bill C-116, to amend the Criminal Code (Wire Tapping, etc.)—Mr. Orlikow.

Bill C-117, to amend the British North America Act, 1867, (Canadian Bill of Rights)—Mr. Badanai.

Bill C-118, to amend the Fitness and Amateur Sport Act—Mr. Howard (Skeena).

Bill C-119, to amend the Post Office Act (Hate Literature)—Mr. Orlikow.

Bill C-120, to amend the Canada Elections Act (Qualifications of Electors and Candidates)—Mr. Stewart (Cochrane).

Bill C-121, to regulate Trade and Commerce—Mr. Saltsman.

Bill C-122, to amend the Criminal Code (control of motor vehicle)—Mr. Nesbitt.

Bill C-123, to amend the Bills of Exchange Act (Instalment Purchases)—Mr. Peters.

Bill C-124, respecting the Hunting and Fishing Rights of Indian Canadians (Mr. Simpson).

Bill C-125, to amend the Criminal Code (Adjournment for accused to obtain legal representation)—Mr. Allmand.

Bill C-126, respecting Canadian National Pollution Awareness Week—Mr. Goode.

Bill C-127, proclaiming the Canadian Flag Day a National Holiday—Mr. Haidasz.

Bill C-128, respecting the Protection of Records of Canadian Business Concerns—Mr. Mather.

Bill C-129, to amend the Canada Pension Plan (Pension Index)—Mr. Macquarrie.

Bill C-130, respecting the Electoral Boundaries Readjustment Act—Mr. Goode.

Bill C-131, respecting the Marketing of Synthetic Detergents—Mr. Anderson.

Bill C-132, to amend the Public Service Staff Relations Act—Mr. Orlikow.

DEEP SEA FISHERIES ACT

PROVISION FOR REPEAL

Hon. Jack Davis (Minister of Fisheries and Forestry) moved for leave to introduce Bill C-133, to repeal the Deep Sea Fisheries Act.

Motion agreed to, bill read the first time and ordered to be printed.

[Mr. Speaker.]

• (11:20 a.m.)

COASTAL FISHERIES PROTECTION ACT

INCLUSION OF SERVICE AND SUPPLY VESSELS

Hon. Jack Davis (Minister of Fisheries and Forestry) moved for leave to introduce Bill C-134, to amend the Coastal Fisheries Protection Act.

Motion agreed to, bill read the first time and ordered to be printed.

CANADA STUDENT LOANS ACT

AMENDMENTS RESPECTING DEFINITION OF "BANK", QUALIFYING STUDENTS, ETC.

Hon. Herb Gray (for the Minister of Finance) moved for leave to introduce Bill C-135, to amend the Canada Student Loans Act.

Motion agreed to, bill read the first time and ordered to be printed.

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

INFLATION—NATURE OF VOLUNTARY RESTRAINT GUIDELINES AND OTHER MEASURES—STEEL INQUIRY

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister a question arising out of his various statements urging proper restraint upon the private sector of the economy. Has the government or the Prices and Incomes Commission yet decided on any guidelines as to what constitutes a proper exercise of restraint in present circumstances? If so, has any such information been conveyed, or will it be conveyed, to management and labour in addition to the general and proper exhortations in favour of restraint?

Right Hon. P. E. Trudeau (Prime Minister): Yes, of course, Mr. Speaker. The Prices and Incomes Commission has been consulting with management and labour for some time past, indicating to them ways in which restraints could be properly exercised and suggesting that the idea of a moratorium on increases in prices and incomes should be considered for the period of the next year. Details have been made known widely by the chairman and members of the commission. As I understand it, they have slated a meeting for December in which these suggested restraints will be

brought back in the form of pledges by the various sectors of the economy.

Mr. Stanfield: If I understood the Prime Minister correctly, he indicated that the Prices and Incomes Commission has been conveying to certain parts, at least, of the private sector guidelines which would constitute an acceptable measure of restraint. Is it the intention of the Prices and Incomes Commission or of the government to make public the guidelines which are being suggested by the commission?

Mr. Trudeau: Mr. Speaker, I believe that this is a tactical consideration which the commission itself will have to determine. It is my understanding that its intention was to seek some form of voluntary agreement from as many areas of the economy as possible before making such statements public, or at least before announcing them. The reason, of course, is that it is important to get agreement from the various parties before stating that agreement had been reached, before creating expectations that perhaps could not be fulfilled.

The newspapers have been full of news about these matters. We know that some companies have agreed, that some sectors of industry have agreed and that some sectors of the labour movement have not agreed. But as far as we are concerned, Mr. Speaker, the commission is still proceeding with its work. I do not think the commission takes the position that it has had final answers yet to its proposals; it is still hopeful that there might be some kind of voluntary restraint. We are waiting, along with the Leader of the Opposition, for some statement from the commission as to the next step it is going to take.

Mr. Stanfield: A supplementary question, Mr. Speaker. Is the Prime Minister in a position to indicate whether or not the Prices and Incomes Commission indicated any guidelines as to restraint in connection with the steel industry?

Mr. Trudeau: I am unable to say, Mr. Speaker. If within recent weeks the commission has had any specific meetings with the steel industry or, for that matter, with any other particular industry, then I have had no report of these individual meetings. Like the hon. member, I have read certain statements in the newspapers attributed to companies and unions in regard to suggestions made by the commission. However, I do not have a list, nor have I requested such, of all the parties who have been interviewed or approached by members of the commission.

Mr. Stanfield: A further supplementary question. As I read the comments in the press made by industry and labour regarding the proposals of the Prices and Incomes Commission, they related to general agreements on guidelines. Is the Prime Minister going further and suggesting that the Prices and Incomes Commission has submitted specific guidelines to particular sectors of the economy?

Mr. Trudeau: Mr. Speaker, I repeat that I do not know exactly whom the members of the commission saw, and I do not know exactly what they said. I have not asked them for a report on the matter, nor do I think it proper to do so at this time. As I say, Mr. Speaker, I know as much as the hon. member. I should add that I know as much as I have read in the newspapers, which is perhaps not very much.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I had intended to put this question to the Minister of Consumer and Corporate Affairs, but in his absence may I put it to the Prime Minister. In view of the suggestion made by the Steelworkers Union that the Prices and Incomes Commission might be asked to hold its inquiry into the price increases in steel in public, may I ask whether the government will use its good offices to impress upon the Prices and Incomes Commission the desirability of acting on this suggestion?

Mr. Paul Langlois (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, the commission is an independent body, and it is not for the government to tell the commission what to do at this time; at least, I do not think it is. Would the hon. member repeat the second part of his question?

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, may I repeat and clarify the question. I recognize that this body is an independent one. That is why I asked the minister or the Prime Minister whether the government would use its good offices to impress this suggestion on the Prices and Incomes Commission. After all, this sort of thing has been done before, so why not do it again?

Mr. Langlois: Mr. Speaker, I cannot do this. The minister is in Washington at the moment

engaging in very important meetings. He will return at the beginning of next week, and I will put this question to him as soon as he returns to his office.

Mr. Knowles (Winnipeg North Centre): Will the Prime Minister himself not act on this matter?

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a supplementary question for the Prime Minister which relates to what he said on these matters at the dinner given for the tripartite conference last night. Have the Departments of Finance and Industry, Trade and Commerce been instructed to prepare tax and tariff measures in order to fight inflation?

Mr. Trudeau: They have not been so instructed, Mr. Speaker, but the government is giving consideration to alternative ways of fighting inflation, as several ministers have stated in past days.

Mr. Hees: I have a further supplementary question, Mr. Speaker, in respect of what the Prime Minister said last night about inflation fighting options which the government has open to it. Will he now or at the first opportunity on motions outline to the House just what are these inflation fighting options?

Mr. Trudeau: Mr. Speaker, the textbooks on economics contain various options, four of which I mentioned last night. I do not intend to implement them until the measures in which we still believe have shown themselves to be without result. The question will be answered if we have to resort to further measures.

Mr. Stanfield: Mr. Speaker, I should like to ask the Prime Minister whether he will request his colleague, the Minister of Consumer and Corporate Affairs, to make a statement to the House when he returns in order to indicate to the house precisely what action the Prices and Incomes Commission has taken to propose specific restraints, forms of restraints and degrees of restraints to particular sectors of the economy? Would the appropriate minister indicate to the House just what has been done, if anything, in this area?

Mr. Trudeau: Mr. Speaker, I will raise the question with him. Let me repeat the answer just given by the Parliamentary Secretary. This is an independent commission and we do not want to be in the position of calling the commission in at every turn to give them instructions or ask them for reports.

[Mr. Langlois.]

As the minister said a few days ago, the opposition supported us and, indeed, urged us on in appointing this commission. We have faith in the men who form the commission. I think it is proper from time to time for contacts to take place between the commission and the minister, but I am sure the opposition would be first to object if we appeared to be directing the operations of the commission on a day to day or, indeed, a week to week basis.

Mr. Stanfield: Mr. Speaker, first of all may I say on a question of privilege that I never pressed the government for the appointment of this independent commission or study group, as I call it from time to time. May I ask the Prime Minister in a non-argumentative way whether he would agree that there is intense public interest and that it is very much in the public interest that we have as much information as possible in this House and throughout the country regarding what proposals or steps are taken by this commission in order that we may formulate our own views as to what is required?

Mr. Trudeau: Yes, I would agree with that, Mr. Speaker, but this involves a matter of knowing how soon and how frequently the Leader of the Opposition thinks the commission should be reporting to the minister and to Parliament. We do not think it should be on a weekly basis.

Mr. Hees: I have a further supplementary question.

Mr. Speaker: Order, please.

[*Translation*]

POST OFFICE

GRANTING OF SPECIAL RATES TO NEWSPAPERS IN DESIGNATED AREAS

Mr. Roland Godin (Portneuf): I should like to direct my question to the Postmaster General and Minister of Communications.

As the postal rates in force since last year resulted in the disappearance of several Canadian papers and since many local weeklies are presently experiencing financial difficulties, could the minister tell us whether it is true that his department is considering granting privileges by means of special rates in the so-called designated areas?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): No, Mr. Speaker, we have no intention of altering our decision. However, we wish to discuss the problem with a group of owners of weeklies I will be meeting within a few days.

[*English*]

Mr. Hees: Mr. Speaker, I have a supplementary question for the Prime Minister.

Mr. Speaker: Order, please. Perhaps we will return to the hon. member in a few minutes. We might now move to another subject for a few minutes and then call again on the hon. member. We will return to him for the purpose of allowing him to ask a further supplementary.

AGRICULTURE

INTEREST RATES ON FARM MORTGAGES

Mr. G. W. Baldwin (Peace River): Following your admonition, Mr. Speaker, I turn to another subject. This question is directed to the Minister of Agriculture, and I think it is very urgent and important.

In view of the fact that the interest rate on government farm mortgages has recently been fixed at 8¾ per cent by Order in Council, would the minister very shortly make a statement on motions to reconcile this action with the provisions of Section 42 of the Farmers' Creditors Arrangement Act which provides for a limit of 5 per cent when there has been compliance with that act?

[*Translation*]

Mr. Florian Côté (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, I am taking the hon. member's question into consideration. I will hand it over to the minister when he is in the house.

[*English*]

Mr. Baldwin: Mr. Speaker, in the event that this view is sustained, will the minister advise the Farm Credit Corporation and the other institutions lending money under government legislation and also ensure that all farm mortgage debtors are acquainted with their position whether in relation to government or other farm mortgages?

GRAIN

NORTHERN ALBERTA—INQUIRY AS TO ASSISTANCE TO FARMERS

Mr. Don Mazankowski (Vegreville): Mr. Speaker, in the absence of the Minister without Portfolio from Saskatoon-Hunboldt I will direct my question to the Minister of Industry, Trade and Commerce. In light of the continuing adverse weather conditions in northern Alberta and the Alberta government's announced intention to help farmers with snowed-under crops, is the federal government taking any initiatives, similar to those taken in 1959, to provide some form of assistance to offset the dire circumstances resulting from the shortage of cash, because cash advances cannot be acquired on unharvested grain, and to meet the shortage of feed and feed requirements during the ensuing winter?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, the minister responsible for the Wheat Board asked me to say that he and the Minister of Agriculture are considering such measures.

Mr. Mazankowski: Will the minister be prepared to make a statement in the house within the next ten days?

Mr. Pepin: Mr. Speaker, I am sure the minister will want to ask the hon. member to repeat his question when he is ready to answer it.

POLLUTION

RECOMMENDATION AGAINST USE OF PHOSPHORUS IN DETERGENTS

Mr. Randolph Harding (Kootenay West): Mr. Speaker, in view of the report on pollution recently submitted by the International Joint Commission which recommended that the use of phosphorus by the detergent industry in its products should be stopped within the next two years, I should like to ask the Minister of Energy, Mines and Resources or his Parliamentary Secretary whether the department has taken any steps to implement this very urgent and important recommendation?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): I will look into that, Mr. Speaker.

INQUIRY OF THE MINISTRY

Mr. Craig Stewart (Marquette): Mr. Speaker, I should like to ask the Postmaster General whether the Minister of Justice has requested the Post Office Department to issue a special stamp featuring Hal Banks to commemorate and express the jubilation of the government on the so-called closing of this famous case?

Mr. Speaker: Order, please.

Inquiries of the Ministry

ADMINISTRATION OF JUSTICE

USE OF RETIRED JUDGES TO DISPOSE OF DOCKETS

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I should like to direct a question to the Minister of Justice. In view of the large numbers of Canadians held, while awaiting trial, in various jails during the July and August summer vacation when there is little activity in the courts, would the minister consider calling on retired judges, who are experienced, to assist the courts to clean up these dockets during the summer vacation? Many of these people are unable to get bail or cannot afford it.

Hon. John N. Turner (Minister of Justice): That is a very good idea, Mr. Speaker. I want to say that the administration of justice is constitutionally the responsibility of the provincial Attorneys General. This is something I would like to talk to them about.

Mr. Woolliams: Mr. Speaker, in view of the fact that many of these people being incarcerated are young men and women charged under the Narcotic Control Act, which is a direct responsibility of the minister's department, will he contact these very special Crown prosecutors across the nation to see whether these people can be released on bail? Many of them are high school and university students.

Mr. Turner (Ottawa-Carleton): I will take that into consideration, Mr. Speaker.

[*Translation*]

AGRICULTURE

REVISION OF DAIRY POLICY

Mr. André Fortin (Lotbinière): Mr. Speaker, I should like to address a question to the Parliamentary Secretary to the Minister of Agriculture.

In view of the fact that more than 13,000 dairy producers have been forced to give up dairy production, could the Parliamentary Secretary tell us if the government's dairy policy will be reviewed this year?

Mr. Florian Côté (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, the dairy policy is reviewed and considered every month by the Advisory Board of the Canadian Dairy Commission which is made up of nine persons, most of them farmers. Every month that problem is studied.

[Mr. Speaker.]

Mr. Fortin: Mr. Speaker, may I direct a supplementary question to the Parliamentary Secretary to the Minister of Agriculture?

I wish to ask him whether, during these discussions, the Quebec Dairy Producers Union is officially consulted about the development of this dairy policy?

Mr. Côté (Richelieu): Yes, Mr. Speaker. The Union is invited to the discussions almost every month.

[*English*]

ATOMIC ENERGY

SHORTAGE OF HEAVY WATER

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, I should like to direct this question to the Minister of Energy, Mines and Resources, but in his absence perhaps I could direct it to the Prime Minister. Has the government been able to find any solution to the problem of the critical shortage of heavy water in Canada?

Right Hon. P. E. Trudeau (Prime Minister): Does the question not concern the government of Nova Scotia, Mr. Speaker? Is the hon. member referring to the problems of Deuterium Company of Canada?

Mr. Noble: I believe the plant at Chalk River will have to slow down unless a supply of heavy water can be obtained.

POLLUTION

CANCELLATION OF FORESTRY RESEARCH BRANCH PROJECT

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, this question is for the Minister of Fisheries and Forestry. Has the minister's department cancelled a research project in the entomology section of the forestry research branch which might have provided an alternative to the use of chemical sprays, and has this been done as a result of the government's budgetary restrictions?

Mr. Speaker: Order. I suggest this is a question which might well be placed on the order paper. If it is urgent it could be considered at the time of adjournment this evening.

Mr. Aiken: Mr. Speaker, without in any way suggesting that Your Honour is wrong in ruling me out of order I should like to say that this is an urgent matter.

Some hon. Members: Hear, hear.

Mr. Speaker: Order, please. If it is urgent the hon. members knows that the matter can

be considered in a few hours at the time of adjournment later today.

Mr. Aiken: May I ask a supplementary question?

Mr. Speaker: Order. Perhaps the supplementary might be included in the question the hon. member will ask this evening.

Mr. Aiken: Mr. Speaker, I do not very often argue about these things but, on a point of order, may I point out that every day we speak in this House about pollution and here is a research project that is being cancelled which might have provided an over-all alternative—

Mr. Speaker: Order, please. I cannot allow the hon. member on a point of order and on the ground of urgency to discuss the ruling that the question is out of order. This is the reason we instituted the rule which provides an opportunity to an hon. member to raise a matter at the time of adjournment. The hon. member says the matter is one of urgency. It may very well be one of extreme urgency. The Speaker has to make a rather quick decision on these matters and because he is often wrong in his assessment hon. members come back later in the day and put their questions in a more formal way at the time of adjournment. I hope at that time the hon. member will receive a detailed and satisfactory reply from the minister. I shall request the Clerk to put the hon. member's question at the top of the list to be considered before others later today.

HEALTH AND WELFARE

DATE OF BANNING OF DDT

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I thought I was at the top of tonight's list.

Mr. MacDonald (Egmont): You were, Stanley.

Mr. Knowles (Winnipeg North Centre): May I direct this question to the Minister of National Health and Welfare. Has a firm date been set for the banning of DDT in Canada, and have the necessary arrangements been made to put this ban into effect?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I believe the government will be in a position to make a statement on this matter during the early part of next week.

Mr. G. H. Aiken (Parry Sound-Muskoka): May I ask a supplementary question, Mr. Speaker. Would the minister consult with his colleague the Minister of Fisheries and Forestry to see whether some alternative to the use of DDT might be developed?

Mr. Munro: These discussions have been under way for some time between all the departments involved.

Hon. J. A. MacLean (Malpeque): Mr. Speaker, may I ask the minister whether any departments of the government are using DDT in various programs in provinces where the use of DDT is now illegal?

Mr. Munro: Not to my knowledge.

[*Translation*]

EXTERNAL AFFAIRS

YUGOSLAVIA—PROVISION OF MEDICAL AND OTHER SUPPLIES FOLLOWING EARTHQUAKE

Mr. Jean-Pierre Goyer (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I would like to answer the question asked yesterday by the hon. member for Peace River (Mr. Baldwin).

Canada did receive requests for help from two countries struck by disasters caused by natural forces, that is from Yugoslavia where there was an earthquake and from Tunisia where there were floods. For Yugoslavia, Canada gave $15,000 to the International Red Cross through the Canadian Red Cross which also donated $23,000.

For Tunisia, Canada gave $15,000 to the International Red Cross through the Canadian Red Cross which gave an additional $15,000. In addition, the CIDA has granted a sum of $15,000 for the purchase of equipment which will be sent in Tunisia.

We are waiting for an official request for food from the Tunisian government and we intend to consider it favourably. It will be, of course, a shipment of wheat or flour.

[*English*]

INDIAN AFFAIRS

GRANT FOR FRIENDSHIP CENTRES

Mr. Robert Simpson (Churchill): Mr. Speaker, I have a question for the Secretary of State. I understand that officials of the Secretary of State's department submitted a presentation to cabinet several months ago requesting an increase in the federal grant to the Indian and Métis friendship centres. Can

the Secretary of State say whether this presentation has been dealt with by cabinet—

Mr. Speaker: Order, please. I have some doubt whether the question as asked is in order. The hon. member is referring to a communication in the form of a document between members of the cabinet. I have serious doubt whether in that form the question is acceptable.

Mr. Simpson: On a point of order, Mr. Speaker, the Secretary of State's department some months ago advised the provincial authorities that a decision was being awaited on this matter. They are now anxious to know whether or not cabinet has dealt with it.

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, we have actually received such a suggestion and it is now under consideration.

[*English*]

Mr. Simpson: Mr. Speaker, the minister says they have received this request. Has the minister's department or the minister submitted a proposal to cabinet in this respect?

[*Translation*]

Mr. Pelletier: Mr. Speaker, I feel, as you yourself seemed to indicate a moment ago, that internal communications within the government should not be made the object of questions or answers in the house.

Mr. Speaker: I thank the Secretary of State for speaking in support of the Chair's decision.

[*English*]

I must reiterate my view that the question as asked at the present time is quite in order but not the supplementary.

ADMINISTRATION OF JUSTICE

RAID ON OFFICE OF FREDERICTON "GLEANER"

Hon. Hugh John Flemming (Carleton-Charlotte): Mr. Speaker, I have a question for the Minister of Justice. Have the details of an apparently discriminatory raid on the Fredericton *Gleaner*, carried out recently by officials of the Combines Investigation Branch, been reported to the minister, and can he give the House any information on this very serious and damaging action?

Hon. John N. Turner (Minister of Justice): I should like to thank the hon. member for having sent notice of his question across the aisle. I am not aware of the particular facts alleged by the hon. member. I might say to him that the administration under the Combines Investigation Act is within the responsibility of the Minister of Consumer and Corporate Affairs and no longer falls within the purview of the Department of Justice. The Director of Investigation and Research may well have been acting under his own statutory power. I will draw this situation to the attention of my colleague and ask him to contact the hon. member.

Mr. Flemming: Will the minister consult with his colleague to ascertain whether similar investigations were made and similar actions taken in other parts of Canada in connection with the same type of matter?

Mr. Turner (Ottawa-Carleton): Yes, sir.

FISHERIES

INQUIRY AS TO ESTABLISHMENT OF SALT FISH MARKETING CORPORATION

Mr. James A. McGrath (St. John's East): Mr. Speaker, I wish to direct a question to the Minister of Fisheries and Forestry. Can he assure the House that his discussions with members of the salt fish trades will in no way impede or slow down the progress of the proposed legislation to establish a salt cod marketing corporation, and can he also report to the House on the meetings that have taken place in Ottawa in the last few days between officials of his department and representatives of the salt fish trades?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, I think I can give the hon. member that assurance. Also, in approximately ten days' time I will be discussing this matter with the fishermen of Newfoundland as well as the trade there.

SALMON FISHING LICENCES—POSITION OF INDIANS

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I also have a question for the Minister of Fisheries and Forestry. Can he answer today the question I posed yesterday on whether he would agree to a referral for investigation and report to the Standing Committee on Fisheries of the whole question of the proposal regarding salmon fishing licences on the west coast? The minister should be in a good position to answer this question since he has just returned from our fair province.

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, I would be only too

glad to refer to the Standing Committee on Fisheries the matter to which the hon. member has referred.

LEGISLATION TO PROTECT INSHORE FISHERY

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I wish to direct a supplementary question to the Minister of Fisheries and Forestry. Can he indicate when he will be introducing his promised legislation to close the Gulf of St. Lawrence, especially along the great northern peninsula of Newfoundland, to foreign draggers in order to protect the inshore fishing industry in that area?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, it is my understanding that legislation to do that could be introduced in the current session.

OPERATIONS OF SOVIET TRAWLERS NEAR LOUISBOURG

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a supplementary question to the Minister of Fisheries and Forestry. In view of reports that a large Russian fleet, numbering 90 to 100 ships, is operating some four miles off the coast near Louisbourg, Nova Scotia, would the minister inform the House what types of fish these ships are catching and what steps he is taking to protect our inshore fisheries resources?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, all of the fishing vessels operating off the coast in that area have been under close surveillance by the Canadian authorities and I am informed that there are no foreign vessels within 12 miles of our coast. There may be some Canadian vessels operating in the area.

TRADE

DECLINE IN BALANCE—INQUIRY AS TO ACTION

Hon. D. S. Harkness (Calgary Centre): Mr. Speaker, I wish to direct a question to the Minister of Industry, Trade and Commerce. In view of the serious decline in Canada's foreign trade balance as revealed by figures issued during the last few weeks, what steps, if any, has the minister taken or is prepared to take in order to correct this situation?

Mr. Speaker: Order. I suggest to the hon. member that this question should be answered by way of a statement on motions.

Mr. Harkness: Then, Mr. Speaker, may I ask the minister whether he will make a statement on motions dealing with this very serious problem?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, at the moment there are many things being done. For example, the strengthening of the Export Development Corporation—

Mr. Speaker: Order, please. The only question which has been allowed is whether the minister will make a statement on motions. He may seek the consent of the House for the purpose of returning to motions so that he can make a statement. That course is available to him.

Mr. Pepin: I was just going to point out that the question was asked of me two days ago by a colleague of the hon. member, and that I am writing a letter to him in order to put all the steps down on paper. The hon. member who will receive the letter will probably want to, or want me to publish it because it will be so interesting.

Mr. Harkness: That was a different question.

[*Translation*]

OFFICIAL LANGUAGES

BILINGUAL DISTRICTS—PRIORITY FOR CERTAIN AREAS

Mr. Gaétan-J. Serré (Nickel Belt): Mr. Speaker, I should like to ask the Secretary of State a question relating to the implementation of the official languages bill.

Could he tell the house whether the Bilingual Districts Advisory Board has begun or will soon begin its study and whether those areas where there is a large concentration of both linguistic groups will be dealt with first?

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, the Bilingual Districts Advisory Board is being established. As regards its decision as to whether districts with a larger or a smaller concentration should be dealt with first, I think it is up to the Board itself to make its own decisions.

Mr. Roch La Salle (Joliette): Mr. Speaker, may I direct a supplementary question to the Secretary of State.

Concerning this important problem of bilingualism, I should like to ask him if his policy provides for the labelling of all products in both official languages?

Mr. Speaker: I think this supplementary question should be put on the order paper.

Inquiries of the Ministry

[*English*]

HEALTH AND WELFARE

STEPS TO PREVENT IMPORT OF U.S. DIETETIC FOODS CONTAINING CYCLAMATE

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, the other day I directed a question to the Minister of Industry, Trade and Commerce with respect to dietetic foods containing cyclamates which may perhaps flood the Canadian market as a result of the restrictions being placed on them in the United States. At that time the minister did not know whether this matter came within the purview of his department. Perhaps he has a statement to make today?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I believe most of it falls under the purview of the Department of National Health and Welfare and some aspects of it under the Department of National Revenue. I understand that the Minister of National Health and Welfare has already publicly said a number of things about the matter, and I wonder if he wants to say more about it at this time.

[*Later:*]

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my question is supplementary to that asked by the hon. member for Hamilton West and is addressed to the Minister of National Health and Welfare. In view of the fact that certain artificial sweeteners, the cyclamates, have been banned from Canadian use because of their possible relationship to cancer of the bladder in certain rats, can the minister give the House and the country his assurance that other artificial sweeteners have been sufficiently studied to ensure their safety to the Canadian public?

Hon. John C. Munro (Minister of National Health and Welfare): I believe I can give that assurance, Mr. Speaker.

Mr. Alexander: Mr. Speaker, I wish to pose a supplementary question to the Minister of National Health and Welfare. Can he assure the country and the House that in the future, rather than depending on the leadership of American research to come to particular conclusions regarding hazardous foods, this government will take the lead in that regard?

Mr. Munro: Mr. Speaker, I am sure the hon. member is aware that about 80 per cent of the research in this whole area all over the world is conducted in the United States. As a result surely one would expect they are going to come up with findings of this nature more than any other country, and certainly more than a country with a population of only 20 million. However, our people will be continuing their constant liaison with the United States researchers and will react to and assess their findings as quickly as possible. Of course in the meantime we are doing research ourselves. In comparison with countries of a similar size we have come up with many more findings in regard to unsafe products, and undoubtedly we will continue to do so in the future.

[*Translation*]

AGRICULTURE

REVISION OF DAIRY POLICY

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, to follow up the question the hon. member for Lotbinière put to the Parliamentary Secretary to the Minister of Agriculture, could the latter tell us whether, as a result of the constant reviewing by the government of its dairy policy, changes have been made and, if so, what were those changes and was the manufactured milk producers union told about them?

Mr. Florian Côté (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, when the hon. member for Lotbinière asked me that question, I think he wanted to know mostly if there was some co-operation between the government and the producers association. It so happens that, yesterday I met spokesmen from the manufactured milk producers association of the province of Quebec. I asked them if they were satisfied with the close contact they kept with the Canadian Dairy Commission and they replied that they were kept well informed by the Commission.

Mr. André Fortin (Lotbinière): Mr. Speaker, I wish to ask a supplementary question.

I do not quite understand the Parliamentary Secretary's reply as it seems to contradict his own statement—

Mr. Speaker: Order, please. Perhaps the hon. member could ask his supplementary question.

Mr. Fortin: Could the Parliamentary Secretary inquire from the Canadian Dairy Commission and its officials who have, according to him, regular meetings with the representatives of the Quebec Dairy Producers Union, how many meetings were held, what changes were made and whether the people concerned were informed?

Mr. Côté (Richelieu): Yes, Mr. Speaker.

[*English*]

LABOUR CONDITIONS

ARGENTIA, NFLD.—LAY-OFFS AT U.S. NAVAL BASE

Mr. Walter C. Carter (St. John's West): Mr. Speaker, I wish to direct a question to the Minister of Manpower and Immigration. In view of the fact that the recently announced lay-offs of a large number of civilians at the U.S. naval base at Argentia could have a disastrous effect on the economy of the area can the minister say whether present manpower programs will be adequate to meet the seriousness of the situation or will new programs and expenditures be required?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, we have been in touch with this situation for some time. My department is aware and is making available all the programs that are now in existence. At the present time we do not have any particular new programs to be administered by this department to meet that situation, but it seems to me that our present programs and services will be very helpful.

Mr. Carter: A supplementary question to the Minister of Regional Economic Expansion, Mr. Speaker. What steps are being planned by his department to help alleviate the serious economic situation facing people in that area as a result of the lay-offs?

Mr. Speaker: Order, please. The hon. member is asking the minister to give the House a statement of a general nature which, I suggest to the hon. member, should normally be made by way of a statement on motions.

EXTERNAL AFFAIRS

FOREIGN AID—INCLUSION OF RESEARCH CENTRE BUDGET IN CONTRIBUTION

Mr. Randolph Harding (Kootenay West): I have a question for the Prime Minister, Mr. Speaker. In view of the statement made in Victoria, B.C. by the Secretary of State for External Affairs that Canada will be increasing its foreign aid expenditures, could the Prime Minister inform the House if the budget for the proposed foreign aid research centre will be considered part of the Canadian contribution?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker.

Mr. Harding: A supplementary question, Mr. Speaker. How will the increased amount of overseas foreign aid be administered, particularly in Southeast Asia and Latin America, in view of the drastic cuts proposed in embassy staffs in those areas?

Mr. Speaker: Order, please. I would not think that the question as asked is in order at this time.

NEGOTIATIONS WITH U.S. RESPECTING CLOSING OF BASES

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, my question is for the Acting Secretary of State for External Affairs. Can he indicate to the House the result of negotiations with the United States government regarding the economic disadvantage to Canada of the phase-out of many bases in this country as a result of the cut-backs in overseas expenditure by that government?

Right Hon. P. E. Trudeau (Prime Minister): I will read the question, Mr. Speaker—

Mr. Lundrigan: There seems to be some confusion opposite, Mr. Speaker, as to who will field the question but I will direct it to the Prime Minister who seems to be ready to handle it.

Mr. Trudeau: I am always quite ready to handle questions but I was talking to one of my colleagues and did not hear the question.

Mr. Lundrigan: Mr Speaker, that just reflects the lack of sensitivity toward problems in this House, but I will direct the question to the Prime Minister. Can the Prime Minister indicate whether negotiations have taken place with the United States government regarding the planned phase-out of many bases in Canada and throughout the world, and the economic disadvantage caused by this? In other words, have we already had discussions and are we able to predict the effect of this phase-out on the nation over a long period of time?

Mr. Trudeau: As regards United States discussions with other nations, I do not know which minister could answer that, but as regards discussions with Canada concerning bases in Canada I will ask the Secretary of State for External Affairs to report.

Mr. Lundrigan: A further supplementary question for the Prime Minister, Mr. Speaker. Could I ask him or any other member of

his cabinet who has responsibility whether they could get together on this matter and make a statement to the House at an early opportunity?

ADDRESS DEBATE

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed, from Wednesday, October 29, consideration of the motion of Mr. Jack Cullen for an address to His Excellency the Governor General in reply to his speech at the opening of the session.

[*Translation*]

• (12:10 p.m.)

Mr. Jean-Pierre Goyer (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, for some time now people have been asking what is the best way to conduct Canada's foreign relations with countries where such relations often involve the provinces' interests or internal jurisdiction. This situation is not unique. Given the evolution of international exchanges since the war ended, all federal countries are faced with this problem. In the light of our practical and daily experience of external relations, I would like to make my contribution to the serious consideration required of Canada and of others.

For instance, much has been said about an "external sovereignty" for the provinces proportionate to the extension of their internal, exclusive or shared, fields of jurisdiction. That theory may sound attractive at first sight. Yet, it raises important questions in our mind, namely: Is it legally sound? Is it based on a justifiable interpretation of our constitution? Is it acceptable to the international community? Can the least serious observer of the international scene or anyone more or less familiar with the daily practice of external affairs reasonably think that, if implemented, that theory would bring about an effective and consistent policy?

Now, I would not want, at this stage, to bore the house with a tedious report on Canada's constitutional evolution in relation to external affairs. Everybody is familiar with the process by which Canada gained its independence. Everybody knows that after those fifty years of evolution the responsibility for Canadian external affairs was handed

[Mr. Lundrigan.]

from the British crown to the Canadian government. That evolution was confirmed by the 1947 Letters patent which are an integral part of our constitution.

However, I should like to take this opportunity to clarify certain so-called legal arguments which we consider groundless and which are brought up time and again.

It is quite often argued that the Letters patent argument is nullified by that of the Privy Council decision of 1937.

According to some people, the judgment rendered in the matter of the labour agreements of 1937 would permit the provinces to establish direct and separate relations with foreign countries, and even to sign international agreements in fields within their jurisdiction.

I seriously wonder about the amount of legal knowledge of the people who can reach such conclusions. It should be time, 32 years after the judgment, to know what it really is. In fact, all the Judicial Committee of the Privy Council said in 1937 is this: in matters which, under the British North America Act fall under the exclusive jurisdiction of the provinces, the federal parliament cannot avail itself of the right to legislate by claiming that it is necessary to apply a treaty signed by Canada. On the other hand, the Privy Council has never questioned the exclusive right of the federal government to sign treaties and consequently to assume responsibility for Canada's international relations. No interference with the internal legislative jurisdiction of the provinces of Canada? Very well! But, on the other hand, no provincial interference with the ultimate and exclusive jurisdiction of the federal government in foreign affairs.

At times, it is argued that there are various federal constitutions in the world, that no two of them are alike and that Canada, therefore, can do as it pleases with its own. People forget to say one thing though: although different in other respects, all are virtually identical as concerns foreign affairs. In other words, power in external matters is always vested, one way or the other, in the central authority. Of course, there are some federal states, to wit, Switzerland, the United States, the Federal Republic of West Germany and the USSR, where constitutional usage apparently allows the member states to conclude some kinds of agreements with foreign states. There again, people forget to mention that a most cursory study of these constitutions shows that, in each instance, this power of the member states must be exercised under the

federal jurisdiction or through the federal government. Furthermore, every expert in comparative constitutional law could draw attention to the fact that even the powers of this nature that federated states may exercise are being used less frequently at the international level.

Some people claim that international life has changed and that we must fall into step. They say: "In view of the nature of external relations which have greatly evolved since the end of the war, and involve not only war and peace or trade, but more and more culture, technology or education, a new kind of internatioonal law is developing which enables the federated states to enter the field of international relations."

It is a wonderful theory which shows but one weakness: it is not in line with practice. International exchanges have grown, it is true—and that over the last 50 years—but the whole range of these exchanges remains in the hands of sovereign states and this, more and more clearly. You need only to know a little about reality and the principles of international law. Treaties contain less and less federal clauses and sovereignty transfer or sharing. The last instance is the following: As recently as last April—that is not even six months ago—the United Nations Conference on the Law of Treaties, held in Vienna, rejected with an overwhelming majority, a recommendation which would have seemed to recognize, without clearly stating the conditions, the right for the members of a federal state to conclude treaties. This draft was used as an argument by the Quebec government in its White Paper as supposedly irrefutable evidence of the tendency shown by the members of a federal state to negotiate at the international level.

That draft was definitely rejected, for the simple reason that it did not take into account the conditions that I have mentioned and did not expressly reaffirm the exclusive right of the federal state to interpret its own constitution for the guidance of other states. The Conference concluded that the adoption of such a clause would be tantamount to an invitation to foreign states to give their own interpretation of the constitution of the federal states, and this would constitute undue interference into the internal affairs of such states. The Conference therefore strongly reaffirmed the well-established principle that in a federal country, the central government alone can interpret its constitution for the guidance of foreign States. Therefore, whatever may be alleged, international law has evolved and continues to do so, but in a direction that clearly does not favour the system, which, furthermore, is non-existent, which proclaims the external sovereignty of the provinces.

As international relations are extended to new areas, they are established between governments of sovereign states. This legal fact simply reflects the fundamental requirements of any consistent international activity. I shall come back to this later.

All those considerations of a legal nature must be stated. They are the prerequisites essential to any discussion. However, I am first of all a practical politician. I would also like to examine the theory of the external sovereignty of the provinces in the light of a daily and practical experience of external relations. As a system conceived in the abstract, this intellectual concept may seem plausible. It has a defect though, and a major one; it is absolutely irreconcilable with the facts of international life. From a practical viewpoint, the international community simply cannot accept this theory. For those who have a thorough knowledge of the workings of international relations, this formula seems a dangerous, ineffective, inconsistent and chaotic one. Let me explain.

The concept of sovereignty has become much clearer in recent years. It is high time we realized that even if there are still some protectorates, the notion of entity with various degrees of international character has practically disappeared, both in theory and in practice. There seems to be, at the present time, hardly any reason to expect that the international community will willingly revert to the antiquated concepts of semi- or partially sovereign entities, especially if such entities claimed the right to a distinct representation in the U.N. or its associate institutions.

The U.N., for example, is based on the principle of "one state", "one vote", and this without any distinction between unitary and federal states.

Federal states, as such, have no greater powers there than unitary states.

Could you imagine, for instance, that Canada having ten or eleven seats within the U.N.'s specialized agencies, and therefore hold 10 per cent of the votes, whereas countries such as France or England would be restricted to a single vote? Why, then, could India not amend her constitution so as to have 20, 50 or 100 votes? What a deal for federal

countries! Do you think the international community would play the game?

Let us take U.N.E.S.C.O. as a more specific case. If international law or the international community were to endorse the principle of extending internal juridictions at the international level, that institution would gain hundreds of members overnight. Can one seriously believe that it could operate in that manner?

In fact, for practical reasons, the international community is simply not willing to be broken up by admitting within its organizations the Canadian provinces as sovereign or partially sovereign entities.

In broader terms, since we are talking about the evolution of international realities, is there in our world a more pressing need than for dialogue, co-operation, cohesion? We live in a world of minorities. From a global point of view, there are no majorities, neither religious, nor political, nor linguistic. Christians, Moslems, Buddhists, all are minorities. Whites, Blacks, Yellows: so many minorities. No ideology, no language, no culture worth more than the others.

What we need in this divided world is not separatists' bombs but forms of agreement, such as federalism, which unite diversities without levelling them. Federalism, concerted action between communities: the hope of Europe building up, of Africa wanting to transcend tribalism, of Asia where a single country may be home to 50 cultures, in short, the hope of the world. We are too modest sometimes. Experiments in federalism and bilingualism which continue, increase and multiply every day here draw the admiration of many nations and some even try to imitate them.

President Senghor eloquently reminded us of this recently when he said, and I quote:

> Bilingualism is one step ahead of unilingualism, just as the man with two legs walks more steadily than he who has only one.

• (12:20 p.m.)

More basically, French and English bring us additional resources. This is not to say that we reject francophonia today. On the contrary, we cling to it and welcome our English-speaking brothers. This is why Canada can, in this area of culture, which is man's own, serve as an example.

Bilingualism, federalism are promising formulas which are nowhere else as alive and deep-rooted as in Canada, and which can help us attain even greater achievements. That is what the realities of our world require of us: to strengthen our federalism, instead of breaking it up in half a score of foreign policies.

Let us see where would actually lead us the theory of those who want to share sovereignty in external matters among the federal government and the ten provincial governments. Let us carry this working hypothesis to its practical consequences. It is not enough to make constitutional diagrams at cabinet meetings; we must ascertain where they would lead us.

In actual fact, it is not possible to separate the various aspects of international life into air-tight compartments, because they are inextricably bound together. Whenever countries negotiate with one another, it is not possible to single out one aspect—for instance, education, culture, co-operation—among the other aspects of the relations between the countries concerned. One may distinguish between the traditional external policy and the more recent aspects of international relations, that is to say the technical, cultural or social aspects. But in fact those fields are a tightly knit network. What is accomplished at an intergovernmental conference on education may be related in many regards to other fields, such as co-operation within French-speaking countries or some other group, external aid policy, bilateral relations with the countries concerned, economic and trade problems, cultural or social international co-operation.

Political problems crop up time and again in so-called "technical" organizations and conferences. One should not be naive. One only has to observe the great powers to realize that their policies on culture, co-operation, exchange of technical data, social problems, are closely connected with many other political and economic aspects of international life.

Moreover, any foreign policy requires rationalization, compatibility and consistency. Canada's foreign policy must take into account a large variety of Canadian interests as well as the domestic and foreign implications. It is therefore essential to have a central agency for defining and coordinating our policies before submitting them to other countries. But we cannot have eleven such agencies.

Some might say: The solution is probably two centres: Ottawa and Quebec. Come now. If the country granted such treatment to one province, would not the other provinces demand the same? Two operation centres—one can easily witness it these days—that is

already impossible. But in that case, we would have not two centres but ten or eleven.

Any external policy must also be clear and efficient. In foreign policy as in other fields, the "principle of non-contradiction" should prevail. If ten or eleven voices from Canada are heard abroad, there will follow a multitude of views and representations which will, to a large degree, neutralize each other. Our influence would be that much reduced in international circles. There would then be little need to pay any attention to us.

Now, one difficult but essential thing at the present time, is indeed, to carry weight. In the face of the super-powers, Europe realizes the scope and the urgency of the problem, although it has not yet devised its solution. For a medium-sized power, it would amount almost to political suicide to squander its means of action in many important fields in a host of representations and initiatives. Ten provinces working separately in foreign countries, even if they did not mutually neutralize their action, would not have the same power or the same influence as a Canada putting all its energies behind unified representations.

A balkanized policy would be terribly vulnerable. Foreign countries would prove to possess superhuman virtue if they did not exploit in their own interests the marvelous possibilities for manoeuvering that a fragmented presence of Canada abroad would offer them in many important fields. It would be possible for them to play provincial interests against each other, to attract customers, to use Canada in all freedom and in good conscience, in short, with our permission. We only have to remind ourselves of recent events that occurred at home to support this assertion. The most serious thing in all this whole matter is this: should it be applied, the thesis of the external sovereignty of the provinces would threaten the internal life of Canada. The sharing of external sovereignties would permit *in aeternum* intrusions in the constitutional and, therefore, in the internal life of Canada. The future of Canada would thus be decided, not by means of rational constitutional debates, before public opinion and in the light of all the problems, but through the changing and divergent interests of the international community. We would thereby have a constitution forever made abroad. Could Canada survive? It would have instead very good chances of disintegrating without the electorate having wanted it.

It is high time that the people of Quebec realise that, even though they do not want to be separatists, the supporters of this thesis follow a policy the consequences of which might well ring the death knell of Canada. Those who pursue this aim should declare themselves and those who are opposed to it should say so.

It seems obvious to me that the provinces will have enough common sense to act within the Canadian context, avoiding to adopt those political programs which would threaten to disrupt Canada's foreign policy and Canada itself. But should they for all that resign themselves to playing no role in our external relations, to disappearing totally from the world stage? Is it Ottawa's policy to crowd them out of its external relations? Is it necessary to sacrifice the provinces and their interests on the altar of national unity? Not in the least.

What the provinces want, I think, is in short to see their aspirations and interests reflected in Canada's foreign policy and, should the occasion arise, to participate in the presentation and diffusion of that policy aboard, to be included in the activities of international conferences and agencies, to get proper recognition for their role and contribution to the Canadian common effort, whether it be in education, culture or technical and social cooperation. For this, there is no need for them to call for a disastrous distribution of the external sovereignty.

Canadian federalism offers them all necessary means. Within the present constitution, the federal government has been working on a flexible formula of co-operation with the provinces. This is no pious concession from the federal government, but a necessity imposed by a sincerely applied federalism. Some areas of consultation and co-operation have already been defined. The federal formula contains possibilities which allow for increased provincial participation in the Canadian effort abroad. Instead of wasting precious energies in disagreements abroad, it would be much more profitable if the provinces worked with the Canadian government to extend and better define the ways of consultation and co-operation.

• (12:30 p.m.)

Let us talk plainly. What is that formula?

For some time already, the federal government has made a point of consulting the provinces on various questions concerning the drafting and implementation of treaties. It is then possible to attune the interests of the federal and provincial governments and to

comply with the wishes expressed by the provinces as to treaties, the substance of which comes under their legislative jurisdiction.

Consultation may assume various forms. It may take the form of direct discussions between federal and provincial authorities; such discussions may begin before or during the negotiations on a proposed treaty, should questions related to the implementation of such a treaty require a federal-provincial co-operation.

On the other hand, various measures, such as master agreements, were already taken or will be later on by the federal government, to bring into force at the international level, agreements concerning provinces.

A number of international organizations, whose activities relate to questions that come partially under provincial jurisdiction, were established, especially after the war. All those organizations share a common basic objective, namely the drafting of international agreements, when general conferences are held. It is thus important that there should be close consultations with the provinces, in order to facilitate the ratification and implementation by Canada of the said conventions. Therefore, federal authorities have often consulted provincial authorities in the past few years, as to the contents of such agreements and the possibility of implementing them.

One of the most convenient means to implement this co-operation policy is to strengthen the provincial participation within the delegations sent by Canada to international conferences, in the activities of which the provinces show a special interest. This is what we have done for instance in the case of U.N.E.S.C.O., where provincial ministers of Education have been invited to participate in general conferences. Moreover, in the past provincial officials have been included in Canadian delegations. Such a system is perfectly adequate for the promotion of provincial interests, provided, of course, that we want to make use of it. This implies that the provinces in foreign countries make no desperate attempt to dissociate themselves from Canadian representatives. As if it were shameful to be a Canadian. As if it were ineffective to put forward, in one package, the interests of all.

Foreign aid is an integral part of the Canadian foreign policy and the federal authority is responsible for their co-ordination. On the other hand, considering the fields where Canadian foreign aid is concentrated, it is obvious that the efficiency of the programs depends mostly on the co-operation of the provinces. This is true, of course, of the federal programs but even more of the provincial ones.

Thanks to an extensive network of consultations between federal and provincial authorities, the provinces have been able to contribute generously to the Canadian effort towards foreign aid both by recruiting teaching personnel and counsellors to serve abroad and by offering educational facilities and training in Canada.

In addition to their participation in federal programs, some provinces set up their own programs to assist developing countries. The federal government welcomes such provincial contributions. The only aim, in this regard, of the federal government is to see that the Canadian contribution is maintained and consistently developed as a whole, without breaking up the Canadian sovereignty abroad. Therefore, it is necessary to work together so that Canadian co-operation constitutes a whole that must be co-ordinated by the Canadian government, and in which the provincial contribution gets also the credit it deserves.

This formula, this process of consultation has the following merits: they are compatible with a viable federalism, they ensure the existence of a proper dialogue between Canada and the provinces in the fields of concern to them, in order to define a Canadian policy and to open the door to a provincial presence and action abroad, within a Canadian presence. This is a policy that is both constructive and consistent with the Canadian context. That is the policy of the federal government.

The constitution, and the very flexible way in which it is applied, guarantees the provinces representation, through and with the central government, in the field of external affairs. The system we have just outlined doubtless needs to be improved and developed. However, such improvements must be defined in Canada and by Canadians. Those matters are too complex and too important to us to be fought over abroad.

We are willing to talk with those who hold divergent opinions. We do not doubt their good faith. But that dialogue must take place in Canada, in a rational way, by means of agreements between governments, and constitutional discussions. We must find solutions that respect not only the rules of international law and modern day realities, but above all

the great principles of efficient and viable federalism. Our success—for, we will succeed—will serve equitably the interests of the provinces, the central government, the whole Canadian people; it will not fail either to give the divided world a great example and cause for hope.

Some hon. Members: Hear, hear.

[*English*]

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, there are many subjects on which one could comment during this debate on the Speech from the Throne. I wish to confine myself briefly to three. One concerns the Unemployment Insurance Commission, another has to do with transport and, last, there is the question of the cost of living.

Turning to the unemployment insurance matter, for years we have been promised amendments to the relevant Act and improvements in the administration and in the commission. I notice that this year a brief reference is made to this subject in the Speech from the Throne. I can only hope that adequate and proper changes will be made in the Act, in the regulations and in the way in which the commission administers its responsibility. Unfortunately, the record of adminstration is a very bad one in the opinion of most people. The commission appears to be much more concerned to make administration easier for those within its own organization than it is about properly serving the working people of Canada, as it is supposed to do.

There is one recent example I could cite. The commission withdrew all its offices from the heavily industrialized area of southwestern Ontario—presumably the situation is the same in the comparable part of Quebec—and concentrated them in one place, namely, London, Ontario. When there are complaints from workers—and there are a good many, as all hon. members know—working people are obliged to take a day off work, if they have work, so as to run up to London and explain their problems. All this means a good deal of inconvenience and expenditure. It is only one example of what has been happening. I propose to deal with others when the subject comes before the House.

The latest thing we hear is that the commission intends to move its office to Belleville—not even to Toronto. People who work between Oshawa and Windsor will have to traipse to Belleville every time they encounter difficulties in connection with their claims. I have heard of stupid administration, Mr. Speaker, but this seems to be one of the stupidest things I have heard yet.

In addition, the attitude of the commission itself needs to be changed. It has a long record of inflexibility, bordering sometimes on arrogance. In a recent case with which I have been concerned the Umpire made certain recommendations and suggestions to the commission. The commission decided to disregard them. When things get to the point at which a government commission pays scant attention to the recommendations and suggestions resulting from its own appeal procedures, things have reached a pretty pass and re-organization is needed. When the subject is brought before the House I intend, along with some of my colleagues, to bring these matters to your attention, Mr. Speaker, in greater detail.

I turn now to the subject of transport. When the Minister of Transport (Mr. Jamieson) spoke in the debate yesterday his eloquence flowed like the Hamilton River in his province. His transplanted blarney was equally effective. In the course of his speech he suggested that the opposition never had anything constructive to propose. Well, I shall make a little suggestion now. Incidentally, the government never pays any attention to suggestions coming from this side of the House anyway. Certainly, this has been our experience as members of the Standing Committee on Transport. Even when unanimous recommendations were made, not only did the government disregard them but it did not even have the common politeness to wait until we had completed our recommendations before it went ahead to do something else. As hon. members know, last session the committee paid a visit to the Atlantic provinces to study the transport situation there and make recommendations. The government reached a decision concerning the Prince Edward Island causeway while we were still in the process of drawing up our report. So much for the minister's statement about suggestions from the opposition side, even when they are made by a standing committee of this House upon which, of course, even government members are represented. No attention is paid to them, anyway.

Nevertheless, I should like to bring one matter to the attention of the minister. It concerns highway policy. Since the earliest days of Canada's development the federal

government has assumed the responsibility of promoting east-west transportation in an effort to promote the east-west flow of trade. In the discussions leading up to confederation, the building of railways for this purpose was a major concern. At the Quebec Conference, where the plans for confederation were discussed, two resolutions were passed on the subject:

1. The general government shall secure, without delay, the completion of the Intercolonial Railway from Rivière-du-Loup through New Brunswick to Truro, in Nova Scotia.

2. The Communications with the North-West Territory and the improvements required for the development of the trade of the great west with the seaboard, are regarded by this conference as subjects of the highest importance to the federated provinces, and shall be prosecuted at the earliest possible period that the state of the finances will permit.

• (12:40 p.m.)

As the great historian of transportation in Canada, George Glazebrook, has written:

The movement toward a single British country in North America, as approached from the political point of view, coincide in time with the recognition, from the economic point of view, of the end of the continental projects (to build north-south railway links)...It was ..the combination of these two groups of motives that gave enough strength to the union movement to carry it to completion.

After confederation of the original four provinces, the construction of railways to the west formed an important part of the agreements leading to the joining of the territories between Ontario and the Pacific coast. Railways were not the only type of transportation route which received federal support for their development. Water routes as well were encouraged. Canal construction and the widening and deepening of river beds formed a part of the federal effort in this area.

Later in Canada's development air transportation received federal aid in the form of airfield construction, airport construction and the provision of detailed weather forecasts. Here the chief recipient has been Air Canada. Road transport has also been aided by the federal government. Even before the turn of the century—it is important to note this, Mr. Speaker—the federal government constructed roads in pioneer areas; for example, between Port Arthur and Fort Garry. According to Glazebrook:

After the gold discoveries in 1896 the Dominion Government undertook a program of road building in the Yukon Territory, and by 1913 there were some five hundred miles of good wagon roads radiating from Dawson and Whitehorse.

[Mr. Nesbitt.]

Since motor traffic had become more common before World War I, in 1919 the federal government passed the Canada Highways Act which authorized the expenditure of up to $20 million on the construction and improvement of highways.

Between 1949 and 1968 the federal government allocated millions of dollars of federal funds for these purposes under the trans-Canada highway program. Together with the roads to resources program introduced by the Conservative government, but unfortunately abandoned by the subsequent Liberal government, these efforts constituted a wise and far-sighted attempt to improve Canada's transportation infrastructure.

The federal government has thus clearly recognized its responsibility to provide efficient transportation routes across Canada. But it has fallen behind in the scope of its efforts. As the Economic Council of Canada reported at page 40 of its sixth annual review published this year, public expenditures on transportation have grown somewhat more slowly than other major areas of government spending like health and education. The gap is felt particularly in the area of highway transportation. In the same report the Economic Council noted that the "intercity movement of both goods and passengers has been rising more rapidly than national output, with increasing shares of the total carried by automobiles, airlines and pipelines."

Of these three types of transport, automobile transport, including transport by trucks, is obviously the most flexible in the carrying of goods, and can be expected to increase its share of non-passenger traffic the most. Pipelines are restricted to carrying liquids, or solids which can be floated or suspended in a liquid. Because air transport costs so much, such carriage can generally be expected to be confined to the transport of goods which are extremely light, those which are so expensive that transport is a minor part of the final cost, and those which require great speed for their movement, such as mail or perishable goods.

In its report for the year 1967 the Economic Council of Canada noted the trend toward a great expansion of motor traffic. It said this at page 200:

Between 1945 and 1965, the rate of growth in the motor vehicle population of Canada was 7.9 per cent annually, more than twice the growth rate of the human population. After modifying the trend for such factors as low ownership ratios in 1945 and the explosion of demand after wartime restrictions, it appears that population growth and a declining ratio of persons to vehicles could lead

to a 60 per cent further rise by 1980. This would suggest almost 11 million vehicles for Canada in 1980, a ratio of 2.3 persons per vehicle or approximately the ratio predicted for the United States in 1970.

Ontario provides a good example of what this means in terms of highway needs. In southern Ontario, for example, we have a vast urbanized area that extends almost without break from Windsor to Oshawa. This area is perhaps the most prolific manufacturing area in Canada. Trucking, which is the mode of transportation best adapted to moving manufactured goods into the heart of the market area and to moving goods to a great variety of distribution centres, is obviously of tremendous importance to the economy of the area.

Yet there are great needs in the field of highway construction, even in this relatively rich province, and there is a lack of funds to fill these needs. One of the greatest needs is for an expanded system of bypasses around urban centres both large and small. Every time a truck has to pass through the centre of an urban area, its progress is slowed down. This means delay in the manufacturing process if it is carrying partly processed goods, and delay in distribution to the consumer if it is carrying finished goods. It also means a higher final price for the goods being delivered, since insurance rates for trucks travelling through urban areas are higher. This situation becomes aggravated in a city like London, Ontario. I might mention that in my own city of Woodstock there is often a procession of 50 or 60 trucks an hour along the main street, to say nothing of the inconvenience this causes to people in the area.

Clearly, then, it is in the interest of the greatest possible efficiency and competitiveness of Canadian industry that adequate highway facilities be provided. In the face of obviously inadequate provincial financial resources, the federal government must step in and fulfil its traditional role of assuring an efficient route for Canadian trade.

The last item I wish to raise is the shocking rise in the cost of living. The cost of living is the major problem facing Canada at the present time. I note with some regret that there was only passing reference to this very important matter in the throne speech, as a matter of fact just two small paragraphs. This in itself cannot help but create apprehension among the business and labour communities, indeed among everyone, that the government is really not paying much attention to the problem.

During the course of this debate many speakers have drawn a great deal of attention to this question, so much so that the Prime Minister (Mr. Trudeau) has apparently been moved to get off his stern and to make references in speeches outside the House to the possibility of price controls, and only last evening to the possibility of imposing some form of taxation on businesses and labour unions in order to force them to bend to the government's will.

We are very glad that the Prime Minister has at last decided to pay attention to this very important matter. We are also glad that he realizes that it is important. Whether the methods he has in mind or to which he refers, such as price controls and taxation, are feasible, we know not. Many of us think that probably—and I say probably—they are not feasible because of constitutional problems. We often wonder whether the Prime Minister really means what he says when he talks of methods of price control and taxation to enforce the will of the government, or whether he is not trying to promote another of his famous dialogues. However, we will wait and see just what he does mean.

The stage for this very severe inflation which we are now experiencing was set with the notorious settlement that was made under the auspices of the then Minister of Labour and which granted a 35 per cent wage increase to the seaway workers. This was followed, of course, by appropriate and similar wage increases for the dockworkers in Montreal and the Expo workers. Since then things have steadily worsened. We have a situation where big labour is blaming big business and big business is blaming big labour for spiralling prices.

Quite frankly, Mr. Speaker, in the opinion of most people the credibility gap between the general public, on the one hand, and big labour and big business on the other hand, is a gap no longer—it is a gulf or chasm. Both big business and big labour, in the press and through other media such as television, have been trying to explain that not they but the other guy is to blame for this problem. The Canadian public is getting increasingly suspicious of this sort of activity.

As I have said, Mr. Speaker, the rising cost of living has reached an acute stage. For a number of years previous to this year the increase has averaged about 4 per cent a year. This itself is bad enough, but this year shows every indication of a rise much greater than 5 per cent. Only recently the rising cost

of living was greatly stimulated by the notorious steel strike settlement in Hamilton, to say nothing of other wage increases which have nothing to do with labour problems.

• (12:50 p.m.)

A matter I referred to in this House yesterday is the rising cost of detergents, one of the most commonly used household articles. The increase is over 50 per cent in a little over five months and there does not seem to be any explanation forthcoming. Only today the distributors of coffee announced that there is to be a 4 cent per pound increase in the price of coffee. I should like to know what, if anything, the government proposes to do about these things.

The burden falls on that large group of Canadians who have the least amount of money and are the least able to take care of themselves. I refer to those on fixed incomes and the primary producers such as the farmers who are not well organized. It is true that inflation is harmful to people employed in industry and shareholders, but it is not nearly as heavy a burden for them as for those who are not organized and able to protect themselves like people in big business and large unions. Pensioners of all kinds suffer more heavily. They are the ones who are made to bear the burden of the government's inflationary policies.

Why should the sick, the blind, the elderly and others be made to bear almost the full burden of the government's folly? I do not know why, but it seems quite unreasonable that this is so, and by no stretch of the imagination can this be regarded as proper or humane.

It is true that the government has attempted to do something. It set up a prices and incomes commission in an attempt to persuade business and labour to follow certain guidelines. This has not been very successful. Just the other day the president of the Canadian Labour Congress, Donald MacDonald said that labour would not have anything to do with voluntary restrictions on wages, and went so far as to suggest that the government should institute price controls but not wage controls. No one can take such a statement very seriously.

A year or so ago the government instituted the Kennedy Round on tariff reductions. These have not been passed on to the consumer except on rare occasions. Again the government has been able to do nothing about increases in prices.

[Mr. Nesbitt.]

The government has tried to stop commercial building in cities over 50,000 population in Ontario, Alberta and British Columbia. It has attempted to do this by withholding the capital cost allowance of 5 per cent. This has had no effect because building costs are steadily going up at a rate of 12 per cent per year, and builders know they are much farther ahead to build anyway in spite of the government withholding this 5 per cent. This is another government plan which has fallen to pieces.

In the last three budgets we have had tax increases. These were proposed to slow down inflation but they have had no effect at all.

These are the four things the government has attempted. We cannot say it has not tried, but everything it has done is either wrong or ineffective. The public demands action in respect of the steady and rapid rise in the cost of living. The public demands action now. If it does nothing else, the government should at least ease the burden of its inflationary policies which falls almost completely on those who are least able to afford the increase. I have in mind the aged, those on pensions and the primary producers. If nothing else, surely the government could do something to shift the burden a little from those who are least able to support it.

Accordingly, I move, seconded by the hon. member for Edmonton West (Mr. Lambert):

> That the following be added to the address: "but we regret that the government ignores the fact that the high level of the cost of living at the present time falls with tragic and increasing severity on pensioners and others who can least afford it."

Mr. Knowles (Winnipeg North Centre): Carried.

Mr. Deputy Speaker: Is the house ready for the question?

Some hon. Members: Question.

Mr. Baldwin: Call it one o'clock. We want to get the government's answer on this.

Mr. Harries: May I call it one o'clock?

Mr. Deputy Speaker: Is that agreed?

Some hon. Members: Agreed.

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

At one o'clock the house took recess.

AFTER RECESS

The House resumed at 2 p.m.

The Acting Speaker: (Mr. Béchard): Order. The hon. member for Edmonton-Strathcona (Mr. Harries).

Mr. Hu Harries (Edmonton-Strathcona): Thank you, Mr. Speaker. It is a pleasure to take part in this debate today. Along with previous speakers, I should like to extend my congratulations to my friends and colleagues the hon. members for Sarnia (Mr. Cullen) and Lapointe (Mr. Marceau). Their speeches in moving and seconding the Address in Reply to the Speech from the Throne were excellent.

It is usual for a new member to make extended reference to his constituency. I shall forego that pleasure on the basis that those of you who have been fortunate enough to know Edmonton-Strathcona would find my description, no matter how eloquent, frail and inadequate in comparison with the real thing. For those hon. members who do not know Edmonton, I can only extend a warm invitation to them to stop awhile and enjoy an essential part of a vigorous and pleasant Canada.

Unlike some hon. members, I find myself enthusiastic about the program outlined in the Speech from the Throne. It does not bristle with promises but clearly indicates a continued dedication by the Prime Minister (Mr. Trudeau) and his government to establish a sound and economic base for a united and expanding Canada. In the face of the obvious political expertise that surrounds me in this House, I shall refrain from all but a brief reference to the political area and spend my allotted time on one more familiar to me, namely the economic.

My comments on the efforts of this government to establish a sound political base for a united Canada can be very brief. As a Canadian and as a westerner I think their efforts are meeting with unqualified success. The Prime Minister is restoring the faith of the people of my constituency, my city and my province, in the federal government and in a united Canada. There has been, I believe, a magnificent change in but 12 short months. On the political level, this government is establishing a reputation for forthrightness and careful progress that has not been a characteristic of federalism in our part of the country.

On the economic side, the Speech from the Throne conveyed an attitude and an approach that all members must find encouraging for our future progress. We are in an era of great economic change in Canada. If I may, I should like to sketch an idea or two which I think may reflect our future economic configuration. Canada, as is well known, was built up as a resource-based economy. At that time the appropriate policy for us to pursue necessarily centred about free trade in which we could exchange the raw materials of a bountiful nature for finished goods. Our policy centred about convertibility of currency, so that we could participate in the international flow of investment funds that were absolutely critical to a small and developing nation such as ours. Our policies at that time also appropriately encouraged immigration and the import of talent that was necessary both to get the production job done and create a consumer market and stable population base.

During that period of our development, the role of the government was subsidiary to the enterprise generated in the country. As was pointed out in an earlier speech today the government undertook a development role in those areas, especially in transportation, where such a development role was necessary and appropriate. The stories of the development of our transcontinental railroads, the development both early and late of the St. Lawrence Seaway, and latterly the government's activities through the Northern Transportation Company in the western Arctic and the development of a national airline, Air Canada, thrust the government into the position of being subsidiary to, but a very important part of, the growing Canada we were building.

• (2:10 p.m.)

Following World War II there was some shift in the resource development, but it was not of nearly the magnitude that is sometimes supposed. We still remained essentially dedicated to the development of resources for export, iron ore, power for the production of aluminum, the mining of nickel, the production of pulp and paper, the development, processing and export of petroleum products, and natural gas. The results of these efforts was to increase substantially the economic activity of Canada but they did not significantly alter the basic thrust which was as a resource-centred activity.

This concentration upon resources has created regional problems of increasing

intensity, and at the same time as this resource development was taking place non-resource activity tended to cluster in a relatively few areas. This trend is, of course, still going on and is giving rise to the urban problems that have heretofore been referred to in this House.

There can be no question in my mind, Sir, that regional economic development is properly a fundamental part of the program of this government. Surely, the objective must be to create, wherever possible, equality of opportunity. But as we look down the road there arises the question as to the adequacy of our present development and economic growth concepts.

For very obvious reasons, there has been a strong tendency for us to follow the economic pattern of the United States. In some ways it may not be inaccurate to accuse us of attempting to create a miniature American economy; but with the advances that have taken place in technology and with the increasing sophistication of many of our production processes it is not possible for us to create a viable economy based upon the pattern of American development.

The fact of the matter is that if we miniaturize our economy to a 10 per cent level, which would be in accord with the relationship in the population between the two countries, we find that a 10 per cent input will not give a 10 per cent output. As a matter of fact, because of the economies of scale, it is more accurate to suggest that a 10 per cent input would give about a 5 per cent output. Therefore, it seems reasonable to suggest that as we look forward to developing a viable Canadian economy, we do so having in mind the fact that we must specialize and in this way achieve the standard of living levels that are appropriate to a country with the aspirations and the resources that we have.

I think it is instructive to look for a moment at the Japanese steel industry. The steel industry in Japan is not based upon the location in Japan of resource materials; in fact, quite to the contrary. In a very few years in excess of 12 million tons of coal will be moving from the western part of Canada, Alberta and British Columbia in particular, to Japan for use in their steel industry. That coal or coke will be used in conjunction with iron ore that is mined in Peru and in Australia, and to a limited extent on the west coast of Canada and maybe in Alaska. This will be combined with other imported materials and the finished product will be exported back to those countries that have provided the raw materials.

One might ask why such an economic process is possible, why is it possible for the Japanese economy to import these raw materials, process them, and return the product to us at an obvious advantage to their economic situation. We used to seek answers for these kinds of questions in the labour rates that applied, in the idea that the standard of living in these far off countries was so inferior to ours that these people just worked for nothing and hence were able to accomplish this transfer of resources. This argument no longer applies, if in fact it had any validity years ago.

Rather, the explanation lies in the ability of the Japanese economy to use large scale processes, huge blast furnaces, magnificent rolling mills and other processing equipment to convert these raw materials to finished products at an exceptionally low per unit rate. This low per unit rate results simply from the technology, and this vast production is distributed worldwide on an incremental cost basis because the domestic market is largely saved for the capital goods manufacturers of Japan.

In other words, what is happening is that they have a low unit cost which enables them, combined with the domestic disappearance of the product, to export at a lower rate cost than any other producer. We never hear of steel being exported from the United States into Japan. The reverse has been true in such a volume as to make it desirable, from an over-all trade standpoint, for the Japanese voluntarily to restrict their exports of steel to the United States. There are other kinds of industries which demonstrate this same kind of phenomenon.

Surely, in Canada where we have many of the resources that are necessary for this sort of industrial output, where we are much closer to the larger markets of the world, to the United States and to Europe, and when we have many advantages that a country like Japan lacks, we should be able to do these conversion activities ourselves and thus provide employment and an economic growth pattern second to none. It is not related to anything but known technology and the clear requirement that we do away with miniaturized production processes in favour of a high degree of specialization in activities where we have a clear advantage, and steel is certainly one of them.

• (2:20 p.m.)

An example of the kind of thing that can happen and produce these sorts of economies is to be found in the agreement that Canada negotiated with the United States with respect to automobile production. But there is one essential difference. In the automobile industry we are in a situation of operating branch plants which, while integrated as part of the over-all United States automobile economy, are nevertheless subject to such decisions as might be made on a national basis by the United States which clearly has its first responsibility to its own citizens. This is an ever-present possibility and suggests, I believe, the major advantage of developing this kind of economic thrust within our own competence and control.

It seems to me, if this concept is a valid one, that the government ought to provide the same kind of leadership and the same kind of economic contribution as it provided during the development of what some historians have referred to as our resource-based economy. Surely, the money we invested in transportation in the earlier part of our economic life could now be withdrawn and used as a capital fund to provide the sort of assistance to large-scale development and consultation that was provided in earlier times to transportation. Here, I refer particularly to the metals industry and the chemicals industry, both of which lend themselves particularly to large-scale international development but I stress that such industries should be developed, sponsored and, as it were, controlled by Canadians in the interests of a viable national economy

In these days it seems unrealistic to talk about government expenditures without at the same time indicating possible sources of funds for such expenditures. I suggest that we withdraw from those enterprises which we finance on a development basis the funds that are now not necessary for the continued activity of those agencies and, in particular, I would direct your attention, Mr. Speaker, to Air Canada. Surely, Air Canada ought to be owned by the people of Canada on the basis that they choose to invest in a national airline, not on the basis that their investment is made a compulsory part of citizenship, as it is today. There is no reason that I am aware of why Air Canada would not function in the national interest, would not function just as well and just as effectively, if it were owned by the people of Canada through a corporation of the ordinary joint stock variety. The same thing might be said in respect of Polymer Corporation. I am aware that Polymer in particular makes a fine contribution to the funds needed by government, but surely this is not a reason for maintaining an investment that was started on a development basis when the continued existence of that investment denies us the opportunity for further expansion which is absolutely critical to our development.

Air Canada faces a period of growth in which large sums will be necessary, but these capital sums are not different in kind or in volume from those required by other airlines in the world, some government-owned and some privately-owned. In Canada, we have an investment industry with people competent to handle this kind of problem. We also have people anxious to invest in Canadian enterprises and I suggest, Mr. Speaker, that their money should no longer be tied up when there are other projects, for which no additional funds are available, which could find a use for it.

The same argument can successfully be made with regard to Canadian National. This is a good railway company which over the years has been burdened with a lot of unproductive lines and an unwieldy capital structure. To continue to operate Canadian National in the same manner that it has operated since 1921 is, I believe, to commit the same error repeatedly. I hope that as the development program of this government unfolds it will find accommodation for this kind of concept.

As a western member, I feel that I should make some particular reference to agriculture because we in the west realize that agriculture represents a fundamental part of our economy, a part in which each of us, even though we be urban dwellers, has a very substantial interest. I think it is correct to suggest that our agriculture policy ought properly to re-examine its direction and scope so that there may be a realignment consistent with what is happening in the industrial sector.

As you know so well, Mr. Speaker, agriculture has been based largely on a specialized export pattern. We have for years assumed, in connection with our grain, beef, hogs and so on down the line, that the low-cost producer will ultimately prevail in the world's markets. This may have been a reasonable assumption at one time but it is patently wrong today. As one farmer said, under present conditions the only time farmers are rich

is when they die. This is very true because the economic basis for the agricultural export industry has been destroyed. It has been destroyed in the United States, and in the common market countries as well, because politically in those countries the agricultural segment of the economy has not been left to fend for itself on a free international market. As one drives through the eastern part of France, and sees the technology employed in grain production there, one wonders how there can be any question of France exporting barley competitively with the large-scale, efficient processes employed in parts of our country. One wonders until one realizes that, politically, people in France are considered an important part of the economy and under no circumstances are the economics of free trade going to prevail. This is no different from the situation in most other countries. If this principle is not going to prevail elsewhere, surely it is folly to suppose it can prevail in Canada.

I do not think it makes sense, Mr. Speaker, to permit Canadian agriculture to function on an external basis when virtually all the rest of the economy is functioning on an internal basis. This creates poverty and, in my view, conditions quite out of sympathy with, and inappropriate to, the kind of productivity that we can enjoy in Canada.

• (2:30 p.m.)

It is interesting to look at the gross agricultural statistics and to see that in a recent year we exported about $1.3 billion worth of agricultural products while we imported almost $1 billion worth. I am not suggesting that in the rarified atmosphere of cities like Calgary you can grow grapefruit, but I am suggesting that there is a balance in our agriculture that must be struck if proper emphasis is to be placed upon the relationship between agriculture and the rest of the economy. This, essentially, is a closed environment. There must be, I believe, a massive redirection of agricultural effort and this will require not only transfer incentives but also bridge funds, as well as a basic re-alignment of our thinking with respect to the position of agriculture in the Canadian economy. I am sure this can be done and am hopeful, sir, that it will be done with reasonable dispatch; because, as we move forward with an economic program that looks to improvement in all regions of Canada, it seems to me that this must be one of the priorities.

In closing, may I say that this Speech from the Throne in my opinion continues the sound, progressive steps to a united and growing Canada first promised by the Prime Minister in June, 1968.

[Mr. Harries.]

Mr. Jack Cullen (Sarnia): Will the hon. member permit a question. Is it his opinion that the government should sell its equity in Polymer Corporation and utilize the funds or the capital obtained from the sale, or does he think that the government should dispose of a 51 per cent interest and retain a 49 per cent interest in the corporation. Has he thought about this?

Mr. Harries: I believe that the government should sell its equity in Polymer Corporation and that Polymer Corporation should be a normal, joint stock company in Canada. It should be listed on some lively stock exchange like the one at Vancouver. It seems to me that the government should provide the seed stock; but I do not think we should continue to involve ourselves in an enterprise when it is as obviously successful as is Polymer Corporation.

Mr. McIntosh: The hon. member supports free enterprise.

[*Translation*]

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I too would like to congratulate the hon. members for Sarnia and Lapointe (Messrs. Cullen and Marceau) on their remarks at the beginning of the debate.

[*English*]

I am speaking after the hon. member for Edmonton-Strathcona (Mr. Harries) has spoken, Mr. Speaker. It is easy to tell what part of Canada a member comes from by the remarks he makes. One can easily tell that the hon. member is from an urban constituency. Air Canada service does not seem to concern him at all, his attitude being that if Air Canada does not provide a service, some other airline will. His attitude no doubt is the same towards the Canadian National. But those from other parts of Canada, as I shall demonstrate in a moment, have a different attitude.

Some hon. Members: Hear, hear.

Mr. Comeau: Like many hon. members of parliament, I hear many expressions of goodwill on matters which the government feels are of top priority, such as the lowering of the voting age, concern about the economic and social life of Canada, the extension of Canada's fishing zones, and so on. It is apparent from the Throne Speech that one of the

government's priorities is in the field of pollution, which is important. The government will present a series of white papers.

May I speak about the lowering of the voting age? I believe my speeches in the past to the young people have indicated that I am in favour of such a move. I strongly believe that such a move should be associated with programs in our schools devoted to educating our young people in our system of government and the workings of parliament in general, so that our young men and women may at least have an idea about budgets, for example, as well as the way governments influence or change society as a result of passing certain laws, rules and regulations. I fully understand that education lies within the jurisdiction of the provinces and that the provinces control and establish our educational programs. However, I believe that in Canada we should co-ordinate many of our efforts in education by providing similar standards for education in all provinces. As a matter of fact, there is a motion in my name on the order paper to that effect.

The federal government should encourage the provinces to make their civic construction programs much more patriotic ones. We must make our young people aware of what Canada is all about.

What concerns me most in the Speech from the Throne is the idea of providing a better social and economic life for all Canadians. There is a reference in the speech to the fact that the government will provide additional funds to curb regional disparities. Incidentally, I am pleased to see the Minister of Regional Economic Expansion (Mr. Marchand) here this afternoon. I am in favour of increasing funds and expenditures, if we can cure the disparities existing in Canada. But who will do all this? There is a reference in the speech to the Department of Regional Economic Expansion. I still read the minister's speeches which tell us just what that department will do for us all. We all want to give the department a chance to get on with this work, but I think the department ought to act immediately.

When the Department of Regional Economic Expansion was first set up, we were told that this department's activities would result in more employment in designated areas, the idea being that designated areas would prosper and grow along with other parts of Canada. We were told that other departments of government would not interfere with the activities of this department. I say that other departments are interfering when we find that the Department of Regional Economic Expansion has had to cut back in certain areas because of the government's austerity program. I was under the impression that nothing could be done by other departments in matters relating to designated areas unless the Minister of Regional Economic Expansion consented. But what do we see happening?

The Postmaster General is trying desperately to close post offices in the designated areas. Yesterday I received a list indicating that 48 post offices have been or are about to be closed in my little constituency of South Western Nova.

Some hon. Members: Shame.

Mr. Comeau: How can you talk about growth and prosperity when you start removing postal services? Have you ever heard of post offices being closed in Toronto?

An hon. Member: Or Montreal?

Another hon. Member: Or Calgary?

Mr. Comeau: Or Edmonton? The Postmaster General wants to save money, and that is very commendable.

An hon. Member: Cut down on the Prime Minister's personal staff.

Mr. Comeau: The Postmaster General says that three conditions must be met before a post office is closed. His basic criterion, nevertheless, is, "If it does not pay, it is out". When the Prime Minister says, "Cut out something" he does that. He takes the corner of his desk and he cuts it off.

An hon. Member: Start your cutting with the CBC.

• (12:40 p.m.)

Mr. Comeau: The minister does not have just one post office to look after, he is responsible for all the post offices in Canada. Some areas are doing all right and some are not doing so well. It is the government's responsibility to provide these services. The reason for having a government is to provide these services to the people, including those in the less prosperous areas. These services are paid for by all the taxpayers of Canada, not just by those in the large industrial centres.

If the minister wants to save money, that is fine, but surely there is money being wasted by his department in Ottawa which could be saved. New post offices are still being built. I

was in an area last week where new post offices were being built to replace old and rickety buildings. The minister has increased his staff, as have other ministers. The only reason the Postmaster General (Mr. Kierans) is cutting some of these services is that the Prime Minister (Mr. Trudeau) instructed him to do so. The minister cannot cut these services in the urban areas because too many people would be affected, therefore it is the people in the rural areas who must suffer. The policies of the minister are affecting only the rural parts of Canada, those areas under the jurisdiction of the Department of Regional Economic Expansion. The Department of Regional Economic Expansion should investigate the type of service being supplied by the Post Office Department.

Yesterday we heard from the Minister of Transport (Mr. Jamieson). We did not hear anything about transportation, but we did hear from the minister. What is his department doing to improve services in the designated areas? In the Maritimes, and other designated areas, freight rates have increased during the past year. The CNR is removing railway stations. The member for Edmonton-Strathcona (Mr. Harries) is in favour of this. He does not want the CNR, but in some sections of Canada there is nothing else. The services between Toronto and Montreal are profitable, and make up for the losses in areas such as the area I represent. The services in the large industrial centres are improving, but in the rural areas of Canada they are deteriorating.

It is not possible to promote growth and prosperity in designated areas in Canada by cutting back transportation and post office services. The Department of Regional Economic Expansion should ensure that the Minister of Transport follows the policy of the government to reduce the disparity between the regions. When the Department of Regional Economic Expansion was formed we were told this sort of thing would not happen, that the ministers would co-operate with each other.

In my area, the department recently removed a lightship. This may appear minor, but it was providing protection for the fishermen as well as employment.

What is happening to the air services in the designated areas of Canada? There are rumours that Air Canada will phase out many rural airfields. Is Air Canada not operating at a profit? I am under the impression it is. A government agency should provide services to all parts of Canada. If the department can provide comparable services by regional carriers or other methods, that is fine, but I doubt very much that this can be done.

The Department of Regional Economic Expansion should also ascertain what the Department of Public Works is doing.

Mr. Crouse: Nothing!

Mr. Comeau: I am not the only member who comes from a fishing village. It is impossible to obtain $2,000 to have a small amount of dredging done in a small harbour. It is impossible.

Some hon. Members: Shame!

Mr. Comeau: Last week the fishermen in my constituency had to dredge their own canal. It is impossible to get $1,000, $2,000, $3,000 or $4,000 to repair a small wharf. These people are not asking for the moon. They are not asking for half a million dollars, all they are asking for is $2,000 or $3,000. A lot of money is being spent to staff the minister's office and other things.

An hon. Member: The Arts Centre.

Mr. Comeau: I mentioned the Arts Centre before. I would be repeating myself for the tenth time if I mentioned it again. The government is hiring staff all the time—the highest paid ones of course; the lowest paid ones are being fired.

Some hon. Members: Hear, hear.

Mr. Comeau: I was under the impression that the austerity measures would not affect the designated areas. However, the government is reducing the services being provided to rural Canada in order that they might balance their budget or fight the so-called inflation. I do not argue the fact that inflation is a problem, but I do not see how it will help Canada to cut off services in the slow growth areas.

When the Department of Regional Economic Expansion was set up, the Prime Minister stated there would be designated areas in the Maritime provinces, some sections of the west and Ontario. It is not good enough to simply apply the axe, without considering the effect that course will have on the social and economic standards of some sections of Canada. It is not good enough for a government to stop growth and development in the already underdeveloped areas of Canada

simply to balance the budget. This government has no feeling for the people, Mr. Speaker. It has no feeling for minorities.

Some hon. Members: Hear, hear.

Mr. Comeau: The bill to give effect to bilingualism has been passed, but you can't eat that. It makes me sick when the government says, we have no money for little dredging jobs; we have no money for little post offices; we have no money for this and no money for that. There is all kinds of money, and the government knows it, but they have no feeling for the poor.

Yesterday the Minister of Transport stated we must adopt long-term policies. I agree with this, but the long-term policies of the government seem to mean that everybody should be moved to the urban areas. This will create ghettos or, as somebody suggested to me yesterday, anthills. We read in the newspapers criticisms to the effect that Maritimers who move to Toronto do not know how to live. We Maritimers are being criticized every day. I saw an article last week setting out the conditions it is alleged we cannot accept, yet the policies of this government drive us to the highly industrialized, heavily populated centres of Canada. When the services are removed the people have no choice, they have to move.

The industries also have no choice but to settle in urban Canada. How can industry be expected to settle in sections of Canada which have no services such as post offices, trains or Air Canada? More problems are being created by these people moving to the urban areas. We heard again today about the government's concern regarding urbanization. Everyone is talking about urbanization. There are many problems in urban Canada. People do not wish to spend one hour driving one mile to work. They do not want to pay $10,000 or $15,000 for a lot 30 by 100 feet when there is plenty of land available in Canada, nor do they want to live in a $250 a month, three bedroom apartment with seven children.

• (2:50 p.m.)

Do not talk to me about long-term policies if the only thing you can do is move people from rural Canada to urban Canada. I predict that in 20 years time the government will want to change this whole policy; there will be such a mess in our cities that they will want to drive people back to the rural parts of Canada.

The present administration does not seem to be concerned about the quality of the life of Canadians. Rural people are not really poor as we know the poor in the cities. Basically, they enjoy a good life. They work peacefully, do a little hunting, a little fishing. The quality of life in the rural parts of Canada is probably far superior to the quality of life in most of the urban centres, and in these circumstances some hon. members may wonder what I am complaining about. What I am saying is this: for goodness sake do not take away all the services needed by those who prefer to stay in the countryside. Let them enjoy things. Do not make it inevitable that they must move to the urban centres. If you want to change the nature of these services, then provide alternatives. It is not good enough simply to cut back. We have enough highly-paid civil servants to come up with better policies than we have produced so far.

What are the priorities now envisaged? I did not see anything in the Speech from the Throne of much concern to those living on welfare. The speech did mention something about building new houses, but we should not forget that a great many of our people simply cannot afford to buy them. Interest rates today are so high that few people can afford to borrow. No one can apply successfully for a housing loan unless he makes $8,000 a year. The effectiveness of the welfare system is basic to meeting the needs of the working poor, as well as others. These people are caught in the system and I hope we can prevent this situation. To do so may, indeed, be the objective of the government; I hope so. Perhaps I should not be too critical. Maybe the government knows what it is doing. But, Mr. Speaker, every government we have had since 1867 gave the impression of knowing what it was doing. And still there is poverty. There should be no need for a man to write to me today and say: I have 14 children, I am on welfare; they can take away their God-darned welfare if they wish; provide me with a job. This kind of thing makes me mad. Many of us come here with certain objectives in mind, a certain amount of initiative and a desire to do things for the people who are caught up in the system. I would say the present government is not helping matters. Canada is rich, and all parts of it could be developed if we were to stop and think for a little while and start being less political.

Some hon. Members: Hear, hear.

Mr. Harold E. Winch (Vancouver East): On rising to make my contribution to the debate on the address I should like, first of all, to

make a few comments on the speech itself, then to touch on a matter of great concern to my constituents in Vancouver East and, finally, to speak briefly on a situation in Canada which, as I see it, is most serious and urgent.

May I say right away that there does not appear to be a great deal of difference between the various speeches from the Throne which I have heard over the years. I say this from the point of view of one who has had some experience with such matters, counting both the provincial legislature and this House of Commons. This, the second session of the twenty-eighth Parliament of Canada, is my thirty-ninth session, counting time spent in both legislative bodies, so I have listened to 39 speeches from the throne.

Some hon. Members: Hear, hear.

Mr. Winch: Mr. Speaker, the one we are now considering does not differ substantially from the majority of those I have heard in the past, inasmuch as to a considerable extent it is based on wishful thinking, generalities and platitudes. Nevertheless, I have never felt it was the sole responsibility of a member of the opposition merely to criticize and condemn the government, so I should like, initially, to commend the government for offering an indication that at least some consideration is being given to long term planning.

One of the great shortcomings evident in our parliamentary history is a failure to recognize and accept the need for long-term planning. There is, in my opinion, a definite indication now that this is in the mind of the cabinet, and this is why I commend hon. gentlemen on the front benches opposite even though, if my analysis is correct, it may take up to ten years to bring some of their projects to fruition. Having said this, I must express my keen disappointment that the Speech from the Throne failed to indicate that any consideration is being given by this government to bringing forth constructive policies and legislation to meet the urgent and difficult problems facing certain groups of people in this country. I refer particularly to hundreds of thousands who are living on fixed incomes and whose needs are apparently to be completely ignored.

A great many of the speakers preceding me have mentioned the plight of our senior citizens and others. I wish to draw attention to the situation facing our veterans. Before doing so, may I express the opinion that it is a disgrace that we should hear the Prime Minister (Mr. Trudeau) and the Minister of Finance (Mr. Benson), as we have in the last few days, pounding their collective breasts, if I may use that expression, and boasting of the fact that this year we shall have a balanced budget for the first time in many years. A balanced budget is all to the good, but a balanced budget which is achieved by sacrificing hundreds of thousands of needy people is a disgrace to those who boast about it.

• (3:00 p.m.)

Mention has been made of senior citizens and others. I cannot understand why nothing has been said so far about the needs of the veterans and the widows of veterans. Our veterans waited three years for the Woods report, and over a year for the white paper that was published. No action has been taken on either. When the white paper was published, a white paper that I think I am safe in saying was basically a fait accompli as far as government decision was concerned, it gave no indication of any recognition of the need of our veterans. As far as we can gather there is no indication whatever in the white paper of an increase in the basic pensions of the veterans of this country.

The answer we are given is that veterans pensions are part of the over-all task force study of the entire social security legislation of our country. Even the term "welfare legislation" has been used to describe these payments. Any government that takes the view that rightful payments to veterans is welfare is adopting a disgraceful position and is unworthy of the support of the people of this country. Such a government is letting down those men and women who, in two world wars and in Korea, offered their lives in this country's time of need. I say that these payments to our veterans are a right not welfare.

I sincerely hope that the government is going to have a change of mind and heart. Although this matter is not mentioned in the Speech from the Throne, and is completely ignored in the white paper, I hope action will be taken during this session to increase the basic pension of the veterans of Canada. Certainly, this would mean a great deal in my own riding where there are thousands of veterans. For example, I have six veterans organizations in my constituency of Vancouver East.

Mention of the white paper brings me to another matter that I think should receive serious consideration by the government. I appreciate that the throne speech makes clear

that in this session we are going to be swamped with a series of white papers. Although I agree with this, as I said a few moments ago a white paper is really a fait accompli as far as decisions of government, policy-making and the introduction of legislation are concerned.

Both opposition and government members have a responsibility to ascertain whether any decision, policy or legislation put forward by the government is the correct one. It is most difficult to arrive at a conclusion in this regard when all one has before one is a white paper. The government has behind it all of the reports made by departmental and interdepartmental committees, as well as the reports of various task forces.

I think that both the government and parliament would be far more responsible if there were made available, as far as practicable, in addition to government white papers, the reports upon which the government has reached decisions. Because it is possible, Mr. Speaker, for the government to reach a wrong decision on the evidence submitted. The government may be making a decision or formulating a policy that is based on party and political expendiency instead of on the information supplied.

I fully realize that there are undoubtedly some documents that must be treated as completely confidential; that fact I recognize. Nevertheless, I hope that the Prime Minister will seriously consider making it government policy that members of all parties be allowed to receive the basic information upon which the government has reached a particular conclusion. If such a course were followed, parliamentary democracy would have a truer meaning.

Having said that white papers were really a fait accompli, may I in all sincerity make a suggestion to the government? I agree with the government's policy of placing a greater workload on, and giving greater responsibilities to, our committees. I think that is a good move. However, Mr. Speaker, I say it is sheer nonsense and a waste of the taxpayers' money to give terms of reference to a committee and ask the committee to make recommendations thereon when in fact the government has already made up its mind what it is going to do. Such a course is absolute hypocrisy, and it happens far too often.

Let me give the house a couple of illustrations. I have the privilege of being a member of the Standing Committee on External Affairs and National Defence. This committee received terms of reference from the government which included a study of NATO policy. The committee spent months studying NATO policy because the government wanted a decision. At great expense, every member of that committee was sent overseas to visit numerous countries in about 14 days. Within one day of returning to Ottawa the committee had to write its report. Yet the government had already made up its mind what it was going to do about NATO and what our NATO policy was to be. I ask, why waste weeks and weeks of many members' time and thousands of dollars in expenses if the government had already made up its mind?

Even more ridiculous, Mr. Speaker, the terms of reference also included a study of maritime command, its existing structure and policies. The committee was asked to look to the future and to bring in a report. During the recess a sub-committee of the standing committee returned to Ottawa, travelled to Halifax, spent four days there, received a mountain of information about maritime command and policy, A.S.W. and so on. Yet, within half an hour of the committee's return to Ottawa the government announced its maritime command policy over the radio and this included the scrapping, sale or mothballing of our only aircraft carrier, *Bonaventure*.

This sort of thing makes a farce of our committees and illustrates the arrogance and stupidity of the government in connection with some phases of committee work. I believe in the committee structure, in increasing the workload of committees and in the acceptance of new responsibilities; but let not the committees be the government's vehicle for face saving and whitewashing. If the government has made up its mind about a certain policy, then let it have the guts to say so, because the members of the House of Commons have plenty of other work to do.

• (3:10 p.m.)

A great deal has been said about the government's austerity program under which in the next year our Civil Service is to be cut by some 25,000. I should like to express the hope that this policy is not static and there can be some variation. If there is not, some rather ridiculous situations can and will develop. I understand the rule is that if a position becomes vacant, an employee resigns or is fired, that position cannot be filled. Let me give you an illustration of what not only can occur but is occurring.

On the Atlantic coast we have a fisheries headquarters. They have two large ships, one

the *Cyngus* and the other the *Chebucto*. Recently, the *Cyngus* went in to drydock to have a new engine installed, so the crew was fired. The *Cyngus* is now on its trials, but where did it get its crew? The *Chebucto* is going in for its annual overhaul, so the crew was taken from the *Chebucto* and put on the *Cyngus*. When the *Chebucto* comes back into service, what will be the situation?

An hon. Member: The other one will go back in for overhaul.

Mr. Winch: Unless there is some variation of these regulations, we are going to witness one of the most remarkable miracles of the world. We are going to see two of our largest fisheries ships on the Atlantic, one with a crew and the other a ghost ship without a crew. That will really be something! I am not talking about something that is hypothetical. Instructions have not yet been given to the fisheries department in Halifax which would permit the hiring of a second crew. I just bring this forward as an illustration of the need for flexibility. All across Canada, departmental heads and federal employees do not know where they stand or what they can do. For the sake of morale, as well as efficiency, this matter should be corrected as speedily as possible.

There are many other matters one might raise but, as everyone knows, our time is limited during the throne speech debate. Let me refer to a matter which concerns me considerably, and I hope it is of concern to every member of this house. We are elected as representatives of a party on the basis of our party's platform, program and policies. It has always been my belief that in this House of Commons we have to consider ourselves as 263 men and one woman who make up the board of directors of this nation of Canada with a population of 22,000,000. We have the power to make laws, rescind laws, change laws, alter laws, tax for money and spend it. For this reason, political expediency and party politics in the last analysis, if not in the first, should not play a major part or have priority in our decisions. In many of our decisions, if we accept responsibility, we have to take the lead and perhaps express views which may be unpopular. They may not be vote-catching, but I suggest we have a responsibility not to play politics and not make speeches or decisions on the basis of whether or not they are parochial and might affect our constituencies, provinces or certain groups. We must not make them necessarily on the basis of whether or not they are popular. That is my very definite opinion.

In my estimation, we face very serious and urgent situations and conditions throughout Canada. We, as members of the House of Commons, cannot ignore these matters if we accept our responsibility. Much as I regret having to say so, it is my personal belief that there is a sense of irresponsibility permeating our Canadian way of life and our way of thinking. It is time something was said about this. Regretfully also, I must say that there seems to be an attitude, individually and collectively, that something is wrong but that it is the other fellow's fault. We feel that something should be done about these problems so long as it does not affect us. Too often we feel that we should let George do it. As long as we allow that situation to continue, we will be in serious trouble.

This feeling is permeating almost every phase of Canadian life. We see it in the field of education. Certainly, students require changes and new policies. Certainly, they should be represented on the governing bodies of the institutions of higher education. We must, however, make it clear, with a stern voice and a stern hand, that a small minority cannot and shall not have the right to exercise mob rule in the name of democracy. We can no longer allow the destruction by violence and by fire of our schools and universities. If I may refer to a very small group of professors, I may say if they do not want to teach then let them stay at home. With reference to a small minority of students, I say if they do not like the way things are going democracy does not demand that they learn about modern living, technology and so on. The students have rights. Changes are needed but we must make it clear that our schools, elementary and otherwise, exist for the education of those who want to learn. They are paid for by the taxpayers of this nation.

The Prime Minister (Mr. Trudeau) has said a great deal about the fact that unless we have voluntary co-operation to end inflation, then stern measures may have to be taken. We may reach that point, but let me suggest that co-operation is better than compulsion. If we do have a need for compulsion, let it be as acceptable as possible. The government can only accomplish this by proving its sincerity, by not discriminating or placing the blame on one sector. The co-operation of labour is a basic requirement and the way to obtain that co-operation is by showing, through government policy and action, that we take the same

view toward profits and prices as we take toward wages.

• (3:20 p.m.)

This co-operation cannot be obtained by suggesting you have a government policy, then spending almost $13 million on the refit of the *Bonaventure,* $1.2 million on an annual overhaul and then saying you are going to scrap that ship. You do not obtain co-operation by passing an order in council, as the government did last January, whereby you forgive the Ford Motor Company of Canada $75 million owing to the federal treasury because that company could not meet all the requirements of an order in council made some five years before. This is a company which last year had a net profit seven times greater than it had in 1964. In the first nine months of this year it has a net profit of $51 million compared to $36 million in nine months last year. This is also a company which has $150 million in depreciation reserves, and retained earnings of $302 million. You do not obtain this co-operation when you ignore the basic, urgent issues of today such as urban renewal or urban redevelopment.

I say that if by government policy and government action you mean the curbing of prices and the control of profits then undoubtedly, not perhaps, you will receive the co-operation of labour. I see my time is almost up. There was another matter about which I desired to speak, but in conformity with the rules I will come to a conclusion based on a worry, a fear, of mine concerning the actions and the thinking of some Canadians. We must be outspoken, responsible members of parliament so that we can bring about understanding and co-operation between all sectors of the Canadian economy. This is a "must".

I made a statement a few years ago for which I was damned, condemned and criticized. I shall repeat it, however, here in the House of Commons today. The world does not owe Canada a living. We must earn it. To do that all of us, not only in this House but all 22 million Canadian citizens, must recognize the realities of today. If we do not then I—and I am not a prophet of gloom nor doom—would say we face disastrous consequences in the immediate future.

Mr. C. Terrence Murphy (Sault Ste. Marie): Mr. Speaker, before adding my comments to those already made in this debate, I wish to compliment the hon. members for Sarnia (Mr. Cullen) and Lapointe (Mr. Marceau) for their excellent contribution to this debate on Thursday last. I think it only natural that their constituents should be justifiably proud of their outstanding performance as we in this House are proud.

While it is true that the Speech from the Throne contained references to many subjects of great importance to the people of Canada, one observation was of particular significance to me as the representative in this House of the constituency of Sault Ste. Marie. It reads as follows:

> Satisfactory relations between labour and management are of critical importance to our social and economic progress. The government is devoting greater attention to the problems and possibilities of industrial relations and will be putting forward for your consideration amendments to the legislation governing collective bargaining in the industries within federal jurisdiction.

The city of Sault Ste. Marie has been paralyzed by a steel strike since August 1. In a city of some 75,000 people, which relies practically exclusively on one industry for its economic existence, the shut-down of that industry, whether by strike or lock-out, can be disastrous. We who live in the city are of course aware that, from time to time, the very nature of industrial disputes makes such shut-downs necessary. However, I cannot help but feel that the present shut-down could have been avoided if the laws pertaining to labour relations were more realistic. I, of course, realize that the dispute in Sault Ste. Marie falls within the jurisdiction of the provincial government, and that the parties to the dispute are governed by the provisions of the Ontario Labour Relations Act. Nevertheless, it is my hope that we in this House will enact federal legislation in this field which will be a model for the provinces, which will be so advanced that the provincial legislatures will have no alternative but to follow our lead. In other words, we should endeavour to be leaders, not followers, and if our efforts are successful perhaps—just perhaps—we might end up with labour laws which are more or less uniform from coast to coast, a result which is so desirable that the mere thought of its attainment should give us the courage to forge ahead and legislate in a field where up until now even the angels have dared to tread but lightly.

Needless to say there is not sufficient time available to discuss all of the provisions one would like to find in such labour legislation.

However, there are four specific submissions which I should like to make.

First, unions should, by statute, be made accountable as legal entities, capable of suing and, subject to certain conditions, of being sued, thus placing them in the same position before the law as all other corporate and private citizens.

Second, where industrial conversion resulting from technological change which is subject to management control is likely to lead to significant labour displacement during the term of a collective agreement the union should, by statute, be given the right to negotiate the method for dealing most justly with those employees who will be displaced. In cases where there is no agreement as to whether the expected displacement is significant, and in cases where there is not agreement as to the method of dealing with those employees who will be displaced, the issues in dispute should be submitted to binding arbitration. In any event, the law should require the employer to give at least six months' notice in writing to the employees who will be displaced, to their union and to the Department of Manpower and Immigration.

Third, unions should be required by law to conduct strike votes, ratification votes and any votes to extend or continue strikes, by way of secret ballot.

Mr. Peters: Why?

Mr. Murphy: I will come to that in a moment.

Fourth, the legal remedy known as the "ex parte injunction" should be abolished by requiring any party who seeks to obtain an injunction, which would have the effect of restraining the activities of any person or persons engaged in a legal strike, to give notice of his intention to apply for such an injunction to the party or parties who would be affected by it.

There are many arguments, Mr. Speaker, pro and con with reference to the question of union accountability. On occasion, the issue has become an emotional one. Nevertheless, I firmly believe that if we view the issue coolly and objectively, we would inevitably be led to conclude that there is no logical reason for retaining the present status of unions which places them in some fuzzy, grey, legal limbo wherein the law purports to govern organizations which are not recognized as legal entities. I strongly suspect that governments have perpetuated this legal fiction only because they have lacked the courage to take steps which might offend the labour movement and the tens of thousands of votes it represents. However, I hope this government has the intestinal and departmental fortitude to face this issue squarely and thereby concern itself with the interests of Canadians generally and not just the special interests of select groups in our country.

I said earlier I honestly feel that the present work stoppage in Sault Ste. Marie need never have occurred. I would like to explain why I hold that belief. On July 31 this year the collective agreement between Algoma Steel Corporation and Local 2251 of the United Steelworkers of America expired. Although negotiations for a new contract had been going on for some time, no agreement had been reached at that time. However, both parties were willing and prepared to continue bargaining, and no legal strike could take place until August 27. But at midnight, on July 31, approximately 38 insurgent dissident members of the local decided to institute an illegal or wildcat strike, and these men proceeded to picket all points of entry to the steel plant.

• (3:30 p.m.)

Regular members of the local who presented themselves for work were harassed and threatened. Some of these men braved the harassment and crossed the picket line. Others, as it turned out for good reason, turned back and returned home. I asked a number of those who turned back at the picket line why they and their co-workers allowed themselves to be pushed around by as few as 38 radicals. The answer was invariably the same, "Murph, you have a wife and kids. If you were told you would end up in hospital with a busted head, or that your family was in danger, what the hell would you do"?

Mr. Peters: That is a lot of crap, and you know it.

Mr. Murphy: Just listen, Buddy. Hon. members might think that such remarks were nothing more than idle threats but, Mr. Speaker, when you consider that a similar wildcat strike at the same plant only a year earlier had erupted into violence, resulting in extensive property damage and bodily injuries, then you may understand that the fear felt by many on this occasion was real.

Further evidence of the fact that the illegal picketers were not engaging in idle chit chat was discovered by the men who had crossed the line. When they came off shift they found that tires on their cars had been slashed, and car windows broken. Needless to say, they did not again attempt to cross that picket line.

Despite the earnest efforts of the officials of Local 2251 to persuade the members of their local to disregard the wildcat picketing and return to work, operations within the steel works were affected to the point that company officials found it necessary to shut down operations. I am told that the cost of shutting down a steel mill the size of Algoma is approximately one quarter of a million non-productive dollars, and that the cost of re-opening such a mill is the same. Faced with a possible legal strike on August 28, the company officials decided not to re-open the plant, despite the fact that the illegal picketing ended within a few days. It naturally followed that the union members voted for a legal strike on August 28.

During all this time, that is, from August 1 to August 28, the members of the United Steel Workers of America in Hamilton were striking the Steel Company of Canada. I believe it is generally agreed that Algoma Steel and the Sault Ste. Marie steel workers were prepared to accept any reasonable settlement which might ultimately be reached in the dispute in Hamilton. It is for this reason I believe that if it were not for the illegal activities of a handful of union members there would have been no work stoppage in Sault Ste. Marie, some 10,000 men in the steel industry and associated industries would have continued to work and take home pay cheques to their families, and the merchants and other businessmen who serve the steel workers would not now be standing idly behind their windows staring blankly at empty streets. I can think of no better example of the vicious effectiveness of an illegal wildcat strike, and I believe my proposal to make unions legally responsible for the illegal actions of their members to be an effective and just antidote for this type of social poison.

Naturally in cases involving illegal strikes, liability should be limited to those cases in which union officers fail to demonstrate that they did all they reasonably could to prevent the work stoppage or to persuade the defaulting employees to return to work. In Sault Ste. Marie the union officials did try to persuade their members to return to work. Their persuasion did not succeed. However, if the rank and file members of the union realized that their failure to honour their contract might result in costly court actions, which might lead to damage awards running into the hundreds of thousands of dollars, and that the payment of these penalties would be extracted from their pay cheques by way of increased union dues, then I believe that some 38 hotheads would have a difficult time keeping 6,500 workers from doing their job.

There are many other benefits which would flow from the establishment of a union as a legal entity, and some of the benefits would accrue to the rank and file union members. But I say this, Mr. Speaker, that if the enactment of a law which has the effect of making a union legally responsible prevents the occurrence of just one illegal strike, which could produce the havoc and economic hardship which resulted from such a strike in Sault Ste. Marie, then it is time we enacted that law.

In this respect I wish to quote from a decision rendered a number of years ago by the late Mr. Justice Brandeis, a very honoured and respected member of the United States Supreme Court:

> This practical immunity of unions from legal liability is deemed by many labour leaders a great advantage. To me it appears to be just the reverse. It tends to make officers and members reckless and lawless, and thereby to alienate public sympathy and bring failure upon their efforts. It creates on the part of employers also a bitter antagonism, not so much on account of lawless acts as from a deep-rooted sense of injustice, arising from the feeling that while the employer is subject to law the union holds a position of legal irresponsibility...
>
> The unions should take the position squarely that they are amenable to law, prepared to take the consequences if they transgress, and thus show that they are in full sympathy with the spirit of our people, whose political system rests upon the proposition that this is a government of law, and not of men.

The second proposal I outlined earlier had to do with industrial conversion or change, resulting from technological advances, which has the effect of causing labour displacement. As the Woods report on labour relations astutely observes, the term "industrial conversion" embraces all major changes that may have a permanent disruptive effect on the employment relationship. Technological change, or automation, is only one of the forces which may lead to such disruption. Other forces include resource depletion, product obsolescence, and domestic and foreign market shifts.

While it is true that an employer may have little or no control over other causes of industrial conversion, it is equally true that the same employer does have control over industrial conversion by way of automation. It is in this area that I feel the employer should, by law, be required to negotiate with the union on matters pertaining to retraining, relocation, income maintenance, severance pay, early retirement and similar types of assistance that will provide some type of relief for those employees who will be dislocated as a result of automation. And I believe that such negotiation should be made mandatory, even though the changes to be made are to take effect at a time when a collective agreement is in force, whether or not such agreement has provided for the possibility of job-reducing changes.

I agree that automation has a vital role to play if our Canadian economy is to remain dynamic. The Woods task force report properly points out that to society as a whole, change is the key to the increased productivity necessary to meet unsatisfied public needs and desires and, to individual enterprises, change is essential to remain sufficiently competitive to survive. As the hon. member for Moose Jaw (Mr. Skoberg) so aptly put it on Tuesday night, "the name of the game is change."

However, Mr. Speaker, industrial change by way of automation despite its obvious advantages cannot be allowed to run rampant without regard to the hardships to displaced workers which must necessarily follow in its path. The fact that the introduction of an automated manufacturing process will benefit not only his employer but also his fellow workers, and even Canadian society as a whole, provides little comfort to the man whose job has been eliminated by a machine. He will say, as I would if confronted with the same plight, "Good for you, but what about me"?

As representatives of Canadian society, we must answer that man's question. He is afraid, and justifiably so. We must act to allay that fear, and any action we take can be justified on both economic and social grounds. Economically, it makes sense to take steps to prevent the natural resistance to any form of change which can result from such fear. Socially, a truly just society cannot tolerate a situation which permits the majority, who will receive the benefit of change, to demand that the minority bear the burdens of that change.

[Mr. Murphy.]

• (3:40 p.m.)

I am agonizingly aware that the proposal I have made does not provide a complete answer to the haunting question of the displaced worker. My suggestion, if acted upon, would help only those workers who are covered by collective bargaining and collective bargaining covers less than half the labour force. Furthermore, it affords no protection to those workers who find themselves adversely affected by industrial changes resulting from causes other than automation. If one were to suggest answers to the questions which will be asked by these people, it would require much more time than is available to me today.

I am also aware, Mr. Speaker, that the proposal which I now make for alleviation of the hardships resulting from automation is not as extreme as other proposals I once supported. I am sure I will be reminded of that fact by my good friends who are members of United Steel Workers Local 2251 in Sault Ste. Marie. I once endorsed the position taken in the Freedman report with reference to this issue. My change in position has been the result of three separate influential factors.

First, the alarming increase in the number of strikes and the resultant irreparable damage to the economy of our country has caused me to have second thoughts about any proposal which would provide even more opportunities for strikes. I can see no justification for providing ways and means of disrupting the economic stability which we have come to expect once a collective agreement has been signed. It would be tantamount to providing warring nations with an endless supply of arms to do so.

Secondly, I have come to realize that collective bargaining, despite its many virtues, cannot by itself create jobs and this function should not be demanded of it. At best it provides a means for preserving obsolete jobs by sanctioning unnecessary work practices, or it shuffles job holders around by adopting such things as early retirement plans which induce older workers to retire to make room for the younger men entering the labour force. But jobs it does not create, and to think otherwise is to lull oneself into a state of delusion.

Finally, Freedman's proposals in this field became less appealing to me as I became increasingly aware of the economic Council's admonition that Canada must be vitally concerned with improving its industrial efficiency. In order to survive as a nation, we must

be able to put new methods and technology to effective use. I cannot see how this could possibly be accomplished by adopting a proposal which threatens our efficiency by providing additional means, not only to attract what little industrial stability we have come to expect, but also additional means to prevent industry from availing itself of the fruits of technological advances.

The third proposal which I urge the government to include in our new labour legislation is that unions be required by law to conduct strike votes, ratification votes and any other votes which have the effect of extending or continuing strikes, by way of secret ballot. Some may contend that by legislating in this field the government would be meddling in the internal affairs of the union—in other words, interfering with the right of the unions to govern themselves. However, when one stops to consider the extent of the power that unions can exercise over present and prospective members, it becomes apparent that the basic rights of union members are the proper subject of legitimate public concern.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, would the hon. member permit a question?

Mr. Murphy: When I am finished, Mr. Speaker.

The need for some sort of government control becomes even more apparent when we consider how the abuse or negation of basic democratic rights within a union has the potential of adversely affecting Canadian society as a whole. I need go no further than the steel strike at Sault Ste. Marie to find an example to illustrate this point. As I mentioned earlier, under normal conditions I believe the parties to the dispute in the Sault would have been prepared to accept any reasonable settlement that was reached between the parties in Hamilton. The Hamilton dispute was settled in mid-October. After that settlement, hopes were high that the Algoma steel plant in the Sault would be back in operation in short order. As things developed, it became apparent that all differences on monetary items resolved themselves in light of the Hamilton settlement but a non-monetary item involving the status of part-time foremen kept the parties apart. Last Sunday, at a general meeting of the union members called for the purpose of deciding whether to continue the strike until settlement had been reached on this issue, a majority of the members voted for the continuation. According to news reports of that meeting, some members requested that the vote by secret ballot rather than by a show of hands, but their request was refused.

I can think of no more blatant example of the denial of basic democratic rights than that I have just cited. I accept the fact that a union must necessarily be a militant organization—in many respects similar to a country continually in conflict with its neighbour—and as such cannot be expected to abide by all the sometimes sophisticated principles of democracy. However, when unions begin to deny or disregard such basic principles as the right to vote by secret ballot on issues of such grave importance, not only to union members but to society as a whole, then I think it is the time for the government to take action to protect and preserve these rights.

My final proposal, Mr. Speaker, was that the use of the ex parte injunction as a legal weapon in legal labour disputes should be abolished. Thankfully, the vast majority of our citizens believe in, and have great respect for, the law. I believe a good deal of this respect stems from the fact that our system of administering the law is based upon the adversary system which gives the litigants, or disputants, the right to appear before a judge in open court and present their respective cases. All parties have a right to be heard in public before a decision is made. Let us contrast this procedure with that followed when applying for an ex parte injunction. This extraordinary remedy permits a judge, in the privacy of his home, his hotel room or even his club, to issue a court order which can, and usually does, directly affect the activity of some person who does not appear before him—indeed, who does not even know that the judge is asked to make such an order. To make matters worse, the person asking for the injunction does not have to appear before the judge. He is simply required to file affidavits to support his claim and he need not be subjected to cross-examination on the contents of those affidavits before an injunction is issued.

Is it any wonder that ex parte injunction proceedings are held in such contemptuous disrespect by members of the public generally and by members of unions in particular? How can we preserve this archaic and despotic legalistic tool and at the same time pretend to revere that ancient but basic principle of common law, "justice must not only be done,

but must be seen to be done." It is trite to say that bad laws breed disrespect for all laws and when the citizens of a country lose respect for the law, can anarchy be far behind?

Recent events in this country should make all of us frighteningly aware of the urgency of enacting laws which command respect and of ridding ourselves of laws which breed contempt. This government can take one small step in this direction if it does away, once and for all, with the availability of the iniquitous ex parte injunction in the legal labour disputes.

I would like to thank the hon. members for giving my remarks such attention, Mr. Speaker.

Mr. Peters: Mr. Speaker, before the hon. member resumes his seat—

Mr. Speaker: Order, please. Is the hon. member rising for the purpose of asking a question?

Mr. Peters: Yes, Mr. Speaker.

Mr. Speaker: The hon. member may ask the question at this time.

Mr. Peters: I would like to ask the hon. member, assuming his suggestion were followed and all decisions and votes of a union—and we will agree that they are very large and complex, particularly in an area such as Sault Ste. Marie—were made public, would it not be only fair that the decisions of the other side also be made public?

• (3:50 p.m.)

Mr. Murphy: That is not my understanding, Mr. Speaker. It was not my intention to require a tabulation of the vote to be made public. At Sault Ste. Marie the vote would take place either in the Memorial Gardens or at the gate, wherever most people could gather. How those people vote and who votes would not be made public necessarily. That would be for the union to say. If the union decides to make the tally public, that is fine. That is the way a board of directors of a company operates.

Mr. F. J. Bigg (Pembina): Mr. Speaker, my first remarks in this debate on the Speech from the Throne will be to compliment the government for its gracious reference to Her Majesty and Her Majesty's forthcoming trip to Manitoba during that province's centennial year in 1970. I notice in the Speech from the Throne that Canada intends to continue to be involved in the United Nations. I commend the government for that. One thing, however, disturbs me. In backing the United Nations, we must become conscious of our place in the whole world picture. The millenium has not yet arrived. We live in a dangerous world and although Canada, like most western nations, looks forward to 1,000 years of peace, no events of the last decade indicate that the millenium is yet here; nor can we hope to see it's arrival in the near future. Let us therefore not become ostrich-like in our approach to the defence of Canada. After all, no purpose is served by talking about the security of the free world or the true welfare of the world in general unless the people of the world are willing to pay the price of freedom. The price is that one must adopt a wide awake attitude, have a strong and stable country at home and be willing, in some cases, to pay the ultimate sacrifice.

I am not one of those who think we can live in a peaceful world where people do not pull their weight in defence matters. It is not good enough to look south of the border for the total defence of North America or the free world. I think the great republic to the south may have been misled at times. Although it is not popular to say so at this time, we owe a great debt of gratitude to the United States. Twice in my lifetime has that nation come to our aid. The aid has been somewhat late, but, nevertheless, they brought us to a victory which was earned at great expense and with the blood of the Armed Forces of the United States. If one must choose between the various types of propaganda emanating from various world centres, let us not listen to that propaganda which speaks only of the destruction of our powerful and friendly neighbour. When I say that our entire defence program should be formed in such a way that it takes into account the great republic to the south, I am sure I speak for the average Canadian.

Some hon. Members: Hear, hear.

Mr. Bigg: We cannot take any cheap shortcut to our own security, anyone who imagines that the United States alone can defend the free world is entertaining an empty and dangerous dream. Anyone thinking of the defence of Canada, therefore, must take a realistic approach to this question. Along with other men of good will I, too, want peace; but I hope we are willing to approach this question realistically. I will say no more on the subject at this time.

The Speech from the Throne mentions that the voting age should be lowered to 18 years. That move, I think, is timely and inevitable. Our young people are becoming more educated; we have television and free education across Canada; and it is no longer reasonable for us to say that a man is not mature before he is 21. At 18 our young people will not have the experience of 21 year olds; nevertheless, if our 18 year olds have studied history, politics and civic matters they will be as capable as most people of making up their minds on political matters. If an 18 year old is mature enough to serve in war, I think he is mature enough to vote in peacetime. I shall support the legislation when it comes before the House. Our young people are marrying younger and earning their own living. It seems preposterous to me that a young married person should not have some say about how taxes and the cost of living are to be regulated. I only hope they bring to the polling booths the maturity we can expect as a result of the new leisure time that has been spent in keeping up with world affairs.

Having said that, I tell hon. members that I am not too happy with the Speech from the Throne, because it does not offer solutions to many pressing national problems. I am not a Harvard graduate in economics, but I believe that a certain amount of inflation is built into our present economic system. I think we all agree that expanding prices are the result of an expanding economy. It is only the "*runaway inflation*" that we are worried about and I am not sure whether the efforts made so far to contain inflation in Canada are adequate. Have we adopted the proper approach in Canada? Our economists and those in charge of fiscal matters have always said, "When there is a depression in the United States there must be one in Canada, and when the economy expands in the United States it must also expand in Canada." I am not sure that this is necessarily true.

Canada is fortunate among the nations of the earth in still having virgin land, enormous natural resources, big rivers of unpolluted waters; vast sources of mineral wealth, oil, and even timber. That being so, I am not at all sure that we are handling inflation the right way. If we were more ready to accept advice from those who have been successful in business, from those who have made a study of the economic problems of the mining or the agricultural industry, we might come to grips with our economic problems in a manner better suited to Canada. I suggest, perhaps, that we are not putting enough of our own, hard-earned money into our own capital investment. On this matter I cannot go along with the NDP which is busy at Winnipeg now. That party is screaming as usual at the United States and dragging red herrings—and I mean red—across the path. It blames the United States for all our problems.

• (4:00 p.m.)

If we need capital investment in this country, there is no reason why it cannot be obtained here. We are one of the richest countries in the world, not only in untamed natural resources but we have a gross national product of $60 billion. There is no reason why Canadians cannot tighten their fiscal belt a little. (We are all over-fed and we certainly over-drink.) If we took a little money and put it into capital investment we could be a bit more like the Japanese. We could obtain our objective, not by cutting wages or lowering the standard of living, but by going back to work with Canadian tools, understanding and monetary self-restraint. When I refer to self-restraint I do not mean cutting back in business, cutting down union hours or holding back union wages. I mean that we should save and invest in our own future.

While I am on the subject, I wish to say it might be very dangerous to put in price and wage controls unless we are certain which sections of the economy will be affected by these controls. It would be fine to have control over those people who have been able to weasel out of the government a 30 per cent raise, but what about the poor devils who did not get a raise? What about the civil servants who are still working for disgraceful wages in a country as rich, prosperous and far-sighted as Canada is supposed to be? It would be a disgrace to peg their wages at present levels and do nothing about the runaway prices of the things they buy.

Some of the people who were screaming about pegging the wages no doubt wanted to have their additional 30 per cent, but leave in the lurch the other fellow who has not got his economy straightened out. We are receiving advice from some people we should listen to the least. This afternoon we heard a very interesting discourse on economics from no less than a doctor of economics at the University of Alberta. He is the type of man who says that members of parliament are overpaid. They would be overpaid if they were in attendance in this house only as often as he! He happens to be a millionaire and he

is not talking for other members of parliament. He is certainly not talking for members of the opposition, as he was reported to be in the Edmonton *Journal* of recent date.

All we ask is that this subject be fully studied. The member for the Northwest Territories (Mr. Orange), who happens to be a member of the government, must use his thumb to get around his riding. This is beneath the dignity of the House of Commons and beneath the dignity of the people of Canada.

Some hon. Members: Hear, hear.

Mr. Bigg: It is time we stopped poking fun at each other across the floor of the House or in the press and set up a committee to iron out this question. This committee could sit whether or not parliament is in session. Let us tell the boys in the press gallery, if they are awake, that we do not get $18,000 unearned income. We get $12,000 of very, very hard-earned income in some cases.

Some hon. Members: Hear, hear.

Mr. Bigg: I would like to see any three men in this country, whether they be economists or otherwise, who on $6,000 a year, can pay for me or the hon. member for Athabasca (Mr. Yewchuk)—the great district which I once represented which has now been increased by some one-third, making it 100,000 square miles—to travel throughout our ridings in a way comparable to that of any commercial traveller selling popcorn or ladies' corsets. I would gladly hand over my $6,000 to them and welcome them to pay my bills. If there is any money left over they can give it to the members of the press gallery, or donate it to the fund for indigent scribes.

I am not going to say how much a good member is worth. I do not think it would be possible to pay for the kind of representation some constituencies are getting. I do not think some members of parliament should draw their pay cheques at all, but they should speak for themselves and not point the finger at other people. They should not say, "you are robbing the poor, unsuspecting taxpayer". If I were a millionaire I would not worry at all. I do not worry particularly now. I would be a member of parliament without remuneration because I love the work, but I do not want my colleagues to tell me I am ranting and raving for a lot of pay I do not earn. I would like to debate that privately or over the Canadian Broadcasting Corporation, if it can be arranged, preferably with the member for Edmonton Strathcona.

Some hon. Members: Hear, hear.

Mr. Bigg: At this time, my riding is two-thirds agriculture and one-third urban. The agricultural problems in northern Alberta are very serious this year. When the Standing Committee on Agriculture travels, I hope it does not go from master farmer to master farmer and return with the idea that everybody has a nice a farming arrangement as Mr. Manning or Mr. Douglas. Apparently being premier of a province helps a man to learn how to farm properly.

Most farmers have to put up with weather conditions, and the weather conditions in northern Alberta at the present time are not a good advertisement for that province. These people are in desperate straits and emergency measures are required.

It is not the government's job to sell wheat or any other agriculture product, but it would not do them any harm to look around to find a salesman or two. With regard to sales of wheat, without being partisan about it, I suggest that some of the men who claim to have sold wheat in earlier times should be offered this employment. If they cannot do it, then they should keep quiet. But they should be sought out and offered the job. I think this wheat can be sold, even in the present, world market conditions.

What research is being done? Wheat can be turned into protein products. There is a great need for protein products in the world, particularly in Asia. We should see whether we can produce the right kind of hog to ship to Asia. It is not necessary to have a grade A hog. The people in China would be satisfied with 800 pound hogs. We could ship frozen hogs to the 700 million people of China.

We are making plans to recognize Red China. It might be a good idea if this recognition were, first of all, on the basis of world understanding, keeping human bellies full an and seeing whether we can put pork into the stomachs of the people who need more food. We can forget about the pork barrel at home and think about pork on the table of the Chinese people. I would agree to recognition of Red China, and every other nation, Asiatic or otherwise, on this basis.

I do not think there has been enough government research into agricultural products. In time of war we know we can sell all the unrefined wheat it is possible to grow to the desperate nations of the world. Let us find a

way to sell agricultural products, whether or not they are turned into protein products, to the nations of the earth. I know it can be done, should be done and must be done. It is not good enough to say that nothing can be done about agriculture. Something that can be done is to give the small farmers of Canada an acreage payment right now. If such a payment were based on the cost of living at the time we established the first acreage payment in 1959, it would have to be doubled today. Even $400 would help a lot. This plan would not involve any administration costs whatsoever because all that would be needed would be a permit book. If the government wants to waste a lot of money on administration, this can be done but it is not necessary.

One or two Acts respecting agriculture on the statute books could be changed. Instead of waiting until the farmer gets his grain in the bin, money could be lent to him according to the acreage he hopes to get into the bin. Why wait until there is a disaster? Why not allow the man a little credit in order to get the stuff out? I know many farmers in northern Alberta would hire a grain drying machine if they had the cash to do so. They are stymied, although a few hundred dollars would make all the difference between going on relief and being able to carry on.

• (4:10 p.m.)

I have seen news in the papers recently which alarms me. It seems we are not consulted any more in Canada; we are told what is going to be done. Some of the things we are told make my hair stand on end. Take this idea that the government should buy up all the unproductive land in Canada. I do not agree with that. What is unproductive land, anyway, and who is going to decide what constitutes unproductive land? This idea sounds like socialism to me and I do not expect it to come from the great Liberal party; I expect it to come from people who admit being devoted to socialism. It might work, though I do not think it would. But be honest about it. Do members opposite want to socialize land in Canada? If they do, let them say so, and let the electorate vote them in if it approves. Let them not do it behind closed doors and let them not socialize certain areas of land and not others.

Whenever I have been able to approve of legislation—and sometimes I have found approval difficult—it is on the basis that all Canadians were being treated alike. This was the principle on which I acted when it came to voting in connection with the old age pension legislation. I do not like the means test. Spell it right in *Hansard*—m-e-a-n test. A means test is always a mean test. If the Government of Canada wants to be generous it can afford to be generous to us all. As far as I am concerned, a millionaire has just as much right to an old age pension as anyone else; he probably worked a lot harder than some of the people who are getting it. In my opinion, a means test is far more unfair and unprofitable than any other piece of legislation on the statute books.

We all want to eliminate poverty as far as possible. In the partisan press we have—and maybe there could be no other kind—writers accusing our leader, the hon. member for Halifax (Mr. Stanfield), of supporting the idea of a guaranteed income. Well, the only guaranteed income I would vote for—and I speak for myself in this regard—is a guaranteed income in return for guaranteed work. I have never been in favour of a guaranteed income in return for no effort, and I would certainly not favour a guaranteed income for those who spend a great deal more time trying to avoid their civic duty than in trying to do something constructive for themselves or their fellow men. To pay a man a just wage for a good day's work is fair, and will always be fair.

I was disappointed to hear some people trying to say that the trade unions are responsible for most of the trouble in Canada today. That is nonsense. If it were not for the unions a great many people would still be in a condition amounting to near slavery. It is the abuse of union power which has been bad and it is our job here in parliament to see that abuses do not go unchallenged, whether committed by management or by the trade unions. It would be a very good thing in my opinion if management were sometimes to act to prevent a strike by introducing reforms which they know to be long overdue. It would be most refreshing, for example, if management were, some day, to call the staff in and say: Well, we have made a handsome profit this year; we have made a profit of $54 million; how much of that do you think is due to you as employees as a reward for your work and as a means of ensuring against strikes for the next few years?

An hon. Member: Fifty-five million.

Mr. Bigg: This kind of thing is done in England, in firms such as Rowntrees and Frys whose very names are household words and

whose products are standards of quality. I have a suspicion that it is not only because they put good chocolate into the candy that they are so successful commercially.

We need more honesty in this country; more honest-to-goodness, straightforward honesty. We need it from all sides of this House. I should like to hear the members of the New Democratic party, for example, tell the unions that they are asking too much. It is most confusing to my farmers out west when they find that the reason they cannot ship their wheat is that some hidebound longshoremen's strike is holding up the movement of grain.

An hon. Member: It is the employers.

Mr. Bigg: It has been the fault of the employers at times, as I am the first to admit. It would certainly put the employers on the spot as far as the farmers are concerned if the longshoremen could tell them why they should have a 30-hour week when those same longshoremen are ready to fight against the making of an acreage payment. It seems that when we hear talk about an acreage payment, we hear only a lone voice from the prairie.

Prairie farmers want me to ask why it is that only the farmer is supposed to get along by competing on the markets of the world while others have their incomes guaranteed. I am sure that when my hon. friend the Leader of the Opposition talks about a guaranteed income he is not only thinking about the unemployed and those now receiving relief, but about everybody in Canada including the fishermen who want a fair price for their catch and the farmer who wants a reasonable return for his farm products.

What is the answer to these questions? It is a very complex one. If we want to improve the wheat sales situation it will mean more research; it will mean putting more salesmen on the road. It may mean digging into the taxpayers' pockets so as to give the farmer, one of the hardest working men in Canada, a fair chance to pay for his children's underwear and keep abreast of his taxes.

Only two-thirds of my constituency Mr. Speaker is agricultural in nature. The people in the urban centres are worried about the ever-increasing cost of living in the cities. The newspapers tell us—indeed, they boast about it—that a young man getting married is able to buy an improved lot for $5,000. I hear one hon. member say "That is cheap". Perhaps it is cheap at present prices. Can anyone tell us how this young man will be able to pay the enormous education and other taxes which ride ever higher with the price of that property? The school board would, no doubt, be delighted if he had to pay twice as much for a lot, because in that case they would have double the amount to spend on certain forms and frills of education.

The easy answer to this problem is to say that education is not a federal matter, so we can close our eyes to it. Like the need to organize rapid transportation systems, it is not considered a federal matter. Even pollution, I understand, is not considered to be a federal responsibility. Is the air polluted above a city? Then, it is not a federal responsibility. If it were polluted over a provincial highway, then I suppose it would be a provincial matter; if it were polluted over the Trans Canada Highway, or over an interprovincial waterway, I presume we would come into the picture.

We had better get together. When we are rehashing our constitution we ought to bring it up to date so that we can straighten out these matters. When we turn to our legal brains we are told, in most instances, what we cannot do. We are told we cannot discuss certain matters, or that we cannot deal with pollution or certain aspects of public health without permission from the provinces.

• (4:20 p.m.)

The federal government tells the provinces that no money is available, so they need not keep asking for assistance. This is why our small farmers are leaving their homesteads. It is why pollution is becoming so bad that hope for saving some rivers is being abandoned. The bottleneck is a human one. There is no river in Canada that cannot be cleaned up if we start now.

I ask the government why they do not institute a crash program to combat pollution. According to an article I read last night, Canada hopes to get around to dealing with pollution by about 1981. My throat is sore at the present moment, not because I have been shouting but because of that stinking pulp mill just across the river. The capital city of Canada should be an example to the whole country in the matter of pollution control, yet if you have had pneumonia within the last five years you just can't live here. We cannot even breathe the air in this chamber without calling for medical attention. I am afraid if we have to wait until 1981 neither I nor Canada will be in a condition to benefit much from pollution control. We must get down to

brass tacks and talk about pollution now and do something real about it immediately.

The people of Canada are getting fed up with our throwing the constitution in the face of the provinces, whether this be in the matter of urban renewal, the unbearable burden of taxation or the cost of education. I say no problem is too hot to handle if only people would have the guts to handle it. If a problem is too hot to handle, then we have plenty of asbestos in Canada, and I suggest we had better order 265 pairs of gloves for the members of the House of Commons.

As I was saying, Mr. Speaker, the people of Canada will not mind paying us $18,000 and will even be glad to pay double as long as they get twice as much effective action for their money.

Mr. Jean R. Roy (Timmins): Mr. Speaker, may I join with my colleagues in congratulating the hon. member for Sarnia (Mr. Cullen) and the hon. member for Lapointe (Mr. Marceau) for their excellent presentations in moving and seconding the Throne Speech.

At the start of last session I decided to make my maiden speech during the debate on the official languages bill. I did so because the bill was of such importance to many people both in my riding and throughout the country, and because it has a very special meaning to me as a Canadian of French extraction, born and living outside of Quebec. Due to some very unfortunate circumstances, this debate was put off until very late in the session, resulting in my maiden speech being long delayed. This session I am going to jump the gun and make my debut with this throne speech debate.

When I came to Ottawa it did not take me very long to realize that if I was properly to represent the people of Timmins riding it would be necessary to find solutions to existing problems. But, more than this, it would be of the utmost importance to project our thinking into the future and to make a concerted effort to make that future better than the past. Standing still, preserving the status quo, is not good enough for our generation and it certainly is not good enough for the young people.

If there has been one clear message to the present day politician it must certainly be the complete dissatisfaction of these young people with our present standards and way of life. The message of the young says: "Get with it, Jack! You have ruined the basic structure of the society that we must inherit from you and further develop for ourselves". They say the basic principles of humanity have been so distorted that that distortion seems to have become acceptable and normal. They say the meaning of life has been so badly forgotten that they seek refuge in things beyond natural life itself, such as drugs. They say morals have been so compromised that it is now difficult to say what is right and what is wrong. What was right is now always wrong, and what was wrong is now nearly always right.

Social, political, economic, human and spiritual values seem to be part of such a jungle, and have become of such concern to the young, that they have in most instances lost the ability to temper the theoretical with reality, to adjust these theories with some measure of pragmatism. The communications gap between generations has opened so wide and has become so irreconcilable that the only solution for many is to wipe out this gap by destroying our present society. "Burn it down" is the new solution for all problems! Our young people want to destroy the society which seeks to eliminate them by subjecting them to the pressures of education, the pressures of social standing, yes, even the pressures of a normal, decent standard of living.

Seeing this frightful scene, Mr. Speaker, I decided last fall to try and communicate with our young people. I have been meeting on a regular basis with university students, high school students and other groups from my riding, and while these young people from Timmins seem to have a greater tolerance and understanding than the majority, they nevertheless are deeply concerned and have expressed great anxiety in regard to a large number of problems.

Since our area is rich in mineral and forest resources, they have great concern for the proper exploitation of these resources. They understand that you can regrow a forest, but they also know that minerals extracted from the ground are never replaced. They believe these minerals belong to our citizens, and they cannot understand why these citizens do not derive greater benefits from this exploitation. They wonder why so many of these minerals are extracted and so little are processed at the source; why so many are exported to other countries and so many of our industries are owned by foreign capital. They fear economic domination will bring political domination.

They ask me about the lack of pollution controls. They want an assurance that when our Texas Gulf smelter is completed it will not cause the terrible type of pollution seen

in the Sudbury area. They cannot understand the continuing increase in prices and incomes, or disparities in earnings across the country which show a tradesman receiving $1.75 per hour in one region and $4.50 an hour in another region for the same amount of work. They want to know why there is a difference of 50 per cent in earnings for the same work in two industries in the same city, why students are refused jobs because they are not union members and yet are refused membership in the unions. This happens not only to students but people in the workforce as well.

Students ask me why they must pay income tax on their small incomes in view of the high cost of education at university, and why education costs are not deductible expenses for their parents. I certainly hope the white paper of the Minister of Finance (Mr. Benson) will indicate some relief in this area will be given.

Our young people are concerned with our sovereignty in our northern waters. Their sense of pride in Canada and in belonging to this land is much deeper than ours and more significant to them. They have left in the past the prejudices and hatreds of long standing. Their minds are kept open to justice and fair play and their hearts to tolerance and understanding. As a result deep feelings of frustration for Viet Nam and Biafra are aroused in them,—yes, for their Quebec compatriots, too. And how about giving our surplus wheat to the hungry nations, they say.

• (4:30 p.m.)

Our students are concerned for their education, its quality and its purpose. They, more than others, realize the continuing waste of time, energy and talents through years of a learning process which lacks so much in purpose and effectiveness. Educational systems, like governments, seem always to be years behind the people they serve, years behind necessary accomplishments, and this, in spite of the great progress we have made, and in spite of the technological developments. We possess the necessary technicians and equipment, but lack a clear understanding of the basic principles and purposes. How many young people are technically competent and yet completely disoriented and ill-equipped to absorb the emotional shocks and moral challenges which everyday life brings.

Our young people ask me about marijuana laws, liquor laws and sex laws. To the older generation, these are the defending bastions of our moral standards; to our youth they are the hypocritical licences of permissiveness for the older generation. We must have failed terribly, Mr. Speaker, in offering our youth so few worthwhile challenges that many have seen fit to turn to drugs, violence, revolution and anarchy for substitutes.

More generally and fundamentally, they want to know where they fit into our society and, if they do fit in, why it is they cannot participate in the establishment of values, in the decisions concerning society and themselves. Surely, we must have the open minds and the flexibility to allow such a large segment of our citizens to participate in the determination of the concepts and structure of our society and all its segments, especially those that concern the young people themselves and their future.

From fear of being misunderstood, Mr. Speaker, let me say I am perfectly aware that what I am doing is simply repeating the identification of problems by our young people. Solutions are much more difficult to find. Nevertheless, I think these problems are doubtly important because our young people are aware of them and deeply concerned and troubled by them. If we are to move in the right direction, develop the proper principles and concept for the just and desired society, legislate the correct laws, implement these laws in the proper fashion, then of course we must look to our young people and listen to their pleas. We must develop some understanding, for it is their future and their legacy we are building.

While our young people are of paramount importance, Mr. Speaker, this is not to be taken as diminishing the importance of all our other citizens. Their problems are in good measure those of all Canadian regions; inflation, many people on fixed incomes, high cost of living and housing, inadequate social security, programs for the needy, the lack of understanding and humanity in so many of our public service departments.

Our pulp and paper industry in the Iroquois Falls-Ansonville area is a prosperous one. Until the Texas Gulf base metal discovery in 1963, gold mining was the most prominent industry in the area. This industry as you are no doubt aware, Mr. Speaker, is a depressed and diminishing one, and indeed exists only because of emergency gold mining assistance provided by the federal government. Gold mines would have to close their doors if this assistance were not available. The irony of this situation is that the industry

is being legislated out of business by government, the price of gold having been pegged at $35 an ounce U.S. since 1934. Since emergency gold mining assistance is due to expire at the end of 1970, my greatest effort in this session will be to influence the government's decision to extend and improve this aid in order to reinforce this industry.

With the discovery of the Texas Gulf base metals deposit, the whole economic picture of our area has now changed. Our economic base has been strengthened, and its stability established. The construction of a smelter next spring with the help of $6½ million in incentives from our regional economic expansion department will again reinforce our economic structure, providing a substantial number of new jobs and acting as a shock absorber to our gold industry. This has changed our residents from pessimists to optimists again, yet many problems still exist and more will appear as a result of the new developments. New employees for the plant will create a serious housing shortage. We are presently looking into this problem. Solutions will have to be found and, of necessity, with this government's help, Mr. Speaker, solutions will be found, not only as a result of the efforts of politicians but also the enthusiasm, initiative and effort of our citizens. Our people are aware that the government cannot solve problems alone, cannot live their lives for them, and so they will accept the challenge. They will meet their responsibilities and they will develop a better Timmins riding for our young people, for all our people, and for Canada. Thank you, Mr. Speaker.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Before recognizing the hon. member for Lambton-Kent (Mr. McCutcheon), pursuant to Standing Order 40 I might inform the house of the questions to be raised on the debate at the time of adjournment. They are as follows: the hon. member for Parry Sound-Muskoka (Mr. Aiken)—pollution, cancellation of forestry research branch; the hon. member for Winnipeg North Centre (Mr. Knowles)—pensions, retired civil servants, inquiry as to increase; the hon. member for High Park (Mr. Deakon)—health and welfare, control of use of pesticides.

ADDRESS DEBATE

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed consideration of the motion of Mr. Jack Cullen for an address to His Excellency, the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Nesbitt.

Mr. Mac T. McCutcheon (Lambton-Kent): At the outset I should like to point out that my participation in this debate will not be lengthy. However, there are a few things I should like to get off my chest.

I am distressed about the way parliament is heading, and I am distressed about the undercurrent of dissatisfaction with Parliament running through so many of the speeches which have been delivered during this throne speech debate. I am particularly concerned about the continuing threat in virtually every government backbencher's speech about change in our procedures. I can share their concern for the way things are going, but the suggested solutions put forward by some of them I submit are not the answers to the problems.

The hon. member for Sarnia (Mr. Cullen) set the tone for this debate and I congratulate him on the able manner in which he carried out his assignment. He is a next door neighbour of mine and a pretty close personal friend. I must say that in his speech he repeated a lot of platitudes, and he particularly stressed making parliament relevant. I know he will not object if I quote what he said, and this appears at page 6 of *Hansard* for October 23, 1969:

> In the various committees of the house, this legislation is reviewed, criticized, amended and reported back to the house. This legislation is being subject to amendment and these amendments are debated.

Isn't that something! If I may quote further from the hon. member's words appearing at the same page of *Hansard*, he said:

> I would like to see debates on important legislation hold the attention of this house, of the various media of publicity and the citizens of our country. I would like to see this House of Commons filled with members during the debating period.

To that, I say amen! No one will argue against this proposition, but I submit it might have been more relevant for us to ask why this situation occurs. I have my own ideas on

this subject which I hope to elaborate upon a little later.

• (4:40 p.m.)

Later on during the debate the hon. member for Hamilton Mountain (Mr. Sullivan) whom I am delighted to see in the House, came up with a blueprint for a new constitution. As I understood his words, he seemed to favour a congressional style government. He even had specific suggestions concerning the division between the executive and the legislative branches of government. It sounded very much like Washington, D.C. being moved here to Ottawa. Now, lest anyone suggest for one moment I am being critical of either of my friends to whom I have referred, let me say at once such is not the case. I know they are concerned, and rightly so, but I submit the answer to the problem lies not in bewailing the fact and offering no solution, as was the case in respect of the hon. member for Sarnia, nor in abandoning our tried, true and proven systems for those of another country. I took from the speech of the hon. member for Hamilton Mountain that that was his suggestion. The congressional system of our neighbours to the south, in my humble opinion, has not been such a howling success that I would be anxious to trade in our model for one of theirs No, Mr. Speaker, the answer is not as drastic as these members would have us believe.

I think the answer can be found much closer to home. All that is required is a little more intestinal fortitude displayed by the backbenchers in this House, particularly the backbenchers on the government side. I will come to that later also. I believe the majority of the new government backbenchers came here with a desire to participate and, even further, a wish to be non-partisan in their approach. After all the new members had every reason to believe that was what they were getting into. They knew their leader had been in different political parties, so they reasoned they could do what they thought should be done. They believed they were not tied. How long did that dream last? It was soon dispelled. Those ideas of being non-partisan, those dreams of statesmanship without party label and those suggestions in the press of forgetting politics and getting on with the nation's business have all been forgotten.

We were told a new era was dawning with the accession to power of a new majority government. The new era was dawning alright, but not the way the new members of parliament had envisioned it. We were told that new emphasis would be placed on the committee system, that committees would be less formal than the committee of the whole used to be and that we would get right down to the facts. We were also told there would be non-partisan examination with the help of experts. I have been a member here since 1963, and this sounded good even to me. Alas, I should have known better, even though the new members could not be expected to. What happened? This quotation, allegedly made by the hon. member for York East (Mr. Otto) when he was writing to his constituents, covers the situation pretty well:

> The government members of the committee have been instructed to make no changes to the bills coming before the committee and to vote exactly as they are told by the government.

This I submit does not square very well with the words of the hon. member for Sarnia who wants to have the House filled, the committees to have a full attendance, everyone to be in his place and everyone set up like chess men. Why? Is there to be an opportunity for debate or are members just to be there to rubber stamp the wishes of a tightly-knit, ever-expanding executive group within the cabinet? The answer to the attendance problem that seems to weigh so heavily on the mind of the member for Sarnia is not to be found in the constitutional change panacea of the member from Hamilton, but in a renewed spirit of intestinal fortitude by government backbenchers who must resist being kicked around by the executive, even though that executive has the prerogative of dispensing favours.

I suggest there never has been a more dismal record of committee reports than those emanating from the last session of parliament.

Some hon. Members: Hear, hear.

Mr. McCutcheon: We might take the public accounts committee as an example. I was a member of that body for some period of time. We found out about the buses that had to have a hole cut in the side to get at the spark plugs. Investigation proved that those were pretty good buses after all, but they required a simple and inexpensive modification. We held innumerable hearings regarding the so-called extravagance of the refit of the *Bonaventure*. We studied the navy's hydrofoil. We learned all about the fire on board and how the costs had escalated just as much and more in building the hydrofoil than they escalated for the Arts Centre. The committee found out what the Auditor General

already knew. But the point is, what good has come of this; in what way have the deliberations of that committee assured the people of Canada that these things will not happen again?

In what way have any loose business practices been tightened up? Was anybody reprimanded for wrongdoing? If anyone was, I never heard of it. In other words, no action nor benefit really came out of the hearings and recommendations of the committee—nothing. I recall a member of that committee saying upon returning from visiting the *Bonaventure* last spring, "I'm sure this time we've got 'em; heads will roll this time". No, he was not a member of the party to which I belong. The only heads I know of that are going to roll probably are those on the *Bonaventure* if she ever puts to sea again. Anyway, we are going to scrap her after spending $14 million.

The public accounts committee probably is not a good example of lack of action on committee recommendations, because all that ever happens really is that there are some newspaper articles on such things as horses on the payroll, highly escalating costs of naval refits and highly escalating costs of world's fairs and centennial arts centres. But that is about as far as it goes. Lack of results, yes, but I suggest all that comes of it is a studied ignoring of this committee by the government.

• (4:50 p.m.)

Up until now at least, the government has not openly directed or dictated the findings of this committee, but I suspect it will not be long now until this is done. What about the Transport Committee report? In that case the poor chairman of the committee allowed a motion recommending the continuation of the "Newfie Bullet"? What happened to that report? More important, what happened to that chairman? Neither one of them lasted long, and the results of the committee recommendation did not last long either.

Do you remember how that report never quite made it to the House? I have no intention of boring you with the details. It is all in the record of last session. You will recall how the matter was referred to the Standing Committee on Privileges and Elections, but how many of you recall the earthshaking decision that that august body handed down? In case you don't I would like to read it to you. It is to be found in *Votes and Proceedings* for February 13, 1969, volume No. 92, at page 695:

> Your committee reports that the reason for the omission—

I am referring to the Newfie Bullet resolution.

> —is that it was never moved and concurred in that the said resolution, adopted by the Standing Committee on Transport and Communications, be part of its Second Report.

How many of you recall how it was impossible for many days for the government to make a statement in the House regarding our future role in NATO? The reason given was, "We cannot do anything until the Defence Committee reports. They are over in Europe now, travelling from base to base. When they get back here to Canada we will make a statement." The hon. member for Vancouver East (Mr. Winch) mentioned this today.

The committee got first-hand information, and when it returned it reported to this House as follows:

> 1. Canada should continue to play an effective role in the preservation of peace through membership in NATO.
>
> 2. Canada should continue to maintain forces in Europe as a contribution to the collective defence arrangements of NATO.
>
> 3. Canada should continue its present roles in Europe until such time as the main items of equipment for its Air Division and Mechanized Brigade require replacement.

Did that report make any impact on government thinking? Not one bit! I quote from *Hansard* of April 18, 1969, page 7724 where the following announcement appears:

> The Canadian government intends, in consultation with Canada's allies, to take steps to bring about a planned and phased reduction of the size of the Canadian Forces in Europe.

According to the hon. member for Vancouver East, that announcement was made within minutes of the arrival home of the Defence Committee. I cannot vouch for the accuracy of that—

Mr. Winch: I can.

Mr. McCutcheon: He is here and he says he can.

There may be some who think that what I have pointed out does not mean much. Maybe it does not, but it meant enough to a certain Liberal Senator because he resigned from the committee. He could not stand it. Do you remember that?

There are those who will disagree with what I am pointing out, and who will say the government has the right to govern. In this I

concur. But having the right to govern and not listening to dissenting opinions are two different things.

I submit that the two or three examples of the ineffectiveness of our committee system that I have given should be sufficient reason to call for a complete re-appraisal of the system. But I predict that instead of that we will be called upon soon to provide for some committee to sit while the House is sitting, to travel from place to place, to hire counsel, and to hire experts to advise it. With a record like our committees have established I, for one, will find it very difficult to agree to any of these requests.

If the committee system is to be continued the power of the committees must be strengthened. Committees as presently constituted are the creatures of the government, under direct supervision and control of the government. Does anyone actually believe that legal counsel hired at, say, $200 a day by these committees is really hired to serve the interests of the Tories, the Socialists or the Creditistes? If you do, then you probably also believe with Charlie Brown in the Great Pumpkin.

No, Mr. Speaker, the answer to attendance and to interest in the goings-on in this place lies in returning some degree of responsibility to the members of the committees and of this House. Ever since I have been here, there has been a steady erosion of the power and rights of the individual member.

I know that the hon members opposite, particularly the new members, will say that my examples of the ineffectiveness of committees are really not relevant. They will say, "If our Liberal party thinks things should be that way, then that's O.K.; that must be right because the cabinet says so. They have given instructions to our committee to do exactly what cabinet wants done. We'll do it and point out to the public that parliament isn't really relevant."

I say to hon. members opposite that if they want this institution to be relevant, as the hon. member for Sarnia suggests, then the authority and the decisions of committees must be strengthened. The private members must say, "No longer will we allow our rights and privileges to be over-ruled by the executive."

If we want the American system of committees, then each party will have to have its own legal counsel and its own expert witnesses. This will not bring an end to the Liberal government's pork-barrelling. It will not end the patronage, but it will cut down the percentage, and at least the Tory, Socialist and Creditiste taxpayers will not be supporting only Grit experts.

Our committee system is nothing more than a joke. The flow is in the wrong direction. Instead of taking opinions from the grassroots to the cabinet, the flow goes the other way. I have offered a couple of examples of what I mean, but in case anyone has any doubt let me close by quoting from the Speech from the Throne:

> The government believes that the time has come to extend the franchise in federal elections and it will therefore recommend to the Standing Committee on Privileges and Elections of the House of Commons that the voting age be lowered to eighteen.

This example clearly shows what I mean about the flow of authority, the flow of recommendations. Gentlemen, it is going in the wrong direction.

• (5:00 p.m.)

Mr. Gerald Richard Cobbe (Portage): Mr. Speaker, I appreciate this opportunity to make a few brief comments about my constituency and its problems, which I feel I have an opportunity and obligation to put before the House. First of all I should like to congratulate the hon. member for Sarnia (Mr. Cullen) and the hon. member for Lapointe (Mr. Marceau) for their contributions to the Address in Reply to the Speech from the Throne. There is always a great deal of controversy about the Speech from the Throne and one wonders where and why it originated. It appears obvious, however, that it was the intention of the government to put forth its program. The job of the government increases tremendously from year to year and it is difficult to set out piece by piece the legislation proposed; therefore, it must be dealt with in generalities. For those who find difficulty in understanding, it is sometimes easier if it is not spelled out in detail, but for those who are sincere in trying to understand the aims of the government for the year ahead it is reasonably simple.

I should like to take this opportunity—my first—to acquaint hon. members with an outline of my constituency because I feel it has certain characteristics which will give some meaning to my later comments. The constituency of Portage in the province of Manitoba is located in the centre, east and west of the province because the province of Manitoba is located almost in the centre of Canada, east

and west. We believe we are the tie between eastern and western Canada and that our position is most important to the economy of the country. For instance, the first monument of the dominion land survey was erected on July 10, 1871, on the principal meridian where the west starts, which is located in my constituency. The Trans-Canada Highway and both the main lines of Canadian National Railways and Canadian Pacific Railway travel through my constituency and the airways travel over it. Therefore, it is almost essential to pass through my constituency when travelling from east to west in this country. The Assiniboine River, a very famous waterway in the early days of transportation, travels right next to the city of Portage la Prairie, which is the largest centre in my constituency and is the city in which I reside.

Strangely enough, when I first came to Ottawa because there was an "e" at the end of my name and my home town was Portage la Prairie, it was automatically concluded that I was of French extraction. My name, constituency and seat number were called out in French. In the early days the French did have a great deal to do with various parts of Manitoba. In fact, Portage la Prairie originated because people travelling by water in that part of the country had to portage the prairie from the Assiniboine River to Lake Manitoba.

To give you an idea of the cosmopolitan make-up of some areas of western Canada, my own constituency consists of 45 per cent British, 13 per cent French, 11 per cent German, 9 per cent Ukrainian, 7 per cent from other European countries and 4 per cent from the Netherlands. This illustrates how much Canada is populated by people from all over the world. As well there are two Indian reserves and 19 Hutterite colonies.

In this area we feel we are capable of looking after ourselves as well as others. In addition to many churches, hospitals, schools, etc., in the constituency of Portage there is the Manitoba School for Mental Retardates, the Manitoba Home for Boys, the Manitoba provincial women's jail, the Manitoba men's jail, the federal government penitentiary of Stoney Mountain and a residence for Indian students, as well as Indian schools. We are capable of looking after ourselves and are only too pleased to have the opportunity of looking after others.

Also very important to our area is a special crop sub-station, a subsidiary of the Morden Experimental Farm, which in the past year has received great praise for their work in establishing new crops. We are also blessed with the Delta water fowl area, one of the best hunting areas in western Canada, where the Delta water fowl research station is located. This was developed through the investment of Americans who vowed to replace every bird taken from our country. It has expanded into a tremendous operation which deals with the problems of raising wildlife and understanding their patterns. During the summer students from all over the United States visit this station to further their studies.

Whilst our climate may not appear attractive to everybody, it does afford a wonderful opportunity to participate in all types of sport, particularly hunting, and we were very proud of having had the opportunity to host part of the Pan-Am baseball games. The basic industry is agriculture, encompassing all kinds of cereal grains, sunflowers and other oil seeds, as well as vegetables and potatoes which are increasing by being sown. Commercial fishing and dairy products have also played a big part in the economy. The establishment of Campbell's Soup in the area has contributed greatly to the increased production of vegetables. Apart from agricultural products our manufacturing complement is very low. However, like many other areas across Canada we look forward to the new program for increasing employment and hope to obtain more industry, particularly of the type concerned with processing our products.

Mr. Speaker, some of the things that must be done to maintain the position of agriculture in our society are of great importance to the people of western Canada. An important one in my estimation is the establishment of a Canadian sales agency. In this regard I think we should seek the involvement of elevator companies who serve the farmers. They are well acquainted with the problems of agriculture and would welcome an opportunity to expand their facilities. In fact, I would suggest that as has been done by other countries, these people should be in a position to establish feed mills abroad which would provide an opportunity for feed grain to be sold in other countries. We should be in a position to provide flour mills so that people requiring flour will use our wheat. The success of some other countries in this venture is evident and I believe we have fallen far behind in efforts to promote our product. It is most essential that a much freer movement of feed grain across our country be established.

• (5:10 p.m.)

We have in our agricultural industry people who are producers, who are businessmen and who know business. They should have the opportunity of showing that this is what they are and they should have the opportunity to sell their products within our country. We have in the past few months been faced with the problem of increased beef prices. We have been criticized for letting beef prices go as high as they have. We have also been critized for beef prices not being high enough. The producer did not benefit nearly as much as one would expect from the prices that resulted.

I feel it is most important that we try to establish some means of stabilizing our meat products. It is not fair that the average producer should be afraid to market his product because tomorrow the price may be much higher. I often wonder what people in other countries around the world think when they want to place an order for Canadian beef. They might want to close an order for delivery three months from now; but what will the price be three months from now? It fluctuates to such an extent that I believe customers find it difficult to feel assured that they will obtain the quality of beef they require at a price they want to pay.

I have some complaints about the methods our beef producers have followed in the past in the raising of suitable cattle. When visiting fairs in my constituency I have seen cattle in the show rings which had so much fat that it was obvious that their producers would not get back the amount they had put in. I have talked to breeders about this and they agree that it is a problem. Only a small percentage of our population performs manual labour. We must remember that at one time the fat on beef was required by people performing manual labour; they needed it. If you follow present trends you will note the amount of fat that people want on their beef and realize that we are raising animals that are not practical.

The problems facing Canadian agriculture today are many and varied and I am sure, Mr. Speaker, that you have heard them spoken of many times in the House. But do you realize that when comparing grain prices with production costs the farmer of 1937 was better off than the farmer of 1969? It is true, in my humble opinion, that we need better public relations between the agricultural industry and the rest of the people in our country, and possibly throughout the world. We see a product on the shelf and complain about its price. Do we really know what the producer has obtained for his product? Would you agree that the producer's 3 to 6 cents a dozen on grade A small eggs is reasonable, when you see the price of eggs in the market place?

People do not have the opportunity to understand the difference between what a producer is paid and what we pay for his product. I feel it is most important that people outside agriculture should have a better understanding of the problems facing the people in the industry. One of the current problems facing people in agriculture—and I hope we can relieve their worries—is that of delivery over-quotas for seed grain. Many farmers in western Canada do not have the opportunity to sell enough grain to pay their taxes, let alone meet their operating expenses. These farmers are very intelligent and know what they ought to sow. If they hope to sow a crop next year they will have to look for different kinds of seed. If they are not in a position to purchase it, the industry will be crippled. I hope the department sees fit to continue its present operation in this regard.

I assure you, Mr. Speaker, that all the people in western Canadian agriculture were happy to learn that the Minister without Portfolio from Saskatoon-Humboldt (Mr. Lang) was given the opportunity to look after the Wheat Board. For too long has the Wheat Board operated under present regulations. It was established some 20 years ago and operated under regulations that were practical then. It is apparent that the regulations the Board works under now are far from satisfactory. Although the people in agriculture are facing hardships, I believe their present troubles will be a distinct advantage. I say that for this reason: never before have so many people been concerned about agricultural problems. I know that this is a difficult way for the people in the industry to get their story across to the rest of the country and to make other people concerned enough so that they will help in the solution of agricultural problems.

The Canadian Grains Council, which was organized last year for the purpose of studying and making recommendations on agricultural problems is, I believe, one vehicle that we shall use to overcome our problems. At its first organizational meeting, 35 different organizations attended, with over 100 people. These people are directly involved in various segments of agriculture.

May I read a couple of paragraphs from a speech by R. C. Brown, vice-president of United Grain Growers Limited, about the Canada Grains Council. He said:

By the very nature of its membership, the Canada Grains Council will have a primary need to adequately communicate within its own ranks and with the public at large. I have been tremendously disturbed by how little Canadians know about the mechanics and economic importance of grain sales. Of all people, grain producers are most in need of information. Comparatively few of them are aware of the separate and distinct roles of Government, the Board of Grain Commissioners, the Canadian Wheat Board and the Agents of the Board in the marketing process.

The need for greatly improved communication however, goes far beyond the forum of the Council and the Canadian public. In the eyes of the customers, actual and potential, the world over, the Canadian grain industry must develop and maintain an image that is bright and attractive. Whatever part price may play in developing market opportunities, quality of product and goodwill must go with it hand in hand. To this end the best communication will be none too good.

That speech refers to my earlier point concerning communication. The problems and benefits of our agriculture must be made known not only to our own people, but to all the world. Moneys spent on research by the federal government in the past have been well spent. It is important that we establish better qualities and grades. It is important that we keep up with the rest of the world, but what have we spent on market research? The answer is 1 per cent. What is the sense of growing or producing something without knowing what our markets will be? It is absolutely ridiculous that people in the agricultural industry should continue to produce, produce and produce without the slightest idea of how, where or if their produce will be sold. It is a distinct responsibility of this government to carry out a complete market research job for the people in the agricultural industry.

• (5:20 p.m.)

Some hon. Members: Hear, Hear.

Mr. Cobbe: The people in our agricultural industry are capable of producing and they are capable of diversification. They have proved this. But what guidelines do they have? How do they know what to diversify to? How are we to know the potential markets around the world? Are we to keep on producing wheat until it is running out of our ears, as it is now, or are we supposed to give these people some type of guideline? There are people in areas adapted to the growing of barley but the producers cannot afford to grow barley. They do not know how much, if any, barley will be used next year or if they will have the opportunity to sell. This is only one of many varieties of crops that people are capable of producing in abundance. When I refer to these areas, I am talking about producing economically.

The cost-price squeeze has always been a term used when talking about agriculture, but the problem has multplied because people are not producing what they are best suited to produce in their areas. These people should be allowed to produce what they can best produce and in the cheapest way so they have an opportunity to stay in the agricultural industry.

If we do not study the problem and come up with an answer, all other segments of agriculture will suffer from our over-abundance of wheat. People will automatically change to raising beef, pork, fowl and feed grain. What will this do to people already in the industry? There is a tremendous possibility even in the oilseed industry that their total market will be destroyed if we do not come up with a control production, if you want to call it that—control to the extent of how we are able to market.

In my area we have the FRED program. This is a cost-sharing program between the federal and provincial governments. I am very impressed with the amount of money that the federal government has chosen to put into this area in order to increase the productivity and standard of living of these people. The program is partially financed by the federal government with the complete organization and project planning of people in our provincial government, but with the understanding that people in the area will be consulted about what they believe are the best programs. I am disturbed that this is not taking place. I am concerned about cost-sharing programs which the federal government enters into without having some say in how the money is to be spent. There are area boards set up in this area, but it appears they are only for the purpose of keeping the people in the area happy. They make recommendations but very seldom are they listened to. To my knowledge these recommendations are never put into effect. I am concerned about this problem. I feel that if we enter into cost-sharing programs in the future we must have a little more say in exactly what takes place.

I have found that many people in my constituency are concerned about the student loans situation. I am happy to see there is

now a bill on the order paper dealing with this subject. The problem they are faced with and which I think deserves some (study) is that there should be consideration given to the number of students that parents have attending universities. At the present time income is the main factor, and income will go only so far when you have three or four children attending university. I hope this question will be considered in the proposed amendments to the act.

In closing my remarks I wish to extend an invitation to all members of the House of Commons—I say this on behalf of all members from the province of Manitoba—to visit our province in the year 1970, our centennial year. This will be one of the biggest celebrations in the history of the province of Manitoba. Extensive plans are being made to host people from across Canada. Many, many events will be taking place and I will make it my duty, as I am sure all other members from the province will make it their duty, to see that you receive a complete calendar of events.

Mr. Dinsdale: We will form a special committee.

Mr. Cobbe: As the hon. member for Brandon-Souris (Mr. Dinsdale) stated, we will form a special committee. I might say that the right hon. member for Prince Albert (Mr. Diefenbaker) spends a considerable amount of time in the province of Manitoba. I am sure for the sole purpose of enjoying our centennial year in 1970 and will, and he will be promoting this program. On behalf of all members from Manitoba, please make a special effort to visit us in that province during our centennial year.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I was interested in a remark made by one of my colleagues indicating that he had listened to and participated in 39 Speeches from the Throne. While I have not been involved to that extent, I have been involved in enough Throne Speeches to notice a great change taking place in our deliberations under the guise of a Throne Speech. When I first came to this House new members were expected to give a travelogue of their riding. I think this was a worth-while purpose because it gave new members the opportunity of making their maiden speech. It was to the advantage of the member and to those who listened to him.

For example, when speaking of my riding I pointed out that we had a number of agricultural problems and I listed them. I made a remark which was factually correct but not really representative; I stated that in my area we produce an amount of cheese equal to the total Canadian export of cheese. Some people assumed that meant we produced all the cheese that was exported. This was not true, because we did not export any; however, we did produce that amount. This was a surprising fact to many members who had been here for years and did not know there was a large agricultural industry in Timiskaming; in fact, one of the best agricultural industries in Ontario.

In the last few days, Mr. Speaker, we have been listening to a different type of speech. The Throne Speech is changing. The Throne Speech probably started to change when the speech was read in the other place. It is a formality. It started with the Leader of the Opposition (Mr. Stanfield), followed by the Prime Minister (Mr. Trudeau). Both these hon. gentlemen referred not only to what was contained in the Speech but also to their own aspirations. The Prime Minister, reading his speech, set a tone which has been followed by many of his hon. friends. This raises a question in my mind. I recall on past occasions being accused of wasting a lot of time during a number of other parliaments in order to accomplish a certain social end which was finally accomplished. People used to call attention to the number of dollars which were lost, as it were, during that filibuster. I was not much impressed, because it seemed to me that if we were not talking, somebody else would be doing so for a purpose which was less worthy. I am sure many hon. members feel the same way about the debate on the Address. However, we should look at this debate in terms of the possibility of modernization.

• (5:30 p.m.)

We have already made changes in the rules and in other parliamentary activities. I am impressed by the number of speakers who have mentioned the committees' changes we have made. They have called attention to the weakness, in fact to the failure, of the committees' system. But they would all agree we have at least examined the structure and been willing to do something about it.

Perhaps we should also take a look at the present procedure. Perhaps we would make it worse, but on the other hand we might make it better. At present it seems to be a hodgepodge. I should be delighted, Mr. Speaker, if you could have the opportunity to give us

half an hour's dissertation setting out your impression of the debate, having been obliged to listen to a great deal of it. It has no continuity; it is not relevant to anything, even to the Speech from the Throne. It covers a multitude of subjects; it is sometimes amusing, sometimes heavy and sometimes really dull; and from your point of view, Mr. Speaker, it must seem very long indeed. As I say, I believe we should take another look at this whole procedure.

Originally it had a purpose in allowing new members to make their maiden speeches. I should like to comment on the last speech we heard. I presume it was a maiden speech and I should like to commend the hon. member who made it. It was probably not the best speech ever made in parliament but it certainly evidenced a great deal of sincerity. The hon. member knew what he was talking about, and his speech was his own. Earlier this afternoon we listened to the speech of another Liberal, the hon. member for Sault Ste. Marie (Mr. Murphy) who gave an address which I am sure was written by the Algoma Steel Corporation board of directors. He could not possibly believe all the tripe he read in that speech. It was like a breath of fresh air to hear the hon. member to whom I referred a few moments ago talk about things with which he was familiar and which he understood.

A few years ago, whenever an hon. member read his speech to the House I made a practice of rising—except, of course, in the case of a maiden speech—to draw the attention of Mr. Speaker to what was happening. I intend to begin doing so again, and Mr. Speaker will have to reach a decision whether to object to the practice of reading speeches or whether to object to my drawing his attention repeatedly to an infringement of our rules, as I intend to do at half-minute intervals if necessary.

It seems to me that in days when speeches are being written by the library staff, by executive secretaries and by outside writers, members of parliament are listening less and less to hon. members to whom they appear to be listening; they are, in fact, listening to the reading of speeches which may have been written by God knows whom. As Your Honour knows, we have a rule which says that members must disclose the authorship of speeches which are read. If they are asked, they must disclose the name of whoever wrote them.

We also have a rule, a very loose rule and one which is not applied strictly in practice, that Mr. Speaker must insist that an hon. member should not read a speech—he may refer to very extensive notes but he should not read the speech in its entirety. I have no objection to an hon. member providing himself with assistance in the development of a speech upon a specific subject. In many cases it makes for a better and more informative speech. But I do object to his reading a speech which someone else has written. If this is to be allowed, why do we not simply make arrangements for such speeches to be tabled, as they are in the United States? A member of one of the legislative chambers there will get up and say: I made a speech in Oregon yesterday and I should like it included in the record. Another member might say: I attended a meeting of a Board of Trade two weeks ago and I should like the speech I made at that time to be included in the record. Indeed, a congressman or a senator might even say: I have a friend who made a pretty good speech in Timbuktu, and I should like it to be included in the record of our proceedings. If this is what we want to do, if we wish merely to compile a record rather than a report of the opinions of members of parliament duly elected, we should establish some system different from the one we are now using.

Despite the opinion I have of certain individual members of this House, I believe that most of those elected to parliament are qualified to represent their constituents and that in most cases they are capable of making a contribution to our work. There are no tombstone candidates here. In fact, I have been very impressed by the calibre of the members who have taken part off-the-cuff in our committee proceedings. To make no bones about it, I have been impressed particularly by some of the backbench Liberals. I have not been so impressed by the way in which they vote, but I have been impressed by their ability while serving on committees. Anything less in the House is detrimental to the conception of democracy.

Mr. Knowles (Winnipeg North Centre): It is the front bench Liberals who bother us.

Mr. Peters: They certainly bother us more than do some of the others. The other day the Prime Minister made a speech in this debate and he read every word of it. It was a lousy speech but it will look very well in print. In my opinion he could have crucified the Leader of the Opposition had he wished to do so, but he did not choose to because he was so impressed by the way the written word was

likely to turn out. He did not take the opportunity to play politics, and I think we lost something.

Look around, Mr. Speaker. At this moment there is not a single minister present in the House. Parliament has got to a stage where it does not mean anything. There is one representative of the press in the gallery. He has been there most of the afternoon and if he writes everything he has heard he will not need to come back for a week. I know that the practice of giving speeches to the Press Gallery before they are delivered in the House results in many more press releases. But it does not impress me. It did not impress me in this case, because the Prime Minister was able to use about $130,000 worth of talent in the writing of that speech. If these men cannot do a good job, the right hon. gentleman can fire them and get another team. It is easy for all those people to write a good speech. As for myself, I am interested in what the Prime Minister thinks. I believe he has something to say. He expresses himself often, and he does it well. I like to see his gestures, because they are expressive of his feelings, as are the distinctive idioms he sometimes uses. In this case, as in others, much that is of value is lost when speeches are read.

I am sorry when an hon. member can see only one side of a question. This afternoon the hon. member for Sault Ste. Marie was talking about a serious strike. He told us that 39 radicals were preventing approximately 4,000 people from going to work. Well, the plant in question covers between six and eight blocks; it has at least a dozen gates, probably six of which are in use. The hon. member tried to tell us that for every 100 workers there was one who stopped them, threatening them and their families with violence. He implied they were out smashing everyone's doors. All this was supposed to be the work of 39 men. Mr. Speaker, we do not need an army; we should just have a guerilla force. If the fact is that the Algoma Steel Corporation did write his speech, then he as a lawyer should be prepared to defend it and to see that something is done about a situation that should not be allowed to continue. If this be the fact, of course, then obviously anarchy must reign in that particular town.

• (5:40 p.m.)

I am not here to defend labour, but I am always interested in any charge that is made that a secret ballot at a union meeting should have been conducted. I have probably conducted more strike votes at union meetings than any member of this house. As president of a local, any time a member of the union took the floor to demand a secret ballot, I saw that a secret ballot was held. I am sure the same situation exists in every responsible union. If the majority of the membership want a secret ballot, then a secret ballot is held; if the majority do not, then the democratic process comes into operation.

I suggest that to raise the old bogey that the union must have the press in attendance and use disinterested parties to conduct votes is tantamount to my saying to the Rotarians that their membership should hold a secret ballot to decide whether or not they should hold a Christmas parade this year. Democracy just does not work this way. Union decisions must be made by the membership. As I say, if members of a union want a secret ballot, they have only to support the proposition. To give any other impression is to be dishonest.

This raises another problem that concerns the news media. Parliament seems to be becoming less important to the press every day, since the only part of our proceedings to be reported is the question period. The question period creates an odd situation from the point of view of the press. If a particular pressman has any initiative, he can write a speculative story, plant the seed of the story in the mind of a member of parliament and the member can lend it authenticity by putting the question in the house. Then the pressman need only write the story again to produce what almost becomes manufactured news. As soon as the question period is over the house is comparatively deserted.

This brings me to another point that bothers me. It is the change that has taken place in our news media during the last few months or so. I do not have much time to watch television except during a recess, but I do find television to be a tremendous waster of time. For example, both the CTV news and the CBC news seem to consist of a series of little dramatizations which deal with events from coast to coast and across the world. There does not seem to be too much follow-up. These dramatizations do not convey a concise message; rather they are a series of disconnected pictures. Although these pictures are very good and these little vignettes are interesting, what bothers me is that they really fail to deal with the subject under discussion.

Not long ago I watched two programs of topical interest, one dealing with Speed, the other totally divorced from that subject—a program about the heavy water plant in Nova

Scotia. The program on Speed left me wondering, as I suspect it left everybody else wondering, why we have allowed some of our young people, for some reason that our sociologists cannot explain to us, to develop for themselves an escape mechanism of which the world has hitherto been ignorant. We all know about hard drugs like opium and heroin. Although opium dens have existed in China for centuries, I have yet to meet a Chinaman who was a real addict. The Chinese buy opium only when they have the money, and then they buy only what they can afford. Although they take a "trip" they are not addicts. They take it once and then leave it alone for the rest of the week.

Other people seem to be unable to do this, and perhaps it is a question of culture. Some people are looking at marijuana in terms of tobacco. Perhaps the tobacco industry is looking at it too, because it is fairly easy to grow. In fact, in some places it is almost a weed. It might be a good substitute for my colleague who does not like tobacco; he might be willing for us to grow marijuana.

Mr. Mather: You don't get lung cancer from it, either.

Mr. Peters: Yes, that is right. This little program that I viewed, and which I understand was seen by most Canadians, showed that we have not done too much experimentation in the matter of Speed. Speed is a drug that is used for staying awake. It helps people like truck drivers and students to concentrate on their work. It is injected into a vein. But according to the program, our hospitals do not know how to treat a person who may be dying of an overdose of Speed, and most hospitals are unable to control its effects. Although this program undoubtedly left about three million Canadians with an understanding of the problem of Speed, we as politicians are not in the least trying to solve that problem. The public is given the impression that Parliament is off in some never-never land, ignoring the problem.

The second program I saw, as I have said, was about the heavy water plant in Nova Scotia. I got the impression that there were a number of honest mistakes made when the plant was built. There was probably a crook involved somewhere, but other people were sincerely trying to find a solution to the problems of Nova Scotia. Unfortunately, they went into the matter with their eyes only half open and without having received proper advice. The people of that province have contributed $100 million toward this plant; yet it is estimated another $50 million is required to make it a success. The alternatives are not very encouraging. The province can give the plant away to somebody in the United States and hope that they can make it a success; they can try and complete the plant themselves, or they can sell it for scrap.

The members of this parliament will have to answer this audience of three million Canadians who saw the program. We will have to tell them that at Chalk River there is a group of people who are capable of deciding whether or not the plant at Glace Bay can be put into production. At the present time we are having to negotiate with Russia for the purchase of heavy water. Surely Canadians have an obligation to help maritimers get themselves out of a difficult position.

The CBC and other networks today are providing the people of Canada with an understanding of the problems facing the country, problems that we in parliament are not prepared to face. Unless we do face these problems the public will become very disillusioned. A few weeks ago I had an opportunity to attend a pseudo-political conference in Timmins held by the Ontario government. In a very broad sense it appeared to me—and I say this kindly—that it was some sort of leadership fight at a time when there was no leadership contest. It developed into a pretty good "beef" session for the people of northern Ontario. About 100 civil servants were in attendance along with many politicians and people from every walk of life. It was a very interesting and very lively three or four days. It will take some time to assess how much wheat and how much chaff will result from this conference and others held in northern Ontario. It was very plain to anyone in attendance that the easiest way to be heard and to gain approval is to oppose Toronto and damn the Ontario government. This raises the other point I want to mention in the few minutes I have left.

• (5:50 p.m.)

We in Northern Ontario are in the same situation as everyone in the northern area of Canada beyond that affluent strip, even though it may be spasmodic in places. I have in mind areas where resources have been removed. In some cases they have been removed to the point that the resources are no longer available. I also have in mind areas where resources are still being developed but where very little processing is taking place. These areas stretch from Newfoundland to

Vancouver Island. This is a vast area which in my opinion must be given consideration.

We have watched with interest the Area Development Agency and the Regional Development Incentive Agency which have tried to solve these problems. It was clear at the conference I attended in northern Ontario that governments will not solve these problems simply by making grants. Governments will have to do much more than that. In attendance at that conference were leaders from every municipality, from a great number of companies and from a substantial part of the mining industry. These people represented almost every interested group in Northern Ontario.

There was no suggestion that the federal or provincial government was not making money available for worth-while projects. The difficulty is that we do not know what is worth-while and we do not have people who know. I should like to make a suggestion. Today the hon. member for Timmins (Mr. Roy) pointed out that the people in Timmins are very happy because they are now going to have a concentrator plant. We are going to spend $6,500,000 in this regard. I am sure they will be happy, but only 20 or 30 people will be employed We are spending $6,500,000 to create employment for 20 or 30 people. Surely this is of only slight importance in view of the number of people who must be kept happy.

I should like to see the government carry out some research, as it should have done in Nova Scotia before it put in the heavy water plant. If we put in a copper rolling-mill at Kirkland Lake, it would be a huge success. We are drawing copper out of the Kidd Mine at Timmins, out of the McIntyre set-up and out of Texas Gulf. We are going down to Swastika to meet the train from Noranda. Noranda is rolling its copper in the city of Toronto. Surely there is no justification for keeping the rolling-mill in the city of Toronto.

A rolling-mill is a huge project which employs mainly hard-working people. This is not a highly technical operation but it is a source of great employment. Some consideration should be given to building government-sponsored plants of this kind. I should like to see several government sponsored plants built. Let me hasten to satisfy those who believe in free enterprise. I do not care whether the government runs these plants or not; I would be happy to let anyone run them who thought he could make a success of them. The government should decide what projects to sponsore in certain areas after looking at the area generally, rather than one town or community in isolation just because an industrial relations officer suggests there should be a plant there. Surely this is not an unrealistic idea.

The other day a sessional paper was tabled which indicated that only one plant has been established since the Regional Development Incentives Agency was created last August or June, I believe. The regulations were passed by order in council on August 6. Since October 20 there have been 131 applications. One has been rejected, and offers have been made in 13 cases. In only one case was the offer accepted.

In my opinion this raises a problem in respect of how much money one should put into this kind of operation. The company concerned was McCain Foods. Many of us had the opportunity of visiting that plant with the Agricultural Committee. It is a very modern and efficient operation. It produces potato chips and other frozen foods. It is so advanced and efficient that a computer is used to run the frozen food operation. This company is building a new plant which will cost $4,100,000. We are going to put up about 25 per cent of the approved capital cost, plus another $5,000 for each job increase. We are providing for 380 jobs at a cost of $5,000 each. In other words, we are going to put up about $2,800,000 out of a total company expenditure of $4,100,000. We will be paying about 70 per cent of the cost, but we will be providing 380 jobs. This is the kind of criteria most of us are interested in using.

In all fairness to the Development Incentives Agency I should point out that when I asked why this money was being provided to a company that was apparently in a position to handle its own development, it was pointed out that it was easier to provide jobs by creating this incentive because without it the company would move into the United States where the products would be sold exclusively in that country.

One of the things we must consider this session is the development of government plants in areas where slow growth is a chronic problem. We must use the expertise of the Department of Industry and other departments in assessing the feasibility of developing plants in various areas. If no one is available to take over these operations, the government will have to get into the field. I hope such a program can be undertaken this

year because it will solve some of the problems that face people who live outside the very affluent, industrial growth areas of Canada.

Mr. Deputy Speaker: It being six o'clock this sitting stands suspended until 8 p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

[*Translation*]

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I should like to open my remarks this evening with a quotation from Mr. John Deutsch, principal of Queen's University. It reads as follows:

[*English*]

In a vast and empty land we Canadians have borrowed technology, know-how, skills and capital from others and have applied these to rich material resources to build a new modern country. It has been successful and much has been accomplished, but, the time has come for a greater contribution from ourselves... If we are to play a more mature and more effective role in building our own future we will have to devote substantially more effort and more resources to research and development.

[*Translation*]

My intervention tonight is meant to inform hon. members and the public at large about what Canada and particularly the federal government is doing. The latter is, by far, putting the largest effort into research and development, especially in the industrial sector. I would also tell or remind my hon. friends of some recent government decisions which clarify its policy. Do hon. members realize that for the year 1968-69, Canada has spent $962 million for scientific research and development?

The universities' contribution thereto amounted to $280 million, of which $109 million came from the federal treasury, and the industries' contribution to $347 million, including $80 million from the federal government. The cost of the work carried out in the government's own facilities came up to $312 million and various other agencies spent $23 million under that heading. Therefore, $514 millions were provided directly by Ottawa for research and development. I wish to say it again: $514 million out of a total of $962 million for the year 1968-69.

If one studies the progression of expenditures in Canada from 1964-65 to 1968-69, one realizes that they went from $561, to $677, to $765, to $898, to $962 million. The federal government's expenditures in that sector for the same period amounted to $277, $336, $368, $452 and $514 million.

This spending may not be sufficient considering the importance of the matter, but it is obvious that there is progress and marked progress.

I might also mention that during 1968-69 the federal government has provided $123 million for projects connected with scientific research, for instance, collection of scientific data, standardization, scholarships to students and researchers.

What are the federal government's objectives in the field of research and development? The first is to encourage university research in order to ensure that Canada will have adequate scientific personnel resources. The efforts in this field have been rewarding since I am told that in the university as well as in the government sectors we have at the present time a sufficient number of researchers. I am not saying qualitatively, as there is always room for improvement, but quantitatively. It is mainly in the industrial sector that progress is necessary.

So, the federal government gives assistance for the training of researchers by way of grants provided by the National Research Council and the Medical Research Council. It is worth noting that, lately, the idea of greater participation in projects carried out by researchers in various fields, is gaining ground. Not only is this idea in fashion, but it is also a worthwhile one.

I would like to mention three examples of this new trend. Memorial University in Newfoundland received $637,000 for the establishment of an ocean sciences centre; the University of Alberta received $400,000 for the construction of a temperature-controlled hothouse; while the University of Montreal was granted $915,000 for a nuclear physics accelerator.

Such is the first objective of our policy: to train researchers who are so badly needed for the economic development and especially the industrial development of our country.

The government also subsidizes research in its own establishments—that is "in-house", or "in housse" as our French cousins would surely say—to help those various departments to discharge their duties.

I could give several examples, but I will restrict myself to the current research carried out by the Department of Energy, Mines and Resources in order to learn more about our water ressources and to improve their management. For that purpose, as you may perhaps know, Parliament has approved an outlay of some $24 million for the construction of the Canada Centre for Inland Waters, a building situated in Burlington near Hamilton where specialized research on pollution is carried out.

The Departments of Agriculture, Fisheries and Forestry as well as National Health and Welfare also carry out specialized research. Their work is not widely publicized and I for one would ask these researchers to try to keep the public better informed. I am aware that they know each other very well, but it would also be desirable to make the rest of the country more conscious of their efforts.

[*English*]

The third objective of the government, besides aid to universities and besides in-house research has to do with research done by Crown corporations or by direct funding when a particular objective is either too large to be undertaken by the private sector, or in the case of problems of national significance, when there are long-range implications and overriding reasons, social or economic, for the government to do so.

I might give just two examples of that. First, in the field of space research, our recent decision to support the Telesat telecommunications satellite. An allocation of $25 million has been made for the government's share of the Telesat development in its initial stage. Virtually all the costs, by the way, will be contracted to industry.

Another example has to do with the protection of our northern environment. As you know, we are all becoming more aware of the sensitive nature of the northern terrain. A decision has been taken to conduct a study of possible destructive influences on the northern environment including forests, tundra and permafrost.

The Department of Indian Affairs and Northern Development has allocated some $3 million for research in various fields to four universities, Alberta, Saskatchewan, Laval and British Columbia, over a ten year period. This is of course only part of the research going on in the Canadian north. I could go on giving examples of federal activity in the field of scientific research and industrial development. Let's have a few more. Through the National Research Council the federal government provides a technical information service. It also provides an industrial engineering advisory service of particular importance to small companies in the less industrialized regions of the country.

• (8:10 p.m.)

It provides support too, in concert with the provinces, for provincial research foundations and councils which perform research and development on a contract basis for small and medium sized companies which cannot afford to have laboratories on their own premises. Five provinces benefit, in varying degrees I must say, from this federal help. One that has benefited most is the Nova Scotia Research Foundation which has been largely financed by the federal government.

Finally, Mr. Speaker, I come to the federal government role in assisting industry. Of course, this is of particular importance to me as Minister of Industry, Trade and Commerce. Everyone is familiar with the names of the research and development programs of my Department. Their names give a good indication of the content of the programs. There is the Industrial Research and Development Incentives Act, referred to as IRDIA. In other agencies, there is the Industrial Research Assistance program, also known as IRAP, and the Defence Industrial Research program. There is the Program for the Advancement of Industrial Technology, referred to as PAIT. There is the Defence Industry Productivity Program, known as DIP. All of these programs, whether they come under my department, the NRC, the Industrial Research Board or the Defence Research Board, made a contribution of $45.2 million last year to research and development in Canadian industry.

This year that amount could reach $72 million. This is a very important contribution to the industrial growth of our country. Some hon. members may ask: What do the public get in return? I wish I had plenty of time to give many examples, Mr. Speaker. Here are a few.

R.C.A. Victor was assisted in part by the PAIT program in successfully developing satellite earth stations for the international market. Sales of the earth stations to date amount to some $21 million, and the total market for such equipment over the next decade is estimated at $450 million. A new device for scanning oilwell log data and translating it into a form suitable for computer processing has been developed under the

same PAIT program. It is anticipated by the company concerned, Riley's Reproduction Limited, that the market will amount to $10 million in the first five years, with a substantial part of it being in export business.

Most people have heard about the PT6 series of gas turbine engines. This popular engine, developed by United Aircraft of Canada Ltd. with DIP support, is used in 45 aircraft manufactured throughout the western world. Sales of this engine have reached a total of $153 million. With the potential future sales this total is expected to reach $600 million. I could continue to give success stories in all parts of Canada. There is one in British Columbia. Gluham Products Ltd. was assisted, by PAIT, in developing a new high-speed glue laminating machine which reduces drying time from 16 hours to 30 minutes. A new $500,000 capital facility is now in successful operation. Many of the glued laminated beams used for the construction of the Canadian Pavilion at Osaka were produced on this machine.

Huntec Ltd. of Toronto—I saw their exhibit recently in Tehran at the Asian Fair—have developed a new mineral prospecting system, again with PAIT assistance. The resultig instrument offers both performance and economic advantages over competitive products. A large part of the sales are expected to be in the export market. The point I am making is that these incentives have contributed substantially to the growth of technology the growth of innovation in Canadian industry. I hope I made my case.

I said I would also refer to a number of recent decisions of the government having to do with research and development. I should first mention the formation of the Department of Communications. This department has a communications research centre which has $10.4 million to spend in 1968-69. I have already reminded the House of the Telesat communications satellite, and I have said that an allocation of $25 million has been made by the government as its share of Telesat's development in its initial stage.

As important is the fact that the government, notwithstanding its efforts to limit expenditures, has authorized that for the coming year, 1970-71, the funds allocated for direct assistance to industry in my department can be increased by 10 per cent. This is with a view to achieving a better balance in the expenditures of the government in the three sectors of the economy, namely, industry, government and university. Our three research and development incentive programs, IRDIA, PAIT and DIP, will contribute some $72.8 million to the estimates for 1970-71 as compared with the latest estimate for this year's expenditure of $54.5 million, a figure to which I have already referred.

As a further indication of the activity in research and development I should mention that the government programs I have named coming under my department and other agencies are being reviewed, and some of them will be changed. One of them, the PAIT program, is going to be broadened, in terms of the wider coverage of the innovation process that will be permitted under the proposed amendments. I shall have something more to say about this in a few days. Attention is being given by the department and the minister to rationalization and specialization, especially in Canadian subsidiaries of American firms. We ask the "parents" to better integrate their Canadian operations within their international or North American complex. I have said that what we expect from them is not mini-plants; we want specialized sections, part of the total structure of these international companies.

We try also to encourage more research and development in smaller, generally Canadian companies. We also promote a more active relationship between university and industry. The general impression that I am trying to give is that we as a government and as a department, are becoming much more practical in allocating money for scientific research than we have been in the past. I am not trying to minimize the importance of pure science; I am just trying to boast the importance of applied science. There is no doubt that in a country like ours with limited financial and human resources, realism is of the essence in matters of scientific research of both government and industry. When I say this I am in very good company, and in this connection I would like to quote Mr. Anthony Wedgewood Benn, the British Minister of Technology.

> We have come to the end of those days when any project, sufficiently big and spectacular, could almost automatically expect to win approval and the funds needed. The lobbyists for glamorous programs of scientific research will in future have to prove their merit against the claims of others seeking to solve more mundane but more pressing problems.

• (8:20 p.m.)

I could quote many other people on the same theme. The Fifth Annual Review of the

Economic Council of Canada, for example, says:

> It is the innovation process—beginning when management decides to move from research and development into engineering and all the succeeding stages—which bring new products, processes and services into use, and contributes to growth.

There seems to be a fairly general mood in Canada in favour of practicalism that I believe is reflected in the direction taken by the federal government's scientific research and development policies.

The third point I would like to touch on very lightly, Mr. Speaker, is the public administration aspect of the question of research and development. Senator Lamontagne has said, "We cannot simply promote and stimulate change in science and technology. We must organize it." Of course, I agree with him entirely.

Here again, major changes are taking place in terms of trying to build up the best means of co-ordinating our efforts. As you know, the science secretariat was established in the Privy Council office to advise the cabinet on science policy matters and to assist the administration in the co-ordination of scientific activities within the government. Subsequently the Science Council was formed as an outside advisory group for the purpose of providing immediate and long-range advice to the government.

Further changes have recently taken place. For instance, the director of the science secretariat has been appointed chief science adviser to the cabinet. The Privy Council Committee on Scientific and Industrial Research has become a standing committee of cabinet which sits weekly and reviews all important new proposals and undertakes major assessments of existing programs.

The question of whether we have the best administrative system for our scientific efforts is often asked. What we really have now, Mr. Speaker, is a combination of decentralization and centralization. We have decentralization in the sense that initiative is left most of the time in the hands of the individual departments and agencies concerned. For example, research on meteorology is initiated by the Department of Transport, who should know best what is needed. At the same time, a certain amount of centralization is obviously necessary. This is why I have mentioned the recently created co-ordination media, for example the appointment of a chief science adviser to the cabinet and the fact that we now have a standing committee of cabinet on scientific matters.

But do we have the best system? I do not know. Different countries have different systems. In England they have a Minister of Technology whose authority has been further expanded recently and now controls virtually all scientific and industrial activities. The United States has a very complex system which could be described as a combination of a decentralized system, such as we have, with co-ordination provided in the office of the President through a scientific adviser. Actually their system is not very different from ours.

It seems to me that the need for a certain centralization and a certain decentralization can be defended. We have here again the possibility of using the old Canadian compromise. I repeat, it is for each country to find its own solutions and the way best suited to administering its scientific research and development having regard to a special internal condition. This is what we are attempting to do in Canada, but we will certainly benefit from the coming reports on the study of the Canadian situation made by OECD and the special committee of the Senate led by Senator Lamontagne. I am awaiting these reports with anxious curiosity.

Mr. Speaker, I hope I have given a fair account of the efforts of the government to improve its research and development policy, to develop proper programs for industrial research and development and to provide the organizational framework necessary for the efficient implementation of these policies.

Mr. Walter C. Carter (St. John's West): Mr. Speaker, at the outset I should like to extend to you my respects and best wishes as we enter this new session of the 28th Parliament. I believe the mover and seconder of the Address in Reply performed their task exceptionally well and I should like to congratulate both hon. members.

I think it is also conventional to congratulate hon. members of this House who since the last sitting have received promotion in their public careers. I offer my best wishes to those of my colleagues on both sides of the House who have been promoted. In particular I think we should congratulate the two new Ministers without Portfolio who in my opinion will serve their country well. Their qualifications are so compelling that to have them in his cabinet the Prime Minister (Mr. Trudeau), a very frugal man, has been willing

to make his cabinet the largest in Canadian history.

Mr. Speaker, during this debate we have heard some very attractive speeches from the members of the government. The Minister of Transport (Mr. Jamieson) and the Prime Minister spoke with a sense of great concern; both verbalized about compassion and understanding among men in public life. It is obvious that Rule 75c has at least given the government the security to indulge in higher aspirations than those of last session. As we all know, our last session was strikingly marked by the petulant, authoritative language of bullies.

The Prime Minister and the mover and seconder of the Address in Reply made very good speeches. Nevertheless, their remarks boiled down to little more than humbug, pure hogwash. I feel that I speak for my colleagues on this side of the House when I say that their utterances do not in the least affect the substance of the Speech from the Throne. We all know that the Speech from the Throne is neither a promise of nor an immediate response to the problems of this country. All the flowery phrases of the Prime Minister and his ministers will not in the least alter that fact.

To underline my lack of confidence in the Speech from the Throne I should like to speak of the challenges and problems facing my province. The preamble to the Speech from the Throne was established in full by the Prime Minister during several of his speeches this summer at Liberal fund-raising dinners. In some ways these occasions have received national audiences. Liberal fund-raising dinners have now become the place where the Prime Minister exhibits his rare and Napoleonic courage.

In establishing his attitude toward the Atlantic provinces and other areas of inadequate economic development, the Prime Minister stated at the Liberal Federation of Canada in Montreal on October 19:

• (8:30 p.m.)

> And when we tackle the problem of Canadian unity from the economic point of view, the problem of having rich provinces, rich areas, help the poor, it is Jean Marchand who looks after that.

I can speak very well for my province. Regretfully, I say that in the matter of regional disparities this wonder boy of the Liberal party, this great saviour of eastern Canada wherein regional disparity is obvious, has paid lip service only to the solution of those serious problems facing the Atlantic region and the especially serious problems facing Newfoundland. In the Speech from the Throne we saw little reference to the terrible curse of regional disparity and the need to assist our fishing industry. Indeed, the Speech from the Throne made only the following reference to the fishing industry of eastern Canada:

> The competitive position of Canadian fisheries must also be strengthened, not only through new licensing and marketing arrangements, but also by extending Canada's exclusive fishing zones.

It is obvious that this government is incapable of grappling with the problems now facing the nation; that it has become completely indifferent to regional poverty and that we can expect nothing but lazy paternalism. I hope the House finds my comments provocative, because the province for which I speak, Newfoundland, desperately needs government help. Newfoundlanders want to become full and productive partners in our confederation. We do not ask for special status, but let the word go out tonight that we demand equal status.

Some hon. Members: Hear, hear.

Mr. Carter: Before the Prime Minister charges another task force to go out and find what are the ills of the nation, I am sure that the needs of Canada's "have not" regions are well known to the government and that it knows about our problems and acknowledges the need for solutions to them. The poor people of this country, whether they are in my province or in the slums of Toronto or Hamilton, will say that the Prime Minister is being phony when he implies that the government does not know enough to obliterate their physical plight.

A few simple statistics, Mr. Speaker, argue the case for much more action for Newfoundland. We have now had Liberal governments for nearly a decade in Canada, and they have all committed themselves to developing the quality of life in my province. But I can inform the House that today we have in Newfoundland one doctor for every 1,590 people, while Canada's average ratio is one doctor for every 833 people.

Today a large percentage of our population earn less than $4,000 a year, which again is far below the national average. Newfoundland has the highest unemployment rate in Canada and less opportunity for our people. Indeed, our unemployment rate is more than one-third greater than the national average, and this rate is increasing. The government

knows these facts and should be able to imagine the physical and spiritual consequences of this state of affairs for the people of Newfoundland and other "have not" provinces.

If the government is concerned about the inequities existing in the "have not" provinces, one cannot detect it in the Speech from the Throne. The Speech from the Throne seems to lay much greater emphasis on the need for constitutional reform and matters of that nature than on the gut, bread and butter issues facing our people today in the "have not" areas. I notice that in the Speech from the Throne our east coast fishing industry which affects, directly and indirectly, almost 20 per cent of my province's people and is of immense value to the economy of eastern Canada, warrants 26 words in a speech of 2,500 words. That indicates, I believe, this government's indifference to solving the problems facing the people of eastern Canada who happen to be engaged in the noble occupation of fishing. I make no apology for my province's dependence to a very large extent on the fishing industry. Our people have fished for generations, and I pray to God that the people of Newfoundland and eastern Canada will be permitted to pursue their occupation and be successful in it. In the light of the government's indifference toward this industry and toward the solution of the problems facing it, I entertain grave doubts on this score.

For example, the Minister of Fisheries (Mr. Davis) was completely indifferent to the plight of those Newfoundland fishermen who prosecuted the Labrador fishery this summer. In a release on this matter on October 23 the minister in effect told these men to go on relief, to go on the dole. That was how the minister answered their plea for assistance. The fishermen who prosecuted the Labrador fishery this summer, at great expense and hazard, had failed. These men expose themselves for a long time to the hazards of the sea, and after toiling for several months they were unable to catch enough fish to keep the bodies and souls of their families together for the coming year. They appealed to the Minister of Fisheries for help. What did he say? He said, "We are very sorry. We realize you have problems; we realize you have worked hard for the past two or three months, but I am afraid that in the circumstances we can offer you nothing more than relief—the dole." That was an utter insult to the fishermen of my province.

I am sure I speak for all Newfoundlanders and all decent and reasonable Canadians when I say that these people are deserving a better treatment from their government. In his release of October 23 the minister said, "To keep your bodies and souls together and to keep you from starving, we have decided to give you the dole, to give you relief." What a magnanimous decision that was by the minister! I hope the Prime Minister is proud of his colleague.

We see all sorts of committees going across the country, spending money and making recommendations that are not accepted. I should like to mention one such committee. On a recent junket to the Atlantic provinces by members of the Standing Committee on Privileges and Elections, 15 or 20 members and a number of clerks, secretaries and what-have-you left Ottawa on a chartered DC-9 and flew to Quebec City, Halifax and Fredericton to meet one person in each province. If this represents economy and austerity, Mr. Speaker, I am afraid I do not understand those words. The committee went to Quebec City and met one person, the returning officer of that province.

• (8:40 p.m.)

The committee then went to Halifax where we met one person from that province, a former returning officer who has not been in the job for the past five years. From there we went to Fredericton where we met the returning officer, who was not quite familiar with the act. Having spent so much money which should have gone into the pockets of the fishermen, we returned to Ottawa with no more information than we had when we left. This is a crime against the Canadian people, and I am opposed to it.

Some hon. Members: Hear, hear.

Mr. Carter: Another example of "government by platitude" took place in the last few weeks in connection with the Minister of Fisheries' (Mr. Davis) so-called ban on the killing of whitecoat seals. I quote a well known journalist from Montreal who has appropriately entitled the article, "It was the Saving of Face for the Minister and not the Saving of Seals". This journalist reported that the ban on the killing of whitecoat seals announced by the Minister of Fisheries might well be a textbook example of power by public opinion.

What has angered the Newfoundland fishermen, and I am sure other fishermen from the Atlantic provinces whose livelihood will be affected by the ban, is that this government

acted upon public sentiment which the minister knew was based on misinformation. The irony of the situation is that in the past three or four years a dozen or so veterinary specialists and representatives of animal welfare organizations from Europe and North America inspected the whitecoat hunt at close range and found it generally to be an acceptably humane and legitimate animal-harvesting operation. The government, at the expense of people who augment their incomes by this industry, is content to listen to the whims of the ladies of the SPCA and others and have taken action that will have an adverse effect on the sealing industry of eastern Canada.

I suggest that with the new regulation which requires sealers to shoot rather than club seals, it is quite possible there will be more dead human bodies on the ice than those of seals. It is not a matter of saving the seals, sir. With regard to the new regulation, I suggest a movement should be started to save the sealers.

Some hon. Members: Hear, hear.

Mr. Carter: The Minister of Fisheries, who has not one iota of knowledge about the sealing industry, should have spoken to people who have had occasion to spend 8, 10 and 12 hours on the ice. He would then know that to give sealers shotguns and rifles with which to shoot seals is tantamount to telling them to go out and shoot their fellow sealers. I hope the minister takes heed of what I am saying. I contend that if this regulation is imposed on the sealing industry there will be very serious accidents on the ice floes next season. This is a stupid, crazy and nonsensical regulation. I am sure most of us can get very emotional when we think of a big, burly six-foot sealer with a club killing whitecoats, but I prefer to see whitecoats killed than Newfoundland and east coast sealers.

Some hon. Members: Hear, hear.

Mr. Carter: The Minister of Fisheries has now become the darling of the international press; therefore, I ask him to reverse his stand on behalf of the baby whitecoats. We all love them. I ask the minister to give serious thought to the inhumane way in which scallops, clams, mussels, and other shellfish are scraped, gouged and torn from the bottom of the sea while they are still alive. I ask him to give serious thought to lobsters being plucked away from their nests and their loved ones at the bottom of the sea and being thrown alive into boiling water. I ask the minister to give very serious thought to that practice because my God, sir, what can be worse than being boiled alive? The poor lobster is plucked from his habitat and plunged into a pot of boiling water while it is still alive.

An hon. Member: Terrible!

Mr. Carter: Lobsters are dragged off in a semi-conscious state, their claws are torn off, their tails are removed and they are then eaten by these terrible people who have no consideration whatever for life.

Some hon. Members: Shame!

Mr. Carter: If it were not so serious, Mr. Speaker, it would be laughable. The fact remains that regulations being imposed on the sealing industry are based upon the whims of a half dozen people who are more concerned with saving the whitecoats than they are with the slaughter that is going on in Biafra. I am the first to agree that we need conservation in the seal harvest, but we must realize that most Canadian and Norwegian shipping companies and seal hunters will continue to harvest seals in international waters simply because the minister has not been able or has not seen fit to reach an international agreement with respect to the seal hunt. The killing of whitecoats has been banned in a certain section but not far away they are being slaughtered by the Norwegian people. This is because the minister has not reached an agreement whereby this slaughter could be prevented.

In view of the regulation which the minister has imposed on the sealing industry, I seriously ask him to find some way to augment the income of fishermen whose incomes will be affected by the new regulation. I contend that the government should find alternative sources of income for the sealers affected by the new regulation. It is all very well for Lady so-and-so in England and Mr. so-and-so in New Brunswick to start a great outcry against the killing of whitecoats, but we must remember that a large segment of the population of eastern Canada depend upon that industy to augment their incomes and to keep body and soul together during the year.

• (8:50 p.m.)

While I am on the subject of fisheries I should like to call the attention of the Minister of Fisheries to the need for immediate action to establish a salt fish marketing board. As some hon. members may know, Newfoundland fishermen engaged in the salt fish industry continue to sell their fish under the

open receipt system. This is a system which encourages exploitation and which would not be acceptable to any other producers in Canada or in North America today. In effect, what happens is that the Newfoundland fishermen cure their fish salt and ship them to exporters who in turn give them an open receipt without any commitment as to price. Then in the fall when the fish is exported, the fish merchants decide upon the amount the fishermen shall receive for their catches. This is the most terrible system one could imagine. It leaves the fishermen open to the worst kind of exploitation by the merchants, the majority of whom have been traditionally noted for their lack of charity and concern for anyone but themselves.

I strongly urge the minister to take the necessary steps to establish a salt fish marketing board in order that the fishermen of eastern Canada may experience a sense of security and know how much they will earn for their summer's toil. What Canadian today, working in industry, on a farm, in an office or with the civil service, would work for three and five months a year without any guarantee being given as to what he will earn? I do not think anyone would do it. I do not know why east coast fishermen should be expected to do it, either. It is most unfair, and the system does not lend itself to the prosecution of this important industry to the best advantage. As I have said, I believe the minister should take immediate steps to establish a salt fish marketing board.

In the light of what has happened this year, especially to the Labrador fishery, I believe it is time the government introduced catch failure insurance for the fishing industry. I feel the fishing economy of the Atlantic provinces needs a sense of security as well as a program which would motivate those engaged in it to prosecute the fisheries to best advantage. I believe the regulations prohibiting the killing of whitecoats and the culling of seals are harmful. I think they will have an adverse effect on the economy of the areas affected. I believe the regulations were passed after complaints from people who did not know what they were talking about. This is borne out by the fact that in recent years a number of scientists and representatives of associations interested in the protection of animals have visited the ice floes without finding anything to complain about in connection with the way seals were being killed. I beg the minister to give serious thought to setting up a salt fish marketing corporation to give our fishermen a sense of security and to create in them a motive for prosecuting this important industry in eastern Canada.

I now turn to housing. I notice that the minister responsible for housing is in the chamber this evening. I contend that the present housing crisis in Canada demands that the government adopt a bold, new approach in the area of housing and urban renewal. For Newfoundland and the other "have not" provinces the situation is compelling. At the present time nothing is being done to assist the average wage-earner in acquiring decent housing. The Speech from the Throne makes reference to the desirability of our citizens being housed in happy and pleasant surroundings. The government has again emphasized its desire to satisfy the needs of low-income families. But it is obvious to all of us that despite this pretence or interest no legislation is, in fact, promised to alleviate the serious housing problems which face Canadians today. In place of concrete proposals or legislation the minister responsible for housing has applied an urban renewal freeze. Instead of undertaking urban renewal schemes in my riding the government has done nothing but make promises and break them. I would mention one urban renewal scheme in my riding where people are not allowed to improve their properties or extend their homes to accommodate larger families because of the requirements of a grandiose plan which is being prepared by the federal government, the provincial government and the municipal government of St. John's.

The Acting Speaker (Mr. Béchard): Order, please. I regret to interrupt the hon. member but his time has expired.

Some hon. Members: Carry on.

The Acting Speaker (Mr. Béchard): Does the House give unanimous consent?

Some hon. Members: Agreed.

Mr. Carter: I thank you, Mr. Speaker, and the other members of the House for allowing me to carry on. I think this matter is so important that it should be debated tonight. Many people are suffering in Canada, in my riding and no doubt in other ridings because of the freeze imposed on urban renewal schemes. In my province, 90 per cent of the wage-earners are earning less than $6,000. These people are too well off to avail themselves of direct government assistance for housing or to qualify for subsidized apartments, but they are not sufficiently well off as

to qualify for a National Housing Act mortgage with which to buy or build a home. We all know that a person earning $6,000 a year cannot qualify for a full NHA mortgage. In effect, the vast majority of Newfoundlanders, and no doubt people in a similar position in other "have not" provinces, are left to their own resources.

These are the people who in a great many instances are condemned to raising their families in substandard conditions and substandard homes. Our housing policy at the moment is simply: share the wealth among the wealthy. In my opinion this is wrong.

The government's anti-inflationary measures are having a ruinous effect on the "have not" provinces, especially Newfoundland. While inflation is present to an alarming extent in such provinces as Ontario, in my province it is a foreign world.

• (9:00 p.m.)

The "have-not" provinces should not be forced to stall their development because of the prosperity of central Canada. I think someone once said that if one member of the family is sick, the other members should not be forced to take the same medicine.

In conclusion, I should like to enumerate certain facts about this government that is threatening Newfoundland's confidence in confederation. Since the government assumed office and introduced the just society and the end of regional disparity, we have seen the cancellation of the winter works program, the removal of the freeze on freight rates in the Atlantic provinces, the discontinuance of the salt rebate to our fishermen and the abandonment of our rail passenger service. With friends like this in Ottawa, Mr. Speaker, we do not need enemies. The government should assume the development of the Atlantic region not as a responsibility to be undertaken some day; it should regard the removal of embarrassing inequalities as an existing and great challenge within the mandate that this country has given it.

Mr. Paul Yewchuk (Athabaska): Mr. Speaker, I also wish to congratulate the two hon. members who moved and seconded the Address in reply to the Speech from the Throne. I appreciate in particular the remarks of the mover. The only thing that concerns me is that he has not followed his own advice. I have not seen him in the house since he urged all other members to attend regularly. I also want to congratulate the new ministers on their appointments. I wish them every success. I would also take the opportunity of congratulating those defeated Liberal candidates on their appointments to other government positions. Since the adjournment in July I have thought particularly of one from my own home town, a deserving man who put a lot of effort into the cause and has been justly rewarded.

My remarks tonight will be about pollution, that particular kind of pollution that is muddying the minds of the youth of this country.

An hon. Member: You mean political pollution.

Mr. Yewchuk: Political pollution is right. I refer to the pollution of the mind by the use of drugs. Nothing specific was mentioned in the Speech from the Throne about this particular topic, but I think it is one of great importance at a time when a vast number of people are promoting the use of drugs such as marijuana, or "pot", Speed, hash and the rest. There has been an extremely active move afoot to convince young people that these are harmless drugs, that the non-medical use of these drugs only improves their minds and is not as harmful as tobacco or alcohol, which most of us enjoy from time to time. I have heard those who promote the use of marijuana say to adults, "You drink your booze and we'll smoke our pot. Why should you have your pleasure and deny us ours when we think ours is less harmful?"

I have with me tonight a little pamphlet that I obtained from the Committee to Legalize Marijuana. This proposition almost seems credible at first glance. According to this pamphlet the research that is outlined in the appendix has shown that the use of marijuana is not addictive; it does not lead to mental or physical deterioration or alter the basic personality structure; neither does it develop an acquired tolerance. The pamphlet does go on to say, however, that its use may result in minor psychological dependency; that it may result in reduced social productivity.

On the other hand, let me cite the statement made by the Alberta Medical Association that short-term or intermittent use of marijuana is unpredictable in effect. They say there have been many documented reactions, including depression, panic reaction, hallucinations and psychotic episodes of anti-motivational syndrome. A report of the John Howard Society indicates there is some evidence that its continued use for a long period of time can lead to lethargy, self-neglect and

failure to look after one's own economic needs in society.

Those who are promoting the use of this drug tell you there is enough evidence to warrant approval of "pot" smoking; that fewer controls are necessary than with tobacco and alcohol. They go on to say that a large number of young people use the drug, knowing from evidence produced by research and from personal experience that it is harmless. I say "Bunk", Mr. Speaker. Not enough evidence has been produced through research. No research is available today to produce conclusive evidence that these are indeed the facts.

As a matter of fact, the evidence presented by the Alberta Medical Association indicates that scientific observation in western countries has not as yet been undertaken in a controlled and scientifically valid manner. Therefore, to contend that marijuana is harmless is absolutely unwarranted. There is definite evidence of its toxicity, and after careful perusal of much of the published evidence by the World Health Organization and other authorities it appears they are of the opinion that the long-term and chronic use of this drug does produce psychic dependence.

Another danger that should be mentioned is that users of "pot" never know what they are really getting when they buy it. They do not know for certain that the substance they are given really is marijuana, or whether it is laced with something entirely different and more dangerous. Often pushers of this drug are extremely anxious to switch users to something much more harmful, such as the hard drug. But in spite of the dangers that exist, it is estimated that about 300,000 young people in our high schools and colleges still succumb to the use of these substances.

In order to enable us to deal with this problem we must try to determine the cause of young people using this drug. Part of the reason may be the massive propaganda campaign now being waged in this country to the effect that it is harmless and good. But that is not the only reason. When talking with a couple of students, having always thought in my own mind that people who used these drugs tended to have emotional problems, I was surprised to hear them say, "No; I smoke it because I like it". This seems to be true, Mr. Speaker; a certain percentage of these individuals do smoke it because of the effect it produces. Users can experience euphoria, elation, hilarity, relaxation and passivity. In many cases they feel that in fact the drug makes them more sociable and socially aware. In many cases they feel that their sensory thresholds to sound and sight are sharpened and they can enjoy art and music with greater intensity. That is one group.

• (9:10 p.m.)

There is another group which involves individuals with emotional problems. This group falls into three broad categories. The first includes individuals who are experience-seekers; they are simply curious and want to give it a try; they want to experiment. Sometimes they are motivated to do this in order to rebel against their elders. Fortunately, this group is only a short-term use group.

The second group are oblivion seekers. These are the individuals with great emotional problems. They find that a drugged state of mind gives them a pleasant respite from all the strains and stresses that life around them produces. When discussing their reasons for using this drug they go into long harangues about all the injustices of our society and all the difficulties they have in trying to compete with present-day society. Often these individuals also show feelings of inadequacy and incompetency and use the drug simply to try to fill in the void that exists in their own minds about their abilities.

There is a third group called the personality-change seekers. This is the most badly affected group because of a basic personality disorder. They are trying to find an easy way to alter that disorder and they turn to drugs. They most commonly use a variety of drugs, always to no avail. They try combinations of stronger and stronger drugs, eventually winding up in a difficult position because their disappointment and frustration increases when they do not feel better.

A number of young drug users take drugs because of certain stresses that society places on them. It is becoming more and more common for young people to believe that they are expected to participate in sexual relations at a younger age than in the past. I think this is true. Society seems to expect our young people to do this. These young people often are not emotionally or physically prepared for this sort of experience and find themselves greatly disappointed after it. They then develop the idea in their minds that there is something wrong with them physically or that they are inadequate. Therefore, they try to

find an easy solution to develop rapid sexual maturity. Of course, this is to no avail.

Some of them blame society for not inspiring them or sufficiently challenging them. Others recognize their own emptiness of character and their flaws and turn to drugs to change that. As I mentioned before, some individuals feel the use of drugs helps them to communicate. Studies of groups of users have been carried out. All that seems to happen is that the smokers describe to each other the feelings that they experience, but in the long run they find their loneliness and other feelings of emotional distress are not resolved. They nevertheless carry on because they receive gratification from the temporary illusion the drug produces.

At one time I had the privilege of living in Vancouver for a year. I have had close association with drug users of various types and I have had the opportunity to witness first-hand the terrible and ravaging destruction of personality incurred by the use of drugs. It is an accepted fact that a large proportion of people using heroin started out using "pot" and progressed to harder drugs in order to get more of the desired effect. There is evidence of this kind of cross-addiction occurring. Many of its users and promoters say that "pot" is less harmful than tobacco or alcohol. I should like to know how many people have progressed from the use of tobacco or alcohol to the use of heroin. I suggest there are not very many. It has been said that 30 per cent to 50 per cent of all young people in our country use "pot", so we should legalize it. There are those who say the penalties are too harsh, so we should legalize its use and bring about less incarceration. That is the kind of philosophy that suggests you throw the baby out with the bathwater.

I should like to reinforce this argument by again referring to the report from the John Howard Society which indicates the actual penalties imposed in Canada on the users of drugs, particularly marijuana. Marijuana, or "pot", is classified as a narcotic and it is an offence to be in possession of it. This is an indictable offence for which a person is liable to 7 years in prison. The fact is that trafficking in a narcotic, or possession for the purpose of trafficking is an offence for which a person is liable to life imprisonment. The importing of "pot" is an indictable offence which carries a minimum sentence of 7 years and possible life imprisonment.

Let me read the statistics as to what is actually being done by the judiciary of our country. In 1967 the disposition of 453 convictions for possession was as follows: there were 242 suspended sentences, 33 suspended sentences and probation supervision, 67 sentenced to under six months in jail, 61 to less than one year, three only sentenced to three years or less than four years, and 47 not stated. In view of this I think the cry that many young people are being given long term prison sentences has no foundation. Only 3 out of 453 were incarcerated for three to four years.

Nevertheless, I am willing to concede that some of the penalties might be too harsh. This is an area at which we should look very seriously in order to bring the legislation more into line with the apparent seriousness of these crimes. I would suggest that less harsh legislation should be enacted, although the harsh legislation that exists is not being applied. Let me challenge those who promote the use and trafficking in "pot" on the basis that its use is not harmful. They do not really know what they are talking about because there is not sufficient evidence from any researcher to indicate without a doubt that its use is harmless in the long run. I conclude my remarks by leaving a message. I should like to associate another slogan with the just society. I say to the youth of Canada, get off the pot.

Mr. Philip G. Givens (York West): Mr. Speaker, I wish to associate myself with all those who have congratulated the mover and seconder of the Address in Reply to the Speech from the Throne. They did their job well. I listened with great interest to the views expressed by my good friend the hon. member for York East (Mr. Otto) and my friend the hon. member for Timiskaming (Mr. Peters) about the questionable value of speeches in this House. I happen to agree with them, but I also have the urge to get on the record. I will succumb to that urge as have other hon. members.

What I wish to place on the record was not contained in the Throne Speech but it deals with a matter I would have included in that Speech had I had anything to do with its preparation.

• (9:20 p.m.)

Our society today is experiencing accelerating change in a world of rapidly shrinking physical dimensions and exploding knowledge; a world of extraordinary technical achievements amidst disturbing social, political and human problems. In short, it is a

world of paradox. The city is at the centre of this paradox. It is a symbol of economic success and a reflection of our inability to use this success to create an environment worthy of man's aspirations. It has brought large numbers of people into closer contact and interaction with each other; yet in spite of the extent and variety of this human interaction, the city is a lonely place for many people. Alienation and isolation appear to be more prevalent in today's urban society than in the largely rural society of earlier years.

In this earlier society much of the energy of people was absorbed in the task of feeding themselves. The city is the result of a large-scale emancipation from this task and growing opportunities for man to turn his efforts and ingenuity to producing a growing array of goods and services to satisfy not only his wants but also his whims. But in today's big cities undernourishment, deprivation and poverty still remain as large-scale problems in the midst of affluence. The modern city is also the result of the development and harnessing of vast new sources of energy which give man powers that would have been unimaginable to the people of earlier times; but this is also leading to rapidly escalating problems of pollution.

The paradox has so many dimensions; the beauty of art and museums barely removed from the ugliness and squalor of slums; the magic of music now so readily and widely available through new technology, surrounded by noise and din accentuated by other advances in technology; the growing opportunities which cities afford for constructive human endeavour, against a background of increasingly destructive crime, violence and delinquency; shorter hours of work and more leisure associated with a more hectic pace of life and frequently with the absorption of a great deal of time and effort in getting to work and back home; the advances in the healing arts in our cities and strain on human beings; the surge of new knowledge from our centres of learning, side by side with bewilderment about how to cope effectively with mounting urban problems.

Perhaps it is because the large city is such a recent phenomenon of civilization that we do not yet know how to cope effectively with the range of problems to which it is giving rise. But it is a phenomenon which is now posing urgent challenges that cannot be ignored. We still have lower densities and more options for alternative future growth patterns of our cities than is the case in some other countries. But our cities are growing with dramatic speed, faster than most cities in the United States and very much faster than those in almost any other industrially advanced nation in the world today.

It is true, of course, that cities, and even quite large cities, existed in the past; but because so much of the total effort of earlier societies had to be spent on the production of food, no ancient city or group of cities contain more than a small fraction of the total population, not even the voters that existed when the Canadian constitution, the British North America Act, was fashioned 100 years ago. Twentieth century technology has permitted the removal of limits. In their impact on urban development, these technological advances have been two-edged. On the one hand, they have facilitated an enormous increase in the productivity of farmers and have thereby permitted growing numbers of people to flow to the cities. So powerful have been these forces of technological advance, acting and interacting with many other forces making for growth and change, that they have introduced possibilities for the development of mammoth agglomerations of people into areas which we do not yet know how to describe. Somehow the term "city" no longer seems to be appropriate for some of the largest of these agglomerations. We have begun to talk about "metropolitan areas" or "conurbation", and in each year that passes there seems to be more certainty, and less speculation, that we are moving inexorably toward future patterns of nearly continuous urban areas hundreds of miles in length, linking many once separate cities together. This we now call a megolopolis.

It is especially difficult for many people to recognize the extent and swiftness of Canada's urban growth. Perhaps this is particularly true of people outside of Canada who look from afar at our huge land area and our relatively small total population; who see Canada as a land of large-scale agricultural activity and rich and widely spread natural resource production; who think of Canada in terms of the historical development of the fur trade, the fisheries, the forests and the open grain fields. These people envy from afar the clear brisk waters of innumerable lakes and rivers, the open sky and, above all, space. Even today when they read about Canada in their newspapers they are still likely to find a heavy concentration of attention on new resource and energy projects in remote locations, on tourist attractions and on other

things that seem to make Canada a very different place from the urban environment in which they themselves live. Even many Canadians still think about Canada in some of these terms. It is true, of course, that we do have a vast natural heritage. But most Canadians now live in another and very different Canada, in crowded and congested cities, and most Canadians now work in other and very different industries and occupations, mainly in the service industries.

This transformation of Canada from a predominantly rural into a highly urbanized country has taken place within the twentieth century, within the living memory of many Canadians. Canada is now, in fact, one of the most highly urbanized countries in the world. Over the past two decades urban population has grown about half again as fast as that of the United States and at around twice the rate of growth experienced in many of the industrial countries of western Europe. A century ago only about one out of every five Canadians lived in a town or city. It was only about four decades ago that our urban population became larger than our rural population. Today almost three-quarters of our population is urban; and our rural population has actually declined over the past 10 or 15 years. By the end of this century it is estimated that nine out of every ten Canadians will live in an urban area.

Moreover, this growth or urban population has been particularly concentrated in the larger urban centres. Almost half of Canada's population today lives in centres of 100,000 population or more. Over recent years the population growth in these centres has been of the order of 350,000 per year. In other words, each year we have been adding the equivalent of a city of about the size of Calgary or two cities the size of metropolitan Victoria to the over-all population of our larger cities. Each year we have been adding a good deal more than a city the size of Halifax or of London, Ontario.

A large part of the growth of cities is, of course, accounted for by natural population increase; that is, the excess of births over deaths. For the smaller cities outside of larger urban agglomerations this, in fact, constitutes the main source of growth. For example, in the 1950's this was practically the only source of growth of cities of less than 30,000 population in Canada. But the growth of the large urban centres reflects net migration as well as natural population growth; migration from other countries as well as migration from rural areas, from villages and towns and even from other smaller cities. From 1951 to 1961 about half the growth of metropolitan areas with a population of over 100,000 was due to net inflows of people. The comparable figure for metropolitan Toronto in this period was 60 per cent.

In its Fourth Annual Review the Economic Council of Canada drew special attention to the particularly rapid growth of Canada's three largest urban centres, Montreal, Toronto and Vancouver. More than one out of every four Canadians lived in these three cities in the mid-1960's and the Council estimated that the relative growth in these centres would continue, so that by 1980 about one out of every three Canadians would be living in these three huge metropolitan areas.

• (9:30 p.m.)

As we enter the 1970s over 5 million people will be living in the metropolitan areas of Toronto and Montreal, that is, about one out of every four Canadians in these two centres alone. It is possible that by the year 2000, when Canada's population may have reached beyond the 35 million mark, nearly one-third of the country's total population could well be found in these two metropolitan areas. In other words, their combined populations could more than double over the next 30 years.

The dramatic scale of Canada's present degree of concentration of population in large urban agglomerations can also be illustrated by the size of metropolitan populations in relation to provincial populations. Today we have 17 metropolitan areas in Canada with populations that are greater than that of Prince Edward Island. Over the past five years Toronto and Montreal have each added about three times the population of Prince Edward Island. Montreal and Toronto are each larger than the four Atlantic provinces put together, and of the ten provinces only Ontario and Quebec have populations exceeding those of Montreal and Toronto.

In spite of the impressive growth of Canada's urban population, especially over the past few decades, there have been strikingly stable features of our cities in the longer run. Perhaps the most outstanding of these is that the broad form of any given city is surprisingly persistent. Bay and King Streets in Toronto, Ste. Catherine in Montreal, Portage and Main in Winnipeg, and Hastings in Vancouver have altered skylines. The nature of the business performed along such streets has changed in many ways, but they are still at

the centre and the expanded metropolitan areas have grown out from these centres.

The interplay of economic and social forces has shifted people, organizations and activities from one area of the city to another. But the relatively high value of land and capital near the heart of the city at any point in time makes any large scale abandonment of the city centre virtually impossible. New needs, new technologies and restless human energies have imposed new structures on old locations.

Population pressures have far outgrown the original boundaries. The large metropolitan area of today is essentially an over-lay on the earlier city—in a sense a counterpart, but moving at a greatly accelerated pace—of the ancient cities and towns which were built layer upon layer on the actual physical remains of earlier settlements. The buildings of the modern city no longer crumble into dust; we tear them down and rebuild speedily on their old locations.

The sheer physical task of building our cities for the future is immense. Our larger cities will more than double by the year 2000. This implies that in addition to the replacement and rehabilitation of existing structures we will need to add in these cities about as large a volume of new structures as already now exist in them.

Another paradox about the city is that although it possesses certain stable features it has also become the dynamic frontier of growth and change. For Canadians, whose history has been dominated by the pushing back of land and natural resource frontiers across an immense continent, the concept of the city as a frontier is perhaps still so new as to be difficult to fully comprehend. Yet over the past two decades our cities have not only accounted for almost all of our population growth; they have accounted for a growing proportion of our total output and income.

Employment and output in our primary industries—agriculture, forestry, fishing and mining—have declined relatively and these industries now account for less than 10 per cent of total employment and output in Canada. The most rapidly growing edges in our economy are to be found in our cities. Here is where we are now pushing back new frontiers and moving into unsettled areas—not so much frontiers of territory as frontiers of technology.

Given our vast geography and our rich endowment of natural resources there will always be challenges in this country for those who would seek adventure on our physical frontiers, especially in the north. But the pioneers of today are to be found mainly on the frontiers of discovering, developing and making effective use of our human resources rather than our physical resources. It is in our cities, in which our human resources are so heavily concentrated, that the challenges are perhaps now the greatest; the challenges to the adventurous, the imaginative, the innovative, to seek new opportunities, to meet new needs and to cope with new problems.

As we look to the future it will be in our cities, and especially in our larger cities that most of the growth will take place. Many powerful forces are working in this direction—rising levels of education and skills, increased economies of scale and specialization, advancing technology and knowledge and growing relative demand for services. Moreover, the processes of increased concentration of economic activities and population in the larger urban centres have tended to become self-sustaining. In other words, one of the most potent effects of large urban agglomeration is that it is apparently everywhere tending to encourage still greater agglomeration. The city has always been the focal point for service activities; for commerce and distribution, for banking and finance, for government and education and medical services, for entertainment and cultural activities, for business and personal services. Thus the relative growth in these service industries has acted as a powerful spur to urban growth.

Over the past quarter century employment in the service industries in Canada has surged forward at a tremendous pace, from 40 per cent of all employment at the end of the second world war to about 60 per cent. Indeed, Canada has one of the most heavily service-oriented economies in the world today. Rapid growth and change in our large urban areas are raising rapidly escalating social, economic, political and technological problems. The Economic Council of Canada drew attention to some of these problems in its Fourth Annual Review in the following terms:

> —There has long been widespread concern about the mounting deficiencies of our cities and the heavy backlogs of essential improvements. Shortages and inadequacy of urban housing, traffic and transport problems, air and water pollution, the confused jumble of conflicting land uses, decaying neighbourhoods and monotonous suburbs, urban poverty and social disturbance, steadily rising property tax burdens and the frustrations of municipal administration—these are familiar problems to the average Canadian city dweller today.

Our capacities for dealing with these problems are being tested to the limit. They are posing difficult dilemmas for many of our institutions, not least for municipal governments which were not originally structured to serve such large, swiftly growing and dynamically changing organisms as our modern large cities. Local government structures, powers, administration and areas of jurisdiction need to be modernized to cope with new needs and problems. The complexity of these needs and problems demands a substantial broadening and upgrading in the quality of manpower resources available to such governments for planning and policy purposes.

The widening gap which has emerged between the responsibilities and the revenues of the larger cities must be narrowed either by shifting more responsibilities to higher levels of government or by shifting more financial resources to municipal governments. No matter how this is accomplished, it has become increasingly evident that the scale and importance of the activities of municipal governments must be taken more explicitly into account within a comprehensive fiscal planning framework covering all levels of government.

The latter can perhaps be most effectively done within the context of the revived and strengthened Tax Structure Committee which was discussed at last December's Federal-Provincial Conference of finance ministers and provincial treasurers. This committee, if its work is to be relevant to the real needs of our modern society, must not limit itself merely to federal-provincial tax issues; it must also encompass expenditure issues and explicitly take account of municipal as well as federal and provincial financial issues. In addition, while many of us might well have instinctive reservations about the creation of new institutions, I believe it has become increasingly clear that there is a serious gap in our existing institutional framework in the field of urban affairs—a vacuum that is not being properly filled by any existing institutional machinery.

Given the fact that our urban problems are now nation-wide problems, the time has arrived to consider seriously the establishment of some form of national council on urban affairs—perhaps along the lines proposed at the Federal-Provincial Conference in December, 1967—for the purposes of gathering and disseminating information in the urban field, undertaking needed analysis on a wide range of problems that are common to all of our major cities, focusing attention on the efficient provision of high quality local services that the people of today's cities demand and expect, and helping to lay a basis for much needed advances in our understanding of the urban frontier on which so many of us now live. I would also respectfully suggest that it is high time we established a parliamentary standing committee on environmental, housing and urban affairs. These two ideas I believe to be mutually compatible, consistent and complementary.

• (9:40 p.m.)

The problems of our large cities are no longer merely municipal or local problems. The Canadians whom our provincial and federal governments serve are now predominantly urban Canadians. The national goals of high employment, high growth, stable prices, viable international payments balance and the equitable distribution of rising incomes must now be primarily accomplished within our cities.

As our society has developed and changed it has become increasingly shaped by both the opportunities and the constraints of city life. In this process—especially when this process has been greatly speeded up and compressed, as has been the case in Canada—there are dangers that the new freedoms and wider choices, the cultural and social amenities which urban life can make possible, especially when they are accompanied by impressive advances in material wealth and income, may be undermined and frustrated by impersonal forces that have little regard to man as an individual. For example, the automobile in the large modern city is threatening to become man's master rather than his servant.

As we look to the future development of our cities there is, I believe, a need to put man more consciously and consistently into the centre of the picture. Cities should be for people, not the other way around. To the extent that cities are unique, the physical and environmental problems vary from city to city and the priorities of public and private action will also necessarily be different. But man is the raison d'être of cities and his problems are strikingly similar, city to city right across Canada.

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, by unanimous consent I move, seconded by Mr. Andras—

Mr. Deputy Speaker: Is there unanimous consent for the minister to revert to motions?

Some hon. Members: Agreed.

Mr. Davis moved:

That notwithstanding section (4) of Standing Order 38, at 2 o'clock p.m., Friday, October 31, 1969, the question on any amendment or amendments to the motion for an Address in Reply to His Excellency's speech shall be put forthwith.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, it is correct that this had been agreed to, but at the risk of stating the obvious I hope it is understood that after the vote is taken the debate resumes for the rest of the afternoon. I would not want anyone to think that when we vote, we go home.

Motion agreed to.

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I should like to start by congratulating the hon. member for York West (Mr. Givens) on his very enlightening remarks. As a member of the opposition and a backbencher occupying a seat almost directly opposite the hon. member, it has always amazed me that a man of his ability has been forgotten by his party for so long. He has my deep sympathy for the circumstances facing him and many other backbenchers in that party. I think the hon. member for York West made an excellent speech and I should like to commend him for his efforts.

Yesterday, Mr. Speaker, members in this House from the old sod back east, Newfoundland, the rock of the east coast, were paid the greatest compliment they have received since becoming part of Canada. I suppose in the general sense that we came to Ottawa with the Minister of Transport (Mr. Jamieson), who is also from the rock—

Some hon. Members: He forgets it.

Mr. Lundrigan: Some people forget it and he forgets it, too. But I think we were paid the greatest compliment when he said we were working hard for the fishermen of Newfoundland by coming here demanding things for them. Although he criticized us for doing this, I think we should regard it as a compliment and be very proud of ourselves. An hon. member said a moment ago that the Minister of Transport forgets where he comes from. Perhaps this is a good thing for him because fish do smell and Newfoundland is not the most affluent part of Canada; as a matter of fact, it is the most backward part. If a person really wants to come to Ottawa and central Canada and "make it" in the affluence here and the affluence of the Liberal cabinet, you cannot blame him for disowning the old rock of eastern Canada that is being washed by the heavy seas of the Atlantic ocean.

In many ways it is a disadvantage to profess knowledge of an area so backward, but perhaps we should forgive and forget. Without being sarcastic, it was quite a disappointment yesterday to hear a member for Newfoundland, who was successful in the last election by the skin of his teeth, try to disown other members from that province because they were fighting so hard for the fishermen of Atlantic Canada. It was quite a joke, quite a laugh. He referred to us as the type of people who would have been looking for a subsidy for the rocks in the basket used by John Cabot. We would have been looking for a subsidy for the rocks and the fish at that time, because it was then that the discrimination began against the fishermen of Newfoundland, and it has been continued by many governments ever since.

I wonder if anyone has ever told the people of Canada the story about the fishermen of Newfoundland, Nova Scotia, Prince Edward Island, New Brunswick and other places. The prices being paid to them today are basically the same prices that were paid 20 years ago. The fish you buy in the supermarket for 79 cents a pound is sold for 18 cents a pound in Newfoundland. Did anyone ever tell parliament that the fresh cod which people buy for 75 cents, 85 cents or $1 a pound is sold for three cents by Atlantic fishermen? We Newfoundland members are ashamed of this. We are supposed to be satisfied with the salt rebate of $300,000 out of $12 billion taken away from the fishermen of Atlantic Canada. We are supposed to be satisfied, too, with the amendment to the Fisheries Improvements Loans Act passed a few months ago. Eighteen loans have been made since that act was passed back in the 1950s, for a total of $23,000.

• (9:50 p.m.)

We are supposed to be satisfied because the Government of Canada purchased 7 million pounds of fish and sent it to Biafra. Did anybody tell the people of Canada how the fish was purchased and why it was so cheap? Has anyone told our people that the government of this country authorized merchants in Atlantic Canada to haggle with the fishermen and offer them the lowest possible price? The government, the Secretary of State for External Affairs (Mr. Sharp) and the Minister of

Fisheries and Forestry (Mr. Davis) could then say that Canada is a benevolent nation because we sent fish to Biafra. The people of Newfoundland sent that fish to Biafra, and not the Government of Canada.

We have in Labrador about 1,863 fishermen. Of these, 263 are classified as floaters; they are people who go out in schooners and longliners and fish off Labrador. They salt cod on the boats. About 1,500 people are classified as livyers; they live on the Labrador coast, salt their fish ashore and go home in the fall. For the first time since John Cabot, these 1,800 fishermen failed completely. They had catches of 150 quintals of fish in previous years, and last year they had catches of 5 quintals. The fishermen of Newfoudland asked for some sort of disaster fund to be set up, but we are supposed to be satisfied with the dole, and with the welfare and Canada Assistance programs that come so benevolently from Ottawa. What did the Minister of Fisheries say to our fellow fisherment? He said, "Eat cake. Go on the dole."

We are supposed to be satisfied that the Minister of Transport, a Newfoundlander, represents us in the cabinet at the benevolent city of Ottawa. We Newfoundland members do not apologize for the efforts we make in this House on behalf of the people of Newfoundland. We do not apologize to the people of Toronto, central Canada or other parts of Canada for our efforts on behalf of the east coast people. The hon. member for St. John's West (Mr. Carter) did not apologize for referring to the open receipt, under which our fishermen are paid once a year. How many hon. members would like to be paid once a year? I have heard that there are places in China where people are paid once a year. They are also doing that in Newfoundland with our fishermen. They fish all year and bring in their catches, and finally some benevolent merchant comes along and says, "I will give you 3 cents, or 5 cents, a pound for your fish."

We make no apologies for criticizing the way our country is going. Carpenters in Newfoundland are making $1.50 an hour and carpenters a few miles south of us get $7.50. Where is the justice in that? Our cost of living is the highest in the country. Surely hon. members know that in St. John's we have the highest cost of living in Canada. Our food costs are 6 per cent above those of other, major Canadian cities. For meat, poultry and dairy products we pay as much as 33 per cent more than the pay in Halifax which is only a gunshot away, to use an old Newfoundland expression. We pay $300 or $400 more for a car because it costs about $200 to transport a car to Newfoundland. In this day when we are sending men to the moon and when the Minister of Communications (Mr. Kierans) is to launch a multi-million dollar satellite, many of our people do not have even a telephone. Many of our young people drop out before they reach high school. Many of them will live their lives in one of the great nations of the world and will hardly know how to read or write. It was estimated in 1966 that only 27 per cent of our young children who start in kindergarten will eventually finish grade 11. So I make no apologies for pleading for my province.

We have the greatest fishing resources of any country in the world. Last year, off the Hamilton international banks where our Labrador fishermen failed, one billion pounds of fish was taken by foreign vessels. There was a ratio of 80 to 1 as between the catches of Russian, Norwegian, Portuguese and Spanish boats and our own. But here in Canada we sit on our bottoms while other nations rape our resources. We have great mineral resources and a great people. Even the people of British Columbia are living in comparative affluence at this time. How long must our people stand by before this government is willing to recognize what is happening on our east coast?

Since I wish to continue my remarks another day, may I call it ten o'clock, Mr. Speaker.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

POLLUTION—CANCELLATION OF FORESTRY RESEARCH BRANCH PROJECT

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, the question I raised earlier today concerns a very laudable project started by the Forestry Department in 1967. Its objectives were to find alternatives to the present toxic and poisonous insecticidal control of pests. The possibility of using non-toxic plant extracts which mimic the action of insect hormones was to be investigated. In other words, pest control by methods other than chemical sprays was to be researched. In the context of present proposals to ban the use of DDT and other chemical sprays, this was and is an urgent and timely effort.

One of the scientists selected to do the work on insect hormones was Dr. A. Mansingh, who was then employed with the United States Army Laboratories in Massachusetts. Dr. Mansingh was a native of India who had originally come to Canada and wanted to return here. He accepted an appointment from the Public Service Commission early in 1967 as a research chemist in insect physiology. He is apparently well qualified in his field and had two other excellent offers in Canada at that time, which he turned down. He did so in order to come back and engage in what he thought was an important national project.

Dr. Mansingh worked in the systems biology group at Victoria, B.C. His research involved the screening of extracts of Canadian forest trees for hormone mimicking action, the studying of their biochemical effects on the growth, development, reproduction and survival of insects and the feasibility of their field application. This work was started in co-operation with Dr. V. Hach, the senior research chemist of the MacMillan Bloedel Limited research and development department, who provided extracts from the wood and bark of several types of forest trees. The insect hormone research project was transferred to Sault Ste. Marie, Ontario, and Dr. Mansingh was scheduled to be transferred to Sault Ste. Marie on August 19 of this year.

• (10:00 p.m.)

Two hours before his departure for Sault Ste. Marie, Dr. Mansingh was informed by his associate director in Victoria that his position had become redundant, and he is being laid off effective November 19, 1969. The reason for this lay-off was outlined in a letter received by Dr. Mansingh dated August 19 which reads as follows:

> The severe budget restriction to the Public Service, which will hold our departmental budget for the fiscal year 1970-71 at the 1969-70 level, has resulted in the curtailment of certain research programs within our branch. The hormone program at the Insect Pathology Research Institute, Sault Ste. Marie, is one program that has been cancelled. Your transfer to Sault Ste. Marie was dependent on your assignment to this work. As a result of this decision to cancel the program, your position is now considered redundant. In keeping with ministerial instructions, this will confirm that your lay-off will take effect three months from today, i.e. November 19, 1969.

I am advised, Mr. Speaker, that the Professional Institute of the Public Service appealed unsuccessfully to the Treasury Board and that Dr. Mansingh presented a grievance under the Public Service Staff Relations Act which was also unsuccessful. Accepting the fact that the public service has been allowed to grow beyond reasonable proportions, surely some reason and moderation should be used in reducing it, and the factors involved made known to those who are laid off.

The following questions arise which I wish to pose to the minister. First, why was a project of this nature dropped at a time when it seemed to become very important? Second, what guidelines have been established for laying off employees as a result of budgetary restrictions? I am told that in spite of the promise made by the Prime Minister (Mr. Trudeau) there have been no consultations with staff associations on the subject of layoffs. Third, is the job being considered the most important part of the layoff or is it the seniority of the man in the service? Four, is the government aware of the terribly low morale now existing in the public service, particularly in the professional field?

My fifth question is, since many people accept public service positions in preference to industrial and commercial positions only because of the security of tenure, how does the government hope to maintain an interested professional public service in the face of indiscriminate firings that are now taking place? Finally, if the insect pathology research has no value at this time or if Dr. Mansingh was incompetent, neither of which seems to be the case, I ask the minister to spell out exactly why the project was cancelled and this scientist laid off.

That outlines the grievance I have, Mr. Speaker. It may be the matter is not within the minister's knowledge. My intention this morning was merely to ask him to look into the matter. I hope the minister will now be able to at least satisfy these specific questions. If he can do anything to lay down the guidelines under which people are being fired, it will be very helpful to those in the public service.

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, I wish to thank the hon. member for Parry Sound-Muskoka (Mr. Aiken) for giving me the opportunity to say a word about our priorities and the manner in which individual research programs are assessed. In the Forestry Service priorities for research are determined in close consultation with industry, with the provinces and with the universities. In this particular case the over-all program is administered, or certainly, priorities are determined, by a joint advisory board.

The hon. member asked several questions. He asked why the project had been dropped. The project had been in progress for some years inspired by Dr. Wellington, a much more senior gentleman who left the federal forest service last year and went to work for the University of Toronto. In other words, the project was leaderless. This was one of the main reasons it was dropped. It was dropped, also, because it was rated by this joint committee of representatives of industry and the other interests concerned as being at the bottom of a very long list.

In our economy moves involving capital expenditure we are reducing the effort by something of the order of 5 per cent only. We are not dropping every project. We are certainly not dropping any of the projects which were at the head of the list. The hon. member asked whether this was the most important project, or whether it had seniority. Essentially we were engaged in an assessment of projects and once this project was adjudged to be at the bottom of the list, substantially without direction, without guidance from the man who began it and guided it for a number of years, it was considered one of the least desirable.

The hon. member mentioned morale. The pay in the service today is comparable with the pay anywhere in industry. An individual who leaves the federal forest service today and goes to work in a university or in industry does suffer some dislocation. But there are plenty of opportunities for young Dr. Mansingh who was employed for the first time by the service in 1967 and whose job came to an end this summer. He will not be leaving the service until January 31. I understand he is very competent and that there are plenty of opportunities for him to obtain suitable employment elsewhere.

PENSIONS—RETIRED CIVIL SERVANTS—INQUIRY AS TO INCREASE

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, on Tuesday, October 28, as reported in *Hansard* at page 160, I addressed a question to the President of the Treasury Board (Mr. Drury) as follows:

> Last Wednesday when I asked the Prime Minister a question about certain pensions, including the pensions of retired civil servants, he suggested to me that I should wait until I had seen the Speech from the Throne. Since there is nothing in the Speech from the Throne about pensions for retired civil servants, may I ask the President of the Treasury Board whether the government will soon be in a position to announce an increase in these pensions?

The reply of the President of the Treasury board was as follows:

> Mr. Speaker, I would hope that in the not-too-distant future it will be possible as a consequence of the progress in the general review to make a statement in respect of the pensions of superannuates.

There followed a supplementary question and a further answer which left us just about where we were. So here we are again tonight, the President of the Treasury Board and I, discussing one of our favourite subjects—one of mine in any case. I imagine that he and others probably feel like saying to me: Do we have to do this all over again? have we not had enough questions and late shows and debates and arguments about the pensions of retired civil servants? I wish there was no need to carry it on. I wish the matter could be settled. I wish these people could get their place in the just society and that we could turn to other matters. However, I am afraid it is true that if we did not keep up the battle for these people, they would soon be forgotten. So tonight I appeal again to the President of the Treasury Board in the calm and sober quiet of this adjournment period to give us an assurance that something will soon be done to increase the pensions of our federal superannuates, including all those who are covered by that term.

• (10:10 p.m.)

With the passing of time many of these people who believed that something would be done to improve their position have passed on. As a matter of fact, the rate of deaths among retired civil servants is about 1,500 a year. That means that 2,000 of them have died since the election in June, 1968, and 3,250 have died since May 8, 1967, the date when a report was tabled in parliament urging that something be done to increase their pensions forthwith. The minister knows what was in that report. He probably knows its contents every well now because he has told us a good many times that the matter is being studied.

May I put my appeal to him tonight in these terms. I know that sooner or later something is going to be done; this issue cannot be left unresolved forever. Indeed, I for one will not let it. Some day the question of dealing with these and other pensions by escalating them after retirement is going to be an accepted principle, something that is going to be put into general practice.

I confidently believe that one of the places where this practice will get started as far as

the federal government is concerned is with its own retired employees. I am talking now about something more than just a 2 per cent cost of living bonus such as is added to the old age security pension and the Canadian Pension Plan benefit. I am talking about the basic principle of escalating pensions, a principle that we will have to adopt, I believe, across the board.

Because I believe that action is going to be taken some day—indeed, I believe that something may be done during this very session—why not take some interim action on behalf of these people now? To tell these people that they must wait until this grand review of social welfare and social security has taken place is condemning a few more hundred or so of them to die without seeing an increase.

Mr. Speaker, some kind of a plan for escalating pensions is going to come. I suspect that this plan will amount to more than just an ad hoc addition to the pensions that are being paid. I suspect that it will be a plan of escalation that will apply both to those who are now retired and to those who will be retiring in the years that lie ahead. If a plan of some sort is coming, why not give those who are retired now and who are in great need the benefit of it by an interim arrangement? Such an addition could provide an amount no more than the government might have in mind for the future, so that no paying back would be required. But surely in light of the fact that something is going to be done in the months or years that lie ahead, an interim arrangement for those now retired should be made right now.

There are many thousands of these people who feel their position very deeply and sorely. They see not only the cost of living going up and the value of their pensions decreasing; they see people who are retiring now, after doing the jobs that they did 20, 15 years ago or even more recently, retiring on much larger pensions than they receive. They see the much higher salaries that people are getting in those jobs today and they feel that the employer that they served is not being fair to them. I share their view. I express my complete confidence that the government is going to act on this question some day, that these pensions are going to be increased, but please, Mr. President of the Treasury Board, can we not take some interim action now in favour of those who are already retired?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, it is difficult to give an answer to the heartfelt plea of the hon. member who has to some degree both asked the question and provided himself with the answer. I think he is as aware, as I am, that there is an inequality and an inequity and that we all feel something should be done to remedy this situation. I think he is also well aware that the cause of this inequality and what has brought on this situation is that phenomenon known as inflation.

[Mr. Knowles (Winnipeg North Centre).]

Perhaps a better method of curing the problem is to concentrate one's energies on calling a halt to inflation and putting a stop to future erosion, rather than merely trying to apply a bandage to an existing and what would continue to be a suppurating wound. As he knows, a number of us are doing our best to bring the problem of inflation under control. This calls for restraint and some sacrifice in every sector of our economy. I wish that his new associates who were proclaimed recently in Winnipeg were as enthusiastic about these restraints as perhaps some of the rest of us are.

Perhaps the best approach is to try and bring inflation under control before attempting to relieve or mitigate the symptoms and inequities that inflation brings about. It is difficult but it is one of the hard choices that those who are called upon to govern try to make. We must try to set priorities and determine what should be done first, recognizing that in each course an element of hardship and sacrifice is called for. Perhaps the hon. gentleman is fortunate in not being required to make these choices. Those who are in office do, and have done. We have set our principal target for the moment as the control or restraint of inflation. This does not mean that in the meantime energy, plans and analysis with a view to rectifying some of the injustices that inflation has brought about should not be adjusted either during the process of curing inflation or immediately following its halting.

I assured the hon. member the other day that many of these plans are going forward. I hope, like the hon. member, that we will be able to do something perhaps before we have been entirely successful in dealing with inflation as a whole.

Mr. Deputy Speaker: Order, please. I am sorry to interrupt the hon. minister but his time has expired.

HEALTH AND WELFARE—CONTROL AND USE OF PESTICIDES

Mr. Walter Deakon (High Park): Mr. Speaker, on October 29 last I posed a question

to the parliamentary secretary to the Minister of National Health and Welfare (Mr. Munro) regarding pesticide pollutants. With your permission, I wish at this time to elaborate slightly on this question. During the past few months there has been considerable scientific data and information published on the harmful effects of certain pesticides for the purpose of alerting the public to just how toxic some pesticides are and how carelessly they have been used. Notwithstanding this, the pesticide market continues to boom.

For 25 years man has been concocting extravagant assortments of synthetic chemical poisons and distributing them all over the planet. We continue the wide use of pesticides to wage war on endless varieties of bacteria, insects and rodents which continue to plague us. There are certain tangible benefits which can be credited to pesticides, such as the control of malaria, typhus, cholera and other diseases, and there is no doubt that they have contributed to making life more comfortable and nuisance-free. But as the price of this we have been taking unto ourselves some not very calculated risks. It is now well known from evidence adduced that the use of some pesticides such as heptachlor, Aldrin, Toxaphene, DDT and many others has often produced unintended side effects on fish, wildlife and human health.

• (10:20 p.m.)

I refer to a brief submitted by Pollution Probe, an organization formed at the University of Toronto by students, staff and conservationists and presented to the Minister of National Health and Welfare and the Minister of Agriculture (Mr. Olson). It refers mainly to the dangerous effects of DDT on wildlife and human life. The four major points from the brief would appear to confirm their opinion. These are the following: First, DDT upsets the organisms in the human ecosystem and threatens the survival of a vast number of species of wildlife. Second, DDT has been linked to behavioural disturbances and inhibitions of learning in humans and animals. Third, DDT has been positively correlated to the incidence of cancer, cirrhosis of the liver and hypertension in humans. Fourth, there are, I am advised, other acceptable alternative pesticides which are now available.

I therefore submit this is a most serious issue today. The public is concerned, I am concerned and the government should be concerned. I should like to know what steps the Department of National Health and Welfare will take to curtail or stringently regulate the sale and use of these harmful pesticides and thereby protect the health of the people of this country.

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, in reply to the hon. member for High Park (Mr. Deakon) I should like to say that the federal government is definitely concerned about the health and quality of life in our country and indeed in man's total environment. The Minister of National Health and Welfare (Mr. Munro) has taken, and continues to take, an active interest in the problem of pesticides referred to by the hon. member. In particular, the Department of National Health and Welfare has participated in a review of the pesticide problem undertaken by the Federal Interdepartmental Committee on Pesticides. Furthermore, the pesticide section of the Food and Drug Directorate has reviewed, and is reviewing on a continuing basis, the tolerance levels of pesticide residue in food.

May I assure the hon. member, by referring him to the recent statement of the Minister of National Health and Welfare, that a government statement on pesticides will be made next week.

Motion agreed to and the House adjourned at 10.25 p.m.

HOUSE OF COMMONS

Friday, October 31, 1969

The House met at 11 a.m.

ROUTINE PROCEEDINGS

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

REFERENCE OF ANNUAL REPORT TO STANDING COMMITTEE

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, I move:

That the annual report of the Department of Indian Affairs and Northern Development for the fiscal year ended March 31, 1968, be referred to the Standing Committee on Indian Affairs and Northern Development;

And that the evidence adduced by the committee in its consideration of the aforementioned matter during the first session of the twenty-eighth Parliament be referred to the committee.

Motion agreed to.

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

INFLATION—PROPOSALS OF PRICES AND INCOMES COMMISSION

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I wonder if the Prime Minister could state the position of his government with regard to the accusation made by Russell Bell, director of research for the Canadian Labour Congress, who has made the charge that the Prices and Incomes Commission had no clearly formed ideas to place before the interested parties, that meaningful discussion in these circumstances became virtually impossible and that in these circumstances the leaders of the CLC and the Confederation of National Trade Unions had really no choice but to reject the voluntary guidelines?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I will ensure that the commission takes note of this accusation.

Mr. Stanfield: Mr. Speaker, part of the concern of Mr. Bell appears to be in connection with the application of guidelines to other forms of income. Has the government satisfied itself that the proposals being placed before the private sector of the economy by the Prices and Incomes Commission do in fact involve equitable proposals relating to incomes generally? I ask this question, Mr. Speaker, in view of the obvious importance to all of us of some system of voluntary restraints being adopted and in view of the obvious interest of the government in seeing that every possible chance of success is attained.

Mr. Trudeau: Mr. Speaker, I think there is some confusion in the mind of the Leader of the Opposition as to the role this commission is to perform. We have taken the position from the outset, and it has been made quite clear to parliament, that the commission has an independent operation of its own. It was set up by the government in order to deal with various sectors of the economy as it best saw fit. It has approached the government with certain representations. I understand we have had discussions with members of the commission on certain proposals for governmental action. We have indeed acted on some of them as we showed in the guidelines exercise last summer and since, but we are not second-guessing the commission.

I repeat what I said yesterday to the Leader of the Opposition. We have not asked the commission to report to us in any detail on what it is doing with either the unions or the management sector of the economy, nor do we think we should. If the Leader of the Opposition thinks that the terms of reference might be altered and that we should have the commission reporting every day to the government or to parliament, perhaps he could make a proposition, which I would be delighted to pursue.

Mr. Stanfield: A further supplementary, Mr. Speaker. Is it the position of the government that it is appropriate for the government of Canada to delegate to an independent commission responsibility for decision-making in an area that has become of very central importance to the successful government of this country?

Inquiries of the Ministry

Mr. Trudeau: I suggest that the question is argumentative, Mr. Speaker.

Some hon. Members: Oh, oh.

Mr. G. W. Baldwin (Peace River): A supplementary question, Mr. Speaker. In view of the fact the terms of reference seem to contemplate a rather leisurely unhurried examination of the problem, will the Prime Minister consider discussing with the members of the commission their views as to possible changes in the terms of reference in order to give them an opportunity to point up the urgency, seriousness and gravity of the current problems?

Mr. Trudeau: Mr. Speaker, I am quite sure that the commission senses the urgency of the problem, as does every member of the opposition. We are engaged in debating the Throne Speech, so let us hear from the opposition their ideas as to how the terms of reference of the commission should be altered.

ADMINISTRATION OF JUSTICE

PENAL REFORM—REQUEST FOR REFERENCE OF REPORT TO COMMITTEE

Mr. Harold E. Winch (Vancouver East): My question is directed to the Solicitor General. Is consideration being given to referring the royal commission report on penal reform to a committee of this House or a special joint committee of both Houses in order that the views of members may be conveyed to the government through a report to parliament?

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, I had anticipated that that report would be studied by the Standing Committee on Justice and Legal Affairs when the estimates of the Solicitor Generals department were before the committee. However, I would be glad to take any other suggestion under consideration.

[*Later:*]

Mr. Winch: Mr. Speaker, in view of the Solicitor General's answer to my original question, could I ask the minister whether he would give very serious consideration to re-establishing the joint committee of the Senate and House of Commons that was set up two years ago and which, in my estimation, did a wonderful job in studying all questions relating to the penitentiary and penal system?

Mr. McIlraith: Mr. Speaker, I will be very glad to take that matter under consideration, but I must add that I was very favourably impressed with the work done by the new Standing Committee of the House on Justice and Legal Affairs during the last session of Parliament on matters coming under the responsibility of the department.

SENTENCES FOR OFFENCES INVOLVING DRUGS

Mr. Eldon M. Woolliams (Calgary North): I wish to ask a supplementary question dealing with criminal reform, Mr. Speaker. I direct the minister's attention to the Narcotic Control Act. In view of the fact that in Calgary, and the same thing is happening in other cities, seven young people ranging in ages from 16 to 21 yesterday received sentences totalling 29 years on charges involving marijuana, is it the policy of the government to instruct federal Crown prosecutors to press for sentences up to five years so that this group of young people so incarcerated may be used as a deterrent against the use of drugs in the universities and high schools, and is this not a misuse of the law?

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, I think hon. members will recognize that it is quite impossible for anyone to accept the premises that were added to the question asked by the hon. member. I understand that this question was asked yesterday of the Minister of Justice, within whose jurisdiction the matter lies, and that he answered the question yesterday.

Mr. Woolliams: A further supplementary question, since the RCMP comes under the minister's jurisdiction. In light of the answer given by the minister, would he at an early date give a full report to the House on the pressing for these sentences imposed on seven young people in Calgary? Is it also the policy of the minister to instruct the RCMP to act as stoolpigeons, to grow beards and mix with students in order to obtain evidence?

Mr. Speaker: Order, please.

Mr. McIlraith: Mr. Speaker, The question of sentencing is one for the courts. I do not propose to seek to instruct anyone as to what a particular sentence in the courts should be. The courts have responsibility for determining the law and making decisions based upon the law. I completely refute, of course, the suggestion that the RCMP act as stoolpigeons. I do not have personal knowledge of the seven cases referred to and the basis of the sentences, but I assume that the court had some reason for the sentences that were imposed.

Mr. Woolliams: Mr. Speaker, I rise on a question of personal privilege. The minister denies that the RCMP act in this way, yet he has not taken the trouble to investigate the matter. I am not criticizing the Minister of Justice because his answers yesterday were sympathetic, but the Solicitor General should at least look into the facts before making dogmatic, categorical statements.

Mr. Speaker: Order. I doubt very much whether this is a proper question of privilege.

[*Translation*]

VIOLENT DISTURBANCES

QUEBEC—INQUIRY AS TO FEDERAL GOVERNMENT AID

Mr. André Fortin (Lotbinière): Mr. Speaker, I have a question for the Minister of National Defence.

Has the Quebec government asked for co-operation or assistance from the federal government in view of the demonstrations now being held in Quebec and which threaten to destroy our democratic principles and throw us into anarchy?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, at ten o'clock this morning, when I left my office, we had not yet received from the Quebec government any official request for troops to help maintain law and order. I cannot say whether the Quebec government has any intention of asking for the help of the Army.

Mr. Fortin: Mr. Speaker, I have a supplementary question for the Prime Minister.

Since all Canadians are also concerned about the difficulties Quebecers are now experiencing, does the Prime Minister intend, in his well-known spirit of co-operation and responsibility, to offer the services of his government to put an end to those acts of terrorism and to bring to reason those people who stir up innocent individuals like the students and young people?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I think there is no question about that. Indeed, I have talked to the federal, provincial and municipal authorities in this connection. The federal government is ready to co-operate with those authorities, should they request it.

CANADIAN BROADCASTING CORPORATION

MONTREAL—LAY-OFF OF EMPLOYEES

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I should like to direct a question to the Prime Minister. Could he tell the house if the laying off, yesterday, of 50 C.B.C. employees in Montreal is part of the government's political goals to check the inflationary trend by creating more unemployment or if this laying off is part of a policy designed to muzzle political opponents?

Mr. Speaker: Order. The member for South Western Nova.

Mr. Valade: Mr. Speaker, I wish to rephrase my question—

Mr. Speaker: Order. The hon. member's question has been ruled out of order, and I now recognize the honourable member for South Western Nova. I shall recognize the hon. member later.

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

Mr. Speaker: The hon. member on a point or order.

Mr. Valade: Mr. Speaker, under the rules and the practice of the house, in the past when a member asked a question which was ruled out of order he has been allowed to rephrase it so that the minister may answer.

[*English*]

ATOMIC ENERGY

BRUCE NUCLEAR GENERATING PLANT—EFFECT OF FEDERAL SAFETY REGULATIONS

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources. Since new federal safety regulations concerning the proximity of the construction of Ontario's Bruce nuclear generating plant to the federal atomic energy plant now mean a change in location for the Ontario site and the lay-off of many employees, has the government agreed to assist in meeting the cost of this shutdown and lay-off?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): The decision of the Atomic Energy Control Board in this regard and the resultant change of site are matters which have only recently come to my attention, and no economic arrangements or arrangements in respect of the workmen affected by this decision have yet been made.

Mr. Comeau: Can the minister tell us when these regulations were passed and explain how it is that the facts were not known before construction began?

Inquiries of the Ministry

Mr. Speaker: Order. I have to rule that the supplementary is not in order.

[*Translation*]

CANADIAN BROADCASTING CORPORATION

MONTREAL—LAY-OFF OF EMPLOYEES

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I would like to reiterate my question to the Prime Minister about the firing of 50 employees of the Canadian Broadcasting Corporation yesterday in Montreal.

Does the government policy aim at reducing the inflationary trend by causing unemployment in federal agencies?

I would also like to ask the Prime Minister whether that is a general policy concerning the C.B.C., which will apply to lower rank employees as well as to high officials of the Corporation.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this is a very complicated question and I shall try to answer the part that concerns the federal government.

The C.B.C. budget has already been established, along with that of other government agencies and departments. In the case of the C.B.C. even more so than for the departments, it is up to the management to determine how the global policy of keeping in check growing expenses is to be implemented.

Mr. Valade: I wish to ask a supplementary question. Could the Prime Minister ask the Secretary of State to make a statement in this house as soon as possible concerning the global policy of the Corporation?

Mr. Trudeau: I cannot see that I should have to ask him to make such a statement, Mr. Speaker. The budgetary estimates will be tabled in the house at the proper time as usual, and the members will be able to ascertain whether we allocate too little or too much money to a department or to the C.B.C.

Mr. Roch La Salle (Joliette): Mr. Speaker, I wish to direct a supplementary question to the Prime Minister.

Could he tell us who will be responsible for the laying off of these 50 employees and upon which criteria it will be based?

Mr. Trudeau: We have there a Crown corporation, Mr. Speaker; it is really autonomous as regards its internal administration.

[Mr. Comeau.]

[*English*]

FISHERIES

OPERATIONS OF FOREIGN TRAWLERS

Mr. Herb Breau (Gloucester): Mr. Speaker, I should like to ask the Minister of Fisheries whether he is aware that a fleet of East German trawlers is fishing inside our 12-mile limit off the coast of Cape Breton and, if so, what is the department doing about this?

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, yesterday a fleet of 15 large East German trawlers put into a bay on the east coast of Cape Breton island. They came in because of storm conditions. These trawlers were intercepted by our fisheries protection vessel, the *Chebucto*. They left early this morning and they are now outside our 12-mile zone. They had not been fishing in our exclusive fishing zone but they should not have been there in the first place.

Mr. John Lundrigan (Gander-Twillingate): I have a supplementary question for the Minister of National Defence. Can the minister indicate whether in fact Russian ships and other foreign vessels are in fact fishing off our coast or whether they are involved in any activities which are of any importance to us?

Mr. Trudeau: They are fishing for something.

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, most of the reports I personally get on these matters are classified secret.

PUBLIC SERVICE

METHOD OF REDUCTION OF PERSONNEL

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to ask the President of the Treasury Board whether the government has had an opportunity to review its guidelines respecting the laying off of public servants under the current austerity drive, and in light of that review is the government now prepared to drop the guideline in respect of laying off persons who are between the ages of 60 and 65?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I hope to elaborate on this in about an hour's time.

[*Translation*]

GOVERNMENT PUBLICATIONS

ENERGY, MINES AND RESOURCES—REQUEST FOR MORE BILINGUALISM

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I would like to ask a question of the Minister of Energy, Mines and Resources.

I have asked his predecessors several times in the past to put more emphasis on publications written in the French language and issued by his department. In view of the poor results so far, may I ask the minister whether or not he intends to take whatever steps are necessary to ensure that publications issued by his department are published in French as well as in English.

Mr. Speaker: May I suggest to the hon. member that this question should be on the order paper or discussed, if he so desires, at the time of adjournment.

[*English*]

NATIONAL DEFENCE

REQUEST FOR STATEMENT ON CONSOLIDATION OF BASES

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I should like to ask the Minister of National Defence whether he is in a position to tell the house at the present time when he expects to make a definitive statement, probably on motions, in respect of what defence bases the government contemplates being able to keep in operation in Canada?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, I can appreciate my hon. friend's concern about this matter and I am grateful that he has put his question in positive terms. What he wants to know, obviously, is how soon will I be able to announce the bases that will close. I must say that we have been working on this problem continuously, but until final details are known I will have to ask him to be content with the traditional "soon".

SUGGESTED REACTIVATION OF U.S.-CANADA JOINT MINISTERIAL COMMITTEE

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I should like to ask the Minister of National Defence what action the government is taking to implement one of the recommendations of the Standing Committee on External Affairs and National Defence, its

suggestion that it would be a good idea to reactivate the United States-Canada joint ministerial committee which has not met in five years?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, I believe that this question would be more properly directed to the Secretary of State for External Affairs. The arrangements concerning the two departments of defence have not precluded frequent meetings. Actually these meetings take place all the time, and so as far as my department is concerned the communication we have with those on the other side of the border is constant and frequent.

PHASING-OUT OF U.S. BASES IN CANADA

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, may I ask the defensive Minister of National Defence whether he has had any negotiations with his United States counterpart regarding the phasing-out of United States bases in Canada, and whether he will make available to the House the results of such negotiations.

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, there were no negotiations as such. We were informed ahead of time of the announcement that was planned by the United States Secretary of Defence. There were no negotiations. I do not think we are in a position to negotiate a thing like that. The base at Argentia, to which I assume the hon. member was referring, was a naval operation for the United States. They have chosen to reduce it and there is nothing we can do about it.

Mr. Lundrigan: May I ask the minister whether in fact his department will be moving in respect of these bases so that the void created by the phasing-out will be filled in order to protect our own sovereignty and ease the economic imbalance in different parts of Canada?

Mr. Cadieux (Labelle): Mr. Speaker, I believe—

Mr. Speaker: Order, please. I suggest to hon. members that we are now at the stage of debate on this subject. Perhaps we might go on to another subject matter.

Mr. Lundrigan: Mr. Speaker, on a point of order, we have just this week had announcements of two phase-outs of United States bases in Canada which affect thousands of people. I think this is a national emergency. We did not use Standing Order 26 to adjourn the House because we thought we would have time to pose these questions.

Inquiries of the Ministry

Mr. Speaker: Order. I suggest we must make some headway during the question period. There is limited time. Many hon. members are waiting to ask questions. This is the reason the Chair must exercise some discretion in giving an opportunity to other members to join the fray and ask questions. If there should be sufficient time, I would certainly return to the hon. member to give him an opportunity to ask supplementary questions.

LABOUR RELATIONS

LONGSHOREMEN'S STRIKE—REQUEST FOR STATEMENT ON PROGRESS TOWARD SETTLEMENT

Mr. Barry Mather (Surrey): Mr. Speaker, in the absence of the Minister of Labour, who I believe is in British Columbia in connection with the longshoremen's strike, may I direct this question to the Prime Minister. Could the Prime Minister indicate whether any progress is being made in the negotiations leading to a settlement of this very important dispute?

Right Hon. P. E. Trudeau (Prime Minister): I regret that at this time I am not in a position to make any report. The minister is with the parties. As usual he is optimistic, but there is nothing I can add at the moment.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask whether the Parliamentary Secretary to the Minister of Labour has any information to give us on the further progress of the negotiations.

Mr. Jim McNulty (Parliamentary Secretary to Minister of Labour): No more than the Prime Minister has stated, Mr. Speaker.

OIL

TASK FORCE ON DEVELOPMENT—REQUEST FOR PROGRESS REPORT

Mr. P. M. Mahoney (Calgary South): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources. On December 20 last the acting minister of that department announced the creation of a government task force to study oil development. Would the minister take an early opportunity on motions to give us a progress report on the work of that task force?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, the task force is an interdepartmental task force of officials. It is not customary to make their reports to government public, but I will certainly consider the hon. member's suggestion. I might point out that during this period of negotiations with our friends in the United States with regard to oil policies a great number of the items under consideration are of a highly confidential nature and it would not be in the public interest to have a continuing public dialogue at this time. Certainly, however, I am fully aware of the hon. member's concern in this area and will consider his suggestion.

FINANCE

INQUIRY AS TO TERMINATION OR CURTAILMENT OF CONTRIBUTIONS TO WELFARE PROGRAMS

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question which perhaps I should direct to the Prime Minister or to the Minister of Finance. Is the government planning to terminate or greatly curtail its financial contributions to welfare programs of the provinces?

Hon. E. J. Benson (Minister of Finance): Not to my knowledge, Mr. Speaker.

BROADCASTING

EDUCATIONAL TELEVISION—INQUIRY AS TO DROPPING OF DRAFT BILL

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is for the Prime Minister. In view of the application of the CBC for the use of UHF channel 19 in Toronto for ETV broadcasting, will the government be dropping the draft bill of last session to set up a separate ETV service?

Right Hon. P. E. Trudeau (Prime Minister): It is my understanding that the Secretary of State intends to make a statement on motions on this subject some time next week. If I am wrong in this assumption, I will have to correct myself.

[*Translation*]

FINANCE

REQUEST FOR TAX REDUCTION IN LIGHT OF SURPLUS

Mr. Henry Latulippe (Compton): Mr. Speaker, I would like to ask a question to the Minister of Finance.

Since he declared a surplus exceeding even his estimates, could he tell us whether he intends to reduce taxes accordingly?

Mr. Speaker: Surely the hon. member will admit that the question is so wide in scope as to make it impossible for the minister to answer it at this time.

[*English*]

ATOMIC ENERGY

SHORTAGE OF HEAVY WATER

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, I should like to direct this question to the Minister of Energy, Mines and Resources. Has the government anything to report in respect of overtures made to Russia by Atomic Energy of Canada Limited for a supply of heavy water?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): I have nothing to report at the present time. The question of heavy water is an extremely important one in respect of our nuclear reactor program. Atomic Energy of Canada Limited is assessing the possibilities of the various vendors of heavy water, including Russia, but there is nothing to report at the present time.

EXTERNAL AFFAIRS

CLOSING OF MISSIONS IN LATIN AMERICA

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Acting Secretary of State for External Affairs. Can he advise if the announced closing of three more Canadian missions in Latin America is an implementation of the Throne Speech forecast of "intensification of Canadian contact with the government and people of Latin America", or is it an exception to this proclaimed goal?

Mr. Speaker: I have to rule that the question is slightly argumentative in its context.

THE CANADIAN ECONOMY

PLACING OF SERVICEMEN'S GROUP INSURANCE WITH U.S. ACQUIRED CANADIAN COMPANY

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have a question for the Minister of Finance. Is the minister aware that the Maritime Life Assurance Company, which obtained the group life insurance coverage for the Canadian Armed Forces with a value of between $1 billion and $2 billion, has been acquired by the John Hancock Mutual Life Assurance Company of Boston, Massachusetts? Will the minister look into this matter and report to the House?

Hon. E. J. Benson (Minister of Finance): I would be pleased to look into the matter. I have heard such rumours.

Mr. Harding: Since the government is responsible for choosing this company, should not insurance coverage for the Canadian Armed Forces be transferred to a Canadian company?

Mr. Speaker: Order, please. This is not a question. It is an argument or a suggestion. The hon. member must assume it has been noted by the minister.

TRADE

NICKEL—REPRESENTATION BY U.K. CONCERNING SHORTAGE

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, this question is directed to the Minister of Industry, Trade and Commerce. Has the Canadian government received any official representation from the government of the United Kingdom with regard to the very grave shortage that has arisen in the supply of nickel for British industry, which represents a very major export for Canada, in light of the fact that they are now turning to Russian sources which are expanding their production in order to take care of the Canadian deficiency in regard to supply?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): I am not aware of any formal representation by the British government. I have seen very important articles in the British press where it is said strongly that importers resent being dependent on the whims of Canadians with regard to their nickel supply. I shall look into the possibility that there has been a formal note from the British government, but I doubt it very much.

Mr. Lambert (Edmonton West): Would the minister be prepared to report back to the House on this matter, particularly in respect of the impact of long-term strikes which would appear to jeopardize Canadian trade seriously?

Mr. Pepin: I might do that publicly in a speech because I am concerned about this as much as anybody in this chamber. These strikes in respect of copper, nickel and steel, have a direct negative effect on our exports at this time.

NATIONAL DEFENCE

STRIKING OFF STRENGTH OF BLACK WATCH—REQUEST FOR RECONSIDERATION

Mr. H. Russell MacEwan (Central Nova): Mr. Speaker, this question is for the Minister of National Defence. Has the minister received communications asking him to reconsider his decision to strike off strength the only highland regiment in the Canadian

army, the Black Watch, and has he made any further decision in this regard?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, obviously I received some representations concerning that decision which was, I might say, one of the most painful decisions I ever took. But the rationale that was applied with regard to three regiments of the active forces was that we were going back to the traditional position of three infantry regiments, and we chose the ones that had the longest active service—the Royal Canadian Regiment, the Royal 22nd and the Princess Patricia's Canadian Light Infantry. We have given assurances to the disbanded regiments that they will not disappear, and I am sure that in the case of the Black Watch in particular there is no problem on that score. They have a very famous reserve unit and I am sure their glorious name will remain in the annals of the Canadian Armed Forces.

Mr. MacEwan: Mr. Speaker, I have a supplementary question. I ask the minister again whether he would not reconsider retaining the kilt, as was promised me in the House of Commons when the unification bill was put before the House by the former Minister of National Defence?

Mr. Cadieux (Labelle): Mr. Speaker, putting the Black Watch in reserve does not eliminate the kilt—far from it. We should not jump to conclusions. The same goes for the pipes. I think I should inform my hon. friend that I am very partial to the pipes and the kilt, so I can reassure him they will not disappear.

WHEAT

POLICY RESPECTING OVER-QUOTA DELIVERIES

Mr. George Muir (Lisgar): I have a question for the Minister without Portfolio from Saskatoon-Humboldt, but in his absence perhaps it can be answered by the Minister of Industry, Trade and Commerce. Now that the minister has announced in a press release a reversal in policy with regard to over-quota deliveries of wheat in exchange for flour for the producers' own use, is the government now prepared to advise the Wheat Board to restore over-quota deliveries in exchange for certified and registered seed?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I know about the first matter but not enough about the second. I will bring it to the attention of the minister in charge of the Wheat Board who will want to report, I am sure, at the first occasion.

[Mr. MacEwan.]

EXTERNAL AFFAIRS

CHANGES IN CANADIAN DIPLOMATIC ESTABLISHMENTS—METHOD OF ANNOUNCEMENT

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I have a question for the Prime Minister. I admit it is based on the same press report to which reference was made by the hon. member for Hillsborough, but perhaps I might be a little more lucky in getting it accepted. In view of the statement which the Prime Minister made to me on Wednesday of this week that the Secretary of State for External Affairs will be making a statement in the House as soon as he comes back from Victoria regarding changes in the arrangements with respect to our diplomatic posts, can the Prime Minister tell us why these sources keep giving out little reports, and whether or not we will soon get a complete statement on the whole picture?

Right Hon. P. E. Trudeau (Prime Minister): I would prefer to ask the hon. member why he keeps on believing in canards and leaks. When the official announcement is made it will be made by the Secretary of State for External Affairs. I will repeat what I said on Wednesday; he will make a statement when he comes back from Victoria where he is attending the Columbo Plan Conference. As the hon. member knows, he is the minister in charge of the Department of External Affairs.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I have a supplementary question. Instead of making that kind of remark, will the Prime Minister find out how it is that the Department of External Affairs manages to get these reports out under the heading of "sources said"?

FISHERIES

CHUM SALMON—BANNING OF FISHING IN JOHNSTONE AND QUEEN CHARLOTTE STRAITS

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a question to the Minister of Fisheries. In view of the fact that, by prohibiting chum salmon fishing in Johnstone and Queen Charlotte Straits, the minister is responsible for desertion of the crews, possible bankruptcies, and unemployment without any assistance, can he now assure the house that alternative work or assistance is being provided for these men and women?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, this is no new problem. We have always had difficulties, particularly in years when runs of salmon were very low. We are authorizing a maximum take at sea, but we have to reserve a sufficient stock for future years. This is the problem we face at the moment.

HOUSING

BUILDING SOCIETIES—REQUEST FOR FAVOURABLE TAX TREATMENT

Mr. Lincoln M. Alexander (Hamilton West): I should like to direct a question to the Minister without Portfolio in charge of housing. In view of the tremendous success of building societies in alleviating housing shortages in Great Britain and in light of the announcement that the minister will be meeting with the trade minister of Ontario who has expressed the intention of seeking amendments to federal tax laws to facilitate the establishment of such societies here, will the minister give a clearcut assurance to the House that he will not allow this excellent proposal to be sacrificed to the detriment of Canadians, as is the continual demand for the removal of the 11 per cent sales tax on building materials? I ask this question because I understand that the government has the express intention of reaching a target of one million housing units in the next one and a half years, and the minister's answer would be of some help in this regard.

Mr. Speaker: Order, please. I have to suggest to the hon. member that his question is more a speech than a question and I do not think it can be allowed in this form.

[*Later:*]

Mr. Alexander: Mr. Speaker, I wish to rise on a point of order. Apparently my question was declared out of order because of superfluous material added to the question. If it pleases Your Honour, I would appreciate it at this time if the minister would give some indication whether the request of the Ontario trade minister will be treated in a favourable light by the minister when the two ministers meet in the course of the next few days?

Hon. Robert K. Andras (Minister without Portfolio): A meeting between the trade minister of Ontario, officials of the treasury of Ontario, my colleague, the Minister of Finance, and myself is arranged for next Tuesday. Of course we will be very favourably disposed to any concrete recommendations that may be made by those gentlemen, and we will have a thorough exchange of views on the proposal to which the hon. member alluded as well as on many others. In concrete terms, we will be receptive to good suggestions without committing ourselves at this time to final acceptance or rejection in any particular terms.

Mr. Alexander: I have a supplementary question, Mr. Speaker. Apparently the minister will be busy in the next few days. However, in view of the advice which he gave to the opposition that he will be making a statement with respect to the policy on urban renewal, I wonder if he can state now that within that statement he will be giving us some clear guidelines regarding the public housing situation?

Mr. Andras: I will include reference to the public housing guidelines in that statement when I make it.

Mr. Louis-Roland Comeau (South Western Nova): I wish to ask the minister whether the government has imposed a quota on maritime housing.

Mr. Andras: Not to my knowledge.

BILINGUALISM AND BICULTURALISM

INQUIRY AS TO TABLING OF THIRD VOLUME OF COMMISSION REPORT

Hon. Robert L. Stanfield (Leader of the Opposition): I should like to ask the Prime Minister when we may expect the tabling of volume 3 of the report of the Commission on Bilingualism and Biculturalism.

Right Hon. P. E. Trudeau (Prime Minister): I will inquire, Mr. Speaker.

NATIONAL DEFENCE

REQUEST FOR RENEWAL OF STANDING COMMITTEE'S TERMS OF REFERENCE

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, my question is for the Minister of National Defence. May I ask if consideration is being given to a renewal at this session of the terms of reference of the Defence Committee inasmuch as pre-arranged meetings now being held can operate only on a non-official basis until the committee receives its terms of reference?

Hon. Léo Cadieux (Minister of National Defence): I believe I need a few minutes to recover and really understand the question.

Inquiries of the Ministry

[*Translation*]

INQUIRY OF THE MINISTRY

Mr. André Fortin (Lotbinière): Mr. Speaker, I should like to direct my question to the Prime Minister.

In view of the fact that he has accepted to be honorary president of National Temperance Week and that such a gesture will enhance the event, could he take this opportunity to ask the responsible minister to review his policy concerning the fight against alcoholism in Canada?

[*English*]

PRIVILEGE

MR. SIMPSON—OMISSION OF ANSWER FROM "HANSARD"

Mr. Robert Simpson (Churchill): Mr. Speaker, I rise on a question of privilege. Yesterday I directed a question to the Secretary of State, followed by a supplementary question in answer to which the Secretary of State rose in his place and very clearly answered in the negative. My question of privilege is that for some reason or other I see that the minister's answer is not recorded in the official record. I thought that possibly on his return to the house he might wish to make some comments on this matter so that I and the people representing the Indian and Métis centres across Canada will know where we stand on the matter.

INQUIRY OF THE MINISTRY

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): I have a question for the Prime Minister, Mr. Speaker. In view of the part played by Premier Smallwood in the Prime Minister's election as leader of his party a few years ago, will the Prime Minister be showing his gratitude by going down to St. John's tomorrow to give poor old Joe a hand?

Mr. Speaker: Order, please.

BUSINESS OF THE HOUSE

Mr. G. W. Baldwin (Peace River): Mr. Speaker, might I be permitted to ask the Solicitor General, as acting house leader for the government, about the nature of the business of the House for next week. In particular, is the government giving any consideration to interrupting the Throne Speech temporarily to bring forward any measures it may have to deal with the current, urgent problem of inflation?

[Mr. Cadieux (Labelle).]

Hon. G. J. McIlraith (Solicitor General): No, Mr. Speaker. We propose to have the Throne Speech dealt with first. As the hon. member knows, there is full opportunity in that debate for hon. members to express their views on the subject of inflation.

Mr. Trudeau: If they have any.

Mr. McIlraith: The proposal for the business to be submitted to the House for consideration after the Throne Speech is concluded covers items Nos. 2, 8, 11, 19, 10, 4 and 5 on today's order paper, but not necessarily in that order.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order, or perhaps to get a point made clear. We passed a motion last night to the effect that the vote on the amendment now before the House be taken at two o'clock today. I wonder whether we can be informed if Standing Order No. 9 (2) applies or whether there could be an understanding in the House that the bells will ring for only 15 minutes for this vote. As we are calling the vote at two o'clock, I wonder if we could not have an understanding that the bells will start ringing at two o'clock and stop at 2.15.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

• (12 noon)

ADDRESS DEBATE

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The House resumed, from Thursday, October 30, consideration of the motion of Mr. Jack Cullen for an address to His Excellency the Governor General in reply to his speech at the opening of the session and the amendment of Mr. Nesbitt (p. 292).

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I will wait until the members leave the House, as they are now doing.

I wish to continue, Mr. Speaker, the debate and hopefully will begin where I left off yesterday, when I was referring to something which happened the day before. At that time

we members from Newfoundland were given the greatest compliment of our political lives when we were criticized for working on behalf of the people of the east coast of Canada. I suppose not every member of this House shows the same concern or feels the same need to identify with the problems of people right across Canada. What we need in this House are 264 members who really care about the farmers of western Canada, who have a concern for the fishermen and the Indian peoples of our nation, the underprivileged, the under-educated, people in the slum areas, loggers, miners and the unemployed. Every time I see a member stand up in this chamber and indicate his concern for the people of this nation not in a position to help themselves, then I feel we are heading in the right direction.

Some hon. Members: Hear, hear.

Mr. Lundrigan: In this nation we have something going for us that many nations of the world might envy, but we also have some of the greatest problems facing any nation in the western world.

In view of the roster system, I find it amazing that on one occasion there were only six ministers in the House instead of the 16 who were supposed to be here. This, in spite of the fact there are 28 or 30 ministers in the cabinet. That shows some concern for the people of this nation I must say, when six or seven ministers try to field questions thrown at them by members of the opposition.

I do not worry too much whether a member has a Ph.D., an M.A., or a B.A. or anything else as long as he is really concerned. Many people in Canada are disturbed—and I have to be a bit partisan here—about whether members of parliament feel deep down inside an identification with, and a concern for, the people of this country.

Does the Prime Minister really care? Montreal burns and he is at the National Arts Centre—

Mr. Pepin: Could I ask a question, Mr. Speaker?

Mr. Lundrigan: Oh, Mr. Speaker, the hon. member has had his show for today. For goodness sake, let the poor old member for Newfoundland continue.

Mr. Speaker: Order, please. The hon. member has the floor.

Mr. Lundrigan: Thank you, Mr. Speaker. I just want to ask whether the Prime Minister really cares when he is at the National Arts Centre watching the ballet—perhaps he is even doing a ballet—while in Montreal there is a riotous situation. Montreal burns and the Prime Minister "ballets".

The Secretary of State for External Affairs (Mr. Sharp) has not been in the House for a little while. Is he concerned about the hungry children in Canada? And the Minister of Public Works (Mr. Laing) is he concerned about the fishermen of Fogo in Newfoundland who do not even have a wharf? I do not think he loses any sleep over that.

An hon. Member: Yes, he does.

Mr. Lundrigan: What about the Minister of Manpower and Immigration (Mr. MacEachen)? Is he excited and concerned, right deep down in the gut, about the problems in Argentia and Churchill? Do you think he is really concerned about them?

Some hon. Members: Hear, hear.

Mr. Lundrigan: Now, let us have a look at the President of the Treasury Board (Mr. Drury). I wonder if he frets about the farmers who have retired and the pensioners who live on $109.25 a month? Is he really excited about them? I am sure the Minister of Finance (Mr. Benson) is torn apart by the problems of the people in the Gaspé and of course the Minister of Industry, Trade and Commerce (Mr. Pepin) must be snowed under by concern for the snowed-under farmers of northern Alberta. I bet he cannot sleep at night thinking about them. The Minister of Regional Economic Expansion (Mr. Marchand) must be all torn up over the problems of rural Canada. Has the Minister of Indian Affairs and Northern Development (Mr. Chrétien) lost any sleep over the plight of the Indians of the Lower Fraser who have to cut the dorsal fin off the salmon before they are allowed to sell it?

The President of the Privy Council (Mr. Macdonald) is not concerned about anything, so we will pass over him. But I bet the Secretary of State (Mr. Pelletier) is worried about the static in CBC productions at Joe Batts Arm in Newfoundland. And I bet the Minister of Fisheries (Mr. Davis) sits there worrying about the seals off the Magdalen Islands, whilst the Minister of Agriculture (Mr. Olson) gets very excited over the state of homesteading in Vermilion. Is the Minister of Transport (Mr. Jamieson) worried about the sale of P.E.I. spuds to Maine or is he at the

Liberal leadership convention in Newfoundland today? It is your guess.

Mr. Speaker, I could go on and talk about the other ministers, too, but I have not got the time.

We have sat in this parliament for over one year, and what have we done? We are supposed to be satisfied with what has happened and to bow down to the great gods of the Government of Canada. But what have we done? We spent a great deal of time talking about the Criminal Code amendments. As a result of six or seven weeks of activity in parliament, the homosexuals have it made in Canada. There are lots of red herrings in our path, and they are not all in Red China. We have talked about the language situation in this country and about re-organizing parliament. For almost half of last year, if I may exaggerate a little, we talked about re-organizing parliament. I have not been here for 20 years, as some others have been, but I can tell you, Mr. Speaker, that this is one of the dullest places in which I have ever been. This place has gone to sleep. I think the Prime Minister has been more than successful. By the time another three years have passed we shall be able to write off parliament, because not even the press will want to come.

Some hon. Members: Hear, hear.

Mr. Lundrigan: We have in Canada some of the gravest problems facing any nation. Do not talk about separatism in Quebec, Mr. Speaker. There is separatism everywhere in Canada. Even the Premier of Alberta went to British Columbia and talked about the possibility of the union of western Canada. Is there not a possibility that there will be a union of eastern Canada? Everyone in Newfoundland is not happy with the present state of affairs, either. Talk about separatism—we are being torn apart.

We may talk about religious problems, linguistic problems, or this and that. I say that the problems facing Canada are the same as the problems facing most other nations of the world. In my opinion, they are economic problems. I remember a few years ago, when the United States was dumping tractors here, there and everywhere under its foreign aid program, hearing some great world leader say, "Do not talk about ideology and democracy to the hungry peoples of India and Africa. Talk about bread and butter issues." I commend that philosophy to the House.

[Mr. Lundrigan.]

We are supposed to be all excited about the just society which the Minister of Transport (Mr. Jamieson) was to introduce to Atlantic Canada. I remember everyone being all excited when there was special consent in the House of Commons to extend the freight rate freeze. There was to be no debate; it was done by consent. The Minister of Transport, we were told, was a good fellow and everybody was supposed to be happy about what was done. Then, what happened? That same Minister of Transport announced early in September that as of September 23, I believe, the freight rate freeze was to be lifted, thereby increasing the cost of living of all who live in Atlantic Canada. This is what he did.

Some hon. Members: Shame.

Mr. Lundrigan: The Minister of Transport has talked about curing our national transportation problems. He said the government has to remove the bandaid. Well, he removed the bandaid and Atlantic Canada is bleeding to death.

A few years ago the Economic Council of Canada recommended in its Fourth Annual Review that national policies should not be applied uniformly across the nation because of the effect of such policies on slow growth areas. Last year many hon. members in the House reminded the Minister of Finance (Mr. Benson) that it would be dangerous to apply such policies right across the nation because slow growth areas would suffer. Right now the government has decided to put out the fires of inflation and make sure that everything comes to a standstill in Canada. These policies may benefit the people of Ottawa, Toronto or even Montreal; they may benefit many areas of Canada enjoying a good deal of affluence. But they will not benefit Atlantic Canada. The governments of our Atlantic provinces cannot borrow money left, right and centre. Business people do not like investing in Atlantic Canada. Why do I say that, Mr. Speaker? I am not an economist, but I know a little about psychology and I say that people will not invest money in areas where the return is small. They prefer to invest their money in Toronto and other areas of rapid growth. I say that every time we talk about putting out the fires of inflation and making adjustments on a national scale, we are discriminating against areas of slow growth. The Minister of Finance admitted that he has been responsible for increasing unemployment in Atlantic Canada. Right now, on the basis of a national average, 3.1 per cent of our people are unemployed. We

have trouble in obtaining statistics for Newfoundland; but when statistics were available, as they were in August of this year, they showed that over 8 per cent of our people were unemployed. Mr. Speaker, in the middle of the summer 8 per cent of our people were unemployed!

An hon. Member: Last January the figure was 20 per cent.

Mr. Lundrigan: As an hon. member says, last January our unemployment rate was at over 20 per cent. The unemployment rate for the Atlantic region as a whole runs to over 5 per cent. What kind of country is this that permits such a situation? At the same time, we are getting rid of our post offices and seeing certain seasonal employees in our part of the country laid off. Apparently the Department of Forestry refuses to do certain things. The Minister of Public Works (Mr. Laing), while all this is happening, has taken a holiday. Actually, I do not blame the minister, because I do not think he is responsible for his department's activities in this respect. But that is the kind of situation we face, Mr. Speaker.

Perhaps we all lack courage. Many problems face our nation and everyone in this House talks about those problems. Members of my party, members of the group to our left, members on the government side—even the Prime Minister—talk about the problems of our nation. At the same time, we do not seem to have the courage to do much about them. What really concerns me, what really raises my ire, is the way 1,800 Labrador fishermen, who failed in the fishery, were treated. Was it not a queen in Europe who told the people to eat cake when there was no bread? That is what the government said to our fishermen. It told them to eat cake, to go on the dole. Is this the just society?

Some hon. Members: Shame.

Mr. Lundrigan: I see that the Minister of Fisheries (Mr. Davis) is not here, Mr. Speaker. The fact is that we have about half a million people in Newfoundland and only about 2 million people in the rest of Atlantic Canada, and many of them are leaving for the suburbs of Toronto and other cities. Perhaps they should all move out and create one large suburb somewhere. What bothers me is this: Will the government yield to the great power blocks of central Canada, to the pressures coming from the great population centres? Will it yield to political expendiency? Will it do what will please most voters, at the expense of Atlantic Canada? Will it make decisions that lead to political glory but that do us little good? I do not think the government has the courage to come to grips with the economic troubles facing our nation. This worries me.

I could continue in this vein all day, Mr. Speaker, but I will say this in conclusion. This government must show that it cares for its people. It must show it has deep understanding and some concern. I am not using big words, you will notice. "Care" is a small word, and so is "understanding". If the government does not have the courage to come to grips with Atlantic Canada's economic problems, it will be defeated. That is not very important, Mr. Speaker. The important thing is that if nothing is done our nation may fall apart.

• (12:10 p.m.)

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, on Wednesday, August 13, the Prime Minister (Mr. Trudeau) spoke to the country about actions which the government was taking as a result of a comprehensive review of its expenditure and revenue patterns.

He pointed out that the review had disclosed, in particular, three compelling facts. First, almost without exception, this decade has been characterized by yearly budgetary deficits exceeding $4 billion in total and requiring upwards of $400 million per annum to service.

Second, despite a buoyant economy, increases in taxation and rapidly growing revenues, expenditures have shown a continuing tendency to outstrip revenues. Analysis shows that this phenomenon has resulted mainly from a rapid and larger than anticipated growth in certain large programs which the federal government shares with the provinces. Expenditures for such programs as hospital insurance, the Canada Assistance Plan, post-secondary education, and now Medicare, are projected to grow at a much more rapid rate than the increase in revenues at current tax rates. This means that unless taxes are to be increased further or savings are found elsewhere, the country will be faced with the situation of chronic and growing deficits in our public accounts.

Third, while new programs and activities are being introduced, old programs continue to grow with very little evidence that these were subjected to careful evaluation and scrutiny to see whether they are as relevant

today as when they were introduced, or whether they have now served their purpose and should be eliminated or curtailed.

No government and no institution can afford to do at once all of the worth-while things that it would like to do and which it is requested to do. This means that governments must plan to ensure that, within the means available, those things are accomplished that are most urgent and most desirable.

Governments must ensure that their scarce resources are being applied to the most urgent and useful purposes. In light of this background, the government concluded that deficits could not be allowed to continue year in and year out and that, in current economic circumstances, the appropriate manner to remove the prospect of a deficit was by controlling assiduously the expenditure side of the budget.

Some high priority programs, including the shared-cost programs which I have mentioned, will require increased expenditure. But the majority of programs and activities cannot be allowed to increase in expenditure if we are to reach our budgetary objectives without an increase in taxation. The government, therefore, has set as its main guideline for preparation of the 1970-71 estimates the requirement that all programs and activities not referred to for specific treatment in other guidelines, would be frozen at current levels of expenditure.

What does this mean in clear, simple terms? This means that all cost increases, including salary increases, must be absorbed within the limits imposed by the dollar levels reflected in the 1969-70 estimates. This will necessitate painful reductions in operating budgets; the items for travel, advertising, use of consultants, supplies of all kinds and so forth. Far more important, it means a reduction in the size of the public service. Because salaries constitute the largest single item in operating budgets, departments will have to cut their work force in order to live within these dollar limits.

There has been a great deal of speculation about what this will mean, and prophets of gloom and doom have been raising the spectre of thousands of public servants being summarily dismissed from their jobs by a callous and unfeeling government. What are the facts?

Before the beginning of this fiscal year, the government reduced authorized levels in the public service by about 9,000 man-years. The government has since decided that, of the positions that were vacant at the end of July, more than 10,000 will not be filled. For the coming year, the expenditure ceilings resulting from our hold-the-line guideline will mean, as the Prime Minister stated, from 5,000 to 7,000 fewer people on the federal payroll than there were at the end of July. Taken together, these reductions add up to 25,000 jobs, or a 10 per cent decrease from the 1968 authorized size of the public service.

I hasten to emphasize that this does not mean that 25,000 employees will lose their jobs. Nor does it mean that even 5,000 will be laid off. Normal attrition through retirement, resignations and the like amount to about 10 per cent of the work force each year. This has greatly facilitated the adjustments required in the past year and will facilitate those that will have to take place in the coming months. There will be some lay-offs. This is so because the jobs which become vacant through attrition are not necessarily in those programs where reductions will have to be made and the skills required to fill these positions may not be those possessed, even with retraining, by employees in other programs affected by the guideline.

To give an example, if a doctor leaves the public service and is to be replaced, it would be impossible to fill his position by transferring an employee from a program in which there were some cut-backs unless that employee is a doctor. This task of matching surplus employees with vacancies occurring through attrition is one which the Treasury Board, the departments and the Public Service Commission are dealing with, and the completion of which is fundamental to determining how many employees and of what kind will be able to be re-assigned or relocated.

This process is now going forward and the number can only be determined as departments complete adjusting their programs to these guidelines. I might emphasize here that, while the numbers game captures headlines and provides a certain dramatic interest, our main concern is with the individual.

Given the fact that the expenditure guidelines would necessitate a reduction in the size and composition of the public service, and knowing that the effects of the guidelines would vary among departments and among occupational groups, the government announced its decision immediately it was taken in order that departments would have the maximum amount of time to plan adjustments in their programs; that individual

employees would be made aware at the earliest possible date; and so that consultations with employee organizations could begin as soon as possible.

Within a few days after the government announcement in August, consultations began with employee organizations to discuss and develop personnel policies that the government should adopt with a view to, firstly, enabling departments and agencies to adjust their use of manpower to the new financial limits and government objectives and, secondly, to deal fairly with the employees directly affected and keep to a minimum the disruption of their employment in the public service.

These consultations took place over a period of several weeks. Many useful proposals were made by the employee organizations and were incorporated into the policies and procedures which are being applied to the handling of manpower adjustments. While it is perhaps to be expected that the employee organizations would have preferred a policy of no lay-offs, I think that it is correct to say that, in the circumstances, they would agree that the policies and procedures adopted go a long way toward dealing fairly and equitably with the employees affected.

• (12:20 p.m.)

I mention these consultations because there have been allegations that the government acted in a unilateral way in deciding upon and issuing these policies and procedures. This simply was not the case. Indeed, consultations are continuing with the employee representatives to monitor the results of implementing the procedures and to ensure that the most effective action is, in fact, being taken.

I think it would be well to elaborate the principal measures which have been adopted and which are beng implemented. Surplus employees are being given first consideration for re-assignment to jobs for which they are qualified as positions become vacant in their own or other departments. The Treasury Board has requested the Public Service Commission to take action to restrict or suspend hirings and promotions in affected occupational groups and levels, as required, to facilitate the re-assignment of surplus employees.

Departments having requirements for new employees must seek them first from among the surplus employees reported to the commission. Re-assignment will be made not only within a department or between departments in a particular location but, if need be, between departments at different locations, although re-assignments will be attempted in such a way as to keep to a minimum changes in employees' jobs, occupations, departments and locations. Relocation expenses will be paid to employees who have to move and departments have been advised how to deal with these situations in detail. I might mention that these arrangements were also arrived at following consultations with employee organizations.

Departments have been directed to identify surplus employees as soon as possible so that there will be maximum time to attempt re-assignment and give maximum notification to the employees affected. Employees will be given at least three months' notice that they are surplus to requirements, and in many cases it will be possible to give longer periods of notice. During this period, every effort will be made to find other jobs for the employees affected.

Departments are keeping employees informed of the progress being made in attempting their re-assignment. If re-assignment is not possible, any lay-offs which take place will be according to the merit principles which govern order of lay-offs and which are set out in the Public Service Employment regulations.

It has been alleged that the government was firing all employees age 60 and over. Nothing could be further from the truth. It did seem, however, to make sense for departments to review the situation in respect of employees in this group, having in mind that there could be less hardship occasioned by the retirement of such an employee than by the lay-off of another employee whose length of service or other circumstances might be less favourable. Departments have been advised to take all factors into account, as well as departmental operational requirements.

It should be clear from what I have said that we cannot yet determine in any precise way how many employees may be separated from the public service. Certainly, it is my sincere hope and expectation that the measures adopted will keep the number to a minimum. Nevertheless, I think we must proceed in the manner that we have begun, because not to do so would be to avoid our responsibility to the public at large for greater efficiency in government departments and agencies and higher productivity from each person on the government payroll.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I wonder if the minister would

permit a question? In the light of the statement he has just made, can he say whether any employees who are 60 or over but not yet 65 have been given notice of separation? If none has yet been given such notice, are such notices contemplated, or has the review of this whole question softened the government's attitude with respect to public servants nearing the retiring age?

Mr. Drury: I hope I made it clear that a softening of attitude was not needed. The hon. member is aware, I think, that under the superannuation legislation public servants earn the right to a pension payable at the age of 60 or after. Those who are separated from the public service at 60 or over qualify for, and will receive, an immediate pension. Those who are separated from the public service earlier—and I myself am in that category—qualify for a pension payable only when they reach the age of 60. This means that a man separated before he reaches the age of 60 does not qualify for an immediate pension. Obviously, he would suffer greater hardship than the man who gets an immediate pension on separation.

The age 60 group was mentioned in the light of the fact that the immediate pension is payable in respect of these people whereas those who have not reached that age have the right to a deferred pension payable at the age of 60.

Mr. Knowles (Winnipeg North Centre): Is the government aware that with respect to any of these people who are 60 or 61 and who had expected to continue until the age of 65, their plans, their complete future, will be at stake? We are terribly aware of the difficulties facing retired civil servants. In view of the fact that a further problem could be created by retiring these people before they expect to be retired, may I express the hope that the government will continue to review these guidelines, especially the one respecting persons over 60?

Mr. Drury: We are fully aware of the consequences of the interruption of a man's career. The situation in this group, the failure to achieve expectations, is the same for those under the age of 60 as it is for those over 60. In this sense, both groups are in a similar situation. We do not assume that merely because a man has reached the age of 60 he has no further problems or that there are no further problems involved in connection with separation. This is not only understood, but I am sure it will be taken into consideration by heads of departments when designating those who are surplus to requirement.

Mr. Knowles (Winnipeg North Centre): Two injustices do not add up to a just society.

Mr. Thomas (Moncton): Will the minister accept another short question? He referred to the relocation of employees in other departments of the civil service. I am wondering how this can be achieved. As I understand it, a freeze has been placed on the filling of vacancies in the service. If this is the case, how can these people be relocated?

Mr. Drury: The so-called freeze affects the engagement of new staff from outside the public service until such time as those who are within the public service, but for whom there is no requirement in their present occupation, are first considered. As I mentioned, attrition takes place at the rate of about 25,000 employees a year. In fact, some 25,000 people leave the public service each year because of death, retirement, resignation or dismissal. This means that daily there are vacancies occurring in the service. In the past, we have looked both within the public service and outside to fill these vacancies, but for the time being we shall be looking exclusively within the public service to fill these vacancies—looking at the list of employees who have been declared surplus to requirement in their present posts.

• (12:30 p.m.)

Mr. Douglas A. Hogarth (New Westminster): Mr. Speaker, at the outset of my remarks I would like to associate myself with the congratulations that have been extended to the hon. member for Sarnia (Mr. Cullen) and the hon. member for Lapointe (Mr. Marceau) on their splendid addresses at the opening of this debate. I think there was a comment in *Time* magazine, just after the last election, to the effect that there was nothing that the Canadian people like to do more than to elect a conservative in the guise of a reformer. It is in the light of those remarks that I should like to review some of our progress to date, some of the anticipated progress we are going to make as outlined in the Speech from the Throne, and perhaps I should also say something about our lack of progress.

To begin, let me say that I think that remark in the magazine, to a large extent is wrong. We have been a reform government and have passed, and we anticipate passing,

progressive legislation. Some of it will probably be the most progressive legislation that this nation has ever seen. We have changed some of the rules of this institution. Putting the emphasis on committee work has given far greater scope to individual members of parliament than they had before to do a more effective job.

We have also changed some aspects of the criminal law which were long overdue for change. The Minister of Justice (Mr. Turner) and the Solicitor General (Mr. McIlraith) are to be congratulated on the omnibus bill they presented to the house during the last session.

Some of the decisions that have been made have taken courage. The decision to exchange ambassadors with the Vatican took courage, though I personally do not agree with what was done. The introduction of the bilingualism bill took courage and shows that the government is capable of exercising courage when required to do so.

We have also moved toward a more suitable constitution for the country, another change long overdue. We all look forward to a new constitution within our time. We have a new, progressive Indian policy which will lift these people up and fit them into society to take the rightful position they so much deserve. We are also doing something about regional development. I note from the Speech from the Throne that the government is considering future policy in depth and hopes to meet the coming challenge of the post-industrial era.

After a little dynamite and shotgunning from the back benches, the government has made a declaration of Arctic sovereignty, probably the first nationalistic step that this country has taken in a number of years. So, taken all in all, I think that we have made good progress.

But if I were to give my speech a theme, I should like to say that I do not think we have moved either fast or far enough, and that I am not so sure that we are always moving in the right direction. We know we are living in a rapidly changing society, one that is changing in many ways. The hon. member for York West (Mr. Givens), in his splendid address last night, showed the house how we are changing to an urbanized society from a rural one.

We are also changing in our private lives. We are changing from the static authoritarianism of the past to the humanism of today. No longer will people permit their lives to be controlled by dogmatic and institutionally imposed ethical and moral concepts. The ethical and moral evaluations of modern western man are more and more becoming matters of individual choice, rather than the submissive acceptance of the dictates of religion and government.

Although there are good aspects about this change, there are also bad aspects. Where the good aspects lie are in the fact that man is freer to seek the free expression of his unique personality, the process that psychologists tell us is one of self-realization. The bad aspects result in permissiveness, escapism, alienation from purpose, lack of social responsibility, and refusal to sacrifice for the common good. These evils result in disrespect for authority and for the institutions it represents, of which parliament is one. People are impatient for change.

One bad aspect of humanism is that in many instances people have contempt for law and order and show violence in their expression of dissent. Another bad aspect of humanism is the nihilism and escapism which is symptomized by the common use of drugs in our society today. There is an undue emphasis on pornography and obscenity in the arts and cultural media. It seems that this results in a world in which everybody is out for themselves, and this reflects itself in many of our labour disputes where there is complete contempt for responsibility and the innocent victims of mass strikes.

Politicians at all levels of government must be aware of this changing scene. They must be aware of its good and of its evils. The real challenge that is facing us today as responsible politicians is to be able to recognize the nature of this changing world, to be able to see its true meaning and its essence. In drafting our laws and our legislative programs we must suit the society for which they are designed and provide good government.

There is no doubt, Mr. Speaker, that this takes a certain amount of political genius. A reformer in a static society has a relatively easy job to do. But in the volatile boiling pot of the western world, and particularly Canada which is cursed with historical fractionalism, with geographic, ethnic and religious differences and with a residual of authoritarianism, it is a very tough job.

There are one or two aspects of the Speech from the Throne that would lead me to believe that perhaps we have not seen this challenge to which I refer in its proper light. Mention is made of the unrest among our young people, with which we are all concerned. This is a symptom of the transition of

which I have spoken. At page 2 of *Hansard* for October 23 appears this paragraph:

A disturbing element in many countries of the world has been the rising tide of unrest, particularly among young people. It has expressed itself in many ways, in public debate, in peaceful protest and sometimes in violence. Our profound disapproval of the excesses must not blind us to deeply felt and legitimate aspirations. Many citizens in our own country believe that they are entitled to assume greater responsibility for the destiny of our society. Such demands, in so far as they do not conflict with the general welfare, are the expression of a truly democratic ideal. They must be satisfied if our society is to attain its goals of peace and justice.

This is exactly what the activists have been saying. The expression "such demands, in so far as they do not conflict with the general welfare" indicates to me that the government is going to remain the final arbiter of what general welfare is. It is the "establishment" that determines what is general welfare. It appears to me that the inference there is that, unless the young people stay within the framework of those concepts that we have decided shall govern in the future, then reforms and activism are unacceptable.

I do not think this is the way we should look at reform. Neither do I think it is the way we should look at our changing society. After all, what have we done for our young people? Following those euphemistic words in the Speech from the Throne the only provision we made for them was the lowering of the voting age to 18. We must go much further than this, and not only in parliament; we must go further in our political processes. We must encourage our young people to join political parties. Although everyone says we do this, we must make sure we provide the structure that will allow them to voice their requirements. Through their vote they can influence government.

A young person who joins a political party today has a difficult time in getting his views adopted. If he is successful in getting a resolution passed, it is not binding on the government of the day, even if it is his own party that is in power. Modest steps have been taken in our caucus to correct this situation. We are looking forward to reforms that will at last permit elected representatives to have a say in government policy. But that is not enough. We should have our political processes structured from the grass roots to the East Block so these things are acceptable and understood.

[Mr. Hogarth.]

• (12:40 p.m.)

Another passage from the speech is most disconcerting. We have put some emphasis on reforms to the Criminal Law and these are long overdue. The speech outlines what we mean by this in the following sentences:

The size, complexity and fallability of the structures that technology imposes on modern societies are often in conflict with the protection and development of individual values. The workings of both private and public institutions may endanger the individual's free expression of his unique personality. He must therefore be protected from anything that jeopardizes his rights or limits his personal development.

What do we do? It appears that the elephant has given birth to a rabbit. The only reforms we have are amendments to the Criminal Code pertaining to bail and wire tapping. We have an also ran from the Solicitor General's department dealing with pardons, which is really only going to have a psychological effect. We have also a bill from the Senate on hate literature. When you consider what is necessary, you must realize that these reforms are pitifully inadequate. Oddly enough, we use the most altruistic motives but you will note that not one of these amendments is going to cost any money. If we are going to have Criminal Law reform and justice, we must be prepared to meet the cost.

Consider what we should be doing. In 1929 the Juvenile Delinquents Act was passed. It was known early in the game that it was not satisfactory, and it certainly is not satisfactory now. In 1965, four years ago, we had a departmental committee set up which prepared an excellent report after travelling all over Canada discussing these problems with sociologists, lawyers and judges. That report was filed in 1965 but nothing has been done since 1965 about that Act. We should have it before us this session, and it should have been before Parliament at the last one. We wonder what the delay is and why it is not before us.

Let us consider the Ouimet report which we received ten days ago. I was pleased to hear the Solicitor General (Mr. McIlraith) say today, and I note he is in the house, that he is open for suggestions as to what to do with it. That very splendid report should have been automatically referred to a standing committee of this house, or we should have a special committee set up to consider it. The reforms in it are far-reaching and if we do not get at it soon, by the time we do get at it the reforms it suggests will themselves need reforming.

We need a national criminal legal aid scheme. Provincial legal aid should be subsidized and integrated with a national scheme like medicare. It is disgraceful to see accused persons try to defend themselves on serious charges. This is our responsibility. We give the accused the right to a full answer in defence by counsel learned in the law. The accused then asks where his counsel is, and finds he does not have one. We will provide the judge, we will provide the police witnesses and even in federal cases we provide the prosecutors, but we do not provide counsel for the accused.

At the justice committee last year we disciplined ourselves to considering solely what was in the Omnibus Bill. Time and time again it was pointed out to the Minister of Justice (Mr. Turner) that other sections of the Criminal Code should be amended. The wording of the Criminal Code is disgraceful. We were told these amendments would be made during the next session and that there would be a mini-bill. It is not mentioned in the Speech from the Throne. I think it should be before this house now because these things were drawn to the attention of the Department of Justice and agreed upon in some instances.

We need reform of our laws dealing with the criminally insane. We treat them like pigs. We incarcerate them in isolation and wish that somehow this whole matter would go away because it is not a human problem. We need reform. We need extensive research into psychopathic criminal behaviour, we need research in respect of psychopathic sexual behaviour. What is causing it and what can be done to prevent it? We must find out how we can avoid the terrors of this particular type of criminal activity.

I am surprised that after the rape of Montreal we are not giving some attention to a change in our laws pertaining to riots and disorders. These laws are somewhat archaic if you take a good look at them. I am surprised that we have not got an extension to Section 70 of the Criminal Code so that policemen who have a responsibility must obey that responsibility or get out of the police force. I am surprised that we have not extended that section so we might prevent riots and civil disorders. Our judges are not properly paid. This government is niggardly in respect of judges. They are not being properly paid in comparison with the earnings of men of similar experience in the legal profession.

We should abolish corporal punishment. Why do we not meet these challenges? Why do we not at least put them up for debate? In any event, we need abolition of corporal punishment. There have been bills before parliament for years providing for the abolition of this prehistoric device which never works at the best of times. These are just a few of the fields we should be dealing with in the area of Criminal Law. Like the hon. member for Gander-Twillingate (Mr. Lundrigan) wished to do, I could go on all day.

I am proud of what the Speech from the Throne says, but I am somewhat ashamed by what it does not say and what it should be saying. If we would be reformers we have to give some attention to what is holding things up and what is the missing cog in the machine. I think one hang-up is our failure to examine closely the mechanics by which this institution operates, by which change could rapidly take place and by which there could be action and reaction to public demands within a reasonable period of time instead of years. I think we are constipated by tradition and fear of action; tradition that is meaningless in modern Canada and fear of action which shows a lack of feeling of national destiny.

Some of the rules of this house are quaint. Rule 28 says that any member wishing to speak shall rise uncovered. We stopped wearing hats in the House of Commons years ago. That is just a trivial example of many of the archaic things in those rules. Some of the trappings of the house look as though they came out of the pages of *Treasure Island.*

We should never have abolished the committee we set up during the last session to consider changes in the rules of this house. It should be a standing committee so that these rules might be constantly under review. It probably could give attention to some of the problems of the house.

One of the greatest obstructions to change in Canada today is the fantastic bureaucracy of the Canadian Civil Service. The Canadian Civil Service taken as a whole, with some notable exceptions, has not had an original idea since Confederation, and that came from an Englishman. The odd thing is that these public servants never get fired. The rarest thing in the Canadian Civil Service is a rolling head. This just does not happen. These Civil servants are either promoted, put somewhere else or drafted into some research station where nobody ever sees them again, but they are still paid. Some of them show true genius—true genius at making excuses and causing delay. We have all had experience with these people at committee meetings

when considering a minister's estimates. A civil servant, knowing he is going to get into a little hot water and knowing also that a member has only 10 minutes to ask questions, is very good at taking 10 minutes to give his first two names. You never do really find out who he is.

The real fear, however, and the real blame rests to a great extent on ourselves. We have to take a great deal of the blame. We also are afraid to abandon the baby blankets of the past. We are afraid to attack conventional wisdom. We are afraid of what political effect this is going to have in our ridings. That is what we are afraid of. We are afraid to stand up and make statements that we know might not be acceptable, even though we know they are morally and logically sound. We are terribly afraid of political introspection. We have too much pragmatism and compromise, and not enough principle. Compromise is a political device, not a principle at all. This brings about half-baked programs.

Look at what we did finally with the languages bill last year when we compromised. Section 11(1), as a result of a compromise made by this government with the western Attorneys-General, ended up by providing that in a bilingual district an accused person or a witness, has the right to speak either of these two important languages. However, when the accused is addressing the court or a jury, he has no such right. This is left to the discretion of the court. That was the result of the compromise. You can see what compromise can do to principle.

• (12:50 p.m.)

We act out of sentimentality fostered by public opinion that can be swayed and distorted by false and fraudulent facts promulgated by the mass media. A prize example of this sort of action was the cancellation of the seal hunt. It was so sentimental I am surprised it was not announced by Mickey Mouse or Smokey the Bear, because those of us who went into that problem in depth found there was no cruelty to animals. We found conservation was being practised and we found it was an economic thing for the people to be doing. I wonder if we will cancel all the trapping and killing of animals in Canada. If we were to follow that principle we would be in serious trouble in respect of many of the industries.

We are too parochial. We fail to see this country as a country which in the existential sense is in the process of "becoming". We lack healthy nationalism. Those of us on the back bench who advocated the proclamation of Arctic sovereignty last spring were, as reported in the press, referred to as ultra-nationalists. I am proud to be an ultra-nationalist if this results in the announcements that have been made recently on this subject.

Canadians have dealt for years somewhat harshly with their would-be activists and would-be reformers. We have always been very cautious of them. I was wondering the other day what Louis Riel, one of the great Canadian activists, would think if he were here now. He would say, "Today the scaffold, tomorrow the monument, the day after tomorrow the postage stamp".

Mr. Baldwin: I rise on a point of order, Mr. Speaker. Since there has been some little doubt concerning what the procedure would be in connection with the order of the House I would propose at this time, if all parties agree, that the question be put, the yeas and nays taken, and if it should then appear from that a recorded vote would be taken, then the bells should ring once at two o'clock for 15 minutes. Thereafter, the recorded vote should be taken. I say this because there has been some doubt about the procedure and this would have the effect of apprising hon. members of precisely what would be done. There is hardly time for another speech to be made between now and one o'clock. If this is satisfactory, Your Honour might put the question and then after the vote has been taken of course the debate would proceed.

Mr. Francis: Mr. Speaker, I do not understand what the proposal is. I should like to know upon what I am alleged to be voting. There was an agreement of the house that we would vote at two o'clock. I take it that some modification of that agreement is being proposed.

Mr. Baldwin: No.

Mr. Deputy Speaker: Order, please. Perhaps I might make an explanation because the Chair was involved in the discussion. It is simply a proposal to overcome the difficulty about posing the question and to avoid ringing the bells twice. I understand that if there is agreement, the Chair would put the question now and the vote would not take place until 2.15.

Mr. McIlraith: My understanding is that it is simply a proposal to clarify the procedure in such a way that at two o'clock we can ring the bells once for the required 15 minutes and then proceed to the recording of the vote. If

that understanding is correct, we are quite agreeable on this side.

Mr. Knowles (Winnipeg North Centre): Agreed; that was the idea.

Some hon. Members: Agreed.

Mr. Deputy Speaker: If it is agreed, I might put the question at this time. The question is on the amendment of the hon. member for Oxford (Mr. Nesbitt).

All those in favour of the amendment will please say yea.

Some hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some hon. Members: Nay.

Mr. Deputy Speaker: In my view the nays have it.

And more than five members having risen:

Mr. Deputy Speaker: We will call in the members at two o'clock. It now being one o'clock I leave the chair until 2 p.m.

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2 p.m.

The house divided on the amendment (Mr. Nesbitt) which was negatived on the following division:

• (2:10 p.m.)

Division

YEAS

Messrs:

Aiken
Alexander
Baldwin
Bell
Carter
Comeau
Crouse
Danforth
Dinsdale
Dionne
Fairweather
Fortin
Gundlock
Harding
Harkness
Horner
Knowles (Winnipeg North Centre)
Lambert (Edmonton West)
Laprise
Latulippe
Lundrigan
MacDonald (Egmont)
MacEwan
MacLean
Macquarrie
MacRae
McCutcheon
McGrath
McKinley
Mather
Mazankowski
Monteith
Muir (Lisgar)
Nesbitt
Peddle
Peters
Ricard
Rodrigue
Scott
Simpson
Southam
Stanfield
Thomas (Moncton)
Valade
Winch
Woolliams—46.

NAYS

Messrs:

Allmand
Badanai
Béchard
Beer
Benson
Blair
Blouin
Boulanger
Breau
Brown
Cadieux (Labelle)
Cafik
Cantin
Chappell
Clermont
Cobbe
Comtois
Côté (Longueuil)
Crossman
Cullen
Cyr
Davis
Deakon
De Bané
Douglas (Assiniboia)
Drury
Dubé
Émard
Forget
Francis
Gillespie
Goode
Gray
Guay (St. Boniface)
Guilbault
Haidasz
Hellyer
Hogarth
Honey
Hopkins
Howard (Okanagan Boundary)
Hymmen
Isabelle
Jerome
Kierans
Lachance
Langlois
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Legault
Lessard (LaSalle)
Lind
Loiselle
MacEachen
MacGuigan
McIlraith
McNulty
Mahoney
Major
Marceau
Marchand (Kamloops-Cariboo)
Morison
Munro
Murphy
Osler
Pelletier
Penner
Pepin
Pilon
Richard
Richardson
Rochon
Rock
Roy (Laval)
Serré
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Stafford
Stanbury
Stewart (Okanagan-Kootenay)
St. Pierre
Sulatycky
Sullivan
Thomas (Maisonneuve)
Trudeau
Turner (London East)
Turner (Ottawa-Carleton)
Weatherhead
Whicher
Whiting—91.

• (2:20 p.m.)

Mr. Speaker: I declare the amendment lost.

Mr. Lincoln M. Alexander (Hamilton West): Thank you for recognizing me, Mr. Speaker. I join my colleagues in congratulating the hon. members for Sarnia (Mr. Cullen) and Lapointe (Mr. Marceau) for their contributions which set the high tone of this debate. I must also express my appreciation to other hon. members who have spoken thus far. They have spoken sincerely and their speeches have been of high calibre. I congratulate those who have been appointed Parliamentary Secretaries. I wish them luck. I wish the two Ministers without Portfolio from urban ridings in Toronto and Windsor well. I earnestly hope they do not become frustrated

because of this government's evident lack of interest in urban progress. I will not repeat what the Leader of the Opposition (Mr. Stanfield) and others have said so eloquently about the Speech from the Throne, that it is full of pious platitudes. I agree with that. It contains good points, however, one of them being that the government has at last recognized the young people of this country and will give them the opportunity of taking advantage of the franchise. Let it be known, Mr. Speaker, that at the Niagara Conference of October 9, 10 and 11, this party laid down the guidelines on this question. This government has not suddenly thought of this matter. It has been thought of before.

Mr. Winch: It was thought of in Saskatchewan 20 years ago.

Mr. Alexander: I share in the concern of young people who say that they should have the opportunity to run their own affairs. They want to participate in the directing of this country's affairs and to play a significant role. We are privileged and honoured, because in this country we have young people with special talents. I say this with all sincerity, because it was as a result of the vim and vitality of the young people in my constituency that I was elected to the House of Commons. For that I am extremely grateful. Our young people will not remain patient in the face of injustice and will not settle for token measures that only gloss over and do not solve problems. Many of them are disillusioned with "the establishment". I say to them, "You will be part of the establishment once you have the franchise." If they are disappointed with the performance of any elected member, they should kick him out. That is all there is to it. If they do not know how to go about that, they should speak to the seasoned politician—and I consider myself a seasoned politician since I have finished my one year apprenticeship stint in this House. We will show our young people whom they should back and whom they should not back. They should not vote for those who are incapable of giving proper direction to the affairs of this country.

The Speech from the Throne referred to pollution, a matter of high priority. Having read several articles on the subject and having seen several documentaries in the last two or three years, I have concluded that if we do not begin solving the problem of pollution in the next three or four years we may have nothing at all, literally, to worry about in 25 years time. We must show concern not only in respect of water pollution but various forms of pollution that affect the earth, the air and our environment. We have all heard about noise, visual pollution and even mental pollution. We know the problems. To discover them we do not need to conduct a great deal of research or intensive study. I think it would be well if this government were to create a separate ministry responsible for pollution, to co-ordinate and bring under one authority the anti-pollution programs of other departments of government. That way the federal government could set standards. Penalties for infractions of the regulations could also be established. We must keep in mind that provincial governments will have set up their own anti-pollution programs and that local authorities concerned with pollution have introduced specific anti-pollution measures. You know, Mr. Speaker, about 200 agencies are concerned with pollution. Surely, the federal government could step into the picture, give leadership, and co-ordinate the activities of the various bodies in this nation in the fight against pollution. That way we could correlate all the information about pollution that has been gathered, and pass this information on to those interested in the matter.

Although this government may express interest in the subject of pollution, I doubt its sincerity in solving the problem. On the one hand, we have the centre devoted to the study of inland waters at Burlington, where the government will spend millions of dollars on research into pollution; and, on the other hand, we have the case of the City of Hamilton. The city knew what its problem was and decided to call tenders in the early part of 1970 for the completion of a secondary sewage plant, but this government said, "No". I remember asking the Minister without Portfolio responsible for housing about this matter, and in a pious-sounding answer he as much as said, "There is no sense in undertaking this project now." I ask, what is of prime importance in our fight against pollution?

• (2:30 p.m.)

Another area that has been dealt with in the Throne Speech is housing. This government has indicated its desire to see one million housing units built within the next five years. This is commendable, but we have been telling this government all along that there has been a housing crisis. This is an area which we should move into quickly, and I will have more to say about that later.

There are other objectives mentioned in the Throne Speech which are admirable such as

those with respect to tax reform and the war against inflation. Whether we are proceeding in the right way remains to be seen. What strikes me as being extremely significant is the fact that Anthony Westall, a man whose ability I can appreciate, sums up the speech in this way:

"The Trudeau government remains today without a clear image—Is it progressive or reactionary?—and without a social message for Canadians".

The latter part is extremely important, "without a social message for Canadians". As I understand it, Mr. Speaker, this government is going through a planning stage. This government spent its first year in power clearing up old business, finding the problems and then attempting to slit the throat of the opposition by the imposition of 75c. That was their main, significant contribution during the first year.

Some hon. Members: Hear, hear.

Mr. Alexander: The second year, Mr. Speaker, will be taken up with the discussion of solutions; the third year with putting through legislation, and the fourth year with sitting back and gloating over their marvellous contribution. Then, the government will go to the people.

I cannot say anything against planning, Mr. Speaker. Planning is always required. However, there are certain areas in which we must move away from too rigid a stand. There are many areas which this government will now have to take into consideration. They will have to forget they are at the planning stage because they are also at the problem, solution and legislation stages today.

Action is needed, Mr. Speaker, particularly in two areas, unemployment and the complexities of urban growth. This is the great tragedy of that Speech from the Throne. For some reason or other, there was a lack of recognition of these two very important crises in the Canadian economy. If this government promised anything, Mr. Speaker, it promised to govern and create. They were going to create a new Canadian society, but how can you create a new Canadian society without the recognition of the great sprawling urban problems?

A society, just or otherwise, can only develop on a foundation of healthy economic growth and that means job opportunity, decent annual incomes, steady demand, steady production and last, but not least, equality of opportunity to share in national development and prosperity. No society can be termed just that contains within it the regional disparities that we find in Canada. No society can be truly just that can callously write off, for the sake of convenience, primary industries that happen to have fallen on evil days and whole sections of the population who, through no fault of their own, happen to share this state.

From reading the representations of the Economic Council over the years it is seen that the term "full employment" is continually emphasized. This phrase is coupled with a strong affirmation that it is one of the principle keys in Canada's future. It is really ironic. This nation is spending billions of dollars and taking in by revenue billions of dollars, with an export trade the envy of many underdeveloped nations and not a few industrialized nations, with a standard of living, possessed of space, natural resources uncounted and human resources mercifully detached from the problems created by unfriendly neighbours. Yet with all this, with all our achievements, affluence and potential, we must admit to an inability to gainfully employ close to 5 per cent of our people who are able and willing to work.

Surely, the solution to this problem presents challenge enough for the most imaginative and dynamic government. This figure of close to 5 per cent is bad enough, but what is worse is the regional breakdown. Here we find a rate of 7.1 per cent for the Atlantic provinces; 6.8 per cent in Quebec; 3 per cent in Ontario; 3.4 per cent in the Prairies and 5.4 per cent in British Columbia. This is proof positive of the statement of the Economic Council of Canada and I quote:

The level of unemployment in the Atlantic provinces and to a lesser degree Quebec is persistently higher than the national average at all times.

Such a condition points to the need for flexible policies applicable in differing degrees to regional needs, rather than blanket policies which have no regard for regional needs and only accentuate regional disparity. In this regard, we now have the Department of Regional Economic Expansion which will carry on the policy of giving grants to industries to persuade them to establish in certain areas or to stay in areas where they are already established.

What we should have is a very clear picture of how these powers will be applied in this new department and how it will operate. If we were able to spend very large sums of money in the past few years without securing the desired results, let us not repeat that process. If we are going to simply follow the

line of least resistance and go where growth already exists, where industries are already established, then where is the case for this department and its calls for correlation?

The hon. member for South Western Nova (Mr. Comeau), took this government to task, particularly the Minister of the Department of Regional Economic Expansion (Mr. Marchand), because there was no liaison between the departments. There is no liaison between that department and the Department of Transport, as well as that of the Postmaster General. The hon. member asked how in heaven's name these slow growth areas are ever to take their place in the main stream of Canadian life when we have ministers who do not even discuss what is going on in terms of relieving the frustrations of the Atlantic provinces.

I am particularly disturbed about the non-recognition of the complexities of urban growth. I was pleased to hear the hon. member for York North (Mr. Givens) deal briefly with this problem in his speech. It made my heart jump for joy, because I thought I was going to hear a blast against this government that would leave nothing to be desired by the hon. member for York West. This former mayor of Toronto stated that if he were on the treasury benches, he would have ensured that the problems of urban growth would have been included in the Speech from the Throne.

In the 1970's this country will have a population of some 25 million. According to the statistics that have been gathered, the population of this country in the 1980's will be centred in 29 cities. We have heard mention of Toronto and Montreal, and we can even throw in Hamilton. In the next 10 or 15 years Ontario will have a population of 10 million. When we think of these facts we see how significant it is that we should be urban oriented. With all due respect to my rural friends, we have to face the realities.

We have to be concerned about the quality of life being experienced in urban centres. We must be concerned about crime, mental disease, depression, frustration, alcoholism and drug usage. A member of our party stated yesterday the only advice he can give to the youth of our nation today is to "get off the pot". Until such time as I can be shown there is some merit in the use of marijuana and until it is acceptable, I am against it. I also say to the youth of this country, "get off the pot".

Some hon. Members: Hear, hear.

[Mr. Alexander.]

Mr. Alexander: Urban growth at this particular time can only mean environmental malaise upon which I have just expanded. This continuing growth in our cities unquestionably will continue to rise, yet the Throne Speech indicates the government has ignored one of the greatest challenges that this country has ever faced, namely to see to it that there was some recognition of this great problem being faced by many Canadians. The lack of the government's indicated intention to tackle the many social and economic problems has created an attitude of deep concern and disappointment in many people throughout this land.

• (2:40 p.m.)

It seems to me the most significant shortcoming of the government, and I say this with all due respect for its wisdom, lies in its continuous refusal to confront head-on the gut issues which face Canada and which, with the passing of each day, weigh more heavily on the minds and purses of Canadians in all walks of life. As I say in my simple language, there has been a complete failure to consider the nitty-gritty issues—the more sophisticated can call them the nutty-gritty issues, or the bread and butter issues. If you are even more sophisticated, like the former minister in charge of housing, you could call them the nuts and bolts. This negative attitude has become one of the more dangerous developments in the hands of this government, whose tendency is to allow nature to take its course and simply to speed up the process. That is not policy, Mr. Speaker. It is greasing the skids toward chaos.

Some hon. Members: Hear, hear.

Mr. Alexander: We need a recognition that the question of urban growth is one of immediate and profound concern to this nation and to the quality of day to day living in Canada. Yet none of the basic issues of daily life in Canada appears to have moved the imagination of our well-dressed Prime Minister (Mr. Trudeau) or of his less colourful retinue of thinkers, theorists and swingers. In these circumstances, the just society is unobtainable, and its promise is an insult to our intelligence. At the most, it continues to exist as an election slogan which has been almost totally rejected by the farmer, the fisherman, the urban dweller and by the four million of us who are living in poverty today. Let me say, in my own language—and it is language which is becoming increasingly acceptable: this government must stop shafting the poor.

After all, what could we expect? It has been said that the Prime Minister promised

nothing. Well, this government, in keeping with that statement has, in the minds of many people, done little or nothing in concrete terms to justify the confidence, plaudits and enthusiasm of Canadians.

In considering the subject of urban renewal we cannot ignore the municipalities. This was made clear by the experience of the government in connection with two airports in particular, one on Toronto Island and the other outside Montreal. The 37th annual conference of the Canadian Federation of Mayors and Municipalities indicated quite clearly that the Municipalities wished to have a voice in all discussions which concerned urban affairs. These people are concerned about transportation; they are concerned about housing; they want to be brought into discussions at levels upon which their experience can be useful. The Federation expressed a desire to participate whenever possible in the manner set forth at the federal-provincial constitutional conference. If we are to make any headway in this field, we must begin to recognize that because of the rate of urban growth and its increasing complexity we shall have to reach down—and I say that with a great deal of respect—to receive wisdom and guidance from the municipalities.

It has been said that pressures for increased expenditures in urban areas are likely to mount rapidly, and it is to be noted that the real property tax, which is still by far the largest source of local revenue, is considerably less responsive to economic growth than are the revenue sources of the federal and provincial governments. As stated by the Economic Council, the gap between municipal expenditure requirements and the revenue derived by municipalities is likely to increase; in the absence of a continuing increase and transfer of revenue from the senior government or further shifts of responsibility to other levels of government it will become increasingly difficult to maintain, let alone to improve, the quality of the urban environment in which the vast majority of Canadians will be living.

It is extremely important that we become aware of what is happening in terms of urban growth. What about urban renewal? I must have asked 30 or 40 questions on this subject since I came here. We have had a succession of ministers—the hon. member for Kingston and the Islands (Mr. Benson), the former member for Vancouver Centre, Mr. Nicholson, the hon. member for Trinity (Mr. Hellyer) and the Minister without Portfolio in charge of housing (Mr. Andras). It seems to me they each gave consideration to the proper way of approaching urban housing problems and that the municipalities were given every encouragement to pursue the plans which were on their drawing boards. The city of Hamilton was no exception in this regard. It was understood and accepted that its scheme was a good one. The local authority undertook to carry on and the government indicated it was behind this project. It seems to me, now, Mr. Speaker, that Hamilton was led down the garden path and then kicked over the cliff. Hamilton had a $14 million project going in its project for York Street urban renewal and it was looking for some $5 million from the federal government as its contribution. Then, government spokesmen suddenly announced: It's tough luck but we have only $2,500,000.

Do you know what situation has resulted, Mr. Speaker? When I go to York Street today the people who own the stores, shops and homes which have been expropriated ask me what is happening. I say to them: Blame the government in Ottawa.

Some hon. Members: Hear, hear.

Mr. Alexander: I tell them to blame this government because the present government has not shown any humanitarian feeling. I listened to the Minister of Finance (Mr. Benson) talking about the little people. What does he know about the little people? We find this is a very hard pill to swallow. In my opinion, as a result of the attitude the government has taken, it is not possible to secure the trust, the faith and the co-operation which are expected from municipalities. How can you expect these things when you lead them down the garden path?

An hon. Member: You are talking about John Robarts?

Mr. Alexander: The present minister responsible for housing stated recently:

> Until a more well-defined and logical long term Canadian urban renewal policy can be formulated and enunciated, municipalities with urban renewal schemes presently in preparation, will have to elect either to suspend further study or alternatively to complete their work in the knowledge that additional federal funds for implementation of schemes may or may not be forthcoming.

He made this statement regardless of the fact that some of these programs have been in preparation for some five or six years. The cities need information concerning the guidelines which affect urban renewal. They are interested in knowing why a program which was apparently satisfactory has been cut back. Most of all, they are interested in

knowing whether further funds will be forthcoming from the federal government; they demand a statement, in the course of which urban renewal policy will be disclosed.

The Leader of the Opposition (Mr. Stanfield) asked the minister the other day when he intended to make such a statement. He said he would do so within a few days. Mr. Speaker, I have heard that promise ever since I came here. I asked the minister whether he would deal, in the course of that statement, with the guidelines for public housing. He said, yes, he would probably include that subject. The municipalities are sick and tired of this pussyfooting, this evasion of the issue. I hope that the question I asked the minister this morning about building societies will be given very sympathetic consideration when the province of Ontario moves into this field. If we do not have some sort of means whereby mortgage money is attracted into the housing field, then there just is no way in which the government will complete its one million units within the next five years. I hope the government will lend a sympathetic ear in this regard.

• (2:50 p.m.)

According to the statistics, in the year 1967 there were 164,123 housing starts; in 1968 there were 196,878; and the estimate for 1969 is 190,000. The government's objective of one million new housing units during the next five years is probably based on the report of task force on housing and urban development, page 23, which reads:

> A minimum of one million additional units over the next five years would allow the housing market to keep pace with new demand plus making at least some inroads into the current backlog of overcrowding, obsolescence and general shortage of supply.
>
> In setting a target of one million additional units by 1973—

—which is what the task force report indicated—

> —it should be stressed that this is a minimum objective—the task force would earnestly hope that actual achievements would run considerably above this.

An hon. Member: We will reach the target.

Mr. Alexander: I suggest you tell your minister to approve building societies, and then you may have a chance. Assuming that an estimate of about 190,000 starts for this year is reasonably accurate, the next four years through 1973 would all have to be exceptional ones, averaging close to 205,000 even to achieve the level the Hellyer task force claims is an absolute minimum. With growing demand paced especially by rapid growth in new family and household formation as the post-war baby boom hits the housing market, the council projected a total increase of about 1¾ million new housing units in the eight years from 1967 to 1975.

I am sure you are about to call time, Mr. Speaker, but may I just have another minute to conclude?

Mr. Speaker: Order. Has the hon. member leave of the house to continue his remarks beyond his allotted time?

Some hon. Members: Agreed.

Mr. Alexander: I shall finish shortly, Mr. Speaker. In order to expedite my remarks I shall read the rest of them, even though my hon. friend in the New Democratic party said that members should learn to speak without the aid of typewritten notes. We will achieve this eventually. You have a new breed of politician in the House now, Mr. Speaker, one who is aware of his functions here and the image that he must project in order that Canadians, as I told some young people here today, will respect this house. I am not afraid that this government will reduce this respect, because it is our function to make sure that this respect continues in the age old tradition of grandeur and understanding.

This government is obsessed with abstract things and has no inclination to tackle the many existing emergencies, some of which I have mentioned. Instead we, as parliamentarians, representing the people of Canada, are asked to treat as urgent matters such as abortion, homosexuality and language rights.

All these may have their importance—there can be no doubt about that; but at the same time it seems to me they should have no priority in a country as urgently in need of action in the economic sector as Canada.

The title of one of the latest reports of the Economic Council of Canada is "Challenge of Growth and Change". This is a challenge that for some reason or another has been continually ducked by this government, even though they continually point out the shortcomings in our economy and what should actually be done to alleviate the many serious situations.

In conclusion, what this country needs is a government that is conscious of the realities. We need a government with policies to alleviate problems resulting from urban growth that are becoming more and more intense. We need a government that can produce instant programs, a government whose first concern is the strengthening of Canada's economy, the

reaffirmation of our national identity and integrity, and the maintenance of Canadian sovereignty within our territories. In this respect, the statement made by the Prime Minister (Mr. Trudeau) with regard to Arctic pollution should have been a little stronger. Let us state firmly that those waters are ours, and then we will see how the cookie crumbles.

Mr. P. M. Mahoney (Calgary South): Mr. Speaker, may I join in the general acclaim of my colleagues, the hon. members from Sarnia (Mr. Cullen) and Lapointe (Mr. Marceau), who so ably moved and seconded the Address in reply to the Speech from the Throne. In offering this congratulation I must immediately disclaim any implication of surprise, or even remarkability. The quality of their efforts was really only of that degree of excellence which we in the back rows on both sides and in the rump opposite have come to expect of our parliamentary contemporaries.

Last year when speaking in the budget debate I remarked that the Company of Young Canadians was a controversial creation of Parliament. Certainly, nothing has occurred in recent months to cause me to amend that assessment. The Company is currently under assault by some of the most influential political figures in Canada. The Standing Committee on Broadcasting, Films and Assistance to the Arts has now been charged with the responsibility of looking into its operation. In view of the tenor of some of the charges giving rise to this investigation, one might almost expect the national defence committee to have been given this responsibility.

However, I am extremely happy that a subcommittee of that committee, under the chairmanship of the hon. member for Winnipeg South Centre (Mr. Osler), will be visiting Calgary to hear evidence on C.Y.C. activities there. Whatever the situation elsewhere, they will have the opportunity to review a C.Y.C. operation that has worked and worked well; an operation that has, with the very limited means available to it, fulfilled its function of bridging the gap between the mainstream of society and some of its alienated elements, and left behind it a residue of ongoing community leadership. It is an operation which, in short, has achieved the objectives its creators visualized.

There are a number of recently, and perhaps temporarily, unemployed politicians in Calgary who must regret profoundly their assessment that the repercussions of C.Y.C. activity there was a cause, rather than a symptom, of civic malaise.

I had the honour early this month, at the invitation of the Canadian Institute of International Affairs, to attend and participate in a seminar sponsored by the John F. Kennedy Institute for Atlantic Studies at the University of Tilburg in The Netherlands. The subject of the seminar was NATO and security in the seventies. Following this I visited, along with other members of this chamber and the other place, the Council of Europe at Strasbourg; the First Canadian Air Division at Lahr, and the Fourth Canadian Mechanized Brigade Group on manoeuvres in the field near Brunswick, Germany.

I then took part with the parliamentary delegation in the deliberations of the North Atlantic Assembly in Brussels, and with a smaller group representing this Parliament at a meeting in Paris under the auspices of the development aid committee of the Organization for Economic Co-Operation and Development. This latter meeting focussed its attention on the report on development aid entitled "Partners in Development" prepared for the World Bank by a distinguished committee under the chairmanship of our immediate past Prime Minister, the Right Hon. L. B. Pearson.

I should like to pay tribute to the hon. member for Etobicoke (Mr. Gillespie) who headed our delegation to Brussels. The preparation and advance briefing that we received was extremely valuable, and this was carrying on the tradition established last year by the hon. Senator John Aird. I sincerely hope that this tradition of briefing and preparing of delegations, and of establishing a degree of continuity between parliamentary delegations to the more important international assemblies, will be continued.

• (3:00 p.m.)

There is no doubt in my mind, in the mind of any informed European, or in the minds of our troops in Europe, that our soldiers are, man for man, the finest, best trained and most effective military force on that continent. They are professionals. They are capable of fulfilling their assigned task better than any other force, but that capability does not necessarily mean that the assigned task is the right task; and just because it was the right task 15, 10, or even five years ago does not mean it is necessarily the right task now. An uncritical perpetuation of the existing role would be tantamount to closing our eyes to some very fundamental changes in the balance of world power.

There is the greatly increased capacity of the European nations to provide for their own defence in conventional terms. There is the awareness that an incident in the European theatre likely to escalate into any sort of war—the so-called accident—will more likely occur on one of NATO's lightly guarded flanks, Norway, Turkey, the Mediterranean, rather than in the relatively heavily armed centre, Germany where any action would almost immediately bring the aggressors into contact with United States troops and a possible nuclear retaliation. There is the fact that on a global basis the United States and Russia have achieved practical parity in the capacity for mutual obliteration by strategic nuclear weapons. There is the fact of growing Chinese power and ever-increasing ferment in the developing world. There is the evident thrust of Soviet policy to compete with the United States as a global military power. This is implicit in the growing show of Soviet naval strength particularly in the Mediterranean but also in the Indian and Atlantic Oceans. It is implicit in the development of the Antonov 22 long-range, troop transport aircraft, the helicopter carriers now at sea or nearing completion, and the expansion of their marine infantry.

Russia is rapidly equipping itself to perform the same global role of which the United States is presently capable. Once it has this capability, and given *de facto* strategic nuclear equality with the United States, will Russia be able to avoid involvement in distant trouble spots? Is it not likely that opportunities for involvement will be more numerous than in the past?

Canada's defence policy, with the pre-eminent position given its NATO commitment, was formulated before these fundamental changes in the balance of world power at a time when one could with reasonable certainty postulate that the only real peril to Canada was the fact that a nuclear war between Russia and the United States would necessarily involve us; that the most likely cause of such a war would arise in Europe and that Canada's interests were, therefore, best served by a total commitment to NATO. With changing conditions the only real peril to Canada remains, for the time being at least, the fact that a nuclear war between Russia and the United States will necessarily involve us. But we can no longer safely assume that Europe is the only place where a confrontation leading to that war is likely to occur; indeed, it seems more likely to occur elsewhere.

[Mr. Mahoney.]

The situation which we face justifies the decision to rearrange our defence priorities and it also justifies the reconfiguration—that is the official word, not mine—which will see integrated, highly mobile air transportable troops forming the basic fighting units of our armed forces. But while the transformation of, if you like, reconfiguration may be the right thing to do, it will not be an inexpensive thing to do. Concern must be expressed that the current economy drive could seriously impair and even delay this process at a time when it is vital that it proceed with all due dispatch. Given adequate resources our Canadian armed forces will continue to be, man for man, the free world's most effective military force, filling an even more valuable role than in the past. A second element of our foreign policy, development aid, is receiving increased attention, and indeed has been exempted from the expenditure guidelines which the government has applied to practically all other areas of activity. This attitude of the Canadian government is somewhat unique in the international community today.

The first pages of the Pearson Commission Report are replete with such terms as "feasibility in question", "disillusion and distrust", "volume stagnant", "commitments declining", "spirit of disenchantment", "misconceptions", "criticism of waste" and "frustration and impatience". The report acknowledges that international support for development is now flagging. Recognition of this fact led the Organization for Economic Co-operation and Development to call together last week parliamentarians from countries which are members of its Development Aid Committee. This invitation was unprecedented in the history of the OECD which has tended in the past to conduct its affairs quietly and with dignity at the official and ministerial levels, a rather natural reflection of the fact that the OECD is the rich man's club of the global village.

Its member countries account for 61 per cent of the world's industrial production and 65 per cent of world trade, while containing but 20 per cent of its population. They also disburse 90 per cent of its development aid. They called in parliamentarians because they recognize that they are going to have a tough time selling a maintenance, much less an increase, in development aid over the next few years. The Pearson Report enumerates clearly not only what development aid can do but what it cannot and should not be expected to do. At this particular time of disenchantment, a definition of misconceptions is

probably as important as a definition of potential.

Development will not guarantee a choice of a particular ideology or value system; nor political stability nor rejection of violence; nor peaceful and responsible international behaviour; nor will it buy dependable friends. So why bother? Of course, there are moral reasons; the feeling that it is right for the "haves" to share with the "have nots". There is the appeal of enlightened self-interest, a somewhat shopworn expression which embraces the concept that improved utilization of the world's resources will benefit the rich as well as the poor. Most important is the fact that we live in a global village; that a war anywhere may affect us all; that pollution in one area may affect the entire world; that pestilence does not stop at national boundaries. In brief, there is no way of knowing where Canada or any other country will be next year, 10 years or 100 years from now, unless we can also know where the world will be. If we want to be secure and prosperous we must try to ensure that the world is secure and prosperous.

One of the more significant phenomena in western Europe today is that of the growing irrelevance of national boundaries. For over a decade young people—and not all of them are still young—have been moving freely from Naples to Oslo and from Munich to Dublin. They recognize themselves as Europeans, not Dutchmen or Danes. This phenomenon is spreading throughout many parts of the world. It has crossed the Atlantic; it has penetrated the iron curtain. There is among the young a conviction that we are a world community and that we must behave like a world community if we are to survive as a civilization. The concept of world community is itself a compelling reason for development aid. Development aid is an act of faith in the future. The poorer nations have made their choice. They intend to develop. The questions are how fast and at what cost. Developed nations can speed their progress and ease their way.

The Pearson Report also tells the story of the first development decade and outlines a strategy for the second. The record of the first is better by far than most of us appreciate. The average rate of increase of gross national product in the developing countries has reached 5 per cent per annum, although the population explosion has held the annual per capita rate to 2½ per cent. Remember, these are gross averages. Some individual countries have done much better than average, others have remained relatively stagnant, while yet others—Indonesia and Uruguay, for example—have actually experienced per capita declines.

However much the western wheat farmer may regret the loss of markets, he must rejoice in the conquest of starvation in many parts of the world as the green revolution gains momentum. However much the textile industry may resent competitive pressures, it must be grateful for the options that are open to its owners and workers in Canada, few of which are open in the developing world.

• (3:10 p.m.)

School enrolment has almost tripled, although the tools and techniques are too often antiquated and the education too often classical rather than technical, with no suitable productive job waiting for the student. Public health conditions have improved immeasurably, resulting directly in lower mortality, higher birth rates and often critical unemployment and underemployment. The results and experience of the first development decade indicate a need for massive research if the second decade is to produce optimum results.

The amount spent on development aid will not be the only, nor even necessarily the most important, criterion in determining its value. Its form can be vital, as can the purposes for which it is spent. Its effectiveness in stimulating economic growth will be the critical measure. It is, therefore, not surprising that this government's decision to create a Canadian International Development Research Centre, announced in the Throne Speech and followed by introduction and first reading of the bill this Wednesday, is greeted with unqualified enthusiasm throughout the world. Only through research can we contemplate the possibility of optimum value in development assistance.

Mr. Speaker, there are strong indications that a very important segment of the American people are becoming preoccupied with their grave domestic problems. There was little doubt in the minds of the United States congressmen attending the North Atlantic Assembly in Brussels that, barring some unforeseen circumstance, substantial numbers of their troops would be returned to the United States from Europe. Most of the Europeans I spoke to regarded this as inevitable, if regrettable. Outspoken United States proponents of development aid hold forth little hope that the United States will increase its program; indeed, many expect further

reductions. And yet this is no time for policies to become introverted.

A few days ago I received a letter from a constituent, a CPR employee who had discovered to his dismay that while pension credit would be given to him for time served in either World War I or World War II, no such credit would be granted for Korea. This led me to do a little research. The CPR is technically correct. It may come as a surprise to many—it did to me—that ever since September 2, 1945, when some 500 miles northeast of the smouldering ruins of Hiroshima and Nagasaki, Japan surrendered unconditionally to the allies, the world has been at peace. There has not been a war any place in the world for over 24 years. Not a single war has been declared. Mind you, there have been some 50 conflicts since 1945 that could be graced by the appellation "war" had the traditional formalities been observed. Sixteen of these have been fought between sovereign states; others have been anti-colonial uprisings and civil wars, and in about half of these foreign troops have been involved.

The Korean conflict was not a war. It went under the name of a police action even though soldiers of 24 countries were involved. Almost two million soldiers and uncounted civilians were casualties and three years of gigantic military effort was expended. War was never declared and it never ended. The fighting stopped, not with a formal surrender but with an inconclusive armistice that has yet to be ratified. Today, patrols still clash and the Armistice Commission still meets to exchange insults. Wars do not begin and wars do not end any more; they just kind of happen and they are happening at numerous street corners in our global village today—the Middle East, Southeast Asia, Nigeria. There is still the occasional rumble in Korea and the Kashmir.

As citizens of this global village, neither Canadians nor Americans can divorce themselves from what goes on outside our particular block. We must continue to direct our efforts outward and to avail ourselves of every means at our disposal to improve our village. Notwithstanding the seriousness and immediacy of our own domestic problems, we simply cannot afford to become recluse. Development aid may be fairly regarded as the international equivalent of an enlightened domestic social development program, a program to give the less advantaged in a community the opportunity to share equitably in the benefits of living there.

[Mr. Mahoney.]

Nowhere has the most enlightened social program yet devised by man produced conditions which have permitted a community—national, municipal or otherwise—to disband its police force. Nothing in human experience to date indicates that the most enlightened development aid program will justify the entire, or even substantial elimination of armed forces. While we may hope it will, we cannot safely anticipate that result.

I cannot find a better way to sum up my feelings than to repeat one sentence from the Throne Speech:

> Our world has become so compact, so interdependent, that all humanity is wounded by an outbreak of violence in any corner of the earth.

That is a compelling reason for implementing and maintaining an effective development aid program. It is equally a compelling reason for maintaining effective military forces. Acceptance of this fact is a sound base upon which to build foreign and defence policies which could be the models for free and prosperous nations having no ambitions but to live in an increasingly free and increasingly prosperous world.

[*Translation*]

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, as I rise to speak this afternoon, I cannot help but make a comparison with the last election campaign. At that time, we were making speeches in large and well equipped rooms, but before few listeners. It is somewhat similar to what is happening today, since it is Friday. Everyone wants to get home as soon as possible and I am not blaming anyone for it.

Mr. Speaker, I should like to join those who spoke before me in congratulating quite sincerely the mover and the seconder of the Address in reply to the Speech from the Throne, the hon. member for Sarnia (Mr. Cullen) and the hon. member for Lapointe (Mr. Marceau) who both performed their task with great talent. This proves that their constituents were right to elect them and they can be proud of being represented by them in the House of Commons.

Mr. Speaker, this debate gives me the opportunity to let the government know about the needs and the aspirations of my fellow citizens.

I regard it also as my duty to let the government know what is wrong in my constituency because I think that my task is not limited to the reporting of what is well. Therefore, I want to draw the attention of the

government to certain anomalies, and I do it conscious of fulfilling my duty.

• (3:20 p.m.)

One would have to be blind and absolutely unaware of the situation to think that labourers and farmers are not steadily facing increasing hardships, due for the most part to inflation and the relentlessly increasing cost of living.

Everybody eagerly wishes for the government to make up its mind at last to act and take the necessary steps to instore on a sound basis the just society the Liberals so insistently promised during the 1968 election campaing. Pious wishes on the part of the government did not prevent poverty from increasing and affecting an even larger number of our fellow-citizens.

I deem it my duty to inform the government that in the constituency I have the honour to represent in this house, unemployment keeps on increasing. According to the figures I obtained yesterday from the manpower centre in St. Hyacinthe, there would be at least 3,500 unemployed people there. Those people are asking themselves and rightly so: What is the government doing to improve our situation? What steps is it taking to find us a new job, as we are entitled to?

As for the average Canadian, he concludes that practically no efficient measure has yet been taken to cope with the increasing poverty in this country. I cannot but ask this government to get out of the inaction in which it has been mired for some time and to do something for the unemployed. This is a serious problem, which spreads panic and poverty, sometimes dire poverty, in homes that are entitled to more consideration on the part of our governments.

And why, Mr. Speaker, is there so much unemployment in my riding? Mostly because the plants are up against the unfavourable competition of goods imported from countries where the salaries paid the workers are much lower than those the Canadian industries have to pay.

In St. Hyacinthe, quite recently, we lost a couple of plants which had been in operation for almost 100 years. Those two plants laid off hundreds of employees whose work, until then, had enabled them to meet their obligations towards their families and society.

Our textile mills, for instance, were forced to let several hundred workers go because of foreign competition. I do not want to exaggerate but, if my information is correct—and I believe it is—another plant in St. Hyacinthe will fold soon, which is certainly no cause for rejoicing.

It is easy to forecast the very serious consequences of the closing down of a mill, first of all for the people concerned and also for the area in which it is located. When you realize that a town of the size of St. Hyacinthe is losing its industries one after the other, there is reason to be concerned and to worry about what is soon going to happen to some of its citizens.

It is therefore the urgent responsibility of the government to stem the tide and to do its best to save the jobs available in our town for the sake not only of the Canadian industry but above all of the Canadian taxpayers.

I was recently provided with information about the Canadian electronics industry. That industry is faced with difficulties for several reasons, mainly because of competition from foreign products. The Canadian electronics industry provides jobs for approximately 60,000 Canadians. During the year 1968, it exported abroad $300 million worth of merchandise. It is now handicapped and finds it very difficult to meet foreign competition, for excise tax at the rate of 15 per cent has to be paid in addition to the 12 per cent sales tax. Such charges leave it almost helpless to fight those countries that deprive it of its natural market here in Canada.

Moreover, the tariff reduction under the Kennedy Round to become effective in 1972 only came into force last June. The Canadian manufacturers find themselves at a disadvantage because they have to pay higher sales and excise taxes than importers. In the interest of Canadian manufacturers and workers this situation should be corrected as soon as possible.

Some industries would like to settle in the St-Hyacinthe region, but they are not doing so on account of the unfavourable position in which they find themselves due to the fact that this region is considered to be part of the Montreal region. As it is not in a designated area, the city of St. Hyacinthe cannot avail itself of the advantages given to the so-called designated regions. To my knowledge there are at least two very important industries which would have preferred to settle in St. Hyacinthe where serious, skilful and stable manpower is to be found, but because of the drawbacks resulting from the fact that the St. Hyacinthe region is not recognized as a designated area, they went elsewhere.

Believe it or not, but St. Hyacinthe has been included in the Montreal area. In the opinion of those responsible for designating areas, St. Hyacinthe has the same characteristics as Montreal. You can see quite readily that it is a gross error of judgment which is detrimental to the whole population of St. Hyacinthe.

The former Lafontaine administration did all it could to make the central government understand that this matter was worth the serious consideration of the Department of Manpower. In the 1968 electoral campaign, the members of the administration now in power jumped on this anomaly and promised the people that once elected, they would come to Ottawa and have the decision reversed. But now everyone knows that the situation remains the same and that the last representations have been ignored, both by the present government and the previous one.

I therefore urge my friend, the Minister of Industry, Trade and Commerce (Mr. Pepin), who represents the Drummond constituency, to say in turn a good word when the cabinet next considers the policy concerning the designated areas. In my opinion, the manner in which the areas are designated is unfair to a certain sector of the population, because the citizens of Drummondville, and those of St. Hyacinthe as well, pay taxes and deserve as much attention as other citizens.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I would like to ask a question, and not out of idle curiosity, I assure you.

How many people in the St. Hyacinthe region gravitate toward Montreal for economic reasons?

Does the hon. member know the importance which the Greater Montreal economy has on his own city or his own region?

Mr. Ricard: Mr. Speaker, I cannot provide figures in that respect. Had I foreseen that the minister would ask the question, I would have come prepared accordingly. But I am sure there are a great many workers in St. Hyacinthe who have to work outside because they cannot find employment in their home town. Naturally, these people would much rather stay in St. Hyacinthe where they have their families, their friends and their homes, instead of having to drive each morning to Sorel, Drummondville or Montreal to earn a living.

That is what is really bothering a large segment of the population in St. Hyacinthe.

[Mr. Ricard.]

I should like to deal briefly with retaining walls. This can seem strange, but I must say, that the Saint-Hyacinthe constituency, under a Liberal government, has always been neglected. However, before 1957, for example, that constituency had always been represented in the house by a Liberal member. Before 1957, there were very few retaining walls built on the shores of the Richelieu river and strangely enough, when they were built, it was most of the time behind the properties of political friends.

• (3:30 p.m.)

Between 1957 and 1963, when the Conservatives were in office, about five or six times as many retaining walls were built as in the 20 years before they came in to power, whether or not John Smith or his neighbour belonged to the party in power. We built retaining walls where they were needed, where waves caused by maritime traffic eroded property.

In 1963, when the Liberal party was returned to office, the old policies were restored and no more, or practically no more retaining walls were built. Meantime, damages are getting worse because the water level is higher and ships continue to damage property, even causing—

Mr. Pepin: By the waves?

Mr. Ricard: Yes. Waves reach the shore, causing erosion. Large pieces of land are sliding into the river, and this at times threatens the buildings on the water front.

Mr. Speaker, it would be necessary to keep on making studies in the parishes of Saint-Denis, Saint-Charles and Saint-Hilaire, in order to determine where such works are needed and to undertake them without delay.

I would also like to ask the Minister of Public Works (Mr. Laing) not to carry out the proposed erection of a metal fence around the parking lot behind the Saint-Hyacinthe post office. That would certainly lessen the beauty of that part of the city, and the population would deeply resent it.

Representations were made to the department by the authorities of Saint-Hyacinthe. I myself wrote to the minister asking him not to carry out his plan and I feel that the decision to cancel this project would be well received by the population.

Mr. Speaker, I would now like to ask the Postmaster General (Mr. Kierans) to give particular consideration to the parish of Saint-Thomas d'Aquin in view of the increasing

volume of mail handled at its post office, because the present facilities are inadequate to meet the requirements.

Local people would be grateful if in the course of next winter the minister would decide to erect a new post office building in that municipality and so improve the service to its population.

I was also very sorry to learn about the department's decision to close down the post office of Saint-Louis-sur-Richelieu. It does not make sense, Mr. Speaker, that a municipality should be deprived of its post office overnight. Any populated area is entitled to postal services.

• (3:40 p.m.)

And if the minister were to decide to close down post offices which show a deficit, I am afraid that several post offices, even in many cities, would also be closed.

I therefore urge the Postmaster General and Communications Minister (Mr. Kierans) to maintain the postal service for the population of Saint-Louis-sur-Richelieu, an agricultural parish in my riding.

Mr. Speaker, it is essential that I inform the Minister of Labour (Mr. Mackasey) of the numerous complaints I have received concerning the administration of unemployement insurance, resulting mostly from the transfer of the Saint-Hyacinthe unemployment insurance office.

For a couple of years the citizens of Saint-Hyacinthe have had to go to Longueuil to settle their unemployment insurance matters. In many cases additional expenses and unnecessary delays are the result.

I must add also that some unemployment insurance officers in Longueuil and even elsewhere are a little too zealous and get the claimants tangled up in the tape. Those claimants receive a form and are told to fill it at home and to send it back. If the claimant forgets some detail, even a small one, his form is returned to him for correction. This is a further cause for exasperation to those who are already fed up with being unemployed, without being at the same time continuously humiliated by such things.

I believe that the Minister of Labour, who has a sympathetic understanding of the workers, will give special consideration to such anomalies and inconveniences of which the unemployed are constantly the victims, and that he will put an end to them as soon as possible.

Mr. Speaker, very briefly indeed, I would like to touch upon a subject of great interest today, and I refer to the problem of Quebec within Canada. We cannot but be aware that Quebec is going through a very difficult period of its history. Many wonder, and rightly so, what will come out of all the protests now being made in Quebec. I am confident that sooner or later, things will calm down and that we will eventually enjoy the peace and quiet which have always prevailed in Quebec.

I wish passionately that we would join our efforts so that the day when we know again the peace and tranquillity we have been used to might come as soon as possible.

I am also one of those who believe sincerely that the place of Quebec is in confederation. Far from considering myself as an expert on the question, nevertheless I base my own observations on what I hear from the man in the street.

It is easy to get people excited, especially when you see which part of the population is being stirred up, but I am earnestly convinced that the population of Quebec wants to remain in confederation and to get the share it deserves.

We have often heard this: "What does Quebec want?"

The answer has been given many times. However, I am wondering if those who were asking this question took the trouble to consider and really understand Quebec's position. To be absolutely frank and sincere, we must recognize the fact that we did not give to a part of the population all the consideration it deserves. As a matter of fact, our English-speaking fellow-members have not given us the attention we were entitled to, and this, in my view, is the root of the troubles we are experiencing.

For too long, this attitude of the conqueror and the conquered has been allowed to prevail across Canada, and it is high time that our English-speaking associates make a superhuman effort—if I may use this expression—in order to preserve unity in this country.

[*English*]

The Acting Speaker (Mr. Badanai): Order, please. I regret that the hon. member's time has expired, unless there is unanimous consent for him to continue. Is it agreed that he continue?

Some hon. Members: Agreed.

[*Translation*]

Mr. Ricard: Thank you, Mr. Speaker.

I will certainly not waste the time of the house but I would like to say that it is quite possible for two neighbours to agree. My remarks are made as they come to me. I compare to two neighbours the two entities that make up the people of Quebec. During their life the two neighbours have surely had reasons to disagree; they can even have rather heated discussions. However, if each one wants to be right all the time, to have all the cake there will likely be squabbles and the breach between them will deepen.

The same remark, I believe, applies at the national level. There are certainly differences of opinion between English-speaking and French-speaking Canadians, but instead of withdrawing into ourselves, of constantly harping on the misunderstandings and the disputes of the past, of feeding ceaselessly our own grudges, we should forget the uninspiring things and try to understand one another better, to work together to build a Canada better than the one we have known ourselves, so as to leave that legacy to future generations.

[*English*]

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I am privileged to have the opportunity of speaking during this debate on the Address in Reply to the Speech from the Throne. Having read or heard the various speeches made by hon. members since the debate began, I wish to say that the mover and seconder of the Address in Reply to the Speech from the Throne did themselves proud on the opening day of the session.

• (3:50 p.m.)

There are several items I would like to raise this afternoon, but like other hon. members of the House I feel I must be critical of what is a lack of proper direction by the present administration and a lack of concrete programming policy for the solution of the many problems which face Canada today. Last year we were giving the Prime Minister (Mr. Trudeau) and his government an opportunity to find their feet and outline a program. We hoped that with the start of this new session of parliament we would have something a little more concrete than what we received on opening day.

I point out that we in the opposition should review quite frequently the program and the progress made by the present administration. This brings home to them and the Canadian people the fact which must be crystal clear to an ever-increasing group of Canadians, that all our problems are not being solved. It is not as though this administration has not been in power for a sufficient period of time in which to take action to solve some of our problems. It came into power in April of 1963, although I frankly admit they did not have a majority government until June of 1968, when our present Prime Minister headed the administration. We all recall rather vividly the campaign of 16 months ago when the cry of a "just society" rang from the Atlantic to the Pacific and the people of this nation felt that here was a Moses come to lead us to the promised land.

Many of the major issues which faced us prior to the election in 1968 are far more serious now than they were when this administration took office 16 months ago. The disturbing factor is that solutions to many of the problems have not been offered by the government. I believe it is fair to say that from all appearances this government does not have a program or a solution to many of the major problems facing us. We hear a lot of talk about inflation, which I think is the No. 1 problem facing Canada today. The government tried to solve this problem by cutting back expenditures. This caused more unemployment than we should have in our nation. They have been singularly unsuccessful in reducing the alarming rise in inflation which is facing this nation. In fact, over the past year the rate of increase has accelerated, not decreased. This is an indication the government must be on the wrong track.

The result of the current program by which the government has been attempting to fight the inflationary pressures and trends in this country has meant several things to the Canadian people. I mentioned earlier there was a sharp increase in unemployment. Today it stands at roughly 5 per cent, which is far too high for this time of year. In addition, we find that a very sharp incomes restraint and a reduction in living standards through inflation have placed an additional burden on the backs of pensioners, veterans and welfare recipients. The government has told these people it is not good to increase pensions; they cannot afford to increase the veteran's basic pay because of the inflationary tendencies it would cause.

This government has taken other steps such as releasing many civil servants. One of the most unfortunate cutbacks ever made was the unfair blow dealt to civil servants, especially those in the older age brackets, when the government indicated that people in their 60's would be retired from the service. All that these civil servants have done is grow old; they have reached the age of 60 or a little

more. The government decided to take action by retiring them when they could least afford to retire, perhaps at a time when they had accumulated debts which they had to meet out of salaries which they expected to receive over a number of years. I fail to see how this method of dealing with civil servants falls into that of a just society.

I wish to spend a few moments dealing with unemployment. I mentioned earlier that the unemployment rate is now 5 per cent of the labour force, on a seasonally adjusted basis. Forecasts for the coming winter months indicate that it will be an extremely grim time. I do not think there is any doubt that we will see a sharp increase in the unemployment rate all across Canada. There have been forecasts of an unemployment rate amounting to between 7 and 8 per cent, and in some areas which are less favoured economically it is possible that the rate will be 10 per cent. Yet we have received a warning from the Economic Council of Canada over the years that 3 per cent is the limit Canada can afford to carry. The rate has been running much higher than that; in fact, in some instances it has been twice as high. Members on all sides will agree with me that even normal unemployment is wasteful enough because of the tremendous loss of productivity it entails as well as the harmful social effect upon those who suffer from it. Unemployment brought about through the action of the government amounts, in my opinion, to utter stupidity, the more so because it has completely failed in its objective of checking inflation.

• (4:00 p.m.)

Last year the government indicated it was eliminating the winter works program which had been used fairly effectively—at least in my part of the country—by many of the municipalities to ease their winter unemployment rate. We were told at the time that retraining programs would replace the winter works program. In fact, we found that the retraining program covered only a small portion of the unemployed. It was just another example of "too little and too late". Retraining programs are excellent, but more is required; something else must go hand in hand with them. Jobs must be available for those who have acquired new skills, or the retraining is merely a futile and expensive exercise. We have had examples in various parts of the country of cases in which retrained workmen have been unable to obtain jobs.

I should like to deal briefly with the effects of inflation on the incomes and living standards of those receiving fixed incomes. This has always been a problem, one which has upset members in every part of this House. It applies particularly to pensioners of all descriptions, to veterans and to welfare recipients. The government has taken no adequate action to even maintain the purchasing power of these groups over the years. As a result they see their meagre and inadequate purchasing power further declining.

In this age of affluence every Canadian should share in the increasing productivity of the nation. No group, particularly when it includes those who cannot bargain effectively for themselves, should be denied an adequate income. The failure of the government to maintain even the present purchasing power of their fixed incomes is another sure sign that the just society is merely a political phrase used to attract voters at election time. The rapidly rising cost of living over the years has made it imperative that basic pension rates be increased and that a cost of living clause be built into them so as at least to maintain the purchasing power of pensions. Those who helped to build this Canada of ours are surely entitled to share in the ever-increasing prosperity of our nation.

The recent government white paper on veterans pensions must have come as a shock to veterans organizations and to veterans in every part of Canada. As a result of the recommendation of the Woods Committee we had hoped to see adequate increases in basic pensions. This did not materialize. It is another example of the failure of the government to deal adequately with the social needs of this group. Again, the government blames inflation for depriving our veterans of a long awaited improvement in their pension position. I could go on in this vein; there are a host of similar questions which could be raised.

The government has proved altogether inadequate in its handling of the housing situation. I shall not go more deeply into that subject this afternoon because time will not permit. There is one matter I should like to raise in connection with the affairs of my own riding. It concerns air transportation. I raise it this afternoon feeling that in this modern age when air transportation has become so important to every section of our country, effective communication by air is vital to economic and social development.

When one sees air transportation facilities going downhill, and when one finds that air transportation authorities are unable to deal effectively with the situation, I believe the matter must be raised again and again until

something is done. I am aware that the Air Transport Committee is looking into the question of air travel in the southern section of British Columbia, but I am not happy about some of the steps it has taken. While airlines on trans-Atlantic routes are reducing their rates we find the commission authorizing increases in my area of up to 30 per cent, even though the service has been cut to a point which is harmful to the needs of those who will use it.

All this makes me wonder what type of planning is going on in the various departments of government. How many letters does one have to write, how many telephone calls does one have to make, how many individuals does one have to visit before it becomes clear that an area has been harmed? The initial planning done by the Air Transport Committee in this connection was poor; it was ineffective and it has hurt the area. I believe a review should be initiated without delay and that a better service should be granted to the area. We are approaching the '70s when air transportation will be one of the keys to economic success, and we cannot afford to see this service go downhill.

• (4:10 p.m.)

I should now like to make a few observations in connection with pollution. I intend to speak somewhat generally, because time will not permit me to cover all the points I should like to raise this afternoon. Members of all parties are extremely interested in pollution. I am very happy to see the newspapers and various news media giving more and more coverage to pollution problems as they arise. Pollution has become one of the major issues facing not only the federal government but all levels of government in Canada. Indeed, it is a major problem facing all nations.

A few years ago we thought that our fresh waters and oceans were so vast that we could not possibly pollute them. We thought our atmosphere was limitless and could not possibly be polluted. We thought our resources of land so extensive that we could not pollute them. We thought the ecology of this world was so varied and diverse that mere man could do little to harm it. We have gone merrily along, ignoring the danger signs, until today we find mankind has imperilled its very existence on this planet. The history of this earth is full of accounts of animal species and civilizations that became extinct because they could not adapt themselves to changing conditions. This is fact. Today the picture is different. We are slowly but surely laying systematic waste to our environment, and unless we make some radical changes, and make them quickly, we will do irreparable harm.

Even people in Canada are becoming pollution conscious. Perhaps a series of world-wide pollution disasters has alerted us to the danger. For example, Mr. Speaker, within the past few months we have learned of the poisoning of the Rhine River. There were stories in the newspapers and on television about the millions of fish that were poisoned. The water supply of millions of people was endangered. The cause was finally traced to two barrels of insecticide that had fallen unnoticed off a river barge two years previously. These barrels had remained on the river bed until they rusted open and brought their death-dealing poisons to all living organisms in the river.

There was a very fine editorial in the Vancouver *Province* outlining several areas where nations of the world have dumped surplus and obsolete supplies of possibly dangerous pollutants into various parts of our vast oceans. Nations had no previous experience of the damage that could be done to the ecology of the oceans, yet vast supplies of waste material were just dumped.

For example, the United States has dumped thousands of containers of obsolete second world war nerve gas off the New Jersey coast. They do not know how long it will take for these containers to rust through; perhaps it will take a century, maybe two, maybe less. When the containers do rust through, no one knows the result that this injection of poison into the ocean will have ecologically. The British and the French are reported to have dumped chemical warfare agents off their coasts. There is a report that in Sweden a gold mining company prior to the last world war dumped many containers of arsenic into the Baltic Sea. It is estimated there is enough poison in these containers to kill all life in the Baltic. Some day these containers will rust through, the arsenic will seep into the water and mankind will be hard put to finding a solution to a man-made problem that should never have been allowed to arise. More recently we have had the example of poison-gas being dumped off an island in the Pacific by the Japanese, and today conditions on the island are unlivable. Such incidents as these are examples of foolishness on the part of governments that are trying to get rid of what they consider to be obsolete supplies.

In addition to this we pour gas and filth into our air at an astounding rate. Reports from Los Angeles indicate the seriousness of

the air pollution problem there. Officials in Los Angeles have announced a program cancelling physical education activity in schools in the area when the smog count reaches a certain level. This level is attained at least 21 times a year. Studies indicate that the children suffer lung damage during heavy physical activity undertaken in such conditions. Smog conditions not as serious as in Los Angeles exist in all major cities in this country, and every year we add to air pollution. An American, Dr. Sternglass, after years of research has claimed that the result of nuclear fallout, even of minor amounts, has been far more devastating than previously expected. His work on infant mortality and its relation to fallout is both revealing and disturbing.

I should like to spend a few minutes on another aspect of pollution, the use of DDT and detergents. In the event that I am unable to complete my remarks on both, I shall deal with the problem of detergents first. A pollution study of the Great Lakes was made in 1965 for the International Joint Commission. The report, which has recently come to hand, indicates that the most serious aspect of detergent pollution is the use of phosphorous in detergents. We are all aware that phosphorous helps nourish the algae which choke the waters of the Great Lakes system. The report points out that 50 to 70 per cent of the phosphorous in this fresh water supply area comes from detergents. The recommendation of the report is that the use of phosphorous by detergent manufacturers should be banned within the next two years. The point that worries me is this. We in Canada have carried out no study or research into this question. I think we should have done so in past years.

• (4:20 p.m.)

We might say that we can rely a great deal on what is done to the south of us because in the United States they are doing far more research than we are. However, in reply to questions asked in this House, various ministers have indicated there is today no danger in the use of DDT as far as Canada is concerned.

The Acting Speaker (Mr. Béchard): Order, please. I regret to interrupt the hon. member but his time has expired.

[*Translation*]

Mr. Henry Latulippe (Compton): Mr. Speaker, I am pleased to have the opportunity of saying a few words on the Address in reply to the Speech from the Throne, and of congratulating its movers for having had the courage to describe, in their speeches, the present economic unrest throughout our beautiful Canada.

The government was not praised inordinately. Mention was made of the unemployment and poverty in our ridings, of the various economic problems and financial difficulties with which our municipalities, school boards and provinces are grappling. In this regard, the Prime Minister said that the situation was not logical or normal, and that we should work to improve it.

I should like to quote a few words spoken by the Prime Minister, as they appear in *Hansard* for Friday, October 24, 1969:

> Unemployment is an insult to human dignity, and so is an impersonal welfare system. It is also an indignity to provide insufficient protection to our citizens against criminal activities. Every Canadian should feel proud of himself in the presence of his children and his neighbours and he should be able to rely on every level of the government in this respect. Canadian society does not have an overflow of skills; we cannot therefore afford to waste the smallest contribution that each individual can bring to the country.

One must admit that the present situation is not what it should be.

Our economy is not what it should be. It is stagnating and off balance. The Minister of Finance (Mr. Benson) told us, on Monday, October 27, something that contradicts what was said by the Prime Minister, and the movers (Messrs. Cullen and Marceau) of the Address in reply to the Speech from the Throne.

It is said that we should upgrade our strength. That we should do more for society, that we should expand our efforts so that our talents do not go astray—this is what the Prime Minister said—and the Minister of Finance wants to stand in the way of all that when he says:

> I have said before and I repeat that the number one problem we face in this country today is the persistent upward spiral in prices, costs and incomes. Other than this, we have a prosperous and viable economy. However, unless and until we bring this spiral of inflation under effective control, all the aspirations of this house toward a better life for all Canadians, all our hopes for continuous high employment, for a rising standard of living and justice for the poor and the depressed in our country, will come to nought.

But why do we experience that spiral of inflation in peace time while we never experienced any in war time? That is what I will try to explain.

How is it that in Russia, a communist country, there is no inflation? In Canada, we cannot balance our economy in order to settle this problem and due to that inflationary spiral, we keep on making many rich people richer and 80 per cent of the people poorer. Twenty per cent of the people are responsible for inflation and I will say at once that our chartered banks have increased their assets by $6,600 million in one year, which is twice the value of the bank notes issued by the Bank of Canada since 1934, that is since its institution 35 years ago.

Never have the banks made such profits, and not only the banks but other lending institutions which lend money at rates ranging from 10 to 20 per cent. Those institutions are the ones which make profits and create inflation, while the cost of inflation is borne by those who are laid flat, that is 80 per cent of the Canadian population. Because of credit restrictions and rising interest rates of every kind, they can no longer carry on. And they are being asked to pay the cost of inflation.

At the hearings of the committee on finance, trade and economic affairs, I met the Governor of the Bank of Canada and asked him a question. He was saying that Canadians had been prosperous long enough and that this should cease. But why has prosperity lasted long enough? According to him, Canadians had to tighten their belts to settle the problem of inflation. Then I asked him how come his $50,000 salary had been raised to $75,000? Why had every senior official of the government enjoyed similar increases while the people of Canada had to tighten their belts? The senior officials however loosen theirs. It is quite all right for them to have increases in salaries, increases here, increases there, not to mention expenses paid.

The people have a right to live, for they are the ones who work, who build the country; and not just the executive class.

The government is not producing anything; it is only ensuring the administration and if it is not capable of administering a country that is crammed with riches, where wheat is plentiful, if it cannot succeed in giving the population what they are entitled to, then it might as well resign, because it is a poor manager. That is what we have in parliament and within the Public Service: senior civil servants who are incapable of finding another solution to the problem besides increasing taxes, the cost of living, the interest rates, thus enriching a small part of the population and impoverishing the rest.

[Mr. Latulippe.]

This cannot last much longer. We know of much dissatisfaction in Canada. We witness all sorts of phenomenons that we have never seen in the past. We see deplorable strikes. There is dissatisfaction, riots because the people have not got what they are entitled to.

• (4:30 p.m.)

The people are unfortunately no longer able to get the necessities of life without having to kneel before the big financiers and borrow money bearing an interest rate of 15 or 20 per cent. It is impossible to do anything without incurring debts that cannot be repaid, that remain forever. That is the situation which we must bring to an end.

Although the Canadian economy is still the most flourishing in the world, as the Minister of Finance said, although generally speaking the capitalist economy, that of the free enterprise, is still inferior to that of socialism or communism, I maintain, and I have evidence to prove it, that the Canadian economy, our capitalistic, free enterprise economy, involves certain basic deficiencies like inflation, the rise in the cost of living, interest rates, unemployment, numerous strikes, which are only visible symptoms appearing at certain times and at certain places.

The basic weakness of our economy, the only source of all the ailments afflicting our economy today is the increase in interest rates. This single cause of our numerous economic ailments stems from the very core of Canada's capitalist, free-enterprise economy. It would be very easy to eliminate it. Nothing indeed would be easier than restoring the balance between the various elements which constitute our economy.

Be it in any country of the world, subject to any political regime, be it capitalism, socialism or communism, everywhere on our planet, which is called Earth, there are natural ressources. Indeed, it is easy to see that everywhere people cultivate, work, produce, consume, save, finance.

Everywhere healthy adults must carry the onus of production for all the citizens in the world at large including those who are either too young, too old, too sick or too uneducated to earn a living in a society whose duty is to protect them.

In 1969 here in Canada, with the output of 8 million adult citizens, with their capital and labour we have a gross national product of 72 billion for the benefit of 21 million Canadians, including 13 million people too young, too old,

too sick or too uneducated too look after themselves in our capitalistic society of free enterprise.

If we divide $72 billion by 21 million citizens we get an annual per capita product of $3,400, or $17,000 for a family of five. Further computations would give us an amount of $65 per week and per person, or $325 for a family of five. I quote those figures for the benefit of our economists who love to base their estimations on averages.

Such figures are very encouraging and such a high G.N.P. is amply sufficient for the 21 million Canadians to be reasonably well off, while enabling the most qualified and most deserving citizens to maintain their income level and enjoy decent wages.

If our national product is so good, what are we complaining about? Let us not be poetical and vague. I will not beat around the bush. I shall mention our problems and our troubles, but, more particularly, I shall search for their causes and suggest a few solutions. Is this not logical, is this not what we all want?

The problem does not lie in a lack of production, but rather in an imbalance in its distribution. This is the basis of all economic troubles which are undermining our national, family and personal life.

Whether we like it or not, our country has 21 million inhabitants, 8 million of whom are producers as a result of their capital and their work and 13 million of whom have no capital income whatsoever. Those 21 million Canadians have the right to draw on the national product of $72 billion, which we owe to the 8 million producing Canadians who get wages for their work and interests for their capital. In the production of goods and services, there are expenses for wages, labour, and capital interests.

Every time the wages of workers are raised and every time capitalists increase their interest rates, the 8 million producing citizens, as well as the 13 million non producing Canadians automatically have to pay more for goods and services.

Here is the basic weakness of our Canadian economy of the capitalist, free enterprise type. Productive citizens have an income resulting from their work and assets, which constitute for them a purchasing power, while 13 million non-productive citizens, unemployed and witout any income, depend on the productive citizens.

All our economists, politicians, administrators and university teachers have refused to date to analyse this simple matter of the income of the individual, of the citizen in relation with his right to live, and everybody wants to consider only the value of work and capital in terms of production as a source of income giving the right to national production.

Instead of carrying on so much research and so many inquiries into the apparent ills of our economy, poverty, inflation, strikes, unemployment, the cost of living, the increase in interest rates, let us go directly to the heart of the matter. Let us hasten to put some order in the Canadian economy between its various components, and at the same time, we will have resolved all the problems that can be summed up by a lack of balance between the incomes, expenditures and profits of all citizens, families, and corporations that need to be better managed.

Whether we like it or not, whether we realize it or not, with all due respect to Mr. Keynes, there is only one normal administrative formula, whatever the importance of the organization to be administered: it is the formula "Incomes-Expenditures-Profits". One formula for all. Let us not look for any other, because I think nobody will be able to find one.

• (4:40 p.m.)

Every company needs revenues to pay its expenses, make some profit and build a reserve for its development and security. Every private or public company, every community, church, school, university, bank, industry, business or farm needs revenues to its operating and other expenses, make a little profit and provide for its development and security. All accountants are fully aware of that, so long as they deal with their own business or that of their companies, their institutions or the people they are responsible for.

Mr. Speaker, the same formula: "revenues, expenses, profits", the sole capitalist formula, valid everywhere, applies just as well and perhaps even better to the private citizens and their families, to the farmers and the small personal and family enterprises.

Indeed, this same income-expense-profit formula is also needed for the 13 million Canadians who have the right to live in Canada. Even if they do not derive any income from their work or their investments, they all have the right to live in Canada in 1969 on the national production of $72 billion made possible by the 8 million Canadians who are paid for their work and are receiving interest on their capital.

Let us not try to produce any more or to make bigger profits until we have restored national economic equality among people, families, corporations and re-established a balance between incomes, expenses and profits. All have a right to derive some income from the national production which should prove sufficient to cover their expenses and even to get a little profit, build some reserve, security, capital for themselves, their family or the community.

Everybody can see that I am more of a capitalist than a creditiste. I am not asking for credit or for income, but I am asking for money, for capital. I want to make that quite clear. It is easy to see that I am much more of a capitalist than all the members put together.

I am in favour of profit, of higher income and in favour of citizens, but what I want for myself, for businesses, for companies, for municipalities, for provinces or for the country, I also want it in equal proportions for every Canadian citizen, for every Canadian family.

This is what administration is all about. This is the way to run things. This is the stand we should take, how we must develop our human feelings and also, how we must work to balance our economy which is so much out of balance that the more we apply it, the more we unbalance our system, the more we disrupt to our economy.

Here is the basis of our capitalism. The formula which is so good, so promising, so stimulating for all those who are engaged in setting up private or state enterprises, must be as promising and stimulating for every citizen and family which make up the population of Canada.

In the present circumstances, it is essential to realize that it is not a matter of raising or reducing interest rates on capital, of increasing or lowering salaries in proportion to work, but simply of determining whether to balance the national economy among its various constitutive elements.

Poverty, unemployment, recessions, inflation, wars, revolutions, separatism, protest, higher cost of living, higher interest rates, higher taxes, unemployment insurance, old age pensions, allowances, welfare benefits, all those things obviously indicate a lack of balance in the distribution of a overly large national production.

We are so rich that nobody should be without the necessaries and even luxuries in Canada.

[Mr. Latulippe.]

This inward and subconscious feeling of every right-minded citizen seeks to express itself in some way or other through various intellectual, aggressive and even violent means, when the authorities have turned a deaf ear to reasonable arguments and advice.

Let us stop raising interest rates. This is of no consequence at the present time. The inflation will persist until order and balance are restored on the national level among all the components of our national economy, beginning with the individual, the family and all the public and private corporations which make up our Canadian nation.

Is that project not comforting? Is it not the best? Would one rather have a small part of the people experience inflation while most of them would be subject to deflation? Until we decide to throw everything out and to start anew, from scratch, as happened in Russia in 1917, we must apply everywhere and as soon as possible our capitalistic formula: Income —Expenses—Profits, for the benefit of individuals, families and companies.

I would have several things to say, but I shall go on attempting to demonstrate that our economy is far from balanced. Our economy is far from satisfying our citizens.

You only have to use your head to know what it is all about. For example, how is it that a world which seemed almost feverishly prosperous in 1929, capable of offering an affluence of commodities and services, became poverty-stricken in 1930? That apparent change was so fundamental that economic conditions were drastically changed.

Is it reasonable to imagine that, between a certain day of October 1929 and a few months later, the world really went from great riches to dire poverty? Yet, the soil has never refused to bend under the plow and produce.

How is it that after knowing scarce money for ten years, all of a sudden, overnight, the necessary funds were found to wage a war which lasted six years and cost billions of dollars? Many of you are aware of this.

After the war, why did we fail at the same task? We were unable to avoid other recessions and the unemployment they create simply because, once again, we tried to fool around with monetary policies based on a system which creates bank debts. Since confederation, this same bank system has never given other results than the repetition of cycles—prosperity in wartime, recession in peacetime.

The first goal of our Canadian economy must be to increase the standard of living of

Canadians, as much as possible, through the full use of our manpower and our natural resources. It is unfairly impossible to try to reach that goal with a banking system under which money, created out of nothing in a proportion of 96 per cent in Canada, is being circulated in the form of an interest-bearing debt, which compels us to reimburse more money that has been issued.

We will never reach that goal with a banking system the prime purpose of which is to make money and by forcing the borrowers to repay both the money loaned and the interests, owing to that ineffable conspiration born of the madness of finance.

• (4:50 p.m.)

This objective can only be reached by creating a banking system and a banking policy that will ensure a constant flow of money or a sufficient purchasing power not only for producing all possible goods in keeping with our human and natural resources, but also for making feasible the distribution of our national production or its equivalent.

I would very much like to know why the governments, Liberal as well as Conservative, have always refused so far to amend the Bank Act and to require Parliament to issue at cost at least part of the currency which the country needs as far as the public sector is concerned. In the past, governments have failed to assume their responsibilities by granting private institutions the exclusive right to issue credit money which is 90 per cent of our economic machinery.

Therefore, money is in short supply while production is potentially high enough to meet normal human needs and if money starts flowing when producers and production facilities are requisitioned by the military, that is because the present monetary system forces decisions on us instead of simply reflecting the free acts of free producers and consumers.

Nobody would dare say that producers and consumers are free today when they have to creep on all fours through the financial system and over the credit restraints, unable to do anything—

The Acting Speaker (Mr. Béchard): Order, please. I regret to interrupt the hon. member, but his time has expired.

Mr. Herb Breau (Gloucester): Mr. Speaker, I would like to join with my colleagues in congratulating the movers of the Address in Reply to the Speech from the Throne.

[*English*]

Mr. Speaker, I should like to say to the hon. member for Sarnia (Mr. Cullen) that I share his concern for the relevancy of this house. Sometimes we find that Canadians have a hard time understanding why parliament is not more relevant.

[*Translation*]

Mr. Speaker, it is comforting indeed to see members from the province of Quebec, like the hon. member for Lapointe (Mr. Marceau), express so proudly in this house their satisfaction at being a part of the Canadian Confederation. I believe the separatist element in Quebec has become a political fact and that it is at the political level that it will have to be defeated. That is why I am happy to see members like the hon. member for Lapointe concern themselves with federalism.

Mr. Speaker, I should like to assure the government of my support for the Speech from the Throne. There is one part of it that I support unreservedly, namely where the government expresses its intention of granting franchise to 18-year-old Canadians. I believe all politicians in Canada, at all levels of government, are now anxious to get active participation from all classes of society. Young people have shown these last years that they could get organized so as to take part in the life of the Canadian society. Members in this house or Canadian people as a whole should not judge well-organized participation of young university students from the few acts of violence that may happen sometimes.

Of course the Speech from the Throne does not solve all the immediate problems. It does not bring any direct solution either to the problems of my constituents, but I believe a government should be strong, that it should do some planning and should not be led into quick solutions.

During this debate, the opposition and its leader seemed to talk a lot about the needs of the little man, of the poor, but they offered no solution other than to say that the government should spend more money on social welfare or other programs to solve the problem of poverty.

Mr. Speaker, I am every bit as concerned as the members of the opposition about finding a solution to the problem of poverty in Canada. There are as many poor people in my riding as anywhere else in Canada, but I believe those people trust this government; the poor as well as the others are convinced that what

we need is a strong government, one that plans wisely and will, in due course, find solutions to those problems.

In his recent speech, the hon. member for South Western Nova (Mr. Comeau), submitted many problems to the house and drew the attention to many situations that are really disastrous. But he seems to be slightly mixed up. He said, for instance, that the fishermen should cut their own channels. Is the federal government alone to be blamed for that? It is true that it is the federal government's job to deal with the harbours and it is perhaps true that it is the federal government who is in charge of the piers. But must one blame the federal government only if some fishermen, in a given constituency, are badly organized? There are also some in mine.

But it would be unfair to blame the federal government alone. We must take constructive steps together with the provinces, and attempt to solve these problems.

The hon. member was confusing the issue, talking about social welfare, housing, all matters which come under provincial jurisdiction. But he still blamed this government for not finding an immediate solution.

The hon. member for Gander-Twillingate (Mr. Lundrigan) has taken part in the debate and I appreciate the fact that he stressed the plight of the Newfoundland fishermen. But he did not offer any solution to the problem and was satisfied to blame the Prime Minister for being at the National Arts Center while Montreal was burning.

I wonder what relation there can be between the Prime Minister's private life and the problems which might exist in the city of Montreal? That is the type of attitude that we sometimes find in the opposition.

When the question of poverty arises in my area, it is often in reference to coastal fishermen, who are at present living under circumstances that are intolerable from many points of view.

First of all, they have no conveniences of any kind; secondly, they are not organized. When decisions are in the offing, when programs are to be announced, it is impossible for the government to find out the views of the fishermen, because they are not organized. I am happy to see that the Minister of Fisheries and Forestry (Mr. Davis) is in the house. I hope he will soon give some attention to the creation of organizations for the fishermen in order that they may find some guidance and take part in policy-making both on the federal and the provincial levels, so that such problems may be solved.

I do not think that in 1969, for example, fishermen need to get their boats on the shore without any equipment. It is true their industry is not economically sound but they should not be blamed. It is not their fault if they have been fishing in coastal waters for years. To change the situation, social development programs will be necessary. Fishermen will have to get organized and know where they stand.

Mr. Speaker, may I call it five o'clock?

Mr. Speaker: It being five o'clock, this house stands adjourned until eleven o'clock Monday morning, pursuant to Standing Order 2 (2).

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

HOUSE OF COMMONS

Monday, November 3, 1969

The House met at 11 a.m.

ROUTINE PROCEEDINGS

EXTERNAL AFFAIRS

CHANGES IN CANADIAN DIPLOMATIC ESTABLISHMENTS

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I would like to make a brief announcement concerning forthcoming changes in Canadian representation in certain parts of the world.

In Latin America, we are proposing to close our offices in the Dominican Republic, Ecuador and Uruguay. In each case, our resident mission has been headed by a chargé d'affaires, with the ambassador resident in a neighbouring country. The ambassadors concerned will continue to be accredited to these countries and normal diplomatic relations will be maintained. Visits by the ambassador and his staff to countries without resident representation will be frequent and regular to ensure that official business between Canada and the countries affected is carried on and Canadian trade and other interests furthered effectively. The closing of these missions in Latin America does not affect the government's expressed intention to seek closer ties with that part of the world. We are satisfied that the improvement of communications in the Caribbean and South America will enable us to maintain adequate contact with the countries concerned while permitting redeployment of our resident staff in the interests of greater efficiency.

We propose to close the small office we have maintained in Berlin. Our ambassador in Bonn, who has been head of that mission, will continue to be accredited in that capacity and will, as in the past, make regular visits to Berlin as evidence of Canada's commitment to the security and welfare of that city.

We propose to close our resident High Commission in Nicosia. Our relations with Cyprus and any diplomatic assistance required by our forces there can be provided for effectively through dual accreditation of the Canadian representatives to a neighbouring country. There is no connection between this decision and the question of our continuing participation in the United Nations peacekeeping forces on the island. Canada remains deeply concerned in the search for a solution to the Cyprus dispute and is willing to make whatever contribution it can to the settlement of the problem.

In recent years, the International Control Commissions in Laos and Cambodia have, for a variety of reasons, been unable to perform the functions assigned to them. We have therefore decided that little useful purpose would be served by maintaining our present physical presence in Vientiane and Phnom Penh. Canada remains a member of both commissions and will fulfil its commitments as before. As these commitments are not expected to be onerous, it is intended that the Canadian commissioner in Viet Nam will serve on the other two commissions. In Laos arrangements will also be made to maintain local contact with the other members of the commission. Our aid program in Laos and Cambodia will be run from the Canadian delegation in Saigon.

These actions have been taken with the utmost regret and after long and careful study. They are dictated by the need for economy and do not reflect any lessening of Canada's interest in the areas concerned or suggest that our relations with them have diminished in importance. The governments concerned have been notified.

• (11:10 a.m.)

Further economies in the Department of External Affairs will be effected by substantial reductions in resident staff in other posts and missions, by cutting back on planned capital expenditures, by reductions in the cultural, information and military assistance programs and by continuing to scrutinize administrative expenses carefully, reducing them where possible.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I believe it was on Friday that the Prime Minister rebuked one of my colleagues in the New Democratic Party for listening to canards, paying attention to leaks and so on.

What was a leak on Friday is, in fact, a communiqué on Monday.

I am impressed by the reference to cutbacks in operations in Latin America, recalling very well the loud blowing of trumpets when a certain ministerial group came back from that part of the world some months ago, and noting the reference in the Speech from the Throne to the intensification of Canada's contacts with the government and people of that area. I suppose there is some sort of inverse logic by which one could prove that curtailing the number of posts abroad might improve our contacts with the governments and peoples of foreign countries, but I would find that reasoning highly unflattering if I were a member of the Department of External Affairs. It would now seem to me that the prospect of this government leading Canada into the Organization of American States is very bleak at the present time.

It is not possible at this stage, in the proceedings on motions, to make a value judgment whether the closing of a post in Nicosia is a better move than the opening of one in Mauritius. These are matters which would have to be considered with greater care.

I am not sure I greet with happiness the reference to the International Control Commission. I have often thought there was a lack of faith in that organization and that as the Viet Nam war continued something much more effective might have been done, had there been the will, through the kind of grouping around which the ICC was involved. It strikes me that what we have noted today represents an abandonment of hope that this group can become more effective, that it is withering away and that, in fact, Canada's blessing has been given to this process.

I hope the minister's goals will be realized, but as to that we shall have to live in faith.

Mr. David Lewis (York South): Mr. Speaker, one can readily agree it is a desirable exercise to cut out any fat which can be removed from a department, and one would be readily disposed to consider the suggestions made by the Secretary of State for External Affairs had he gone a little further and told us precisely what he expects to save in terms of dollars and cents. It seems to me that the saving to the Canadian people and to the Canadian treasury as a result of the changes he has announced must be relatively small, even minimal, at a very considerable expense to Canada's role in the world. I hope the Standing Committee on External Affairs and National Defence will take up the question of precisely how much is being saved by these changes.

I cannot find any fault, for example, with the decision to close the little office, as the minister calls it, in Berlin. Obviously the embassy in Bonn can deal with this responsibility. It seems to me, however, that to lessen our representation in Latin America at this time just does not make sense, particularly when we are attempting to improve our relations with Latin American countries.

As for the reference to the International Control Commissions, it occurs to me that at a time when the situation in southeast Asia is becoming more, rather than less, complex with the possible approach of peace, a country such as ours might well be taking on a bigger rather than a smaller role there, particularly when one bears in mind the problems confronting Laos through the presence of North Vietnamese and other military in that country. To eliminate entirely our representation in that part of the world, to say that our commissioner in Saigon will look after the situation while we still remain a member of the ICC, seems doubtful wisdom to me. I think hon. members would have to have proof that these savings were really important and could be substantiated before this kind of cutting down could be accepted with equanimity.

Before I was elected to parliament some years ago I lived in Ottawa for some time, and since I have been elected to parliament I have lived here most of the time. I have always been impressed by the fact that it took the Department of External Affairs at least a quarter of a century to build up a group of foreign service officers of very high calibre that compared favourably with that of any other country in the world. I express very profound doubt whether it is sensible to cut into this group of men and women who have represented Canada to great effect and with great credit. I end as I began, Mr. Speaker, by saying that we would have to be persuaded that the savings really justify this kind of myopic cutting down.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I was sorry to read last week in the French newspapers of the decision taken by the Prime Minister (Mr. Trudeau) to close a number of Canadian diplomatic missions throughout the world.

I was somewhat surprised by the procedure but I come to my conclusion that it was

perhaps easier to have the press translate a statement than the office of the Secretary of State for External Affairs.

It is regretful to note that we plan to close embassies, especially in Latin America, where the presence of Canada is necessary to fight the subversion and poverty which are prevailing there, at a time when Communism is expanding. In my opinion, it is necessary to maintain good relations there.

Yet, although it claims that it wants to save a few dollars, the same government intends to open some embassies in Communist countries.

Now, Mr. Speaker, we are asking ourselves some questions and rightly so I think. We believe that by acting in such a way, the government is leaning to the left and we object to this.

[*English*]

PESTICIDES

DDT—ANNOUNCEMENT OF MEASURES TO CONTROL USE

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, an important objective of this government is the protection and enhancement of man's environment and, in harmony with this objective, the protection of man, crops and livestock from pests. One of the most successful pest control agents, DDT, has now been shown to have detrimental effects on the environment. Therefore I wish to make a statement on this pesticide.

We have studied the current data on the safety of DDT as it relates to human health and to its effects on wildlife, including fish. Our research shows that our environment is now widely contaminated with DDT residues. These residues are mostly at low levels but have concentrated sufficiently in a few populations of birds and fish to cause reproductive failures and the elimination of a few bird populations over large parts of their normal range. DDT applications have also caused direct kills of fish.

There is no evidence that present levels of DDT in the Canadian diet have caused injury to humans. Nevertheless, in the light of the persistence of DDT, its deleterious effects on wildlife, and lack of clearcut evidence about its long-term effects on man, it is prudent to curtail contamination of the environment by it.

Within the Government, the Minister of Agriculture (Mr. Olson) administers the Pest Control Products Act which regulates pesti-

cides offered for sale to assure that they are effective and safe when used as labelled. The Minister of National Health and Welfare (Mr. Munro) administers the Food and Drugs Act which has as one of its major objectives the assurance that foods do not contain pesticide residues at levels in excess of those established as safe for lifetime consumption.

• (11:20 a.m.)

[*Translation*]

The government has taken action in recent years to limit the amount of DDT used by federal agencies.

Hon. members probably know, that two years ago we discontinued the use of DDT in the protection of forests. In 1968 we eliminated the use of DDT in national parks and by 1969 aerial use by the armed forces. We have now completed a year-long review of the overall use pattern of formulations accepted for registration for sale under the Pest Control Products Act. After January 1, 1970, DDT will not be registered for insect and biting fly control in forests, parks, and other outdoor areas except under emergency situations and only after careful consultation between federal and provincial interdepartmental committees.

In addition, whereas in 1969 DDT was registered for the control of insects on 62 food crops, in 1970 registration will be granted under the Pest Control Products Act for use on only 12 agricultural crops. It is estimated that all these actions will reduce the amount of DDT used by at least 90 per cent. The remaining uses of DDT will be retained until practical, safe replacement compounds or other protective measures are available.

The federal government, of course, recognizes and commends the partial controls already implemented by some provinces. It was felt, however, that more comprehensive and unified action was required at this time.

Concomitant with the revised use pattern we are, under the Food and Drugs Act, reducing the tolerance for DDT from seven parts per million to one part per million for 61 common vegetables and fruits such as beans, carrots, corn, lettuce, peas, tomatoes, strawberries, and all citrus fruits. For apples, pears, and celery, the DDT tolerance will be reduced to three and a half parts per million. The only tolerance for DDT that will remain unchanged at seven parts per million is for the fat of the meat of cattle, hogs and sheep. This tolerance will be further reduced or eliminated when practical replacement compounds are available to us and our trading

partners. There are no tolerances for DDT in potatoes and no tolerances for any pesticide residues in eggs, fish, milk, butter, cheese, ice cream and other dairy products. Our goal will be to effect further reductions in some of these tolerances and to eliminate others.

Bon appétit, Mr. Speaker!

[*English*]

Lest you are concerned about the levels of DDT in food, I think you should know that the Food and Agriculture and World Health Organizations of the United Nations, on the advice of expert scientific groups, have declared maximum acceptable daily intakes for humans on the basis of ingestion for a lifetime. For DDT, the recommended maximum daily acceptable intake is 0.7 milligrams. The average Canadian diet contains less than 5 per cent of this amount and food contributes 80 per cent to 90 per cent of the total intake of DDT by the general public.

In concluding this announcement I wish to emphasize that our scientists are world leaders in research toward the minimal but effective use of chemicals in pest control. This government will continue to examine all scientific evidence and intensify its own research program into pesticides, including organo-chlorine and other persistent compounds. The government of Canada will continue to play a leading international role in moves to protect and enhance man's total environment.

To this end, Canada has been an active member of international organizations, the role of which is to develop international standards for pesticides based on sound health and ecological principles and the needs of international trade. Canada will continue and will intensify its work in these organizations.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I welcome in general this move announced by the Prime Minister (Mr. Trudeau). A good many of us, and I think the country generally, have been quite concerned about the effects of DDT upon our environment, our wildlife and eventually upon human health ever since reading that very striking book written by the late Rachel Carson some years ago. I believe a few years ago following that book and other publications a committee of the House conducted an investigation into this subject.

I am a little disturbed, because of the duration of time over which public concern has been expressed, that the government appears to be following rather than leading. I hope one can really place firm reliance upon the assurances given by the Prime Minister concerning the efforts Canadian scientists and the Canadian government are to make in the future with regard to pesticides generally, their safety and environmental effects.

I am also a little surprised by what I take to be the implication in the Prime Minister's announcement that it is only during the past year that the government has been conducting in any sense a full-scale examination of the environmental effects of the use of DDT. It was announced that it had been decided, I think in 1968, not to use DDT in our own forests and parks and in 1969 the aerial use by the armed forces was stopped. But the Prime Minister said that the government has now completed a year long review of the over-all use pattern of formulations acceptable for registration. I may say, if this means what it seems to mean, I am shocked that it is only over the past year the government has been conducting in a serious way an examination of the over-all use.

There have been a number of indications lately of the care with which miracle pesticides and miracle substitutes must be examined, and there has been a growing concern about the way in which we are polluting our environment by, among other methods, using pesticides which have very profound residual effects. So generally I welcome the announcement and hope it means that the government of Canada is really going to take a sustained interest in and conduct an examination of such pesticides and substitutes.

I am a little concerned with regard to what consultation has taken place with farm organizations and what the effect of this announcement will be on agriculture when it has to turn quickly to certain substitutes. I would like to hope there has been some consultation with the provinces which have an interest in the effect on their agricultural industry.

Above all, I do not see any indication in the statement by the Prime Minister that the government has really been placing the emphasis it should have been placing upon the development of substitutes which would have a satisfactory cost effectiveness so far as our farmers are concerned. Certainly there is no mention of consultation with the provinces, particularly the provincial departments of agriculture. I hope that in fact there has been such consultation. In view of the difficulty many forms of agriculture are facing, I hope a really determined effort is being made to

develop satisfactory pesticide substitutes with appropriate cost effectiveness.

• (11:30 a.m.)

Having said this, having placed emphasis upon the need for consultation with the provinces, I also note that in the Prime Minister's statement there is no assurance that all departments of the government will comply with bans imposed by the provinces. I express very fervently the hope that all federal departments will in fact comply with general bans on the use of DDT imposed by any province and that the Prime Minister will be prepared to give such an assurance.

However, with these caveats—I do not want to be misunderstood in any sense—I certainly welcome the statement by the Prime Minister and his announcement that these steps are being taken to cut down the use of DDT very substantially. I only hope that the lesson that has been learned will in fact encourage the government and its departments to have a sharper eye in the future for difficulties of this sort, and to give the problem, in co-operation with other countries, its most urgent and effective attention.

Mr. Randolph Harding (Kootenay West): Mr. Speaker, our group certainly welcomes the statement made by the Prime Minister this morning in regard to DDT. However, I feel, as did the previous speaker, that action of this type is long overdue. Frankly, I have been amazed at the lengthy delay in government action on this important matter. It has been the work of the provinces and other groups which have done a vast amount of research into the dangers of pesticides that has really forced the issue so far as the government is concerned.

I can recall asking a question three months ago of the Minister of National Health and Welfare (Mr. Munro) regarding DDT and its effect on foods so far as Canadians are concerned. We were assured at that time that there was no danger and nothing to worry about. Three months later we find that the government has decided to take action and ban the use of DDT in certain cases.

I think it is only fair to point out that the Prime Minister has indicated that other research is going on into other types of pesticides because there are a number of toxic pesticides that are just as dangerous as DDT. A number of reports—I have a couple on my desk—some of them over a year old, have been prepared by wildlife associations in the United States which point out that a group of very dangerous pesticides, which have been and are being used today in the United States, Canada and other countries in the world, is having a bad effect on our environment. There is no doubt that in some cases the effects certainly are not as bad as those of DDT but they are traceable, and we find that practically all living organisms in every part of the world have some trace of these pesticides in them. It seems to me that Canadian research facilities to study these problems have been inadequate.

As I said, the action taken by the government now is a step forward and our group certainly welcomes it. But may I point out to the Prime Minister and the government that this is just one small phase of the pollution problem. Just a week or two ago we received a report dealing with detergents containing phosphorus. Two years is suggested as the time to be allowed before the production of detergents containing phosphorus must stop. I suggest to the government that this is another phase of pollution which must be tackled without delay. Research must go forward to ensure, when a change is made by these companies in the manufacturing of their various products, that a suitable product is substituted. There are other aspects of pollution with which I will not deal at present, such as pollution of the atmosphere which must not be allowed to continue much longer. Again in this case we have a report prepared by the United Nations dealing with the inherent dangers to mankind unless we move quickly.

I congratulate the government on this initial move, and I urge that a whole series of investigations be made to deal with the series of grave pollution problems at present threatening the very existence of mankind.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, naturally, we cannot but be happy that the government has finally decided to do something about a problem dealing with the protection of the people of this country.

But as the previous speakers, I can only say that the government never leads the way, it is not an innovator although it is quite a good follower sometimes.

Ontario and Quebec having recently taken a stand in that matter, the federal government has finally decided to act.

But, Mr. Speaker, from the way the government is proceeding, it is obvious that it lacks the initiative so urgently needed in the country.

An important objective of my government is the protection and enhancement of man's environment and, in harmony with this objective, the protection of man, crops, and livestock from pests.

House of Commons

From that you might think that the government has always cared about that matter, whereas it is well known that it is taking action at last only under pressure from other governments, that is the provincial governments.

Needless to say, we are not blaming the federal government for taking some action, but we are blaming it for sometimes doing it only when it feels that it cannot do otherwise, when it wishes to be ahead of the others or to take credit for having taken the initiative. That is a perfect example of the way the federal government operates.

However, we congratulate it once again for having taken some action and we also express the wish that it will continue to destroy another form of DDT which is poisoning the whole population and which could be described as follows: deficit, debts, taxes.

[*English*]

HOUSE OF COMMONS

HOURS OF SITTING, FRIDAY, NOVEMBER 7

Hon. H. A. Olson (for the President of the Privy Council) moved:

That, notwithstanding the provisions of Standing Order 6(3), on Friday, November 7, 1969, the sitting shall be suspended at 3.00 o'clock p.m., and resumed at 5.45 o'clock p.m.

• (11:40 a.m.)

Mr. G. W. Baldwin (Peace River): Mr. Speaker, there has been some discussion between the government side and members of the other parties about this motion, and some of the reasons for it have been made apparent to the house leaders. But I suggest with due deference that at this time either the minister or another minister might make a statement indicating the reasons behind the motion so that all hon. members may have an opportunity to understand what is involved and, hopefully, may then feel free to express their approval or disapproval. I think it would be useful if this were done so that all the circumstances would be made known at this time.

Mr. Olson: Mr. Speaker, I agree there have been consultations and my understanding is that there was general agreement. But I would also agree that there should be a brief statement on the reasons, and perhaps the Minister without Portfolio (Mr. Gray) would make it.

Hon. Herb Gray (Minister without Portfolio): Mr. Speaker, as the House knows, the Minister of Finance (Mr. Benson) has indicated that the government white paper on tax reform will be tabled in the House on Friday, November 7, at 6 p.m., and it is being proposed that for the first time there be an opportunity for all members of the House who desire it to have an advance briefing about the white paper before it is formally tabled in the House. It is therefore proposed that this briefing, which would be on a confidential basis, would take place in the Railway Committee Room and would begin at 3 p.m.

It was thought that it would be useful, because of the great interest on the part of members on both sides of the House in this matter, to give the widest opportunity to members who wish to do so to attend the briefing. The House is therefore being asked to consent to suspend its sitting on Friday, November 7, from 3 p.m. to 5.45 p.m.

If the motion is accepted it is my understanding that at 5.45 p.m. the bells would ring so that the House can then resume, basically for the purpose of having the white paper tabled by the appropriate time. It is also my understanding that once this was done there would be a motion for the adjournment of the house.

Mr. Baldwin: Mr. Speaker, may I say that I do not think the Minister of Agriculture (Mr. Olson) was quite right in saying there was unanimous consent. I indicated that the proposition which the government made was not an unreasonable one but that there were other hon. members who were involved, who were interested, and that the question of the timing might be of concern to them. It was for this reason I suggested that a statement be made now so that these other hon. members might have an opportunity, before the question is put by Your Honour, to indicate their views.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I wish merely to say on behalf of our party that the statement made by the Minister without Portfolio (Mr. Gray) is in accordance with the discussions that have taken place among House leaders. We accept the proposition that it might be a good idea to make available to Members of Parliament the same kind of briefing that on occasions like this is made available to members of the press. One of my colleagues suggests that on that basis we might become as well informed as the press. I do not quite know what he means by that.

But, Mr. Speaker, before hon. members accept this gracious invitation to go into the room where the briefing will take place they should be told that the doors will be locked

and once they get in they cannot get out for any purpose whatsoever until 5.45 p.m.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, there have in fact been consultations between the various opposition parties and the government regarding the briefing session which the government has scheduled for next Friday, November 7.

It seems that the government is preparing for a very important statement. Will such a statement be favourable or prejudicial to the Canadian people?

Be it as it may, my colleagues and myself are astonished at this procedure. We feel that the briefing session could have taken place right here in this House where all necessary services are available. However, since the Minister without Portfolio assures us that adequate equipment will be available in the Railway Committee Room, we agree to his proposal.

[*English*]

Mr. A. D. Hales (Wellington): Mr. Speaker, I think the House appreciates what the Minister without Portfolio (Mr. Gray) said. However, I am at a loss to know, and he did not explain, why this paper could not be presented on Thursday evening at eight o'clock as is done with budgets. If this were done, members of the House could be briefed from six o'clock till eight o'clock and the paper could be tabled in the House at eight o'clock.

Late on Friday afternoon a number of members of the House catch planes to go home for the weekend. This is a most inopportune time to have this briefing, and I would like the minister to explain why this could not be done on Thursday night.

Mr. Speaker: It would be irregular to allow the minister to make a second statement at this time, but if hon. members wish to allow him to make a second statement in answer to the question asked by the hon. member, the Chair will comply with their wishes.

Some hon. Members: Agreed.

Mr. Gray: Very briefly, Mr. Speaker, I wish to confirm what the hon. member for Winnipeg North Centre (Mr. Knowles) has said. He put forward perhaps more broadly what I said in my initial remarks in regard to the briefing being on a confidential basis. The hon. member for Wellington (Mr. Hales) has asked why the briefing and the tabling are to take place on Friday. Without taking time to

go into detail may I say it was felt, often considering all the circumstances, such as the hours of closing of markets, the attendance of all those who wished to take part in the briefing—press, provincial officials and so on—and in particular the interest of hon. members, that the most appropriate time could be only on the afternoon of Friday, November 7, with the tabling to take place at six o'clock on that day.

[*Translation*]

Finally, I wish to reiterate the assurance I have already given the members of the Créditiste party. All the necessary steps will be taken to have the required interpretation facilities available in the Railway Committee Room.

[*English*]

Motion agreed to.

EXTERNAL AFFAIRS AND NATIONAL DEFENCE

INSTRUCTION TO STANDING COMMITTEE TO CONSIDER POLICIES

Hon. H. A. Olson (Minister of Agriculture) moved:

That the Standing Committee on External Affairs and National Defence be empowered to hear evidence on and to consider Canada's policies with reference to defence and external affairs;

And that the evidence adduced by the committee in its study of the aforementioned matter during the first session of the twenty-eighth Parliament be referred to the committee.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, it is quite true that we have agreed that by unanimous consent this and another motion will be put, and I think there will be no dissent. However, at this time I would like to file a caveat. There is a good reason why these two motions and the four already passed with regard to the terms of reference of committees should be dealt with as rapidly as possible by the House. But it is desirable that the notice paper be used wherever there may be some hon. members with an interest in having discussions of certain terms of reference, and they should be given the opportunity to do so.

• (11:50 a.m.)

It may be that in future there will be other cases where it will be necessary to expedite the granting of terms of reference to a committee, and we shall certainly be prepared to discuss this at the proper level. Our view generally is that the notice paper is there to

Transport and Communications

be used and, wherever possible, it should contain notice of these motions so that hon. members may have an opportunity to discuss them. I say that even though we have already agreed that these two motions may be put and that we have no objection to them.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, the caveat is a good one, but we also agree to this motion.

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

Some hon. Members: Agreed.

Motion agreed to.

TRANSPORT AND COMMUNICATIONS

INSTRUCTION TO STANDING COMMITTEE TO CONSIDER CERTAIN MATTERS

Hon. H. A. Olson (Minister of Agriculture) moved:

That the Standing Committee on Transport and Communications be empowered to consider the following:

1. Representations from Mr. Peter Rohl, the Ben Ginter Construction Co. Ltd., Lucas Construction Ltd., and Krywa Bros. Construction Ltd., with respect to claims in relation to the construction of the Great Slave Lake line of railway for the Canadian National Railways;
2. The problems of transportation in the Atlantic Provinces;

And that the evidence adduced by the committee in its study of the aforementioned matters during the first session of the twenty-eighth Parliament be referred to the committee.

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

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, the same remarks apply to this motion as applied to the previous one. In case the wording makes it look to some hon. members as though it is setting up a rather lengthy agenda, let me say that this is just a case of referring back to the Standing Committee on Transport and Communications precisely those same matters the committee was dealing with before the end of last session.

Motion agreed to.

EXPROPRIATION

ACQUISITION AND ABANDONMENT OF LAND, APPOINTMENT OF HEARING OFFICERS, ETC.

Hon. G. J. McIlraith (for the Minister of Justice) moved for leave to introduce Bill C-136, respecting the expropriation of land.

[Mr. Baldwin.]

Motion agreed to, bill read the first time and ordered to be printed.

MOTOR VEHICLE SAFETY

NATIONAL MARKS AND STANDARDS

Hon. H. A. Olson (for Minister of Transport) moved for leave to introduce Bill C-137, respecting the use of national safety marks in relation to motor vehicles and to provide for safety standards for certain motor vehicles imported into or exported from Canada or sent or conveyed from one province to another.

Motion agreed to, bill read the first time and ordered to be printed.

CAPE BRETON DEVELOPMENT CORPORATION ACT

GUARANTEE OF REPAYMENT OF MONEYS BORROWED BY COMPANIES AND PERSONS

Hon. H. A. Olson (for the Minister of Regional Economic Expansion) moved for leave to introduce Bill C-138, to amend the Cape Breton Development Corporation Act.

Motion agreed to, bill read the first time and ordered to be printed.

ORAL QUESTION PERIOD

CANADIAN CONSTITUTION

FEDERAL-PROVINCIAL CONFERENCE—AGENDA AND TYPE OF MEETINGS—INQUIRY AS TO COMMITTEE

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I address a question to the Prime Minister. Will he be able to give us the agenda of the federal-provincial constitutional conference to be held next month? Also, will he be able to confirm that the meetings will be open to the press and therefore to the public?

Right Hon. P. E. Trudeau (Prime Minister): On both these questions, Mr. Speaker, I have yet to hear from several provinces. I have had correspondence or contact with all of them, but I have not had a complete expression of their views on either the agenda or on the question of whether the conference should be public or private. Therefore, in accordance with the usual rules I should not like to make a decision until there has been a consensus reached between the provinces and the federal government.

Mr. Stanfield: A supplementary question, Mr. Speaker. Can the Prime Minister say whether it is the intention of the government to establish a parliamentary committee on constitutional matters during the present session?

Mr. Trudeau: Yes, it is, Mr. Speaker. I expect that the House leader will be able to make an announcement fairly soon in that regard.

Mr. Stanfield: May I ask another supplementary, Mr. Speaker. Would the government consider arranging for consultations with the opposition parties in connection with the preparation of the terms of reference of such a committee?

Mr. Trudeau: Mr. Speaker, I am sure we will want to discuss with the opposition the orientation and terms of reference of this committee. We have views on it. We think this committee should follow the general pattern which has been followed by the provinces and the federal government in the study of these constitutional questions.

COMMUNICATIONS

TELESAT CANADA—REQUEST FOR PROGRESS REPORT

Mr. David Lewis (York South): Mr. Speaker, may I direct a question to the Minister of Communications. In view of reports of prolonged argument over the division of ownership of Telesat, can the minister inform the House what progress, if any, has been made toward actually setting up Telesat Canada and beginning work on building the satellite?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): The work is proceeding quite satisfactorily, Mr. Speaker. I do not know what is the source of the reports to which the hon. member refers. All I can say is that work is going ahead with a view to signing contracts. After that, and not before, it would be normal to expect that there would be financial arrangements, namely, financing through the issuing of shares or debentures to the public. In the meantime the president and the provisional directors have been appointed. They have met regularly. They are undertaking negotiations, and the actual conclusion of contracts with the main suppliers is going on.

Mr. Lewis: Can the minister inform the House who the directors are? We all know who the president is. In view of the fact it is assumed that the number of directors is related to the proportion of ownership, can the minister inform the House who the provisional directors are and how they were appointed?

Mr. Kierans: Mr. Speaker, as is known, the provisional board is composed of two directors named by the telephone companies, Mr. Krupski and Mr. Archibald, the President of Maritime Telephone and Telegraph. Mr. Krupski is President of the Trans-Canada Telephone System. These were the nominees of the common carriers. Nominees of the government are Mr. Picard and Dr. John Chapman who is extremely well known to all members of the House. Members representing the public are Mr. Sothern and Mr. Golden, the president. The chairman of the board is Mr. Francois Ouimet, a former president of the Canadian Broadcasting Corporation.

Mr. Lewis: Another supplementary, Mr. Speaker. What about Alphonse?

Mr. Kierans: I am sorry, I should have said Alphonse. François is another friend of mine.

Mr. Bell: You got all your friends on the board.

Mr. Lewis: We can easily understand. There are always arguments between Alphonse and François. I wish to ask the minister whether any decision has been made on the division of ownership? If so, what proportion has been provided to the carriers, what proportion to the government and what proportion to the public?

Mr. Speaker: Order, please. I should tell the hon. member I had serious doubts about his first supplementary and I have even graver doubts about the second. I think the information the hon. member is seeking is of a general nature and perhaps should be given to the House by the minister in a statement on motions.

Mr. Lewis: I think I appreciate the reason for Your Honour's ruling. May I be permitted to reword my question simply? Has the division of ownership been decided upon or is it still a matter of discussion?

Mr. Kierans: Such questions should be addressed to the president and board of directors of the corporation.

Inquiries of the Ministry

[*Translation*]

OFFICIAL LANGUAGES

POSSIBLE CONFLICT OF FEDERAL LAW AND QUEBEC BILL 63

Mr. René Matte (Champlain): Mr. Speaker, I should like to ask a question to the Prime Minister.

Has the Prime Minister examined bill 63 now under consideration by the Quebec National Assembly, and if so, does he think this bill to be contrary to the official languages bill adopted here last June?

Mr. Speaker: I would suggest to the hon. member that his question, as worded, is hardly acceptable.

The hon. member is inviting the Prime Minister to express his opinion on the legality of a bill. Yet, even in the case of a federal bill, I do not believe that his question, as worded, could be acceptable.

[*English*]

AGRICULTURE

INQUIRY AS TO LEGISLATION TO ASSIST WESTERN FARMERS—INTEREST RATES ON FARM MORTGAGES

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I wish to direct a question to the Prime Minister. There is a most extensive problem in western Canada, in Alberta and particularly in Saskatchewan where large acreages of crops will not be thrashable because they are in swath and climatic conditions prevent any action being taken. The result is that farmers are in a desperate financial position. Has the government given consideration to bringing in extraordinary legislation, if I may call it that, to meet this emergency so that some form of credit will be available for these farmers who are unable to market anything because they cannot have their wheat, oats or barley thrashed? They are in an impossible position.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, both the Minister of Agriculture and the Minister without Portfolio, responsible for the Wheat Board, have been out west investigating this problem. I ask the right hon. member to address his question to them.

Mr. Diefenbaker: Mr. Speaker, may I ask a supplementary question? One would think when ministers are on pilgrimages the Prime Minister would be able to answer. Will the Prime Minister exercise the prestige that he has and communicate with the chartered banks and point out to them that under all the circumstances they ought to provide credit which today is being denied?

Mr. Trudeau: Mr. Speaker, I prefer to discuss this matter with the ministers responsible and I will decide if any action is required by me.

Mr. G. W. Baldwin (Peace River): A supplementary question to the Minister of Agriculture. In the course of his pilgrimage to western Canada did the minister have any discussions with the Minister of Agriculture for the province of Alberta or for the province of Saskatchewan with a view to joint action along the lines indicated by the right hon. member for Prince Albert? At this time I also invite the Minister of Agriculture to reply to the question I asked last Thursday with regard to advising farm mortgagors of the possibility of taking advantage of methods of securing a reduced rate of interest.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, there is far more than one question contained in the speech made by the hon. member for Peace River.

Mr. Baldwin: You look like you have a lot to say.

Mr. Olson: I have, but I like to stay within the rules, Mr. Speaker. I spent two days in Alberta discussing the problem of harvesting and what action would be useful and of assistance in this situation. I attended meetings in the hon. member's home town of Peace River as well as in Fairview, Spirit River, Grande Prairie and Edmonton. I also had a meeting with the Minister of Agriculture for Alberta, Mr. Ruste, yesterday afternoon. We are looking at a number of things we can do to be helpful in concert between the two levels of government.

With regard to the other question, Mr. Speaker, that I was asked on Thursday, I am having this checked by the Department of Justice. While it may be improper to give a legal opinion on it, I think the reply should come from the Department of Justice after an opinion has been expressed on the application.

Mr. Baldwin: On a point of order, Mr. Speaker, I was not asking for a legal opinion. The supplementary question I asked on Thursday was whether, under a certain assumption, the minister would consider giving notice to farm mortgagors of the rights which they hold with regard to the question of interest rates.

Mr. Olson: I am fully aware of that, but the certain assumption my hon. friend talks about is a legal interpretation of law.

Mr. A. P. Gleave (Saskatoon-Biggar): A supplementary, Mr. Speaker. Will the minister consider making representations to the banks in these areas asking them to continue to renew loans made under the Farm Improvement Loans Act, which carry a much lower rate of interest than short term loans, in view of the reports we have that banks are urging farmers to transfer overdue notes into the high interest rate range?

Mr. Olson: Mr. Speaker, I am not sure the question is properly directed. This act is, of course, administered by the Minister of Finance, and for good reasons. However, I will examine the content of the question and see if there is anything our department can do which will be helpful.

Mr. Diefenbaker: A further supplementary, Mr. Speaker. In the course of the minister's perambulations did he form any estimate of the total acreage in Alberta and Saskatchewan that today is in swath and is an almost hopeless condition? The minister would require that knowledge before he would be in a position to discuss effective action.

Mr. Olson: Yes, Mr. Speaker. That is precisely the reason for going to the northern part of Alberta over the weekend and the reason for the Minister without Portfolio from Saskatoon-Humboldt going to parts of Saskatchewan.

So far as the estimates are concerned they would, of course, be only estimates, but there are some communities which are substantially worse off than others, where the amount of grain left in the fields is very high indeed, as high, in fact, as 80 or 90 per cent in some cases. I do not, however, subscribe to the pessimistic view that there can be no salvage value from many of these swaths. We have been through occasions before, last year among others, when crops which were in bad condition when harvested produced an unexpectedly high yield. I want to be helpful but I think we had better make use of our experience in the past when assessing the situation.

POST OFFICE

MONTREAL—THEFT FROM MAIN POST OFFICE

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to dial a question to the Postmaster General.

Some hon. Members: Oh, oh!

Mr. Macquarrie: Can the minister advise us what efforts or investigations are under way following the reported theft on Saturday last of $250,000 from the main post office in Montreal? Specifically, have the looters been apprehended or has any of the loot been recovered?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): In response to the second part of the question the answer is no—not until the moment I entered the House, anyway. In reply to the first part of the question, the police force and the investigators belonging to the department are working very hard and in close co-operation.

Mr. Macquarrie: Considering the fact that Canadians are concerned about the security of their mail as well as the safety of postal employees, can the minister advise whether any of his multitude of task forces are looking into the question of ensuring greater security for registered mail?

Mr. Kierans: The RCMP is making a detailed analysis of the extremely professional manner in which this particular burglary was carried out and they will undoubtedly have recommendations to make to us.

Hon. J. A. MacLean (Malpeque): Has there been any evidence that the schedule of this well-planned robbery was advanced a week in anticipation of the white paper to be brought down by the Minister of Finance so as to make sure there would be no possibility of the take being subject to a capital gains tax?

Mr. Speaker: Order. I am afraid the hon. member has to be given a busy signal in connection with that question.

Some hon. Members: Oh, oh!

LABOUR CONDITIONS

INQUIRY AS TO LEGISLATION TO INCREASE MINIMUM WAGE

Hon. George Hees (Prince Edward-Hastings): I have a question for the Minister of Labour, Mr. Speaker. Since the hon. gentleman stated on September 5 that the federal minimum wage should be raised from its present level of $1.25 an hour to $1.50 an hour or perhaps to $1.75 an hour, is it the intention of the government to introduce legislation in the near future to raise the federal minimum wage to a level which would permit recipients to live above the poverty level?

Inquiries of the Ministry

Hon. Bryce Mackasey (Minister of Labour): The department is now concluding a departmental review of the minimum wage and its effect on the Canadian economy and, particularly, its effect on programs financed jointly by the provinces and the federal government. When this study has been completed it is possible that the cabinet and the Minister of Labour may consider it appropriate to introduce legislation.

Mr. Hees: As this is precisely the answer the minister gave me in reply to a question on this subject some 14 months ago, is it not obvious that the government intends to put this matter off year after year and has no intention of introducing legislation in the foreseeable future?

Mr. Speaker: I have to rule out the supplementary question asked by the hon. member for Prince Edward-Hastings.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, would the minister care to look at Bill C-99 which is on the order paper in my name? If he likes it I would be glad if he would take it over.

Mr. Mackasey: Mr. Speaker, if you look long enough at the order paper you will find that the hon. member for Winnipeg North Centre has a bill set down on every subject which has been introduced into this house over the last 25 years. It is the only opportunity he will ever have to introduce a bill.

HEALTH AND WELFARE

PRESENCE OF DDT IN IMPORTED FOODS

Mr. H. W. Danforth (Kent-Essex): My question is directed to the Minister of National Health and Welfare, Mr. Speaker. Further to today's statement concerning DDT, will on analysis be made of all food imported into Canada, and will the presence of DDT in proportions higher than the indicated new tolerance result in the imposition of a ban upon this merchandise?

Hon. John C. Munro (Minister of National Health and Welfare): If foods are brought into Canada containing DDT in proportions above our tolerance limit, their sale will not be permitted.

EXTERNAL AFFAIRS

DISCUSSIONS WITH U.S.S.R. ON RESOURCES OF NORTH PACIFIC, ACTIVITIES OF RUSSIAN FLEET

Mr. Thomas S. Barnett (Comox-Alberni): I wish to direct a question to the Secretary of State for External Affairs having to do with the meeting which I understand took place between himself and the foreign minister of the U.S.S.R. in Ottawa earlier this year. Did the minister hold any discussions with Mr. Gromyko on our joint interest in the resources of the north Pacific Ocean and, in particular, did he discuss with the foreign minister the activities of the Soviet fishing fleet which is operating off the shores of British Columbia and Vancouver Island? If so, can he give the House a report on the nature of these talks?

Hon. Mitchell Sharp (Secretary of State for External Affairs): No, Mr. Speaker. We did not discuss that subject.

Mr. Barnett: In view of what I can only describe as a grave omission from the list of topics covered, may I ask the Secretary of State for External Affairs to give the House some assurance that he will take up this important matter with the Soviet government?

Mr. Sharp: Although we did not have this particular subject on the agenda of the talks with Mr. Gromyko, the Canadian government and the Soviet government are, of course, in communication constantly through our respective embassies. This matter has been under discussion for some time and will continue to receive our attention.

Mr. Barnett: I notice that the Minister of Fisheries is present in the House. May I address a supplementary question to him. Has the Department of Fisheries any up-to-date information on the activities of this Soviet fleet? Is it, in fact, taking Pacific salmon in addition to groundfish?

Hon. Jack Davis (Minister of Fisheries): We are keeping this particular fleet and other foreign fleets under close observation, certainly whenever they come within hundreds of miles of our shoreline.

LATIN AMERICA—REQUEST FOR FINAL REPORT ON MINISTERIAL VISIT

Mr. Lloyd R. Crouse (South Shore): I wish to address a question to the Secretary of State for External Affairs, Mr. Speaker. About a year ago we were given an interim report on the ministerial pilgrimage to Latin America. When does the minister expect to be in a position to place a final report before the House and the country making clear what benefits will accrue to Canada as a result of this extensive and expensive ministerial mission?

Hon. Mitchell Sharp (Secretary of State for External Affairs): A draft white paper is now in the course of preparation. This white paper will deal with much more than the tour which was undertaken by the five ministers, a tour which I believe laid the foundation for the closer relationship which will develop between Canada and the Latin American countries. It will deal with much more than that; otherwise it would have been published long since.

Right Hon. J. G. Diefenbaker (Prince Albert): Did that visitation by the five ministers have its climax in the closing of those two missions in South America? Was that a consequence of the visit?

Mr. Speaker: Order. It is my recollection that this question was asked last week, though I do not recall an answer being given.

Mr. Diefenbaker: I did not know that. No answer given.

POST OFFICE

CURTAILMENT OF SATURDAY WICKET SERVICE

Mr. A. D. Hales (Wellington): I should like to direct a question to the Postmaster General, Mr. Speaker. Last session the hon. gentleman advised the House that he was reconsidering his policy of closing certain facilities in main post offices across Canada. Has he now reconsidered this policy, and may we expect the wickets of all main post offices to be opened on Saturdays?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): Mr. Speaker, I expect to make an announcement in this connection as far as the Christmas season is concerned very shortly, perhaps by the end of this week. With respect to the general question, this is a subject at present under negotiation with the unions.

HEALTH AND WELFARE

FUNGICIDES—INQUIRY AS TO BAN OR RESTRICTION

Hon. D. S. Harkness (Calgary Centre): I have a question for the Minister of Agriculture, Mr. Speaker. Is it the intention, in addition to imposing restrictions on the use of DDT, to restrict or ban the use of fungicides which, together with DDT, have been responsible for rendering the pheasant and Hungarian population of southern Alberta unfit for human consumption?

Some hon. Members: Oh, oh.

Mr. Harkness: Hungarian partridge.

Mr. Knowles (Winnipeg North Centre): You've lost the Hungarian vote.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, the Department of Agriculture has the residual effect of these fungicides under constant and intense examination.

Mr. Robert Simpson (Churchill): Mr. Speaker, I have a supplementary question for the Prime Minister. In view of the Prime Minister's statement concerning the curtailment of the use of DDT, and in view of the recent report of the Canadian Wildlife Service that unexpectedly high concentrations of DDT have been found in the carcasses of polar bears killed in remote regions of the Arctic, can the Prime Minister assure the house that there will be close liaison between the federal authorities and the territorial governments so that an acceptable ban can be placed on the use of DDT in the north?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I will refer that question to the minister of northern affairs.

EXTERNAL AFFAIRS

PROPOSED U.S. NUCLEAR TESTS

Mr. John Burton (Regina East): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Is it the intention of the government to make representations to the United States, or have representations already been made, concerning further nuclear testing in the Aleutian Islands? If so, what is the nature of such representations?

Mr. Speaker: I have the impression that that question was asked last week. So many questions have been asked, of course, that it is a little difficult for the Chair to keep track of them all. If the question was not asked, perhaps the minister could reply at this time.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Your recollection, Mr. Speaker, is correct; the question was answered.

AGRICULTURE

FEED GRAIN FREIGHT ASSISTANCE—INQUIRY AS TO DISCUSSION WITH CANADA GRAINS COUNCIL

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, my question is

directed to the Minister of Agriculture. Did the minister discuss with the Canada Grains Council the policy of cutting back on the eastern feed grain freight subsidy before making his decision?

Mr. Speaker: Order. I have some doubt whether that question is in order.

IMMIGRATION

EFFECT OF INTERNATIONAL CONVENTION ON POLITICAL REFUGEES

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question is directed to the Minister of Manpower and Immigration. In view of the fact that Canada became a signatory to the international convention on political refugees in September of this year, will the minister assure the House that no deportation order already made by the Immigration Appeal Board will be executed until the alien appellant has had an opportunity to explore the convention and to take whatever action is necessary in the hope of finding asylum in this country?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, we intend, of course, to respect the spirit and rules of the international convention. I cannot give any assurance that the obligation imposed on the minister by the Parliament of Canada with respect to the execution of a deportation order under the act can be stayed, but every consideration will be given to the point raised by my hon. friend.

EXTERNAL AFFAIRS

BRITISH HONDURAS—REQUEST FOR ASSISTANCE AGAINST EXTERNAL AGGRESSION

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Has the government of Canada been approached by the government of British Honduras with regard to a request for assistance against external aggression after the official independence day of that country?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I think I had better take that question as notice.

LABOUR RELATIONS

LONGSHOREMEN'S STRIKE—RATIFICATION OF SETTLEMENT

Mr. Tom H. Goode (Burnaby-Richmond): Mr. Speaker, I should like to direct a question to the Minister of Labour. Are the recently concluded negotiations on the Vancouver waterfront subject to ratification?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, the collective agreement is subject not only to ratification by labour but by the employers as well. I am hoping it will be ratified because I think the collective agreement is in the interest both of employers and employees. We will know by tomorrow evening whether it has been.

EXTERNAL AFFAIRS

CHANGES IN CANADIAN DIPLOMATIC ESTABLISHMENTS—POSITION OF STAFF

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I have a question for the Secretary of State for External Affairs. In his statement about the changes in missions the minister mentioned generally a redeployment of personnel. Can the minister guarantee that there will be no lay-offs of those affected by the changes he has just announced?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the closing of these offices does not, of course, mean that Canadian based staff in those missions will be laid off. There is to be a redeployment of our personnel round the world. So far as locally engaged employees in those offices are concerned they, of course, will receive notice. Since the department is redeploying its resources, I cannot guarantee that there will not be some surplus staff. Indeed, I expect that there will be.

FISHERIES

DOGFISH CONTROL—LEVY ON SALMON CATCHES—REQUEST FOR REFERENCE TO COMMITTEE

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, my question is directed to the Minister of Fisheries. Would the minister agree to refer to the Standing Committee on Fisheries and Forestry his proposal for a 1 to 5 per cent levy on salmon catches in regard to dogfish control, since I believe it has been the subject of a number of criticisms by the industry?

Hon. Jack Davis (Minister of Fisheries and Forestry): The answer is yes, Mr. Speaker.

AGRICULTURE

FARM MACHINERY—INQUIRY AS TO BARBER COMMISSION REPORT

Mr. A. P. Gleave (Rosetown-Biggar): Mr. Speaker, I should like to direct my question

to the Minister of Agriculture. In view of the continually rising costs in the agricultural sector and the urgency of reducing those costs, can the minister inform the House when the Barber commission on farm machinery will be in a position to make a report?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I cannot give a date when we will receive or be able to distribute or table the final report of the Barber commission. However, during the last few days we have received a further report from the Barber commission dealing with price relationships between tractors and combines in various parts of the world. This report is now in the hands of the translators and printers and it will be made available as soon as it is ready.

Mr. Gleave: A supplementary question, Mr. Speaker. In view of the decision taken on the use of farm chemicals, is it now the intention of the Department of Agriculture to conduct research to find alternatives for those chemicals we have been using, such as DDT and the mercurial chemicals that have caused trouble to wildlife? What research is the department carrying on, or is it planning any research?

Mr. Speaker: Order. The question as asked is very broad in scope and would normally require a statement on motions.

EXTERNAL AFFAIRS

STATEMENT BY PRESIDENT NIXON ON VIET NAM—CONSULTATION WITH CANADA

Mr. David Lewis (York South): Mr. Speaker, I should like to direct a question to the Prime Minister. Without for a moment suggesting that the President of the United States is under any obligation to do so, I should like to ask the Prime Minister whether he has in fact consulted the Canadian Government or, as far as the Prime Minister knows, any other government with respect to the statement on Viet Nam that the President of the United States is expected to make today?

Right Hon. P. E. Trudeau (Prime Minister): I know of no consultation of this sort, Mr. Speaker.

Mr. Lewis: A supplementary question. In view of the request that the President of the United States made in the United Nations when the General Assembly first opened that all countries assist in settling the problem in Viet Nam, will the government consider taking some initiative in discussing with Washington some of the steps that might be taken to that end?

Mr. Trudeau: Mr. Speaker, there has been, and there will continue to be, consultation on these matters. On both occasions when I met President Nixon we talked about Viet Nam and the eventualities there; this was in response to the specific speech to which the hon. member has referred.

ADMINISTRATION OF JUSTICE

SENTENCES FOR OFFENCES INVOLVING DRUGS

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, on Friday last, as reported at page 350 of *Hansard,* the hon. member for Calgary North asked me several questions concerning the sentencing of seven young people in Calgary on charges involving marijuana. I have looked into the matter and I find that the charges did not involve marijuana; they involved hashish, trafficking in hashish.

CANADA ELECTIONS ACT

SUGGESTED VOTE BY MAIL FOR DISABLED PERSONS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to direct a question to the Secretary of State. In view of the fact that when the Manitoba legislature amended the provincial Elections Act to provide for voting at age 18 it also included a provision to make it possible for persons who are so disabled they cannot get to the polls to vote by mail, I wonder whether the federal government would consider making a similar recommendation so far as the federal Elections Act is concerned?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I am not responsible for amendments to the Elections Act. I think the hon. member should ask the President of the Privy Council the next time the minister is in the house.

[*English*]

ADDRESS DEBATE

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed, from Friday, October 31, consideration of the motion of Mr. Jack

Cullen for an address to His Excellency the Governor General in reply to his speech at the opening of the session.

[*Translation*]

Mr. Herb Breau (Gloucester): Mr. Speaker, last Friday when the debate was adjourned, I was dealing with the question of the coastal fishermen of my region and the problems they have to face. I was suggesting then to the Minister of Fisheries (Mr. Davis) to support the associations desirous of grouping the fishermen so that they may become strong enough to participate effectively in consultations with the various governments.

The problem to be found sometimes among these people is that they do not agree about solutions and consequently, remain always in the same unfortunate situation.

I can give as an example agencies in my constituency, such as the Northern Regional Development Council, that helped the professional association of fishermen to get organized.

I hope that the minister will take note of these comments and will make sure that the necessary funds are made available to that association for the pursuit of its goals.

Mr. Speaker, I think that all hon. members agree that the real solution to poverty is to improve our education system so as to prevent our young people from prematuraly leaving school or university.

As to those who are too old to go back to school or university, it is a good thing that they take advantage of the retraining programs of the Department of Manpower and Immigration. But in spite of that, there will remain a group of people between the ages of 40 and 60 who can neither go back to school nor take part in the retraining program. What should be done with these people, for it is where the real problem of poverty lies?

I think we should resort to social development. Those people should be informed so that they will become aware of their problems. It would not solve anything to tell them: coastal fishing is bound to disappear and you will be requested to move to the city, or you will have to undergo retraining.

These people must truly become aware of their problems, and, to a certain extent, become masters of their own destiny.

I would like to mention the excellent job being done to this end by various organizations: the Professional Association of Fishermen and the Northern Regional Development Council. I hope that they will always be able to rely on the support of the various levels of government.

In a roundabout way, Mr. Speaker, this brings me to the subject of the Company of Young Canadians, of which much has been said in this House lately. Much has also been said about it here and there in the country and a charge was recently made against it by the executive chairman of the city of Montreal. In my opinion, we should consider the aim of the Company of Young Canadians, its structure and the kind of people working within it

I was both surprised and distressed, Mr. Speaker, when I heard the charges laid by Mr. Saulnier against the Company of Young Canadians. This group was specifically set up by the federal government to help the poor and the underprivileged to organize themselves and to settle their problems in a more satisfactory way.

It seems quite possible that those people will form within society, a group and perhaps resort to violence, because they have been overlooked in the past by the various government levels. They have been rejected by the Canadian society. They are truly alienated. No decision has been taken by the government in this connection. Those people are not strong enough to assert themselves.

Yet, when other segments of our population are affected by some government decision, they can resort to lobbying and try and influence the administration.

But, what course can the poor and the underprivileged citizens take since they are never consulted? Sometimes they resort to violence.

I really regret that such a serious administration as that of Montreal should have made demagogic charges, just taking advantage of the conditions that prevailed in the city, while people were nervous after several days of violence, and blamed the Company of Young Canadians.

I agree with the hon. member for Hillsborough (Mr. Macquarrie) and the leader of the New Democratic party (Mr. Douglas) when they say that if subversive activities are carried out within the Company of Young Canadians, the matter should be left to the Montreal city police. Why did Mr. Saulnier not ask the police to stop such disorders? If there are any subversive activities in another

organization in Montreal, will he not send the police there to inquire? No, what he wanted was to destroy the Company of Young Canadians. As for myself, I feel differently. Those who make such charges do not want social animation. They cannot accept it.

The Liberal party in New Brunswick, for instance, was threatened—and so was I because I was a member of it—by those who were doing social animation. We did not blame these organizations when they did it. They are welcome in my province. In fact, it is fine that they should help the poor to get organized and to become aware of their problems.

I would like to raise another matter, one which affects the Minister of Regional Economic Expansion (Mr. Marchand). Everybody was pleased to see the launching of the new industrial incentives program which, I am sure, will help our area. I would simply like to mention, Mr. Speaker, that it is possible to help the small businessmen in our area, those of the northern part of New Brunswick or those of the province of New Brunswick to organize themselves, but sometimes they lack expert advice or economic guidance. There are goods and there are markets, but the businessmen of the Atlantic provinces have always been accused of not being good salesmen.

In my opinion, the department could easily establish and finance an organization with engineers and consultants in order to help these small businessmen, incite them to launch their businesses resolutely and along sound lines. They could be given assistance in rationalizing their industries and perhaps in expanding them. They could also be helped in finding markets. This might not bring an immediate solution to the unemployment problem in our area or improve the socio-economic standard of living of these people, but at least they will be encouraged to take small risks and get their businesses off to a good start.

I feel that the department, in co-operation with the province of New Brunswick, would do well to organize or finance an agency or board of that type. The small businessmen who can prosper in our region would thus have access to experts to obtain information.

[*English*]

• (12:40 p.m.)

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, at the outset I should like to congratulate the two members responsible for the moving and seconding the Address in Reply to the Speech from the Throne. They have my deepest admiration for the courage they have demonstrated in attempting to justify such a Speech from the Throne and persuade the House that it should be accepted. I admire the tenacity with which they struggled to put forth salient points which might have been included in such a speech. I also readily admire their native ability and eloquence in seeming to indicate that such a speech justified consideration by this House.

Normally Speeches from the Throne do not create a great deal of interest on the part of the citizens of Canada. Normally corporation lawyers and small businessmen have knowledgeable partners who pursue the substance of Speeches from the Throne in order to have some indication of the government's intentions in respect of the business and financial world and how the legislation proposed will affect directly their own businesses. But I earnestly feel the situation was just a little different this year. I believe that Canadians as a whole were very much concerned about the Speech from the Throne and were very much interested in what it might contain because over the past months the ordinary Canadian has become increasingly alarmed about the future of this country.

The ordinary Canadian has been faced with the highest cost of living in Canadian history; he has been faced with the highest interest rates in Canadian history; he has been faced with the highest tax rates in Canadian history. He is aware that we have the highest national debt in our history and is finding that the new measures chosen by the government to curb inflation tend to stagnate business and cause an ever-increasing trend toward the highest unemployment in Canadian history. So I contend that the citizens of Canada were more concerned about the Speech from the Throne this year than in any previous year.

As a country we are approaching a new decade with perhaps more basic knowledge at our command than ever before and more instruments and tools with which to work for the welfare of human beings world-wide and in Canada than ever before in the history of man. Therefore this speech was anticipated on two grounds. It was anticipated, first, because of the basic troubles facing the country and the hope that a solution might be presented and pursued in the ensuing ten years. I

think the lack of attendance by members in the House, the lack of attendance in the press gallery and the lack of attendance in the public gallery are a terrible and solemn condemnation of the failure of the Speech from the Throne to generate specific enthusiasm on the part of the people of Canada or to portray any hope for the future.

Some hon. Members: Hear, hear.

Mr. Danforth: Even the members of the press, those keen students of political science, in trying to wade through the chaff and pick out the kernels are finding it particularly difficult to discover in the Speech from the Throne any basic interest or principle for the Canadian public. When the press of this nation have to concentrate on two main points in the Speech from the Throne, first, that the voting age of citizens of Canada will be reduced to 18 years and, second, that perhaps the Speech from the Throne will become famous for what it did not say rather than for what it did say, this is an indication to me and my colleagues of how difficult they find it to accept this Speech from the Throne.

We who sit in opposition in parliament and the people of Canada must try to convince the government that the time has now come to deal with some of the desperate problems facing Canada today. No longer can we accept platitudes, alibis and excuses. No longer can we accept statements that discussions are under way, investigations are taking place, task forces are about to report and something will be done after consultation. During the past 18 months we have found these statements to be mere verbiage; they do not mean anything. The people of Canada are becoming well aware that this government would rather see important questions bogged down in excess verbiage than take serious steps in order to create an atmosphere in which a solution might be forthcoming.

I criticize the Prime Minister of this country, although not as an individual because I feel every member of this House is entitled to his own personal life. The Prime Minister, however, certainly represents the image of this country and in effect is the leading parliamentary figure in Canada. So his actions have a direct bearing on every phase of Canadian life. That is why I express concern today about his actions.

When this Parliament began the Prime Minister seemed intent not only on ascertaining what the problems are but on dealing with them by direct dialogue with the people of Canada, with a frank and honest exchange of views, in order that all might participate in what he termed "the just society." I feel that this ideology, this concept of participatory politics, is to be commended. Environmental politics appeal to people of all classes. We soon learned from actions in the House, however, that what seemed to be an ideal was not to be the order of business by the government controlling Canada today. When a Prime Minister who insists on direct dialogue with the people of Canada must hold a special caucus of his own party in Ottawa because of a lack of direct dialogue with his own backbenchers this gives an indication of how he has failed to promote dialogue among the people of the country.

It would seem to me that a man intent on convincing members of this House and the people of the nation of his serious intentions should provide an image so that we could follow his example. But what do we find? We find that this man who speaks of direct dialogue has in his own office many men engaged in specialized services in the role of assistants, executive assistants, secretaries to assistants and secretaries to secretaries. The list grows longer and longer. As a matter of fact as an indication of just how cumbersome his office has become there is a division into regions and there are regional desks designated to control the welfare of areas across Canada. Does it not seem strange that the Prime Minister despite the presence of Liberal backbenchers representing Canadians feels the need to institute such an establishment in order to find out what is going on in the various constituencies rather than consulting his own members.

• (12:50 p.m.)

I stated in my opening remarks that the Throne Speech was a golden opportunity to present to the people of Canada a challenge of what might be expected in the future and how by assessing our opportunities and using our own native skills and talents as well as the new tools of the age we could create for Canada a position of leadership among the nations by means of both our research facilities and our productivity. Instead we find that we are approaching the next decade in utter confusion. We seem to be faced with a mass of contradictions.

The Prime Minister and his associates appointed a representative to the Vatican. We

had representation in Rome but apparently we could not combine the two and we had to have separate representation in Rome and in the Vatican. I am not aware of any reason or necessity for this action because the matter was never discussed in Parliament. Another contradiction is found in the announcement this morning that Canada is closing down three embassies in South America, namely, in the Dominican Republic, Ecuador and Uruguay. We are opening a new embassy in Rome where we already have an ambassador and closing down three embassies in South America, an area of the world where the action is and where purchasing power lies, an area which has expressed a desire for more trade with Canada.

Some hon. Members: Hear, hear.

Mr. Danforth: We have the contradiction of a government which opened this Parliament with a drive to create new departments, new task forces, new investigating groups, new research and regional desks, a government that added thousands of new civil servants and a few months later announced its intention of cutting 25,000 employees from the civil service by attrition and other means. This seems to me to be another contradiction which can do nothing less than throw the departments into utter confusion because no one in the civil service today knows whether his position is guaranteed or will continue, regardless of seniority.

Some hon. Members: Hear, hear.

Mr. Danforth: In my own field of agriculture legislation was brought forward with the primary purpose of lending to the young farmers of this nation ample funds to consolidate and increase their holdings into so-called economic units. However, that was last session. This session the emphasis is on cutting down the subsidies to agriculture and the moneys poured into the agricultural field. The result is that these young men are faced with a curtailment of trade and production, a lack of sales and a tightening of credit. This is forcing them into a position where there is no other future but bankruptcy. They cannot survive on what was provided for them last year having regard to the economic climate provided for them this year. This is a direct contradiction in policy.

In another field we have heard over and over again Ministers of Finance stand in their place and say that the future of Canada depends on increased productivity. As productivity increases our gross national product increases and so does our over-all economy. What do we see now? We see direct government action designed to cool off the economy of Canada—I think that was the wording used—and we see a tight money policy designed to decrease productivity and increase unemployment or bring about a slack in employment in order to create an atmosphere in which the government says that it can fight inflation. This is in direct contradiction of the policy that was in effect some months ago. As a matter of fact, what has alarmed members of the opposition in all parties is the contention on the part of government members month after month that Canadians have never had it so good, in spite of our protestations that we were in trouble with inflation and a higher cost and decreased standard of living. But all of a sudden we see in the Speech from the Throne the realization by the government that inflation is of prime concern, and these drastic steps are being taken ad hoc to counteract it.

Then we have another contradiction, which was mentioned by the hon. member for Lambton-Kent (Mr. McCutcheon), with regard to the committee system of Parliament. The lack of attendance in Parliament can be placed directly at the doorstep of the government members themselves because as the powers of the representatives in parliament are decreased, as there is taken away from Parliament the ability to criticize and hold up for inspection the government's measures, the efficiency of Parliament is decreased, not increased. This seems to be their prime objective. If they were successful in their contention and right in their intent regarding Parliament, this House would be filled with members and would resound with debate. We would have the political cross-fire for which Canadians throughout the ages have been noted. Under those conditions Parliament produced good legislation for Canada, but under the present system we find that all we are dealing with are housekeeping measures and clean-up legislation and we are studiously avoiding any discussion or debate.

The Acting Speaker (Mr. Béchard): Order, please. It being one o'clock this House stands adjourned until 2 p.m.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. Danforth: Mr. Speaker, at the time of adjournment I was dealing with some of the inadequacies of the Throne Speech, and with the sorry state in which we find parliament today. Parliament certainly has not the image that it should have in Canada and among the nations. It no longer has the prestige that it should have in Canada and among the nations. And certainly, it no longer has the influence that it should have in Canada and among the nations. The whole responsibility for this deterioration can be laid solely at the feet of the present government.

When a parliamentary career is begun by requesting at least half of the ministers not to attend in the House on particular days, thus making it impossible for them to answer questions from opposition members on the workings of their departments, it is not conducive to the fulfilment of the full-time parliamentary obligations of all hon. members. Ministers not only have the opportunity to be the heads of departments but share the obligations of other hon. members to be full-time representatives of those people who chose to send them to Ottawa to look after their interests. I am sure the leader of my party would be in dire difficulty if at any time he even insinuated that a member of this party should not attend every sitting of the House.

It does not do parliament any good when policy statements are not presented on motions, but are made in the halls of parliament to television and press representatives, with no opportunity accorded to members of the House to criticize and point out the weaknesses in announced policies. This happens time and time again. We now find that newspapers, by means of so-called leaks, are able to obtain indications of government policy sometimes days in advance of that policy being announced in this House. This does not do the prestige, influence and image of parliament one bit of good.

The Speech from the Throne afforded an opportunity to demonstrate Canada's intentions in many areas. At one time Canadians were world leaders in many fields. No one can forget the effect that the discovery of insulin had in helping the diabetics of the world. No one can forget the pioneering work done by Canadians with uranium, particularly the first reactors that were constructed in Canada. These were outstanding events. No one can forget the tremendous work done in Canada in the fields of plant breeding, animal genetics and in the use of chemicals. No one can forget the work done in Canada to perfect machinery for production. No one can forget the high productivity levels reached through the efforts of Canadian management, unions and other labour groups.

[The Acting Speaker (Mr. Béchard).]

Now, we are no longer leaders. Under this administration it seems that we only follow. We did not do anything about tobacco and its alleged evil effects until other countries had demonstrated the ills that could flow from the use of tobacco. We did not become aware of the danger of cyclamates in foods until another country discovered it. What are we doing to investigate saccharine? Look at our delay in taking steps to meet the DDT problem. We should be giving leadership in these areas instead of following others. We know what the problems are, yet nothing is done about them.

• (2:10 p.m.)

The people of Canada had every right to believe that in the Throne Speech the government would enunciate a solid, comprehensive program to deal with the problems facing the nation today, problems of pullution, problems of inflation, problems of poverty, problems of housing, and the serious and ever-growing problem of drug addiction among young people in Canada. It is my considered opinion that members of the opposition and the people of Canada generally will not be satisfied with verbiage, platitudes, white papers, investigations and other time consuming and delaying actions on the part of this government. The people of Canada demand, and have the right to demand, that their parliament act. Members of the opposition are just as determined to see that this shall happen. Nowhere does the Speech from the Throne say exactly what the government intends to do. As a result of our questioning and our prodding, we must force this government to take that action on behalf of the people of Canada that we feel is necessary and justified in order that Canada may once again take her rightful place among the community of nations.

An examination of legislation proposed during the previous session reveals that that legislation seemed to be social legislation only. It dealt with the climate of ever increasing permissiveness in society. In the ten years ahead of us, we have the opportunity to make a name for Canada. Why should Canadians not deal directly with problems facing

Canada and the world. I am, of course, referring to those problems I have outlined. Why can we not do that instead of dealing with nebulous bills and legislation designed, it seems, to degrade and break down the essentials of human dignity or, in the alternative, to eradicate in this House and throughout Canada the defenseless symbols of English influence. Certainly, the time has come when we must act on behalf of the people of Canada. That the government has such intention is not evident in the Speech from the Throne.

The mover and seconder of the Address in Reply to the Speech from the Throne have my warmest admiration and my greatest sympathy. Having read how little the legislation outlined in the Speech from the Throne will deal with matters that are of vital importance to Canadians today, I request hon. members present, one and all, to reject this Speech from the Throne.

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, hon. members on both sides of the House have been unanimous in praising the mover and seconder of the Address in Reply to the Speech from the Throne. I, too, would like to congratulate our two new members of parliament for the way in which they have enlivened our proceedings at the beginning of this debate. They both saw a great deal of merit in the government's program for the coming session, and for this I commend them heartily.

This year's Speech from the Throne is notable for several reasons. It is wide-ranging in the sense that it provides us with a backdrop against which to assess the government's priorities. It is also informative in that it defines important issues and mentions major pieces of legislation. One of the foremost issues which it defines is pollution. Another is the extension of Canada's jurisdiction seaward from our shores. Both these subjects, of course, are vital to our fisheries.

In my remarks today I want to take you a bit farther. I want to talk about fisheries and about Canada's own fishing limits. I want to say a word about the effect of pollution on our marine life and I want to draw your attention to the damage which large foreign fishing fleets are doing to our nearby fishing grounds in the North Atlantic and in the Pacific as well. Man is learning to manage his affairs in many fields of endeavour. But in respect of fishing we have a long, long way to go.

True, we are beginning to manage our living resources in an intelligent manner. We are assessing fish populations and estimating maximum sustainable yields. We are trimming our fishing fleets down to size and increasing the income of the average Canadian fisherman. But all of this is of no avail if industrial wastes on the one hand, and foreign fishing fleets on the other, are paying scant regard to sound conservation practice. This is why we have a number of pieces of new legislation, new fisheries legislation, to deal with during the coming session. This is why we will have more legislation next year and the year after that, legislation which will not only increase the value of our commercial and sports fisheries but also help to protect the living resources of the northern hemisphere as well.

Several hon. members opposite have been talking as if we didn't have anything to offer in the fisheries field. Obviously, they have not read the Speech from the Throne carefully; that or only the first few pages. Rarely, if ever, has a government program contained so many references to this vital sector of our economy. Rarely has a government had so many fisheries bills to introduce.

Perhaps I should list the main ones now. They are, first, the Fisheries Act, which is to be amended; second, the Salt Fish Development Act, which is new legislation; third, the Coastal Fisheries Protection Act, which is to be amended and, fourth, the Territorial Seas and Fishing Zones Act, which is to be amended. I could add to this list the Canada Water Act, because that is a new act which will deal with pollution from coast to coast, and the proposed changes to the Unemployment Insurance Act. The question of unemployment insurance is of great interest to our fishermen as hon. members know.

Anyone interested in Canada's fisheries can have a field day on any one of these pieces of legislation. However we are looking for action and above all we are looking for suggestions. No good suggestion from whatever source will be ignored. We want to do the best we can for our own fishermen and the thoughts of any hon. member or any hon. member's ideas for action will be considered seriously I can assure you.

The government is proposing to do things, a good many things. It is proposing to re-organize our fisheries on both coasts, in the Arctic and in our inland waters. By legislating on pollution we will be protecting the resource itself. And by defining our fishing limits we

will be improving our competitive position internationally as well.

After listening to some members opposite talking about the good old days I became curious. I checked up on what happened when the Conservative Party was in power. What did the Speeches from the Throne say between 1957 and 1962 when the right hon. member for Prince Albert (Mr. Diefenbaker) introduced seven Speeches from the Throne. Four Speeches from the Throne out of the seven didn't mention fisheries at all. Two others merely said that provisions in old bills passed by the preceding Liberal administration would be continued for a few more years. Only one had a whole paragraph on the fisheries. It was the first of the seven and it was followed by no legislation whatsoever.

And what by contrast do I find in the Speech from the Throne today? I find all sorts of references about the fisheries, about pollution, and about the protection of our resources offshore. I see references to fish life in the Arctic, references to international agreements and referencs to new fish marketing arrangements. What more can hon. members ask than that?

Fishing in other words is being upgraded by the present government. It is being looked at for what it is, part of our total ecology. We see it as one renewable resource among many, a resource along with wildlife, trees and water itself; a renewable resource the protection of which is essential to the future health and prosperity of mankind. In the present Speech from the Throne, the speech before you outlining the government's program for 1969-1970 I read this:

> The competitive position of Canada's fisheries must also be strengthened . . . by extending Canada's exclusive fishing zones.

This by itself is an important announcement. It emphasizes the government's intention to finish the job of defining Canada's exclusive fishing zones. To this end you will be asked to amend Canada's Territorial Seas and Fishing Zones Act. You will be asked to include a clause defining a new concept—that of "fisheries closing lines". We will be asking this House in other words for authority to complete the fisheries map of Canada, the map showing where Canadians alone can fish and where we alone can say exactly what happens to our marine biota as a living resource.

• (2:20 p.m.)

Those of you who are familiar with fisheries matters know that we have a 12-mile limit. We have had a 12-mile exclusive fishing zone ever since 1964. Before that it was three miles the same as our present territorial sea. The first three miles out, in other words, are part of the territory of Canada. The next nine miles are part of our exclusive fishing zone. That was the rule, and that zone followed the ins and outs of our coasts until we drew "baselines", and the idea of "baselines", or lines from headland to headland, was also contained in the Territorial Sea and Fishing Zones Act of 1964.

The government began to draw its first baselines in 1967. It drew them from headland to headland down the east coast of Labrador and around the eastern and southern coasts of Newfoundland. This spring it drew other baselines down the east coast of Nova Scotia and up off the west coasts of Vancouver Island and the Queen Charlottes. As a result, we have closed numerous bays and inlets to foreign fishermen. Not only that, but we have a 12-mile limit extending seaward from the headland to headland lines, or baselines, which we have already published on our fisheries maps for all to see.

There are still a number of important gaps in our 12-mile fisheries lines. These gaps can easily be spotted on our maps. They include the Strait of Belle Isle and Cabot Strait in the mouth of the Gulf of St. Lawrence. They include the Bay of Fundy, also on the east coast, the Queen Charlotte Sound and Hecate Strait on the west coast.

Generally speaking, these are wider waters, longer distances, bigger gaps, than those which we have spanned with our baselines. There is, for instance, a 56 mile gap across the Cabot Strait between Newfoundland and Nova Scotia and a 94 mile gap across Queen Charlotte Sound off British Columbia. Here is where the concept of fisheries closing lines applies. Here is where we, again, must distinguish between Canadian territorial waters on the one hand and Canadian exclusive fishing zones on the other.

I say "distinguish" because Canada took the lead among the nations of the world in separating the fishing concept from the territorial waters concept, separating the fishing zone idea from the territorial waters idea, more than a decade ago. We said that our fishing limits should extend 12 miles out to sea, while our territorial waters remained at three miles. At first there was considerable opposition, internationally, to this idea, but the Canadian view prevailed in the long run. Now, many

countries, including the United States, have a three mile territorial limit and a 12-mile fishing limit.

Now, we are pushing for a series of "fisheries closing lines". We are pushing for "closing lines" which will apply to fishing and fishing alone. We want to be able, for instance, to regulate and conserve our fisheries in the Gulf of St. Lawrence. We want to do this under Canadian law. Having drawn a fisheries closing line across the Strait of Belle Isle and the Cabot Strait, we will be able to keep foreign fishermen out. Not only that, but we will and can apply the anti-pollution provisions of our Fisheries Act, which will be improved by amendments this session. When the fisheries closing lines are drawn the Fisheries Act will apply to the whole Gulf of St. Lawrence. We will be able to protect the marine, animal and vegetable life in the Gulf and do this without let or hindrance from others.

To repeat, the concept of a "fisheries closing line" is new to the field of international law. It is new, as our 12 mile concept was a decade or so ago. It is a line related to fisheries only; to the ecology of the area. It is a line defining what is, and what is not, the exclusive fishing zone of Canada. Inside the line we can regulate and protect marine life.

Outside of it, on the other hand, our fishermen are still in a sort of no man's land, a land where few rules apply and where overfishing on the part of many nations threatens to upset the ecological balance over great areas of our continental shelf. This will not be true within our exclusive fishing zones where we will have full control over pollution, fishing and the like.

Within these new and well-defined exclusive fishing zones of Canada we will be able to do a number of things. We will be able to protect the resource using an amended Fisheries Act. We will be able to deal with pollution, more effectively, from land based plants, from ships and from oil drilling rigs. We will also be able to tailor our fishing capacity so as to fit the resource. We will be able to conserve and to operate on the basis of a sustained yield. We will be able to exploit our marine biota, animal and vegetable, to the maximum while, at the same time, keeping an eye on the long term future. We, in other words, will be able to manage and conserve the resources within our exclusive fishing zones, zones which, thanks to baselines, the "fishing closing line" concept and the 12-mile limit will be continuous around our coasts.

So far, I have said little about the north. But the same laws and the same concepts should apply in Canada's Arctic. One might visualize, in the fullness of time, a sequence of fisheries lines forming a complete umbrella over Canada's great Arctic archipelago. They would stretch from our northernmost island down to Alaska in the west, and down to Labrador in the east. They would create a great and varied Canadian exclusive fishing zone in the north, and the pollution control provisions of our Fisheries Act would apply there as well. They would apply as much to the plankton as to the walrus and the polar bear. They would apply as much to the seal, the Arctic char and the northern cod, as to the various forms of vegetable life which grow, more slowly, it is true, in the great seas, straits and inlets, Canadian seas, straits and inlets, in this great Canadian northland of ours.

I hope, Mr. Speaker, that I am making myself clear in one important respect at least. I am not talking about territorial waters. I am not talking about navigation. I am talking, essentially, about the protection and management of our living environment. I am talking about the intelligent management of our living resource of the sea. I am talking about animal life, vegetable life and Canadian laws in exclusive Canadian fishing zones.

This life we must protect at all costs. We must protect it while, at the same time, allowing other people to come and go without undue hindrance or loss. I am not talking about territorial waters so much as exclusive fishing zones. I am not talking about transportation in the wider sense of the word. I am talking about conservation and the intelligent harvesting of living resources. I am not talking about hindering mobility. I am talking about a healthier ecology. We always want to maximize our mobility—and that of other people. We must at the same time protect the living environment, the ecology of all of Canada and its adjoining seas.

Now, Mr. Speaker, I would like hon. members to look even farther afield; to look out even farther from our shores; to look even farther into the future to see what it holds for our fishermen and ourselves. I want them to look out to the limits of our continental shelf and beyond. I want them to think, not only in terms of straight baselines and exclusive fishing zones, but also of the natural habitat of much of our fish life. I want them to recognize the fact that fish, being highly mobile animals, are no respecters of man-made boundaries. They will continue to swim

back and forth across Canada's man-made fishing lines. It follows that, in order to manage our fishery resources intelligently, we will often have to look out to the edge of the continental shelf itself, out to the limits of our Grand Banks in the east and the edge of the great deeps in the west. We will have to look at the living quarters of each of our major fish species, the geography, and the whole of their habitat. We will have, in other words, to concern ourselves about the state of the living resource, the living marine resource, the whole area of the seas adjacent to our shores, the seas beyond our exclusive fishing zones.

We have every right to do so, Mr. Speaker. That right is enshrined in the articles adopted by the international conference on the law of the sea back in 1958. Article I reads:

> All states have the right for their nationals to engage in fishing on the high seas, subject . . . to the interests and rights of coastal states . . . and to articles concerning conservation of the living resources of the high seas.

Article VI goes even further. It states that:

> A coastal state has a special interest in the maintenance of the productivity of the living resources in any area of the high seas adjacent to its territorial sea.

Article VII takes us a step further. It goes so far as to say that:

> Any coastal state may, with a view to the maintenance of the productivity of the living resources of the sea, adopt unilateral measures of conservation appropriate to any stock of fish or other marine resources in any area of the high seas adjacent to its territorial sea, provided that negotiations to that effect with the other states concerned have not led to an agreement within six months.

This all sounds clear enough. But what has really happened in the North Atlantic? What is happening today in the North Pacific? Gigantic, foreign fleets are moving in. The total fishing effort is going up. Fish stocks, many of which are already threatened, are going down. Productivity is dropping off. Some species are already over-fished, and the fate of our inshore fishermen, our Canadian inshore fishermen, is in the balance. Already the scales are tipped heavily against these Canadian fishermen. There is little they alone can do to restore runs of fish along our shores or raise their income from fishing, no matter how hard they try.

• (2:30 p.m.)

What, really, has happened in the North Atlantic for instance? The total fishing effort, the international fishing effort, has more than doubled over the past decade. Massive foreign fleets have moved in and, while the total catch has gone up, the catch per unit of effort has gone down. The big, foreign state-owned fleets are not as productive as our own Canadian fishermen, but they catch a lot of fish.

A recent report of the Atlantic Development Board tells us that the productivity of Canadian vessels is much higher than that of the big Russian ships operating in the North Atlantic. Their catch per hour was only about 60 per cent of the Newfoundland catch per hour in 1960 and today it is only about 40 per cent of the catch taken per hour by our Newfoundland fishermen. In other words, these big foreigners do not catch as many pounds of fish per man day at sea as our vessels do. Their top officials are frank to admit that the economics of their long-range fishing effort are suspect by western standards. The fact is that they continue to throw these massive fleets at us, fleets of 50 or more vessels each in which the length of the average vessel ranges upwards of 200 feet.

Mr. Lundrigan: Can the minister indicate the volume ratio as between foreign and domestic vessels as far as catches are concerned?

Mr. Davis: On the east coast—I am talking about the North Atlantic—the Canadian fishing fleet now takes about one third of the total groundfish catch whereas we took about one half ten years ago. This gives an idea of the relative fishing effort.

During the past summer I flew over a Russian fleet just outside the 12-mile limit off the west coast of Vancouver Island. It consisted of 40 giant trawlers, every one of which was bigger than a B.C. ferry. At night the fleet looked like a city, all lit up in the distance. It was indeed a small city, in that it was manned by at least 5,000 Russians. And it stayed there, close by our Canadian fishing limits, for many days. Dragging gigantic nets backward and forward over a few square miles off our coast it cleaned off one of our most productive fishing grounds. It can clean it off, not just for months, but for many years to come. And, mark you, there are many such fleets working their way up and down our coasts. They are cutting into our marine resources in a truly massive way. They are hitting our fishing industry hard, and they are hitting our resources hard. They are hitting them so hard that many of them may never recover.

Important species have been knocked back to the point where they are of little commercial interest to Canadians. Haddock from the east coast is a case in point. Ocean perch over the shelf areas of the North Pacific may soon be another. This is exploitation with a vengeance, and it has to stop.

I might elaborate. Whereas the maximum haddock catch in 1965 was of the order of 250,000 metric tons in the North Atlantic it is now approximately 100,000 metric tons a year at the maximum. On the west coast, the result of a day's catching effort in terms of groundfish is now 40 per cent of what it was five years ago. In both cases, big foreign fleets have been very active and the reduction in yield indicates what the effect on the resources has been.

Here is what a recent British report had to say about the situation in the North Atlantic:

> There is no doubt that the general decline in stock abundance is, in the main, due to fishing pressures. Although the international catch, in total, is as high as ever, the catch per unit of effort has fallen substantially, with the effect that some fishing units are no longer economic.

The report states further:

> In some stocks the level of production could actually be improved by reducing the amount of fishing, so that, for the purpose of obtaining the maximum amount of protein for the minimum amount of fishing effort, there is much to be said for some control of the amount of fishing.

Our own Canadian studies, meanwhile, show that the tonnage of fish caught per hour has continued to drop. It has dropped sharply over the past decade. The Russian effort, although it is only roughly half as productive as our own per man day, has increased nearly fivefold. And, according to the Atlantic Development Board, "the fact that the Canadian fleet is more than twice as efficient as their own obviously has no bearing on the Russian decision to fish. What is more significant is that the increased effort by other nations has led to a decline in Canadian return per unit of effort."

In groundfish, our share has dropped from roughly half of the total ten years ago to about a third at the present time. Our inshore fishermen, meanwhile, are catching fewer fish. Productivity, in terms of pounds per man day, has been cut roughly in half. This, really, expresses the fate of many of our inshore fishermen, particularly of those who live in Newfoundland. They are catching half as many fish now as they did in the 'fifties. It is true prices have risen but they have not risen sufficiently to offset increases in their costs. In other words, their real income has tended to decline over the past decade in marked contrast to the rise in living standards of most Canadians.

This drop in productivity, like the failure of our Labrador fishery this year, can be attributed largely to an excessive offshore effort, an excessive offshore effort not only by big Canadian trawlers, but by a much larger and more rapidly growing fleet of state-owned vessels operated under the flags of the U.S.S.R., Poland and East Germany.

In this connection, I should like to quote another study which we commissioned and whose results we have now received. It states:

> Concern has been growing, particularly in the last decade, over the very large quantities of groundfish taken from the sea in the ICNAF area.

"ICNAF" stands for International Convention for Northwest Atlantic Fisheries. The report continues:

> Biologists collecting and analyzing the data are warning the countries fishing in the area that the resource is fast reaching maximum sustainable yield. The warning is particularly strong for haddock and cod where maximum sustainable yields have been reached and in fact surpassed in some of the ICNAF sub-areas.
>
> Indications are that haddock stocks are in a very poor state particularly in the southwestern portion of the Convention area. Though the cod catch could be expanded slightly in some sub-areas, the maximum sustainable yield seems to have been surpassed in 1968. All indications are that efforts by ICNAF member countries will continue to grow and that the area will be seriously overfished within a very few years.

These are the facts. All the world has the facts, really. The living resource out over our continental shelf areas is under heavy pressure. Some species are over-exploited already, yet foreign countries are stepping up their fishing pressure. As far as they are concerned there are no rules in this game. Certainly, there are no rules yet; it is a matter of first come, first served, and heaven help the hindmost.

• (2:40 p.m.)

Unfortunately the hindmost in this case is our own Canadian fishermen. They are being out-fished, not because they are less efficient, but because foreign governments are prepared to build massive fleets and run them like military operations. Our individual enterprisers, our rugged inshore fishermen, our small long-line operators and trawler operators—our God fearing, self-respecting fishermen—are no match for these gigantic adversaries. They are crushing us by the sheer weight of their tonnage and their gear, and

our commercial fishing activity is being compressed into the smaller and less productive areas of the continental shelf. Our inshore fishermen are being hurt. Indeed, all Canadian fishermen are being hurt.

There has been a great deal of talk recently about the loss of marine life due to the sinking of the big oil tanker the *Torrey Canyon* off the south coast of England. Although this was a terrible thing, the damage to the marine ecology of that area brought about by the sinking of the *Torrey Canyon* was small compared to the havoc being wrought persistently year after year by some of the world's big, long distance fishing fleets. In a year they kill hundreds of times as many fish and other marine organisms as did the *Torrey Canyon.* They kill them every bit as effectively as hundreds of thousands of tons of oil did in that case. Equally important, they clean off the grounds in so far as future generations of fish and fishermen are concerned.

Fortunately the oil from the *Torrey Canyon* is disappearing. It is gradually evaporating or being oxidized in the sea itself. The same cannot be said of these giant fishing fleets which are growing in size and are taking more fish than ever before; and they are taking this fish without regard to sound conservation practice.

Worst of all for Canadians, these fleets are doing this just outside our own exclusive fishing zones and out over our own continental shelf. They are doing this to stocks of fish on which we have depended for centuries and on which we have every right to depend in the future.

We must bring this situation under control. We must press for the effective management of marine resources to the limit of our own continental shelf and beyond. This we must do at the next Law of the Sea Conference, and we must do it not only in the interests of our own inshore fisherman but in the interests of all mankind.

Hon. members will also have seen references in the Speech from the Throne to the need to provide good paying jobs to Canadians in those parts of the country which have been less fortunate than others.

The Acting Speaker (Mr. Béchard): Order. I regret to interrupt the minister but his time has expired.

Some hon. Members: Continue.

The Acting Speaker (Mr. Béchard): The Minister of Fisheries.

[Mr. Davis.]

Mr. Davis: From an income point of view, many of our fishing communities are on the bottom rung of the ladder. They need government help. They need help from their industry. More than anything else, our fishermen need useful occupations, jobs in the fishing industry that will pay well and offer a measure of security over the long run.

Fishermen in our inland waters have gained a greater measure of security and are receiving higher incomes as a result of our new Freshwater Fish Marketing Corporation, the legislation setting up which, hon. members will recall, was passed last spring. We plan during the coming session to set up a Salt Fish Development Agency with the same objectives in mind. Meanwhile, our new Department of Regional Economic Expansion is doing its utmost to round out our local fishing economies with a view to removing many of the financial inequalities of the past.

But what good will all these measures do if the resource itself is undermined? What good will all this legislation do if pollution is allowed to destroy our marine life, or if foreign fishing fleets continue to make it harder to catch fish? Obviously, we must deal with this much bigger problem of conservation and good management, and deal with it not only on a national scale but on a global scale as well.

We must take our case, if necessary, to the United Nations. Certainly, we must take it to the next Law of the Sea Conference, which hopefully will be in 1971. We must do our utmost to bring order out of chaos. The question is no longer that of unlimited freedom to fish; rather it is that of conservation in the best sense of the word, of protecting the resource from serious depletion and of putting all our fisheries, Canadian and international, on a sustained yield basis.

We must protect ourselves wherever necessary. Certainly, we must protect our fishermen and their families. But always there is the need for co-operation. As citizens of an affluent nation, we do not want to keep all of our material wealth to ourselves. We want to manage it well, but we are also prepared to share it with others. This is a note that I would like to strike with regard to the harvesting of our fishery resource both in Canada and out over our continental shelf. It is an approach which, I am sure, will command itself to developing nations everywhere.

As the Prime Minister said in the House of Commons the other day, as reported at page 39 of *Hansard:*

> Part of the heritage of this country, a part that is of increasing importance and value to us, is the purity of our water, the freshness of our air, and the extent of our living resources. For ourselves and for the world we must jealously guard these benefits. To do so is not chauvinism, it is an act of sanity in an increasingly irresponsible world.

With this statement I agree. I agree with it not only in respect of our inland waters and Canada's exclusive fishing zones, but in respect of the continental shelf areas as well. I believe we should do our utmost to conserve these marine resources, to protect them and to harvest them with due regard not only for our fishermen today but for our future fishermen.

We do not ask that we have the exclusive right to fish anywhere. We do not ask for the exclusive right even to fish in our own continental shelf areas. But what we do ask is that others respect the same laws of nature and the same laws of economics as we; that they conduct themselves on the high seas in a manner that is consistent with the interests of all mankind.

Mr. Crouse: Mr. Speaker, before the Minister of Fisheries takes his seat would he permit a question?

Mr. Davis: Certainly.

Mr. Crouse: I listened with interest to the minister's remarks about conservation, especially that part where he said that we have had a 12-mile exclusive fishing zone ever since 1964. In view of this statement would the minister indicate when we may expect the phasing out of the enormous fishing activity that is being carried on by the fishing fleets of Spain, Portugal, France, Italy, United Kingdom, United States, Norway and Denmark from that area which lies between our 12-mile zone and our 3-mile territorial sea?

My question is this. When may we expect the fishing activity of these enormous fleets to be phased out?

Mr. Davis: Mr. Speaker, this phasing out can begin immediately after we have defined our own exclusive fishing zones. Until we have drawn all the lines, we cannot tell these countries what areas we are concerned about and the areas out of which we wish them to move. In other words, we must identify them on the map. This will require the passage of legislation which we will be proposing during this session. Once we have established these fisheries closing lines, the negotiation and phasing out process can begin.

Mr. Goode: Mr. Speaker, may I ask the Minister of Fisheries a question. Do the U.S.S.R., East Germany, Poland and Japan attend the Law of the Sea Conference, and do they abide by the rulings of the conference?

Mr. Davis: They all attend these conferences. There have been two conferences, one in 1957 and the other in 1958. Not all countries have ratified the convention that was adopted at the conferences. I am not certain which of these countries have ratified all of the articles of the convention and which have not.

Mr. Lundrigan: Mr. Speaker, I should like to ask the minister a question. He made lengthy reference to the need for conservation and indicated the extent of the tragedy created by foreign fishing in waters off our coasts. In this regard, he referred to the need for a conference and said one would be taking place in 1971—presuming there are any fish left at that time. I am wondering whether he can indicate what steps we are taking as a nation to initiate this conference on the law of the sea at an early date?

• (2:50 p.m.)

Mr. Davis: We are hoping there will be a conference in 1971. We are holding a number of discussions both within the government and with other countries in this connection. I gather the main concern at the moment is which group of countries will have the right to advance the first draft and therefore initiate the first discussion. There is a certain amount of jockeying going on in that connection.

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): Thank you, Mr. Speak- going to have another 40 minute question period.

Mr. Rose: On a point of order, Mr. Speaker. I stood up two or three times in an attempt to be recognized in order to ask a question of the minister before he sat down. Since no one from this group has been recognized, I wonder whether I might be permitted to ask a question?

Some hon. Members: Agreed.

Mr. Rose: Mr. Speaker, this is the second or third time during this session of parliament we have heard a government reference to

pollution control in the Arctic and other Canadian waters. Does the government plan more stringent enforcement provisions in the Arctic and other Canadian waters than are presently in effect? My understanding of our discussions during the last session was that we only enforce provisions in respect of matters such as oil tankers up to the value of the tankers plus the cargoes. When the amendments to the Canada Shipping Act went through the Senate, the unlimited liability provisions to protect the public were withdrawn because the vessels could not get insurance. Does the government plan more stringent measures than we have at the moment?

Mr. Davis: Mr. Speaker, the answer is very definitely yes. However, there are a number of fronts on which we can attack pollution, and the Fisheries Act is one. Obviously, it deals with protection of life in the water, but there is pollution of air, which would have to come under other legislation. There is legislation dealing with the construction of vessels which might sail through our territorial waters. This would have to come about largely as a result of international agreement in respect of transport. There are a number of fronts on which we would have to attack this problem.

Mr. Peddle: Thank you again, Mr. Speaker. In view of the contribution just made by the hon. member for Fraser Valley West (Mr. Rose), he should not be permitted to participate further in the debate.

This is the Throne Speech debate, so called. I listened to the Speech from the Throne and read it over a number of times. To me, it is an impossible item for debate. It does not invite debate, it defies it. I am not saying there is nothing in it or that it does not contain vague suggestions. What I am saying is that it is a catalogue, and I do not think we could debate it any more than we could debate the Ottawa telephone directory or the list of new books available at the Parliamentary Library.

I am sincere in saying that because appended to the Throne Speech is a list of almost six dozen pieces of legislation. There is no doubt that some good, solid legislation is contained in this list, but certainly no one can say that list provides us with anything that is debatable at this point. We are going to deal with the Small Business Loans Act amendment. We do not know if these loans are going to be increased, cut out, or what will happen. The list also indicates we will deal with an investment companies bill and the Expo winding-up bill. Apparently we will also deal with a young offenders bill. We have no details of these measures and do not know what is intended. In order to debate the Throne Speech as such, we will have to wait until some of these pieces of legislation are presented. However, this debate does give hon. members an opportunity to range rather widely in respect of a variety of subjects.

The first comment I should like to make is that the period set aside for the Throne Speech debate this year is just another example of the phasing out of Parliament. There is a pattern being set. A few days before the Throne Speech we heard a statement from the Prime Minister concerning how much he believed in, appreciated and respected this institution of Parliament. When we heard that we knew there was something coming.

The next thing we heard was that, for the first time in history, the hour for the delivery of the Throne Speech had been changed from three o'clock in the afternoon to ten o'clock in the morning. If that is not part of the downgrading process or phasing out of Parliament, then I do not know what I am talking about. When the Speech from the Throne is delivered at that time the function of Parliament is not the same since the speech does not receive the same attention as one delivered at the traditional hour of three o'clock in the afternoon. The next Speech from the Throne, which will probably be the last one, will likely be delivered at 7 a.m. or earlier.

The making of a president is taking place, and the president is not being made by anyone other than the Prime Minister (Mr. Trudeau). This should be very obvious to all hon. members. I do not know whether that is good or bad as I have not thought much about it, but I think hon. members should be told what is taking place. That should be the obvious thing to do. Parliament should have some say as to its future. It should not be left to one man, or three men at the most, to phase-out what this country has cherished for so long.

I did not hear the hon. member for Sarnia (Mr. Cullen) when he moved the Address in Reply. He is the hon. gentleman who is so concerned about newspapers in Parliament and a full attendance. I did not hear his colleague, the hon. member for Lapointe (Mr. Marceau), who seconded the motion. He is the hon. gentleman who has blueberries of such proportions it only takes one to make a pie. I was in my riding on urgent business, but I

wish I had heard them. I want, as a matter of course, to congratulate these gentlemen for their contributions.

Having listened to the contribution by the Minister of Fisheries (Mr. Davis) today, let me make one thing clear. I have not been out after the hide of the minister. In fact, this is the first time I have ever risen in this chamber to criticize him in any way. On the contrary, I went on record some time last year giving him a pat on the back because I thought he was trying to do a half decent job on behalf of the fisheries of Canada. Since the latest schmozzle regarding seal hunting in Canada, I can no longer hold my peace. I feel it is my duty to comment on the minister's handling or, should I say, mishandling of this matter.

Some hon. Members: Hear, hear.

• (3:00 p.m.)

Mr. Peddle: Last year about this time we were deluged with little cards reading "Stop the slaughter of baby seals—whitecoats". This year the cards read "Stop the slaughter of harp seals". Next year, the message will relate to hood seals, and then seals, period. First, I should like to make clear that I am in no way insensitive to cruelty to animals or human beings. Anyone who knows me will know it to be a fact, although kind of ridiculous, that if a horse fly, bumble bee or some other insect gets in my house in the summer I will get a bottle, a match box or something, catch that insect and release it outdoors. But I do not believe I would do that if I were depending on bumble bee skins, or something that had to do with these insects, for my living.

I have here a sheaf of correspondence which the minister graciously supplied to me some time during the last session. At the very beginning of this sheaf of correspondence there is a letter from the minister. I will read it into the record. It is not confidential. It reads as follows:

My dear Colleague:

Since the Committee has adopted a Motion to consider various aspects of the seal hunt I thought I should send you copies of recent statements which I have made on this subject as well as the reports submitted by a number of eminent veterinarians and members of Humane Societies who have observed the sealing operations in the Gulf of St. Lawrence over the past two years.

This information may be useful to you in preparing for your Committee meetings to consider this subject.

This letter is dated April 2, 1969.

I was not active on the fisheries committee at that time. I deliberately stayed out of the seal debate because I gave the Minister of Fisheries credit for having enough common sense not to capitulate to the arguments of a bunch of impractical old ladies over in Europe who, in the evening when they finish their curried lamb, suckling pig or calves liver wrapped up in bacon, dress up in their kid gloves, put on a mink stole and kid shoes and go out to save the seals. When the minister supplied me with this sheaf of correspondence—and he did so without solicitation—it was obvious he supported the contentions and conclusions of the eminent veterinarians to whom he referred them.

Mr. McGrath: That was before the old ladies got to him.

Mr. Peddle: My colleague says that was before the old ladies got to him. I don't know. For the record I should like to list the people who went out to check the 1967 seal hunt: Mr. T. I. Hughes, General Manager, Ontario Humane Society, Toronto, Ontario; Dr. Forbes MacLeod, Managing Director, Saint John Society for the Prevention of Cruelty to Animals, Saint John, N.B.; Dr. Douglas H. Pimlott, Department of Zoology University of Toronto, and a Director of the Canadian Audubon Society, Toronto, Ontario; Mr. James St. Onge, Director of Animal Welfare, Canadian Society for the Prevention of Cruelty to Animals, Montreal, P.Q., and Mr. John Walsh, Assistant Director, International Society for the Protection of Animals, Boston, Massachusetts. I have here the reports of these eminent veterinarians, but I also have a resumé of these reports. The following is a quotation from Mr. Hughes' final summary in his report:

In my opinion the regulations require further amendments which would close the loopholes and clarify the intent of the present regulations. Equally there is no doubt that the killing of whitecoat harp seals in Area 2 of the Gulf of St. Lawrence by Canadians is now as humane as the average slaughter house operation, in most provinces of Canada—

Note this!

—and more humane than many slaughter house operations particularly in those provinces where there is no Provincial Humane Slaughter Laws, such as Prince Edward Island, New Brunswick, Nova Scotia and Quebec. In fact this might not be entirely coincidental. I am confident that a force of specially trained, physically fit Fishery Officers, with improved equipment and with further experience can ensure that the hunting of whitecoats in the Gulf of St. Lawrence by Canadians will be as consistently humane as any slaughter house operation in Canada or for that matter, Europe.

Those are the words of Mr. T. I. Hughes, General Manager of the Ontario Humane Society. He mentions that he was not forced to make those remarks. Then, there is another resumé by Dr. Forbes MacLeod, Managing Director of the Saint John Society for the Prevention of Cruelty to Animals. This resumé reads:

Close scrutiny was given to the sealing operation by this observer during the first three days of the hunt.

Over 800 carcasses were examined and less than ten per cent did not have fractured skulls.

Then, this statement is very important:

No evidence of suffering prior to death could be observed in the ten per cent without fractured skulls.

A crushed skull should be satisfactory proof of a humane death.

The résumé continues, and then there is this very interesting point:

Sad sights—

A little bit of philosophy, really.

—are frequently misconstrued as cruetly. Compared with other types of slaughter, the seal hunt is not inhumane.

This particular report, made by all those eminent veterinarians, was unanimous. Then, we have an announcement by the Minister a day or two before this House convened in the fall, obviously made outside the House to avoid any argument or debate on the subject. Again, to add insult to injury, the minister stands up today, makes a major speech, and completely avoids the subject.

Some hon. Members: Shame.

Mr. McGrath: No regard for parliament.

Mr. Peddle: I do not like to make these remarks, but I really feel they must be made. I should like to quote from the *Evening Telegram* of St. John's, dated October 17, 1969. This is from an editorial entitled "Mr. Davis gives in". It reads as follows:

Fisheries Minister Jack Davis, whose riding is on the Pacific Coast in British Columbia, has finally given in to the pressure from the lobbyists and the sob-sisters. His announcement that there will be no killing of baby seals, whitecoats, in the Gulf of St. Lawrence next spring, is taken by some sources as marking the beginning of the end of the entire operation. For make no mistake, the ardent campaigners against the seal hunt will not be satisfied unless they get a complete ban.

It is, moreover, typical of Canadian government mentality that they have put the cart before the horse again.

[Mr. Peddle.]

I will not go into that. We are not interested in that because we all know it, Mr. Speaker. Then the editorial reads:

It all adds up to another illustration of Canadian hypocrisy, and is another indication of a subconscious desire to play the "good guy" before the world. The so-called cruelty to baby seals is no worse than the cruelty inflicted on millions of other animals, birds and wildlife in general, not to mention the domestic animals butchered every day to fill our stomachs. And the crowning irony is that some of the strongest protests have come from the U.K. where they show no sign of getting rid of that most cruel of sports, the fox-hunt.

An hon. Member: Tally-ho.

• (3:10 p.m.)

Mr. Peddle: I read that editorial because the minister avoided any reference at all to this situation in his contribution to this debate. The minister took it upon himself to reply to this editorial in a letter to the editor of the St. John's *Evening Telegram*. So a minister of the government of Canada has to resort to a letter to answer criticism and uphold the principle of *pro bono publico*. He felt so insecure that he had to resort to this approach.

Mr. McGrath: He did not think anyone would read it.

Mr. Peddle: As I said, I have never been critical of the minister, but this action of his disappoints me greatly. I will not read the letter—

Mr. Davis: Why not?

Mr. Peddle: All right, I will read it. I was going to say that it would take too much time, but if the minister wants me to, I will read it. The heading reads: "Hon. Jack Davis Denies 'giving in' to Lobbyists". Why he has to do that I just do not know. The letter reads as follows:

Sir: I read with some surprise and disappointment your editorial on seals of October 17, 1969. You, apparently, believe that I have given in to "the lobbyists and the sob-sisters" and cut back the seal hunt insofar as Newfoundlanders are concerned. Nothing could be farther from the truth.

In my recent announcement on sealing in the Gulf of St. Lawrence I stated that aircraft operations would be banned. This, alone, is good news to Newfoundlanders. It means that the hunt will be reserved to sealing ships and landsmen. As by far the largest income to Newfoundlanders comes from ship operations, and because the aircraft operators from Toronto and points west had been taking a large percentage of the seals, this should give some aid and comfort to readers in your area.

Does the minister want me to continue?

Mr. Davis: Is that not true? I think it is a good point.

Mr. Peddle: Then I shall continue.

Mr. McGrath: Have it printed in *Hansard.*

Mr. Peddle: The letter continues:

Secondly, the quota in the Gulf remains the same at around 90,000 pelts a year. They will be "beater" pelts in 1970, not "whitecoat" pelts. As "beater" pelts are worth between $15 and $20 a piece as opposed to $10 for "whitecoats" this should mean an overall increase in the return to those who work from ships and to the local landsmen who take young seals.

I have, of course, been referring to the Gulf of St. Lawrence which is under Canadian jurisdiction exclusively. The hunt off the Labrador Front in the North Atlantic is something else again. Here we are in international waters and have to compete with the Norwegians.

We have no intention of limiting our Canadian operations as long as the Norwegians refuse to agree either to the establishment of an overall quota on young seals or to the limitation of the hunt to "beaters" and older seals. Hopefully Norway, under pressure, will agree to establishing a quota and, hopefully, it will also agree with us that the taking of baby "whitecoats" is undesirable from a purely financial point of view.

In the meantime our own Canadian hunters will work to the same ground rules as the Norwegians and the hunt will be conducted as before. I personally, am sorry that this is so as I believe that we must set a much lower quota for the hunt on the Labrador Front as, otherwise, we will seriously reduce the total herd and undermine our position in the long run.

I realize that you could not let my announcement pass without some comment. But a quick, off-the-cuff reaction can be misleading. This is why I am writing to you now in the hope that you will also publish this letter for the information of those who are directly involved in the hunt.

(Hon.) Jack Davis.
Minister of Fisheries and Forestry.

Mr. McGrath: The letter should be headlined "Whispering Hope".

Mr. Peddle: This letter should be signed "embarrassed" as so many letters to the editor are signed. Where is the consistency of this government? This is a strained analogy, but last year the Prime Minister (Mr. Trudeau) proposed diplomatic relations with the Vatican and he asked for representations from the people of Canada. They poured in by the thousands, as he admitted himself. But then he turned around, announced the appointment to the Vatican, and said that the representations were just the results of organized pressure. What in the name of heavens is this seal fishery deal if it is not the result of organized pressure?

Some hon. Members: Hear, hear.

Mr. Peddle: I am afraid if this type of irresponsibility continues, the next thing we know the cod fishery will be curtailed to the same extent as was seal hunting. If it can happen in one case, it can very easily happen in another. No one can tell me that was not the result of an organized pressure group, of a group that went out to the ice and took beautiful technicolor pictures of young seals and of blood. We know blood is red. Why did they take the pictures in technicolor if they did not want to sway the opinion of the Canadian people? Let them go out to the farms and the abattoirs where young sheep and young pigs are killed and where other animals are killed.

Mr. McGrath: All the old women in Victoria got to the minister through their member.

Mr. Peddle: How did the old, sentimental clucks think other animals die? Do they think they commit suicide by taking too many sleeping pills or something?

Mr. McGrath: There is not one vegetarian over there.

Mr. Peddle: I am sorely disappointed with the minister. I expected more from him. I did not expect him to capitulate before this kind of pressure that had no logical foundation. Who is Brian Davies except a slick-tongued promoter, a con man, as against these very eminent veterinarians, as the minister himself refers to them? The minister sent me his statement himself, a decision which was against the recommendation of the Committee on Fisheries of this House.

Mr. McGrath: Their recommendation was completely ignored.

Mr. Peddle: No one says the seal fishery is pleasant or pretty. I have not seen it and I do not want to see it, but I think I am practical enough to realize that we have lived for a long time by killing animals and so far I do not see a substitute for it. This is going to continue. Again I say that I am very disturbed and concerned. I have lost a great deal of confidence that I had built up in the Minister of Fisheries. I do not care whether or not he is disappointed about it, that does not bother me. I have said enough about seals.

The one other comment I want to make is that seals now have to be shot or killed with a bow and arrow. Picture to yourself the Newfoundland sealers. They are not marksmen. They can manage to hit a seal with a

heavy club and do a good, clean job of putting him out of his misery, but they are not marksmen. They might end up shooting one another, especially if we try to make Robin Hoods out of them and equip them with bows and arrows. If I or any member of this house, and particularly those members who come from areas where this hunt is practised, can stand by and see the minister capitulate before a bunch of foolishness and unrealistic garbage rather than decide on the basis of honest to God professional advice, and see the possibility of some sealers being shot when they are trying to earn a living for their children by killing animals—a thing which we all do—then I would not be doing my duty nor would my colleagues be doing their duty if we did not object.

Mr. McGrath: The minister is a latter day William Tell.

• (3:20 p.m.)

Mr. Peddle: We certainly have heard enough about seals, Mr. Speaker. I do not know how much time I have left, Sir, but I am sure Your Honour will let me know.

I am sorry the Minister of Transport (Mr. Jamieson) is not in the chamber. He is getting too smart, too smooth, too suave, but I have a few questions for him. The other day we heard him mention how important it is for the federal government to disseminate information in a more even flow. He said that the people must have more information. I would like to have some information from him.

According to a news report he has jointed the inner circle—whatever that means. I think it refers to a select five or six members within the cabinet. From his exalted position within the inner circle, would he let us have some answers to some questions? He is cited as being the Newfoundland representative in the cabinet. I do not think that is right. I feel quite sure he represents the whole of Canada. However, he has not denied this description, and each time there is a news report concerning him he is described as the Newfoundland representative in the cabinet.

Let the Minister of Transport tell us where he was when the decision was made to abandon the salt rebate. Of course, at the time he said that it might mean $100 or $200 per fisherman, and, what the heck, they would get over it; it was a bandaid. As the hon. member for Gander-Twillingate (Mr. Lundrigan) said the other night, having taken off the bandaid the fishermen are now bleeding to death.

Where was the Minister of Transport when the decision was made to eliminate rail passenger service in Newfoundland? All he said was, "You fellows are taken up with sentiment." He used that very word sentiment, something which is supposed to have prompted the Minister of Fisheries to abandon the seal hunt. Where is the consistency in all this? Where was the Minister of Transport when the decision was made to abandon the seal hunt? Where was he when the freeze was lifted from freight rates?

Where was the Minister of Transport when our staunch, stalwart Labrador fishermen had their first failure for many years this season and the cabinet decided, "Send the boys down to the nearest welfare office"? Where was Newfoundland's representative in the cabinet when the terrible situation regarding communications in Labrador was referred to him months ago, when his department withdrew its radio telephones and left Bell Telephone to handle the problem?

I am not trying to be funny, Mr. Speaker, but I am sure everybody knows about that group of singers known as the "Chipmunks". Just call Labrador south by telephone and the conversation sounds like the Chipmunks coming through 200 feet of galvanized pipe. In fact, the Minister of Transport did not even answer the representations of the people concerned. I have been trying to drag him into this chamber at ten o'clock at night to answer questions, and I cannot even do that. I have to settle for one of his parliamentary assistants, or something like that.

Where are the minister's comments on the high rate of unemployment in Newfoundland? He talked about giving out more information. Let us get information on these questions. Where are his comments on the terrible effects that inflationary curbs are having on Newfoundland? Mr. Speaker, when I asked the Minister of Public Works (Mr. Laing) to have a wharf fixed for the community of Raleigh, a wharf which is an eye-sore, which is a hazard but which must be used by the people, he sent down two men to put up a sign saying, "If you use this wharf you do so at your own risk." In fact, I have a photograph of it.

Mr. Deputy Speaker: I am sorry to interrupt the hon. member. His time has expired and unless there is unanimous agreement he cannot continue.

Some hon. Members: Agreed.

Mr. Peddle: I appreciate this concession, Mr. Speaker, and I wish to thank hon. members. Where is the Newfoundland representative in the cabinet who is building up such a wonderful reputation at the national level, but for what reason I do not know? He is miserably failing his own constituents and the people of Newfoundland. He was mute on the subject of pollution at Placentia Bay. He was mute on the subject of the terrible strike that took place in my riding of Labrador west. He was completely mute until driven to make some little concession there. It is a lovely job if you can get it, Mr. Speaker, but that kind of job doesn't last if you treat it in this way.

Half an hour is not nearly long enough to ask all the questions I have for that minister. When I began my career I used to say I had no intention of making long speeches, that I was not capable of speaking longer than five or ten minutes. In any event, Mr. Speaker, this is about the extent of my remarks on this occasion, but hon. members may rest assured that I will continue them at the earliest opportunity.

Mr. Goode: Mr. Speaker, before the hon. member resumes his seat will he allow a question?

Mr. Peddle: Question?

Mr. Goode: I think there is need for a question.

Mr. Deputy Speaker: Order, please. It was difficult for me to determine whether the hon. member would permit a question. I do not think we can wait too long. The hon. member for St. Boniface.

[*Translation*]

Mr. Joseph Philippe Guay (St. Boniface): Mr. Speaker, I would like to congratulate the government on his program outlined in the Speech from the Throne which promises an interesting session.

As many hon. members have done before me, I would also like to congratulate the mover and seconder of the Address, the hon. member for Sarnia (Mr. Cullen) and the hon. member for Lapointe (Mr. Marceau).

[*English*]

I would like also to extend my congratulations to the two newly appointed ministers, the hon. member for Windsor West (Mr. Gray) and the hon. member for York-Scarborough (Mr. Stanbury), and to wish them success in their jobs.

I would like to explain the composition of my constituency. Many people seem to be under the impression that I represent only the city of St. Boniface, but my constituency comprises three large urban areas within the greater Winnipeg area. They are Transcona, a city of 22,000 people, city of St. Vital with a population of 30,000, and St. Boniface itself with a population of 48,000, plus two country points, Ile des Chenes and St. Adolphe which are devoted to mixed farming. In fact, in the area of St. Adolphe farmers are still waiting to harvest their grain, since they have experienced very poor weather during the harvesting season.

The largely populated area that I represent encompasses a variety of ethnic groups, and these western Canadians represent a true example of understanding and unity in Canada.

Transcona is a fairly new city. It originated in 1912, and most of its labour force depends for work on the CNR shops located in that city. The residential city of St. Vital is the place from which Louis Riel came, and his home there will become an historical site with assistance from the local, provincial and federal levels of government.

[*Translation*]

The city of St. Boniface, founded in 1818, is often called the cradle of Christian civilization in western Canada. It is there that as early as 1800 most of our ancestors, the coureurs de bois, came to settle with Lord Selkirk. I regret that I cannot say more today about the history of St. Boniface.

• (3:30 p.m.)

[*English*]

Today, Mr. Speaker, instead of speaking of the historical aspect, I should like to bring forward some of the problems that affect my area and the province as a whole. I agree with the contentions of many of my constituents, of people of the greater Winnipeg area, of Manitoba and of western Canada generally, that we are the forgotten people. Instead of being on the receiving end, the people of Manitoba and of western Canada are on the losing end. If anyone asks who speaks for our little people, may I say that I speak for the little people and all the people of my area.

May I cite some examples to show that we are on the losing end. One good example is the removal of the Air Canada base from Winnipeg to Montreal. That was a great loss to us financially and commercially. We shall

also suffer losses as a result of the departure of those from the University of Manitoba who are engaged in activities for the Department of Forestry. We shall also suffer when NASA withdraws its support from the Churchill project. According to an NRC announcement, that withdrawal will be effective as of June 30, 1970.

While I speak of these matters on behalf of those who live in my province, I know that one cannot blame the federal government entirely for what has happened. This does not mean that the federal government has no responsibilities in these matters. The opposition seeks to blame the government for many of our ills and members of the opposition are nearly always quoting from newspaper articles and letters to this end. May I, also, quote from the *Financial Post* of October 25, 1969. I cannot read the entire article because there is not enough time. The article in my hand refers to problems Manitoba may face in 1970. It refers also to NDP actions in Winnipeg and to the actions of the NDP government. Referring to the budget that has been passed, Mr. Roy E. Robinson, president of Versatile Manufacturing Limited, is quoted as saying:

'It's a bad move for Manitoba,' . . .

'Rising costs will not attract industry to the province.

'Companies exporting products outside the province may find it more profitable to set up sales subsidiaries outside Manitoba. By setting up a sales subsidiary in Saskatchewan, as an example, corporation taxes would be paid in Saskatchewan and a company would save money because Saskatchewan taxes would be less than in Manitoba.'

I continue quoting:

Versatile wasn't considering such a move at present, he said, but the possibility exists.

Other companies have similar ideas.

The article continues:

'It's a hard blow to Manitoba,' said A. W. Swann, manager of the Manitoba-Saskatchewan division of Canadian Manufacturers Association.

'Any company thinking of moving to Manitoba now has an indication of the government's thinking.

'The whole budget is discouraging to manufacturing industries. In light of what can be expected it is likely the thin edge of the wedge. It will work against the avowed aims and objectives of the NDP.'

C. E. Atchison, president, of Investors Group, said he was disappointed in the 18 per cent increase (from 11 per cent rate to 13 per cent rate) in corporate taxes. It is likely to discourage new business from locating in Manitoba, he said.

The budget will not help the province but how much harm it may do remains to be seen, said T. E. Durham, Greater Winnipeg Industrial commissioner.

The budget will make it more difficult to attract people needed for the business community, in opinion of David Rothstein, president of Winnipeg Chamber of Commerce. Efforts started by the previous government to get Manitoba moving economically may be stalled, he commented. It found inducements were needed to attract industry and if increases in taxes are going to continue, it isn't much inducement for people to come to the province, Rothstein said.

I will not continue quoting from this article which refers to the many problems facing industry and commerce in my area. In view of existing problems that we face in the west I will make several suggestions that the federal government might follow. I do so because I do not wish to be like members of the opposition who criticize various ministers or the government without contributing any solutions to these problems. I therefore recommend, first, that the government announce once and for all, so as to re-assure the labour force of the city of Transcona, that the CNR shops are to remain in the area; second, in order to remove doubt from the minds of others, that the building which is required to service the new, large diesel engines will be built in the city of Transcona adjacent to the shop which is centrally located. This will give better service to the entire system. My third recommendation is that consideration be given to declaring Winnipeg airport an international airport. I realize that the government has brought in an austerity program, but this move will not cost a penny and will be of great advantage to Winnipeg because an international airport would bring many privileges.

To the best of my knowledge, the federal government has not extended any help to those areas east of the Red River—and I could go back a long way in verifying this statement. I think the time is long overdue for the government to consider ways of helping not only the people of the greater Winnipeg area but of the entire province. The constituents of the greater Winnipeg area ought to be given consideration, and to this end I ask the government to consider erecting some buildings east of the Red River. I also ask that office supplies, stationary and printing materials needed for federal offices in western Canada be purchased in western Canada.

May I also ask that the government consider the possibility of erecting a second mint somewhere in western Canada. Without doubt, there is lots of room for it in St. Boniface. At any rate, it would be a good idea if the government were to build a second mint in western Canada in order that we do not remain the forgotten west.

Next, may I ask that the government remove the 11 per cent sales tax on building materials, as this would automatically reduce the cost of homes and make more homes available to newly married couples in my area. Without doubt the cost of new homes would be greatly reduced if the tax were removed. Perhaps the government could introduce a policy under which this tax would be removed only for those people in the lower income groups about whom we are so concerned, the little people, and especially the little people of western Canada.

I am tempted to quote from another newspaper article but I will not. Instead, may I say that in my constituency in western Canada, one third of the people are French speaking Canadians. Every time something good comes out of Quebec you hardly hear of it in western Canada; but, by gosh, let the separatists do something wrong in Quebec and our friends in western Canada will blame us every time. Well, we have learned to live with that attitude. We are glad to be western Canadians and want to remain as such.

• (3:40 p.m.)

[*Translation*]

La Liberté et le Patriote, on October 22, 1969, published an editorial on the Prime Minister and the CBC.

Mr. Trudeau dashed into his fifties over the week. And the separatists, the Parti Québécois and the independentists within the C.B.C. were not spared the backlash. In one breath, Mr. Trudeau assailed everyone and, moreover, managed to enjoin the English-speaking minority in Quebec not to tolerate being bullied in matters of education and language.

It is possible that the tension between Ottawa and Quebec will adversely affect us, the French-speaking people of the rest of Canada whom too many English-speaking people still consider Quebecers in exile.

Surely the federal government, and, in particular, the Prime Minister, cannot be anything but annoyed by these elements that stir up dissension and strife. No doubt Mr. Trudeau is right when he asks the C.B.C. management to act quickly and to get rid of those people who are using a government agency to spread ideologies harmful to peace and unity.

Would Mr. Trudeau go as far as to abolish the French network to get rid of a handful of undesirables? But would not that be lacking in logic with himself? How would he promote, support and encourage the French fact from coast to coast if he were to abolish the most powerful cultural vehicle?

Does he have to throw out the baby with the bath water to change the water?

Why not do some decentralization within the C.B.C. instead?

I go on with the quotation, while realizing that this is a recommendation I have often made. The article says:

Instead of centralizing everything in Montreal, why not give some decision making power to three offices, each one serving one region: for example, an office for the Maritimes and eastern Quebec, another for Montreal and Toronto, and a third one for the West. This is done for other government services.

Would it really be more expensive for the government to reduce grants that go to Montreal and to give more power, with a little more autonomy, to offices in the Maritimes and in the West?

Instead of letting Montreal dictate the policy of the whole French network, the C.B.C. should let the Maritimes and the West have more say in the matter. It should allow us to have our own newsmen and our own producers. The results may not have very much snobbish appeal, compared to what comes out of Montreal, but that will probably be more refreshing than the eternal Quebec squabbles that we have had to put up with lately!

My reason for mentioning this is that this article, in my view, shows clearly that the French-speaking people in the West—though they are a minority—have always got along very well with the English-speaking people in western Canada and intend to continue doing so. At present these matters create difficulties. It is no doubt only Quebec bickering, but we worry about it.

I do not intend to dwell on these matters, Mr. Speaker, because I know restraints are now the order of the day.

[*English*]

I suggest the policy of restraint is good. In fact, I think it is excellent. I feel, however, that while a restraining program does not hurt the rich, it surely does not help the poor.

Some hon. Members: Hear, hear.

Mr. Knowles (Winnipeg North Centre): Will the hon. member permit a question before he sits down? In view of the comments he made on the budget recently introduced in Manitoba would he, as a member from Manitoba, say whether he approves or disapproves of the Manitoba government's action in reducing the monthly medicare premium to 55 cents for a single person and $1.10 for a family?

Mr. Guay (St. Boniface): Mr. Speaker, in answering the hon. member for Winnipeg North Centre, I first wish to say that I am surprised he did not get the point. Perhaps I was reading the quotation too quickly. I was reading from an article in the *Financial Post.* The reason the corporate tax in Manitoba is

rising to the point where it is chasing industry into Saskatchewan is that medicare went from $117 to $17 and it will be the corporations and the business people who will have to bear the burden of that cost. It is for that reason they want to move out. I agree that for the small people, whom I represent, this is a good move, but it is no t very good for industry and commerce in our area.

Mr. Don Mazankowski (Vegreville): Since it is customary to allow hon. members a great deal of latitude in the subject matters contained in one's contribution in the Throne Speech debate, I intend to exercise that option and cover a number of matters that are of concern to me. I trust these matters also concern other hon. members of this House, as well as a vast number of Canadians.

I would like first to express my congratulations to the mover and seconder of the Address, the hon. member for Sarnia (Mr. Cullen) and the hon. member for Lapointe (Mr. Marceau) for their opening remarks. I am sure both hon. members must have felt a deep sense of pride to be given this honour. They spoke of the relevancy of parliament and I hope their colleagues will give special heed to their criticisms because it seems to this government that parliament has become a rather torturous exercise. We invariably get the impression they would like to scrap the whole institution. I would remind hon. members that when we speak in this chamber we are not only speaking to those in this House, but to all Canadians.

The opening speeches more or less set the tone for this debate. We have heard suggestions from subsequent speakers as to how government should function, and they ranged all the way from a dictatorship to a republic to a corporation with a board of directors. I do not intend to deal at length with the relevancy or irrelevancy of this institution. I simply want to say that, as far as I am concerned, it is a matter of one's own personal initiative and participation in carrying out the responsibilities which we accepted when we offered ourselves for this honoured position. Above all, it is the opportunity to serve Canada and to serve those who sent us here.

Referring directly to the Speech from the Throne, I may say I found it a rather generalized document containing very little to get excited about. There are, however, one or two matters to which I would like to refer and comment upon. There are some items in the speech of which I approve and there are others, which I will deal with later, that have been omitted, either deliberately or unintentionally.

[Mr. Guay.]

The first item I wish to deal with is the lowering of the voting age to 18. I wish to make it abundantly clear at the outset that I approve of this measure and I intend to support its passage in the House. No doubt some people in this country may question this legislation, but I ask them to bear in mind that we have reached a period where our younger generation is seeking greater responsibility. We hear the cry that our young are irresponsible, but how can they ever become responsible or take up the challenge of responsibility if they are not given the opportunity of meaningful participation?

Some hon. Members: Hear, hear.

Mr. Mazankowski: I do not suggest for one minute that we have put an exaggerated premium on our youth, but I do get concerned about some of the headlines that we read in our newspapers about radicalism, violence, and riots. Perhaps it would be wise if we took the time to glance at the inside of these same papers to get a better idea of what responsible youth groups are doing.

• (3:50 p.m.)

I was glancing through the Calgary *Albertan* the other day. The headline on the centre page read: "Appealing to you—Youth groups help". Underneath, appeared the following:

> The youth of Calgary forms one of the major groups working this year to help the United Appeal reach its $1,662,000 target.

The article went on:

> Kathy Ballantyne, a student nurse at Holy Cross Hospital and member of the girl's football team, questions whether the exposure is great enough.
>
> "Show me where it's spent" is her attitude, and Kathy says there are lots of her fellow students who may feel the United Fund is a good thing, but would like to be told where the money they help to raise is being spent.
>
> Their inquiring minds are asking not how the money is spent, but where, so they can identify with the contribution they are making.

The Edmonton *Journal* contains a whole page devoted to student projects, proceeds from which will go to the United Community Fund. I should like to name some of the high schools concerned: O'Leary, Victoria, St. Joseph's, Macdonald, Ross Sheppard, St. Mary's, Ainlay, Queen Elizabeth, Louis St. Laurent, O'Brien. I ask you, Mr. Speaker; doesn't this sound like responsibility?

We hear suggestions from our youth that political parties are irrelevant. They want more than mere participation at the polls at election time. They are looking for, and they are ready for, a meaningful sense of participation. We in the various political parties all say that the future of our parties depends on the involvement of youth. But what are we doing to encourage the youth of this country to become more active in political affairs? I hope possession of the franchise will instil in them a real sense of enthusiasm for the building of this country; God bless us, there is a great deal to be done. I am sure it will lead to much the same enthusiasm as many of us experienced in our election campaigns last year.

We in the Province of Alberta have for some time allowed citizens aged 19 and over the privilege of voting, and the results have proved to be very satisfactory. I hope that in due course we may expect the institution of a uniform voting age across this country. I also hope parliament will consider the possibility of lowering the age at which young people may legally enter into contracts. It is somewhat ridiculous that a young person aged 18 can vote in a federal election, and influence the choice of a government, while being unable to enter into a contract to buy an automobile if he is self-sufficient, or self-supporting.

Since I became a member of this House my party has given me special responsibilities for dealing with youth matters and developing liaison between that segment of our society and our own caucus. I must say this has been one of the most gratifying duties I have had the privilege of undertaking since I took my seat in this honourable House. The association I have had, as a result, with our young people has convinced me that an enormous amount of energy and enthusiasm exist among our youth—enthusiasm for Canada. All we have to do is harness it.

Certainly, there are some radical differences of opinion, but this is natural in a free society. I would remind hon. members that radical differences of opinion prevail between senior members of our society, too. When any group, whether composed of the young or the old, feels a sense of alienation and frustration, it is bound to react. I am confident that the proposed legislation concerning the voting age could provide a foundation for sound, sensible involvement on the part of youth for the good of Canada. However, no one should expect that the mere passage of a bill will satisfy all the aspirations of Canada's youth. Not only should political parties give the youthful segment of society adequate opportunity to be heard, but immediate steps should be taken by all levels of government and by the public at large to encourage our young people to become actively involved in the activities of political parties; positive measures should be taken to encourage them to opt into our political society and work from within, rather than to opt out.

Above all, our educational facilities should begin to instil a little moral fibre, in place of the attempts to dissolve this moral fibre which now prevail. Programs of education should be geared to orientate and familiarize youth with the nature of our political framework at an early age so that voting becomes a meaningful privilege rather than a mere exercise.

I hope the Prime Minister (Mr. Trudeau) and his colleagues are not misled by an impression that because they have promised to introduce this particular measure they will necessarily have a monopoly of support from the young of Canada, and thus have provided the means of buying their way back to power. It may be that the right hon. gentleman's own party has failed in its dealings with youth. If I am correct, there is a fair amount of disillusion being felt among the young Liberal elements of his own party. I am sure it is fair to say that all political parties have considered lowering the voting age. I can certainly affirm that the subject has been actively considered, and the principle endorsed by the Progressive Conservative party.

As I have said, a simple lowering of the voting age will not satisfy all the aspirations of Canada's youth. Indeed, perhaps we are wrong when we think of today's unrest as being a "youth problem". It might be more helpful to consider this whole perplexing situation involving youth and society as being a "society problem" rather than a "youth problem". Have we earnestly tried to understand the young, or have we merely allowed them to live in their own sub-culture?

One of the most pressing problems facing society today concerns the use of drugs. I wish to emphasize what was said by the hon. member for Athabasca (Mr. Yewchuk) when he suggested we should move very carefully and cautiously in considering legalization of the use of marijuana.

Some hon. Members: Hear, hear.

Mr. Mazankowski: Anomalies and inequities may certainly exist in our present laws

concerning certain types of drugs, and I hope these will be subjected to a comprehensive review. I have in mind particularly present laws as they relate to the use of such drugs as "speed" and heroin. The whole question of drug use is an exceedingly complex one. We must find means of analysing the state of mind of our young people who are taking drugs, and we must seek to understand why they are doing so. Meanwhile, until we are able to secure sufficient information as to the total implications of the use of marijuana, I submit we would be committing a grave error were we to move at this time in the direction of legalizing this drug. I believe that we, as legislators and as citizens, must take account of the growing use of drugs in our society. I would recommend that immediate steps be taken to familiarize the young, as well as others, with the dangers and implications of the use of all drugs. Specifically, I should like to make the following recommendations:

1. That a system of centres be established across Canada to provide information, consultation and assistance on a more humane and rational basis to drug users. This organization should be federally funded.

2. That further funds be made available for research into the effects and nature of drugs.

3. That a national drug foundation be established for the administration of the previous two recommendations, for the co-ordination of research and for the exchange of information.

I might add that I intend to put forward a private member's bill dealing with this matter; I hope we shall have an opportunity to discuss it fully in this chamber. Until we have compiled a total assessment backed up by scientific and medical data, I submit we should move very cautiously. On the other hand, we should move vigorously in undertaking a comprehensive review and study of the state of mind of the young: above all, we must discover the underlying reason why so many become users of drugs.

We have heard a great deal recently about the Company of Young Canadians and its activities, and the controversies surrounding them. I personally believe that the majority of Canadians are fed up to the teeth with the CYC and I submit that the whole organization should be scrapped.

• (4:00 p.m.)

I realize that there may be some dedicated and sincere people within the organization of the Company of Young Canadians, but these are in the minority and have the least influence. The organization seems to be dominated by a bunch of long haired, bearded radicals who do not believe in any established values, including the responsibility of having to work to eat. By virtue of its name and its past record, it implies that all youth in this country are radicals and subversives. I say that the damage this organization has done to the youth of Canada is irreparable, and we must abandon it before we turn all citizens of this country against our youth.

I suggest that if like the Canadian Union of Students, this organization had to operate on voluntary contributions and voluntary membership, it would collapse within 24 hours. Further, I should like to point out that the mere fact that the Canadian Union of Students has failed is ample proof that the majority of youth in Canada want no part of radicalism, subversion and mutinous activities.

Coming from an agricultural area I would be remiss if I overlooked some of the glaring problems facing western agriculture, as the government seems to have done in its Speech from the Throne. The Throne Speech contains one piece of proposed legislation to attempt to alleviate the desperate situation that exists in the west. I refer to the Canada Grain Act, which I suspect will merely lower prices to the producer while allowing greater market flexibility.

It is not my intention to go into depth with regard to the problems confronting agriculture. I am sure they are well known to all members of the house, including the Prime Minister who visited the west recently. These problems have been ably restated by the hon. member for Qu'Appelle-Moose Mountain (Mr. Southam) and the hon. member for Battle River (Mr. Downey).

To sum up the situation briefly, let me simply say that conditions in this area have not improved one iota during the last 12 months. There has been a continual deterioration in the situation, with very little evidence of hope in sight. Quite frankly, the agricultural picture in the west is one of gloom. Not only that, Mr. Speaker, but the whole rural community appears to be in jeopardy.

I become very confused when, on the one hand, the government classifies agriculture as expendable and plans for the early retirement of farmers, encourages these people to leave their farms and transfer to the cities, while, on the other hand, the Prime Minister suggests that rural life is worth preserving, as he

stated in his speech on the address in reply to the Speech from the Throne. Such statements are contradictory.

As far as I am concerned, rural life does have something to offer. It breeds self-reliance, self-discipline and self-determination. If this government were to take positive measures to stimulate rural life, then I would support them, as I am sure would many other members of the House.

I recall that the late General Eisenhower, who grew up in the small community of Abilene, Kansas, said that the robust life he had led as a prairie youngster, camping with friends, roughing it with his five brothers, helping to do the family chores, earning money on the side and learning the stern but compassionate rural ethic, were all part of the great and priceless heritage of living in a small town.

I should like to know why the Prime Minister, his colleagues and assistants, do not get together and face squarely the problem of rural life and agriculture. I believe it is high time they realized that agriculture is a necessary part of the Canadian economy, and that a vast number of Canadians prefer living in the country to urban life.

The production of food is more important today than ever before in world history. The Food and Agriculture Organization suggests that by 1975 a desperate shortage of food will exist in the world. This talk we hear about lack of markets and surplus of grain is sheer nonsense. The simple fact of the matter is that we are just not getting our share of the market. In 1966-67, we achieved 26.3 per cent of the world wheat market. In 1967-68 our percentage dropped to 17.2 per cent. Figures for the 1968-69 crop year are not yet published, but I suspect our percentage is even further below last year's, probably around 15 per cent.

We have not been selling our grain. I submit that what is required is a national grain selling agency with a progressive and imaginative policy. Such an organization should be organized in consultation with the producers. For too long have agricultural policies been formulated behind closed doors. We now have a new minister in charge of grain. With all due respect to the previous minister, the Minister of Industry, Trade and Commerce (Mr. Pepin), who is a very amiable fellow, he knew as much about growing, marketing and selling wheat as I know about walking on the moon.

In addition, we should introduce immediately a program to appraise and completely reassess our grain handling techniques and distribution methods. I think our methods of handling and distributing are outdated outmoded, and lack efficiency. It seems to me that our method of grain handling is the only part of the whole spectrum of grain production and marketing that has not changed one iota during the last 25 years. Certainly, the criterion we should aim at is to become more efficient and streamlined.

We all recall the election promise that if the Liberal party were elected to office in three years we could look for sales of one billion bushels of wheat. Half that time has passed and the only notable achievements in the grain marketing field so far have been lost sales. For a year and a half the government has been aware of the grain marketing problem. It has sent out surveyors and task forces and has established advisory councils. Even the Prime Minister was dispatched on a western tour. A grain council was set up, but I have heard nothing from it since its inception.

The government has suggested that farmers should diversify. I say, diversify to what? Beef? The Minister of Consumer and Corporate Affairs (Mr. Basford) has looked after that by proposing a boycott of beef. Beef prices are too high, and he maintains that the bulk of the increase is being passed on to the producer. Although diversification might solve some agricultural problems, it must be handled in a manner that is commensurate with the region. For example you cannot raise beef on the wheat plains of Saskatchewan. Therefore, a co-ordinated program of regional diversification in consultation with the provinces is required.

I believe it is the duty of the government accurately to analyse the supply and demand position of certain commodities and to encourage farmers to produce to meet those needs. However, no action of this kind has been taken by the government to cope with the situation and, above all, to meet the growing crisis.

At the present time farmers in the northern part of the prairies are undergoing difficulties resulting from adverse weather conditions. As the Minister of Agriculture (Mr. Olson) pointed out today, in many areas 90 per cent of the harvest still remains in the fields. I know the minister and his colleague, the Minister without Portfolio (Mr. Lang), have visited the west and are analysing the situation. The province of Alberta has already announced its

intention to provide some form of assistance. But I submit this is a joint responsibility. I hope the minister will stand in his place and make an announcement this week in order to put the farmers at ease. The farmers are short not only of grain but of straw and feed to winter their livestock. So, certainly some assistance is necessary.

• (4:10 p.m.)

Some time ago Parliament was asked to approve and establish a department of regional expansion. We were led to believe this new program would benefit all Canadians suffering as a result of living in slow growth areas. We were led to believe that all areas suffering from regional disparity and drifting out of the mainstream of Canada's economic progress would be included. The fact is today that areas in Alberta and Western Canada which have experienced slow growth and have faced difficult times have been excluded. By an odd coincidence the only area of Alberta that appears to be in need of economic assistance, according to the minister and this new department, lies in the constituency represented by the Minister of Agriculture (Mr. Olson). It is this kind of thing that makes western Canadians skeptical of the good faith of this government.

If the Minister of Regional Economic Expansion (Mr. Marchand) were to take a completely unbiased look at the economic plight of Canada today, I believe he would decide to treat the whole Canadian agricultural area as a designated area for economic assistance. The great tragedy of this country is that hundreds of thousands of solid, taxpaying productive citizens are being driven from their preferred occupations by a combination of government indifference and lack of leadership. Canada's agricultural community is a valuable national asset, not only as a producer of food and of exports, but as a reinforcement for the framework of Canadian society.

I should like to comment briefly on the situation of our veterans and the Woods report. I do know that the Standing Committee on Veterans' Affairs has been meeting and considering this document. I simply want to go on record as supporting the recommendations in the Woods report. I speak on behalf of all those I represent and on behalf of the many members of the Legion in the area surrounding my constituency.

[Mr. Mazankowski.]

Let me particularly emphasize the need for an equitable basic rate of pension related to the rate for unskilled labour in the public service, as outlined in information given to the 1919 parliamentary committee. It seems to me grossly inequitable that there should be a discrepancy now between the basic pension and the rate for unskilled labour to the tune of approximately $1,000, particularly in this time of rampant inflation and rising living costs. The whole approach to the adjudication of claims must be put on a more humane and rational basis, emphasizing the application of the benefit of the doubt.

Having regard to the Legion magazine, I submit that equitable mailing rates should be re-established to allow the Legion magazine, Canada's voice of the veterans, to once again enjoy parity with some of the subversive publications which have been disseminating malicious propaganda. I am sure it is no secret to hon. members or the public that the Legion's publications were saddled with a whopping 1400 per cent increase in mailing rates. Certainly, there can be no justification for this.

In concluding my remarks, I should like to put in a plug for my good friends and neighbours of the city of Edmonton. As you may know, the city of Edmonton is known as the gateway to the north. It is Canada's only major city—as a matter of fact, it is Canada's fourth largest city—that does not enjoy a direct international air service link with the United States. You may be aware that the citizens of Edmonton are conducting a vigorous campaign in support of the request by North-West Orient Airlines for the right to link up Edmonton with Minneapolis, Chicago and Anchorage. I am sure I do not have to go into detail with regard to the economic advantages which this would have for the city of Edmonton and the province of Alberta. As a matter of fact, the future growth of Edmonton and Northern Alberta could very well be hindered if a favourable decision is not made.

An indication of the desire to have this service implemented is evidenced by the fact that more than 125,000 signatures, backed by more than 200 business enterprises, have been collected, together with written support in an accompanying brief which has been submitted to the chairman of the Air Transport Committee which will be reviewing these bilateral agreements this month. I want to go on record as being one of those actively engaged in supporting this application and I

urge those who are charged with the responsibility of making this decision to react in a favourable manner, thereby giving Edmonton the opportunity to enjoy similar service to that enjoyed by all other major cities in this country. If such service is not established, it will simply mean that Edmonton will be doomed to become a second class city in Canada.

Thank you, Mr. Speaker, and hon. members for your attention.

Mr. Murray McBride (Lanark and Renfrew): Mr. Speaker, it is always a pleasure to rise in this famous chamber and be identified in some way with the many speeches that have been given during this rather lengthy debate on the Speech from the Throne. I want to identify myself with all members in this house who commended the hon. member for Sarnia (Mr. Cullen) and the hon. member for Lapointe (Mr. Marceau) on the very excellent speeches they made at the initiation of this debate.

At this time, I should like to say a few words about my own constituency and then deal with three different topics. As hon. members will have noted when Your Honour gave me the floor, my constituency is officially called Lanark and Renfrew. This is most unfortunate, not because it is called Lanark and Renfrew but because I represent three counties in Ontario, Lanark, Renfrew and Carleton. I have difficulty in convincing the people of Carleton that they are in fact included. For that reason, I have a private member's bill before this house asking that the name be changed to include Carleton.

I am also aware as we sit here day in and day out, week in and week out, to quote a famous member of this House, that "you cannot tell the depth of the well by the length of the handle on the pump", and that similarly you cannot always tell by the speeches made how great or how small is the contribution.

The three topics I want to deal with in the few minutes my time will permit—and perhaps I cannot cover them all—are the initiation of full diplomatic relations between the government of Canada and the Vatican; the Canadian rural dilemma, and additional means whereby regional disparity can be significantly reduced. This may seem like a very large slice from the cake. Perhaps I will not get around to all three, but I want to share some of my convictions, thoughts and research on at least two of these topics.

My position regarding the recognition of the Vatican can be put very simply by saying I am not in support of it but rather strongly opposed to it. This may be surprising to some hon. members. They may suggest that, as a member on the government side of the House, I should support it. They may suggest I have some prejudices and so on. For my own satisfaction, and hopefully for the edification of the House, I will as lucidly and as briefly as I can indicate why I am not in favour of recognition of the Vatican in the sense of establishing full diplomatic relations. I have already indicated my feelings to the people of my constituency, to the Prime Minister (Mr. Trudeau) and to the Secretary of State for External Affairs (Mr. Sharp).

First, let me make one clarification. Some people say we are not establishing diplomatic relations with the Roman Catholic church but rather with the Vatican city state. It seems to me, if we analyse this situation for a moment, it is easy to see that diplomatic relations are not established between two sets of buildings; they are not established between pillars and they are not established between some kind of parliamentary assembly hall in nation A and some kind of assembly hall in nation B. Rather, they are established between governments, between those who, in fact, represent the people who live in those respective countries. It is between the government of Canada and the government of Vatican city that diplomatic relations have been established. Who is the government of Vatican city? Well, Pope Paul VI and the Curia happen to be the government of Vatican City. Who are they? They are none other than the titular and actual heads of the Roman Catholic church. In elementary school, I believe it was, we learned a mathematical principle that things equal to the same thing are equal to each other. So, it seems to me in a very real sense that we are like the Irish Rovers and their Unicorn when we say we are not involved with the Roman Catholic church but are just establishing diplomatic relations with the Vatican. We are playing silly games.

• (4.20 p.m.)

If the Pope is not the head of the Roman Catholic church, then I do not know who is and neither does anyone else. So, let us dispel once and for all the idea that they are not one and the same thing. I repeat that our diplomatic relations were not established with a group of buildings but with the government of the Vatican. That government is the Holy See of Rome and the Holy See of Rome is the

primary bishopric of the Catholic church in the world. I say all of this to lay the foundation for hon. members in this chamber who may be interested in, or will at least tolerate, the presentation I am about to make. I must say this to clarify the reason for my opposition to the move to recognize the Vatican.

The recognition of the Vatican by Canada is not something that can simply be identified with or even compared with the 68 other countries which have established diplomatic relations with the Vatican before us. The reason we in Canada cannot compare our own situation with the situations which have existed in all the other countries is simply that we have a history that is distinctly and uniquely unlike the history of any one of those other 68 countries. It is basically different in relation to this topic.

What, in fact, does our history have to do with our establishing diplomatic relations with the Vatican now? Well, fellow members of this House, I am desperately convinced it has a great deal to do with it. It has a great deal to do with whether or not we should have diplomatic relations. I regret that the historic facts have received so little, almost pathetically little, consideration in the discussion or in public debate of this subject. Therefore, I beg hon. members to allow me to sketch for a few moments some of the brief and pertinent facts of the past out of which this nation's present has come and which bear directly on our diplomatic relations with the Vatican. Let us all remember—and this is almost a cliché or obvious truism—that we do not exist in a vacuum. We all have a history; we have come from somewhere, we are going to somewhere and where we have been has a great influence on where we are now and where we shall be later.

In order to make my point extremely clear I must go back some 712 years. In the year 1257—

An hon. Member: You have a good memory.

Mr. McBride: I have done my research. In the year 1257, the Sorbonne was founded in France. From the time of the establishment of the Sorbonne, the Roman Catholic church in France was always much influenced by a teaching that could most simply be described in this way. The Roman Catholic church in France—this belief existed there to a greater extent than in any other country—should be more or less free from the authority of the Pope and should be a nationally autonomous church. That idea has since that early date been of great influence in France. The Church should be nationally autonomous to the extent that even the appointment of the bishops should either be done by the king or the king should have the last say in the appointment thereof, rather than the Pope. This form of catholicism quite naturally, came to be known in historical circles as Gallicanism French catholicism has always been extremely Gallican. The other extreme, the opposite to Gallicanism, is where you are directly under the Papacy; where the bishops in another country—not merely in Vatican city or in Italy but in any country of the world—are appointed directly by the Pope. This is called ultramontanism.

I do not wish to appear to be a teacher or in any sense to be talking down to members, but this whole debate in respect of diplomatic relations with the Vatican has been entirely too shallow. It has ignored our history and has failed to note that Gallicanism was the catholicism that came to Canada when the French settlers from France first arrived here. This was Gallican catholicism which meant that the bishops were appointed by the king, to put it in its simplest form. When New France was settled, the religion was catholicism and it was Gallican catholicism. All of the leaders of the Catholic church in New France had very strong Gallican sympathies. We all know the history, but I must set the stage for what I am attempting to establish here. New France eventually fell to the abhorred British. It was very obvious, as in all cases where the British were able to conquer some other colonial power, that they had to give rights and privileges to the residents of New France. These had to be extended by the British or they could not hope to retain control over their freshly acquired territory.

If one studies British colonial expansion, one will find that this happened all over. The fact that the French court of the day—sort of back home on the ranch in France—had fallen on evil days meant that New France was reduced to the level of an abandoned orphan. It was left in the arms of the loathsome British. All of this has nothing to do with what I or other members think; this is the history of our country. This meant that the leaders of New France approached the British and said that one of the things they wanted was religious freedom; freedom to pursue the religion they had known. The British said they would grant religious freedom but that appointment of bishops by the

King of France would absolutely not be allowed and that there was no way the King of France was going to meddle in the affairs of New France any longer. So this, for the Gallican catholics of New France was a difficult situation. The leaders came back with a counter-proposal. The counterproposal was that if they could not continue to have the bishop appointed by the King of France, they would like to go directly to the Pope and become ultramontanistic. The British, who wanted to get free of French political and practical involvement in North America, said fine. So, something happened in Canada that was absolutely unique in the world.

Overnight, these people, who had been strongly Gallican, became members of one of the world's most ultramontanistic churches. This is the point in North America when the interests of the French speaking people and the interests of the Pope of Rome become fused into one. From then on, the two were linked together. This is a fact of history and this is a situation which does not exist in any other country. It may be that French speaking members from Quebec in this assembly would stand up and say I am talking about things which are just ancient history and which are not relevant any more in French Canada. They might say that the opinions of French Canadians and the Pope are not one and the same any longer. But this conviction has not been understood in English speaking Canada or in areas where the population is non-Catholic and English-speaking. I have always found in Ontario and in western Canada there is a distinct conviction that this is the situation; that the historical fusion of French rights and the interests of the Papacy are still one and the same.

• (4.30 p.m.)

One year ago a very special bill known as the languages bill was introduced in this house. It was my conviction that it was a fantastically good bill, and I supported it unreservedly. As a result, and because of the history of Canada, I went into my constituency and said to my people: I know that so far as you English-speaking Canadians are concerned you still believe that the interests of the French language Canadians and the Pope of Rome are one and the same. But that is not so, I said. This was a coincidence of history but it is dead. It will not be perpetuated. They are two separate things. This government is interested in extending French language rights. We are not interested in the Roman Catholic church one way or the other. I made a very fine case. I think hon. members can see where I am going because when we established diplomatic relations with the Vatican, people like myself, from English speaking constituencies, who believe in Canada and who believe we should have an extension of the French language rights in Canada, had the rug pulled right out from under our feet.

I am embarrassed to say that not only has my credibility been damaged but the credibility of the government in which I have a minute share as a backbencher has also been damaged because if this type of action is going to undermine our progress toward bilingualism and resurrect the corpse that I had told people was laid to rest for ever—and I believed that that was the case—then this is a sad, sad day. I want to make my position very clear. Judging from what an hon. member to my right is saying under his breath, I am getting it across. I want to make it clear that I do not support this government action. It is most unfortunate that we have perpetuated what I had hoped was over and done with for ever. Religion and language should be two separate things. If there is anything that can be done to help English-speaking Canadians to recognize that we are not in any way perpetuating Catholicism, either pushing it up or down, but that language is one thing and religion is another, I would still like to hear about it and be a part of it.

My case has tumbled to the ground. For that, I am embarrassed and sad. I make my position clear and say that this has been a most unfortunate thing. It is a heavy price to pay at home to have millions of Canadians, who are in fact not Catholic and who speak English, believe that this government which is for extending the rights of French Canada is ipso facto and automatically for extending the rights of the Roman Catholic church in precedence over all others. This is very sad. However, that is water under the bridge and there is nothing I can do but cry the blues.

I do not want to use up too much of my time on this subject since there is a second point I would like to make. I will concentrate on one small area of the globe, namely Latin America, an area that holds my interest very strongly. There are 22 countries in Latin America and 20 of the 22 are predominantly Catholic. Of those 20, 19 are nations which have been colonized by either Spain or Portugal. The national churches in both those countries are Roman Catholic. The churches in both Spain and Portugal, if you know anything about the present day history, tend to

be the most traditionally bound and tend to have the least ability of any national Catholic church in the world, in the context of their homeland, to manifest any relevent social conscience. In short, the missionaries who have gone out, as well as the whole of the churches in the 19 countries of Latin America, take their predominant tone and theme from Spain and Portugal. Therefore, in Latin America, the church has come to be too much identified with the establishment, with the people who have the power. As far as the mass of the people throughout Latin America are concerned, the people who have the power have the land, suppress the people, and have made a comfortable alliance with hunger, poverty, disease and illiteracy.

In increasing our own ties with the Vatican, we are identified with the establishment in a huge portion of the world where I, for one, want us to be future-oriented and identified with the mass of the people. In this sense, if you look into the future, the establishment of a diplomatic post at the Vatican is a disadvantage. Unfortunately, my time is running out and I will not be able to go into the other reasons. I have talked to other hon. members privately, and they have said they have never heard other people talking about these problems in discussing our relations with the Vatican. I am not attempting to suggest to the House that I have an insight which no other member has, but I thought these factors should be put on the record to indicate there are good reasons why it was a bad thing for Canada to establish diplomatic relations with the Vatican. Unfortunately, we are now on the side of yesterday. We are not standing with tomorrow. Too frequently, we creep where we should have walked and we walk when we should have run, but in this instance we ran forward only to catch up to yesterday.

I believe that bilingualism and biculturalism are more important than most of us think and that anything we do to diminish their importance is a step in the wrong direction. Therefore, I oppose the establishment of diplomatic relations with the Vatican.

Leaving that topic completely, I want to address myself for a few minutes before my time elapses to the problems in the Ottawa Valley and in my constituency, an area where roads are desperately inadequate, where avenues that will permit industry to place its products on the markets of Canada or of the world are so limited that industry is having a tough time in competing. We are in an area that is not one of the designated areas in the regional development plan. For that reason, you will see on the order paper a notice of motion in my name that we should become a designated area. I hope it will be debated on some future occasion. We have some industry in our area, but the Ottawa Valley is primarily an agricultural area in a day when 7 per cent of our population is made up of farmers but when we are moving very swiftly to identify with the United States situation where less than 2 per cent of the population is in fact involved in primary production.

The problem in agriculture in Canada is a very simple one and I am familiar with it from first hand experience and professional training. In Canadian agriculture, the whole problem can be stated in one word—over production. In Ontario, we most certainly need—and I am not so familiar with the rest of Canada although I had the privilege of being a member of the Agriculture Committee as we travelled across the country—to control and organize our marketing. To do so, and to control our production, good supply management is essential. It is nowhere more essential than within the agricultural industry. In the midst of any attempt toward supply management, and any attempt to uproot or relocate people, no houses and much pollution, and we paramount. People-values cannot simply be thrown to one side. In Canada, we have a queer situation. We have cities with many people, no houses and much pollution, and we have rural areas with many houses, no pollution and no people. We need to balance these situations somehow or other. We need to get a little optimism in the pessimists and pessimism in the optimists.

To cope with this problem I have an idea, which may be farfetched but which I think ought to be given serious consideration. I call it the central agency for transportation, or, for short, CAT. The whole point of CAT, as I envisage it, would be that every manufacturer in the whole of Canada would pay no transportation costs to truckers or rail lines etc. Instead, all would pay an equalized levy to the central agency for transportation. CAT would levy an equal rate per ton or per hundredweight for transportation costs on all companies, whether they had to ship their goods 500 miles or two miles in every part of Canada. Thus, one of the most severe restrictions on decentralization of industry would be eliminated. It seems to me that although the regional incentives idea is a good one, it will never really work. We will never really achieve what we must achieve in Canada

unless some such additional scheme is adopted.

• (4.40 p.m.)

We might reasonably expect that our incentives would work more effectively if we could off-set at least one of the disadvantages that a company which locates in northern Ontario or eastern Ontario has over a company located in Toronto, Montreal or Vancouver, the disadvantages of extra transportation costs, the difficulty of securing rapid delivery, and the added difficulty of that company being located away from the large pools of skilled labour.

I know that many of the companies in the Ottawa valley area, which I represent, and companies in northern Ontario and elsewhere say, "Our problem is transportation costs. We have to compete with companies that are located only one mile away from those who buy their commodities." If anything could be done to diminish this disadvantage, then industrial decentralization could occur.

I would, therefore, leave the idea with the House that perhaps the Standing Committee on Transportation or the Minister of Transport (Mr. Jamieson) could consider some sort of central agency for transportation, an agency which would equalize transportation costs for all industries regardless of where they were located. The net result would not work to the disadvantage of a company that decided to remove its works and its workers from the over-polluted, over-crowded city and place them in the country, where with proper safeguards its operations would not pollute the country. This is necessary in a country as great and as growing as ours. I find that in essence, Mr. Speaker, I have covered my topic and am leaving a little time for the next speaker.

Mr. David MacDonald (Egmont): Mr. Speaker, on rising to participate in the debate on the Address in reply to the Speech from the Throne in this second session, I suppose it is normal and courteous to congratulate not only the two members who moved and seconded the Address in Reply to Her Majesty's representative but also to congratulate you, Sir, on having weathered the first term of this parliament, and all the officers who assist you in your work in this House, because it is only through the proper conduct of your duties that we are able to carry on in an effective manner on behalf of the people whom we represent.

Like so many other comments that have been made over the past few days, mine will be in nature a pot-pourri in an attempt to deal with some of the concerns that strike me as being important. One is tempted to respond to some comments that were made earlier, but I will refrain from doing that. Rather, I will deal with matters that I think are of very important concern, both to this House and to the country.

One of the chief concerns that people have had over the last year since the government took office—in fact, it is well over a year ago—has been the attempt to understand the shape and direction of its leadership. The shortest description that has been used up to now of the Prime Minister (Mr. Trudeau) has been that of a pragmatist. It is a very popular thing in the era of the 1960's to be regarded as a pragmatist. John F. Kennedy, who opened his leadership in this decade, was regarded as being a pragmatist above all else. In most quarters it is regarded as a compliment.

However, I would suggest that as the shape of the leadership of the government is becoming clear to us we are becoming more and more aware of the fact that it is led not by a pragmatist but by a legalist. For people in the future to understand the kind of decisions being taken, it will be important for them to understand the kind of leadership given. I would like to illustrate my suggestion that the Prime Minister is a legalist and practices a new kind of political philosophy that can be described as 'legalism' by giving three examples of three issues considered important to the people of Canada within the past year.

The first was one in which I was very closely involved—the whole business of the Nigeria-Biafra conflict, stretching over many months. There was great public agony, not only in this country but in many western countries, over the senseless slaughter taking place in the country formerly known as Nigeria and now known as Nigeria and Biafra. As recently as this month, one national church publication lamented in the strongest tones the inability of governments like our own to respond to the senseless loss of 2 million lives in little more than a year in that part of Africa. Our government has not acted. If we were to go through the various ins and outs of the discussions which have been held, and the things the government has said, and the attempts it has made to deal with this problem, one thing would become clear, that is that the government, from the beginning of

its awareness of this problem, has been circumscribed by legalism.

Of course, a man of law such as our Prime Minister, and such as others who work with him, would quite naturally respond, "That is how we carry on our affairs, particularly those that pre-occupy the business of nations with nations." Mr. Speaker, I would say to you that when we very easily suggest that there is an accepted body of doctrine known as international law by which we can govern ourselves, then we have made the first basic mistake in trying to understand and deal realistically with what is happening in the international community.

We know only too well how ineffective the World Court at the Hague has been in trying to make its decisions stick, and this in fact in dealing with basic questions of international law. The international community is not one governed primarily by law and order. Rather, it is a human jungle. I suggest we have yet to reach that point where we can govern ourselves according to any kind of laid-down international dictum to which all nations, big and small, give assent. We know only too well that spheres of influence and powerful concerns play a much more important part in the decisions that are taken by governments than any adherence to some kind of abstract international law. Would to God that some kind of international law did, in fact, exist.

From the beginning, the Prime Minister has stated both publicly and privately that he could not act because it would be in contravention of international law. However, lawyers both in this country and in other countries who have spent some little time in examining the various international laws, so-called, that might apply to this kind of situation, and the various examples that could be culled from earlier decisions respecting international intervention, have argued strenuously that there is a good body of international law that would allow for a variety of creative responses to this situation. But we have not seen one ounce of solid, creative response to this most difficult problem. All we have heard from the beginning to the end has been a kind of resort to what I would call illustrations that bear no similarity to the problem, and these sometimes so crudely put as to be offensive.

Even more recently, we learned that our problems with regard to our sovereignty in the northern part of this country were placed in a great state of confusion because some months ago the Prime Minister suggested it was not at all clear what kind of jurisdiction we would exercise in the waters between the islands in the Canadian Arctic archipelago. However, it is interesting that each time he has spoken since then he has moved back more and more to the position which has always been assumed by prime ministers in this country, the position that we do in fact claim sovereignty over all the waters that lie around the islands in the northern part of our country.

Now, the Prime Minister resorts to what to me seems the most strange way to get around this problem. Now, we are told that because of the danger of pollution, and because of the fact that the Eskimos for years have been walking on the ice as well as the land, we of course have jurisdiction and sovereignty in that part of the country. But naturally the Prime Minister will not speak forcefully until he has established, by some legal means that he has yet to make clear to us that he can proclaim and have it readily accepted internationally, that we are sovereign in that part of our country.

Thirdly, and perhaps of most immediate concern to people in our own land, there is the problem of inflation. Of course, inflation is a difficult problem to deal with, and to suggest it could be dealt with quickly or easily would be to ignore the real problems inherent in the situation itself. The government decided to establish a Prices and Incomes Commission which would attempt to determine what might be a reasonable increase for those asking for higher wages as well as for those who are asking for higher prices. Almost within a week of one another, we had two examples of the recommendations of that commission being ignored. The Canadian Labour Congress as much as said it was not prepared to co-operate with the commission, and one of our major steel companies announced that it was increasing the price of basic steel by 6 per cent. Today I hear that another firm has followed suit, with price increases of between 5½ and 6 per cent. Of course, the Prime Minister has argued that the government does not want to interfere with the work of the Prices and Incomes Commission, because this is the commission's responsibility. Why the government feels this way is an intriguing question.

• (4:50 p.m.)

When asked what action the government might take, because there seemed to be some doubt in the minds of some that the government might want to take action, the Prime Minister said that the question was being

looked into. When he was asked if the federal government is empowered by the constitution to control prices and wages without encroaching upon certain powers he replied, as reported at page 235 of *Hansard* as follows:

> This general matter has been referred for consideration to the Department of Justice which, as the hon. member knows, acts as an adviser to the government on constitutional and legal matters.

Have we reached that stage when the government of this country, on being asked a question affecting our basic economy, must refer the subject matter of the question to some legal tribunal in order that we may decide what right the government has to act? I wonder whether we have a government at all, or if we have not been ruled by some new kind of law society which will pass judgment from time to time on questions of the day that are of most legal interest. Mr. Speaker, the government this Prime Minister heads is not one of pragmatism but of legalism.

Some hon. Members: Hear, hear.

Mr. MacDonald (Egmont): I feel it is unfortunate that the country will have to bear, for at least another three years, with this kind of legalistic behaviour.

As one looks at the realm of international affairs, one can see that in the dying years of the 1960's such behaviour did little to enhance Canada's image. We are told in the Speech from the Throne that we shall be intensifying our direct contacts with many of the governments and peoples of Latin America, Africa and Asia. Presumably, we intensify our contacts by closing up shop in various places in order that we can cut our expenditures or losses—choose your own term. Is this the way that we are to co-operate more closely with some countries and understand them more fully? At the time, we have pledged ourselves to be an active member of the United Nations, and we suggest that we are now in a position perhaps to play our part in revitalizing and strengthening the United Nations. I wonder if anyone in New York city, say, would take such a statement seriously, especially if he realizes that in the last few years in major matters which have come to the forefront of international affairs, Canada has displayed no leadership in terms of insight or courage. We have been happy to pander to the ideas of many other countries, many of which are not great powers but small powers, when they have told us that our price for being accepted by the international group is for us to go along with other people's ideas.

It strikes me that we are verging on hypocrisy, Mr. Speaker, when we announce to the world that we are to establish, all on our own, an international development research centre. Sometimes I think that we see reflected in the makeup of this government the worst trends of Canadians who travel abroad. They have a smugness about them as they look at the difficulties from which our great neighbour, the United States, is trying to extricate itself, implying at the same time that although Canada is not so powerful we are really much better off and much better fellows. We can set up an international development research centre all by ourselves. Frankly, I do not know what we shall research. We have not even given the aid we have committed ourselves to give. I remember the figure of 1 per cent of our gross national product being mentioned in the grandiose pronouncements of our former prime minister a few short years ago.

In the Speech from the Throne, and in the Prime Minister's remarks, we see comments about the nature of our society, about its uncertainty, its shifting values and its propensity to action through violence. Some of that violence we have seen at close range. We are all genuinely concerned in this House about the ways in which traditional values and patterns of behaviour have undoubtedly changed. We are very much concerned that institutions such as this will not respond quickly enough, in terms of temperament and change, to the social realities of the country and of the world. But I say to you, sir, that as one reads the Speech from the Throne and the Prime Minister's remarks one will see little evidence that there is an awareness of what must be done, because the situation of today in the world has changed from that of only a few short years ago. If the Prime Minister and the government believe that all they have to do in the face of current unrest is lower the voting age by three years, then I say that he and the government have lost all sense of what it means to lead the country today. What use are all these public discussions and white papers, if the Prime Minister has decided that he will not listen to the recommendations of parliamentary committees and that the government will, so to speak, do its own thing? I say that he has not really committed himself to discover what is happening in this country today. It is interesting to note that while the Prime Minister, during his election campaign, spent some little time talking about the need for people to participate in government and about the

need for them to communicate with him their concern about what is happening today, we see evidence that the government today is trying to dampen down discussion, avoid criticism and, in a sense, go its own sweet way.

No Canadian was more shocked than I was when hearing what the Prime Minister had to say about the Canadian Broadcasting Corporation. Even more shocking was the lack of public outcry which ought to have arisen from what he said. It is hard to believe that only a few short years ago one Prime Minister was publicly rebuked for sending a personal letter to the president of the CBC; yet here we have another Prime Minister saying that if the CBC does not behave he will close down part of its network, and there is no outcry. Government interference in this field will mean that instead of public broadcasting in this country, something which is extremely valuable for the freedom of people, we shall have state broadcasting, which very few here seem to understand. It is interesting to note that France is in the process of moving away from state broadcasting and is going to public broadcasting.

On the other hand, under the direction of our Prime Minister, we are moving in the other direction. I hope that this serious folly on the part of the Prime Minister, occasioned perhaps by his desire to present some kind of heartwarming speech to his followers in Quebec, will be seriously reconsidered and that no more of these outbursts will be allowed to occur. I do not know how many such attacks it would take by a leader of a country upon its crown corporation before the corporation would crumble not only from within but from without. The Prime Minister has a rather unfortunate habit of talking against those who use rather aggressive ways of dealing with situations and then doing the same thing himself. He referred to the difficult situation that exists in Quebec, but not in terms helpful to the situation. There was a rather strange situation last week. In Montreal the Prime Minister made a speech which had great appeal to those in English speaking Canada who are looking for very simple answers to very complex problems. Following this, the leader of the Liberal Party in Quebec suggested exactly the opposite. If anyone understands whether there is some strange bond between the federal and the provincial branches of the Liberal Party in Quebec, I hope he will explain it to me because I have difficulty trying to consolidate this point of view into any kind of unanimity.

[Mr. MacDonald (Egmont).]

• (5:00 p.m.)

There may be some short-range political gain in suggesting it is time for people to stand up and take on in an aggressive way those who suggest a different course for this country to adopt, such as preaching separatism or some kind of independent status, this is not really the way to deal with political situations in Quebec or anywhere else. Leadership should be more than a strong speech, more than an attack by innuendo. If we are to do more than play upon the divisions of this country and are to try to heal its wounds, we require different leadership than that shown by the Prime Minister in the last couple of weeks.

Some hon. Members: Hear, hear.

Mr. MacDonald (Egmont): Much of what the Prime Minister has said about participation and the chance for involvement is a thin veneer with little reality behind it. He has been in his position for some months now. If he is serious about participation, beyond having a few more teenagers going to the ballot-box once every four years, it is time he proved it. There are some basic things the Prime Minister could do. I cannot understand why at the beginning of his leadership he did not seriously and publicly advocate the broadcasting of the sittings of this House and its committees so that all Canadians could be aware of what is happening in the forum that, hopefully, represents their national interests. I cannot understand why in this day and age, when we put so much emphasis on what we learn via radio and television, political leaders should be allowed to avoid facing the responsibility of broadcasting the proceedings of this House. I have not heard any good arguments against the same access being made available to the audio and visual media as is now available to the printed media, and has been for many years.

If there is any seriousness on the part of the government to at least expose this institution and its committees to the country, and vice versa, surely broadcasting of our proceedings is a first requirement. Even that would be only a first step toward a major involvement of the Canadian people. If the government is concerned about the amount of antipathy and even cynicism that exists in the political processes of this country, confrontation of the kind the Prime Minister exhibits from time to time is really not the answer. It is sad that somebody who is reasonably bright should resort to what is not a

very bright technique in place of real political leadership. We must make changes in our institutions. Some of them must undergo major change if they are to work effectively for the remainder of this century. It is not enough to cling to the past or tinker with what I call incidentals; we must go to the bottom of basic problems. If we are not willing to consider these basic problems they will one day be forced upon us in a very unpleasant way.

We should not fool ourselves. Simply because we have elections from time to time and people seem reasonably satisfied with the leaders and representatives they elect does not mean that all is well. We know it is not. We know that times have changed greatly. People no longer want to be simply spectators in their own country. They want not only representation but genuine participation. They do not want a sham kind of participation that simply means they have been allowed to take part but their opinions are not worth very much. This is sometimes the way parliamentarians on committees feel when reports are made and they find the government has neither considered them important nor even considered them at all.

I hope we might get beyond some of the peripheral questions that seem to concern the government at the moment, and raise basic questions about how parliamentary democracy flourishes in the kind of technological age in which we live. We have acknowledged that new realities exist in our system, whether they be of communication, education, transportation or social interaction. Unless we are prepared to recognize this fact, the difficulties we have been experiencing will become greater and not less. It is my hope that in this session of Parliament, perhaps through a special committee or an effort by some members, we will begin to work on this question in a way that will allow the kind of genuine participation that Canadians not only ask for but require. If we do that we will have taken a genuine step toward the kind of participatory democracy that has too often been a slogan and seldom a fact.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I join other hon. members in congratulating the mover and seconder of the Address in Reply to the Speech from the Throne. The Speech does not really set out where we as a country hope to go and what we hope to do during this session. It is rather sketchy. However, it does touch on some things with which we have to deal. It devotes a sentence to the situation of the native people of Canada. It devotes a couple of paragraphs to northern development and what we may or may not do in the Canadian north, the last frontier of Canada and indeed the last frontier of the North American continent.

The North American continent has been penetrated and developed for two centuries. Part of the United States and Canada is older than that, but mainly in the last two centuries has this continent been penetrated. The Speech declares we should take the necessary steps so that we do not despoil, ravage and abuse the last northern frontier to the extent that we have ravaged, despoiled and abused the part of the continent that we now inhabit.

• (5:10 p.m.)

The Speech from the Throne declares that important opportunities will be provided for the Indian people. Some of the Indian people in my constituency were kind enough to invite me to visit them while the House was in recess. They were kind enough to provide a hall and to put on a banquet or dinner, as is the custom on the prairies. They asked me to meet with them, to discuss what they could do and hear some of the things they were talking about. Last year we changed the regulations applicable to the Farm Credit Corporation and passed farm credit legislation to make it possible for these people to borrow money with which to operate farms. I was told that evening that six of these people had applied for loans and all had been refused. I was also told they had sought to build houses. I know this was the case. A large-sized quonset hut had been built on that particular reserve a year or two earlier and there had been an undertaking that Indians would be trained to build houses and take part in the construction of houses for that and other reserves. When I met with them they told me they would like to know when the houses which had not yet been completed would be completed. They were anxious about this because the program had come to a standstill.

There were other questions raised. This lack of action demonstrates the gap between proposal and performance. Who in his right mind would start to build a house and not complete it? What is the use of saying credit is the answer, and promising to provide credit, if we do not intend to follow through? I have no doubt in my mind that there are in some areas Indian farmers who are reasonably well established and who have obtained loans. But surely when we changed the act we understood that when dealing with the

Indian people an approach would have to be taken somewhat different from that which applied to requests for loans by a Canadian farmer operating under good conditions. If the proposals we were making at that time were to be anything more than a sham and an empty promise, this must have been in our minds. It disturbed me that we should have acted without taking the steps necessary to make sure these people would be able to play their part and be in a position to take advantage of the legislation. They will not look at this question from the point of view of someone who listens to a speech made in this House and says; "Well, he had good intentions." They will judge the legislation by the results.

There is in this document a reference to the need to continue the fight against inflation, to win this battle and make the policy effective. Mr. Speaker, in the area in which I live and farm, people are not concerned about inflation. They are concerned about deflation, which is severe and has now reached the point at which it is working hardship. The Prime Minister (Mr. Trudeau) went out to meet these people. He sat and talked with them. I read some of the reports. It sounded like "Alice in Wonderland" economics. I am not an economist but I have talked to a great many economists. I never knew, until the idea was advanced at these meetings, that because a person had an investment he is automatically considered to have an income. I never knew that because a person owned a house or a farm it was automatically considered that he had a satisfactory income. I always thought the two things were different. Apparently that is not so.

We have a regional development program in the province of Saskatchewan. It is meant to take up the slack, I suppose. One of its projects is near Humboldt-Melfort-Tisdale, around Hudson Bay Junction. I hope it works out and that some kind of industry is established. But while this is taking place, Gulf Oil in Saskatoon is proposing to remove its refining plant and concentrate production in the Edmonton area. I suspect a great deal more will be taken away than will be added, because this industry is natural to the area; it is fed by pipeline; it costs the taxpayer nothing to get it here—neither the taxpayer nor anyone else had to make a contribution.

We need an over-all plan for Canada I have to agree to some extent with the hon. member who spoke before me when he said, "Let us not accentuate pollution and inflation, but rather let us have some planning and objective in mind to solve these problems." The real objective of the government has yet to be explained. Fighting inflation is not, in itself, an economic objective but an attempt to deal with a situation which already exists. It is a negative approach. What is the positive approach of the government in terms of employment and economic growth, in terms of the well-being of the Canadian people?

This is what should have been dealt with in the document. What is the objective of the government in connection with the grain industry in western Canada? The document says that the production of grain has increased substantially, outstripping demand. Grain is described as one commodity whose reserves have piled up, causing financial hardship to many farmers. There is in the speech a promise to improve international co-operation and to re-establish orderly marketing. We are told we shall be asked to consider amending the Canada Grain Act so as to provide more effective competition by Canadian wheat in world markets. The document states that the reduction in markets and prices has been causing the utmost concern to the government.

• (5:20 p.m.)

The changes that were taking place in world markets must have been evident to the government before now. Indeed, they were evident following the second world war and the institution of the Marshall Plan. It was obvious that a substantial portion of our markets would lie not in western Europe but in China, Japan, Asia and Russia. The trend of future markets was clearly shown. Yet we emerged from the Kennedy Round and GATT negotiations with a pricing arrangement and marketing outlook that gave the impression that our main markets for grain were still in western Europe. The western farmer would like an answer to the question whether our trade policies have altered to take into account the new circumstances with which we have to live The *Globe and Mail* for October 10 last carried a news item concerning trade negotiations between the United States and Japan, part of which reads:

> Japan also agreed to free the imports of soybean meal and peanuts for oil production by the end of 1971, and to expand import quotas for sausage and those for beef and pork, both by 20 per cent, Japanese sources said.

There is more to the story but I will not expand on it. I should like to know whether Canada is negotiating for increased access to other markets and is prepared to accept some

imports in exchange for what we have to sell. I should like to know whether we will be able to increase exports of rapeseed which will offset the disadvantage these exports suffered as a result of the Kennedy Round negotiations. I think therein lies the answer to the grain and wheat problems facing western Canada.

The government has shown some initiative in the matter of barley sales and has recognized some of the new facts of life of the export market. Oddly enough, at the same time the government has limited the amount of subsidy paid on the movement of feed grain to our own markets in the east. Surely these are among our most valuable markets. I think one of our objectives should be to try to get maximum sales volume in our domestic market.

Mr. Olson: You cannot get more than 100 per cent volume.

Mr. Gleave: I hear the minister say we cannot achieve more than 100 per cent, and this is right. But let us first get that 100 per cent. If the policy of this government results in a 100 per cent volume of sales, well and good; I will be happy to congratulate the minister. But let us be under no illusion: unless we are able to sell our grain, western Canada will have to face the prospect of agricultural land going out of production. What western Canada needs above all is an agricultural policy that gives direction to the farmers for the future. At the present time one province proposes to put up $6,000 a year for each farmer who wants to raise small beef herds: another province is encouraging feed lots. The same is being done with regard to hog production. I should like to know whether the federal government and the provincial governments can get together and agree to a policy that will be of significance to our farmers.

I am sure most farmers would agree that some diversification can take place so as to change production to the farmer's advantage. But unless a proper assessment is made, a hodge-podge policy will emerge; poor investments will be made and human hardship will inevitably ensue. But above all, as I say, the western farmers need direction so they have some idea what lies ahead. At a time when we are trying to survive, to overcome our present trading difficulties, one minister of the government of Saskatchewan is spending his time sniping at the Canadian Wheat Board, the only agency we have to stabilize prices. I do not take that sort of thing lightly. There are always those who when a difficult situation occurs are ready to seek a whipping-boy, and this is the case with a minister of the crown in the government of Saskatchewan. This sort of thing is a sheer waste of time. If there is lack of aggressiveness on the part of the Wheat Board, let us ascertain why and take the necessary corrective action. The real solution to our problem lies in our overall approach to action that will stabilize prices for other farm products as well as wheat.

For example, the price of beef during the last year has been most erratic. In my opinion, our market information is inadequate. I wonder just how much market information is gathered from small sales barns that are scattered across the country, and how quickly information in terms of price and volume is transmitted to the marketplace so it can be interpreted by our farmers. If we are to have some diversification in western Canada, we must have security of price and a marketing system in which the farmer has confidence. This is one of the first requirements.

I urge the government to carefully consider trade and agricultural policies that will serve this very important region of Canada and give its people confidence and courage to continue to develop farms that are viable, high-production units. I shudder to think of a farming economy in western Canada that following four or five years of deflation—depression if you like—has lost a large part of its capital investment and is no longer as viable, strong and competitive as it is now. Our objective, Mr. Speaker, should be nothing less than the maintenance of a strong and competitive agricultural industry that can hold its own in any market in the world.

• (5:30 p.m.)

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Before I recognize the hon. member for Assiniboia (Mr. Douglas) I should like to inform the House of the questions to be debated at the time of adjournment. Following that I will recognize the hon. member.

At the time of adjournment the question to be raised is: the hon. member for Grand Falls-White Bay-Labrador (Mr. Peddle)—communications, southern Labrador, request for temporary reinstatement of D.O.T. service.

The Address—Mr. A. B. Douglas

ADDRESS DEBATE

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The House resumed consideration of the motion of Mr. Jack Cullen for an address to His Excellency the Governor General in reply to his speech at the opening of the session.

Mr. A. B. Douglas (Assiniboia): Mr. Speaker, we seem to be reversing the usual order today. In the last hour or two we have heard two clergymen in succession, followed by two farmers. This seems to be almost going from the sublime to the ridiculous.

Mr. Knowles (Winnipeg North Centre): Are you sure it is not the reverse?

Mr. Douglas (Assiniboia): I appreciate the opportunity to take part in this Throne Speech debate. I join those who have preceded me in congratulating the hon. member for Sarnia (Mr. Cullen) and the hon. member for Lapointe (Mr. Marceau) on their fine speeches when moving and seconding the Address in Reply to the Speech from the Throne last October 23.

Last year, on September 23, 1968, I spoke of the startling drop in farm income, especially in the prairies, which was experienced in the crop year 1967-68. The value of our wheat and wheat flour exports that year dropped to less than $700 million, after we had experienced the four best years in history when under a liberal government from 1963 to 1967 the value of our wheat and wheat flour exports averaged over $1 billion per year.

The downward trend continues. I have not seen exact figures, but we did export 305.8 million bushels of wheat in 1968-69. Calculated at $1.90 per bushel, which is probably high when one considers the low grade of some of that wheat, the export value for 1968-69 would amount to $581 million. Coupled with the drop in Wheat Board final payments last spring, the grain farmer's loss of income has reached the proportions of a national calamity. Let me assure the government, which is rightly concerned about inflation, that the prairie grain farmers are certainly not contributing to that problem; on the contrary, they are among those being victimized by it. I will have more to say about inflation later.

The fact is that we already have a full-fledged depression in the grain growing areas of the prairies which is affecting not only the farmers but those urban communities which exist mainly to serve the needs of the farmers. Many of these urban communities are rapidly becoming ghost towns.

Regional development was mentioned in the Throne Speech. I am happy to learn that the Department of Regional Economic Expansion, and in particular its incentive activities, will continue to get increased attention and funds. I was very pleased to learn that a large part of southern Saskatchewan has been made eligible for area development assistance. I welcome encouragement for industrial development and I know that we in southern Saskatchewan will do our best to make use of the help offered.

In this connection I was interested in a comment made earlier in the debate by the hon. member for York-North (Mr. Danson) which points up the contrasts in Canada. He said, as reported on page 108 of *Hansard*:

> We are blessed in our region. We have expansion going on daily that would create headlines anywhere else. This hardly ruffles the surface. It is almost routine. I have in mind a 4,000 man increase in employment in one aircraft plant, of which most people in the area are not even aware, which puts additional pressure on the economy of our region. There was a $32 million development in one corner of my riding which I read about in the local suburban newspaper. So we enjoy success and prosperity beyond measure.

Things like that rarely happen anywhere in Saskatchewan. If they did, and especially if they should happen in my constituency, everybody would talk about it for years before and probably for years after. This contrast lends urgency to the development of the area incentives plan. However, I believe that positive action to improve the lot of the grain farmer would do more to quickly revive our ailing economy and put life back into the service industries on the prairies, on a short-term basis at least.

May I again suggest that the government support the price of wheat at $1.95½ as was done between August 1, 1967, and July 1, 1968. That was during the period when no International Grains Arrangement was in effect. Now that the IGA has been agreed to and ratified by the government, there is even more justification for the government supporting that minimum price. This is a government agreement, negotiated by governments, signed and ratified by governments, which has been broken by government action in the first year of a three-year term. Farmers planned their production and financing on the basis of that three-year agreement. Now suddenly they are left high and dry and are being made the victims of an international

price war between governments. No government would dare treat big industry or labour unions in such a cavalier fashion. So I renew my request that the government consider what farmers believe to be a legitimate claim for this kind of assistance.

Farmers appreciate the beginnings of a two-price system. The principle has been established. I call on the government to make it more realistic in terms of general price levels in the Canadian economy. I ask the government to provide some meaningful assistance to grain farmers who may wish to diversify, which is what some government spokesmen are recommending.

Much has been said in the last year or two about who was responsible for encouraging farmers to increase their grain production. At one of the many meetings I attended in my constituency this fall, one farmer, who must have had a good filing system or at least a better one than I have on the farm, produced a copy of "Farm Letter", which is a monthly publication of the federal Department of Agriculture. It contained an article entitled "Outlook 67" and was dated January 1967. It was issued with the authority of Hon. J. J. Greene, the then Minister of Agriculture. Let me read two short paragraphs on the outlook for wheat:

> The forecast is for a carryover of 580 million bushels on July 31 when the crop year ends, and the experts say this is not too much.

Remember, they are referring to July 31, 1967, just a little over two years ago. Listen to this:

> Continuing high production of wheat will be needed. But given average yields, Canada should be able to meet the demand by planting 30 million acres to wheat, the same as in 1966.

Can anyone deny at least some government responsibility for the wheat surplus?

In March of 1968, a little more than a year after that "Farm Letter" was published, the task force on agriculture said that farmers should progressively reduce their wheat acreage from 30 million to 20 million by 1980. There has been talk about supply management in this House. Grain farmers operate under the most stringent system of supply management one could possibly devise. I refer to the quota system, which in effect only allows us to deliver from the farms that which is actually sold. The quota system and the resulting pileup of surplus grain on the farms caused farmers to go halfway toward the suggested 12-year reduction of 10 million acres in one short season. Wheat acreage was cut almost 5 million acres in 1969. If farmers should continue at that rate—which is quite impossible, of course—we would reduce our acreage to 20 million acres in two years instead of twelve. If carried further to an absurd conclusion, by 1974 we would seed no wheat at all.

The unpredictability of the wheat industry is demonstrated by the production this year: while the acreage went down by about 15 per cent, the production of wheat increased by over 4 per cent. Someone will say that farmers just used more fertilizer on the reduced acreage. I have in mind the hon. member for Fraser Valley East (Mr. Pringle). The use of fertilizer was almost cut in half in 1969, compared with 1968. The average yield increase from 22.1 bushels per acre to 27.2 bushels was almost entirely due to rain coming at the right time, and despite a reduction in the use of fertilizer.

The hon. member for Edmonton-Strathcona (Mr. Harries) made a very good point when he spoke in this debate last Thursday—I hope interested persons will take heed of what he said—as reported in *Hansard* for October 30, near the end of page 295 and on page 296. Incidentally, Mr. Speaker, I believe the word "not" was left out of the seventh line in the first column on page 296. I quote with approval one paragraph from page 296 of the hon. member's speech:

> • (5:40 p.m.)
>
> I do not think it makes sense, Mr. Speaker, to permit Canadian agriculture to function on an external basis when virtually all the rest of the economy is functioning on an internal basis. This creates poverty and, in my view, conditions quite out of sympathy with, and inappropriate to, the kind of productivity that we can enjoy in Canada.

I urge the government to allow the budget to expand for agriculture rather than be constricted. Farmers are among those people referred to as being unable to exact from our economy their fair share of price and income increases. I believe that the people of Canada, who are on the average very prosperous, should through the federal government come to the aid of disadvantaged people such as the farmer, the fisherman, the pensioner and the slum-dweller.

Someone may ask, "Where can we get the money?" Again I refer to the remarks of the hon. member for Edmonton-Strathcona who I believe is a former dean of economics of the university at Edmonton. He suggested that crown corporations which have been successfully developed should be sold and the money used for other development. I would prefer that we dispose of other government agencies, particularly those that incur deficits. The first one that comes to mind is the Canadian

Broadcasting Corporation, which is expected to have a deficit of $151 million this year. I selected the CBC for more than financial reasons. They seem to be responsible to no one. I have not watched any CBC plays for years. I used to watch them but I could not stomach them. From my correspondence it seems that many people now have the same reaction. I am sure that few people would willingly pay to see some of the stuff the CBC puts out.

Most people in my area prefer the private network where management depends on public approval to make the operation pay. There is one exception. The private network station in Regina does not carry school television broadcasts. Early this fall the CBC unceremoniously switched stations in Regina with the private network, with the result that many schools which had purchased TV equipment and developed timetables making use of these broadcasts were left without the programs. One would think the CBC would have had enough consideration for its patrons to make arrangements with the other outlet to continue the service. The Don Messer fiasco was another example of the indifference of the CBC to its public. The CBC network and facilities should be worth a lot of money. We should sell the assets, use the money for more urgent programs and release almost $200 million a year of our annual budget for better uses.

I think funds could be diverted to greater advantage in the Department of Agriculture. My favourite suggestion is to dispose of the Tobacco Research Station at Delhi, Ontario, to the tobacco companies and save several hundred thousand dollars per year. It is ludicrous, in my opinion, to have on the one hand the Department of Health and Welfare spending large sums of money to combat the bad effects of the use of tobacco, while on the other hand the Department of Agriculture is spending large amounts to assist its production. There is also the question of the experimental station for fur-bearing animals which is being developed in Ottawa. I am informed that the fur producers believe such a federal research station is not required. So again I say, let us give more assistance to our dairy farmers, our hog farmers, our grain farmers and other agricultural producers. They are now receiving less government assistance and protection than farmers in almost any other developed nation.

That is not to say that the government has done nothing to help the farmers. More money than ever has been made available to provide farm loans and to assist credit sales of farm products. The Export Development Corporation was set up last session. Only about three months ago it was announced that our external food aid program was being increased $20 million, from $65 million to $85 million. Most of this aid consists of wheat and wheat flour. The Minister of Agriculture (Mr. Olson) only a few days ago announced an increase of $1 million in the amount budgeted for feed grain freight assistance.

The government has appointed a minister to deal exclusively with the Wheat Board and the problems of the grain industry. Prairie farmers were pleased by the appointment of Saskatchewan's Otto Lang to that important position. I wish him well and assure him of my active support and assistance. He will have the constant and perhaps dubious benefit of my advice, solicited or otherwise, as he has already discovered.

I believe that one of the most significant things the government has done for the grain industry recently was the appointment of Mr. Charles Gibbings to fill a vacancy on the five-man Canadian Wheat Board. Ever since the Wheat Board was established by the Bennett government in the '30s, farmers and farm organizations have asked for farmer representation on the Wheat Board. Successive governments, including that headed by the right hon. member for Prince Albert (Mr. Diefenbaker), failed to comply with that request. Last July this government did appoint a farmer, so we at last have farmer representation on the Wheat Board—and not just any farmer; Mr. Gibbings was a practising grain farmer who was president of the Saskatchewan Wheat Pool for many years. He is probably one of the best known, most highly respected, and most knowledgeable farmers in Canada, if not in the world. The government has not received as much credit for this very commendable appointment as I think it is entitled to, and I propose to try to rectify this omission at every opportunity.

Already I believe we can see positive results from this appointment. We have a new, unprecedented deferred delivery plan to take care of unequal delivery opportunities at the end of the crop year. We have an investigation within the Wheat Board of the whole operation of the quota system, which has had little revision since it was instituted 25 or 30 years ago. We are selling grain to new markets and reviving old ones. These are only a few of the results of this appointment. I take some credit for the initiation of some of these new policies.

Some hon. members opposite have accused the government of hampering the operations of the Wheat Board, of undermining it and trying to do away with it. This is absolutely not true. When the Standing Committee on Agriculture heard witnesses from the Wheat Board last spring one of the committee members asked if they would like any further assistance from the government. As I recall it, the reply was that they received the fullest co-operation and assistance from the government. May I remind hon. members that it was a Liberal government which two or three years ago introduced legislation establishing the Canadian Wheat Board on a permanent basis. Under previous governments it was set up on a renewable, five-year term, and every five years its enemies had an opportunity to press for its discontinuance. If any members of parliament are trying to undermine the Wheat Board, they are not in the Liberal ranks. I and the others on this side are 100 per cent behind the principle of the Canadian Wheat Board, Mr. Speaker.

I am the only western farmer on the Liberal side of this House of Commons with the exception of our Minister of Agriculture. Not only that, but I am the only farmer M.P. for any party from southern Saskatchewan. The hon. members for Swift Current-Maple Creek (Mr. McIntosh), Qu'Appelle-Moose Mountain (Mr. Southam), Regina East (Mr. Burton), Regina Lake Centre (Mr. Benjamin) and Moose Jaw (Mr. Skoberg) are urban men.

Mr. McIntosh: And also farmers.

Mr. Douglas (Assiniboia): Consequently, more and more people from all over southern Saskatchewan are coming to me with their problems. One of the problems which is affecting particularly Saskatchewan and Manitoba is the shortage of box cars and the inequitable distribution of the box cars that are available. I experience the effects of these conditions myself. Many farmers inside and outside of my constituency are complaining. The discriminatory treatment that some railway lines and some delivery points have been receiving is almost unbelievable.

Mr. McIntosh: Why don't you do something about it?

Mr. Douglas (Assiniboia): I am. As of October 24 some points had not received one box car since August 1. Many others had received one, two, three, four or five box cars. On favoured lines they have been getting plenty of cars, as many as 100, or more, at individual points.

On October 22 I complained very loudly about these matters to the Minister of Transport (Mr. Jamieson). Within a week he had arranged for me to meet the top officials of the CNR and the CPR. We had an extremely frank exchange of opinions and ideas on October 29. I was able to present facts to bear out my contention that many farming communities are being very unfairly treated. An investigation into the general situation was promised. In particular, all concerned agreed that a concerted effort would be made to make space available for farmers to deliver the supplementary quotas on durum and barley which expire on November 28 next. Similar deadlines last year cut off delivery of supplementary quotas of durum and oats before all farmers had an opportunity to deliver; they were arbitrarily deprived of important income opportunities by the vagaries of box car distribution. Farmers thus treated were justifiably incensed, and I hope that such an outrage will not occur again this year.

• (5:50 p.m.)

Imagine what a labour union member or a bank shareholder would do if someone such as the Postmaster General (Mr. Kierans), failed to deliver his pay cheque or dividend cheque. I am going to watch the box car supply and distribution situation closely for signs of the improvement which I hope will result from the meeting last week.

My friend and neighbour, the hon. member for Qu'Appelle-Moose Mountain (Mr. Southam), spoke in this debate last Wednesday. He had an advantage over me because he had just returned, armed with a great deal of material, from some sort of convention at Niagara Falls. His speech consisted largely of quotations from that material, although I do not believe that he made reference to the very interesting guaranteed income plan put forward by his leader but which was reportedly scuttled by a group of Tories led by the hon. member for Crowfoot (Mr. Horner). By the way, the hon. member for Crowfoot must have exhausted himself in the scuttling operation because I noticed him in the house only briefly one day this session. Neither did the hon. member for Qu'Appelle-Moose Mountain reveal his solution for the pressing problems of inflation to which I will refer in a few minutes if I have time.

Mr. McIntosh: You should be the minister of agriculture.

Mr. Douglas (Assiniboia): He did say something about the relative position of the United States in wheat exports compared with that of other countries, including Canada. He stated that in 1967-68 the U.S. increased its wheat exports while all other exporters lost ground, and total exports dropped by 12 per cent. This is true, and he probably knows why. The IGA expired on July 31, 1967, and the new IGA had not been ratified. So until it was ratified to become effective July 1, 1968, there was no floor price. The United States had no qualms about cutting prices, which was perfectly legal at that time. Canada, through our Wheat Board, tried to maintain prices to ensure that importers would ratify the agreement, because the agreement was probably more valuable and more important to Canada than to most other countries. I do not believe the hon. member protested this attitude at the time.

Mr. McIntosh: Your government sold us out at that time.

Mr. Douglas (Assiniboia): Perhaps Canada would have acted differently if present world wheat market conditions could have been foreseen. Up to that time it had been a sellers' market. In less than two years it has become a buyers' market and the hon. member's hindsight is marvellous to behold.

He should also have been using the latest figures available on page 5 of the August DBS publication, catalogue No. 22-005, which gives figures for 1968-69, the crop year just ended. Again, world wheat exports from the four major exporters listed dropped, this time by 18 per cent rather than the previous 12 per cent. The U.S. share dropped from 53.6 per cent in 1967-68 to 46.7 per cent. Canada's share went up from 24 per cent to 26.4 per cent. Why did he not give us the full picture?

He also berated the Minister of Agriculture for being realistic instead of blindly optimistic about grain markets in the next few years. I think it is far better to be a little pessimistic than to contribute to another cruel disillusionment such as has befallen grain farmers in the past two years. Farmers have so much built-in optimism that it does not require artificial stimulation. If they were not basically optimists they would all have quit the business years ago.

Recent statements by cabinet ministers, including the Minister of Agriculture and the minister in charge of the Wheat Board, indicate that Soviet Russia intends very soon to enter negotiations regarding taking the balance of the 336-million bushel 1966 wheat contract, and will also talk about further purchases. The right hon. member for Prince Albert (Mr. Diefenbaker), who is still highly regarded in western Canada, recently made a trip to the Soviet Union. Perhaps he paid his own expenses, or perhaps the Leader of the Opposition (Mr. Stanfield) allocated to him part of the research funds which Parliament voted him. In any case, I am afraid it was not a very productive investment. It was pathetic, but not surprising, that the only announcement I heard him make on his return was a warmed-over version of what had been announced at the time of foreign secretary Gromyko's visit to Ottawa a few weeks ago and repeated several times since.

Further on the subject of wheat sales, the Wheat Board completed a very important wheat deal with Mainland China earlier this fall. Charles Gibbings was one of the three commissioners who spent some weeks in that country negotiating the sale. That sale was very encouraging to grain farmers who are now fairly confident that our exports this year will at least reach last year's level.

May I call it six o'clock, Mr. Speaker.

Mr. Deputy Speaker: It being six o'clock I do now leave the chair until 8 p.m.

At six o'clock the house took recess.

AFTER RECESS

The House resumed at 8 p.m.

Mr. Douglas (Assiniboia): Mr. Speaker, before I interrupted myself at the dinner adjournment, among other things I had briefly reviewed some of the recent developments in wheat marketing, including the impending talks with Soviet Russia on the balance of the biggest wheat deal in history, a total sale of 336 million bushels negotiated by the Wheat Board under a Liberal government in 1966. The last item I mentioned was the large 82 million bushel, one-year agreement signed with Mainland China a few weeks ago.

In the statements on agricultural policy quoted by the hon. member for Qu'Appelle-Moose Mountain last Wednesday one can see the fine hand of that self-styled super-salesman, schoolteacher from Saskatchewan, Alvin Hamilton. He says he has the solution to our wheat surplus problem. If it is anything more than pure fantasy why does he not impart this precious knowledge to the Canadian

Wheat Board? He cannot hope to regain command of the Wheat Board for another three or four years at least. If he were really concerned about the welfare of grain farmers he would not conceal such valuable information and thereby allow the farmers to continue suffering from low quotas and low incomes. I submit he has no solution and that he is only trying to perpetuate a myth that he contrived to build up some years ago. The voters of Regina East called his bluff on June 25, 1968. It is rumoured that he made a trip to the Orient recently. If that is true his timing is not as good as it used to be. This time the big wheat sale had been announced some time before he got there. Or perhaps the difference is that he is no longer in a position to manipulate announcements until he can be on the spot.

We need some long-term planning for agriculture, Mr. Speaker. We need a national farm policy. Farmers hopefully await the final report of the Task Force on Agriculture which is expected before the end of 1969. In arriving at that final report members of the task force will have had the benefit of the discussions and conclusions at the history making agricultural congress held in Ottawa last March. A reliable blueprint for the future of agriculture is long overdue but I believe this new Trudeau government would have been open to criticism if a comprehensive farm policy had been announced without the benefit of this thorough study of farm problems. Also, the Canada Grains Council, which was established during the last session, has just started to function and should be able to contribute a valuable input to a national farm policy. So, Mr. Speaker, I look forward to the tabling of the task force report and to taking part in the development of agricultural policy and programs based on it.

Another report that we impatiently await is that on farm machinery costs. One of the recurring complaints at the meetings held by the Standing Committee on Agriculture in the prairies last spring was that of spiralling costs. In the many meetings I have attended since then, this remains one of the prime concerns. Our cash incomes are still comparatively high compared with 20 to 40 years ago, but our costs have risen astronomically. Farmers hope that the government's efforts to contain inflation, including the work of the Prices and Incomes Commission, will be effective in halting this unendurable cost-price squeeze which has bankrupted many already and which has brought most other grain farmers to the brink of insolvency.

We fervently hope that the commission's attempts to obtain the necessary voluntary restraint from industry, unions and professional people are successful. The first apparent responses are not encouraging. The unions appear to be hostile to the idea of voluntary restraint. Industry is cool, with one of the pace-setters recently announcing steel price increases; and professional people, such as rural Saskatchewan teachers, are already campaigning for salary hikes in 1970.

The highly respected economist, John Kenneth Galbraith, was reported to have said a couple of weeks ago that he could see no alternative than for the governments of Canada and the United States to impose strict price and wage controls on at least the major North American industries and trade unions. If the alternative to such control is mounting inflation followed by a terrific depression, which I am afraid is the most likely prospect, I am all in favour of such controls, and the sooner the better. I believe that most people on the prairies feel the same way.

In my opinion the Speech from the Throne was a very fine document. It is encouraging to know that the government is concerned about the strengthening of the United Nations, which I believe should be one of the top priorities. I eagerly look forward to the progressive legislation planned, including items to lower the voting age, to revise the Canada Grain Act, to increase grain sales, to reform taxes, to control and preserve our water resources, to reform criminal law, to protect consumers, to provide more low income housing and to improve labour-management relations.

Last but not least, I see much evidence in the Speech from the Throne and in actions and words of our Prime Minister and various other Ministers, that the government is genuinely concerned about the serious problems of Canadian farmers and is doing something about them. Mr. Speaker, I shall support the motion.

• (8:10 p.m.)

Mr. Walter Deakon (High Park): Mr. Speaker, on rising to take part in this debate may I first concur with other hon. members of the House in congratulating the mover and seconder of the Address in Reply to the Speech from the Throne, the hon. member for Sarnia (Mr. Cullen) and the hon. member for Lapointe (Mr. Marceau). Before proceeding with my comments on the Speech from the Throne may I bring to the attention of hon. members the fact that the federal riding of

High Park which I have the honour to represent is, through redistribution, composed of parts of the old ridings of York Humber, York South, York West and High Park. It is a most diversified riding economically and contains residents of a mosaic of ethnic origins.

May I take this opportunity to congratulate my predecessor, Mr. A. J. P. Cameron, for conscientious and unselfish dedication to this institution during his many years of service here and wish him well in his future endeavours. May I also express my deep regret and condolences to the family of the former member for York West, Hon. Robert Winters, on his sudden passing. His great contributions to Canada's economy and our democratic institutions shall long be remembered. He was indeed a great Canadian.

Mr. Speaker, I should like to take the short time available to me to briefly enunciate a few of my opinions on the Speech from the Throne. It was regrettable that the Speech from the Throne did not contain a greater priority in respect of urban affairs. Today, when more than 80 per cent of our nation's population resides in large cities such as Montreal, Toronto, Vancouver, Winnipeg, Halifax and others, from whence the majority of our problems arise necessitating legislation in transport, health, manpower, welfare, housing, consumer affairs, criminal law and communications, to name but a few, it would appear that our government does not consider this to be a major priority.

I know that the majority of those who do not agree with my statement will fall back on the excuse that this is not within the jurisdiction of the federal government and is a provincial and municipal matter. This is partially correct; but I submit it takes in all levels of government, as can be illustrated by some opinions advanced by a group of builders with whom I had the privilege to discuss the question of housing. They classified their difficulties in the following manner. First, municipal governments are maintaining outdated, archaic and restrictive building codes and demanding outdated building methods and materials. They hedge on re-zoning in areas where housing would be possible. In some cases builders are held up for more than three years by local councils. The builders' overheads, taxes and interest on the land are all added to the cost of the lot for which the home buyer eventually pays. I am advised that land costs now account for approximately one-third of the total cost of a home.

[Mr. Deakon.]

Second, provincial governments have not made land available to the builders. As an example in Ontario one can cite the Thistletown and Malvern land projects. Third, I submit that the federal government has been causing trouble for our builders in that it has make their work uncertain and difficult by an uncertain and fluctuating mortgage loan policy, to the point where builders cannot plan ahead. A builder is required to hire a large staff just in case more units can be permitted to be constructed and this increases his overhead and the ultimate cost of a home. Costs are also added since he can only construct one, two or three buildings at a time instead of introducing a whole assembly program which could bring about a large saving by the elimination of waste material and labour.

This is one example of overlapping jurisdiction and, therefore, of the constitutional argument. But the average man on the street has not one gram of knowledge about constitutional ramifications. All he knows is that he needs shelter at an economical cost; he needs food, clothing and medical attention for himself and his family. So let us take the bull by the horns, provide leadership, co-ordinate the efforts of all levels of government and endeavour to resolve some of these problems confronting the urban dweller. If we do not do this and we do not have jurisdiction, let us not abdicate our responsibilities in this regard Let us allow the provinces to do the job and distribute our finances to them on a per capita basis. The cities and urban centres are the pulse and heartbeat of our nation. I am therefore in agreement with the hon. member for York West (Mr. Givens) and would respectfully recommend that the government set up a standing committee of this House to deal with urban affairs.

Another issue on which I hold strong views is that of the sovereignty of our northern waters. This question has within the past few months come to the fore with the voyage of the *Manhattan* through the northwest passage; yet our government does not consider that these recent developments constitute a threat to Canada's sovereignty over her Arctic waters. This is indeed an optimistic point of view since one need only refer to the United States state department which has openly stated that the United States regards Lancaster Sound, Prince of Wales Strait, McClure Strait and other channels which comprise the northwest passage to be international waterways.

I submit, Mr. Speaker, that if we do not take a strong stand now and snap out of our lethargy, we may lose by default. We must immediately take steps to assert our sovereignty by increasing our patrols by ship and aircraft over the Arctic waters. We must set up regulations with reasonable requirements as to the use of proper equipment and safe navigational practices for ships travelling the northwest passage. We must also set down stringent conditions in order to control pollution.

I had the privilege, with other colleagues of this House, of visiting the northern Arctic. We had the opportunity of going to the spot where apparently one of the large barges had been sunk. The barge contained high test airplane fuel which had apparently leaked out and evaporated, but it still contained approximately 110,000 gallons of diesel fuel. I do not know all the details of the operation, but apparently the barge had been moved and sunk at a depth of approximately 200 fathoms. I submit that because the barge is made of metal it will in a very short time corrode in the salt water. Eventually the pressure of the water will cause the barge to burst and a lot of diesel fuel will seep out and pollute large areas of the Canadian Arctic.

• (8:20 p.m.)

I am pleased to know the Prime Minister has indicated that the government will be taking some steps in this direction but I respectfully submit this is not sufficient for the following reasons. First, circumstances at present favour a stronger stand since it has been proven that even ships as massive as the *Manhattan* cannot penetrate the northwest passage without the assistance of powerful icebreakers and expert help. Canada has both expert help and the icebreakers to do the job. Second, by such methods as those I have recommended, Russia has acquired control over its northern sea route. Third, Mr. Speaker, we need not be too concerned if we carry out the previous suggestions as to asserting our control, and should we be challenged about our claim the subject matter would be adjudicated by the International Court of Justice of the United Nations. Three of the nations represented on the court are Japan, Britain and the Philippines, all of which are island nations and have a vital interest in maintaining control over the sea channels between their islands. I believe, therefore, that we can count on them for a sympathetic hearing. I therefore support the other hon. members of this House, Mr. Speaker, who are in favour of the Government of Canada formally declaring the Arctic channels to be Canadian territorial waters.

Although the National Advisory Council on Fitness and Amateur Sport has made a number of studies regarding amateur sport in Canada, there is still a great deal more which can be done, especially on the general subject of minor hockey, its mushrooming pee-wee tournaments, its contribution to the Canadian Amateur Hockey Association and its numerous financial problems. At present, if it were not for the large number of volunteers who unselfishly give of their time we would not have the calibre of athletes we have today. If we are to remain in international competition and are concerned about the frustrations of today's youth, we must immediately take steps to promote, encourage and financially assist these sports. I commend the Minister of National Health and Welfare (Mr. Munro) for his part in the establishment of the cross-Canada sports demonstration project. This is a step in the right direction, but there is a great deal more that can be done.

I have listened to numerous speeches in this House by hon. members opposite, implying that they are the only ones concerned about old age pensioners and others on fixed incomes. Let me just reiterate that we on this side of the House also have a genuine concern for the old, needy and less fortunate, and I trust that the government will be taking steps to rectify these inequalities. There are numerous other matters which require urgent legislation. Notably among them are bankruptcy regulations and a revision of our immigration laws. I intend to speak on these subjects at a later date.

Taking the cue from other members and thinking it might be advisable to involve the general public in our legislation, I distributed a questionnaire to my constituents, the results of which have been tabulated. I think they might be of interest to hon. members present. I would like to have these questions and answers placed on the record. They are as follows: Should Canada recognize Red China? Yes, 60.3 per cent; no, 29.9 per cent; no opinion, 9.8 per cent. Is Canada taking sufficient steps to protect its sovereignty in the north? Yes, 13.9 per cent; no, 70.9 per cent; no opinion, 15.2 per cent. Would you agree to wage and price controls? Yes, 70 per cent; no, 24.3 per cent; no opinion, 5.7 per cent. Should a guaranteed income become the basis of a revised welfare program? Yes, 41.7 per cent; no, 48 per cent; no opinion, 10.3 per cent. Should family allowances be paid to only

those below a specified income level? Yes, 69.4 per cent; no, 25.7 per cent; no opinion, 4.9 per cent. Should cigarette smoking be banned? Yes, 59.3 per cent; no, 28.9 per cent; no opinion, 11.8 per cent. Should the sale and use of marijuana be controlled on a similar basis to alcohol? Yes, 62.5 per cent; no, 27.6 per cent; no opinion, 9.9 per cent. Should old age pensions be geared to the cost of living index? Yes, 96 per cent; no, 2.2 per cent; no opinion, 1.8 per cent. Should a more uniform sentencing system be instituted? Yes, 83.8 per cent; no, 11.2 per cent; no opinion, 5.8 per cent. Should our tax reform program include a capital gains tax? Yes, 59.7 per cent; no, 29.8 per cent, no opinion, 10.5 per cent.

Legislation must be passed to control inflation even if it maintains wages at their present level? Yes, 74.8 per cent; no, 16.9 per cent; no opinion, 8.3 per cent. More effective and stringent bankruptcy laws should be passed immediately? Yes, 82.7 per cent; no, 3.5 per cent; no opinion, 13.8 per cent. Criminal records should be expunged after five years? Yes, 49.8 per cent; no, 36.9 per cent; no opinion, 13.3 per cent. The bail system should be placed on a more equitable basis? Yes, 77.3 per cent; no, 9.2 per cent; no opinion, 13.5 per cent.

I may say, Mr. Speaker, this is a most significant survey because a very large number of the questionnaires were returned. In many instances the people who returned them wrote three or four pages of comment on other subjects. This clearly demonstrates that the public are interested in our institutions.

In conclusion may I say in all sincerity that notwithstanding these aforementioned criticisms, the government should be commended for proposing the reduction of the voting age to 18, setting up programs to reduce regional disparities, proposing tax reform and improving and preserving our water resources, to name but a few. I trust that with the co-operation of our amicable opposition the coming session will be a productive one.

• (8:30 p.m.)

[*Translation*]

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, according to custom, I should like to join with the hon. members who have already contributed to the debate to congratulate the mover and the seconder of the Address in reply to the Speech from the Throne, and this, for several reasons: first, because with rather clever dialectics they managed to gloss over the disappointment felt by the Canadian people following that Speech from the Throne, since it provided them with very little relief.

Also, I should like to take this opportunity to congratulate the hon. member who had the floor before me for the inquiries he carried out to prove that he had heard many complaints against the present government in his constituency. In fact, his findings show that the government has failed in the Speech from the Throne to consider the urgent problems of the day.

Despite the 71 legislative proposals, the speech offers very few concrete measures to solve the kind of problems which the hon. member has just mentioned.

I went through the list of the 71 bills submitted by this government in its Speech from the Throne which I would define as follows: an exercise in academic rhetoric more remarkable by the number than by the quality of its proposals.

Needless to say that I examined the contents and the scope of these 71 bills. I find, as every hon. member must have, that 38 are designed to amend existing legislation and that 22 only are new proposals, few of which are really important.

Such is, Mr. Speaker, the performance of a government which promised not only to create a just society, but also to examine concretely the problems Canadians are facing. And yet in its second year in office an opportunity was afforded to it to settle Canada's urgent problems through legislation.

However, as we have found out, there is no indication of any measure to control and promote the development of family housing.

No measure is introduced to restrict and restrain inflation.

The interest rate is left unregulated. People are wondering if they are to continue paying interests at the rate of 9, 10, 11 and 12 percent and if the government will let this plague worsen, since it neutralizes all the home building industry in Canada.

Furthermore, the cost of living is still increasing. In this connection, someone was telling me that during a recent trip to Edmonton he had paid 79 cents for a piece of steak that costs $1.69 on the Montreal market.

Those are only a few examples of what people are really interested in.

In the proposed bills, there is no provision for air and water pollution control. Nothing indicates either that the government intends to legislate on drug control—I am referring to

psychedelic drugs, marijuana and other related drugs—the use of which is really dangerous for our youth.

Moreover, no reference is made to the possibility of improving the postal service in spite of the rates increases implemented last year. Nothing new is proposed in the constitutional field, in spite of growing tensions in federal-provincial relations. We are not given to understand that attempts will be made to settle problems which require an urgent solution because they threaten the structure of our country at this time.

The throne speech makes no mention of measures to eradicate the plague of unemployment that particularly affects Quebec and the Maritimes. The minister himself said recently that there was an 8 per cent unemployment rate in Quebec and I was most surprised to hear the seconder of the Address in reply say very sincerely and perhaps naively, as the tyro making one of his first speeches in the House, that the unemployment rate in his riding was 14 per cent.

If that is the situation, I think government members should recognize the importance of those matters and ask the government to act immediately instead of eternally delaying the necessary legislation.

Of course, Mr. Speaker, we would also have liked to reconsider welfare pensions and others. We all know—and I think that the hon. members opposite also know it—that it is impossible today for our older citizens, those who have reached a venerable age and who live on welfare allowances, to live decently due to all kinds of increases. That is why, like most Canadians, I am so deeply disappointed by the Speech from the Throne which does not let us foresee any improvement in the lot and condition of the aged.

Nor is there, Mr. Speaker, anything to indicate that the angry outbursts of the Prime Minister (Mr. Trudeau) against the C.B.C. will have any effect if there is no follow-up to his public criticism. The Prime Minister blurted out those words during an enthusiastic and congenial meeting of Liberals, and we may well wonder whether he did mean them, whether he was merely carried away or again whether he was threatening in some way certain persons in the C.B.C. who had offended him or who had refused to give him their support in the last election.

• (8:40 p.m.)

It remains that if the government has no intention to pass legislation in order to change certain elements of the internal structure and certain operating methods of the Canadian Broadcasting Corporation, we can only wonder whether it intends to take direct action as it did in laying off employees earning an average salary instead of going after the management of this state-owned company.

We must deal with issues of great current interest, such as the present economic situation in Canada and the measures the government intends to take in order to restore order, respect for the law and security in Canada.

I have greatly appreciated the contribution made by hon. members in particular the seriousness and the interest which they often displayed in their remarks on Canadian problems. Even if the government members obviously do it to protect the government, I think that on the whole hon. members discharged their responsibilities in a competent and honest manner.

In my opinion, the most important problem in Canada is surely that of the economy. Every day, we hear about the plague of regional disparity and of the dangers ensuing from it.

Regional disparities make it possible for people in one province to have more than a sufficient income allowing them to live in comfort and prosperity while in other areas some citizens live in the most abject poverty.

I was wondering what were the reasons for those regional disparities. Of course, we must rely on the initiative of the government which has promised a great number of measures in that field but has yet to do something about it.

We were recently given a small pamphlet featuring a mid-year review and the 1969 outlook for private and public investments in Canada. It contains statistics on investments and capital expenditures for the second term of the current fiscal year. Referring to the figures appearing on page 6 of the pamphlet, I shall draw a parallel with the investments and capital expenditures of recent years. For instance, the Atlantic provinces show an increase of 11 per cent in capital expenditures over 1968. In the other provinces, increases over 1968 were as follows: Quebec, 5 per cent; Ontario, 16 per cent; Prairies, 6 per cent and British Columbia, 12 per cent.

There are clearly disparities in the capital expenditures and investments of lower levels of government. What particularly struck me is that in this economic report, for statistical purposes, Canada is divided into five regions,

i.e. the Atlantic region, Quebec, Ontario, the Prairies and British Columbia.

I wish to recall a statement made by the premier of one of the provinces during a constitutional conference. In order to solve the problem of regional disparities, I wonder whether the Standing Committee on the Constitution might not look fully into the advantages of dividing Canada into five regions, each of which would correspond to economic realities, so as to minimize political differences that quite often stem from economic causes.

I know of course that some people have been opposed to this idea for very good reasons, whether of a local or regional nature. If we, the representatives of the people who are here to deal with the problems, do not eliminate the root causes of conflict or of regional disparities, if we are afraid, if we shrink from the imperative necessity of dealing, in a drastic way perhaps, with such problems, we should not be surprised to see our country disintegrate and thousands of Canadians suffer from the inaction of the government and from the inefficiency of the laws, because the mechanism that is proposed to solve the problems is not what it could be if we reviewed provincial boundaries, to make of the provinces economic entities which could, of course, at the same time, correspond to political realities.

Having said this, Mr. Speaker, I would like to refer to a remark made in this house during the debate on the Address in reply to the Speech from the Throne.

Someone has referred to the role that a member should play. Very often, hon. members say in the newspapers, on television or directly to their constituents: I am just a member, I cannot do anything. In the house, at least, it may seem that I have no influence, but I do express the views of my constituents at the party caucus.

I think that the time has come, more than ever, for hon. members to stop pretending, in conferences or meetings with their electors, that they act within the caucus. We all know that a lot of work is accomplished in the caucus. All of us also know that each individual member has his heart set on representing his riding within his party. However, I think that when a member is elected it is to express here in this house the needs, the opinions and the hopes of those who elected him. I wish to see some day the disappearance of such an easy excuse which several members may use at times.

[Mr. Valade.]

Hon. members have received a mandate. They cannot discharge that mandate if they only make themselves heard within the caucus. They ought to do it in the house. That excuse which we use too often may perhaps be traced back to the famous standing order 75C which restricts the length of the debates in the house, therefore preventing too often a member from participating in the debates and making known the opinions, the hopes and the problems of the people in his riding.

We are living now in Canada, and especially in the province of Quebec, unprecedentedly grave hours. We have come to the point where we often wonder—and the public also—what on earth we are doing and what is the point of having governments. A majority of the Canadian people are urging government members, parliament members, public servants at every level of government to open their eyes to the deplorable condition now prevailing and to take the necessary steps and legislation to prevent the country from collapsing into unrest and anarchy.

It is high time for the men in public life to make up their minds and to take action thus ensuring the respect of law and order in Canada and guaranteeing the future safety of every Canadian citizen in every province of Canada, from Halifax to Vancouver.

• (8:50 p.m.)

Never, Mr. Speaker, has our society been threatened more than it is today. Its social structure is threatened, as is the family as a unit.

The disturbances which of late have become more frequent in my province worry even the most optimistic.

When union leaders and teachers extol the overthrow by force of the powers that be to children of 9, 10, 11 or 12 years of age, and undermine family authority through revolutionary indoctrination, when the call to violence becomes the *modus vivendi* of the student body, the authorities and the governments have not only the right but the imperious duty to intervene.

Even if such things happen more often in Quebec, it does not mean that this situation is confined to that province.

One needs not be a pessimist to notice the progressive and steady disintegration of the Canadian society, but rather a realist and a clearsighted person.

Every Canadian citizen is partly responsible for building a better society as well as for the present disorder.

Rulers should be able to face up to ringleaders, professional agitators, and anarchists, too often imported in Canada because of permissive legislation.

If every Canadian citizen must contribute to restore order, justice and the respect for the law, it is also the imperious duty of governments to intervene. The example, as the saying goes, must come from high up. Nothing is more true and more realistic at the present time.

It is not enough for the Prime Minister to fly into a violent temper over the national TV network, before his supporters. This can only be harmful, and likely to lessen the respect that everyone must have for the high office he holds.

Mr. Speaker, to close one's eyes and to pretend that things will settle with time is to sit on an erupting volcano.

For too long the Prime Minister of Canada has ignored or made light of the many warnings that were given to him, both in this house and outside. When tolerance, Mr. Speaker, turns to flabbiness, when liberalism becomes licence and political dogma obliterates authority, sweeping reforms are needed to prevent a disaster.

The federal and provincial governments must enforce strict laws to ensure the security of citizens and some respect for their individual and collective rights.

In Canada, the word "democracy" has been used so widely that its limitations have been forgotten.

The government must ensure through adequate and efficient pieces of legislation that the Department of Manpower and Immigration will not open its doors wide to professional revolutionaries. It must ensure that our Criminal Code imposes the capital punishment to those who will advocate through violence the upsetting of democratic law and order. The seditious act should be more clearly defined in the Criminal Code.

Mr. Speaker, if we are not completely blind or criminally slothful and if authorities do not react, we are surely heading for what I would call the "Canadian dilemma".

If we do not take strong and immediate action, if our society does not wake up, we will be faced with the following alternatives: McCarthyism or communism; dictatorship or anarchy; censorship or licentiousness; economic control or recession with its disastrous consequences.

Mr. Speaker, perhaps those who will say that I am a pessimist or something of the kind have too soon forgotten the Sir George Williams University affair, the riots which occurred at the time of the Montreal police strike and the events now taking place in the province of Quebec.

I certainly wish, Mr. Speaker, that my predictions are exaggerated and unrealistic. Only time will tell. It is up to us to act so that those predictions do not become an irreversible political reality.

To fill in the cracks which are beginning to show in the structure of our society, politicians must have a sense of responsibility.

The agitators of whom I spoke earlier take advantage of the constitutional problems and the political clashes between Quebec and Ottawa. The Prime Minister of Canada must stop providing the agitators with weapons through his irresponsible statements.

Is it necessary, and I ask the question seriously, for the Prime Minister of Canada to stand as the uncompromising opponent of Quebec in order to maintain his popularity?

By its negative aggressiveness, its unconsidered responses towards Quebec and its government, by the refusal of the Prime Minister to hold a dialogue on matters deemed essential by Quebec, the federal government emphasizes the Quebecers' distrust of Ottawa and French-Canadian members sitting here. In addition, it provides with arguments those who only try to justify their anarchy.

The purely political matters are not the only devices to which agitators will resort in Canada.

The head of a family who is unable to provide for the essential needs of his children is an easy prey for those people.

Quebec is restless? Yes, it is true!

Economically speaking, Quebec faces great difficulties at the present time. Unemployment has reached dangerous levels.

Recently, His Eminence Cardinal Léger, on a visit to Canada, reminded us of this self-evident truth that the distance separating the rich from the poor is still growing.

In Montreal, Canada's metropolis, there are cases of dire poverty, cases of extreme hardship, which we in public life who are responsible for the government of the country have no right to ignore or to tolerate in a self-styled just society.

This distance, Mr. Speaker, it is the duty of all of us and of the government to reduce it. Half-measures are no longer acceptable.

Let us postpone the adoption of less important legislation such as the omnibus bill and others of the same type. Let us settle the urgent problems: housing, the cost of living, employment; social measures allowing people on relief to live decently.

I heard the hon. member who spoke before me say that he too was concerned with the problems of older people and that he supported the government in that respect.

Mr. Speaker, if the hon. members on the government side realized in what exceedingly difficult situation live older people with no other income than their meager old-age pension, they would quickly understand that those people who are still able to do countless things for their follow-citizens, cannot live, cannot eat three meals a day with the meager allowances we grant them at present under our social legislation.

• (9:00 p.m.)

Let us not delude ourselves, Mr. Speaker, and tell these people that the government cannot increase these allowances because it would run into more debts, that it cannot afford it and that we are living in a period of austerity.

Mr. Speaker, should I be asked to choose between an increase of $200 million a year for welfare and old age pensions or the C.B.C., I would sacrifice the $200 million for the C.B.C. and earmark that amount for the old people of our country who are only waiting for assistance and perhaps a little gratefulness from their government representatives.

Mr. Speaker, let us give our young people positive options for the future. Let us see to it that they escape narcotics and psychedelic drugs and their after effects.

Recently, I was reading an article in *La Presse*—and I think all the newspapers have published this news item, relating to a very sad case that has to do with the daughter of a famous American comedian, and I mention him by name, since it is a well-known fact, I mean Mr. Art Linkletter who devoted all his life to the young people and made a most interesting career out of it. In this article from *La Presse*, Mr. Linkletter said:

My daughter did not commit suicide. It is the makers and peddlers of LSD who murdered her. She was not herself.

I suggest this is an indictment for murder, on the part of a father who lost one of his beloved daughters.

Should such a calamity befall one of us, we would unhesitatingly request the government to take immediate drastic action to exercise control over these narcotics which are leading our youth to their destruction.

I am confident that if we provide young people with the necessary leadership, bring them up with sound principles and a healthy outlook, show them that their parliamentary representatives have their interests at heart, they will resist contamination by the bane of narcotics.

Mr. Speaker, I feel sure that if we prepare young people for the future not through anarchy and chaos but with due respect for law and order, then in spite of the present unpleasant situation, there will be a better future for Canada.

The Acting Speaker (Mr. Béchard): Order. I am sorry to interrupt the hon. member, but his time is up.

Some hon. Members: Go on.

Mr. Valade: Mr. Speaker, in closing, I hope that life will be good in Canada and that we, members of this house, will make that possible.

[*English*]

Mr. R. L. Whiting (Halton): Mr. Speaker, I should first like to congratulate my colleague the hon. member for Sarnia (Mr. Cullen) who moved the Address in Reply to the Speech from the Throne, and my colleague the hon. member for Lapointe (Mr. Marceau) who in seconding the Address did great service to his constituency by drawing attention to the size of the blueberries grown there. I am sure all lovers of blueberry pie will appreciate his remarks. May I also congratulate those hon. members who were recently appointed to the cabinet or to the position of parliamentary secretary. The choice of individuals to fill these positions was in my opinion most appropriate. I know they will distinguish themselves in the fulfilment of their duties.

Despite the remarks of certain members of the opposition to the effect that the Speech from the Throne was filled with pious platitudes liberally interlaced with empty promises, I, together with many people in my constituency, find the Speech from the Throne to be a document which has encouraged the people of Canada to look forward to a constructive session of Parliament. Today I should like to speak to one specific item. I refer to the proposal to lower the voting age to 18. This proposed move on the part of the government involves many

implications. It is a recognition of youth and the part youth has played and is playing in the Canada of today, and will play in the Canada of tomorrow. Youth has an interest in government. This was evident in the last election when youth joined the ranks of all political parties throughout Canada. This aspect of the campaign was especially evident in my riding. In my opinion it was one of the highlights of the campaign on all sides, indeed, it added a new dimension and injected new life and enthusiasm.

The youth of today are vitally interested in the affairs of the nation. They express themselves in many ways, some of which are not constructive. Everyone, including youth, has the right to protest, but with that protest there must be responsibility. A democratic society is not based upon force and the destruction of property, looting and causing bodily harm to others. By lowering the voting age the government is bringing youth into the mainstream of decision-making. Although at times they may feel their part and the influence of their individual ballot is small, nevertheless they will be aware they no longer are on the sidelines but are taking a part in their country's affairs. It will not be long before they become aware it is the cumulative effort of many people casting their ballots for a cause that creates action and has its effect on society.

A corollary to the lowering of the voting age is the present attitude of people and government toward youth and the effect that some of their actions have upon youth. One of these is the reduction in the size of our reserve forces. Most members of this House will heartily endorse the action of the government in its effort to fight inflation by cutting back expenditures. I believe, however, that the reserve force is one area in which serious consideration should be given to a no-cut policy. Through the militia, as it was formerly called, thousands of young Canadians have over the years received important, useful training which has made them better citizens. The reserve forces have provided physical and mental stimulation as well as moral development. It has been brought to my attention that the dollar investment in the reserve forces yields one of the greatest returns for the money spent. I subscribe to this opinion because a large percentage of the members of the reserve forces are in the high school and university age group. The pay received has assisted students to continue their education and has provided summer employment through participation in summer courses of up to eight weeks' duration.

When speaking of the reserve forces I must point out that the militia has been the vital fibre from which our armed forces have stemmed in every national emergency. This was true at the beginning of World War I, the Second World War and the Korean war in 1950. It was from the militia that our forces drew their original strength. The militia formed the nucleus of our fighting power at that time. Although we hope and pray that this need may never recur, the reserves have always performed a patriotic duty in the preservation of Canada as a nation. So Canadians owe more than a debt of gratitude to the reserve forces. If anything were done to diminish their effectiveness or curtail their activities a Canadian image which has been created through patriotism, hard work and dedication, it would be deplored in the hearts of many loyal Canadians.

Although we must be guided by a principle which ensures fairness and equality in reducing national expenditures, nevertheless there are extenuating circumstances which must guide the consideration accorded certain plans. This has already been done in the case of regional development. In my opinion the reserve force is another example which should be accorded special consideration. I have referred to its importance in relation to youth, I have talked about the part the reserve has played in national emergencies and I have mentioned the opportunity for patriotic expression associated with this organization which has been built through dedication to our country over its years of existence.

• (9:10 p.m.)

I have not talked about the contribution the reserve army makes and can make to our over-all defence when our regular forces are reduced. Our reserve forces are a source of trained men ready for action; they are ready should there be need to defend our borders, or to handle local disorders should they arise. The reserves are also a source of personnel for the regular forces. The cost of training and the time required for training a man who has had the benefit of reserve instruction is much less than that required for the training of a raw recruit. But how much money are we talking about in the cost of operating the reserve force? It is less than 2 per cent of the defence budget. We must weigh this cost against the achievements of the reserve force, its potential and its function, and once again I would like to place special emphasis on the

part it plays and the interest it has for the youth of our country.

Some time ago an airline company came up with the slogan "Fly now, pay later". I think the endeavours of governments, led by the federal government, to reduce expenditures is commendable but there are areas wherein a variation of that slogan might apply. I suggest "Cut now, pay later". I also suggest that this is more a truism than a slogan when considered in connection with many of the programs concerning youth.

One of my reasons for focussing attention on youth was prompted by an event which took place in my home town of Oakville last week. It was Police Appreciation Week. The week was planned to give the public an opportunity to better understand the workings of the police department and, as might be expected, much attention was focussed on their work with youth. Police Chief Fred Oliver said in an interview that dealing with youth is not a cost but an investment. It is not true that teenagers are not good; the majority of teenagers are good. His opinion applied to more than 95 per cent of our youth.

At the same time Inspector Fern Alexander, one of Canada's few women police inspectors and head of the metro Toronto youth bureau, said that by the end of this year in metro Toronto 30,000 young people will have been in trouble with the law and 20 per cent of those will be around to haunt us for a long time. There will never be enough money to provide phsychiatrists, psychologists and other properly trained people to handle the situation. It is through participation that we can develop the full potential of our youth. Lowering the voting age to 18 gives them the opportunity to participate in government. Maintaining a vital reserve force gives the government an opportunity to participate in the building of character and the development of youth.

Mr. Mark MacGuigan (Windsor-Walkerville): Mr. Speaker, I would like to join those of my colleagues who have already expressed their congratulations to the mover and seconder of the Address in Reply to the Speech from the Throne, the hon. member for Sarnia (Mr. Cullen) and the hon. member for Lapointe (Mr. Marceau). These hon. members have set a fine example to those of us who were elected in 1968 and have provided us with a fine example in trying to equal their efforts.

I would also like to extend my congratulations to hon. members of the House who recently had new duties bestowed upon them, the hon. member for York-Scarborough (Mr. Stanbury) and the hon. member for Windsor West (Mr. Gray), for their elevation to governmental rank, and the hon. member for Scarborough East (Mr. O'Connell) and the hon. member for Davenport (Mr. Caccia) for their well merited promotion to the rank of parliamentary secretary. I would like in particular to extend my congratulations to my close neighbour, the hon. member for Windsor West who, as a result of seven years' assiduous service in this house marked by careful attention to detail in all the activities of government, has now succeeded in establishing himself as one of that select group of people who present policy to this house. The city of Windsor is fortunate in having two such able cabinet representatives as the hon. member for Windsor West and the hon. Senator for Windsor-Walkerville.

One theme of the Throne Speech, and the principal theme in subsequent discussion, has been the necessity of controlling inflation. The rate of inflation in this country has been running at about 5 per cent this year and about 4 per cent in the years immediately preceding. We are far from the worst off country in the world, of course. In Chile the rate of inflation is about 35 per cent and in Brazil it is over 20 per cent. The United States and most other industrialized countries of the world, except Germany, have a rate of inflation which is higher than that of Canada. But we cannot for this reason comfortably conclude that our inflation arises solely from external causes, that is, from world causes over which we may have very little control.

The very fact of the differing rates in the various countries of the world from a high of 35 per cent to a low of 2 or 3 per cent shows that native conditions and national governmental policies have a good deal to do with the rate of inflation. We therefore have the duty to examine our own government, our own society and our own economic structure to see if there are ways in which we in Canada can combat this very serious problem independently of the efforts which are also being made by countries such as the United States to deal with it. This is just what our government has been doing. Our attempts to control inflation have been based on fiscal and monetary policies, on the beginning of the operation of the Prices and Incomes Commission and on an attempt to combat the inflation psychology which some economists and many psychologists tell us in one of the

most important aspects of the problem of inflation.

• (9:20 p.m.)

The government's austerity program is a very important part of the whole program of confining inflation to reasonable limits. What else can we do that we have not been doing up to this point? In my opinion the Prices and Incomes Commission should not be a mere fact finding body but should rather be a judgmental body. It should not be one which merely informs the people of what has been happening, but one which passes judgment on those events that have been happening. Of course, we have been distressed in the last few weeks by the large increase in the price of steel following upon, although not necessarily caused by, the wage settlement which was obtained by the United Steelworkers in the negotiations at Hamilton.

Dr. Kenneth Galbraith, our famous Canadian expatriot, last week, expressed the view in this city that one of the serious causes of inflation was the confrontation between the strong corporation and the strong union. Union demands are met by the corporation and then prices are raised to pass the increase in wages along to the consumer. The danger, as Galbraith and many other economists have pointed out, is that the corporation will use wage increases as an excuse for price increases which perhaps it had planned anyway, in order to raise once again the return on the corporation's investment.

I do not agree with one hon. member opposite who was speaking last week of corporate profits and said that because we have a continuing high rate of return on corporate investment this necessarily shows that something is wrong. After all, interest rates have been increasing in our economy generally and it is no surprise in such circumstances that corporate returns on capital have not been dropping and in some cases have been increasing. But at the same time we need to scrutinize very carefully price increases which are made by corporations, especially in industries where there is very little real competition between corporate giants, and again especially in industries which are very basic, bellwether industries if you like for our economy. In such industries we ought to have very careful examination, by a body such as the Prices and Incomes Commission, of any price increases which have occurred and, if necessary, of any wage settlements which have been made.

The Prices and Incomes Commission should feel free to look at all the economic events that are happening in our society which relate to prices and incomes, to inform us about them and to make judgments upon them, not as a substitute for members of this House but as an aid to the judgment of the members here. It seems to me that while this in itself might not prove sufficient to control completely the problem of inflation, it would be going considerably beyond where we are now and would be a step considerably short of that of complete wage and price control.

The second alternative that we have is the alternative of wage and price control. Hon. members know, Mr. Speaker, that in the Board of Commerce Act case decided almost 50 years ago by the Privy Council, that august but often mistaken judicial body decided that it was not within the power of the federal government of this country to have a prices and wages policy which would impose prices and wages on industry.

It may be that this was a wrong decision. Many legal authorities believe that it was. It may also be that the Supreme Court of Canada, now our highest judicial body, would be prepared at this point in our history to overrule that earlier decision because most of the law of that period, most of the dicta of the cases which limited the trade and commerce power and the peace, order and good government power in our constitution, has since been disowned either by later Privy Council decisions or by the Supreme Court of Canada itself since it became the final court of appeal in 1949. It may be that this earlier decision could be successfully challenged and that, strictly on legal grounds, we could begin now to have wage and price controls, but I would suggest this would probably not be the most fruitful way to proceed. This is a case which has stood for some 45 to 50 years. It has been relied upon by people in this country since that time. It would probably be much better if we were to attempt, as I believe government spokesmen have suggested, to bring about a political solution through a conference, seeking provincial agreement either to having the constitution of this country changed permanently to allow the federal government to set up real prices and wages control, or to work out some co-operative mechanism which would enable the two levels of government to work together to solve the problem.

From the comments of provincial governments and provincial ministers of finance it seems that the provincial governments are

just as seriously concerned about this problem as is our own government, and I think we could anticipate that if we were to use political means we might work out a solution. But, Mr. Speaker, the fact that we could work out such a solution does not mean we should leap to this step. It is a very extreme step in a democratic society. It is one which is very hard to make work, and is especially hard to make work in the light of the frame of mind in our society which itself causes inflation.

We have inflation in part because people do not believe it is a time in which they are called upon to make any particular sacrifices for the government of our country. They see no reason why they should not demand higher wages, why prices should not rise when they are not being affected, and in their personal decisions it would seem they do not have uppermost the demands of the common good. With such a popular state of mind it would be extremely difficult to get the support that would be necessary to make a prices and wages board which would impose compulsory restraints on our society work very well. Whichever of these methods we choose—and my own feeling is that we will have to find other methods than the ones we are now using before this problem is fully controlled—I am confident we will succeed in controlling inflation, if only because we cannot afford to fail.

Now I am going to say a few words about the economic situation from a different point of view, from the point of view of what I would consider to be justified exceptions to the government's austerity program. The Speech from the Throne recognizes several of these. One is that programs to reduce regional disparities in employment opportunities and incomes will not be subject to the general austerity program. Indeed, the Speech says that governmental expenditure in this area will be increased because of the priority which the government rightly assigns to this very serious problem.

The Speech from the Throne also points out that the housing program to construct one million units over the next five years, combined with a recognition of the paramount importance of low income housing, will also be exempted from the general austerity program. I would like to suggest two further exceptions which I believe ought to be made to the general program of austerity. The first of these is with respect to superannuated civil servants. From time to time it has been said that these retired employees are in no worse position than retired employees under plans of private industry where those plans have been outdistanced by inflation. I think this is true, but I also think that the government has a particular responsibility with respect to those citizens who have been its employees. It cannot very well insist that employees of corporations have the right to receive from those corporations additional remuneration over and above that which is provided by contract under the original agreement with their employer. But it can, as an act of gratuity in the present inflationary circumstances, increase the amount of pension which its own employees are receiving, even at the cost of departing from the normal funded features of the plan.

• (9:30 p.m.)

Such payments would not seriously contribute to inflation. The figure of $5 million a year would deal very handsomely with the problem, and inflationary pressures would not be increased at all. That sum would represent an enormous contribution for the welfare of those citizens who have given, in some cases, a whole lifetime of service to their fellowmen by working for the government, people who once thought that their pensions would be adequate and have subsequently found, as a result of inflation which we have not been able to control, that their pension benefits have been eroded.

I also suggest that an exception could be made for pensioners generally. I am inclined to think that it would be very difficult at present to increase old age security pensions across the board in this country. I have not computed what the cost of increasing the guaranteed income supplement would be. Perhaps a strong case would be made for not paying additional benefits. On the other hand, I do not believe that any case can be made for not increasing, on a scale that is tied to the true cost of living, the old age security pension and the guaranteed income supplement. We have just received notice that as of January 1 the old age security pension will become $79.58 a month and the guaranteed income supplement will rise to $111.41 a month. These increases follow the pension index, which in turn follows the consumer price index. Unfortunately, the pension increase does not really follow the consumer price index because the increase is limited to an annual one of 2 per cent. I submit that this is a vicious and unwarranted limitation which, I believe, was unintentionally introduced. I understand that when these pieces of legislation were passed there was little expectation

that the cost of living would rise at twice 2 per cent per annum and that this limitation would work hardships on those who are living on pensions. But this has occurred. Since it has occurred, I think the government has the duty to remove this limitation.

Of course, I realize that any pension scheme with benefits which are tied to a rising cost of living is open-ended. If you do not have a limitation in your scheme, it is open-ended. At the same time, however, the government benefits from a rise in the cost of living; its tax revenues increase. The government benefits when incomes rise. Since the government does benefit, it seems to me that on every January 1 there should be no reason for the government not to pass on a small amount of this benefit to those people who otherwise would be left in a very unfair position in our society vis-à-vis their fellow citizens. Since the government benefits from a rise in the cost of living I submit it should in this small way pay for the consequences of that rise.

I should like to say a few words about Indian policy. The Indian policy which was announced in this House in June by the Minister of Indian Affairs and Northern Development (Mr. Chrétien) is in my opinion a truly liberal statement. It provides for our Indians the goal of equal status instead of the goal of different status. It provides for equality and pledges the government's willingness to provide the means which are necessary if our Indian citizens are to achieve equality. While adopting this fundamental and philosophical principle, the statement elaborates six points and proposes five practical steps which the government will be prepared to take. Nevertheless, despite the undoubted merits of the document the response by the Indian community has been unfavourable. I think we are doing ourselves no service if we believe that the document has been received with anything like overwhelming or even majority support by the spokesmen of the Indians of our country.

It seems to me that Indians disagree little with the principles of equality enunciated in the statement, although no doubt some Indians prefer at present to retain what the statement calls "different" status. Some Indians prefer things to remain more or less as they are; they do not want to make changes. I hazard the opinion that that does not represent the majority view of the Indian community. We are beginning to find a great deal of unrest and what may be called agitation in the Indian community, which seems to indicate that our Indians are not satisfied with the status quo but want something better. I believe that Indian response to government statements is based largely on two factors. First, there is an attitude of distrust on their part, a distrust which I fear we have fostered too often in the past with our words and actions. Second, there is fear of a *fait accompli* according to a strict timetable. We can show rationally that these fears are unjustified, but that will not make them go away.

Recently, while talking with an Indian he expressed the sincere opinion that the white paper on Indian affairs proposed the automatic and immediate abolition of all reserves in this country. From a logical standpoint this is nonsense, because the statement does no such thing; yet this is what my Indian friend took to be the intention after reading the paper or hearing about it. He also believed that the fundamental purpose of the statement was to make Indians rich. He took the position that the aim of the Indians was not to get rich. Again, it seems to me that anyone reading the document would see that this is not so. The principal thrust of the document is this: it does not seek to make Indians rich but to make them free and equal citizens of our country. But because Indians do not trust us, this Indian read the white paper or heard about it and gained these misconceptions about it.

I suggest that we have the responsibility of breaking this deadlock. We, the stronger community, must introduce new elements into the situation which will upset the unfortunate, existing equilibrium. On the one hand we have the policy that is outlined in the government's statement, and on the other we have the response, based on fear, which to a large extent the Indian community has expressed toward the statement. I suggest that we should not push forward our entire plan at this time. We should not urge an over-all approach when we know the Indians have not adopted our philosophy. Instead, we should approach this matter from the other end of the scale.

• (9:40 p.m.)

We should take a piecemeal approach. We should work on individual projects. Undoubtedly by working on them we would be taking

steps which would lead toward the goals we have outlined in our white paper. I do not believe we should ask the Indians to accept this philosophy. People may do the same things for different reasons and we should not necessarily expect them, even though we are working on a project co-operatively, to do so for our reasons. We should take a pragmatic rather than a philosophical approach.

I believe the government is beginning to do this. In the last month we have given funds to the Indians to assist them in developing and strengthening their own organizations. This is for our benefit because it ensures that we will talk to people from the Indian communities who will be representative of the views of their communities. But the more direct benefit will accrue to the Indians themselves. It will enable them to set up structures according to their own desires which will enable them to advise us more fully regarding what they want to do. We should continue to give them funds, if necessary even to prepare their own statement on Indian affairs.

I suggest we should proceed with all haste to appoint the claims consultation commissioner mentioned in the government's statement in June. This is very important because the claims consultation commissioner will work with both ourselves and the Indians, advising both groups how to best proceed with regard to Indian treaty and other claims which while not strictly treaty claims have at least a moral status. This appears to be the priority of the Indians.

We take as our priority the philosophical principle of equality, perhaps the basic principle relating to the relationship of the government to the people, the people to the government and generally of man to man. This is not the way in which the Indians approach the problem. The Indians begin by saying: You made certain promises to us and we want to talk about what you will do for us in terms of what you promised. If you do not live up to what you promised in the past, how can we believe anything else you may promise? This view should be placed very high on our priority list. We should proceed as quickly as possible to appoint the mediator between the Indian and white communities to try to solve this very difficult problem and to make concrete suggestions to the white and Indian communities.

The government statement suggests that this commissioner should proceed on a political rather than a legal basis. I believe this is the soundest approach because regardless of the legal technicalities it is not a subject we can approach strictly in legal terms. That certainly would not satisfy the Indians and probably would not satisfy us.

We are establishing policy for the future; we are not just talking about past treaties. The claims consultation commissioner should have a wide-ranging mandate which would enable him to negotiate and not merely to report on the legalities of Indian treaties. The Indians fear that we mean to suppress them. They need reassurance through deeds and no longer just through words. I believe this is the policy which the government has not only announced but is actually following. I commend the government for its initiative in this area and I urge it to proceed—

Mr. Speaker: Order, please. I hesitate to interrupt the hon. member but his time appears to have expired, unless he has the agreement of the House to continue beyond his allotted time. Is it agreed?

Some hon. Members: Agreed.

Mr. MacGuigan: Thank you, Mr. Speaker. I will be brief. I wish to say a few words about Parliament. During this Parliament the government has moved effectively to expand executive power, reorganize the cabinet and reorganize a number of departments. It has carried out internal reorganization and is now tightening the administration of departments through its austerity programs. Above all, we see the growing supremacy of the Prime Minister's office and the Privy Council office within the government structure. I applaud all these developments, Mr. Speaker.

However, it is also important to strengthen the legislature, not only as a counterbalance to the executive because of the fear that power may corrupt but for a positive reason. There must be increased participation in government, participation of the public as well as of members of parliament. The public of course cannot always participate directly; they have only rare occasions on which they may do so. They can participate if they are allowed to appear before a parliamentary committee either by being summoned to Ottawa as a witness or by reason of what I hope will become more common, that is, parliamentary committees touring the country and hearing what citizens in different parts of the country have to say about present problems which concern their committees. The

same result is achieved through the use of royal commissions, but I believe the government is correct in deemphasizing royal commissions in favour of the full use of parliamentary committees.

In addition to members of the public appearing before parliament through its committees, they also participate symbolically when they see their member of parliament participating in the House or in committees and when they see real dialogue taking place. This is especially true when constituents have expressed their views strongly to their member of parliament and perhaps persuaded him of the urgency of something which he did not previously believe to have high priority. They have the opportunity to see their member make the point in the House or in committee. If they see the representation of their member become policy through legislation or a white paper, they feel a real sense of accomplishment. Even when not all these steps are taken and they see only the process, I believe they are able to share vicariously, through their member of parliament, his participation in government and therefore feel they are participating in a real sense in what is happening in Canada's Parliament.

• (9:50 p.m.)

I am happy to say that the present government has been working strongly in this direction, but there are many more steps which need to be taken. The government has established a legislative committees system in which committees have a genuine, creative, active role in legislation and in studies which lead to legislation, but there is more to be done. Committees need wider-ranging terms of reference. The status of chairmen of committees needs to be upgraded. Committees need a budget for research and for travel so that there may not always be doubt as to the kind of projects in which they can engage. I envisage this as being a small rather than a large budget; if a committee needs more money it should certainly have to come before parliament on each occasion to seek it. There needs to be a reduction in the number of committees and in the membership of committees. There might well be an improvement in the scheduling of committees, perhaps a system of grading into major and minor committees, so that an hon. member serving on a major committee and a minor committee would not have more than one demand made on him at any moment.

Most important, there must be a relaxing of discipline as it affects members of all parties in committee. I realise that members of the opposition point their fingers at the government and suggest it should relax its discipline. It seems to me they do not always bear in mind the effect of discipline in their own parties on members who serve on committees. I suggest that discipline as it applies to members of all parties should be relaxed.

I am confident this is the direction in which the government is moving, and I urge my hon. friends to move rapidly because these are times of rapid change in society and parliamentary institutions themselves are in danger, not only in Canada but in other countries. There is a danger that our policy, our laws for the future, may be made in the streets if they are not made adequately in our legislatures. If they are not made in such a way as not only to be just but to appear manifestly just, they may not be made well enough for the times in which we live.

This is an age in which authority no longer commands respect merely because it is authority. Laws are not respected by reason of their authority so much as by the authority of their reason. I use the word "reason" here not in the more restricted sense in which it was used in the past by philosophers who talked about right reason and doing things properly; it is reason in a manifesting and persuasive sense. We must not only perform well; we must let the people see that we are responding to their needs and deeply-felt aspirations.

I join those who have previously expressed their support for the ideas contained in the Speech from the Throne. I believe it contains a viable and even an exciting program for members of parliament this session and I am sure that with the co-operation of all hon. members we can look forward to a fruitful session of parliament.

[*Translation*]

Mr. Georges C. Lachance (Lafontaine): Mr. Speaker, having heard my colleague's so eloquent words, I wonder whether I might not call it ten o'clock.

Mr. Speaker: It is my pleasure to comply with the member's request and to call it 10 o'clock.

Mr. Knowles (Winnipeg North Centre): You are right.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

Mr. Speaker: In accordance with Standing Order 40 a motion to adjourn the House is deemed to have been moved. The hon. member for Grand Falls-White Bay-Labrador (Mr. Peddle).

Mr. Bell: Mr. Speaker, I believe this motion has been withdrawn for the present.

Mr. Speaker: Is it my understanding that this question has been withdrawn for consideration tomorrow or later? Is that agreed?

Some hon. Members: Agreed.

Mr. Speaker: Then this House stands adjourned until eleven o'clock tomorrow in the forenoon.

At ten o'clock the House adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Tuesday, November 4, 1969

The House met at 11 a.m.

[*Translation*]

ROUTINE PROCEEDINGS

INFORMATION SERVICES

TABLING OF TASK FORCE REPORT

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, on August 30, 1968, I announced the appointment of a task force to study federal information agencies and make recommendations as to ways and means of increasing the efficiency and coordination of government information.

I now have the honour to table the report submitted by the members of that group.

The relevant authorities are now studying the recommendations put forward in the report and I expect to be able to make a statement regarding the action the government intends to take by the end of the year.

[*English*]

AGRICULTURE

TABLING OF REPORT OF PROCEEDINGS OF CANADIAN AGRICULTURAL CONGRESS

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I wish to table, in English and in French, the report of the proceedings of the Canadian Agricultural Congress which took place in Ottawa from March 24 to March 27.

HOUSE OF COMMONS

PRESENCE IN GALLERY OF ONTARIO MINISTERS

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I should like to draw attention to the presence in the gallery of the Treasurer of Ontario and the Minister of Trade and Development of Ontario.

Some hon. Members: Hear, hear.

ORAL QUESTIONS

THE AUDITOR GENERAL

SUGGESTED REDUCTION OF STAFF

Hon. Robert L. Stanfield (Leader of the Opposition): I should like to ask the President of the Treasury Board whether he feels there is any justification for the suggestion made to Mr. Henderson, the Auditor General, who is a servant of Parliament, not of the government, of a reduction in his staff at a time when it is quite apparent to most of us that what this Parliamentary watchdog requires is sharper teeth rather than a filing down of those teeth?

Some hon. Members: Hear, hear.

Mr. Speaker: Order, please. I have some doubts as to the form in which the Leader of the Opposition is asking his question. Perhaps he would put the question in another way.

Mr. Stanfield: I am not sure as to the nature of your objection, Mr. Speaker. If the minister would like to make a statement at some length on motions at a future date I would be happy to hear him do so. At the same time he might inform us whether the government proposes to introduce legislation, which the Auditor General has been requesting for some time, designed to increase the independence of the Auditor General and to define his office in a more formal and satisfactory way.

Hon. C. M. Drury (President of the Treasury Board): With respect to legislation, consideration is being given to this question. I would hesitate at the moment to enunciate a firm decision or opinion on the legislation itself. As to the question of staff, I think the House would like to know that provision has been made for the Auditor General to engage staff each year in excess of the number he has actually been able to recruit. This, I understand, is the case. The numbers and kind of staff that the Auditor General can obtain and usefully employ will continue to be provided.

Mr. Stanfield: A supplementary question, Mr. Speaker. Who forms the judgment as to

what kind of staff the Auditor General can profitably use? Is the decision made by the Auditor General or by the President of the Treasury Board and members of the government?

Mr. Drury: Mr. Speaker, up to the present it has been made by the Auditor General.

Mr. Stanfield: A further supplementary question. Is it correct that the Auditor General has been requested to reduce the size of his staff?

Mr. Drury: Not to my knowledge, Mr. Speaker.

Mr. A. D. Hales (Wellington): Mr. Speaker, I have a supplementary question for the President of the Treasury Board. Has any thought been given to allowing the Auditor General to recruit staff from outside the public service criteria?

Mr. Drury: Mr. Speaker, I am not sure what is meant by recruiting his staff outside the public service criteria. He recruits his staff either from inside or outside the public service. The definitions, the work or job qualifications, are established by the Auditor General.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, as a supplementary question may I ask the President of the Treasury Board whether the establishment approved by Parliament for the Auditor General was 250, and has Treasury Board suggested that this number be reduced to 239?

Mr. Drury: Mr. Speaker, the establishment is, and will continue to be, that approved by Parliament. This approval is obtained through the Appropriation Acts.

Mr. Baldwin: As suggested by Treasury Board.

Mr. Drury: In spite of the suggestion of the hon. member for Peace River, it is not dictated by Treasury Board.

Mr. Baldwin: I said "suggested".

Mr. Drury: I hope the hon. member will agree that Treasury Board—

Mr. Speaker: Order, please.

Mr. Drury: —is empowered to make suggestions for the improvement of productivity.

Mr. Speaker: Order, please.

[Mr. Stanfield.]

Hon. J. W. Monteith (Perth): As a supplementary question, Mr. Speaker, may I ask the minister whether at any time instructions have been given to the Auditor General in regard to whether or not he should reduce the amount of work he is doing?

Mr. Drury: Mr. Speaker, that is a large question. For all I know, the hon. gentleman may himself have made suggestions to the Auditor General, and I cannot answer for the hon. member.

Mr. Stanfield: Mr. Speaker, may I ask the President of the Treasury Board, who in response to a question told me a moment ago that he had no knowledge of the Auditor General being requested to reduce his staff, whether he will look into this matter in view of the reported statement by the Auditor General himself that such request had been made to him?

Mr. Drury: Mr. Speaker, I will be glad to take that up with the Auditor General.

Mr. Thomas M. Bell (Saint John-Lancaster): A final supplementary question, Mr. Speaker. May I ask the President of the Treasury Board whether he will give an assurance that a similar check will be made on the growth of the Prime Minister's staff?

THE CANADIAN ECONOMY

STEEL PRICE INCREASES—REQUEST FOR PUBLIC HEARINGS BY PRICES AND INCOMES COMMISSION

Mr. David Lewis (York South): Mr. Speaker, in view of the size of the Prime Minister's staff I should like to ask him a question arising from the announcement by Dofasco that it is going to increase steel prices by, I believe, 5 per cent, following an announcement by Stelco that it is going to increase its steel prices, again followed by an announcement by Westinghouse that it is going to increase the prices of its appliances. In view of the fact that the increased price of basic steel is bound to have a multiplying effect throughout the economy since industry will have to pay more for steel, would the Prime Minister undertake to request the Prices and Incomes Commission to hold public hearings into steel prices instead of merely limiting itself to private discussions?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I answered that question last week.

Mr. Lewis: I was not here last week.

Some hon. Members: Oh, oh.

Mr. Lewis: But I did—

An hon. Member: Read *Hansard.*

Mr. Lewis: Mr. Speaker, if hon. gentlemen opposite will behave as politely as they always do—

An hon. Member: They are.

Mr. Lewis: Mr. Speaker, I was not here last week but I did read *Hansard* and, with great respect to the Prime Minister, he did not answer this question. I am asking him whether he will speak to the commission requesting it to hold the inquiry on steel prices in public rather than in private.

[*Translation*]

THE AUDITOR GENERAL

AUDIT OF CROWN CORPORATION BOOKS

Mr. André Fortin (Lotbinière): Mr. Speaker, I have a question for the President of the Treasury Board.

Since in his various annual reports the Auditor General has been asking for some time that he be empowered to audit the books of several Crown corporations, does the government plan to implement his recommendations instead of having this work done by private firms?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, this matter is now under review, but no decision has yet been taken.

[*English*]

GRAIN

FLAX—REPORTED LOSS OF SALES

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I should like to direct my question to the Minister without Portfolio who answers for the Wheat Board. In view of the statement over the weekend that Canada has lost sales of two million bushels of flax because of failure to have this oilseed in forward positions, does the minister know whether this is a fact?

Mr. Speaker: Order, please. The question as asked is certainly not in order, but in spite of the procedural difficulty the minister might be allowed to reply.

Hon. Otto E. Lang (Minister without Portfolio): Thank you, Mr. Speaker. I have had discussions with the Wheat Board following the report in a Winnipeg newspaper about the loss of sales. Certainly the information from the Wheat Board is that there is no foundation whatsoever to these stories. Flax is available on the market according to demand. There is a regular procedure in this regard, and I understand that members of the Grain Exchange support the fact that flax is in fact available as required.

Mr. Speaker: Order, please. Perhaps hon. members will remember that under the rules it is not in order to ask a minister either to confirm or deny the contents of a report.

THE CANADIAN ECONOMY

MEASURES TO OFFSET DECLINE IN RAILWAY FREIGHT TRAFFIC

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, in view of the fact that the volume of railway freight traffic, which is an accurate indicator of the state of the economy, is running 10 per cent below what it was a year ago and steadily declining, I should like to ask the Prime Minister whether, since he learned of this fact a week ago from the Dominion Bureau of Statistics report of October 28, he has instructed the Minister of Finance and the Minister of Industry, Trade and Commerce to prepare measures to stimulate the economy so we do not gradually head into a recession from which it may be very difficult to extricate ourselves?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have not been briefed about this matter since last week; perhaps I should seek to increase my staff so as to be better briefed.

Mr. Hees: Mr. Speaker, in order to bring the Prime Minister up to date on matters with which he should be familiar, perhaps I might suggest that his staff is the only one exempt from cut-backs on expenditures.

GRAIN

INQUIRY AS TO ACTION TO ASSIST FARMERS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I should like to direct a couple of questions to the Minister without Portfolio. The first I directed yesterday to the Prime Minister with regard to whether the ministers of the government, following their pilgrimage to Mecca, had decided that some

action should be taken to meet the serious situation in which farmers find themselves with so much of their crops under snow and with little or no hope of being able to thrash them this fall?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, following the initial question yesterday I believe subsequent questions were put to the Minister of Agriculture. Indeed, a similar question was put to the Minister of Industry, Trade and Commerce last Friday. It was indicated in both answers that various measures were being considered to deal with these problems, the lack of cash on the part of farmers who do not have sufficient grain for cash advances, and other problems of which the department is aware.

INQUIRY AS TO ROYAL COMMISSION ON MARKETING

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I should like to ask the Minister without Portfolio another question following that full, ample and innocuous reply. In view of the widespread self-examination that is taking place in western Canada concerning the Wheat Board and the fact that there has been a loss of markets and so on, may I ask the minister whether or not the government is giving any consideration, while approving in every way of the Wheat Board, to setting up a royal commission for the purpose of going fully into wheat marketing operations to ascertain exactly who is responsible for the present state of affairs and to ascertain what action might be taken to remedy it?

Hon. Otto E. Lang (Minister without Portfolio): I appreciate the right hon. gentleman's predilection for royal commissions, but we think there are other ways of determining facts and solving problems. We have the problems in hand with this in mind.

Mr. Diefenbaker: Is the hon. gentleman himself now a self-constituted unitary task force?

Mr. Speaker: Order.

REPORTED CHANGE IN WHEAT BOARD PROGRAMS

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I should like to ask the Minister without Portfolio from Saskatoon-Humboldt this question. In view of reports that the minister stated in Saskatoon that the Canadian Wheat Board would be relieved of certain agricultural programs, would he inform the House what programs he was referring to?

Mr. Speaker: The question is irregular as asked. The hon. member knows he cannot ask a minister about statements made outside the House. The hon. member might rephrase the question and ask it directly of the minister.

Mr. Gleave: Thank you, Mr. Speaker. Is there under consideration a change in the programs for which the Canadian Wheat Board is responsible?

Hon. Otto E. Lang (Minister without Portfolio): Many questions in the area of the grains industry, including the operation of the Canadian Wheat Board, are under discussion. It is my hope this matter will be discussed very fully both with the farmers concerned and by members here. It certainly is possible that some things can be done to improve the ability of the Wheat Board to act as the salesman for Canadian wheat and to perform its central function as a marketing agency. That is certainly one of the questions which has been raised. I did ask in Saskatchewan over the weekend whether some programs with which the Wheat Board is burdened should perhaps be considered again to see whether they could be done by someone else, simply to free the Wheat Board to do its own job better.

Mr. Gleave: In view of the fact there was an undertaking by the Minister of Industry, Trade and Commerce that the Canadian Wheat Board would appear before the Standing Committee on Agriculture, would the Minister without Portfolio have the Canadian Wheat Board come before the committee so that these matters might be discussed?

Mr. Speaker: Order, please.

INQUIRY AS TO ADDITIONAL DELIVERY QUOTAS

Mr. A. B. Douglas (Assiniboia): Mr. Speaker, I have a supplementary for the Minister without Portfolio. Has the Wheat Board yet authorized any further quotas on grain deliveries on the prairies and, if not, when are such quotas anticipated?

Hon. Otto E. Lang (Minister without Portfolio): At the present time my latest information is that the unit quota is in effect except where special deliveries for special grains have been authorized. The Wheat Board is very much interested in attempting to give everyone an opportunity first of all to deliver the unit quota and to move grain accordingly.

I am sure that when that objective is nearer being achieved, further quotas will be opened.

POLICY RESPECTING OVER-QUOTA DELIVERIES

Mr. George Muir (Lisgar): I also have a supplementary for the Minister without Portfolio from Saskatoon-Humboldt, Mr. Speaker. Last Friday in his absence I asked a question about the reversal of the policy whereby wheat could be traded for flour for the producers' own use. Having reversed this policy, is the government prepared to advise the Wheat Board to allow the exchange of wheat for certified and registered seed?

Hon. Otto E. Lang (Minister without Portfolio): There have been discussions with the Wheat Board about this issue. The Wheat Board has not yet announced over-deliveries for registered or certified seed partly because of the hope to move first of all the unit quota deliveries and relieve congestion but also because of the need for some discussions about abuses which have been associated with the over-delivery policy in the past. The Wheat Board is having discussions with the Canadian Seed Growers Association about this matter and it may be possible for some announcement to be made before too long.

[*Translation*]

TRANSPORT

QUEBEC—CONSTRUCTION OF RAILWAY LINE FROM MATAGAMI TO HUDSON BAY

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I wish to direct a question to the Minister of Transport.

I would like to ask him if the government is contemplating the construction of a railway branch-line from Matagami to Hudson Bay in the province of Quebec?

Mr. Speaker: I suggest to the hon. member that his question could profitably be put on the order paper.

EXPO '67

INQUIRY AS TO DISPOSITION OF CITÉ DU HAVRE

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I wish to ask a question to the Minister without Portfolio who is responsible for housing and who has jurisdiction over the Central Mortgage and Housing Corporation.

Inquiries of the Ministry

As the Central Mortgage and Housing Corporation will give up as of December 31 next the administration of Cité du Havre and as a confidential and comprehensive plan regarding the future of the site was submitted to the federal government last May, could the minister inform the House what measures the government intends to take in this matter?

Mr. Speaker: It seems to me that this question should normally be answered through a statement on motions and the hon. member might wish to ask his question accordingly.

Mr. Valade: Mr. Speaker, I shall state my question again. Will the minister make a statement on motions soon with respect to the future of Cité du Havre in Montreal?

[*English*]

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, there are internal meetings going on between CMHC and the National Harbours Board, and when a decision about this matter is taken I am quite sure we will make it known to hon. members.

[*Translation*]

Mr. Valade: Mr. Speaker, I have a supplementary question.

Can the minister tell us whether he has gone through the over-all plan submitted by the Central Mortgage and Housing Corporation and whether he intends to advise the House of that confidential or secret plan?

[*English*]

Mr. Andras: Mr. Speaker, I do not think there is any secret plan in those terms. There are several reports and recommendations about Cité du Havre. I do not know specifically which plan the hon. member is referring to, but I am examining all of them in consultation with my colleagues and when a decision is taken on one of them we certainly have no intention of keeping it secret. We will make it known to the House.

[*Translation*]

INDUSTRY

AUTOMOBILE PACT—REQUEST FOR STATEMENT ON NEGOTIATIONS

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce.

Inquiries of the Ministry

[*English*]

When will the minister be prepared to make a statement on motions or in some other form on the state of the negotiations that are now taking place on the auto pact?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, there is to be a meeting with the United States authorities on the auto pact, not for its renewal but rather to study a suggestion by the United States that some changes could be made. Consultations have been going on on this subject between my department and the industry. We are now developing our position. I think it would be rather unwise for me to announce what that position will be, but I will of course report on the negotiations when they take place.

Mr. Broadbent: I have a supplementary question, Mr. Speaker. Can the minister indicate whether the government is pressing the automakers to make some firm commitment on the matter of price parity?

Mr. Pepin: In the coming weeks I am to meet the presidents of the automobile manufacturers and this will be part of our conversations, that is, trying to assess if they cannot do better than they have already done.

Mr. Broadbent: I have a final supplementary question, Mr. Speaker. Can the minister indicate whether the trade unions directly involved are being kept abreast of the negotiations?

Mr. Pepin: I am known to be easy of access. If there are points that they would like to make rather strongly, I will be available to meet with them.

WATER RESOURCES

INQUIRY AS TO INTRODUCTION OF WATER ACT

Mr. G. H. Aiken (Parry Sound-Muskoka): I have a question for the Minister of Energy, Mines and Resources. When does the minister expect to introduce the Canada water act?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I hope it will be introduced this week.

Mr. Aiken: Mr. Speaker, I wish to direct a supplementary question to the minister. Following the reported reluctance of the detergent industry to discuss alternatives to the use of phosphates at the conference this week, is the minister's department having discussions with the detergent industry?

Mr. Greene: Yes, Mr. Speaker. I am having discussions with the presidents of the larger companies involved in the sale and distribution of detergents.

POLLUTION

RECOMMENDATION AGAINST USE OF PHOSPHORUS IN DETERGENTS

Hon. J. J. Greene (Minister of Energy, Mines and Resources): While I am dealing with the question of phosphates, Mr. Speaker, might I be permitted to answer a question by the hon. member for Kootenay West, asked on October 30, in regard to the International Joint Commission report. The report referred to by the hon. member was submitted to the International Joint Commission by the advisory boards established by the commission to investigate and report on water pollution in Lakes Erie and Ontario and the international reach of the St. Lawrence River downstream from Lake Ontario.

I am advised that the I.J.C. will follow its customary procedure of examining this report and forwarding its recommendations thereon to the governments of Canada and the United States through the respective Secretaries of External Affairs and State. I understand the commission will be holding public hearings on this matter early in the new year prior to reporting to the two governments.

In the meantime the interim interdepartmental committee on water is studying this matter and will present its recommendations as to appropriate federal government action thereon to me as soon as possible for consideration by the cabinet.

AIRPORTS

NEW BRUNSWICK—STUDY OF SITE

Mr. Charles H. Thomas (Moncton): Mr. Speaker, I have a question for the Minister of Transport. In view of urgent representations by the Maritime Provinces Board of Trade and other organizations, is a study being made to determine the site for an international jet airport to serve the major cities of New Brunswick?

Hon. Donald C. Jamieson (Minister of Transport): The first step has been taken, Mr. Speaker. In the last week a study was launched to determine traffic patterns and

future trends in the Atlantic provinces over the next 20 to 25 years. This information will be necessary in order to determine precisely where the airport site should be located.

Mr. Thomas (Moncton): A supplementary question, Mr. Speaker. Since the engineers now working on the study of air traffic needs in the Atlantic provinces have agreed that there is a need for a new airport in the province of New Brunswick, would the minister broaden their terms of reference so that they could report on the most suitable site for this important airport?

Mr. Jamieson: Mr. Speaker, I think the location of the airport will be self-evident in a general way once the study of traffic patterns has been completed.

CAPITAL PUNISHMENT

INQUIRY AS TO LEGISLATION

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, I wish to direct a question to the Prime Minister. Is it the intention of the government to bring in legislation to abolish capital punishment in respect of the murder of policemen?

Right Hon. P. E. Trudeau (Prime Minister): We have not been considering that, Mr. Speaker.

Mr. Noble: A supplementary question, Mr. Speaker. Is the government alarmed by the increase in murders in Canada from 220 in 1966 to 314 so far this year, and does it plan any remedial action?

Mr. Speaker: Order, please. The question is slightly irregular. The hon. member is asking whether or not the government is alarmed, and I would think that a question asked in those terms is not proper.

TRADE

RADIO AND TELEVISION TUBE IMPORTS—THREAT TO CANADIAN INDUSTRY

Mr. Alastair Gillespie (Etobicoke): Mr. Speaker, I wish to direct a question to the Minister of Industry, Trade and Commerce. Imports of radio and television tubes from Japan appear to be presenting a serious threat to the Canadian tube industry. Can the Department of Industry, Trade and Commerce confirm this, and what is it doing to relieve the situation?

Mr. Speaker: Order, please. Again I would think this question is irregular. I would suggest that if it is a matter of urgency the question might be considered at the time of adjournment.

HEALTH AND WELFARE

MEDICARE—PAYMENT OF PREMIUMS OF FEDERAL CIVIL SERVANTS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the President of the Treasury Board. Has a decision yet been reached with respect to the matter of the government paying all or a portion of the medicare premiums of federal civil servants and federal superannuates in the light of the problem created recently by the action of Ontario?

Hon. C. M. Drury (President of the Treasury Board): No, Mr. Speaker. We have been having extensive consultations with the National Joint Council on this question and I would expect a conclusion would be achievable in the fairly near future.

Mr. Knowles (Winnipeg North Centre): As a supplementary question, might that be achieved before pay and pension cheques are issued at the end of this month?

Mr. Drury: The decision might be achieved, Mr. Speaker, before the end of this month, but I am not sure whether it would be in time to get it into the machinery for the issuing of pay cheques.

INQUIRY OF THE MINISTRY

Mr. Walter C. Carter (St. John's West): Mr. Speaker, I wish to direct a question to the right hon. Prime Minister. In view of the fact that Premier Smallwood of Newfoundland has repeatedly shown great courage by accepting some responsibility for the election of the Prime Minister as leader of the federal Liberal party, is the Prime Minister willing to accept any blame for what happened in Newfoundland last weekend?

Some hon. Members: Oh, oh!

TAXATION

WHITE PAPER—ADVANCE INFORMATION TO PROVINCES

Mr. John Burton (Regina East): Mr. Speaker, I wish to direct a question to the Minister of Finance. Have the provinces or provincial

premiers been given any advance information on the contents of the white paper on taxation?

Hon. E. J. Benson (Minister of Finance): No, Mr. Speaker.

Mr. Burton: A supplementary question, Mr. Speaker. Is the minister aware of a statement by Premier Thatcher of Saskatchewan last Friday that he had reason to suspect that the federal white paper on taxation would include mineral industry taxation measures "not as stiff as those recommended by the Carter report"?

Mr. Benson: Mr. Speaker, lots of people are speculating.

AGRICULTURE

B.C. APPLES—ASSISTANCE IN SHIPMENT

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I wish to direct a question to the Minister of Agriculture. In view of the urgent need to move a shipment of British Columbia apples destined for New Zealand by the November 6 contract date, what assistance has his department been able to give to the B.C. tree fruits industry in order to ensure the loading and shipment of this cargo which is crucial to the welfare of the B.C. economy?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, we have been in daily communication with the B.C. Tree Fruits Co-op and, indeed, with other people in British Columbia respecting this shipment, and my information is that all of the preparations and so on respecting the shipment are on time.

COMMUNICATIONS

METHOD OF PUBLICIZING POLICY STATEMENTS BY MINISTER

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Minister of Communications. In reference to the dial-direct plan to make the minister's utterances and audio press releases easily available to the radio stations throughout the land, are he or any of his task forces making plans to extend audio-visual services to users of the television media so as to avoid serious discrimination between these two elements?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): Not yet, Mr. Speaker.

[Mr. Burton.]

FISHERIES

PROTECTION AGAINST OPERATIONS OF RUSSIAN TRAWLERS

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I wish to direct a question to the Minister of Fisheries. Have permanent surveillance measures been taken in order to ensure that Russian fishing activity off our coasts will remain outside our 12-mile limit?

Hon. Jack Davis (Minister of Fisheries and Forestry): The answer is yes, Mr. Speaker.

Mr. Lundrigan: I wish to direct a supplementary question to the Minister of National Defence. In view of the increase in Russian activity off our coasts and the phasing-out of United States naval activity in Newfoundland, has the Minister of National Defence taken any steps to increase our national defence effort on the east coast in order to fill the void left by the Americans?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, I believe that we have no reason to increase the national defence effort because we believe at present it fits the requirements. Neither are we diminishing it. So far as the American operation is concerned, we expect to take account of it in our study of the situation.

Mr. Lundrigan: As a further supplementary question, can the Minister of National Defence indicate whether the statement by the Prime Minister last year that there would be an increase in "DND" effort to protect our own sovereignty was just a lot of Liberal hot air and false teeth?

Mr. Speaker: Order, please.

HOUSING

URBAN RENEWAL, VANCOUVER—REQUEST FOR POLICY STATEMENT

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I wish to direct a question to the Minister without Portfolio responsible for reporting to the House on housing matters. Because of the importance of urban renewal or redevelopment in Vancouver East, affecting some 1,300 acres, can the minister say when he expects to make a policy announcement?

Mr. Speaker: Order. I suggest to the hon. member that a substantially similar question has been asked during the last few days and answered by the minister.

Mr. Winch: Mine is very specific, Mr. Speaker, relating to my own constituency.

Mr. Speaker: To that extent it should be placed on the order paper or discussed at the time of adjournment.

Mr. Winch: Ten o'clock, Mr. Speaker.

HEALTH AND WELFARE

MEDICARE—ONTARIO'S USE OF FEDERAL PAYMENT

Mr. David Lewis (York South): Mr. Speaker, may I direct a question to the Minister of Finance arising out of the information he gave to the House that we have in the gallery as distinguished guests the Treasurer of Ontario and the Minister of Trade and Development for that province. I should like to ask the minister whether he is discussing with the provincial treasurer the use which the government of Ontario has decided to make of the $175 million or whatever amount was paid to that province for the purposes of the medicare plan?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I should like very much to welcome the member back after his retreat from Winnipeg and to indicate that the Treasurer of Ontario and I are discussing a great many matters of mutual concern.

Mr. Lewis: Mr. Speaker, may I rephrase or repeat my question. I want to ask the Minister of Finance to tell us whether he is discussing the propriety or desirability of the government of Ontario using the money allocated for medicare in ways other than payment for medicare?

Mr. Benson: Mr. Speaker, of all the things we are discussing, the propriety of the government of Ontario is not one.

TRANSPORT

CARIBOU-WOOD ISLAND FERRY SERVICE—IMPROVEMENT OF FACILITIES

Mr. H. Russell MacEwan (Central Nova): Mr. Speaker, I have a question for the Minister of Transport. Has he held discussions with officials or ministers of the province of Nova Scotia regarding the possibility of improvement of facilities of the Nova Scotia-Prince Edward Island ferry service between Caribou and Wood Islands?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, there has been a considerable exchange of correspondence and the matter has been resolved satisfactorily, although I am not sure that the final acceptance of our most recent proposal has come in from the government of Nova Scotia.

Mr. MacEwan: Could the minister advise whether consideration has been given to adding an additional ferry to this service?

Mr. Jamieson: Mr. Speaker, that is one of the matters under consideration now.

[*Translation*]

INQUIRY OF THE MINISTRY

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I would like to ask the Prime Minister whether he is proud of the position taken by Mr. Jean Lesage in the National Assembly last week and will he show the same courage with regard to Mr. Lesage's position as he did concerning that of Messrs. Drapeau, Saulnier and Bertrand?

[*English*]

Mr. Speaker: This question is out of order on many counts, I am afraid.

GRAIN

BOXCAR DISTRIBUTION—OPPORTUNITY FOR OPPOSITION MEMBERS TO MEET RAILWAY OFFICIALS

Mr. John L. Skoberg (Moose Jaw): I have a question for the Minister of Transport. In view of the meeting called by the Minister of Transport with Canadian Pacific and Canadian National management concerning distribution of boxcars to grain shipping points in southern Saskatchewan, to which only Liberal Members of Parliament and Senators from Alberta, Saskatchewan and Manitoba were invited, would the minister now arrange a similar meeting for opposition M.P.'s and Senators in order that we may tell railroad management the problems in our constituencies as well?

Mr. Speaker: Order, please. I have to query the question of the hon. member.

Mr. Skoberg: Mr. Speaker, could I put this question on at ten o'clock, because this is rank discrimination on the part of the government?

AGRICULTURE

INTEREST RATES ON FARM MORTGAGES

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Acting

Inquiries of the Ministry

Minister of Justice or the Parliamentary Secretary. In view of the fact that thousands of people are concerned and many millions of dollars are involved, when does the minister intend to advise the Minister of Agriculture that interest rates on farm mortgages are subject to the provisions of the Farmers' Creditors Arrangment Act and must be reduced accordingly?

[*Translation*]

HISTORIC SITES

ARTHABASKA—RESTORATION OF THE SIR WILFRID LAURIER MUSEUM

Mr. André Fortin (Lotbinière): I should like to put a question to the Minister of Indian Affairs and Northern Development.

Following our correspondence in connection with the restoration of the Sir Wilfrid Laurier Museum in Arthabaska, I should like to ask him whether he will ask the Historic Sites and Monuments Board to speed up that study, in order to give the citizens of Arthabaska satisfaction in this connection?

Mr. Speaker: I do not think that the hon. member's question is really urgent and I think that it could be put on the order paper. If I am wrong and there is real urgency, the House will be pleased to consider this question at the time of adjournment.

[*English*]

NATIONAL DEFENCE

PATROLLING OF ARCTIC BY ARMY

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, I have a question for the Minister of National Defence. Does the Canadian Army make regular patrols in Canada's Arctic and if not, why not?

POLLUTION

LAKE ERIE—EFFECT OF DETERGENTS

Mr. Charles Turner (London East): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. Is it true that Lake Erie will be completely dead in one year if the use of detergents is not stopped immediately?

Mr. Speaker: As the hon. member's question refers to a situation which may not happen for a year, the question might be placed on the order paper.

[Mr. Baldwin.]

[*Translation*]

AGRICULTURE

REVISION OF DAIRY POLICY

Mr. Florian Côté (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, in answer to a question I was asked last week by the hon. members for Bellechasse and Lotbinière (Messrs. Lambert and Fortin) about the number of times the Canadian Dairy Commission met with the C.F.U. and the milk producers association, I would like to say there were nine meetings. Detailed reports of the meetings can be found on pages 86 and 91 of the 1968-69 report of the C.F.U.

• (11:50 a.m.)

[*English*]

ADDRESS DEBATE

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The House resumed, from Monday, November 3, consideration of the motion of Mr. Jack Cullen for an address to His Excellency the Governor General in reply to his speech at the opening of the session.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, coming into the debate on the last day and having reviewed the speeches made throughout the debate, I would not wish to speak on matters that have been dealt with but would bring to the attention of the House a question that has recently arisen in connection with Parliament and this institution.

I have a very deep affection for this place. I have been away now for a week and it seems to me that one would not know Parliament was sitting except for a few desultory references in the newspapers—I am sure this has been the experience of other hon. members who have been out west—to the minister reviewing the grain situation on the prairies. It is a distressing fact and one that concerns me greatly that this institution, because of our own action and because of the attitude of the government of this country, is gradually being relegated to a position which is not in keeping with our heritage and our responsibilities.

It is a serious situation when I read in the press or in *Hansard* that there are some who would have speeches tabled instead of deliv-

ered, a course permissible in the United States House of Representatives. It distresses me to think that this institution would be asked to adopt a system which does not permit of that freedom of debate, that exchange of information, that clash of ideas which is of the essence in the preservation of Parliament.

I had hoped, Mr. Speaker, that the Prime Minister (Mr. Trudeau) might have remained. I know how busy he is—after all, I held that position myself. But during the course of an important debate it is the responsibility of the Prime Minister, as far as possible, to be in the House in order to secure the views of members in all parts of the House. This cannot be secured by reading *Hansard*. When the Prime Minister speaks it is not spontaneously but after some task force has placed the facts before him. Therefore I take it that his remarks on the last day of the session represented his considered opinion and regard for private members of parliament. I was not here that day—

An hon. Member: Where were you?

Mr. Diefenbaker: —but I read what was said and I regard it as one of the most caustic and unjustified statements ever made by a Prime Minister concerning Members of Parliament. This is what he said of the Creditistes:

> Give them holidays and they vanish out of the picture. They become nobodies—they are just nil.

There is no member in this House of Commons who is a nobody or just nil.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: He dealt further with what this institution means a little later in that debate when he said:

> They do not have to govern, they have only to talk. The best place in which to talk, if they want a forum, is, of course, Parliament. When they get home, when they get out of Parliament, when they are 50 yards from Parliament Hill, they are no longer hon. members—they are just nobodies.

Some hon. Members: Shame!

Mr. Diefenbaker: That, to me, was shocking in the extreme.

An hon. Member: Arrogance!

Mr. Diefenbaker: Arrogant? The words in the book of synonyms are not sufficient to describe it! I would have expected the Prime Minister to say at the earliest possible moment that those observations might well have remained unsaid, but they stand. That is his view, and it shows a contemptuous attitude to this institution.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: No matter in what part of the House a member sits, he is entitled not to be referred to or considered a nobody. He was sent here by the people. It was a statement that will haunt the Prime Minister for a long time to come.

In the current issue of Canadian *Time* there is a cartoon of the Prime Minister and he is sewing up and silencing a mouse or a rat.

Mr. Crouse: It is a beaver.

Mr. Diefenbaker: He has tied it up with a great deal of thread or heavy cord. He has it tied up. As far as I am concerned, that represents his attitude to Parliament. We are tied up. We are nobodys. We sit, we speak, we are unheard and referred to as nobodies.

I have some satisfaction in knowing that about the same time as this happened Marshall McLuhan, who is often regarded as the conscience of this government, when speaking of Armstrong and Aldrin having arrived on the moon, said, "They are nobodies". The Prime Minister said that when we get 50 yards away from the House of Commons we are nobodies. It took Armstrong and Aldrin years of training, 7,000 scientists to work on the problem, and they travelled 235,000 miles into space to become nobodies. You and I can do it by going 50 yards away from the House of Commons!

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Diefenbaker: What should I speak about? First, I will speak of this institution. I have read all of the contributions. I think we overdo it when one after the other and perfunctorily, as it were, we congratulate the mover and seconder. After the various leaders of the parties have done so, I think that is sufficient.

There have been some remarkable contributions. There has been information advanced, study and research revealed and, above all, there has been dedication. There have been complaints about the press gallery not reporting what takes place in the House of Commons. This is an institution that is avoided by this government. They have a perambulating system of ministers on a kind of musical chairs basis. Ministers are supposed to be here except when it is necessary to be absent. The Minister without Portfolio

(Mr. Lang) and the Minister of Agriculture (Mr. Olson) have had important duties which caused their absence in the last few days. Others have duties as well. Ministers should not be on a roster basis because if they do not want a question to be asked that comes within the particular ambit of any one minister and the question is directed to the Prime Minister he says in effect: Wait until the minister gets back. That is not Parliament.

Some hon. Members: Hear hear!

Mr. Diefenbaker: I said earlier that this institution has been degraded. I say it again and I say it with deep sorrow. I miss this House when I am away. I do not care on what side of the House members sit, there is something about this fraternity, its relationship and the recognition that those who sit opposite are entitled to the fullest consideration. All are trying to do something for their country, but the leader of the nation has said they are nobodys. It did not affect me, but the fact is that the people will regard this institution no higher than the regard the leader of the country has for this institution, in respect of which he holds the highest prerogative position.

What should I say of international affairs? I am not going to deal with that question except to refer to it in passing. All over the world people are laughing at Canada chasing after Mao and saying: "Won't you allow us to recognize you?" I can just hear the Secretary of State for External Affairs (Mr. Sharp) saying, "Here am I, Mao, take me."

Some hon. Members: Hear, hear!

Mr. Diefenbaker: This is a most preposterous position. If the Prime Minister were speaking about it he would say, "Me and Mao". That is a position being taken by this government. They are talking about recognition of Communist China at a time when in the U.S.S.R. there is a deep fear on the part of the people. Communist China intends to go to war. You cannot find a Chinese student in the U.S.S.R. or the Ukraine today. There used to be many Chinese students there. I asked where they were. I was told they were there until five o'clock one day and the next morning they were gone. The Soviet Union is afraid of that vast boundary line between their countries.

Last night President Nixon spoke. I hope his message hit home. It is easy to tell the United States what it should be doing. If their men were not dying in Viet Nam, our men in Canada might well be in the same position. The United States should not have gone in there in the first place, but they are in there and they cannot get out. To get out would mean a loss of prestige and bring about the greatest upheaval in Southeast Asia that has ever taken place.

• (12 noon)

I want to emphasize that recognition today by the government of Canada will be taken as approval of communism by those who have stood against communism in Southeast Asia throughout the years. We made a mistake in not granting recognition in the 1950's. Then it would have been a juridical act. It was not done. It was not done under Mr. King. It was not done under Mr. St. Laurent or Mr. Pearson or me. When my period as Prime Minister came, I reviewed that situation thoroughly; that was one of my reasons for being in Asia in 1958. And over and over again I found people in those Asian nations who have stood; while you and I have talked they have lived in the shadow of threatened communism which would destroy them. Their message was: "Do not recognize. Don't do it."

Again, after my recent visit to the U.S.S.R. and after speaking to some of the heads of that nation, I impress once more the danger of taking the course which the government seems bent on taking. What for? What will they get from it? I asked the Secretary of State for External Affairs when he was over in Stockholm trying to get the Maoists to accept him, to enfold him, to take him in—that is exactly what was happening—what he was saying to them about wheat sales. He replied in effect: We are not discussing that. I can understand that, because the wheat sales which are being made to communist China, the recent ones, are from Australia, a country which is indirectly fighting against Communist China today in Viet Nam.

We hear about an economy drive. What drive? On one hand they are saving money by closing a number of missions, while at the same time the Speech from the Throne talks about establishing closer relations throughout South America. How much will be saved? How much more will they save than they lost when they caused the windows in this building to be removed, broke them up and put in new ones—several hundred thousand dollars worth, I understand? The windows in my office were perfectly acceptable, Mr. Speaker. I could see through them as clearly as I can see through this government.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: But away went the windows. They smashed them up.

The Prime Minister said a while ago that he would add to his staff. He cannot. He cannot get any more people into that part of the building. They come from everywhere. I understand they are starting to wear badges so that one may not make the mistake of giving advice to another belonging to the same staff. What a ridiculous proposition is being heaped on the Canadian people by announcing that this government is engaging in economy!

I could deal further with this subject of economy and I could deal also with a government which has so little to do that it is starting to abolish lawyers. All lawyers, apparently, are crooked according to one of the ministers. Another minister is abolishing tobacco. And so they go on. And while they are doing these things the cost of living goes up to the highest point in history; interest rates are on the way to the moon; people are finding it difficult to live.

The Minister without Portfolio in charge of wheat has now left. Had it been otherwise, I would have addressed some remarks to him. One minister pleaded today that the government be given a little time; "we are looking into this; we are examining it". We ask what the government intends to do about the wheat situation, and the reply in effect is: We shall let you know in due course. While this is happening, tens and tens of thousands of acres in western Canada are under snow. Farmers are without any money at all to enable them to carry on. They cannot borrow from the banks because the banks have closed down in most cases as far as credit is concerned. I asked the government what it intends to do and the answer is given that the government is looking into the matter.

Sir, there is deep perplexity among the Canadian people. They are worried. They are concerned. They wonder what is going to happen next. There has been a kaleidoscopic series of things done outside Parliament and despite the views of Parliament. Nobody knows what will come next. This brings me to a matter with which I intend to deal in some detail.

I have said on occasions that this government seems determined to abolish the monarchy. Let no one deny that this is their purpose and objective. I should not be speaking on this subject today but for the fact that yesterday I examined certain books. In 1968, on December 13, I said:

> Some advocate a republic. I think if we had a republic in Canada it would end Canadian independence. The monarchy cannot be abolished except by constitutional amendment. But lo and behold, *Time* magazine has come out with a story this week, and this magazine always has its ear close to the government. I quote:
>
> "Last week, thinking aloud in the Liberal caucus, the PM said the government hopes to "Canadianize" the monarchy by quietly "depersonalizing" the Queen's role in favour of more emphasis on the constitutional position of the Governor General—by, for example, replacing the name of the Queen with that of the Governor General on all official documents."

There were some who said there could not be any basis for that. It was explained that the Prime Minister was thinking out loud; he did not mean anything by it. It was one of those statements which had been made but it should not be regarded too seriously. Let us take this document called the Speech from the Throne. But where is the Throne in this speech? What does it say about Her Majesty the Queen who is part of the Parliament of Canada and cannot be removed except by a constitutional amendment at the wish of the people of Canada?

These words would not have been spoken a few years ago by General Vanier or by the Right Hon. Mr. Massey. I can just imagine what they would have said if they had found this speech placed before them in its present wording. They believed in the monarchy. They realized what the record of the monarchy had been. They recognized that had it not been for the monarchy French Canadians would have no rights today and would long since have been absorbed by the United States. They realized that it was under the monarchy that our freedom was built, that it was under the monarchy in Canada, many years before it took place in the United Kingdom, that slavery was abolished, that it was here in Canada, by action of the parliament at Westminster, that freedom was brought about, that the French language and religion were protected. What happened to those from our country who went across the line to Massachusetts or Rhode Island or New Hampshire or other states? All such rights disappeared.

What does this Speech say?

> I was also pleased to make a goodwill tour of the four Commonwealth countries of the Caribbean . . . These visits abroad were made on the advice of the government and with the encouragement of Her Majesty.

I must say Her Majesty did not have much opportunity to give encouragement, because a week before the journey was made they did not even know they had to secure her consent before her representative left on the journey.

Yet the decision as to the journey had already been made. Mr. Speaker, the proper description of this government, as of every other government under the monarchical system, is "My government". It has always been the description used until this time. Now, it is out.

• (12:10 p.m.)

The Speech continues:

May I say, too, that Her Majesty's interest in Canada, and in Canadians and their affairs, will bring the Queen—

To Canada during the coming summer. What colossal effrontery ever permitted the government to use the words "Her Majesty's interest in Canada"? Her Majesty is part of Parliament, Mr. Speaker.

I now bring to your attention the changes that have been brought about during the last few weeks. First let me begin by referring to the British North America Act. Section 9 provides:

The Executive Government and authority of and over Canada is hereby declared to continue and be vested in the Queen.

There is no question whatever about that. That has been accepted by every Prime Minister from Macdonald up to and including Pearson. That is what the constitution provides.

Then section 17 provides:

There shall be one Parliament for Canada, consisting of the Queen, an Upper House styled the Senate, and the House of Commons.

So, first, executive authority rests with the Queen. That is definite, final and clear under the constitution and has always been so accepted. Indeed, it was accepted by this government in January, 1969.

Ever since 1958 there has been published each year a book that is regarded as the bible of the Canadian public service. It is entitled: "Organization of the Government of Canada". This is the official guide to Canadian governmental operations, and I should like to inform the House how this Government has rewritten this book, which is now published in loose-leaf form.

The first decision the government made was that the constitution was wrong. I have already read to the House what the constitution says about the executive power. In the January, 1969, edition of this loose-leaf book section 3 provided:

Executive power in Canada is vested in the Queen by the British North America Act, 1867. It consists of (a) statutory power, which is derived from that Act and from legislation of Parliament and (b) prerogative power, which may be described as a residual authority of the Sovereign as head of the State. The Governor General is the Queen's representative in Canada. The Governor in Council exercises executive functions on behalf of the Queen.

That is what the record has shown throughout the years, and it is in accordance with the constitution. But we now see the handiwork of one of the triumvirate that joined the Liberal party, namely, the Prime Minister, the Secretary of State (Mr. Pelletier) and the Minister of Regional Economic Expansion (Mr. Marchand). When the question of a republic for Canada was presented to the Liberal meeting in the city of Montreal two years ago, they made their views known in regard to the monarchy. The Secretary of State voted for abolition. The Prime Minister did not vote because he said there were other, more important things. One statement he made, which has never been denied, was that he considered this matter of lesser importance than skiing or even snowshoeing. The Minister of Regional Economic Expansion said he did not vote because he did not want to interfere with the trend.

Now, Mr. Speaker, what has now been produced? No longer, as in the constitution, is the executive power in Canada vested in the Queen. The new section 3 provides:

Executive power in Canada is exercised by the Cabinet and carried out in the name of the Governor General who acts formally on the advice of the Privy Council. Cabinet ministers who make up the government of the day are, therefore, all Privy Councillors and as such take collective responsibility for giving advice to the Governor General, advice which by convention he is bound to accept.

Thus the government changed the course of years in July, 1969. It has altered the constitution. This new wording is contrary to what the constitution provides. The constitution has been wiped aside by a bureaucratic directive. Added to the directive are the words: "Previous pages are to be destroyed." I will come to that in a moment.

What must be destroyed is dealt with in summary in this book. As to the executive, it is perfectly clear that the former section is to be destroyed or removed. The directive is: "Remove and destroy papers." The change in the constitution has been made by illegal methods, by evasive and subterranean conduct on the part of this government.

Then other sections to be destroyed, such as various named documents. Reference is also made to legislation. The legislative situation

is dealt with as well and the wording changed once again. The old pages that have been with us for years and years and years are now to be destroyed.

With regard to the next matter I hope a mistake has been made in the description, because no replacement has been provided. There are not many ministers present in the chamber who are following me with the attention that ministers usually display. Section 1-SO-2 deals with the Parliament of Canada. The heading is "The Sovereign" and the subheading "Her Majesty, Queen Elizabeth II." It provides:

> Her Majesty Queen Elizabeth II is the Queen of Canada, the Royal title being "Elizabeth the Second, by the Grace of God of the United Kingdom, Canada and Her other Realms and Territories Queen, Head of the Commonwealth, Defender of the Faith".

Then the Governor General and Commander in Chief, His Excellency the Right Honourable Roland Michener, is dealt with as the Queen's representative. As I say, I do not know whether a mistake has been made here, but it is of interest to note that that page is no longer in the current book on the organization in the Parliamentary Library. The instruction was that this among other pages was to be removed and destroyed. I would ask the government whether a mistake has been made in removing from this volume reference to the fact that there is a Queen. No reference is made to her except in a passing way on one or two occasions, when she is described as the Sovereign.

This represents to me, Mr. Speaker, the epitome and essence of what has been going on in this country as this government and its immediate predecessor have chiselled away, undermined and reduced to innocuity, as far as it is possible for government to do so, our cherished traditions. I venture the opinion that not even three ministers of the government realized that this had been done by the instructions of July, 1969.

Mr. Speaker: Order. I regret to interrupt the right hon. gentleman but I must bring to the attention of the House that the time accorded to him under the rules has expired.

Some hon. Members: Carry on.

Mr. Speaker: With the consent of the House, the right hon. gentleman for Prince Albert.

• (12:20 p.m.)

Mr. Diefenbaker: I ask the government why it has done this. In January of this year the government stated that the Queen, almost in the words of the statute, was the person in whom the executive power rested. Why has this provision been deleted? Why do they substitute the government or the cabinet for the constitution, putting the cabinet in the position that they believe that they can get away with anything? That is just an example of one of the most serious things that has happened today. The government is now determined to take the step that will ultimately bring about this result.

Let me digress for a moment. Among other things I am concerned about the fact that Her Majesty the Queen is not to broadcast her traditional Christmas message. I hope this will be changed. I hope the Canadian government will make it clear that we would welcome this message. This is one occasion in the year when the Queen, either as the head of state or as the head of the Commonwealth, speaks to her peoples everywhere. We remember those dark days of December, 1939, when many of us wondered what the next year would bring forth, and when King George VI made that speech which is immortal. He quoted the words of an almost unknown poet.

So far as the Throne Speech is concerned the Queen's name has been brought into it in a shabby and discourteous manner. She has been given a kind of Judas kiss. She was left out of last year's Speech and I think out of the Speech the year before. In the present speech she was restored as though she were some person from some foreign land who has shown some interest in Canada. I repeat, there shall be one Parliament consisting of the Queen and Upper House, styled the Senate, and the House of Commons, with an executive government with authority of and over Canada declared to continue and be vested in the Queen.

I am concerned over the degradation of Parliament. The members of the press gallery are condemned because they do not report Parliament. This institution will die if the government continues to operate as it does at the moment. At the moment there is only one minister here. Surely they are not too busy to attend. This is a very contemptuous way of treating an institution which today has become not the Queen's government but the Prime Minister's government.

An hon. Member: There are two ministers over there.

Mr. Diefenbaker: Let me make this perfectly clear. I should like to see some government

members stand up and say to the Prime Minister of Canada that they believe in their hearts in the monarchy and are not going to be pushed along in this way any farther. This is what is being done. They are nobodies. If we are nobodies over here, I refrain from using the expression that the Prime Minister might apply to you if he was sitting here.

Sir, I have concluded. What has taken place through this directive is an effort on the part of this government, or three or four members of it, to bring about the end in this country of the monarchy and to establish a kind of republican system of government wherein the Prime Minister will be the head. He is not the head now, but in giving this instruction contained in the Speech from the Throne, as they still call it, he has reached the position where he can say, like Louis XIV: "L'état, c'est moi." As long as this institution stands and exercises its rights and privileges, that sort of view cannot be accepted.

If we are to bring about a republic—I am opposed to it but that does not mean other people are not entitled to their views—this shall not be decided by some bureaucratic outfit or several ministers who say, by administrative direction, burn, destroy and get rid of these institutions that have been acceptable throughout the years. Why change everything between January and July? Let the people decide. You members over there dare not deny the people of Canada the opportunity to vote on whether or not they want to be in a republic. Instead, by clandestine and secret means you are trying to bring about what you know in your own hearts—and the government knows—would not be acceptable to the Canadian people.

Some hon. Members: Hear, hear.

[*Translation*]

Mr. Georges-C. Lachance (Lafontaine): Mr. Speaker, I am pleased to offer you my congratulations on the dignified and equitable manner with which you preside over our deliberations and I express the wish that you will continue to do so for a long time.

I also want to express my congratulations to the hon. member for Sarnia (Mr. Cullen) and the hon. member for Lapointe (Mr. Marceau) who moved the Address in Reply to the Speech from the Throne. Both of them on this occasion made speeches that show a real concern for public affairs, a deep knowledge of Canadian politics and a sincere determination to take a full part in the development of constructive and efficient policies.

I may not be as amusing or interesting as the previous speaker, but I shall try to be more serious.

The Prime Minister (Mr. Trudeau) and the Leader of the Official Opposition (Mr. Stanfield), as well as the leaders of the other parties and the hon. members who have spoken during this debate have done so with great dignity and generally without any bias. They made a general survey of the political situation inside and outside Canada.

I noticed that there was general agreement as to the alarming situation brought about by such problems as inflation, price increases, the cost of living, international insecurity, starvation in the world and the impatience of the young in face of our inability to solve their problems quickly.

• (12:30 p.m.)

Finally, I have noticed a general consensus to the effect that we should all work together very hard to seek and find solutions.

In the Speech from the Throne, the government proposes to call upon the House to study various papers, as well as legislative proposals intended to lower the voting age to 18, devise measures to fight pollution and general inflation, and reform social security to build a strong and productive country.

The Prime Minister, in the course of this debate, has referred, among other things, to Canada's human and material resources, constructive criticism on the part of the opposition, the needless pollution of air and water, the participation of the young people in our country's political life, inflation, the increase in the cost of living, the inequality of opportunities for well-being in the world, threats to the human race in general, the Arctic regions, Canada's sovereignty and many other subjects.

During the debates which will take place in this House about the bills or problems that will be considered, I hope that I shall have the opportunity to take the floor as often as possible. However, in case I could not do so in due course, I take this opportunity today to give my impressions about a few points in which I am particularly interested, namely the very serious situation prevailing at present in the Middle East, the recognition of the People's Republic of China in opposition to Nationalist China, the problem of prisoners' rehabilitation and of expunging criminal records and finally, of bail in general.

In the Middle East, Mr. Speaker, we all know that peace has practically never prevailed there since the end of the ice-age,

when ice receded toward the North, Europe woke up to life from its lethargy and the green and fertile countries at the extreme end of the Mediterranean sea, well irrigated by then magnificent rivers, with rich pastures and thick forests, were scorched by the sun and became a desert.

It seems to me, Mr. Speaker, that the desert, the sun, solitude, and undoubtedly the recent discovery of huge oil fields have turned the Middle East into a hell where hatred and cupidity are the most prevalent feelings.

Christ came on earth, and so did Mohammed, the prophet, warrior and poet.

Today, the influence of great empires has almost completely disappeared in that region of the world and has given way to the exploitation of oil, but the desert still exists and so do hatred and cupidity.

Mr. Speaker, we know that the Secretary of State for External Affairs (Mr. Sharp) will soon visit the Middle East. I hope that through his good offices a solution will be found to this problem, because I believe that the cease fire which now prevails will soon end. With the present escalation, we are on the road to a world war, and that is very serious. I hope he will find the arguments able to convince all parties to accept a permanent cease fire until a solution acceptable to all is worked out.

In the first speech I had the honour to make in this House, in 1963, I proposed that we recognize Communist China. I am glad to see that this government entered into negotiations with the authorities of that country in view of this recognition which would permit Communist China to be represented in the United Nations. It is no use hiding like an ostrich while we sell that country wheat and seek other opportunities to trade with it.

It seems illogical to me not to recognize it. The recognition of that government as the real authority in that country does not indicate approval of such a system of government.

However I am anxious when I see that recognition of the People's Republic of China could perhaps bring about automatically the non-recognition of Nationalist China, Formosa.

It seems to me that we are not entitled to decide the political option of the citizens of the People's Republic of China or Communist China. I think it would be an error if our recognition of Communist China were conditional upon our severing of relations with Nationalist China.

I have already had occasion in the past to speak in favour of the rehabilitation of prisoners in our penitentiaries. In the meantime, the Ouimet Commission has presented its report and I hope the government will take steps as promptly as possible to implement the report's excellent suggestions.

We must make the public service accessible to those who have paid their debt to society. I believe courses can be set up in the penitentiaries for the purpose of preparing those prisoners who wish to enter the public service to do so, this without in any way suggesting that prisoners released from our penitentiaries should have immediate access to top positions. I feel that a probation system should also be set up so that those people would have to report on a regular basis and so that they could fully know that their cases are under constant study.

• (12:40 p.m.)

But how can we ask private industry to try to make it easier for a prisoner to rehabilitate himself if the government and the civil service do not set the example?

Of course, this proposal is related to others which I intend to make, such as, for instance, the destruction of criminal records. I shall not discuss this subject at length because a bill to that effect has been introduced and we shall certainly have every opportunity of discussing it.

Still, this measure does not go far enough and I believe that we must do our utmost so that criminal records be destroyed after a certain time, so that individuals who have paid their debt to society can again hope to rehabilitate themselves fully and contribute to Canada's productivity.

Now I should like to deal with the problem of bails in our courts of justice, with which I am particularly familiar since I had the opportunity to represent for some time in Montreal the attorney general of the province of Quebec. I always loathe seeing a person under arrest having to prove his right to be freed on bail. It is not up to the accused to prove that, but rather to the Crown.

It is amazing to see that the individual who, for instance, is arrested for having beaten his wife, upon a mere statement sworn very often during the night, has to spend the night in a prison cell, and that the next day, he is required to post a bail which he is often unable to provide.

I know of an individual who was arrested in Montreal two years ago—I do not want to

give too many details as people might identify him—put on a plane by the provincial police, and sent to one of the western provinces, because he was charged with plotting to set up a book-making business. This is obviously a criminal act, but certainly no criminal act can justify that the accused be sent 2,000 miles away and forced to post a $10,000 bail on real estate. The individual in question knew no one in the western city who could bail him out and he had to spend five days in a jail cell while his father was lying on his acquitted.

I do not accept, Mr. Speaker, that a person be held on the mere statement of police authorities. Nobody should be arrested and forced to prove he has a right to freedom. If we recognize the principle that a person is deemed to be innocent until he has been proved guilty, I think the onus of responsibility for deciding whether or not bail is necessary should lie with the Crown and not with the individual.

Nobody should be forced to prove his right to freedom and if law enforcement officers fear that the individual might escape—which is impossible, since the world is too small—just let him run. A good riddance. But I do not believe that anyone charged with being a member of a betting syndicate will try to jump bail.

In my view, Mr. Vallières and Mr. Gagnon should not have been kept in jail for three or four years. I do not share their political opinions, but our system is such that individuals have to prove that they deserve to be set free. Should an individual not fulfil the obligations that bail entails, the Crown could always ask that such bail be annulled.

I find it totally unacceptable that an individual be deprived of his freedom during three or four years without having been found guilty. Our judicial system is badly organized in this respect. In the United States, a person may call upon an insurance company to put in bail for him. Here, it is just the opposite. It is quite difficult to find bail. Many individuals rot in prison cells while awaiting trial.

I have talked about Messrs. Vallières and Gagnon. They are lucky to have several friends or so-called friends to help them. What about all the unknown who have nobody to help them and who are kept in jail for the most trivial offence before their trial.

In my opinion, Mr. Speaker, the entire bail system should be reconsidered keeping in mind that the burden of proof and the need of bail are the responsibility of the Crown and not of the individual.

Man may have conquered the moon and the world generally, but at the rate he is going, he will lose the earth. It is true that Canada cannot keep the peace throughout the world but we must redouble our efforts to deserve the wealth that we possess.

[*English*]

Mr. Alastair Gillespie (Etobicoke): Mr. Speaker, as I listened to the distinguished hon. member for Prince Albert (Mr. Diefenbaker) I was reminded of an echo of yesterday, of the unregenerate critic of progress and reform. I could not help but wonder whether this man on his recent trip to Russia discussed tub-thumping techniques of a previous encounter. I am referring, of course, to the famous occasion when in the United Nations in New York the right hon. gentleman was supposed to have caused Mr. Khrushchev to have taken off his shoe and thumped the table. I was reminded that empty barrels give out most sound.

In his opening remarks he referred to the fact that the Prime Minister (Mr. Trudeau) was not present in the House. I wonder if he was aware that his own leader was not present in the House and I wondered whether he spoke for the Conservative party.

It seems to me that he showed no understanding of the world for what it is. He criticized the program of this government because it was trying to reform Parliament. He referred to the roster system, and he referred to the degradation of Parliament. If he had his way, he would suffocate Parliament. He spoke about wheat sales but offered no suggestions. It was an eloquent and distinguished performance of professional opposition. He spoke of economy drives and showed that he had no understanding of economy. After all, what man who uses so many words so generously could understand the word economy? He referred to windows, and I think inadvertently tipped his hand by demonstrating to all of us something I long suspected, that he is far more concerned with windowdressing than with the substance.

• (12:50 p.m.)

Some hon. Members: Hear, hear.

Mr. Gillespie: He spoke of the monarchy. He seems to have forgotten that the constitution is a living thing, something which the Queen's husband reminded all Canadians about not very long ago. And he referred to the picture on the cover of *Time* magazine.

He called it a rat. I think if he looked more closely he would discover it was a rather battered beaver. Further if he looked closely I think he might also observe the true symbolism of the picture. Surely this was the battered beaver reclaimed by the Liberals and nurtured by them under the Pearson government, and which is now being restored to health under the Trudeau government.

Some hon. Members: Hear, hear.

Mr. Gillespie: And that, Mr. Speaker, is what the Speech from the Throne has indicated to us all.

In speaking in this way about the Speech from the Throne debate you may detect a certain impatience in some of my remarks. I feel this debate has gone on too long. I think we may all be slightly weary with what may be described as our eight-day diet. It has not been the quality of the speeches which caused this feeling of weariness but more their quantity and their generality, the fact that there was no clear aim, no concerted purpose to the speeches.

Few of the speeches have been reported in the press. When we think about it, how could they have handled this veritable deluge, this bonanza of Parliamentary opinion, even if they were interested? Are they right that the people of Canada are not interested?

I suppose we could rationalize this occasion by saying this talk-fest has therapeutic value, rather like a psychologist's couch. It may even help to tranquilize our tensions, but there is an equal possibility that it may do no more than raise a yawn. Why not, then, four days next year?

Some hon. Members: Hear, hear.

Mr. Gillespie: In any event, Mr. Speaker, I want to talk about two aspects of reform, the need to experiment with new mechanisms in federal-provincial-municipal planning, and the need to extend Parliamentary reform to include the important area of a Member of Parliament's productivity and the method by which he is compensated.

Recently a good deal of attention has been focused on the problems of the city. The hon. member for York West (Mr. Givens), in his stirring speech two nights ago, emphasized the importance of the city and of the planning and the environment of the city to the citizens of the future. He pointed out that a very large proportion of Canadians are living in cities now and that even more will be living in them within a few years.

I think we need to ask ourselves this question: How much are the cities of Canada going to have to say about the kind of cities they will become? After the agonizing events of recent years in the United States this is no idle question. Are our cities to be no more than passive bystanders as others unfold their grand designs for the benefit of the citizens of those cities?

The question that more and more people are asking today is simply this: How can the federal government ensure that its plans and programs for the city are in fact taking account of the needs of the city and, more particularly, are they in harmony with the future plans of the city itself? Is not the existing practice by Ottawa of consultation with a provincial government department or, worse still, with several separate provincial government departments, too indirect, cumbersome and inefficient in an age when the rate of change is accelerating enormously? Is it not time to consider new mechanisms to plan our growth and protect the quality of life in our cities?

By way of example, Mr. Speaker, the great metropolitan area of Toronto will expand in population in the next ten years by about the same amount that it has expanded and increased its population over the previous 150 years. I am saying, then, that I think there is a real urgency, particularly in the larger city systems, to consider new ways of relating the federal presence to those most concerned with planning the shape and the form and the enjoyment of the city, and I would like to use several examples to show the kind of problems that have occurred within the last year within the Metro Toronto region.

A year ago last summer an announcement was made about the expansion of the international airport at Malton. This expansion was planned with absolutely no local consultation of any kind. There had been consultation between the federal government and Queen's Park but not with the planning directors or elected officials of the municipalities most directly affected. As a result much of the planning had to be withdrawn because it simply did not reflect the aspirations of those who were going to be most affected.

More recently the provincial government at Queen's Park has recognized the need to plan for the future of this area. In a press release issued on October 9 they refer to a new series of zoning regulations for the Toronto International Airport. These regulations divide it into six zones, and certain compatible land use zones are associated with them. In their press

release they indicate that they have been involved in this process of planning the urban environment around airports since 1957. But it took them 12 years to do anything about it. It took them 12 years to provide the municipalities that were going to be most affected with guidelines that would enable the municipalities to determine the kind of communities they should build.

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

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. Gillespie: Mr. Speaker, I should like to review briefly one or two of the remarks I made before we adjourned for lunch, so that the remainder of my speech will appear in context.

What I was arguing for was a new mechanism to reconcile the interests of the federal-provincial and municipal authorities in planning the urban environment and I stated that I wished to cite some specific examples of failure in this regard. I referred to the planning and the expansion of Malton airport and perhaps I should just review quickly one or two aspects of that plan and the areas where I feel it failed.

Almost immediately after the plan was announced a year ago last summer, there was an outcry from those most affected. Plans for schools, a community college, a hospital, and public housing, all had to be reconsidered. Private housing projects on lands zoned for residential use were put on ice. Plans for parks and recreation areas were hoisted and newly developed traffic pattern figures became obsolete. Subsequently, the airport proposal was modified to accommodate local views and the decision was taken to build a second airport which decision, let it be said, would have had to be taken within a few years in any event because the air space over Malton was expected to reach capacity by the mid-1980s.

The point is, had the local levels of government been directly involved with the federal and provincial governments from the start of the planning process, these mistakes would not have occurred. It is likely that the modified expansion could have begun six months sooner to the advantage of three million passengers and, just as important, local projects affecting the whole area would not have been delayed.

This experience, together with the zoning which the provincial government announced within the last month, argues for the direct involvement on a consultation basis of the appropriate borough, city or metro planning groups when anything as important as an airport is concerned. If we continue to see the process of consultation in terms of a ladder that is to say initiative by the federal government, translated to the provincial level which in turn translates the interest to the municipal level, we will see a lack of real consultation about local interests.

As I pointed out in my remarks this morning, the paragraph from the provincial government's press release made it clear that there had not been very much meaningful consultation with the municipalities until recently. The press release also pointed out that the provincial government had been aware of the problems of noise since 1957. I quote: "in January, 1969, it was found possible to initiate discussions between the Department of Municipal Affairs and the local municipalities on the one hand, and the federal Department of Transport on the other, regarding the affects of present and future aircraft noise on surrounding areas."

It is my contention that it would have been much better had the local authorities been involved from the beginning; that instead of being asked to react to a situation which was in large part created for them they should have been given an opportunity to participate, and to shape a plan. I say that the up and down the ladder approach to consultation between the federal and municipal authorities is not satisfactory in this day and age. We should be thinking about a round table discussion. Surely, this is the sort of arrangement we should strive for today when speaking of inputs and consultation.

In this regard, I should like to go a step further and cite a recent experience in Toronto concerned with the possibility of relocating the Island Airport. A number of editorials and press comments have appeared under such headlines as "Airport Arrogance", and I will quote from the Toronto *Star* of October 24:

> Despite representations from many quarters for a co-ordinated development of the whole harbour area, the city and Metro have been completely ignored. The Harbour Board, Queen's Park and the federal Department of Transport have gone their merry way without so much as consulting them.

• (2:10 p.m.)

There have been scare headlines as well. There have been those about fear of pollution from the lakeside airport, and others of its kind, affecting the whole quality of life of a major urban area. The time has come to consider a specific approach to this problem. Before I make my suggestion for the solution to this problem, I wish to say I am not talking about just one airport. I am talking about a system of airports. In the metropolitan region today there are five airports, Toronto Island, Malton, Downsview, Buttonville and Maple.

What we must think about is planning an airport system for this major developing urban area. It cannot be done on an ad hoc basis of first doing something with Malton and then a second airport to provide for the future after the limited expansion at Malton. Nor can it be done on an ad hoc basis by examining a possible new site on the lakeside to replace the Island airport. We must think in terms of a complete system which recognizes the various kinds of carriers, the commercial carriers, chartered aircraft and general aviation.

It is of some significance that in the metropolitan Toronto area 90 per cent of the air movements, that is to say the take-offs and landings, are accounted for by general aviation, that is business, pleasure and training aircraft, and not by commercial carriers. It is this kind of exploding growth situation with which we must grapple. We cannot do it just in terms of federal-provincial consultation. We have to provide for the municipal input where it counts. We have to provide an opportunity for the planners and the elected officials of the municipalities to participate in the planning of this system so that their plans for the future with respect to recreation areas, housing, transportation, schools and hospitals fit in with the over-all plan.

The time has come to consider an approach to the formation of a new institution which I would propose as a metropolitan region airport board. There is precedent for this sort of arrangement. In 1911 the federal government and the city of Toronto became joint partners in the Toronto Harbour Commission which, incidentally, is a very happy precedent and which has spawned at least seven other similar arrangements.

This was an opportunity for the federal and municipal governments to plan together for the benefit of this city within a national plan.

I think a metropolitan airport board should be formed. It would be a planning agency. Its powers would be those of a planner rather than an operator. It would be composed of federal representatives of the Department of Transport, provincial government officials, municipal representatives, and other interests involved including representatives from the Toronto Harbour Commission which is now part of the airport system. I feel the municipal representatives should be both officials and elected representatives, those accountable to the people of the city. As I indicated, there is precedent for this arrangement and I think that its urgency is now compelling.

The other subject I wish to speak about, Mr. Speaker, is an aspect of parliamentary reform which I do not think has received all the attention it deserves in this debate on the Speech from the Throne. I refer particularly to the productivity of members of parliament and their compensation arrangements. The new importance of the standing committees requires a new appreciation on the part of all hon. members and the community at large of the need to improve the arrangements of members of parliament in order that they can be more productive. They have less time to spend in their offices and their time, therefore, must be spent more effectively. I would like to see a general recognition by members of parliament that the present arrangements are not satisfactory. I recognize that we cannot change all of them now, and may not be able to for some years. I am referring specifically to the problem of space. We should extract a commitment that something will be done.

What self-respecting businessman, professional man, labour union leader or member of the community would try to carry on his work as we do within six feet of an over-active electric typewriter? What self-respecting person trying to serve the kind of constituents we are can operate with one telephone line? It is a little like building a single track railway system between two points without any sidings. You can go in one direction, but until you have completed that direction nothing can come back from the other. Surely, the time has come for all members of parliament to support the idea of two telephone lines.

Some hon. Members: Hear, hear.

Mr. Gillespie: Surely the time has come for hon. members to insist on having some kind of telephone answering service. This is the most important institution in Canada. If we are using our single telephone line and someone calls our office, there is no way that person can leave a message. Similarly, if we

do not happen to be in our office and if our secretary for some good reason is not in the office and someone calls, there is no way that person can leave a message. It is now time for us to recognize these shortcomings and move to correct them.

Some hon. Members: Hear, hear.

Mr. Gillespie: The area of compensation arrangements for members of parliament is a delicate one. It is time we told the Canadian public what the situation is. I think the professional paper prepared by Mr. Horst G. Wolff, published by the Canadian Tax Foundation and circulated to many, if not all, members is a very useful contribution to this whole question with respect to expenses and compensation arrangements for members of parliament. It is very useful in helping us present the case to the Canadian public. It traces the history and points out the inconsistencies and the lack of a single guiding principle. It attempts to distinguish between the confusions of salaries and expenses and traces how these came about. It points out that the Carter Commission recommended changes and it supports the principle the Carter Commission endorses. One of the recommendations reads:

> Members of Parliament should be treated on the same basis as other employees and so should be required to bring their allowances into income, and at the same time should be allowed to deduct their expenses of earning employment income including election expenses. We would expect that it would be accepted that the regular place of business of a Member of Parliament is in his riding, so that all expenses incurred while in Ottawa and in travelling to and from Ottawa would be deductible as long as they fell within the limits established for such expenses.

• (2:20 p.m.)

In other words, the Carter Commission proposal recognizes the dislocations which are occasioned by having two bases—a constituency base and an Ottawa base. This article points out clearly that the prevailing practice in business and the professions is for businessmen to deduct out-of-pocket expenses incurred away from their place of business. For instance, if a businessman or, indeed, anyone else, were to come to Ottawa to appear before one of our committees his expenses in coming to Ottawa would be deductible; they would not be added to his income as they are by inference to ours.

Let it be made clear that I am not advocating an increase for hon. members at this time. What I am saying is this: we have to change the system of which we have become captives. It seems to me the time is ripe. We are approaching parliamentary reform from many points of view, including that of concern for making our committees more effective. Surely, Mr. Speaker, this is the time to examine the aspect of parliamentary reform to which I have referred.

An appropriate way to do so would be by establishing a commission which would be given the task of determining what should be the appropriate level of remuneration for Members of Parliament by comparing the levels applicable in industry, the professions and the public service. More particularly, it is important that such a commission should recommend a way of providing for future changes in the salaries of parliamentarians. The present system was designed for part-time members. It is an ad hoc arrangement and in my view it is no longer appropriate since it no longer serves the cause which it espouses, that is to say, the health of parliamentary democracy.

Let there be no mistake about this: Members of parliament will be asked to do more, not less; legislation will become more complicated and more technical, and the effectiveness of members of parliament will become increasingly important to the operation of this system, not less. To point a finger at an example which may be useful in this context, I should like to remind hon. members that some time ago the United States recognized the importance of setting up a public commission to determine the appropriate levels and methods of compensating their members of parliament. I refer to the Kettle Commission which reported not long ago.

I think the commission should include members who are well-known in business life, in labour organizations and perhaps in one of the professions. I am thinking of a university president. Unless the system of public service is changed, good men will not serve in parliament in the future, not because they are unprepared to do so but because parliament and the people are not prepared to face a basic issue. Formation of such a commission as I have proposed would be an important step in the process of parliamentary reform, of bringing this institution up to date; of preserving the role of parliament in an increasingly complex age; of ensuring respect for this institution and for the quality of its representation; in short, of developing a strong and healthy parliamentary democracy in Canada.

Some hon. Members: Hear, hear.

Hon. J. A. MacLean (Malpeque): In rising to take part in this debate on the Address in reply to the Speech from the Throne I feel that this occasion is intended to be a vehicle by means of which members of parliament try to survey the forest so that they may at a later date in the session examine the various trees which compose that forest.

To begin with I wish, of course, to congratulate the hon. member for Sarnia (Mr. Cullen) and the hon. member for Lapointe (Mr. Marceau) for their contributions as mover and seconder of the address in reply. Looking over the Speech from the Throne, which, of course, is provided for His Excellency by the government, one becomes somewhat disappointed. After going through a great deal of chaff one finds only the occasional grain of wheat. One of these grains of wheat, in my judgment, is the promise to lower the voting age of Canadians from 21 to 18. I believe that, on balance, this is a useful and forward step. Nevertheless, it seems to me there is something faintly fraudulent about the way in which it is presented. The Speech from the Throne reads, in part:

> A disturbing element in many countries of the world has been the rising tide of unrest, particularly among young people.

Then, this notion of lowering the voting age is put forward. The impression is also left that at the present time young people under the age of 21 are nobodies and that no account is taken of them under our electoral system. This, of course, is not the case. Under our system the unit of representation is made up on the basis of the population of a constituency, not on the basis of the number of voters. This means that even if everyone in a particular constituency were over the age of 21 their collective voting strength would be no greater than that of another constituency in which the vast majority were too young to cast votes. In arriving at the unit of representation, everybody is taken into account who was resident at the time of the previous census, even babes in arms. Those who have the responsibility of exercising the franchise do so on behalf of all. So, the question is not one of whether young people should have a voice in government or not, but solely one which concerns who should vote on their behalf. I agree that with the passing of time increasing numbers of young people are self-sufficient and independent at an earlier age, as well as being better educated. I believe it is appropriate that the voting age should be lowered on this account, especially when one recognizes that we are thinking in terms of a minimum voting age and that the average Canadian will cast his vote for the first time at the age of 20.

Going through this speech, one finds a paragraph which reads:

> History, geography and economics have placed certain of our citizens at a disadvantage. Under legislation enacted during the last session of parliament, the government is establishing programs to reduce these inequalities.

The speech goes on to refer to various plans which the government has entered upon together with provincial governments in those areas. This is too big a subject to go into at the moment. My only comment is that from my experience the promise of these development plans is much greater than any performance they have shown, up to the present, at least

• (2:30 p.m.)

Reference is also made to reforming the tax system, and a white paper is going to be brought down next Friday evening. I take special note of the word "reform". A little later on in the speech the government talks of reforming the rules of the House of Commons. The word "reform" is, of course, an overworked cliche, one that has been worn threadbare by every Liberal government I have seen. I presume it keeps them in good standing in the Reform Club, and this is the only reason I can think of for the use of the word.

I find its use in this context slightly objectionable; the implication is that reform is required because of delinquency. We may have delinquent taxpayers, but we have very few delinquent members of parliament. We may be delinquent in our attendance, but to look upon members of parliament as objects in need of reform, or to leave that impression, does this institution a disservice, I think. However, this point is not of major concern to me.

The speech also refers to inflation—I will defer my remarks on that score till later—and also to the very important problem of pollution. Then, near the end of the speech we find a very high level paragraph, one that looks as though it might have some potential:

> Our aim is a strong and productive country soundly equipped to face the future; but we are equally concerned with the individual Canadian, his rights and his interests. The Government regards national progress and individual fulfilment as indivisible components of its mandate.

Those are excellent sentiments with which I agree 100 per cent. However, the next paragraph is on a slightly lower plane and talks about the size, complexity and fallibility of the structures that technology imposes on modern societies, and so on. Then comes the punch line, the answer to this question which in my view is of overriding importance:

To this end, Criminal Code amendments will be submitted to you that would regulate wire-tapping—

I see nothing in the speech about our relations with Peking, though the Government did express some hope in this regard last year and negotiations have been conducted in Stockholm since that time. I think that if Confucius were alive today he would probably say: "He who wears his heart on his sleeve near Arctic circle gets cold shoulder"!

The over-all impression created by the Speech from the Throne is of flatness and insipidness; a speech just about as inspiring as some cold porridge. Worse still, it has the hollow ring of insincerity to it. In places it is reminiscent of the quack medicine man who is trying to look very wise, when in reality he has not got a clue as to what ails his patient, and much less how to treat him. Instead of providing the inspiration of national purpose, the speech has the faint but pungent odour of studied deceit. It is like the confidence man trying to lure new and gullible victims to a shell game. It has a wandering eye peeled for the gullible and the unwary, the young, the aged, the poor, the ill-housed.

I believe that if governments were to spend more of their time providing the environment and climate in which people could do the things they want to do for themselves, so that people can realize in a more reasonable way their own ambitions, then they would provide better government than those governments that pretend they have the magic answer to all the ills to which mankind is heir. The aim of politics, of course, as of all else, is the good life. But the good life is something that cannot be comprehended within some phrase or formula about any political or social order. Even if it could be so comprehended, it could not be brought about in the main by political means.

I, as a Conservative, contend that the most that a politician can do is to ensure that some, though by no means the most important, conditions in which the good life can exist are present. And, more important still, the politician must prevent fools and knaves from setting up conditions which make an approach to the good life impossible.

[Mr. MacLean.]

Many of the greatest evils of our time have been created by men who mocked and exploited human misery by pretending that good government—at least, their idea of good government—could offer Utopia. I believe that what Canada requires is a higher level of leadership than we have experienced during the last few years.

As for leadership that will inspire, stimulate and improve this great country of Canada, this government seems to be bankrupt and completely impotent. I think it was Sir Wilfrid Laurier who some years ago said that the 20th century would belong to Canada. Almost three quarters of the 20th century have now passed, and for approximately 50 of these years the Canadian people have entrusted their future to the hands of Liberal leadership. Where now is this country that had such promise? We are floundering in a wilderness of inflationary spirals, in the quicksands of burdensome debt and ever-increasing high taxation. Worst of all, in the hearts and souls of increasing numbers of Canadians there is mounting dissatisfaction with life in Canada. In saying that I am in no way being disloyal to my country. I believe that Canada probably has the greatest opportunity of any nation on the face of the earth. But this opportunity will not be realized by accident or happenstance; we must apply ourselves to the task of bringing our hopes to fruition.

• (2:40 p.m.)

I believe governments have the responsibility to fix or to highlight national goals; not the national goals that they themselves, as individuals, would like to impose upon the country, nor even the goals that the Canadian people may think they desire. That may sound contradictory, but this requirement is very difficult and very complex. We, as Canadians, have to fix goals for ourselves. We must apply the intelligence and learning available to us at this time in order that in the future we may provide the best environment and the best conditions for ourselves and our children. When and if we, as Canadians, can arrive at an intelligent consensus based on facts and scientific research, combined with human considerations, as to what we want to be as a country and how we want to live, then the government should discover this consensus and make progress.

I am reminded of Flanders where you can go from one town to another for the most part through crooked and winding roads. Suddenly, you drive over a rise and find a church directly ahead of you. This is true of

small towns and villages. The church sits right on the main street. From then on, the road is straight and direct. I inquired of the local people why this was so and was told that the churches were built before the villages. Apparently the roads were built on the paths used by pilgrims moving from one church to the next—from one centre of safety to another. They wandered on a very circuitous course until they could see their objective, then they made a beeline for it. It is this same sense of purpose we, as Canadians, need at this time. There is a great onus on all levels of government to direct us on our way to our goals.

This government seems to be the helpless victim of statistics, graphs and charts. It parades charts, graphs and other statistics in respect of urbanization, growth, inflation, trends of behaviour among the youth in our large cities and then cowers before these things like a terrified rabbit that has been suddenly caught in the stare of a cobra. I do not believe that we, as Canadians, need be victims of these trends. If we are, then they will destroy us. I believe we can change these trends.

Let us consider the important matter of pollution. It is not overpopulation that is causing pollution in Canada, but rather overcrowding in a few large metropolitan areas. Canadian people are crowding in a helter-skelter manner in a few large metropolitan areas which do not provide space for human dignity or even the minimal space requirements for mammals. This reminds me of the behaviour of insects; overcrowding without recognition whatsoever for the needs of our biosphere. This puts nature out of balance. We must realize that we are part of nature. We cannot separate ourselves from nature, from the food chain or anything else. We are part of it. We upset the balance of nature at our own peril. Overcrowding is one of our worst evils. It has been proven that overcrowding produces irrational behaviour on the part of mammals. There is increasing evidence to support the theory that overcrowding in our environment—in housing—contributes to crime, violence, drug addiction, mob violence and attempts at mob rule in our cities. This is a weighty subject with which I do not intend to deal further at the present time.

There was a time when the great fear of mankind was the fear of war, conquest, famine and death; the four horsemen of the Apocalypse. The sources of fear have changed. As far as Canada is concerned, the problems of prime importance are pollution, more debt than we can handle as individuals and governments, inflation and discontent. In some cases these problems result in a resignation to a feeling of futility in life itself.

I have spoken very briefly about pollution and the necessity for improved planning for our environment in the future. Let me now turn to debt, and I will not speak too long on this subject. It is obvious and should be self-evident that we, as individual Canadians, and at three levels of government, cannot continue to go deeper and deeper into debt at higher and higher interest rates with the resulting higher carrying charges. We must reverse this trend to recover our position. If we do not do so, then something must give. I am sure the result will be either a complete collapse or a galloping inflation.

In this connection let me quote from something said last year by the chairman of the Standard Oil Company. He said:

> The ability of each succeeding generation to improve its society is limited by what that generation is capable of producing and that applies to ideas as well as services. It takes the tangible fruits of somebody's work to support the philosopher in his ivory tower, and the student in his classroom.

I quote this to help us realize that there is no way we can provide plenty for ourselves in a meaningful way or in an economic sense through bookkeeping or by "jiggery-pokery" of some sort. The total wealth of a community, be it large or small, can only be in proportion to that which it produces.

In this connection it is the duty of the Canadian government to assist in restoring the dignity of work and production. We must stop eroding incentives to improve. I do not intend in any way to be anything but humanitarian, but the good Samaritan did not act in the way he acted because of any law, and one cannot create good Samaritans by statute. Those who cannot provide for themselves must be provided for, and wherever it is at all possible welfare assistance should be given in such a way it will help the recipient to walk rather than sleep on that bed of pain on which he must lie indefinitely.

• (2:50 p.m.)

In the case of inflation it behooves the government to set a good example. According to recent reports the government boasts of a surplus of $810 million in the first six months of this fiscal year. I think this is a good thing. But under those circumstances I wonder why the government felt it so necessary to borrow new money that they increased the effective interest rate on this year's savings bonds to 8

per cent. This, of course, will mean that all the savings bonds which were previously issued, and are still held, will be turned in on the new issue. In the case of last year's bonds alone, of which there were over $3 billion worth, the interest which will be paid out on those bonds for the last year will amount to about $185 million. Because the interest rate has been increased, the government will still have to pay back double the amount of money, if the coupons are not clipped of course. I am talking about these "double your money" savings bonds which the government is issuing at the present time I think this is a case where the government should have kept the interest at last year's level, provided they were not in a position of needing too much new money. In that way they would have gotten a little; but they are so desperately in need of new money, apparently, that it was necessary to go to these extraordinary new lengths to obtain it, and in the process contribute gas to the flames of inflation.

There will be a cost of roughly $185 million to the government this year and every succeeding year on this account. This is $185 million which will be going to the people who own bonds. I do not begrudge it to them. If anyone has saved enough that he can afford to buy government bonds, then from his point of view he is entitled to the best interest rate he can obtain. But these people are not the ones in this country who need this $185 million most at the present time. In addition, this surplus, of course, is caused by the fact that taxes on profit and income are up for the first six months of this year about $1 billion. Part of the increased revenue is made up by the 2 per cent social development tax which in the last six months amounted to $225 million. But the extra interest the government is now paying out for their new savings bonds will completely wipe out this revenue from the social development tax which was collected in the last six months. This, in my judgment, does not make sense.

Back on November 1, 1967, almost two years ago, Louis Rasminsky, the Governor of the Bank of Canada, said this:

> It is a hard fact, and not a political or social judgment, that over a period of time what we can consume depends on what we can produce. If this fact is not reflected in appropriate restraint and prudence on the part of government—all governments—management and labour, then we shall have to adjust to hard economic reality in other more painful ways.

The Governor of the Bank of Canada said that two years ago, but so far as the government is concerned it apparently fell on deaf ears.

Now, I said something about discontent. This is not a fully satisfactory word for what I have in mind, but it is the best word I can find to explain it—"discontent". There is a disillusionment and lack of morale, if you like, among the Canadian people at the present time. What are some of the reasons for this discontent? I think it is partly because of the fact that Canadians are led to believe and are told by governments that they are the inevitable victims of certain trend about which nobody can do anything, or else they are told by a government that that government has a simple solution for everything.

Mr. Deputy Speaker: I am sorry to interrupt to hon. member. His time has expired unless it is the disposition of the House to give unanimous consent that he continue.

Some hon. Members: Agreed.

Mr. MacLean: I am very grateful to the House for extending this privilege and I hope not to abuse it unduly. I do not believe Canadians will take kindly to the suggestion that their hopes are to be foiled by the fickle finger of fate. They will not be satisfied if their aspirations are to be dashed. They believe with the poet that it matters not how strait the gate, how charged with punishment the scroll; I am the master of my fate; I am the captain of my soul. Canadians feel they have a right to live in a country governed by a government which will provide the climate in which they can realize their ambitions.

Rural people are disillusioned and demoralized by the fact that they have an uneasy feeling they do not count as full citizens in this country. They feel that governments are not concerned about them and their way of life because of their own worth as citizens but are concerned with them only so long as they are producers of food—and the cheaper the food the better. This is not good enough. Rural Canada and the small towns in Canada have contributed disproportionately I believe to all the advances in leadership, the professions and learning in Canada. That fact should be recognized. Rural Canada is about as good an environment as one could hope to live in this modern day,—

Some hon. Members: Hear, hear.

Mr. MacLean: —provided the economic situation is such that living a rural life is possible.

One thing that I believe is distressing the urban people is the unsatisfactory condition of their environment. They move to the suburbs in an attempt to get some privacy and property of their own. They are overrun by the unplanned growth of our large cities. They fight traffic to get to work. There is no place to park their car when they get there. They have no quiet. Wages are eroded by inflation. They have no real privacy. The wage scales and so on which attracted them to the city, and which looked like gold, have turned to tinsel. They have no opportunity at their level of income to provide any solitude for themselves or their children. They do not have an opportunity to see anything of nature. Fifty years ago Canadian fathers took for granted that on a Saturday they would be able to take their sons fishing. Even that simple joy is far beyond the economic ability of most Canadians today.

• (3:00 p.m.)

The fact is that our modern cities which are growing without any rational plan are not providing an environment suitable for the development of healthy minds or bodies in human beings. Canadians who live in urban centres are frustrated because the things they try to get for themselves are removed from them sometimes by other individuals, sometimes by corporations, and sometimes by governments, and they seem to have no control over this situation. There is an unplanned and irrational sprawling of our large urban centres. Our economy and our tax structure is of such a nature that more and more Canadians are forced into these huge conglomerates of humanity for economic reasons but against their own will.

In this connection we, as Canadians, should be ashamed of the fact that we are at least 20 years behind the United States in the matter of city environment; we are at least 50 years behind the United Kingdom and 330 years behind Sweden. The city of Stockholm has had a city planning board for 330 years, and any one who goes to Stockholm realizes that immediately. Yet, we are still going on the false assumption that we, as Canadians, can just let things go as they will, that there is lots of space, of resources, of fresh air and water. This is not so unless it is handled and planned intelligently for the general good of all Canadians.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, first of all, I should like to congratulate the mover and seconder of the Address in reply to the Speech from the Throne opening the second session of the twenty-eighth parliament, which I greet with both enthusiasm and bitterness.

My enthusiasm derives from this unique parliamentary experience which provides me with an opportunity to express the opinion of the whole population on the legislative measures introduced by the government.

That experience of participatory democracy adds a new dimension and a new responsibility, although not always easy, yet exciting indeed, to the member's function. It entails serious thinking and the taking of a position for which he stands accountable to the population. That experience proves wonderful and I should like to thank my worthy colleagues most sincerely for it and for their kindness to me as well.

Mr. Speaker, I also view the opening of this second session with some bitterness. As a matter of fact, I was expecting the government to tackle the problem of the disintegration of our society, to act immediately and to include in its legislative program concrete measures for a balanced economy.

I was disappointed because the Speech from the Throne is remarkable more for what was left out of it than for what is in it, and that is tragic. Solutions are slow in coming. If the necessary steps are not taken today, tomorrow may be too late.

Up to now there has been too much delay. Society is disintegrating and we all see it.

During the recess every one of us spent his time usefully I guess, in his constituency or elsewhere.

As for myself I took this opportunity to get around my constituency very often in order to meet my electors and discuss with them present problems and matters of interest to them. In fact, many economic and social problems are now facing the population I have the honour to represent. From all these meetings, these discussions there emerges a common denominator, a governing idea that was always coming up to the surface as a leitmotiv, that is a deep concern for the future of their country, their province, their heritage.

Until very recently, the constitutional problems facing Canada were the concern of only a few intellectuals, civil servants or unknown experts. It was still the thing to do very recently, in fashionable circles, to develop great theses, quite often incomprehensible to the public, about the future of Quebec and Canada.

The people as a whole was not much interested and did not seem to care about Canada. The matter was discussed because it was the thing to do, but that was all. The great theses such as special status, autonomy, sovereignty-association, co-operative federalism, etc. were not taken seriously and created little interest among the people.

But today, and one is not quite sure why, the future of Canada and Quebec has become a major concern for each and every one of us. The citizens of the constituency of Lotbinière are no exceptions. They worry about the noisy and dangerous protest which endangers innocent lives and may ultimately turn out democracy into total anarchy.

I should like then to take advantage of the few minutes at my disposal to outline briefly what I consider the essential problems at the present time.

• (3:10 p.m.)

How far will the ever growing anarchy go? When will it stop?

Parents no longer know whether their children are in school or on the streets, whether they prepared a Molotov cocktail at lunch time, blew up the school buildings, picketed, marched or maybe even had a study session. In fact, those are the actions of professional agitators who, as the Quebec premier said recently, are interested in emptying our schools for any reason they can find, in making our children, inspired by deceitful and hate propaganda, come down into the street.

Right-minded people who favour order, authority and justice must and will have to get a consensus to end the underhand doings of some bearded and immigrant activists who left their country for fear of not being free and respected and who now want to impose their opinions in our country, without respecting anything, or anybody and foster anarchy. Those people wish to create here what they left behind when they fled their country. This points to a deficiency in the government's immigration policy.

The mother does not know any longer whether her husband will work tomorrow or if he will not return in the evening and tell her: "I am on strike."

The sick do not know any longer whether they will get the necessary basic care to which they are strictly entitled to recover at least part of their health.

Teachers do not know any longer whether they will be paid or if they will be provided with some kind of teaching material.

Students cannot tell whether they will attend school tomorrow.

Mr. Speaker, we must not close our eyes to the fact that in our schools and universities, drugs and narcotics are flowing freely, and authority is being thrown overboard. Unfortunately, I find that few of my colleagues are interested in those questions.

The young unemployed despair of ever finding jobs in which they can make use of the skills they have acquired.

Wheat producers accumulate surpluses but they do not know what to do with them.

Milk producers in the East must pour their milk down the drain this year—I deeply regret that the Minister of Agriculture (Mr. Olson) is not in the house—not knowing what to do with their product when two thirds of the world's population are starving to death and are without the bare minimum. While people are starving to death, while some families do not have the bare necessaries, we are wasting our production.

Mr. Speaker, our rural community is becoming urbanized and this results in complete disruption. We are not prepared, nor are our governments, to cope with such changes.

All have questions to ask. However, few answers arouse interest.

As far as the Throne Speech is concerned, it is a vacuum. As a matter of fact, all those problems I have just listed—and I have only mentioned a few—have the same common denominator: social injustice.

The just society was not supposed to materialize yesterday and, according to the Speech from the Throne, it will not be for tomorrow either.

Personally, I had been building several hopes on the Throne Speech of this second session, Mr. Speaker, I bitterly realize, as many others, you may believe me, that nothing will be done this year except for rehashing the old bills and old ideas of the first session which brought no economical improvement for that matter.

Social injustice, that is what we must fight against. However, to fight it, we must first expose it, see it, grasp it. And to grasp it, we must go to its roots. We must go back to the source of economic injustices. That is the fundamental point I wanted to make, Mr. Speaker.

The Prime Minister (Mr. Trudeau) and a great number of other intellectuals of the same school speak forcefully of the just society and social justice which we must establish

and in order to achieve that aim, the Prime Minister has developed a program which may be summarized as follows: to appoint task forces, to produce white papers, to organize study trips across Canada, to submit reports and more reports which will lie on shelves, to put the axe in the public service, to modernize the Criminal Code and give much importance to secondary bills such as those on abortion, homosexuality, etc., to impose credit restrictions to everyone except the rich, to increase interest rates on all loans granted by the Farm Credit Corporation, the Central Mortgage and Housing Corporation, etc., to review all programs without ever changing them, and to tighten one's belt, because inflation is galloping, and it is necessary to save money.

So that is the program of the Prime Minister, since he became leader of the government. Those are the only solutions he has to offer.

In other words, we must deprive ourselves in the hope that poverty will dissappear, and that social disparities will become mathematical equations.

The government also tells us with much publicity: Buy Canada Savings Bonds, they are gold! But with what money? That is what the Prime Minister fails to say.

This amounts to deluding a whole population that wants order, justice, equality and efficiency.

This world, full of inequities caused by the inertia of governments which find satisfaction only in indifference and in provoking futile disputes between governments over red carpets or words, is the best breeding ground for protests, revolutions, violence and anarchy.

Mr. Speaker, it is urgent to tackle the real problems, because it is well known that every social inequality is very often the result of an economic inequality or inequity and that every economic inequality is very often caused by the want of balance between the forces of production and the forces of consumption. So long as there is not a more equitable distribution of products while political freedom is respected, protests will continue to grow and to submerge our country and Quebec.

It seems to me that a certain kind of protest is a rising tide which cannot be stemmed at present, carrying all before it, drowning those who are unwilling to follow the wave of violence unleashed by union leaders such as Michel Chartrand, Raymond Laliberté, Marcel Pépin and others.

That is why many people today have lost control of the situation and are at wits' end. Moreover, unless we face up to our responsibilities right now and our governments take concrete and immediate action, we will lose not merely our wits, but also our private enterprise, our liberty and our lives.

Tighten your belts. We will send the army in. We will take this or that community under our wings. If that is not enough we will impose price and salary controls. Such are the new proposals put forward by the Prime Minister in this session.

These are like band-aids on a wooden leg, they only aggravate discontent and everything will have to be done over again tomorrow. Why? Because we did not tackle and we are not tackling the real issue, which is a monetary problem. Time has come to act by taking concrete measures.

Mr. Speaker, here is one of many typical examples which really disappointed me last year. It will be recalled that, with great fanfare, the former Minister of Transport (Mr. Hellyer) toured Canada with experts, held hearings with various groups and finally concluded that some measures were needed to solve, at least in part, the housing crisis in Canada.

• (3:20 p.m.)

The report has not only been differed indefinitely but the minister himself was forced to resign in the face of the inaction of the government of which he had been a candidate to the leadership.

This is an example among many which shows that we have now to bear with a government of retarded students who compile notes and decline action, and true commitment. In fact, what we need is a government of action.

Mr. Speaker, in closing I should like to deal with problems such as tight money, unemployment, and interest rates.

In view of the tight money and unemployment situation which we are going through at this time, several unbelievers of the past recognize today the urgent need for a monetary reform. With the Ralliement Creditiste, they agree that unemployment results obviously in economic stagnation. They agree that the great number of bankruptcies in Canada is due more to the tight money policy than to mismanagement.

Everyone realizes also the unfairness of the income tax which robs people, tortures with a shocking off-handedness the morale of those

who built this country and who contribute to the development of our natural resources.

We also witness the impotence of the governments before those who control money and credit. Therefore it is important to delegate to our parliaments, representatives who have a greater concern for their electors than for the political party financed by electoral funds and high finance.

At the present time we are living in a deceitful economy. The prevailing economic conditions are unmerciful and cruel and, according to the statement of the Minister of Finance (Mr. Benson), coming events will prove it.

In fact, if we look closely at the living conditions of many of us, we must admit without any reservation, that our system of government, supposedly democratic and alive, is really pitiful. An untold number of unemployed people and their families are living in poverty in the midst of affluence. Crimes, break-ins, are committed every day by young people who seem to have no place any more in our society.

Those same young people our federal leaders used to feed, to clothe, to care for and to pay all through the war years, they can no longer house them, clothe them, feed them, nor pay them in time of peace nor can they give then a job.

It is to those young people that they used to sing, with a quaver in the voice, the blessings of a war that would restore the human being to its democratic rights.

It is those same young people that our federal leaders are shamefully betraying today, after promising them during the war years an honest and happy in this rich country of ours. Our politicians cannot do anything now for those young people they deliberately sacrifice to finance and the chartered banks.

There is only room now for the dollar sign of finance in the heart of the federal government.

Must our Canadian youth be satisfied with decent living only when it must kill, and should it be starving to death afterwards with the return of peace?

Mr. Speaker, that is the serious question we are asking ourselves. It is all very well to shout that unemployment is international, that inflation preys on democracies, that money is too expensive and that the inkwells of the bankers are empty; it still remains that money is scarce. There are too many products of all kinds in our country. We must tolerate destitution within affluence. We must tolerate the fact that the rich grow richer and that the poor get poorer.

Thus, our governments, whether red or blue, restrain production. Factories are closed, good fathers of families are thrown out of work and our youth into a chasm of alarming uncertainty, when it is not into despair.

We suffer from economic anaemia, precisely because the blood that is necessary to the economic body, that is money, becomes increasingly rare through the fault of those who control it: bankers and high finance.

The federal authorities, Mr. Speaker, tolerate and allow the existence through legislative measures, of this anti-human and anti-social system which consists in the sad exploitation of the people, under the sympathetic eye of the present government. "Tighten your belts." That is all we hear.

Mr. Speaker, we need an active government and that may explain the move of protest. In fact, the governments are not moving. We owe it to ourselves to raise against this system which is rotten to the core. It is not brains that are lacking in the head of our people. Nor is it the heart that is lacking in the breast of Canadians, but rather money in their pocket-book, money which opens the doors to affluence in the country. Will not two wars and three economic recessions within 35 years be enough to open our eyes to the bad effects of a perverted finance that enslaves man. Money has always been lavishly spent on war, but it is hard to muster in the cause of peace. Bankers will readily extend their help in time of affluence but if we do happen to need them, then they put the lid back on their bottle of red ink. The tight money policy recently announced in the Speech from the Throne as a mean of fighting inflation gives us the measure of government enslavement to big business which provides the financing for the party's electoral fund.

Bankers, in Canada, are allowed to lay down the law in the economic field and our government has to fall in step, behind them, regardless of its responsibilities. It will lend you an umbrella when the sun is shining but come the first drops of rain and you are left in the street under the downpour. When a federal government, whether grit or tory, thus allows individuals to corner all the wealth of a country like ours without providing for a distribution system which makes allowance for everyone's freedom and safety through a national dividend and compensated discount, such a government deserves to be

overthrown or openly questioned. The people themselves are bound to ask such questions.

If we want to put an end to the crisis conditions we are now experiencing, not only in Quebec but also in the other provinces—for the uneasiness now felt by the Quebecers also deeply affects every Canadian in every province—we have to take some kind of action.

Recently, I had the pleasure of going to Nova Scotia. Early in the spring, I had the pleasure of going out west. On those two occasions I was able to see that what Quebecers feel is felt in another language as deeply and with as much concern by the other Canadians.

All are now aware that we must tackle the water pollution problem, the lack of Canadian unity—which was the object of the bill on the official languages,—that the Criminal Code must be amended.

Canadians are pleased with the proposed legislation generally, while recognizing more and more that the problem does not lie there, that we delude ourselves in thinking that the problem exists at that level. The problem goes beyond that. It is a monetary problem and the time has come for us to come to grips with it.

Credit in Canada is the monopoly of the commercial banks despite what some of our colleagues may say. That monopoly was granted by the Bank Act of 1935. The right hon. William Lyon Mackenzie King said so himself in 1935—I am not putting those words in his mouth, as I was not even born at that time. I quote:

> Once a country has given up control of its money and its credit, it matters little who makes the laws of the land. Usury, once in command, will lead any country to ruin.

Mackenzie King, that great Liberal leader, said in addition, and I quote:

> Until such time as control over the issue of money and credit is given back to the government and recognized as its most obvious, most sacred responsibility, speaking of the sovereignty of parliament is nothing but idle talk.

• (3:30 p.m.)

In the same connection, I feel, to use the words of Mr. Mackenzie King, that it is unnecessary and useless to talk about the sovereignty and independance of Quebec as long as we do not have the tools needed to keep that independence under control

The same remarks could apply to Canada. This is why, in this as in anything else, we are deluding ourselves when we believe in those glib talkers who actually have no economic solution to offer.

Our present monetary system has most disastrous effects. Successive periods of sudden boom and sudden recession keep recurring much too frequently.

The cycle, due moreover to the action of the financial system supported by our country at the present time, is the following:

When peace supersedes war, surplus production accumulates and reveals the lack of purchasing power of the people. The shortage of outlets for our products brings about two results: first of all, unemployment, which, in turn, causes economic crises, and then follow the clashes that prompt some countries to wage war, and war, inevitably, involves increased borrowing, debt and inflation. To cope with the situation, governments, under the present system of administration, claim that they must increase taxes in all fields. Such levies snowball.

Then peace returns and the cycle referred to starts over again. On reading Canada's history, as well as that of many other countries, one can see that this is true.

Considering the fact that the control of the issue and withdrawal of money may determine the value and the nature of the production, it is when our fellow-citizens can exercise their sovereign right to control the monetary system through their parliament that the individual can be assured of financial security and freedom of action in the economic field.

To conclude, Mr. Speaker, I condemn the emptiness of the Speech from the Throne which does not offer any solution to the present problems, but only encourages people to become entangled in the system, thereby increasing their displeasure. I find it most unfortunate that instead of tackling the real problem, the real opponents of financial progress, we are satisfied, with the government's consent and under its impulse, to waste our time with secondary legislation while the financial problems only grow worse.

Mr. Speaker, I find unthinkable that the people should be so poorly informed. If they really knew something about the present economic system, instead of wasting their time protesting about a lot of secondary things, they would do so about the real problem which is a monetary one.

What is perhaps most unfortunate is that the Speech from the Throne does not recommend any action to solve the problem. Maybe

it is an indication that this government is in no way different from the previous ones.

Mr. Jean-L. Rochon (Ahuntsic): Mr. Speaker, like those who spoke before me, I would like first of all to congratulate the mover and seconder of the Address in reply to the Speech from the Throne.

During the last session, my colleague from Sarnia (Mr. Cullen) expressed some of his opinions but through the style and the assurance he displayed last week, he showed us in a subtle and entirely new way that we were right last year to foresee a brilliant and promising future for him. Having heard his speech, I am sure as are all my colleagues that his contribution to Canadian politics will do credit not only to his province but also to the whole country.

As for the hon. member for Lapointe (Mr. Marceau), he admitted that we were right when we were saying to his predecessor, Mr. Grégoire, that his separatist ideas were not shared by most of his constituents, but very few of them. Indeed, when he advocated that isolationist doctrine, he was forgetting that the federal and provincial governments had contributed the most to the development of that Quebec area known today throughout the world as the aluminum country.

Our colleague admitted that we were right when he stated his views and those of the people who voted for him at the last election. He made us understand, as we had told Mr. Grégoire, that in the riding of Lapointe as elsewhere in Quebec, people realize that Quebec cannot live and develop without the remainder of Canada and moreover, the remainder of the country needs Quebec to assert itself as a country whose advice is sought and followed.

Furthermore, I wish to congratulate our leader, the Prime Minister (Mr. Trudeau), and to thank him for putting his intelligence at the service of the nation. Whatever you hear, he has become for us the members of his party, a source of inspiration, a guiding light in our action. God knows that the need for action is all too frequent in this century when what is essential today is already outdated tomorrow, in this century of the atom and of electronics when too often, alas, the machine takes the place of man, in this century when we have seen astronauts walking on the moon's surface.

Mr. Speaker, as my time is rather short, may I deal immediately with the subject of which I wish to speak and to express my views on some of today's problems.

[Mr. Fortin.]

I do not intend to pay attention to the criticism voiced by the members of the opposition. I know they did so without malice or spite, but rather to help the government. At least, it should be so.

I know that we, in this house, cannot all think the same way, but I know that all of us share the same ambition: to try and improve the welfare of the people. The only difference between us is in the way we see things. One wants to put one's own ideas forward and, without being fully aware of it, one slides towards partisanship, which is perfectly human. One unwillingly impedes the smooth running of the nation's business, instead of joining with others and helping others. One goes sometimes as far as to question the good faith of some who, more than opponents, would like to co-operate.

Everything should not be accepted straight away, for the government could make mistakes, errors and even blunders.

Moreover the opposition's function is to keep an eye on the government. If one were prepared to make constructive suggestions instead of blaming and criticizing, as is too often the case, the whole population would benefit and everyone would be happy to be efficient and understanding.

• (3:40 p.m.)

For a few years, Mr. Speaker, the throne speeches have been dealing mainly with federal-provincial relations with a view to assuring the welfare of each citizen in every province. The numerous pieces of legislation passed, both economic and social, stand as a clear evidence that federal authorities are always eager to co-operate in the best interests of the Canadian people, and that, in order to attain that goal, confederation has to be oriented in a very specific direction for us to become a big nation in a big country.

This year again, the same end is in view, but times have changed. In 1969, it has become difficult and extremely hazardous to tackle the problems in the same manner as before. We must have the courage to face facts and to bring forward up-dated solutions, because let us not forget that we have to take into account, on the one hand, the new needs of a large number of countries in full development, in the process of great economic expansion and, on the other hand, the rights of the provinces. Even with the best of intentions, one may appear to be meddling in fields where this would jeopardize autonomy and lead to conflict between authorities of which, sad to say, those who are steeped in a narrow

and retrograde brand of nationalism take advantage to further a cause which has no justification in this century of emancipation in which we achieved maturity.

Last year, the main theme of the Speech from the Throne was the "just society". This year, the objective is to prepare the future by increasing the efficiency of present programs. What is announced is not the launching of major ventures, but rather the continuation of the fight against inflation. However, the Department of Regional Economic Expansion which, as all are aware, has been created to do away with social disparities, will intensify its activity.

Numerous projects have been announced in the speech. Previous speakers have submitted a few to the House, in the public interest or in that of their riding. Some suggested that the unemployment insurance program be thoroughly revamped, others advocated certain changes in housing policies, others still showed us the advantages of certain reforms concerning the rights of the individual, with a concern for more respect for man, his person and what he represents. All these comments and analyses clearly demonstrated that the government is prepared to act, especially on domestic issues. This was pointed out in an article published in Montreal's *La Presse,* and I quote:

> Domestic issues are given precedence in the Speech from the Throne. Indeed, the few paragraphs devoted to foreign affairs merely recall a well known policy: the government's intention to participate in the establishment of a movement designed to bring about a reform of the U.N., increased assistance to developing countries, and the initiative from Ottawa to protect international waters from pollution.

And that newspaperman went on to say:

> Whether it is a matter of tax reform, of the revision of the Unemployment Insurance Act, or of different suggestions concerning consumer credit, packaging, identification of textile products and the security of motor vehicles, as well as of amendments to the Criminal Code, these different pieces of legislation tend to increase the security of the individual in the face of the growing power of the state and the complexity of the industrial society.
>
> Even in the economic field, the government gives high priority to its concern for the welfare of the individual; the paragraph of the speech devoted to housing, in which the government announces as an objective the building of one million housing units and homes in five years is designed to lessen the difficulties of the less affluent.
>
> Also designed for the individual are the following measures: the implementation of the official language bill, the fight against pollution, assistance for depressed areas, and lower income groups, the reform of social security, and also, the tax reform which aims at a more equitable distribution of the tax burden while favouring the economic expansion in the country.

To conclude, Mr. Speaker, these few remarks about the Speech from the Throne, let me borrow this sentence from the Prime Minister. I quote:

> All these measures tend to develop the environment where Canadians work and live. Even if such an environment became idyllic, there still would remain a very important task to perform, a task that will never be completed: guarantee to every citizen a life protected against any undue intervention.

Mr. Speaker, I had the great honour, last June, to represent Canada at the NATO meetings in Brussels. As vice-chairman of the scientific committee, I was asked to submit my appreciation of the studies concerning the marine resources of the North Atlantic area. Those information documents dealt first of all with the deep-sea resources in fish and aquatic vegetation, including sea-weeds, and it said that in a not too distant future perhaps, the ocean would become the granary of the world, and that the culture of these sea-weeds would probably become an important source of raw material for the manufacture food and industrial products.

It said that although these questions have been discussed before by other international agencies, the FAO for example, it could be useful for these NATO countries to promote the study of the techniques that are particularly adapted to the situation in the North Atlantic area, which would allow for increased exchanges of information, so that each of the member countries could benefit from these studies and be in a position to fight with the greatest effectiveness possible against this calamity, which is pollution.

Like other members of the committee, I have been quite impressed with these reports and I have come to the conclusion that means had to be found at all cost to protect all that wealth and to check water pollution.

As mentioned in the Speech from the Throne, our water resources are immense of course but they are not inexhaustible, and if it is imperative to encourage their development, it is just as urgent to ensure their conservation. Lakes, rivers and streams, are befouled with rotting marine vegetation, the sad result quite often of our lack of foresight.

Aware of its responsibilities, the government has made known its views on this serious pollution problem and it has initiated consultations with the provinces. So much the

better, and I shall make it my duty to send to Colonel Driscoll, the same gentleman who in October 1968 published in Foreign Affairs a most informed study on this serious problem, the part which deals with the subject.

During this tour, I had the opportunity to hear several guest speakers deal with the ticklish problem of pollution, at various NATO meetings. And one of the reports which impressed me most is, without doubt, the preliminary report on the United States reaction to the oil pollution off Santa Barbara, submitted by Mr. Peter Rondino, vice-president and reporting officer of the International Secretariat.

I shall not go into all the details of that report. I think it suffices to say that on Tuesday, January 28, 1969, an eruption occurred during drilling operations in a well of the Union Oil Company about six miles from Santa Barbara. The well was capped so as to prevent oil from flowing too fast, but oil slicks finally covered the sea and the American government had to step in so as to protect one of the most beautiful beaches in the world. In fact, on April 16, the House of Representatives passed the 1969 Water Quality Improvement Act, for the protection of public waters against oil pollution. The Act contains a provision as to the responsibility inherent to oil plants. While discussing such a provision—I still refer to the Rondino report—the members of the government favoured a concept of absolute responsibility. Besides, Secretary Hickel has already published regulations to that effect and one of the exploration conditions, under a contract signed with the American government, is that the operators' activities should not be harmful in any way to the environment and, should they be, the said operators would be responsible.

Furthermore, the American Senate is now trying to determine whether full responsibility for cleaning up, without any kind of limitation, could not be covered by insurance.

This, Mr. Speaker, is perhaps a drastic measure but if you consider the awful damage incurred, on the one hand, and public interest on the other, there can be no hesitation. Other countries, including ours, should do the same. I was very much interested in another report, that of a Dutch delegate whose name I have forgotten. It dealt with air pollution resulting from the chimney fumes from factories located on the shores of the North Sea, on the outskirts of the city of Amsterdam. Contact with the outside air changed these fumes into toxic gas and the resulting fall-out in the sea water was endangering the very life of the schools of fish living in those waters. The Dutch government, under the provisions of a bill passed by the legislative assembly, then compelled the owners of those plants, as well as any person potentially responsible for such mishaps, to use the necessary equipment in order to counter the danger of pollution.

Why could we not do the same thing?

Everywhere in the world, Mr. Speaker, people are rightly alarmed by this national threat. I am sure the government, together with the provinces, will find some way of doing something about it. If ever I am fortunate enough to go back to NATO, I would be glad to say that in Canada we also want to make a contribution to the well-being of man in this particular field.

• (3:50 p.m.)

To all the reasons that could be put forth in favour of adapting a national program for the control of water pollution, another can be added, quite personal perhaps, since north of Montreal where my riding is located a river flows whose waters are so polluted that the Health League in Quebec stated publicly, early last summer, and I quote:

> We hereby advise summer visitors, whether they live on the North shore, in Ville Laval, or on the South shore, in Montreal, along the Back River, that bathing is dangerous and that typhoid cases have been attributed to bathing in those waters.

I understand that sums were voted by the government, two years ago, when I was the member for Laval. Indeed, even at that time I asked for the Milles-Îles and Prairies rivers to be dredged and cleaned.

I know that in order to check inflation the government was forced to adopt an austerity program; I also know that, in that frame of mind, that work was postponed. But, might it not be indicated, as a start in the fight against that plague, to forbid bathing in rivers where there is danger of catching typhoid fever?

Since I have mentioned my riding, perhaps I could point out that our post office, on Henri-Bourassa street, is too small. For several years now, we have asked that a new post office be built, capable of serving a population of over half a million people in northern Montreal, from Crémazie street to Rivière des Prairies, and from Ville St. Laurent to Ville Montréal-Nord. I am merely mentioning this urgent need as I will deal again with the

question when we consider the estimates of the Post Office Department.

Another question which I would have liked to discuss and which is of great interest to the Quebec members is what is taking place in our province. What is the meaning of all those protests which border on anarchy if not revolution? With the limited time at my disposal I cannot deal with it immediately, but I will surely find an occasion to come back on the subject in the course of this session. I will only say now that a few agitators have deceived too many people. The majority of the people are not separatists, far from it, as they are on the whole proud of being Canadians. These people desire mostly one thing: the fulfilment of the Canadian nation that they love and would like to be esteemed by the world at large

[*English*]

Mr. James A. McGrath (St. John's East): Mr. Speaker, first of all may I join with other hon. members who have participated in this debate in extending the usual perfunctory words of congratulation to the mover and seconder of the Address in reply to the Speech from the Throne.

May I also, with the indulgence of the House, avail myself of this opportunity to make an apology. When the House met last session to wind up its affairs on October 22, I rose in my place on a question of privilege and inadvertently misled the house by suggesting that the 13th report of the transport committee had omitted a very important part of its recommendations. I subsequently discovered, Mr. Speaker, that there was a 14th report and that this report contained the part that I thought had been omitted. Therefore, I should like to apologize to the House for having inadvertently misled hon. members. May I apologize in particular to the chairman of the transport committee, the hon. member for LaSalle (Mr. Lessard), for having cast his position in some doubt.

I have been listening with great interest to this debate on the address, as I did to the speech itself. I have since read it a number of times to try to find some glimmer of hope that the many problems facing the country, and particularly some of the special and peculiar problems facing the Atlantic area, will be dealt with.

I have also listened to the various ministers who have participated in the debate, and with special interest to the Minister of Transport (Mr. Jamieson). As a member of the House representing a Newfoundland constituency, to say that I was disappointed with the content of the minister's speech is to put it mildly. There was the usual fluency and eloquence, the usual sound and fury, but as usual nothing was said.

This was a great disappointment to me because I expected the minister, who sits in the cabinet as a representative of my province, to enunciate some of the solutions to the serious problems facing the Atlantic region. I expected him to outline what the government proposes to do about them and how it proposes to cope with them. But, as I say, I was greatly disappointed, as I am greatly disappointed by the minister's absence from the House today.

Mr. Peddle: Again.

Mr. McGrath: Yes, again, as my colleague for Grand Falls-White Bay-Labrador interjects. We have had to wait for other speeches to inform us whether new light was to be shed upon some of our serious problems. Again, we have been disappointed.

Yesterday the Minister of Fisheries and Forestry (Mr. Davis) made a speech to which we listened with interest and followed closely. We have a great deal of sympathy for the minister; we have a great deal of support for some of the things we believe he is trying to do. The minister referred at great length to conservation and pollution. I should like to deal very briefly with the subject of pollution because it is a problem with which we are all concerned, one which is reaching crisis proportions in this country.

I believe that pollution in its various forms is one of the most serious problems facing Canada, but I should like to deal with but one aspect, an aspect that the minister of fisheries referred to in his speech yesterday, namely the effect of pollution on marine life.

The Government of Canada has recently finally recognized—I hope this recognition has not come too late—the severity of pollution in Canada. The pollution of our marine resources has taken on new aspects, and later on I should like to refer to them. A great deal of attention has been paid to the pollution of our lakes and rivers. Similarly, a great deal of attention has been focussed on the pollution of our major inland waters. I might say I am glad to see the minister, under whose jurisdiction this pollution problem comes, is in his seat. We have all heard a great deal about the disastrous effects that pollution has had on our freshwater fishing industry. In many

cases marine resources in our inland lakes are lost to us forever because of pollution and, I am sorry to say, government mismanagement. They are lost to us forever because there is no way we can restore some of the species now missing from our inland lakes.

• (4:00 p.m.)

In this regard, we look forward to the Canada Water Act which at least will represent some government initiative or intention to do something about this situation. The House and the whole country will join in applauding the government because, regardless of our partisan considerations, we all realize the seriousness of the pollution problem. We were happy about the Prime Minister's statement yesterday. I am sure all thinking people were happy with his intention to drastically limit and regulate the use of DDT.

There is an aspect of this problem which in my view has not received sufficient attention from the government or the public. I refer to the oil pollution of the North Atlantic and the hazardous effect this is having on our Atlantic fishing industry. The Minister of Fisheries (Mr. Davis) made a brief reference to this in his speech. We hope that he will perhaps have more to say about it.

We have seen dramatic evidence of the consequences of pollution in respect of our marine life. I have only to refer to the pollution of Placentia Bay to support this suggestion. That situation received national and international attention and occupied a great deal of the time of my colleague, the hon. member for St. John's West (Mr. Carter). In spite of the seriousness of that situation, we have a problem today which I think is even more serious. I believe it is even more critical and it is one which will continue. This problem has been with us for some time and we are only now beginning to fully appreciate the disastrous consequences it may have.

Oil pollution on the high seas usually takes one of two forms, a deliberate discharge of oil waste, bilge pumping, or accidental spillage. We live with this every day. We have evidence that the pollution from bilge pumping is killing marine life and having a disastrous effect on our marine bird life. There is a second aspect to oil pollution. I refer to accidental spillage by an oil tanker at sea or during loading or unloading. To appreciate the gravity of this problem I need place only one statistic on the record. About 50 per cent of the world's ocean cargo weight is composed of crude oil. According to the latest statistics I can find, some 700 billion tons of oil were transported by tankers in the year 1967. During that year there were some 3,218 tankers in operation on the high seas. To add to the enormity of this crisis one should consider the growing statistical evidence in respect of the increase in the number and size of tankers. We have a new problem with which we must deal. We did not have to contend with this problem before. It has now reached crisis proportions and we will have to deal with it whether we like it or not through international conventions or agreements. This new aspect compounds the problem drastically.

I have in mind the advent of the so-called supertanker, a vessel ranging in size from anywhere between 100,000 tons and 500,000 tons. Let us consider the recent, dramatic voyage of the *Manhattan*. Perhaps in this way we might grasp the impact of this development. There are may ships of the size of the *Manhattan* in the world and we will see many more oil tankers of 100,000 to 500,000 tons. They are now on the drawing boards. For the moment, let me draw the attention of the House to our coastal waters and what these supertankers mean to us in terms of a pollution threat.

It is now generally agreed that the *Manhattan* voyage was successful. We are told we can look forward to huge tankers successfully operating in the Northwest passage bringing crude oil from Prudhoe Bay and Canada's Arctic to the eastern seaboard. While current arguments center around our sovereignty in the area, and nobody would wish to play this down because it is important, in my view too little attention has been paid to the drastic and unimaginable consequences of one of these huge supertankers as big as the *Manhattan* loaded with crude oil being crushed in the ice in the Northwest Passage.

• (4:10 p.m.)

According to the best evidence I can find on the subject, and it is one in which I am vitally interested and concerned, such an accident could destroy the major part if not all of the Atlantic fishing industry. Certainly, it is not overstating the case to say that nobody can yet fully measure the consequences to marine life or the consequences to every living thing of the disastrous upsetting of the whole ecology of the area of Canada's Arctic and our northeast coast. The Minister of Fisheries (Mr. Davis), to his great credit, indicated in his speech yesterday that he is concerned with this matter. He made reference to the *Torrey Canyon* disaster. The House will remember the *Torrey Canyon*

disaster a few years ago when this tanker, with a full load of crude oil, broke up on the rocks off the coast of England. It is interesting to note that even though this accident took place several years ago, the oil pollution resulting from it is still a major problem. Scientists are still, to this very day, trying to measure scientifically the disastrous effect this accident had on the marine life of that part of the world. As oil tankers go, the *Torrey Canyon* was not a large ship. As a matter of fact, by today's standards she could be considered a small ship.

If one were to compare the *Torrey Canyon* to one of the small supertankers or compare it to the *Manhattan,* one would find the comparison dramatic. The *Manhattan* is 106,000 tons with a carrying capacity of 38 million gallons of oil, enough I am told to fill 4,000 railway tank cars. According to an article in the trade magazine *Oil Week* for September 29, 1969 we can expect ships much larger than the *Manhattan* to operate in the Northwest Passage. According to this same article—and surely this must be considered as a good authority—we can expect anywhere from 25 to 30 tankers in the next 10 years, tankers of 250,000 tons or more, to be operating in the Northwest Passage. These are tankers capable of carrying in excess of 1.7 million barrels of oil. When one compares this to the capacity of the *Torrey Canyon,* one can realize the enormity of the pollution threat.

As I said, too little is known about oil pollution on the high seas. Practically nothing, however, is known about oil pollution in the Arctic. From what little scientific data there is available regarding the decomposition of oil waste on the high seas, scientists will agree that decomposition slows markedly as the temperature is lowered. It follows, therefore, that the oil waste dumped on Arctic ice must be preserved, according to the best scientific evidence I can find, from decomposition and hence would represent a continuing pollution threat. Perhaps this is the dawn of the "Silent Spring" unless something is done about it. The sinking or even the serious damaging of but one of these tankers in this area could and would have a serious long term effect on the whole Arctic and Atlantic coastal environment, not only for our marine living resources under the sea but also those over the sea.

According to a paper prepared for the Canadian Wild Life Service by Dr. Richard E. Warner of Memorial University, Canadian resources will bear the brunt of any such accident. I should like to quote the very important words of Professor Warner, a well known and learned expert in this field.

> In the present absence of even rudimentary data on the behaviour of oils in ice filled Arctic waters, no sensible contingency plan in case of accident can be developed.

That is a very serious statement made by a very serious and learned scientist. This, then, is a great challenge facing this government and facing Canada in this day and age. We cannot help but ask ourselves what the government is doing about it. We are not talking about something away off in the future; we are talking about something here and now.

We have heard from the Minister of Indian Affairs and Northern Development (Mr. Chrétien) about his announced intention to bring in legislation known as The Northern Water Rights and Pollution Control Act. During his crusade across the country, we heard from the Minister without Portfolio about the Canada Water Act. None of us had anything but good will for the minister as he went across the country trying to prepare the people to do something about pollution. But this aspect of the problem, separated from the whole area of environmental pollution, in my view is one that requires immediate action today.

Some hon. Members: Hear, hear.

Mr. McGrath: I shall not be critical of the government, because I realize how serious the problem is. However, I should like to make a suggestion to the government because this is something in which we are all involved. I would ask the Minister of Fisheries and the government to give serious and immediate consideration to having this matter of oil pollution at sea, and the possible disastrous consequences of oil pollution in the Northwest Passage on our marine resources, referred to an appropriate parliamentary committee. In this way, scientists and representatives of the industry could appear before the committee and all the evidence on this one aspect of pollution could be collated. The problem could be studied by the experts in the government, underlined and set out. It seems to me this is the only way we can deal with it.

So far as the continuing problem of oil pollution of the high seas is concerned, I think Canada should be pressing for stricter international controls. I am talking about the waste from tankers at sea and accidental spillage of oil at sea. I give the minister credit.

He referred to this in his speech. He is probably more concerned about it than any one of us, because he knows at first hand the consequences of it. I believe that our government should be pressing for much stricter and more meaningful international controls, notwithstanding the fact that it is a signatory to the international convention for the prevention of pollution of the sea by oil. I am told by the Secretary of State for External Affairs (Mr. Sharp) that a new agreement is being negotiated in Brussels this month to deal with accidental pollution of the sea arising from accidents at sea similar to the *Torrey Canyon* incident. I hope that our government will be firm in its resolve to deal with this matter. It must not lose sight of the new and serious threat to our environment, to our Atlantic coast and indeed to the waters of the Arctic. We already know the consequences of oil pollution on the high seas, arising from the practical impossibility of enforcing the regulations of the present international convention.

• (4:20 p.m.)

Unless steps are taken to obtain a meaningful and enforceable international agreement in the area of oil pollution and the related area of conservation, the Minister of Fisheries will find that all of his problems will be automatically solved for him because he will have no seal herd with which to concern himself every year. It will be wiped out. He will have no groundfish industry with which to concern himself because it, too, will disappear. This is the threat facing us today. Perhaps the minister will forgive me if I suggest to him that then he might be able to devote all his time to promoting sport fishing and to trying to satisfy the Prime Minister (Mr. Trudeau) by coming up with a humane way of catching fish and eliminating that ghastly hook.

An hon. Member: Such as the use of chloroform.

Mr. McGrath: This government, with its propensity for talk, might even be able to talk the fish out of the water. But I do not mean to make light of this because I know the minister is concerned. I can only hope that his government is concerned, and if they are, I challenge the minister today to have the matter of oil pollution at sea and the new problems posed by the opening up of the Northwest Passage to supertankers immediately referred to an appropriate committee of this House, perhaps even the Standing Committee on Fisheries. Then, we would be in a position to call witnesses, have scientific evidence presented to us, and correlate it. In this way, Parliament would be able to play a meaningful part in this most serious national problem facing the whole country.

Mr. Deputy Speaker: Order, please. I am sorry to interrupt the hon. member but his time has expired. Is there unanimous consent to allow the hon. member to continue on?

Some hon. Members: Agreed.

Mr. McGrath: Thank you, Mr. Speaker. I can assure the house that I will try to be brief and not to abuse the privilege extended to me.

Before I resume my seat, I would like to make a few brief observations concerning the proposed legislation setting up the salt fish development corporation. Let me say to the minister and to the government that many of us in this House and in the country have waited a long time for this legislation. Indeed, we will not be satisfied until we see the legislation in the House, and perhaps even then we will not be satisfied. I know that successive governments down through the years—and here I make no exceptions—have been guilty, in my view, of grossly neglecting and ignoring the salt fish industry. As a direct consequence of this, we have seen many of our important and traditional markets lost to our European competition. As a matter of fact, one could almost suspect a conspiracy to abolish this ancient, honourable and important industry.

While the industry has been largely ignored by the federal government, the establishment has had a field day at the expense of the fishermen. Just let me illustrate what I said. Can you imagine a farmer taking his entire crop to a broker, getting from the broker an open receipt, going back to his farmhouse and waiting to see what the broker is going to pay him? He thereby places himself completely at the mercy of the broker who then sells the produce, names his own commission, and gives the farmer what is left. There is no farmer in the country who would put up with that kind of situation. Yet this ancient, feudal practice is still being carried on to this very day in the salt fish industry in Newfoundland. The tragedy of it is that our fishermen have no choice but to play along because for them there is no crop failure insurance, no government plan to advance some funds to buy gear

when they set out to catch the fish in the spring. What little they did have, such as the salt rebate program, has been taken away from them.

The salt rebate program may be peanuts to the Minister of Transport (Mr. Jamieson) because we all know he is affluent, but to the fishermen of Newfoundland who are salting and drying their fish for sale it represents a great deal because their income—and statistics prove this—is barely enough to keep body and soul together. The callous treatment handed out to our fishermen—for example to those who took part in the Labrador fisheries this year and who are suffering the consequences of the failure of that fishery—has already been referred to by my colleague, the hon. member for Gander-Twillingate (Mr. Lundrigan). What does the minister say to that? He does not say: we will give you catch failure insurance. He tells them to go to their welfare officer and apply for dole. That is the substance of what the minister said in his statement on October 23. I am sorry to say that this has been typical of the attitude of the federal government down through the years with regard to fishermen who salt and cure their fish.

I have a great deal of faith in the present minister, a great deal of confidence in him, because I know he is trying to do a job. I know that even though he gave in to the sob-sisters of the world by abolishing the killing of whitecoat seals—I deliberately omit using the words "baby seal" because we do not refer to the baby lamb industry, the baby pig industry or the baby cattle industry, so when you use the term "baby seal" industry you are being taken in by these people—perhaps at long last the minister is prepared to do something meaningful for the fisheries. But let us hope it will be more meaningful than the action he has taken in respect of the seal industry. Notwithstanding the fact that as he admitted, there is scientific evidence to indicate that the club is the most humane way to kill whitecoat seals, he has made it illegal to do so.

• (4:30 p.m.)

Now, he says that more mature seals cannot be killed by clubs; they may only be killed by rifles, or perhaps even by bows and arrows. Considering the fur bearing value of seal hides, can you imagine the Prime Minister coming into this house wearing his otter coat with a bullet hole in the back of it?

Some hon. Members: Oh, oh.

Mr. McGrath: If you want to talk about the humane aspect, I say that for every ten seals shot with bullets the shame of it will be that probably six or seven will get away to die a slow and lingering death on the ice. I hope that the S.P.C.A. and other humane societies all over the world will come to Ottawa and demonstrate outside parliament against this terribly inhumane way of killing seals.

The minister leaves this week to hold discussions in St. John's with members of the salt fish trades. He has taken upon his shoulders the formidable and unenviable task of breaking the centuries old feudal traditions that exist in this industry. We all know how hard tradition dies, but in God's name let these traditions die quickly because those men who catch our fish and salt it cry out for justice, for a fair return for their fish. If those barons, those fish merchants who have held this industry in their clutches so long, and who have influenced successive governments for so long, are not prepared to go along with the change, my advice to the minister is to tell them to go home and content themselves with clipping coupons.

We on this side of the house, many of whom are the sons of fishermen, speak for the fishermen. For them we demand nothing less than justice, and we say to the minister that if the proper safeguards are not built into the legislation setting up the proposed salt fish development corporation then my colleagues and I will oppose that legislation with every ounce of strength that we can muster.

[*Translation*]

Mr. Walter Smith (Saint-Jean): Mr. Speaker, I would like to join with the hon. members who participated in the debate to congratulate my colleagues and friends the hon. members for Sarnia and Lapointe (Messrs Cullen and Marceau) movers of the Address in reply to the Speech from the Throne.

Let me also congratulate and extend my best wishes to the two newly appointed ministers who will join our dynamic government.

I would also like to extend my best wishes to the two new Parliamentary Secretaries.

Representing here one of the most beautiful ridings in the Province of Quebec, is reason enough for me to be proud.

[*English*]

The City of St. Jean, which is the largest the county, is an industrial city where manufactures of several different descriptions are

to be found, including chemical, carpet, cables, foundries, pottery and textiles. Just across the Richelieu River from St. Jean is the second largest city, Iberville, also in the county of St. Jean, where some industries are established. The county of St. Jean is bordered on the south by the great state of the United States, New York.

Many sections of Quebec have been designated as areas where manufacturers will be encouraged to build new factories. But somehow the region of the valley of the Richelieu, and more particularly the county of St. Jean in its entirety, have been omitted. It is hoped that the cabinet will reconsider this very important region of Quebec, some 25 miles from Montreal. There is a serious danger that our region may even lose some of the important industries established in it if some revision is not made soon. Unemployment there in these two cities is higher than the Quebec average of over 7 per cent. It is hoped that when a revision is made this section will be made a designated area.

In the county of St. Jean we have some of the best market gardeners in the whole of Canada. The rich black soil is very fertile, and with modern techniques and fertilizers record crops are being grown year after year. Nevertheless, farmers in this category must be protected by limitation of imports during the summer season when their vegetables have to be marketed, principally on the Montreal market.

Very often when the local vegetables are ready to be placed on our local markets huge imports of vegetables are coming into Canada by the carload and the truck load, which glut our markets. At times, some of our perishable vegetables lie rotting in the fields because of too many imports May I suggest that the cabinet take steps to prevent this happening in succeeding years.

Some of the best dairy farms in the province of Quebec are to be found in the county of St. Jean. I am very proud to mention that in our region south of Montreal we have without a doubt the largest dairy farm in Canada. On this farm you will also find a milk pasteurizing plant where milk is bottled in plastic containers and delivered to dairy product distributors, from whom the consumers can purchase fresh milk daily.

When driving through our region you will also find many poultry farms where broilers, both turkeys and chickens, are raised and shipped to markets across Canada. There are many hog farms to be found in several sections of the county.

It is my earnest opinion, Mr. Speaker, that the farmers need the milk subsidies, hog premiums and freight assistance provided by the federal government. These things are vital to these farmers if they are to stay on the land. Perhaps more encouragement should be given to the farming industry through different forms of financial aid. The Farm Improvement Loans Act and the Farm Loan Act have been and will be very important factors in inducing our young people to remain on farms.

• (4:40 p.m.)

I was very pleased, Mr. Speaker, to learn that at the International Red Cross conference last month our government gained acceptance of a principle which it has long supported whereby the Red Cross will be permitted to provide relief to civilians on both sides during civil wars.

Knowing quite well that in Nigeria-Biafra, many poor civilians and especially poor, innocent children have died of hunger, while in Canada so much food is often wasted or thrown away, members on both sides of this House, I am sure, are hoping and praying that this war will come to an end in the very near future.

The objective of this government is to construct one million new housing units in five years. It is hoped the government will really keep in mind the low income families so that more families will be able to live in more pleasant and healthy surroundings. I strongly support the action taken in this field which will promote and stimulate employment as well as urban improvement throughout our country and the rest of Canada. One way of lowering the cost of moderately priced homes in this country would be to remove the 11 per cent tax on building materials.

Some hon. Members: Hear, hear.

Mr. Smith (Saint-Jean): I am convinced my constituents are also ready to support my views on the removal of this tax.

May I say just a word on pensions? It is my opinion that pensions for retired civil servants, war veterans—both disability and regular pensions—and their widows should be increased substantially because of the increase in the cost of living which has taken place over the past few years.

We all know that many pensioners are facing great difficulties in meeting their obligations and providing for necessities. Since all pensions are under review at the present time by our government, it is hoped some adjustment will be forthcoming in the near future which will allow them to live and enjoy a happier life.

The population of the county of St. Jean, which I have the honour to represent, is composed of several different nationalities with various cultural backgrounds. To mention just a few of the various ethnic groups, the German, Italian, Dutch are all a great resource in our region. We have lived together over the years in perfect unity and harmony, regardless of nationality or creed, I am pleased to suggest that our region is setting an example for Quebec to follow, where parents can choose to educated their children in either French or English.

I am confident that the separatists will have great difficulty in influencing our people who are among the most happy in all of Canada. Even if the member for Saint-Jean in L'Assemblée Nationale de Québec at the present time is thinking of joining the Parti Québecois, Mr. Speaker, it is hoped my constituents will continue to make suggestions and recommendations to enable this session and the coming sessions to work for the betterment of all Canadians.

Mr. J. M. Forrestall (Dartmouth-Halifax East): In rising to take part in the debate on the reply to the Address, I must extend my congratulations to the mover and seconder; first, because I am obligated to do so but more important because I sincerely wish to do so. At the same time, may I extend congratulations to the new members of the government and wish them well in their appointed tasks and responsibilities.

Since coming to Parliament I have never participated in either the Throne Speech debate or the Budget debate and my purpose in doing so today as we start into the second session of this Parliament, is to express to Admiral O'Brien of Maritime Command, the wives and families of those men who lost their lives in the recent explosion aboard H.M.C.S. *Kootenay*, the crew members who survived, the captain and all the officers and men on board that ship, first my sympathy and secondly some words of praise. While most of us in this House, Mr. Speaker, and indeed in the nation, are not yet aware of the nature of this very serious accident, nor the causes of it, many of us are nonetheless very interested and very concerned.

In private conversation with the distinguished Parliamentary Secretary to the Minister of National Defence, that gentleman advised me of some of the details surrounding the accident. This prompts me, Mr. Speaker, at this time to extend to the ship's crew the highest praise that I can as a layman, in terms of their professionalism. I extend the highest praise that I can, as a layman, in thought in a moment of great crisis, for the manner in which they conducted their normal procedures in combatting fire at sea and in securing the safety of those who survived the explosion and fire. I commend them most sincerely, although I must do so largely on the basis of second-hand reports and information. I commend them for the manner in which they brought their ship into port in England. It is my understanding that the *Kootenay* came into port in the finest tradition, notwithstanding the severe crisis it had just been through.

We all await with concern and sincere interest the outcome of the investigation. We trust that it was not necessarily an environmental accident; that is to say, an accident that is peculiar to ships. We hope it was an isolated incident and that the cause of it will not be such as will in any way curtail the exercises of, or cause concern for, her sister ships in our fleets both on the Atlantic and Pacific coasts. In connection with this tragedy, there is the question of the burial of those who died. It is my understanding four of the crew members were buried with full honours at sea and four have found a final resting place in England. The body of the ninth man was interred in Canada because his death occurred on board the *Kootenay* en route to Canada.

• (4:50 p.m.)

My concern in this connection, Mr. Speaker, is that in peacetime, having some regard for the feelings of wives and families, surely the bodies of these men could be brought home to their families for final services so they could rest in their homeland. I am aware of the difficulties in establishing a general policy of bringing the bodies of our servicemen back home, especially in times of crisis. I ask the Minister of National Defence (Mr. Cadieux) to review the policy of our government in connection with the final resting place of our service people who die abroad, in

order that some measure of comfort may be afforded their families.

I am concerned about what has happened, Mr. Speaker. I am as concerned as anyone would be who has lived next to the sea and grown up in an environment that has been surrounded by a maritime concept, a war concept and a fishing concept. I am concerned with the dedication of our men who serve on fighting ships. I hope this accident has brought forcibly to the minds of all Canadians the very serious nature of the work undertaken and very conscientiously carried out by the men serving under Admiral J.C. O'Brien, Commander, Maritime Command. I again pay tribute to that officer and to the men who continue to do the work that is their day to day responsibility.

Since I am on the subject of Maritime Command may I say that, while I do not necessarily regret the loss of the *Bonaventure,* I deeply regret the loss of what it represents for ASW capacity. I believe as long as we are in the ball park we must at least bring our own glove. Maybe somebody else can supply the bats and balls, but we must at least bring our own gloves and get on the team. We must be credible. One thing that has been very clear to me in the last four years is the loss of credibility in our Maritime capability, indeed our entire defence capability, in the eyes of not only our neighbours to the south but of our partners in the North Atlantic Alliance.

In the context of Maritime Command, it is important that we do not do anything to lessen the very real expertise we have built up in the field of anti-submarine warfare. I am not talking about our capacity to destroy enemy submarines or to chase them all over the Atlantic. What I am talking about is our capacity to detect and trap submarines and to provide assistance to SACLANT, the United States and the western world. This assistance can be provided in the form of knowledge of who the underwater enemy is at any given time and where he is from day to day, once we are aware of his presence in our contiguous waters. The only way to do this is by the maintenance of a viable and credible ASW capacity.

The loss of the *Bonaventure,* at least to my layman's mind, represents the loss of the strongest part of one-third of the capability which we can provide to meet the very minimum standard of surveillance necessary to enable us to contribute to the total input of intelligence. Surely, in this day and age we do not need to get into the nuclear race in terms of the capacity to kill. Surely, there is a role for us to play in detection and surveillance. I believe we can play a very meaningful role, a role that would be credible in the eyes of our partners. I believe this is very necessary. There are many ways in which we could accomplish our objective, but there is no way short of the acquisition of another aircraft carrier to replace the loss of seaborne aircraft for use in this ASW operation. Thus the loss of the *Bonaventure* is serious.

As one senior serving Canadian naval officer termed it, it is a bloody significant loss. I do not know that it is necessarily that, but it is certainly a very serious loss and one that we are not going to be able to readily overcome. I am not talking about the viability of our ASW operation the moment hostilities break out. I do not think we can afford to get into that type of role, but surely up to that moment, God forbid that it should ever come to pass, we can make a meaningful contribution to the total input of intelligence. I am certain that we can do our share in detection, tracking and general surveillance. There is no reason why we cannot maintain our standards. I am not asking for the world. Surely, we can maintain the minimum standards necessary to make our contribution useful.

Today's writers suggest there is a serious question about the validity of ASW operations, that there must be a meeting of minds, not so much on the technological methods involved but on the principles. We have for a long time assumed, without debate, the necessity and logic for a reasonably high contribution to this field of defence. I think there is a rationale. Most of the writings, outside the area where discussion is classified and secret, question ASW operations, but in the final analysis no suggestion is made that countries such as Canada should get out of ASW operations. Indeed, Professor Martin, a very distinguished international writer on the subject of maritime strategy suggested to the subcommittee on Maritime Command not more than two or three days ago that there is a very real need for the contribution countries like Canada can make and that it would be a shame if Canada were to let her ASW expertise spin out. The loss of the *Bonaventure* and the absence of a suitable replacement turn out maritime command effort in a direction in which a spin out and run down will be a natural consequence. There is a role we can play in this area, although a limited one.

• (5:00 p.m.)

The experts today do not talk about sinking the Russian Polaris-type submarines which have nuclear capability. They seem to think that the Americans, for example, will seek in future to shoot down the missiles once launched. I am not talking about our getting into that aspect of the defence role because it is too expensive for us. But there is a role we can play and it is a vital one. If I could give Admiral O'Brien a real Christmas present it would be a couple of true submersibles, for the only effective way of trapping lies under the water where these missile-carrying submarines are to be found. I could go on for an hour or so talking about maritime command and defence matters in general, but there are other subjects I should like to touch upon briefly. One of them has been adequately dealt with by my dear friend and colleague from St. John's East (Mr. McGrath). I refer to the pollution of our northern and Arctic waters. Without repeating the points he made, I should like to associate myself with his remarks and add one or two comments of my own.

I am concerned, as everyone in this House is concerned, about the effects of pollution in the north and the upsetting of the ecological balance. Canada has a responsibility to do something about this problem and it is regrettable there is not a much more intense public dialogue on the subject. It seems to me that the problem is not only a massive one but it is multinational in nature; it is not restricted to ourselves, the United States and other countries which use or plan to use the north regularly. If we look at a map of the ocean currents in the Arctic and trace those currents down to the point at which they join the waters of the Gulf Stream, we can easily imagine the consequences of a major disaster happening to a bulk carrier in our north at any time of the year. Not only would we find the waters of Hudson Bay and Labrador polluted, but the waters of the Gulf Stream itself would be affected and the mess would wind up in Europe.

It is not hard to understand the multinational consequences of a disaster in our north. If a forum were to present itself I would support the suggestion made by the hon. member for Ahuntsic (Mr. Rochon) at the NATO meetings recently for dealing with the question of the pollution of the deep seas. I would support this proposition because, to use words which were handed to me just before I rose, elocution is not the solution to pollution. We need to involve multinational groups in measures which are immediately effective and tangible. I am a little concerned as to how far a country like Canada can go, bearing in mind that as yet we have not even accepted legal responsibility for such things as navigational aids in the north; we have not even cleared up the question of the ownership of these waters and whether or not we control them. It seems a little ambiguous for a country like Canada to assume responsibility for pollution when it has not yet accepted legal responsibility for these waters.

It is important that we should get on with our program of providing navigational aid in the north and assistance to shipping by way of an adequate icebreaker service. As suggested by other speakers in this debate and in other forums, we ought to move rapidly in the field of research into the consequences of disasters such as an accidental oil-spill in the north. In Dartmouth in my constituency there is one of the world's leading centres for studies of the ocean. It is a matter of regret that this institute for oceanographic studies has not been directed by the government to get on with the job in the area I have mentioned.

Another matter which concerns me a great deal concerns the position of standing committees of this House. Without going back too far, let me recall for all hon. members the fate of the former minister of transport who found it necessary to resign after his task force had returned from a cross-Canada tour delving into the housing situation. He felt obliged to take this course because of the government's treatment of the report of the task force. It will not stretch the memory of hon. members too far to recall the treatment accorded by the government to the reports of the Standing Committee on Transportation. Also, those of us who serve on the Standing Committee on External Affairs and National Defence remember, with some injury to our pride, the treatment accorded us after we returned from a tour of NATO countries. It is a matter of record that we were home a few days before the government made its announcement about NATO and troop reductions, but the fact is that the government knew exactly what it intended to do before we even went to Europe. It was not the least bit interested in our hearings and in our report; it merely wanted to get us conveniently out of the way—

Mr. Hales: A shameful treatment of committees; a complete disregard of them.

Mr. Forrestall: Even in the past few weeks we have witnessed the action of the Minister of National Defence (Mr. Cadieux) in announcing the decision to scrap the *Bonaventure*, among other things, within moments of the arrival back in Ottawa of the subcommittee which had been touring maritime command.

• (5:10 p.m.)

These are three classic examples of the sort of regard held for committees by the government of this country. I for one consider the government has shameful disregard for our committees, committees that could play a useful and meaningful role. I suggest that if the government continues in this way it will find it increasingly difficult to staff standing committees, particularly in cases where there is the slightest suspicion that the government has already made up its mind on matters referred to committees.

I could go on and talk of the waste of the taxpayers' money, but may I make just one or two references to an editorial that appeared in the Dartmouth *Free Press* of Thursday, September 25, 1969, and which dealt with what I consider a matter of some seriousness:

The federal government's policy of forming a number of task forces to tour the country and investigate various problems of national and international importance is a very commendable one.

I agree with that.

However, the government's reception of the reports of these groups has, to date, been somewhat amazing.

The Hon. Paul Hellyer's housing task force made a very extensive tour of the country—

I have already indicated the sort of treatment the task force received.

The Defence and External Affairs Committee toured Canada, and Canadian NATO bases in Europe, and by all indications their recommendation to maintain a strong NATO Commitment was ignored.

All members of the committee know this is true.

A subcommittee of this task force recently toured maritime command, but its recommendations were obviously not yet in the hands of the government before additional cutbacks, including HMCS *Bonaventure's* disposal, were announced.

Mr. Comeau: It is a farce.

Mr. Forrestall: It is more than a farce; it is an insult to the intelligence of the men who served on these committees.

These parliamentary groups are not touring the country with money provided from the pocket of [Mr. Hales.] the Prime Minister, but with the very liberal use of taxpayers' dollars. This expenditure was justified by the committee members themselves, in most cases, for they appeared to make their investigationns in a most conscientous manner. It is insulting to the members of parliament, and to the Canadian electorate who chose them for office, to have their sincere investigations apparently ignored.

These are serious times in the economic outlook of Canadians, and we can offer sympathetic understanding to some of the Liberal government's more drastic measures to reduce expenditures. However, some of the present policies indicate a contempt for Parliament and parliamentary committees which should not long be tolerated by the Canadian people.

I am surprised that the Canadian people have tolerated them even to this point. As I have indicated, this contempt for parliament is a source of embarrassment. I am sure the members of the government are conscious of this, as are the chairmen of the standing committees. In addition, a great deal of money is involved. As the editorial indicates, members of parliament seriously pursue their responsibilities in parliamentary committees. But I would suggest to you, Mr. Speaker, and through you I suggest to the government, that we have a lot more to do than traipse around the countryside on futile missions while the government sits on its rear end with its mind already made up.

Mr. J. A. Jerome (Sudbury): Mr. Speaker, I should like to begin by adopting the practice of other speakers in this debate and congratulating my colleagues, the hon. member for Sarnia (Mr. Cullen) and the hon. member for Lapointe (Mr. Marceau), for their initiation of this debate on the Speech from the Throne. May I endorse the remarks made by both, but particularly those of the hon. member for Sarnia, that one is now better able to appreciate the full impact and development, the logic and planning that has gone into the program presented by the government since its election to office in June, 1968. One can see for oneself that the government is not operating on a month-to-month or on a year-to-year basis, but in fact has formulated a program that will encompass all of the power and strength that its majority position in this House enables it to do. I welcome this kind of approach to government just as much as I welcome a change that guarantees the people of this country a government that has sufficient tenure of office to enable it to plan ahead for a number of years in this fashion.

This situation can be contrasted with that of the past decade. The government of today enjoys a majority, and therefore the virtual

certainty of a tenure of office extending over four or five years. On the other side of the coin are those less certain, hectic times when day-to-day government is imposed by a minority situation in the House—government of the sort that immediately preceded the last election. All parties in the House faced difficulties which were created by a minority government situation. It was a situation which was readily embraced by the third and fourth parties represented in the House, because truly under such circumstances can they maximize their power and position in the affairs of this chamber.

In examining the Throne Speech one readily appreciates it is a continuation and an extension of the program that was begun by the government in 1968 when the first session of this Parliament commenced. In addition to the government's attendance to the day-to-day needs of the country, it has had as its paramount objective during its first year of office the reform of this institution. It has changed our way of doing business so as better to enable the House to expedite its affairs in a manner more in keeping with the needs of a nation that is growing and changing so rapidly.

Having accomplished the objective of enabling this House to conduct its business more efficiently and productively, the Throne Speech that introduced the second session is, I suggest, a logical follow-up. Having reshaped our procedures here in order to enable members on all sides and of all ranks better to participate in a really meaningful study and examination of the governmental process, this administration is now turning its face inwards and is making a clear pronouncement of those domestic problems that should receive priority, and the manner in which they will be dealt with in the coming session and those to follow.

In the order in which these problems appear in the Throne Speech, they include equality, both on an economic and on a linguistic basis; our Indian population and the position of Indians; the forthcoming review of and white paper on social security, on labour and industrial relations; and also, of course, the most important problem facing Canada today, that of the inflationary trend in our economy. The Throne Speech deals with the forthcoming white paper on taxation. It deals with the problems of grain farmers. It deals with the problems of the fishing industry, water resources and Arctic sovereignty. It also deals with the position of the government in our society. It deals with our position in respect of the Criminal law and whether one should fight to protect the liberties of the individual. It also deals with the question of consumer protection, not only in respect of credit but in respect of packaging, labelling and processing. It deals with the question of housing and outlines the prospect of one million housing starts in the forthcoming five years.

• (5:20 p.m.)

The Throne Speech deals with the government's intention to review policies in respect of external affairs, defence, citizenship, social security and taxation. Therefore, it is my pleasure to support and endorse in every way possible the Speech from the Throne which began the second session of this Parliament. As I say, it is a logical extension of the program launched in the first session of this Parliament. I support it because I know that in the forthcoming years this administration will carry on with the same logical and progressive programming which it began in 1968. I look forward to the testing of the use of the time and facilities available to the administration at the conclusion of this parliament and to a repetition of the majority mandate that we received in 1968. I look forward to such a testing at the forthcoming election, whenever it may take place.

The Speech from the Throne deals with problems that face this country at the present time. It has reference to our views on the future. Basically it places a heavy concentration of effort in the coming year on solving the problems in the areas I have mentioned. It is occupied particularly with the practical aspects of solutions to the problems we face in this country.

There are a couple of aspects of life in this country to which I should like to address myself. I believe these are important and valid considerations above and beyond the practical things of our day-to-day existence. Let me deal first with the problem of strikes. As a representative of Sudbury I perhaps speak with some reluctance on the subject of strikes. My area occupies a position of economical, educational, financial and cultural importance in northern Ontario, and it is now entering the fourth month of economic paralysis inflicted by a continuing labour dispute between the Falconbridge Nickel Company, the International Nickel Company and their

respective unions—the Mine, Mill and Smelter Workers at Falconbridge and the union at INCO.

The sadness of the situation does not relate to the position in which the companies find themselves or the position in which the unions find themselves. These two companies, particularly INCO, represent the major producers of nickel and hold a virtual monopoly in the world. World markets will wait for the production of nickel, whether it be this year or next year. We have witnessed this situation in respect of Stelco. The speculators are at the present time greatly interested in and aware of the fact that at the conclusion of the strike the price of nickel will rise. The outcome will not bother them. There is nickel in the ground and these companies will eventually produce it. World speculators will obtain nickel this year or next year at a higher price. Indeed, this situation applies to a greater extent to the production of nickel than to the production of steel, because the one union involved is not as powerful as it once was in this country.

Dealing particularly with the United Steelworkers of America, that rich, strong and powerful union, let me say that it will weather this and other storms in which it is involved in Canada. In due course the members will return to work as a result of an undaunted membership. The union will perhaps increase its membership in the process. In any event, it will again begin to produce and revenues will be restored. It will become an even stronger and more powerful union through growth or amalgamation.

I am not concerned about the power struggle between the unions and the company, or which of them becomes more powerful. I am concerned about our society. We are still permitting demonstrations of hostility and war between management and labour. This seems to be the only way in which we can solve differences or disputes between these factions. The disputes involve a difference in conception of what is a fair wage. Tremendous expense is involved in this process. It is a primitive approach to arriving at a proper assessment of the value of a working man. There are differences of opinion as to how much an employee should receive in wages in order to enjoy a reasonable living.

Let me give an example of the cost of these disputes. The International Nickel dispute alone cost about 50 per cent of the total annual payroll of the city of Sudbury. That strike alone cost about $42 million. The cost in terms of material that was not supplied to buyers amounted to $20 million. The loss of capital investment by the company, investment which would ordinarily have been made had the strike not taken place, amounted to about $30 million. One can add to that sum of $92 million a further sum in the neighbourhood of $120 million, representing the loss to various governments in revenue, transfer payments and taxes. This loss is obviously borne by the taxpayers.

Perhaps one could multiply that figure by two. Let us consider the fact that the International Nickel Company and the Falconbridge Nickel Company employ 2,300 men. This is a working force capable of sustaining a city of between 75,000 and 85,000 people for a period of four months, which is exactly the period of time these companies have not been producing. One needs very little imagination to project the effect of a strike on a community which is supported by one industry, but that is another subject. The fact is that we in this country cannot understand the position of the working man because we have been unable to develop a sense of trust between management and labour. Obviously, therefore, we cannot come to any sensible understanding of the problem or recognition of the fact that the working man should enjoy a decent standard of living.

• (5:30 p.m.)

We cannot come to a sensible recognition of the fact that a working man should enjoy an annual increment by virtue only of his seniority. We cannot recognize that a man must not be paid in year 1 the same salary one would expect him to be paid in year 10 for doing the same job. Our failure in this regard, and our leaving the entire responsibility to the give and take of economic warfare, represents a staggering expense and a crippling economic inactivity in my community. We are not alone in this regard; it is happening all over the country.

It is not easy for me to throw out on the floor of this chamber the idea that we should be able to recognize that an annual increment must be paid to every working man from time to time, and that in addition to an annual increment for seniority and longevity of service there should be a periodic adjustment based on increases in the cost of living. We know that in a period of expanding economy inflation also increases rapidly. That is not to say expansion is a bad thing. It is a

healthy thing so long as it is allowed at a controlled rate.

So we expect these fluctuations and we recognize that the working man should enjoy a share of an expanding economy. He deserves an increment and adjustment in relation to a rise in the cost of living. The plain truth of the matter is that in our country in this day and age we should be able to develop a sense of trust and responsibility between management and labour. There should not be a war between them, but there is. There should not be hostility, but there is.

An hon. Member: This is free enterprise.

Mr. Jerome: It is an aspect of free enterprise that is not working to the advantage of this country nor to the advantage of many of its participants. The man who gets the short end of the stick at every turn is the man who is punching the card and carrying the lunch-pail. Because of what he is doing to support this labour-management process, he makes a sacrifice by having to live on whatever savings he may have for as long as the fight continues. Let us take as an example the situation at Stelco. I have been told—this may be inaccurate but I believe it is close to the truth—that the difference between the offer last August and the settlement that occurred in October at Stelco in Hamilton was less than 10 cents an hour. In my opinion the price that was paid by those working people to gain another 10 cents an hour was simply not worth it. The price paid by the country was not worth it. But above all, the price paid by the working men was not worth it because they will never get back the price they paid during the life of the contract or during their lifetime.

So I say that this is one of the most important areas we must be concerned about in the future, if we are to see above and beyond the day-to-day practical necessities of this countries and our day-to-day problems. If we are to do more than simply carry out the basic functions of our job, and work for genuine progress, one of the matters to which we should be inviting the fullest attention of every member of this House is a solution to the situation I have described, namely, the primitive way in which we live, where hostility exists between the working man and his employer to the eternal detriment of the working man.

This morning I had the pleasure of listening to the remarks of the very distinguished right hon. member for Prince Albert (Mr. Diefenbaker). Let me hasten to say at the outset of my reference to the hon. gentleman that I hold in my hand a copy of *Hansard* for Tuesday, July 15 this year. I have this copy of *Hansard* in my possession and I will keep it for a long time because on that day the hon. gentleman paid me a personal compliment in the course of his remarks in this chamber. I regard that as one of the greatest compliments I have ever had or probably ever will have. At that time the hon. gentleman said he felt I had a great future as a parliamentarian. That compliment came from a man who I am sure in the minds of all of us epitomizes everything a parliamentarian should be. I pay that compliment to him as best I can in return for the one he paid me.

I am also sure, great parliamentarian that he is and great lawyer that he was before he abandoned that career for this, he will not be in any way disappointed when I say to him that during the course of his remarks this morning, genuinely filled with admiration for him as I am, I realized the drastic difference that exists between us in just about every consideration that affects a member of this chamber. The hon. gentleman is a veteran of this chamber and has achieved its highest honour, and I am a fledgling. If my seat were any farther back it would be in the lobby. He, the veteran of many sessions of parliament and one of its most experienced and able orators, holds a seat in the centre of the stronghold of Conservatism in this country. I, in beginning my career in this chamber, come from a seat in the stronghold of Liberalism in this country, northern Ontario.

I suppose our differences should be obvious because of those facts. But only this morning, when I heard the hon. gentleman devote the majority of his time in this debate to a discussion of what he described as the clandestine, and indeed subterranean plot on the part of the government to abolish the monarchy, did I realize that the difference between us could not be characterized any more clearly than was demonstrated by his major concern that there was in the Speech from the Throne an indication that the Queen does not describe this government in terms of "my government".

It is not my concern, Mr. Speaker, whether Her Majesty the Queen, whom I hold in the greatest respect, refers to this government as her government. My concern is that the young people of our country care enough about what goes on in this chamber, in this

capital city and in this nation to describe it as their government. The hon. gentleman interpreted the rule changes passed by the House last session as an attempt to adopt a system which would restrict or stifle the free exchange of ideas in this chamber. Presumably he was referring to the present rules regarding the allocation of time for debate.

• (5:40 p.m.)

I could not take a more opposite view than to say that in my view we do not have a restriction on the exchange of ideas, of intelligent opinion and of intelligent commentary, but rather a requirement that when an oratorical contribution is made to the subject under discussion speeches should be limited. This rule will force members to make intelligent, meaningful and comprehensive speeches rather than engage in a filibuster designed to do nothing more than frustrate the business of this chamber.

I was interested to hear the complaint of the hon. member for Prince Albert, that because of the intention of the government to recognize Red China we appear to be playing into the hands of those who have declared themselves avowed enemies of freedom and who remain a threat to the peaceful existence of this country and our part of the world.

Is it not a strange coincidence that the same hon. gentleman in 1961, when his administration made the first wheat sale to the U.S.S.R. to feed those people who I presume then had the same avowed intention to overthrow the free world, hailed the sale as a great achievement in the economic affairs of this country?

Mr. Aiken: The hon. member missed the whole point.

Mr. Jerome: Let us be reasonable. The danger we face is not communism that is out in the open and is recognized as a threat, nor in our doing business with the U.S.S.R. and giving diplomatic recognition to Red China. That is not the danger we need to fear. Nor should we let ourselves be deceived for one second that that nation will ever be dissuaded from its avowed goal of overthrowing the free world by whatever means it thinks fit. In this sense I agree completely with the right hon. gentleman. The danger arises when these countries and others like them who have the avowed intention of overthrowing the countries of the free, western world, create disruption from within, like a cancer growing from within our society. The danger is that by relaxing our vigilance we allow within our borders the growth of situations upon which those who intend to create disorder in our society can feed and nourish.

I do not have to cite examples. Disorder and the disruption of the right of our citizens to a peaceful and orderly existence have occurred on our university campuses and in our cities. All too frequently they have been too horrible for anyone in the nation to forget. This is the danger and menace of communism. When we allow this form of strife and disorder to take place within our own nation; when we fail to pay proper attention to it and to stand up firmly for our rights, organized groups trained to overthrow this country can take over. These are situations in which they thrive, and we must be alert to them. We must be on our toes to protect the freedom of our country. This is the area we must watch and in which we must fight the enemy. It is not the diplomatic recognition of Red China that presents a danger.

The Acting Speaker (Mr. Béchard): I regret to interrupt the hon. member but his time has expired. Is there agreement to allow the hon. member to continue?

Some hon. Members: Continue.

Mr. Jerome: I will be brief, if possible, Mr. Speaker.

Mr. Knowles (Winnipeg North Centre): Don't worry about time allocation.

Some hon. Members: Oh, oh.

Mr. Jerome: If I may conclude, Mr. Speaker, the important thing is not that there exists in this house a symbolic or ideological difference between one member and another; it is not important that we are worlds apart in our thinking, for indeed it is the very essence of Parliament to come here and take widely opposite positions and confront each other through an intelligent exchange of views and debate—the question is how this chamber is going to conduct itself and how it will be regarded in the eyes of the impatient youth of our country.

The question is: Will we be able to retain the credibility of all the people of our nation, whether they come from the coast or from the prairies, whether they are from Ontario or Quebec, whether they are young or old, whether they speak French or English, whether they are in management or labour, whether they are citizens of our country by birth or immigrants who have become naturalized Canadians? We cannot retain that

credibility if we are afraid of change and stubbornly resist change of every sort just for the sake of resistance.

If we cannot through the orderly and intelligent introduction of innovation and progress in the conduct of the affairs of this country give expression to the restless and revolutionary spirit that exists in our young people, we will have to bear the responsibility for that restless and revolutionary spirit finding its expression on the streets and campuses in the form of disorder, disruption, violence and anarchy.

The challenge is for those opposite who would resist change to stand up and say so, to tell their colleagues to go to the nation and say, as some of them have already said, that their avowed intention is to resist even the few rule changes that we have introduced in this chamber. Then resistance is at the cost of effectively carrying on the affairs of this nation. So I say, stand up and tell the nation that when the next election is called they will promise that if given the mandate and the right to govern this country, their first move will be to remove any limitation or restriction on our time for debate and everyone will under their administration be able to speak in the House as long as he wishes. If that is their position, let them go to the public and say they cannot accept the changes we propose, that they will resist them and fight them with everything they have. We have rearranged the business of this House to make it a place where business can be carried out meaningfully and expeditiously through co-operation. The few basic changes we have made will create a more productive Parliament than the Canadian nation has ever had.

I challenge hon. members opposite to co-operate in bringing about necessary changes. I ask them to consider the very important fact that attracted to this chamber in the last election were about 100 new members. I suggest that those members bear watching and examination, and they will not be found wanting in their contributions to and participation in the affairs of the House. I say to the veterans, to those who have come back time and time again, that if through their stubborn resistance to change they allow this House to stagnate in frustration, let them bear the responsibility for the actions of our young people—those with whom they broke faith—and for what happens to this country in the future

• (5:50 p.m.)

Mr. Lundrigan: Mr. Speaker, I would like to ask the hon. member if I could have a copy of his prepared text and, second, would he give me the name of the efficiency expert in the Prime Minister's department who was active in preparing the document? I have never before heard so much talk about efficiency. I would like to have the name of the efficiency expert in the Prime Minister's department who prepared the bulk of the text for the hon. member's speech. In that respect it was outstanding and brought to our attention the need for efficiency in this House. Further, could he give us the kind of thinking and philosophy behind this efficiency?

Mr. Jerome: Mr. Speaker, I am delighted to attempt to answer that question as best I can. First of all, although inexperienced in this chamber I happen to be one of those who feel it is something of a desecration of the position of a member for him to come into the chamber with a prepared text. It is my view that when a member attempts to participate in debate here he should be prepared to get involved and participate in the interchange of ideas.

For that reason most of the remarks I made were in response to those made this morning by the right hon. gentleman to whom I referred. I had no prepared text; I still have none. I made some notes this afternoon, which are now on my desk—three pages of pencilled notes. My preparation for the speech to which the hon. member has given such adulation began at 11.45 this morning and went on this afternoon. I accept his compliments with the greatest appreciation. Unfortunately, however, I made no further preparation than that, and thus I am unable to provide him with notes.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, the sort of speech to which we have just listened provides an introduction for mine. I am going to speak about narcotics. I have for some time been trying to get information from the government on the subject. If anyone has resisted change, it has not been on this side of the House. If the honourable and distinguished member who has just sat down will do me the compliment of listening to me he will learn that I have some recommendations to make. I believe the narcotics problem is a national problem. I believe we must have answers now from ministers. We cannot be put off from day to day with

answers to the effect that the matter is being considered.

People who have been criticizing me during the last few days—and they are not all on the opposite side of the House—have said that I should have been asking my questions of the Minister of Justice (Mr. Turner). But one of the big problems is that under the roster system he is not in the House each day to answer questions. Under this system sometimes ministers ignore Parliament and refuse to attend even when they are due to attend.

All of us know that the responsibilities of cabinet ministers are such that they cannot always be in the House. But, Mr. Speaker, ministers are making use of this system to avoid giving answers. Dealing with this narcotic question, I wish to read the answer given to me by the Solicitor General (Mr. McIlraith) as recorded at page 405 of yesterday's *Hansard*. The other day I asked him whether he had done any research on the charges faced by young men and women in Calgary. I asked whether he had ascertained the ages of the young people involved and the nature of the charges. His answer showed that he was uninformed.

The Solicitor General has graced this chamber for a long time, but I say to him that as Solicitor General he is not carrying out the functions and responsibilities of his office if he is not prepared to answer our questions. I have no large staff behind me. He has a whole department behind him. If I ask a question about a charge, or about what took place in such and such a place, it is his responsibility to come forward with the answers. In this instance he shirked his responsibility.

The Solicitor General replied to my question on Monday, when western Canadians who had gone home on Friday could not get out of Toronto to be back here on Monday. I will answer the Solicitor General tonight, and I will also answer the previous speaker to show that I believe in reform. I believe drugs have become one of our urgent national problems. We cannot continue to bury our heads in the sand with respect to the problem. This is what the Solicitor General said on Monday:

> Mr. Speaker, on Friday last, as reported at page 350 of *Hansard*, the hon. member for Calgary North asked me several questions concerning the sentencing of seven young people in Calgary on charges involving marijuana. I have looked into the matter and I find that the charges did not involve marijuana; they involved hashish, trafficking in hashish.
>
> [Mr. Woolliams.]

This was the answer of the Solicitor General, who had all the necessary staff behind him to find out the facts. But he is not doing the job properly. He is not interested in giving answers; he is interested in arriving at the door of the Senate.

If I may, Mr. Speaker, I would call it six o'clock. However, before I sit down I would like to have permission to read tonight the charges laid in these cases; then we will find out who is setting out the facts.

The Acting Speaker (Mr. Béchard): It being six o'clock I do now leave the chair until eight o'clock p.m., pursuant to Standing Order 6(1).

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

Mr. Woolliams: Mr. Speaker, in the three minutes I had before the recess I introduced my subject, which is the defence and preservation of the greatest asset that we have in Canada—our youth. Although I was not in the House on Monday to hear them myself, I did make reference to the remarks of the Solicitor General. I should like to place on record what I actually said last week and then read the charges obtained from the newspaper. Perhaps we can determine whether the Solicitor General is just making perfunctory answers or is really doing his homework.

On October 28, 1969 I asked the following question:

> Mr. Speaker, may I direct a question to the Prime Minister about the subject of drug use, because it is now becoming a grave national problem. I had hoped to see the Minister of Justice here. Would the Prime Minister be prepared to have his government consult with provincial Attorneys General and Ministers of Education so as to encourage the setting up of an education program in elementary schools, high schools and universities in order that the youth of Canada will be informed and become more knowledgeable about the use of drugs?

I used the word "drugs". The Prime Minister (Mr. Trudeau) answered:

> Mr. Speaker, we share the hon. member's concern about the need to have information disseminated on this important matter.

For that answer I congratulate the Prime Minister.

> That is why we have set up a commission under Dean LeDain. We are not considering any specific action along the lines the hon. member has suggested until the commission has reported.

May I pause for a moment. While the commission is studying, society goes on. When we read the charges and the ages of the boys and girls who were convicted and sentenced we will find that the process of justice cannot wait for this government. The hon. member for Sudbury (Mr. Jerome) accused us of being against change. I want change—and before I am through tonight I will ask the Solicitor General to get moving. I asked the following supplementary question of the Prime Minister:

I appreciate that the commission is now investigating this question. But since many high school students and young people in our universities are being charged with possession of marijuana and trafficking in the drug—

I want to emphasize that; I do not want to be misquoted and I do not want the Solicitor General to do a "snow" job.

—and many of them cannot afford bail and therefore remain incarcerated, will the government not consider measures to make the law uniform and to make certain that sentences meted out in this country do not vary from province to province?

At the moment sentences vary from province to province. Last week it would have been far better to have been charged in Toronto than in Calgary although it is still Canada, still one nation. The Prime Minister said:

Mr. Speaker, sentencing is not within federal jurisdiction,—

That may be true, but judges are appointed by the federal government. However, that is another field and I will not go into it at this time.

—unless the hon. member is suggesting that we embark on the unusual course of setting a fixed sentence from which a judge cannot depart and over which he has no discretion.

Then I asked another question, Mr. Speaker, as follows:

The Prime Minister must be aware that in some cases young people are charged under the Narcotic Control Act, in which case they are liable to sentences of 7 to 14 years, while in other cases they are charged under the Food and Drugs Act where the sentence called for is much less.

I will deal with that in a few minutes. The Speaker brought me to order and I said:

Yes, Mr. Speaker, but I had to give a preamble in order that the Prime Minister will be filled in on the law.

I will let it go there for the moment. I asked some further questions and found the Minister of Justice (Mr. Turner) most gracious. I would not have bothered the Solicitor General on this subject at all the other day, but under the roster system some ministers are here and some are not. Urgent matters cannot await the will of the Prime Minister or even the Solicitor General. However, on this particular day I was fortunate enough to find my ducks on the pond. The Minister of Justice was here, and naturally I put my questions to him even though the Solicitor General gives the impression that I am not supposed to ask him questions. The Minister of Justice is not supposed to answer any questions —

An hon. Member: He is going to withdraw.

Mr. Woolliams: On October 30, as reported at page 278 of *Hansard* I directed a question to the Minister of Justice as follows:

In view of the large numbers of Canadians held, while awaiting trial in various jails, during the July and August summer vacation—

To satisfy some of my Legal friends in Calgary, I was not referring to that city but to Canada. I hope that one particular Justice in Calgary reads that.

—when there is little activity in the courts, would the minister consider calling on retired judges, who are experienced, to assist the courts to clean up these dockets during the summer vacation? Many of these people are unable to get bail or cannot afford it.

I had read in the *Globe and Mail* that 50 or more young people had been held in jail over the summer because they could not afford bail. This government stands for change but this is going on whilst you are alive; you are governing the country, you are the responsible government. The Minister of Justice replied:

That is a very good idea, Mr. Speaker. I want to say that the administration of justice is constitutionally the responsibility of the provincial Attorneys General.

That is basically true, Mr. Speaker, but let us not hide from the facts. The Narcotic Control Act is directly under the jurisdiction of the Department of Justice, and the Royal Canadian Mounted Police are the responsibility of the Solicitor General. These ministers should not try to pass the buck or do a snow job by passing it on to the provinces. The Prime Minister is hiding under the protection of the constitution while trying to govern the country. He does nothing, protesting that the constitution does not permit him to make a move. I put another question:

Mr. Speaker, in view of the fact that many of these people being incarcerated are young men and women charged under the Narcotic Control

Act, which is a direct responsibility of the minister's department, will he contact these very special Crown prosecutors—

I could name some of them. They are only special because they are prosecutors and not because of any other function they perform.

—across the nation to see whether these people can be released on bail? Many of them are high school and university students.

The Minister of Justice answered again. Because he was there that day I do not complain about his answers. He said:

I will take that into consideration, Mr. Speaker.

Now, compare the answers of the Prime Minister and the Minister of Justice with those of the Solicitor General who has had a lot to say about my charges, both inside and outside the House. Things come back to us in this place and we find out what is going on. He tried a snow job. There was even an emissary sent to speak to people in my party.

On October 31 I looked around for the Minister of Justice but he was not here, it was not his day. The Solicitor General was here. As reported at page 350 of *Hansard* the hon. member for Vancouver East (Mr. Winch) asked a question about legal reform. I had read about this hon. member before I ever arrived in this House and I know he is one man who has always stood for reform. In that regard I back him 100 per cent.

• (8:10 p.m.)

I asked the question of the Solicitor General because his portfolio is closest to that of the Minister of Justice. I do not know whether he is above him or below him. The question is as follows:

I wish to ask a supplementary question dealing with criminal reform, Mr. Speaker. I direct the minister's attention to the Narcotic Control Act. In view of the fact that in Calgary, and the same thing is happening in other cities, seven young people ranging in ages from 16 to 21 yesterday received sentences totalling 29 years on charges involving—

I did not say "possessing."

—marijuana, is it the policy of the government to instruct federal Crown prosecutors to press for sentences up to five years so that this group of young people so incarcerated may be used as a deterrent against the use of drugs—

I did not use the word "marijuana"; I said "drugs." All drugs are included in the Narcotic Control Act. I do not want a snow job done in respect of what I said.

—in the universities and high schools, and is this not a misuse of the law?

[Mr. Woolliams.]

Now we come to the perfunctory answer of the Solicitor General:

Mr. Speaker, I think hon. members wil recognize that it is quite impossible for anyone to accept the premises that were added to the question asked by the hon. member. I understand that this question was asked yesterday of the Minister of Justice,—

If the Solicitor General had read what I asked the Minister of Justice he would find I included all drugs under the Narcotic Control Act. However, he wanted to do a snow job because he will not face up to his responsibilities.

Some hon. Members: Hear, hear.

Mr. Woolliams: What he really wants to do, Mr. Speaker, is leave the impression that I am trying to misrepresent the facts.

Mr. McIlraith: So you are. You are doing just that.

Mr. Lundrigan: He finally woke up.

Mr. Woolliams: I will read on. I will let the record speak for itself because the record does not speak favourably for the Solicitor General. I continue:

A further supplementary question, since the RCMP comes under the minister's jurisdiction. In light of the answer given by the minister, would he at an early date give a full report to the House on the pressing for these sentences imposed on seven young people in Calgary? Is it also the policy of the minister to instruct the RCMP to act as stoolpigeons,—

I do not know whether that is correct or not. The newspapers said it is. The RCMP mixed with the young people. That is how they obtained their evidence. As a trial lawyer, I have always understood when the police did that sort of thing, whether they liked the name or not they were basically acting as stoolpigeons. They are getting in the cake-mix so they will know the ingredients of the cake. Having read my questions and the answers given by the Minister of Justice, the Solicitor General knew that I was dealing with the broad question of drugs. The reason I asked the questions was that I did not have the court docket; I do not carry it around in my back pocket. It is the function of the Solicitor General to know what E.G. McCormick, Q.C., of Calgary is doing. He received a Liberal appointment as a special federal drug prosecutor. It is the Solicitor General's function to have this information available.

When I asked these questions I expected answers from the Solicitor General. If I was in error about the drugs in the charges, he

could have stood up and stated so. Instead of that he implied that he had done some work on the question when in fact he had not. He just gave a beautiful, big snow job. I received my information from the newspapers; I have not checked the court docket. If I am wrong in this, it is because I have not checked the court docket. The courthouse has been closed whenever I have been home since this incident occurred. I shall read the sentences handed down to these young people in Calgary to whom I have already referred, which information I received from a leading Calgary newspaper.

The first one is Linda Wattie, age 20; 1½ years for trafficking in synthetic marijuana and 1 year concurrent for selling LSD. Allen James McGregor, age 21, architectural student from Calgary; 5 years for trafficking in hashish and 3 years concurrent on each of three counts for selling LSD. William Alberta Godfrey, age 16, student from Calgary; 2½ years for trafficking in marijuana. Yet the minister stood in his place on Monday in my absence and said they were not charged in connection with marijuana. I did not say there were not charged with trafficking in marijuana alone but other drugs. I know what is going on, and I hope the minister does. I repeat that Godfrey was 16 years of age.

With regard to Charles Arthur Gibbs, age 17, from Vancouver, B.C., the newspapers state his father is a retired Anglican minister. That cut me deeply because it runs into the roots of my religion. Gibbs received three years for trafficking in hashish. Ross Eric Gagnon, age 20, a welder from Ontario; 2 years concurrent on two counts of selling LSD. William Roy Crews, age 20, welder from Medicine Hat; 5 years for trafficking in hashish and 2 years concurrent on each of two charges of selling LSD. Murray Kenneth Christie, age 21, of Calgary; 5 years for trafficking in cannabis resin, which is hashish. Some of these charges involved marijuana and some involved hashish; yet the Solicitor General, as recorded at page 405 of *Hansard*, stated:

> Mr. Speaker, on Friday last, as reported at page 350 of *Hansard*, the hon. member for Calgary North asked me several questions involving—

Mr. McIlraith: You read the word "involving". Quote it correctly.

Mr. Woolliams: I don't intend to answer. The minister can make his own speech. I do not think he can stand the heat. He should stay out of the kitchen. I continue to quote:

> Mr. Speaker, on Friday last, as reported at page 350 of *Hansard*, the hon. member for Calgary North asked me several questions concerning the sentencing of seven young people in Calgary on charges involving marijuana. I have looked into the matter and I find that the charges did not involve marijuana.

I ask the Solicitor General to stand in his place and say that none of those charges involved marijuana. I am not the Solicitor General; I do not have his staff. Like most hon. members, I get my information from the newspapers. I do not have a large research staff; I have one secretary and sometimes I am lucky enough to have two. Let us get down to brass tacks in this regard.

The hon. member for Sudbury today spoke about the great, Liberal reform party. Let us see what the law says about these matters. I intend to read from the Narcotic Control Act. I suggest to the Prime Minister that we should now encourage a course of action in respect of drugs. I abhor the use of drugs as much as any member of this House of Commons or any member of society. I also abhor the fact the law does not distinguish between one category of offence of trafficking and another. I will explain what I mean by that in a moment. The Statutes of Canada, 1960-61, provide at page 212:

> (2) Every person who violates subsection (1) is guilty of an indictable offence and is liable to imprisonment for seven years.

Cases involving possession of marijuana can be tried under the Narcotic Control Act. Persons convicted of being in possession of the drug are liable to seven years imprisonment. If they are guilty of trafficking, they are liable to life imprisonment. If we were dealing with those trafficking adults who selfishly destroy the moral fibre of the youth of Canada, the United States and all over the world, we would be dealing with the real traffickers. I agree that these people should be given a life sentence. I am sure we would all be happy to know that the real traffickers, the adults, the senior people who are making large profits selling drugs of all descriptions to our youth and are destroying the moral fibre of our nation, received this type of sentence. If we could catch up with those people and put them in jail, we could say a prayer of relief tonight and we would be able to sleep with satisfaction. This party stands for the youth of our nation.

Some hon. Members: Hear, hear.

Mr. Woolliams: I give the government some credit. Section 32 of the Food and Drug Act was amended last year so that in cases of possession a person may be charged by way of summary conviction or by way of indictment. For a first offence by summary conviction a person may be ordered to pay a fine of $1,000 or six months imprisonment; or he may be sentenced to both. The fine may be $2,000, or two years, or both, on subsequent offences. However, it is still possible to proceed by indictment. I will have something to say later about that: The Crown decides the legal course to be taken.

What is happening to our youth? What is happening to the students in high school who are on drugs? I have been told by the youth that one student goes out, possibly a young fellow 16 years of age, purchases $25 worth of marijuana and brings it back. This person does not make any profit; he is merely buying it as an agent so that the others can get it. Next week perhaps another student will do this. That is a different kind of trafficking. It distinguishes from the trafficking wherein adult criminals are using the drug to make large profits and are destroying the moral fibre of our nation. The greatest asset we have is the youth of our nation. This is why I am concerned, Mr. Speaker. The Prime Minister agreed with me that it was an important subject, but not the Solicitor General. Can we wait on this government any longer for action?

I will now turn to the amendments to the Criminal Code. I hope I will be right in this regard because I had to do my research very quickly this afternoon. Section 622 of the Code was not changed. It is a pretty harsh section. An accused who is convicted of an indictable offence calling for punishment of imprisonment for five years or less may be fined in lieu of imprisonment. When liable for imprisonment of longer than 5 years he cannot be fined in lieu of imprisonment. So what happens? We come back to the Narcotic Control Act, and, if they are in possession, seven years is the maximum sentence. So section 622 cannot be used.

• (8:20 p.m.)

Several years ago I defended some fine young people, scholarship winners from Sanford University, California, in the United States. I shall not give their names, but they were Americans. One of them was the daughter of a very famous writer; the fathers of some of the others were in high places. This government talks about reform. Fortunately, in that case I thought the judge was a very reasonable man because he seemed to agree with me. He said to the federal crown prosecuter: These young people are not criminals; they were out getting their kicks. Actually, they had brought in marijuana from the States and passed it around among other university students, some of them from western Ontario, and they were caught. Fortunately, the R.C.M.P., used their discretion and laid charges of possession only. But under this law, before the Food and Drugs Act was amended the maximum penalty is seven years, so according to the law they would not be able to be fined. But I had a reasonable judge and I suggested he should give them one day in gaol and a $500 fine. He agreed with me and, as hon. members know, under our law from the British a sentence of one day's imprisonment is not actually served.

Today we are facing one of the great national crises of the time. I am no Kinsey who goes out and gets all the answers, but I am told by young people there are high schools and universities in Canada where 60 per cent of the students are on drugs of some kind. That is a high percentage. I shall not name the fellow who came to see me this week. He was 22 years of age and he had quit his job in an insurance company. He said to me: Mr. Woolliams, I have never taken drugs but I am now going to find out the facts because the government is too slow in finding them out. We must save the youth of the nation. I abhor the use of drugs. I wish I could be sure tonight that no one would take drugs in this nation.

An hon. Member: A drugged government, moved by hallucination.

Mr. Woolliams: What about Godfrey, 16, and Linda, 20? Time will not permit me to discuss the conditions which exist in most of the gaols of Canada, but I have been in many of the penitentiaries as a guest. Conditions have improved tremendously under several ministers of justice, not only Conservative ministers but Liberals. The fact remains that once a young person has been incarcerated in a penitentiary even for a short period while his application to a proper institution is being processed, he or she is forced to mix with the worst kind of adult criminals. No one can tell me that this is a program of reform or rehabilitation.

Some hon. Members: Hear, hear.

Mr. Woolliams: I do not think anyone in this House of Commons or in the country really thinks that a lengthy service imposed on these young people will either rehabilitate them or act as a deterrent to other young people becoming involved in the use of all kinds of drugs. Young people have for months come to my house saying there is a heavy use of drugs. Some may exaggerate, but when there is a heavy use there will be people in possession; there will be young people buying drugs for others, and they are traffickers. I am well aware of the psychological, emotional and physical disturbances of mind and body of those engaged in the misuse of drugs. I have told hon. members what section 622 of the criminal Code calls for. It states that an accused person convicted of an offence punishable with imprisonment for more than five years may not be fined in lieu of any other punishment that is authorized. The new Bill C-157, chapter 38, of the 1968-69 Statutes relieves the situation by empowering our judiciary to suspend sentences under certain conditions.

I recommend that we should cause a study to be made and that on the basis of the best knowledge available today, scientific, medical and psychological, begin now in all the high schools and universities a compulsory course so that youth may be aware not only of the dangers of the use and misuse of drugs but also of the most horrible and terrible penalties which are presently prescribed by the law.

How many of them know what the penalties are? How many of you believe that a girl of 16, convicted and sent to prison for three years or five years, a girl who could be the daughter of any one of you, will be rehabilitated in an institution of that kind, or that her sentence will really serve as a deterrent to others? I cannot accept this. I do not believe it. Critics of my position might change their opinions if they understood what happens to these young people who serve terms in goal. There is the question of the confinement, the environment, the human atmosphere of which they will be part, which will in itself destroy our youth psychologically, emotionally and physically as effectively as the problem which put them there. In a psychological sense, high school and university students who have not suffered incarceration will find their own moral fibre destroyed.

Tonight, in the city of Edmonton, 200 law students are petitioning this so-called reform government. One student said to me: I am not taking part because I want to be articled with a big law firm and they are part of the establishment. But others have said: We are petitioning because we think the law is wrong. What happened to these youths in Calgary was wrong, and that is why I rise to speak tonight.

Someone must speak for the youth. I know there are hundreds of Canadians who would speak as I am speaking tonight, and that other members of parliament who are sympathetic to this situation. I must be fair to the minister and admit that my words in one or two of the questions addressed to him might have been more explanatory. But what does it matter whether marijuana, hashish or another similar drug is involved? Canadian boys and girls are on drugs. If the minister thinks harsh sentences will serve as a deterrent, I ask him to cast his mind back to the days of the bootleggers. What happened then? The political scientists tell us that we can legislate certain things but that we cannot legislate morals. Prohibition failed. And some of the people who peddled liquor across the border are sitting in high places today, Mr. Speaker. They belong to another generation. We who throw stones had better not live in glass houses. As Emerson said: We are part of all we have met. Each is needed by each one and nothing is good alone.

In the context of modern society, I say to hon. members: This is your problem. I did not come here to fight with the minister but I admit I was hurt that he should confuse the issue and do a snow job on me. My wife said: You must feel almost like a No. 1 criminal because of what he has said. Well, I am happy that I have enough integrity to stand in this House and defend the youth of this country.

Some hon. Members: Hear, hear.

• (8:30 p.m.)

Mr. Deputy Speaker: I am sorry to interrupt the hon. member but his time has expired.

Some hon. Members: Continue.

Mr. Deputy Speaker: Does the House give unanimous consent?

Some hon. Members: Agreed.

Mr. Woolliams: I end on this comment, Mr. Speaker. One of the main reasons I am proud of my leader is that he thinks of our youth.

He has the same feelings I have. I have not discussed with him my comments tonight but I have confidence that he will stand with me to reform the law. We need an educational program for our youth so that we can save the best asset we have—the young people of Canada.

Mr. Max Saltsman (Waterloo): Mr. Speaker, before returning from Winnipeg I searched the newspapers during the course of last week for some news of the Throne Speech debate. It was quite remarkable what little coverage there was. I can conclude only that the dullness of the Speech from the Throne and its low profile militated against those good members who by their intervention deserved to be noticed. I have had the chance of reading *Hansard* and I should like to congratulate members on this side for their participation. May I also congratulate the mover and seconder of the Address on the other side of the House on their contributions, which were excellent; indeed, they were much better than the Throne Speech itself.

I listened to the speaker who preceded me generate some fire and express some concern about the future of this nation, a concern that was lacking in the Throne Speech. Looking at the Throne Speech one would think there are no problems facing this country; that this is the best of all possible worlds. Any historian who in the future looks back to this document and examines the situation in which this country finds itself will be shocked at the serious nature of our conditions. To read the Throne Speech is to be unaware that this country is in danger of cultural extinction; that there is more foreign ownership of industry in this country than in any other country in the world. And it is not only a question of foreign ownership; our culture is dominated by the mores and values of others, values that might have relevance to another civilization but not to ours.

For years some lip service at least was paid to the notion of establishing a Canada Development Corporation; yet there is not a word about this in the Throne Speech. Even that small concession to Canadian nationalism has been dropped. It is not as though we were winning our fight for existence. We are losing that fight owing to lack of policies on the part of the government.

To look at the Throne Speech is to be oblivious of the fact that two cultures, two peoples who need each other desperately, are reaching the point where they can hardly communicate with each other. The Throne Speech has nothing to remedy that situation. It has no solutions to offer to a serious crisis of our time. To look at the Throne Speech is to be blind to the fact that there is an outside world that needs our help, a world that should expect more from Canada than it has been getting. We in this country are in a position to make a significant contribution to underdeveloped nations of the world, but we are not doing so.

One is hurt by this kind of Throne Speech. One might have forgiven such a speech last year on the ground that a new government was feeling its way and should be given a chance. But that cannot be said this year. The government is showing a lack of idealism and a lack of concern for the future of this country. I and people like me are concerned about this attitude because we remember during the last election the hopes that were aroused among the young people of this country. I remember going into a polling booth, seeing a young girl clutching her check-off sheet and praying that the Liberals would win. She was praying that Mr. Trudeau would win because he was going to save this country.

Some hon. Members: Hear, hear.

Mr. Saltsman: But he has not done this. Why do hon. members applaud?

Mr. Lewis: They are applauding you.

Mr. Saltsman: I happened to meet some of these people this summer. They came to me adopting a very defensive attitude inasmuch as they had worked very hard against me in the campaign. There was nothing personal; it was simply the way they felt. They said to me, "Tell me, Mr. Saltsman, what do you think of our Prime Minister? What do you think about what he is doing?" I replied, "Please don't ask me, because I do not want young people to hear the kind of language that I might have to use". I wanted to be kind to them. I did not want to tell them that their faith and trust has been betrayed.

Some hon. Members: Oh, oh.

Mr. Saltsman: There is no cause for complacency or self-satisfaction. Hon. members opposite seem to think that this is a big joke. It is the government's Throne Speech that is the big joke, though it is no joke to the people of Canada. There are many jokers on the other side of the House. Some of them are smiling jokers, and some serious-faced jokers. One of the ministers of the government

smiles beautifully. I refer to the Minister of Industry, Trade and Commerce (Mr. Pepin). He charms all the ladies. One can only say with great regret that it is too bad that all the wheat buyers of the world are not ladies. However, the government has caught up with him now and have transferred the role of wheat salesman to somebody else.

The minister goes around the country giving lectures to people in industry. He tells them to pull up their socks, that we in this country have to be productive, that we have to export our products. But what kind of policy framework has he created for these industries? What kind of assistance does he suggest? He has no answers. He is a lecturer. Toujours le professeur. He gives beautiful lectures but has no answers. The reason he has no answers is that he has no commitment to Canadian nationalism.

A long time ago the minister made up his mind that the economy of Canada was going to be integrated with that of the United States, so why should he bother about policies. Policies would only get in the way of this kind of integration. So this very competent man—and I do not underestimate his competence—has simply given up on the job.

Mr. Guay (St. Boniface): Would the hon. member permit a question?

Mr. Deputy Speaker: Is the hon. member for St. Boniface rising to a point of order?

Mr. Guay (St. Boniface): Mr. Speaker, I should like to ask the hon. member a question, if I may.

Mr. Deputy Speaker: It is entirely for the hon. member whether he wishes to accept a question.

Mr. Saltsman: Certainly, Mr. Speaker, I will accept the question.

Mr. Guay (St. Boniface): The hon. member makes much of encouraging Canadian industry instead of our United States friends. I should like to ask him whether his party gave a lot of consideration to this matter, in view of the fact that the lapel buttons his party members were wearing at their convention in Winnipeg last week were printed in the United States?

• (8:40 p.m.)

Mr. Saltsman: Mr. Speaker, that is typical of the picayune mind of hon. members on that side of the house. It is an affront to the intelligence of members of this house when questions of that kind are asked. Surely the hon. member knows that the badges he has referred to were merely printed in the United States. Even had they been printed in Canada we should not be narrow-minded about them. We do not believe that chauvinism should be carried to the extreme and that every badge should be printed in Canada. We believe in trade; we believe in good relationships with other countries in the world. To pick up a button and say, "My, what a terrible thing it is that you should wear a button that is printed in the U.S.A." is nothing more than a display of an attitude which I suggest is not worthy of the hon. member.

Some hon. Members: Oh, oh.

An hon. Member: Perhaps it is.

Mr. Saltsman: I prefer to think that it is not, and that it is merely a mental aberration due to the lateness of the hour. Let me return to the serious problem with which I was dealing before that somewhat irreverent and irrelevant interjection. There is a serious problem in respect of the nature of Canadian industry and we are in danger of becoming, not a second-class nation but a third or fourth-class nation unless something is done to make our industrial structure more efficient.

In France, Servan-Schreiber pointed out the great dangers facing Europe because of United States ownership. But he does not place the blame on the United States; he places it quite properly on European countries for not doing something about the problem. He pointed out—and he might have said the same thing about Canada—that the advantage in the future of computers, electronics and advanced technology will be to those countries which organize their industrial structure so as to create suitable companies which will take advantage of the inventions and technologies. We are not doing that; we are borrowing. We can borrow and live fairly well on the loan, but the future will not be ours. We will eventually reach the point where we will be so dependent that we will no longer have the opportunity to make a significant contribution as a nation.

When I look at the Throne Speech I find there is some emphasis on the question of individualism, individual rights and individual personalities. Let me suggest that there can be no personality out of the context of a nation. A person does not exist in a vacuum; he exists as part of a nation, as part of a

country and as part of a culture. If that nation, country or culture is destroyed, I suggest that the individual will also be destroyed. He will have no opportunity to be proud of having a nationality. I do not want to see that happen in my country, and I do not think many hon. members of this chamber would choose this kind of solution to our problems. However, if the policies of this government are not changed, that will be the horrendous prospect.

In my riding I have seen a number of examples of the failure of the Department of Industry to offer any real assistance to companies. We have a sweater and a knitted-goods industry which is now virtually finished. I know it is a vulnerable industry which has been in danger for a long time. Having spoken to the people in this field I have been informed that they are not asking for protection or special favours. They want to know the policy of the government in respect of the industry. They want to know what we are going to do in the future. They want to know, if the government has reached the conclusion that the industry is expendable.

If the government has decided they do not want this industry any longer, they want the government to say so in order that they may make other plans and redirect their energies. That is not what has happened. They have been asking for answers, which have not been forthcoming. The government's attitude is that perhaps the industry will die gradually and the problem will disappear. That is not a fair or honest way to treat an industry. There is no program on the government side of this house—just lectures and little, moral homilies.

Electrical industries have complained about discrimination in respect of purchases by overseas companies and the fact that very little has been done to help them. Engineering industries are competing or attempting to compete in respect of projects which are being supported by government funds. They find themselves totally excluded. The corporations receiving government funds are going outside the country to do their buying; they are not even entertaining bids from Canadian companies. This is an unfortunate situation and the solution is not simple. A great deal of the problem is concerned with financing, much of which is being offered by foreign companies. Canadian companies have reason to be dissatisfied because of the lack of attention being paid to this problem.

[Mr. Saltsman.]

My area is a relatively affluent one. We in Waterloo are being asked to raise taxes to help the less fortunate areas of Canada. We do not object to this. As a matter of fact, we are pleased and proud to assist in this way. But when we do so I think we are entitled to ask that those areas being helped should attempt to provide opportunities for areas such as mine. If this is not done, the will to assist will not be strong and the program to assist designated areas in Canada will suffer.

We recently experienced a nickel shortage. There is still a nickel shortage in this country. In spite of the fact that manufacturers in Canada use a very small amount of the nickel produced in this country, some of them have had to shut their shops and lay off employees because nickel is not available. The policy of the government is that we should treat all customers alike. That sounds fine on the surface. The exporter gets his share, but the government intends that the Canadian manufacturer shall receive only the share he received in the past.

I suggest it would require a change of only 1 or 2 per cent to ensure that manufacturers in Canada do not suffer from a shortage of materials. Obviously it is not the policy of this government to assist Canadian industry. I have said in the past, and I repeat, that the policy of the government is oriented to the selling of raw materials to the United States. It has very little concern for the development of secondary manufacturing in Canada. Members of the government may stand up and deny this, as they have in the past, but I have never found their arguments very convincing.

• (8:50 p.m.)

The government made one feeble attempt at setting up a department of industry and the department collapsed; it did not work out. This did not occur because the idea was not worth while but because the government did not give it any direction. They did not give sufficient attention to the problems of Canadian industry and eventually they threw up their hands in despair and decided to put it back in the Department of Trade and Commerce where it was before. Now there does not seem to be a policy for secondary manufacturing in this country. There does not seem to be a policy that would change the direction of our economy from one of natural resource development to one of secondary manufacturing. Sooner or later, as rich as we are in minerals, those minerals will not be available.

What will we do then if we have not become a manufacturing nation?

This afternoon I had the unhappy experience of listening to the Minister of Finance (Mr. Benson) when he appeared before the committee. He is an absolute disaster because he just talks. We have many talking heads over there. They talk a lot but do not do anything; they just lecture. The Minister of Finance talks too. He talks about inflation. His approach is that it can be talked away. He tells people they are going to get rid of it and he expects them to believe this. He talks about voluntary guidelines. He must know they have not worked in the past and will not work now. He seems to have a notion that people in business in this country are fools and will listen to the kind of things he suggests.

This country is experiencing a terrible economic situation. Despite the high-blown speeches the Minister of Finance makes we are having the worst of all possible conditions—high unemployment, slow growth and a rapid rate of inflation. What does he suggest as a way out of this situation? He suggests cutting back on a few government employees and cutting back on public expenditures. He will set an example for the private sector. There is just one thing wrong with that. The private sector is not paying attention to him. Every time he pulls in his belt they let theirs out and nothing is being accomplished.

When suggestions are made to the minister and it is pointed out that he cannot go on in this way and is living in a fool's paradise, he responds by making terrible speeches about communism and Cuba which have nothing to do with the suggestions made. If we tell the minister we must come to a point where some of the unjustifiable price increases in our economy are contained, he does not listen. He says, "Oh, you mean wage controls?" We say, "No, we do not mean that; we are talking about some price control". He says it is the same thing. It is not the same thing.

When one speaks of price control it is one thing to say there may be some element of wage restraint in it, but there also are many other elements in it. There is profit restraint in it as well. He does not acknowledge that. He simply refuses to face up to the fact that we are now living in an entirely different world. It is not possible any more to control inflation with the old weapons. To say we can control inflation by restricting prices and wages to productivity gains is no answer, either. Even if we were able to do this, such a situation would not take into account the fact that almost 50 per cent of our population is engaged in activities where the prospect for productivity increase is almost nil. I am talking about the service sector. How do you increase the productivity of a nurse, a doctor or a lawyer? There are very limited possibilities in these areas. It is very difficult to do this.

If there are productivity increases in some industries and wages rise there, surely it is unreasonable to expect that those in the non high-productivity industries will sit by and see their position even more eroded than it has been in the past. They will not accept that situation. This means that we have a built-in inflation in our system. We will have to live with it. We will have to do everything we can to minimize its effect, but until we realistically face up to the fact that there will be some inflation in our society we will never see justice done for those who are hurt by inflation.

As long as the minister says that we cannot increase old age pensions and attempt to do any of these things because we must control inflation first, he is in effect saying we will never be able to help that segment of society because we will never be able to control inflation in this country or any other country. The only reasonable and just approach to our problem of inflation is to compensate those who are hurt by inflation. There is no other way.

We cannot say to the old age pensioners that we will not help them until we bring inflation under control, because we will not bring it under control and the old age pensioner must be helped now. We have all had an opportunity to be back in our ridings this summer and talk to people with ordinary problems. To them, however, these are difficult problems. This experience restores my perspective concerning what is happening, because I see the effect government policies have on the ordinary people of this country. I see the effect the cutting back of these expenditures is having on the people. Mothers call me about their disturbed children. Some of these are children 11 or 12 years of age who are already in trouble with the law or are having difficulty in school. These children desperately need help. They may one day show up in our courts because they have killed somebody and then we will want to hang them. These children need help now. We know what is happening; there is restraint on

them. The federal government set the example and the provincial governments are following it.

We are told that only so much can be done in one area. When I ask what will happen to the children when the quota is filled, officials shrug their shoulders and say they cannot do more because they do not have the money. It is incredible that we should stand by and watch this kind of thing happening to children who did not ask to be born, and whom we will condemn five years from now if they have committed a crime. We turn them away at a time when they plead for our help. If we look around we see old people living in tiny lofts above stores. These people may have only one, two, three or four more years to live. We built some good housing for older people in my area, beautiful accommodation. Those less fortunate look longingly at the people who were fortunate enough to get this public accommodation.

• (9:00 p.m.)

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

Mr. Saltsman: In a moment, Mr. Speaker. They ask: Why cannot we have it? The answer is, of course, that the federal government has decreed that we shall have austerity. These people ask: If there is austerity, why are there so many hamburger stores going up all over the place? Are they more important than providing accommodation for these people? I say no, but this government says yes. The government is to be condemned for that kind of callousness and for its refusal to act. The Minister of Finance (Mr. Benson) asks: What do you want me to do—interfere with the economy? That is communism. I say that is not communism, and if it means that we have to interfere with the economy in order to ensure decent housing for old people rather than setting up 700 more hamburger stands, let us interfere with the economy.

In my riding we have handicapped people. We pride ourselves on our manpower program. It is a reasonably good program as far as it goes. It does not go far enough because in order to take advantage of the program one has to be, first of all, three years out of school; one has to be unemployed for three years, which is the case with some of the handicapped people. They are told: Go to the province, which has a special program for the handicapped. This is all right except that the province does not have any money or any facilities, and it is doing what the federal government wants it to do, which is practising austerity. There are handicapped children who need help. They are born with these handicaps. They are not being helped by federal programs; they are being turned away from the provincial programs and simply discarded on some kind of human junk heap. It is too expensive and troublesome to try to train them; they do not fit into the pattern.

The Acting Speaker (Mr. Béchard): I regret to interrupt the hon. member but his time has expired.

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

The Acting Speaker (Mr. Béchard): Order, please. As the time of the hon. member has expired, the unanimous consent of the house is necessary to allow the hon. member to ask his question. I understand there is not unanimous consent.

Mr. Lind: I was wondering if the hon. member would answer a question.

The Acting Speaker (Mr. Béchard): Order, please. There is not unanimous consent.

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, it is traditional to commend those who formally participate in this debate, the mover and the seconder and the party spokesmen. This I do readily and sincerely. There have been some notable speeches in the course of the debate. I regret I was unable to hear the speech of the hon. member for Prince Albert (Mr. Diefenbaker) in its entirety this afternoon. I was pleased to hear that during his absence from the House of Commons he has become chancellor of the University of Saskatchewan and a patron of Canadian letters.

Some hon. Members: Hear, hear.

Mr. MacEachen: But I did have a rueful moment at the realization that one of the last grass root hold-outs had finally capitulated and become firmly entrenched as a member of the Canadian establishment. I also extend my commendation to members for the quality of the debate to which they contributed from all sides of the House. Hon. members are obviously concerned about their constituencies and their country, and while their diagnoses and remedies vary drastically and are sometimes contradictory, I do not think anyone can question the sincerity and dedication of those who have spoken in this debate. Perhaps I will be forgiven if I single out

government backbenchers for special mention.

Mr. Knowles (Winnipeg North Centre): What a surprise!

Mr. MacEachen: It was evident from the tenor and content of their speeches that they as a group have a better appreciation of some of the problems confronting Canada and Canadians as we enter a new decade and have offered more constructive suggestions and criticisms than any member of the opposition parties. I think this is an encouraging trend.

Mr. Knowles (Winnipeg North Centre): Perhaps they should take the place of the cabinet.

Mr. MacEachen: It may be that so far as members of the opposition parties are concerned, the Address in Reply has become more and more of a ritualistic activity in which the sole preoccupation is with criticism and condemnation. If this is so, there is a hope that this atmosphere of obsessive negativism displayed by the opposition will be offset by the existence within the government party of an articulate and constructive back bench.

Some hon. Members: Hear, hear.

Mr. MacEachen: During this debate hon. members have had a good deal to say about the relevancy of Parliament as it presently operates. I think the concern is that politics has taken to the streets and there is a danger that what we do and say in Parliament has more to do with past practice and protocol than with the real issues; that we are indulging in meaningless verbal posturing and pirouetting while the real concerns of the people pass us by. I believe that is the sense of the concern of members. If I sense also the correct nature of the criticism made of Parliament by its members, there is a feeling that there is not enough debate in the real sense; that the clash of ideas and convictions which we have so long cherished as one of Parliament's main purposes does not take place either in the atmosphere of immediacy or in the context of a current time frame. To this I say: Let us plug in Parliament. Let us connect the Commons to the wider community through the medium of television. I can think of no other action on our part which holds better hope of retaining or restoring relevancy in this institution and giving politics a place in the scheme of things in the 1970s.

Some hon. Members: Hear, hear.

Mr. MacEachen: The principal priority of the government, as has been stated in the debate, is to fight inflation. This priority coincides with the current concern of the majority of Canadians. We have stated the elements of the policy we have adopted to deal with this problem. The Prime Minister (Mr. Trudeau), the Minister of Finance (Mr. Benson) and others have put the elements of this policy on the record for examination, discussion and debate; and the governor of the Bank of Canada has made his views known. There has been a lot of criticism from the opposition and much verbal shrapnel has been flying about. To listen to the opposition, everything is wrong. Yet as I have listened and as I have read carefully the speeches made, I have noted that they have not put forward an alternative policy to that which is being followed by the government. Our analysis of the problem and our solutions have been totally uncontested by the opposition's financial spokesmen.

• (9:10 p.m.)

Indeed, Mr. Speaker, instead of directly confronting the government on this main point, instead of contesting it on the main issue before the country today by a motion of non-confidence, the official opposition evaded and side-stepped that main point and resorted to vague generalities. In this connection I might mention that even the mighty thinkathon conducted at Niagara Falls failed to produce any policies deemed worthy of inclusion either in his speech or in the non-confidence motion of the Leader of the Opposition (Mr. Stanfield). The opposition leader—

The Acting Speaker (Mr. Béchard): Order. The hon. member for Athabasca.

Mr. Yewchuk: Mr. Speaker, I wonder whether the minister would permit a question.

Mr. MacEachen: If I have any time I will be happy to answer some questions at the end of my comments. The Leader of the Opposition in his peregrinations throughout Canada before the thinkathon at Niagara Falls gave us all the impression that he was going to go over the falls in a barrel, philosophically, so

to speak. Now that the barrel has been opened we find it to be very empty.

The leader of the New Democratic Party in his speech—I must give him this credit—did mention the main problem of the day and attacked what he called the government's misguided anti-inflationary policy; but almost all of the counter proposals which he listed are either inapplicable, long-term,—suited to the 1930s or 1980s. No proposal made by the leader of the NDP could be regarded as applicable today, this month or this year in the current concern about inflation.

So, Mr. Speaker, my conclusion is that in this debate, in the motions made by the opposition and in the speeches made by the Leader of the Official Opposition and the leader of the NDP there has been no fatal flow or deficiency found in the current policy and solution of the government of Canada on the issue of inflation. I will return later in my remarks to the general question of the attitude of the opposition parties.

I would like to mention that a number of Speakers from all sides of the House have expressed interest in the larger question of social justice for all Canadians. I think it is appropriate that members of parliament should keep constantly in the forefront the conditions that are required to fulfil the aspirations and the opportunities that are so much a part of the essence of the just society. It is also appropriate to allude in this context to the Prime Minister's statement on the constitution and the people of Canada, delivered at the second meeting of the constitutional conference in Ottawa last February. He proposed as the third objective for a true confederation:

> To promote national economic, social and cultural development, and the general welfare and equality of opportunity for all Canadians in whatever region they may live, including the opportunity for gainful work, for just conditions of employment, for an adequate standard of living, for security, for education and for rest and leisure.

I am sure we all believe these are sound objectives of a true Canadian federation. We realize that to achieve this third objective of the Canadian confederation the Parliament of Canada and the Government of Canada must have sufficient powers to stimulate and expand economic enterprise, maintain high levels of employment, promote growth in each region of Canada and ensure reasonably equitable social and employment opportunities and income levels for all Canadians. But,

[Mr. MacEachen.]

Mr. Speaker, the federal government carries only a share of the responsibility for the just society. Indeed the shape and substance of social justice are framed at many levels. It embodies most profoundly the condition of individuals and families. It embodies the interaction of persons one with another. Private citizens and corporate enterprises, as well as public institutions, have a responsibility to recognize the culture, dignity and the reasonable and legitimate economic and social aspirations of their fellowmen. Social justice takes on meaning through the actions of local associations and local governments, through school boards, property owners' associations and social service agencies. Of course provincial governments, too, play an integral role in the process.

I say, Mr. Speaker, that no single agency, no single person escapes this task. Each segment of society has a role to play, a burden to share. A just society is built upon the recognition of individual dignity, mutual tolerance, fair play and the democratic participation of all its members. I refer here not only to the men and women who are born in Canada but to those who bring their talents and cultural heritage to our shores.

Part of our rule as a Parliament, and certainly part of my job as minister, is to provide a just and hospitable environment for new Canadians. It is only two years since the government introduced new immigration regulations which for the first time based the selection of immigrants on principles of universality, non-discrimination and equality of treatment. These regulations removed the last vestiges of discrimination on racial, cultural, national or geographic grounds and ensured that equal standards of assessment would be applied to all persons applying for permanent admission to Canada.

A further expression of Canada's concern, of this Parliament's concern and of the government's concern for social justice on an even broader front was the special arrangements adopted for the admission of Czechoslovakian refugees in 1968. To date some 11,200 Czech refugees have come forward and have settled in Canada. My department has spent over $11 million on their behalf. Roughly $3 million have been spent on language training alone for over 7,000 refugees. We have been able to place roughly 80 per cent of these persons in gainful employment in Canada. Here, then, we have the happy combination of compassion and good economics.

Czech families who suffered so much in their native country are not only finding freedom and opportunity in this country but they are making a very substantial contribution to the cultural and productive life of the nation.

Another important step which we have taken as a country in the field of international humanitarianism has been the ratification of the International Convention on the Status of Refugees and its 1965 protocol. The convention and protocol represent the major international instrument for the protection of refugees throughout the world. It establishes a common definition of refugees, lays down standards for fair and just treatment in countries of sanctuary and contains safeguards against their expulsion.

We have initiated through my department a variety of measures designed to promote economic justice and full employment opportunities for Canadians in every part of Canada. Surely social justice means opportunity for self-expression at work and at leisure and security of employment to provide for one's family.

• (9:20 p.m.)

Throughout the country we have established Canada Manpower centres in many new towns and areas in order to bring a broader knowledge of jobs and training or mobility incentives to workers who seek new challenges and who might otherwise be unemployed or marginally employed. We have raised the professional level of Canada Manpower counsellors so that they may provide a better service to workers. We have streamlined our offices and information media in keeping with the dignity of job-seekers in pursuing a fundamental right. We have strived to protect human rights in the operation of all manpower programs. The department, without equivocation or exception, recognizes as illegal any discrimination in employment because of race, national origin, colour, religion or political affiliation. During that last fiscal year Canada Manpower counsellors placed roughly 700,000 Canadians in jobs in all parts of the country.

In his speech the Leader of the Opposition made a passing reference to my department and its activities. He asked: Whatever became of the excellent concept behind the Department of Manpower, which seems to be starving from lack of attention and interest on the part of the cabinet as a whole? The Leader of the Opposition is wrong, of course. That excellent concept is alive and well and progressing on increased funds and expanded activities. On the day following the speech of the Leader of the Opposition my colleague the Minister of Finance (Mr. Benson) stated that in the government's view the steady expansion of the Department of Manpower is given a high priority. I want to back up that assertion with some facts and figures, although not too many.

In 1961 and 62 the federal government spent a mere $18 million on all training programs combined. Very few adults received any formal occupational training at all. Last year over 400,000 adults enrolled in the adult training program, and this year even more adults will take training. Indeed, in this current fiscal year our budget is about $250 million—13 times the total amount spent eight years ago. Mr. Speaker, the annual budget growth on training in Canada—

An hon. Member: Who started it?

Mr. MacEachen: —has been impressive. The annual figures are as follows: 1967-68, $160 million; 1968-69, $192 million; 1969-70, $250 million dollars. This is the current fiscal year, and as evidence of the priority we are giving to this aspect of government policy we expect to expend an increased sum of money on training in Canada in the next fiscal year. Until recently wealthier provinces got most of the federal money because they could better afford to put in matching contributions.

In 1965-66, for instance, about $177 was spent for training, per unemployed person, in Ontario as compared to $34 in the Atlantic provinces and $25 in Quebec. In short, the effort was uneven and it failed to meet adequately the needs of the poorer areas or the adult workers with family responsibilities. Social justice demanded a redressing of the balance.

The radical initiative of the occupational training program reflected the government's genuine concern for the needs of the poor and jobless, particularly those living in the less favoured areas of Canada. Expenditures now are directed to where the need is greatest. Where four years ago the vast bulk of expenditures were made in Ontario, in 1969-70 we estimate expenditures of roughly $765 per unemployed person in the Atlantic provinces, $607 in Quebec and $702 in Ontario.

Just for the interest of the Leader of the Opposition I might mention that in the last year that he was Premier of Nova Scotia, the

expenditures on training for that province were $6.7 million and this year they have risen to $11.2 million. So we are making progress. We are attempting to follow up the work of these programs by surveys of works after they have finished their courses. The results are extremely encouraging. I know my hon. friends will be interested to know that.

An hon. Member: We are not.

Mr. MacEachen: They show, for instance, that whereas more than half the workers were unemployed when they began training—many more expected shortly to be laid off—over 80 per cent who returned to the labour market were holding down good jobs after training.

Mr. Lundrigan: Mr. Speaker, I wonder if I might ask the minister a question. Would he indicate the statistics on the unemployment rate presently in Atlantic Canada, broken down by province?

Mr. MacEachen: Mr. Speaker, I am dealing with the first question the hon. member asked and this is a very important matter to members of this House and the taxpayers. In addition to successful returns to the labour market, the trainees also increased their incomes by about 16 per cent. I am very proud of the work being done by the adult training program. Every month we receive dozens of letters from those who have taken training, the vast majority of whom have been helped by the program. I should like to read an excerpt from a letter recently received from a worker in Newfoundland. I read this letter because it is very moving in that it outlines in the man's own words his experience on being liberated from the shackles of unemployment and illiteracy as a result of training.

Mr. Baldwin: Is that Joey Smallwood?

Mr. MacEachen: Mr. Speaker, I am surprised that the House leader of the opposition would make light of the experience of this worker who writes as follows:

Before I attended the course, unemployment for periods of up to two years was not uncommon to me and employment was manual labour for short periods of time with constant lay-offs due to shortage of materials and weather conditions. As you can imagine life was morally and materially almost unbearable.

An hon. Member: He is now in the Prime Minister's office.

[Mr. MacEachen.]

Mr. MacEachen: The letter continues:

In September 1966, I was accepted at the Burin District Vocational School for a course in carpentry. When I entered the school, simple addition and subtraction represented the scope of my mathematic ability and although I could read and write, putting my thoughts on paper was almost impossible. When the course was finished we were familiar with trigonometry, algebra and geometry besides the knowledge of estimating for the building trades, we'd obtained a solid course in English and Science and blueprint reading plus our actual course.

I left school in June 1967 and haven't been out of work since and although the job I have now is not as a carpenter, it is a very direct result of my carpenter work.

Attending the Burin District Vocational School not only increased my job chances but has opened up a complete new life for myself and my family for which we are eternally thankful and grateful.

Mr. Speaker, this is the sentence that I think will move my hon. friends.

An hon. Member: Good old Mike Starr!

Mr. MacEachen: Whether it was a benefit derived from a former government or the present one, it is still a moving letter.

I was 33 years old when I first entered the school and I can honestly say that my life began at that time.

• (9:30 p.m.)

The letter is in the man's own handwriting. He knows the true measure of social justice. I think we all get a better appreciation of social justice when it is related to the concept of individuals who have mastered the difficulties of their environment and their careers. We attempt to assist workers through our manpower mobility program. We assist workers who move from one part of Canada to another, from one part of a province to another and from one part of an area to another in order to improve their job opportunities and their incomes. We have a mobility program in Canada at the present time which is the most generous in the world. Even Sweden, which is regarded as the model by some hon. members opposite, does not come close to the generous provisions of the manpower mobility program operating in this country. We have had substantial improvement in the operation of this program. Last year roughly 44,000 persons were assisted, at a cost of $4 million. We hope this year approximately 50,000 persons will be assisted, at a cost of $6 million.

With the occupational training program and the manpower mobility program we are in

most cases touching the workers on the borders of the labour market. We are touching workers who are unemployed, sometimes employed, but almost always poor, through these two programs.

The Acting Speaker (Mr. Béchard): Order, please. I regret to interrupt the hon. minister but his time has expired.

Some hon. Members: Carry on.

The Acting Speaker (Mr. Béchard): Does the house give unanimous consent?

Some hon. Members: Agreed.

Mr. MacEachen: I want to mention the fact that through these two programs, involving heavy expenditures for the people of Canada, we are touching those persons who are at inadequate levels of income and employment security. We are satisfied that for every dollar that we spend on occupational training in this country we will receive $3 in the form of increased productivity from the contribution that the worker will make in his working life to the economy of Canada. This is a very important aspect of our program because it makes good sense economically and it certainly makes the best sense from the point of view of social justice.

We all know, Mr. Speaker, there can be no better social form of investment than an investment in human resources. Manpower programs not only contribute to the quality of people and the pace of change but they set the preconditions for employment security and a better life. No government and no right thinking person in Canada can be unaware of the tempers and distempers of our times. If we are to meet the challenges that our young people are directing at us today; if we are to respond to their call for involvement in social action and social justice, we must find better ways of reaching the poor, disadvantaged and alienated. We as parliamentarians must make stronger attempts to break the barriers to opportunity, the barriers to unemployment and the barriers that are created by the vicious cycle of poverty, and social deprivation which inevitably lead to disenchantment with the bonds and structures with society.

My department is attempting to make that kind of outreach, to make an extra effort to reach the disadvantaged, the alienated and the poor. If the senior member for Halifax were here he would espouse with me the work that has been accomplished in our manpower centres in Halifax, in the Gottingen Street project, working out of a store office in a poor and black neighbourhood. We have helped people through that outreach program by employing those from among the alienated to find jobs and better employment opportunities.

We are working in Toronto with the Rotary Club which is attempting to find employment for young people who have been incapable of entering the labour market. We are actively working with a youth group in Montreal trying to find better ways of reaching and solving the problems of the poor. I do not predict that what I have been talking about will bring about the complete transformation of our society. We are all aware of the importance of a healthy, viable economy and adequate levels of labour demand to any antipoverty labour strategy. Nor will new outreach alone resolve the roots of selfish ambition and intolerance that breed social injustice. Perhaps these initiatives, together with vigorous pursuit of the other programs by the government, will mark a new beginning.

We have heard in this debate a good deal about social policy in general. The predominant theme of the criticism has been that as a government we had been more concerned with planning and individual rights than with social justice and social programs for the people. It is not very long ago, Mr. Speaker, that I sat here and listened to hon. members opposite bemoaning the initiative we were taking in the field of social justice. I can still hear ringing in my ears the criticisms of members opposite when we brought in the Canada Pension Plan, the Canada Assistance Plan, the Medical Care Insurance Plan and the guaranteed income supplement. The cry then was: Wait for spring. Why do it now? let us do these things in stages.

Canada has come a long way in the field of social security. Any member of parliament can understand what this costs the people of Canada. We still have a long way to go in some of the programs that have already passed this House. Medicare, for example, is still not universally applicable. There are features of the Canada Assistance Plan of which many provinces have not taken advantage, such as the work activity program. In the government's view, the need now is to carry out a careful review of the social security system we have created. What are the gaps? How can the program be improved? Are we

getting the best value for our tax dollar? What should be the next step? Should it be new programs additional to those we now have, a refinement and extension of current programs or some radically new initiative such as the guaranteed annual income? Just what are some of the options open to us in the field of social policy? We have the option of improving and strengthening existing social insurance and social assistance programs. We have the option of combining with this an extension of the guaranteed annual income concept.

The development of the guaranteed income supplement has provided the government with expertise and experience in this field and has also alerted us to some of the problems in this approach. When looking at existing programs and discussing options, the question of selectivity—which has been discussed at length—must be examined carefully. In this examination the government must take into account our financial resources and the willingness or otherwise of the Canadian taxpayer to support additional programs. It must take into account jurisdictional realities as well as existing programs, because we cannot start as if nothing had happened or as if there were no programs in existence in Canada. Whatever system we adopt or whatever technique we devise, we must be aware that the first focus is on people and that ultimately the techniques exist to deliver incomes and services to the people of Canada. We are trying to answer these questions and determine our course of action. Our conclusions will be made public in the white paper on social security.

What of the opposition? What are their proposals? In his speech the hon. member for Edmonton West (Mr. Lambert) attempted to explain why his party had voted against the subamendment of the Creditiste party. He quoted extensively from the Niagara resolutions to show that his party was in favour of the incentive society. What is an incentive society?

• (9:40 p.m.)

Mr. Lewis: Don't ask me.

Mr. MacEachen: The official opposition guru in exile, Dalton Camp, claims that the Conservative Party is now left of the NDP. This was after Niagara Falls and before Winnipeg. Where "left of the NDP" is now, after the rhetoric and double-talk at Winnipeg, only God himself can tell the House.

[Mr. MacEachen.]

Mr. Deputy Speaker: Order, please.

Mr. Baldwin: On a point of order, Mr. Speaker. It is obvious that the hon. member for Charlevoix (Mr. Asselin) rose at the expiration of the minister's time. Quite properly, the minister was allowed to continue. Discussions have taken place between the house leaders which indicate that there are only a few minutes of formal business to be conducted after the question is put. On behalf of my hon. friend from Charlevoix I feel I must ask whether the House is prepared to allow him the few minutes of time he would normally have taken, provided we finish our business before ten o'clock.

Mr. Deputy Speaker: Is that agreed?

Some hon. Members: Agreed.

[*Translation*]

Hon. Martial Asselin (Charlevoix): Mr. Speaker, what we have just heard is the voice of the conscience of the Liberal party, of the government in power. Every time the government is in trouble, it invariably calls upon its trouble-shooter, the Minister of Labour and Immigration (Mr. MacEachen) to come to the rescue.

I must say the minister has responded with his usual skill, but many a time he makes inconsistent statements.

Mr. Speaker, when the Minister of Labour and Immigration attempts to ridicule the Progressive Conservative party's Niagara Falls meeting, he is out of order, because the purpose of this major meeting at Niagara Falls was not only the guidance of our party, but also a study of the problems now facing Canadians in order to find solutions for them. And if the minister has faith in the democracy of parties, I think he should be proud of the efforts made by the Progressive Conservative party at Niagara Falls to reach that objective.

Indeed, I think the Liberals will follow our lead in this field. They do so often because, on the first day of our Niagara Falls convention, the national chairman of the Liberal party announced in the newspapers that his party would hold sessions in Vancouver next fall in order to review its political programme and study the problems of Canadians.

The minister lacks sincerity when he tries to ridicule the serious meeting we had. Undoubtedly he merely wanted to joke about

the solutions that the government itself should find to rectify Canada's present situation.

Mr. Speaker, this serious situation has not been corrected in the Speech from the Throne which, in my opinion, lacks aggressiveness. I think that two priorities should have deserved more attention: inflation and the way to fight unemployment effectively.

It is not by propounding the abolishment of 25,000 jobs in the civil service any more than by closing four or five embassies that this government will effectively and definitely deal with the problem of inflation.

If the government neither has the courage nor the possibility to convince union leaders and industrialists to co-operate with it in order to support its anti-inflationary measures, the suggestions contained in the Speech from the Throne are not worth anything to settle existing problems.

Mr. Speaker, the province of Quebec with 140,000 unemployed finds itself in a serious situation. A recent study carried out throughout the province showed that with the exception of the Italians, it is the French Canadians who are getting the lowest wages.

We are amazed at the unrest now existing in Quebec. If action was taken—and I do not only accuse the federal government but also every other level of government—to settle the unemployment problem and economic matters, it would be easier to solve the cultural and linguistic problems.

As we have seen lately, Quebec is in a turmoil because federal politicians have failed to take seriously the options which the separatist movement offers to Quebecers. It was attempted to ignore the problem and to pursue an ostrich policy by saying: There are no separatists. Unfortunately there are many separatists in Quebec.

As for the separatism which was feared at a certain time but which was ignored, I think it has gone beyond reasonable limits. We do not witness mere excessive demonstrations of separatism and nationalism, but as could be seen last week, the explosion of a movement likely to cause a bloody revolution in Quebec.

May I ask that members be more quiet, Mr. Speaker?

[*English*]

Mr. Deputy Speaker: Order. May we have silence in the chamber.

• (9:50 p.m.)

[*Translation*]

Mr. Asselin: Being nationalist scarcely one year ago, these movements have perhaps become sovereignist or independantist. All this has been stired up by professional agitators. In Quebec, some teachers who should educate our children have become professional agitators and had the students take part in protest marches against the authorities.

Will the speech recently given by the Prime Minister (Mr. Trudeau) in Montreal settle the question? Indeed, the Prime Minister asked Liberal supporters to change the present Quebec government. Did the Prime Minister call on the Liberal militants to contest the policy of the Quebec government which is going to fight effectively the revolutionary movement that is beginning to be felt in Quebec? In my view the Prime Minister's statement had only one purpose: to fan the fire of the separatists, because these people have only one aim the dismemberment of the federal state.

It is not by using violence that we can check such movements as that, but rather by offering to the reasonable people of Quebec a new philosophy and a new orientation, by showing them that it is in the best interests of Canadians to live in a federal state.

How shall we achieve this? The responsibility in this regard does not rest solely with the members of the opposition, but also with the government members, especially with those from Quebec and also with the members of the Ralliement créditiste.

In my opinion, it is absolutely necessary to awaken within the adult population of Quebec a feeling of responsibility so that they may stand up to the young people who do not understand the problems now being discussed in Quebec.

I know that I have no right to criticize provincial legislation, but I wish to emphasize that three quarters of the young people who demonstrated recently in front of the Parliament buildings in Quebec had no understanding whatever of Bill 63 which was being discussed in the National Assembly.

How shall we achieve this, Mr. Speaker? By trying to awaken a sense of responsibilities among highly placed people in Quebec and elsewhere in Canada: union leaders, industrialists, directors of Chambers of Commerce, members of Rotary Clubs, in short, all those whose task is to support a legitimate government which introduces legislation for the benefit of the population.

Anti-gaullist demonstrations by French students stopped when responsible people told the government: We are with you and we will back you.

Then the revolutionary students returned home and the population listened to common sense and to reason.

As a Quebecker, I am deeply sorry to see that some people in Quebec who have certain responsibilities towards their community, although perhaps not actively involved in politics, witness such events as those of last week without uttering one word or showing some reaction.

It is now high time that the voice of common sense and reason be heard in Quebec. May I tell my colleagues from Quebec that regardless of their political affiliation, they must stand united with us and urge the responsible people in that province to support every legislative proposal aimed at saving the Quebec community, both French-speaking and English-speaking.

Some hon. Members: Hear, hear.

[*English*]

Mr. Deputy Speaker: Order, please. It was my understanding of the concensus of the House that the hon. member be given until ten o'clock. If that was the agreement, then pursuant to section 5 of Standing Order 38 it is my duty to interrupt these proceedings and to put forthwith the question on the motion now before the House.

Is it the pleasure of the House to adopt the said motion?

Some hon. Members: On division.

Motion (Mr. Cullen) agreed to.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I move:

That the said Address be engrossed and presented to His Excellency the Governor General by Mr. Speaker.

Motion agreed to.

GOVERNMENT ORDERS

BUSINESS OF SUPPLY

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I move:

That the House at its next sitting consider the business of supply.

Motion agreed to.

[Mr. Asselin.]

WAYS AND MEANS

INCOME TAX ACT—CUSTOMS TARIFF—EXCISE TAX ACT—CONCURRENCE IN MOTIONS

Hon. H. A. Olson (for the Minister of Finance): Mr. Speaker, I move:

That the ways and means motions relating to the amendment of the Income Tax Act laid before the House Friday, October 24, 1969, be now concurred in.

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

Some hon. Members: On division.

Motion agreed to.

Mr. Olson moved that Bill C-139, to amend the Income Tax Act, be read the first time and printed.

Motion agreed to, bill read the first time and ordered to be printed.

• (10:00 p.m.)

Hon. H. A. Olson (for the Minister of Finance): Mr. Speaker, I move:

That the Ways and Means motion relating to the amendment of the Customs Tariff and Excise Tax Act laid before the House Friday, October 24, 1969, be now concurred in.

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

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

Motion agreed to.

Mr. Olson moved that Bill C-140, to amend the Customs Tariff and to make a consequential amendment to the Excise Tax Act, be read the first time and printed.

Motion agreed to, bill read the first time and ordered to be printed.

BUSINESS OF THE HOUSE

Mr. Baldwin: Mr. Speaker, there were discussions this afternoon about the nature of the business for tomorrow. Perhaps at this time the acting government house leader would like to enlighten hon. members on this score.

Mr. Olson: Mr. Speaker, if the bills which the House has just considered and given first reading have been printed and are ready, we will proceed with the second reading of the Income Tax bill, followed by the Customs

Tariff and Excise Tax bill. If they are not prepared and printed in time, we will proceed with item No. 8 on the Order Paper, the Expo winding-up bill, followed by item No. 11, the bill in respect of the Children of War Dead (Education Assistance) Act. We will then proceed with item No. 19, the Canada Student Loans Act. If we need more business for tomorrow, hon. members might consult *Hansard* for Friday last which contains the tentative plans we will follow as announced by the Solicitor General (Mr. McIlraith).

Mr. Deputy Speaker: It being after ten o'clock this House stands adjourned until tomorrow at two o'clock in the afternoon, pursuant to standing order.

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

HOUSE OF COMMONS

Wednesday, November 5, 1969

The House met at 2 p.m.

MESSAGE FROM THE SENATE

Mr. Speaker: Order. I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill S-3, an Act to provide for the dissolution of the Dominion Coal Board and for the repeal of the Canadian Coal Equality Act, the Coal Production Assistance Act and the Dominion Coal Board Act, to which the concurrence of this House is desired.

ROUTINE PROCEEDINGS

COMBINES

TABLING OF STATEMENT ON CO-OPERATION BETWEEN UNITED STATES AND CANADA

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, pursuant to Standing Order 41(2) I should like to table copies, in English and in French, of a short statement issued by United States Attorney General Mitchell and myself following discussions between us in Washington last Monday relating to co-operation between our two countries in anti-combines and anti-trust matters.

[*Later:*]

Mr. Saltsman: I rise on a point of order, Mr. Speaker. I wonder whether there would be unanimous consent of the House to appending to *Hansard* the statement that the Minister of Consumer and Corporate Affairs tabled earlier today.

Mr. Basford: I am most agreeable to that, Mr. Speaker. It is a statement which it might be useful to have in *Hansard.*

Mr. Speaker: Is it agreed?

Some hon. Members: Agreed.

[*Editor's Note: For text of statement, see appendix "A".*]

COLOMBO PLAN

TABLING OF CONFERENCE COMMUNIQUÉ

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I should like to table for the information of members a copy of the communiqué issued at the conclusion of the Colombo Plan conference in Victoria last Friday.

[*Translation*]

BROADCASTING

EDUCATIONAL TELEVISION—STATEMENT OF SECRETARY OF STATE ON GOVERNMENT POLICY

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, on October 23rd, 1968, I announced that, in order to facilitate the development of educational broadcasting, a task force would be established immediately under my direction. I informed the House that the task force would also be charged with considering and advising on the necessity of interim action pending enactment of new legislation. On March 10th, the government introduced for first reading Bill C-179, an "Act to establish the Canadian Educational Broadcasting Agency, and to make certain consequential amendments to the Broadcasting Act."

Both the province of Alberta and the province of Ontario have indicated the necessity for interim action. In Alberta, a station partly dedicated to educational broadcasting is being set up in conjunction with the CBC. In Ontario, the department and provincial agencies concerned are presently studying means of fulfilling the requests of that province.

As a result of the studies undertaken by all concerned, it has become apparent that significant technological changes have occurred and advances can be expected to continue.

As a consequence, and because of the progress made in the development of interim measures designed to meet specific requests, interim measures designed to meet specific requests in the field of educational broadcasting, and the impossibility of arriving at a general approach satisfactory to all provinces in the field, the government has decided not to pursue the development of the Canadian Educational Broadcasting Agency for the time

being, and therefore not to proceed with Bill C-179.

In order to meet the desires of provinces for educational broadcasting, the government has implemented the following measures: (1) The Canadian Radio-Television Commission will be directed, pursuant to section 22 of the Broadcasting Act, that in provinces where the provincial authorities desire cable transmission facilities, as a condition for all new cable licences, and for the renewal of existing cable licences, the licensees shall be required to set aside at least one channel for educational programming. By this action, the government assures access to this mode of transmission for educational broadcasting.

I should note, Mr. Speaker, that this policy is consistent with the policy statement of the C.R.T.C. on the development of cable as issued on May 13th.

(2) Furthermore, the government has decided that in certain situations, the C.R.T.C. may recommend to the government to direct the C.B.C. to act as its agent pursuant to section 39(2) of the Broadcasting Act, in providing, on a recoverable cost basis, the transmission facilities for educational broadcasting.

(3) Because of the importance of educational broadcasting, discussions with the provinces in this area, and in particular on the definition of educational broadcasting will be held under the aegis of the Secretary of State. In addition, the Department of Communications will be available to assist provinces that desire advice on technological changes, and will co-ordinate the necessary studies on transmission systems within the government.

The government has decided to continue its policy of not granting provincial governments or their agents broadcasting licences. The government intends to issue a formal direction to the Canadian Radio-Television Commission to this effect.

The purpose, Mr. Speaker, of this new policy is to recognize changes which have occurred in the technology and other related factors, since the initial discussions on educational broadcasting, in the white paper of 1966. This policy will assure provinces the maximum possible choice in transmission facilities.

• (2:10 p.m.)

[*English*]

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I want to thank the minister for providing me with a copy of his statement in respect of this most sensitive and important field of educational television. If the minister had a seat on this side of the House he might fully appreciate this consideration which enables hon. members here not only to be concise but also constructive in replying. I intend to be both. Having made that general observation, I should like to say that the minister and his task force are apparently carrying on active discussions with the provinces in this field of shared jurisdiction.

There are two matters referred to in the statement which give us great concern. Is this decision not to proceed with educational broadcasting, as set out in Bill C-179, a retreat in principle or merely a review of the federal role owing to the pressures of provincial concerns and the low state of the federal pocketbook? If it is the former, then we must protest strongly about what might be classified as a further erosion of the federal role under this government. We on this side of the House support the principle that the federal government does have a part to play in providing the hardware for the educational television system, reserving always the right of the provinces to set up the software of the system, namely, content and circuits.

Quite frankly, one very good reason we on this side of the House are suspicious of the motivations behind this statement is the reason advanced by the minister that the change in policy as indicated by his statement today is being made on account of technical changes in the field of communications. Of course there are technical changes in this field and there will continue to be changes. It seems to me that since the task force was announced back in 1968 and introduced on March 10, 1969, several technological improvements and changes have been made. If these changes are to be used as an excuse for inaction and indecision in a field which has been combed and covered by the experts, let alone a parliamentary committee, then the thought that the federal government is going to play a meaningful role in this field in the future is even more remote than the moon once was, and individuals from the United States were able to go to the moon this year.

The other change which causes us on this side of the House concern is that portion of the minister's statement which indicates that whatever develops will be solely under the aegis of the minister. Apparently Parliament and the broadcasting committee will be shoved aside and left in the dark. Surely

every member of the House should be concerned. We on this side of the House are justified in criticizing this course of action.

Often ministerial decisions, which are ever-increasing under this government, are remote and isolated. They very often affect Canadians more than many other government decisions, particularly in this case because of the effect on the education of children through the media of television. This is too important a matter to be left to the manoeuvres of the mandarins or the dictates of the minister. Matters of this kind must be considered by the members of this House during meetings of a parliamentary committee.

I said I would be brief, and I am always constructive. There is the question of how long this interim policy is to be continued, if it is an interim policy. There is the question of the criteria to be set out and established and there is the question of the position of school boards. Obviously there are many other questions but they cannot all be answered today. In summary may I say that this statement, as is the case in respect of perhaps most ministerial statements, provokes more questions than answers. We on this side of the House and the people across the land, I believe, are becoming impatient. We await with interest the answers to some of these questions, especially in the field of educational television which has been kicked around long enough.

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, in my first opportunity to reply to a statement on motions I shall attempt to be brief. Unlike the previous speaker I have not had an opportunity to read the statement of the minister. I heard it for the first time in the House.

First of all, I feel that this interim statement is one more example of the lack of any federal leadership in education. I think this is a particularly important problem. Recognizing the constitutional problem surrounding it, the fact is that the development of a cultural identity is one of the most important things we can do and should be doing. We should be extremely conscious of this. Arrangements for educational television are, of course, a part of this development. I believe we should be very conscious of this and should not proceed, as the ministers' statement would seem to indicate, on an ad hoc or piecemeal basis.

The withdrawal of Bill C-179 of last session is a recognition of the fact that technological changes will probably make broadcasting stations per se redundant and irrelevant. The inroads of cable television are likely to cause this to happen.

I think we must recognize the criticism levelled against ETV by educators across the country that ETV really is a national extension of the teacher on a one-to-one basis rather than an opportunity for individualization of instruction in education.

The non-granting of provincial licences is something we will have to consider. As mentioned by the previous speaker, I believe the Broadcasting Committee should be very conscious of the complete ramifications of this new departure.

[*Translation*]

Mr. Bernard Dumont (Frontenac): First of all, I want to thank the Secretary of State (Mr. Pelletier) for sending us a copy of his statement.

I find it wise on the part of the government not to pursue its study on the establishment of the Canadian Educational Broadcasting Agency. As a matter of fact, the Aird Commission on Radio Broadcasting is quite clear on this subject, as reported on page 11 and I quote:

> Certain specified hours should be made available for educational work both in connection with the schools and the general public as well as the so-called "adult education", under provincial auspices.

On page 6 of the same report, it is clearly stated that this matter comes under provincial jurisdiction, and the following recommendation is made:

> the establishment and operation of stations by provincial governments.

In the light of this recommendation, it seems necessary that an agreement be previously entered into with provinces in order to do justice to one and all. I think, however, that the Secretary of State's remarks are not clear enough.

At the end of the statement, one can read the following:

> The government has decided to continue its policy of not granting provincial governments or their agents broadcasting licences.

And further:

> This policy will assure provinces the maximum possible choice in transmission facilities.

How can we have an option when no licence is granted to the provinces?

Mr. Speaker, Canadians can make nothing at all of such a shower of statements. And I

remind the government that with regard particularly to telecommunications through satellites, Quebec will also have to enjoy exclusive rights in educational matters so that the French culture may be preserved in Canada—just as it is now the case for the English culture—in order that our country may become strong, by seeing to it that the educational field falls within the provinces' jurisdiction, as recommended by the Aird report.

I think that this temporary delay is only an excuse for the Postmaster General and Minister of Communications to assume rights previously granted to the provinces in the field of education and to build in 1971 receiving stations for satellite signals which will pick up programs only on the wavelengths allotted to the provinces by the federal government, even in the case of educational broadcasts.

• (2:20 p.m.)

[*English*]

LABOUR RELATIONS

LONGSHOREMEN'S STRIKE—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I propose, pursuant to Standing Order 43 and in view of the fact that no statement has been forthcoming from the government with regard to the situation in the Pacific coast ports, to ask for unanimous consent to move a motion. I will exercise my right under that Standing Order to make a very brief explanation which I hope will move the House to let me move the motion.

The failure of the parties to arrive at a settlement of the industrial dispute involving the Pacific coast ports would now appear to have reached the stage where the public interest is involved, and it is essential that the government discuss with Parliament appropriate action to be taken leading to the resumption of normal activities without prejudice to the rights of the parties involved to continue their negotiations. The vital interests of the people of Canada are being jeopardized by a continuation of the present situation.

The motion I will move, if the requisite consent is given, will be:

That this House urges the government to take such immediate action as may be required to lead to the resumption of normal loading of ships in the Pacific coast ports without prejudice to contract negotiations being continued.

[Mr. Dumont.]

If the House in its wisdom sees fit to grant unanimous approval, I would be glad to discuss with the President of the Privy Council an appropriate time for debate some time later today.

Mr. Speaker: As hon. members know, the Standing Order under which the hon. member for Peace River proposes to proceed with his motion requires the unanimous consent of the House and it does not provide for a debate. The duty of the Chair, therefore, is to ask the House at this time whether there is such unanimous consent.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, if I had been given notice of this motion when I spoke to the hon. member earlier today I might have been able to consider it, but under the circumstances I would have to refuse consent.

Some hon. Members: Oh, oh.

An hon. Member: You are afraid.

Mr. Speaker: Since there is not unanimous agreement on the part of hon. members, the motion cannot be put.

An hon. Member: Hatchet-man.

Another hon. Member: No more tips for you.

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

Mr. Lewis: Yes, Mr. Speaker, you anticipated me. Before we leave motions I should like to inquire whether the Minister of Labour intends to make a statement today regarding the situation on the west coast?

Mr. Baldwin: I waited until he refused to speak on it.

Mr. Mackasey: I had not intended to speak on motions, Mr. Speaker. However, I expect a series of questions which I think will cover the situation.

Mr. Woolliams: He has to be interrogated before he will speak.

[*Translation*]

INTERPRETATION ACT

MEASURE TO CHANGE CERTAIN EXPRESSIONS

Mr. André Fortin (Lotbinière) moved for leave to introduce Bill C-141 entitled "An Act to amend the Interpretation Act".

Some hon. Members: Explain.

Mr. Fortin: I should like to thank my colleagues for their favourable consideration of this bill the purpose of which is to delete the references to "Great Britain" and "The Sovereign" in the act and replace them with the phrase "the Parliament of Canada". Of course, my hon. colleagues will no doubt give me their support in that respect.

Motion agreed to, bill read the first time and ordered to be printed.

EXCHEQUER COURT

MEASURE TO AMEND ACT

Mr. André Fortin (Lotbinière) moved for leave to introduce Bill C-142 entitled "An Act to amend the Exchequer Court Act".

Motion agreed to, bill read the first time and ordered to be printed.

AIR CANADA

MEASURE TO AMEND ACT

Mr. André Fortin (Lotbinière) moved for leave to introduce Bill C-143 entitled "An Act to amend the Air Canada Act".

Motion agreed to, bill read the first time and ordered to be printed.

[*English*]

WATER RESOURCES

PROVISION FOR MANAGEMENT INCLUDING RESEARCH AND PLANNING AND IMPLEMENTATION OF PROGRAMS

Hon. J. J. Greene (Minister of Energy, Mines and Resources) moved for leave to introduce Bill C-144, to provide for the management of the water resources of Canada including research and the planning and implementation of programs relating to the conservation, development and utilization of water resources.

Motion agreed to, bill read the first time and ordered to be printed.

Mr. Aiken: Mr. Speaker, I rise on a point of order to point out that after a delay of almost four years the government has finally got the water act running downhill.

Mr. Speaker: That is hardly a point of order.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

CHEMICAL AND BIOLOGICAL WARFARE RESEARCH

Question No. 108—**Mr. Mather:**

1. Is Canada co-operating with the United States, Great Britain and Australia in a program of research in chemical and biological warfare, including a study of the development of Napalm and Iroquois, a type of flame thrower?

2. Is this research of a defensive nature?

3. What proportion of the research results are "classified" information?

4. If the research is defensive, are its findings published and made available for the protection of populations as in Sweden and, if not, for what reasons?

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): 1 and 2. Canada co-operates with the United States, Great Britain and Australia in the carrying out of scientific and technological studies in the defensive aspects of chemical and biological warfare with particular application to the provision of advice and protective equipment for the Canadian Forces should they ever be called upon to operate in an environment in which such agents are used. Flame throwers have not, however, been included in the inventory of weapons provided the Canadian Forces for some years and, consequently, since that time no research has been undertaken or required in flame throwers or flame thrower fuel.

3 and 4. Attention is directed to *Hansard* dated October 30, 1968 pages 2207 and 2208. When possible, the findings of defensive research are published. For example, during World War II, Canada developed a supply of vaccine against the destructive cattle virus, Rinderpest, and as a result the threat of this disease to livestock in North America has been practically eliminated, and it has been of inestimable value in Asia and India where Rinderpest in endemic. Other examples, are the development of detectors for monitoring ground contamination by chemical agents and gas, and improved gas masks.

CS GAS—PROVISION TO ARMED FORCES

Question No. 196—**Mr. Lewis:**

1. Are any elements of Canada's defence forces equipped with CS gas or the capacity to deliver it?

2. Are the Canadian defence forces aware of, or in possession of, U.S. Army publication serial number TC 3-16, which describes the use of gases, defoliants and phosphorus and the systems used to deliver them?

Questions

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): 1. CS is a tear gas used primarily in the Canadian Forces for training personnel who are designated for overseas service, in the use of the protective mask and for testing masks for proper fitting. Some elements of the Canadian Forces, therefore, have CS gas in small quantities for this purpose.

2. Yes.

PENSIONS OF RETIRED ARMED FORCES PERSONNEL

Question No. 204—**Mr. Knowles (Winnipeg North Centre):**

1. How many retired Armed Forces personnel are receiving pensions of amounts within each of the following brackets: (a) less than $20.00 per month (b) $20.00 to $29.99 per month (c) $30.00 to $39.99 per month (d) $40.00 to $49.99 per month (e) $50.00 to $59.99 per month (f) $60.00 to $69.99 per month (g) $70.00 to $79.99 per month (h) $80.00 to $89.99 per month (i) $90.00 to $99.99 per month (j) $100.00 to $149.99 per month (k) $150.00 to $199.99 per month (l) $200.00 to $249.99 per month (m) $250.00 to $299.99 per month (n) $300.00 per month and over?

2. How many widows of Armed Forces personnel or of retired armed forces personnel are receiving pensions of amounts within each of the brackets indicated in the above question?

3. What is the total number of retired Armed Forces personnel and also the number of widows of armed forces personnel or of retired armed forces personnel presently residing in each province?

4. In respect of how many orphans of Armed Forces personnel are pensions being paid and what is the average amount thereof?

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): 1. (a) 15; (b) 70; (c) 250; (d) 299; (e) 334; (f) 321; (g) 540; (h) 756; (i) 924; (j) 3,964; (k) 4,861; (l) 4,664; (m) 3,267; (n) 6,040.

2. (a) 1; (b) 16; (c) 67; (d) 189; (e) 240; (f) 259; (g) 218; (h) 222; (i) 228; (j) 631; (k) 262; (l) 196; (m) 51; (n) 45.

3.

	Retired Personnel	Widows
Newfoundland	63	8
Prince Edward Island	145	9
Nova Scotia	2,587	171
New Brunswick	637	87
Quebec	2,973	264
Ontario	10,631	1,188
Manitoba	803	111
Saskatchewan	286	51
Alberta	1,739	147
British Columbia	5,501	449
Northwest Territories and Yukon	369	1
Outside Canada	571	139

4. 57; $29.87

[Mr. Lewis.]

CANADIAN ARMED FORCES SUPERANNUATION ACCOUNT

Question No. 205—**Mr. Knowles (Winnipeg North Centre):**

1. What was the total amount of money in the Canadian Forces Superannuation Account as at (a) March 31, 1964 (b) March 31, 1965 (c) March 31, 1966 (d) March 31, 1967 (e) March 31, 1968 (f) March 31, 1969?

2. What rate of interest does the government pay for the use of this money?

3. What amount of interest was credited to the Canadian Forces Superannuation Account during the fiscal years ending (a) March 31, 1964 (b) March 31, 1965 (c) March 31, 1966 (d) March 31, 1967 (e) March 31, 1968 (f) March 31, 1969?

4. What was the total amount paid out of the Canadian Forces Superannuation Account during the fiscal years ending (a) March 31, 1964 (b) March 31, 1965 (c) March 31, 1966 (d) March 31, 1967 (e) March 31, 1968 (f) March 31, 1969?

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): 1, 2, 3, 4. See *Hansard,* page 455, dated September 25, 1968, and Return tabled in *Votes and Proceedings,* page 1264, dated June 26, 1969.

MOTIONS FOR PAPERS

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, notice of motion for the production of papers No. 59 is acceptable to the government.

PLACE DU PORTAGE, HULL—CORRESPONDENCE BETWEEN NCC AND FORMER OWNERS

Motion No. 59—**Mr. Thomson (Battleford-Kindersley):**

That an Order of the House do issue for a copy of all correspondence between the National Capital Commission and the former owners of Place du Portage in Hull, Quebec.

Motion agreed to.

Mr. Groos: Mr. Speaker, notices of motions Nos. 38, 48, 62, 63, 64, 69, 70, 71, 72, 87, 88, 89 and 96 are acceptable to the government subject to the usual reservations concerning confidential documents and to the authorization of the government authorities concerned.

Mr. Speaker: Subject to the reservations and conditions expressed by the Parliamentary Secretary, is it the pleasure of the House that notices of motions Nos. 38, 48, 62, 63, 64, 69, 70, 71, 72, 87, 88, 89 and 96 be deemed to have been adopted?

Some hon. Members: Agreed.

CORRESPONDENCE RESPECTING RE-OPENING OF COAL MINE AT CARMACKS, YUKON

Motion No. 38—**Mr. Howard (Skeena):**

That an Order of the House do issue for a copy of all agreements and correspondence between the Government of Canada and the Anvil Mining Corporation regarding the re-opening of the coal mine at Carmacks, Yukon Territory.

Motion agreed to.

LA POUDRIÈRE, QUEBEC CITY—AGREEMENTS AND CORRESPONDENCE RESPECTING LEASING

Motion No. 48—**Mr. Mather:**

That an Order of the House do issue for a copy of all agreements and correspondence between the Department of Indian Affairs and Northern Development and a Quebec restauranteur regarding the leasing of La Poudrière of Quebec City as stated in the Department's news release of August 14, 1969.

Motion agreed to.

INDIAN EDUCATION, MANITOBA

Motion No. 62—**Mr. Howard (Skeena):**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of all correspondence, telegrams and other documents exchanged between the Government of Canada or any agency, branch or department thereof and the Government of the Province of Manitoba since January 1, 1967 relating to the education of Indians.

Motion agreed to.

CORRESPONDENCE RECEIVED RESPECTING INDIAN AFFAIRS POLICY STATEMENT

Motion No. 63—**Mr. Howard (Skeena):**

That an Order of the House do issue for a copy of all correspondence, telegrams and other documents received by the government or any agency or branch thereof since June 25, 1969 relating to the policy statement on Indian Affairs made in the House of Commons by the Honourable Jean Chrétien, Minister of Indian Affairs and Northern Development on June 25, 1969.

Motion agreed to.

CORRESPONDENCE EXCHANGED RESPECTING INDIAN AFFAIRS POLICY STATEMENT

Motion No. 64—**Mr. Howard (Skeena):**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of all correspondence, telegrams and other documents exchanged between the government or any agency or department thereof and any provincial government or agency or department thereof since June 25, 1969 relating to the policy statement on Indian Affairs made in the House of Commons by the Hon. Jean Chrétien, Minister of Indian Affairs and Northern Development on June 25, 1969.

Motion agreed to.

CORRESPONDENCE WITH JACQUES GUAY ET ASSOCIÉS INC.

Motion No. 69—**Mr. Howard (Skeena):**

That an Order of the House do issue for a copy of all correspondence, telegrams and other documents exchanged between the Department of Indian Affairs and Northern Development, or any agency or division thereof and Jacques Guay et associés inc., Public Relations Counsellors, Suite 440, Dominion Square Building, 1010 Sainte-Catherine St. West, Montreal 2, Quebec since March 1, 1969.

Motion agreed to.

CORRESPONDENCE WITH INTERNATIONAL SURVEYS LIMITED

Motion No. 70—**Mr. Howard (Skeena):**

That an Order of the House do issue for a copy of all correspondence, telegrams and other documents exchanged between the Department of Indian Affairs and Northern Development, or any agency or division thereof and International Surveys Limited, 550 Sherbrooke St., West, Montreal 2, Quebec since March 1, 1969.

Motion agreed to.

CORRESPONDENCE WITH WILLIAMS AND WILSON LTD.

Motion No. 71—**Mr. Howard (Skeena):**

That an Order of the House do issue for a copy of all correspondence, telegrams and other documents exchanged between the Department of Indian Affairs and Northern Development, or any agency or division thereof and Williams and Wilson Ltd., Public Relations Counsel and Services, 1161 Melville St., Vancouver 6, B.C. Since March 1, 1969.

Motion agreed to.

CORRESPONDENCE WITH DESROCHES, JASMIN ET ASSOCIÉS INC.

Motion No. 72—**Mr. Howard (Skeena):**

That an Order of the House do issue for a copy of all correspondence, telegrams and other documents exchanged between the Department of Indian Affairs and Northern Development, or any agency or division thereof and Desroches, Jasmin et associés inc., Public Relations Counsellors, 640 Cathcart St., Montreal 2, Quebec since March 1, 1969.

Motion agreed to.

CORRESPONDENCE WITH EUGENE STEINER PUBLIC RELATIONS LTD.

Motion No. 87—**Mr. Howard (Skeena):**

That an order of the House do issue for a copy of all correspondence, telegrams and other documents exchanged between the Department of Indian

Affairs and Northern Development, or any agency or division thereof and Eugene Steiner Public Relations Ltd., 1330 - 8th Street S.W., Calgary, Alberta since March 1, 1969.

Motion agreed to.

CORRESPONDENCE WITH BERGER, TISDALL, CLARK AND LESLEY LTD.

Motion No. 88—**Mr. Howard (Skeena):**

That an Order of the House do issue for a copy of all correspondence, telegrams and other documents exchanged between the Department of Indian Affairs and Northern Development, or any agency or division thereof and Berger, Tisdall, Clark and Lesley Ltd., Box 61, Toronto-Dominion Centre, Toronto, Ontario since March 1, 1969.

Motion agreed to.

CORRESPONDENCE WITH CROCKETT WRITERS

Motion No. 89—**Mr. Howard (Skeena):**

That an Order of the House do issue for a copy of all correspondence, telegrams and other documents exchanged between the Department of Indian Affairs and Northern Development, or any agency or division thereof and Crockett Writers, Public Relations Consultants, 295 Kensington St., Winnipeg, Manitoba since March 1, 1969.

Motion agreed to.

CORRESPONDENCE RESPECTING IRON ORE COMPANY OF CANADA

Motion No. 96—**Mr. Orlikow:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of all correspondence between the Government of Canada and the Government of the United States regarding the Iron Ore Company of Canada and its parent company Hanna Mining Company of Cleveland.

Motion agreed to.

Mr. Groos: Mr. Speaker, would you be so kind as to call notices of motions Nos. 67, 68, 92, 95, 102, 103 and 151. I would ask, Mr. Speaker, that the other notices of motions be allowed to stand.

"REPORT OF WORKING GROUP I—INDIANS TO THE EXECUTIVE COMMITTEE"

Motion No. 67—**Mr. Howard (Skeena):**

That an Order of the House do issue for a copy of the document, entitled "Report of Working Group I—Indians to the Executive Committee" which Working Group had its terms of reference set out in February, 1968 and which was formed to examine and outline the problems relating to Indians and to make recommendations concerning strategy, policy and programming.

[Mr. Howard (Skeena).]

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, no document exists in the general form described in this motion.

The executive committee referred to is that of the Rural Development Branch of the former Department of Forestry and Rural Development. The report did not deal with Indian problems, policy and programming as such, but specifically with how area development problems are inter-related with Indian and Metis problems.

The study was prepared by identified individual officials for discussion with other officials of the federal departments concerned with area development and Indian Affairs, and subsequently with provincial officials, as part of the continuing process of program development at both levels of government.

It is not designed for publication. To do so would be contrary to the public interest, as well as unfair to the particular officials—

Mr. Speaker: Order, please. I suggest the explanation given by the hon. member goes beyond the narrow limits of the rules and practices of the House. I think the hon. member for Skeena must assume from the speech made by the hon. member that the government will not accept this motion.

Mr. Frank Howard (Skeena): Mr. Speaker, when I put the motion down I did not realize that it would need clarification to this extent. However, I would be glad to let the motion proceed subject to the re-interpretation given by the hon. member.

Mr. Speaker: My interpretation of the declaration made by the hon. member was that the motion was not being accepted.

Mr. Howard (Skeena): I think, Mr. Speaker, that we had better debate the motion on another day.

Mr. Speaker: Transferred for debate.

DOCUMENTS RELATING TO "GRANTS TO INDIAN BAND COUNCILS"

Motion No. 68—**Mr. Howard (Skeena):**

That an Order of the House do issue for a copy of any document prepared in the Department of Indian Affairs and Northern Development entitled, or relating to "Grants to Indian Band Councils" subsequent to the issuance of Circular No. 15, dated September 18, 1968, which is entitled "Grants to Indian Band Councils".

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, the Department of Indian Affairs and Northern

Development has no record of any document prepared subsequent to the issuance of Circular No. 15 dated September 18, 1968, entitled "Grants to Indian Band Councils". In view of this, would the hon. member for Skeena consent to the withdrawal of this motion?

Mr. Frank Howard (Skeena): Mr. Speaker, did the hon. gentleman say that the department had no knowledge of such a document? I think we had better put it to the test because I can produce the document.

Mr. Speaker: Motion transferred for debate.

Mr. Howard (Skeena): But, Mr. Speaker, I do not desire to transfer it for debate.

Mr. Speaker: Is the hon. member dropping the motion?

Mr. Howard (Skeena): Not quite, Mr. Speaker. I should like to put it to a vote.

Mr. Speaker: Is the Parliamentary Secretary asking that the motion be transferred for debate?

Mr. Honey: In view of the remarks of the hon. member for Skeena I would ask that, Mr. Speaker.

Mr. Speaker: Motion transferred for debate.

ROSE REPORT

Motion No. 92—**Mr. Orlikow:**

That an Order of the House do issue for a copy of the Committee Report, headed by Dr. D. C. Rose, on the Queen Elizabeth II telescope, presented to the government in August, 1968.

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, the Rose report is a confidential report sponsored by the Science Secretariat, in its role as part of the Privy Council Office, at the request of the government. It is under active study at the present time and consideration will be given to making the report public at a later date. Under these circumstances I would ask the hon. member to withdraw his motion.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, obviously the government has not read the report on information tabled yesterday which calls for a freer distribution of information. I certainly will not agree to dropping my motion. I would ask that it be transferred for debate.

Mr. Speaker: Transferred for debate.

21362—35

COST-BENEFIT STUDY ON RAINBOW TROUT FARMING

Motion No. 95—**Mr. Orlikow:**

That an Order of the House do issue for a copy of the cost-benefit study on rainbow trout farming referred to by the Minister of Fisheries and Forestry in the June 23rd press release of the Fisheries Research Board of Canada.

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): Mr. Speaker, notes prepared for the use of the Minister of Fisheries and Forestry when announcing the construction of the new Freshwater Research Institute in Winnipeg on June 23, 1969, referred to "other possible methods of commercial trout rearing" which "justify experimentation". To date no cost-benefit analysis of these alternative fisheries has been completed. Since there is no conclusive study or final report available on these "other possible methods of commercial trout rearing", the hon. member may wish to withdraw his motion.

Mr. David Orlikow (Winnipeg North): I do not, Mr. Speaker.

Mr. Speaker: Motion transferred for debate.

REPORTS REFERRED TO IN SUBMISSION TO SENATE COMMITTEE

Motion No. 102—**Mr. Orlikow:**

That an Order of the House do issue for copies of each report referred to in the submission of the Department of Indian Affairs and Northern Development to the Senate Special Committee on Science Policy on February 26, 1969, listed on pages 4385 to 4387, No. 31 of the proceedings of the Senate Committee.

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, last May 14, 1969, under motion for the production of papers No. 105, most of the documents which the hon. member for Winnipeg North is requesting in this motion were tabled in this House. While some documents were omitted because they are now out of print, the member for Winnipeg North was informed that they are available in the Parliamentary Library. In the circumstances, I would ask that the member for Winnipeg North withdraw this motion.

Mr. David Orlikow (Winnipeg North): I agree to the motion being withdrawn, Mr. Speaker.

Order discharged and motion withdrawn.

Motions for Papers

ARCHITECTURAL AND ENGINEERING CONSULTANTS' FEES

Motion No. 103—**Mr. Skoberg:**

That an Order of the House do issue for copies of all agreements and arrangements on consultant fees negotiated between the Government of Canada and the Royal Architectural Institute of Canada and provincial associations of the Professional Engineers of Canada as mentioned in reply to Question No. 1,256, Tabled on May 14, 1969.

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, this relates to an agreement made between the department and a professional body regarding consultants' fees. It was a verbal agreement so there are no written documents. If the hon. member wishes to press the matter, it would have to be a nil return. Perhaps he would like to drop the motion.

Mr. John L. Skoberg (Moose Jaw): I agree, Mr. Speaker.

Order discharged and motion withdrawn.

CORRESPONDENCE RESPECTING ESTABLISHMENT OF ELECTRIC REDUCTION COMPANY PHOSPHORUS PLANT

Motion No. 151—**Mr. Carter:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House copies of all correspondence between the Government of Canada, Bedford Institute of Oceanography, and the Government of the Province of Newfoundland or any of its agencies regarding the establishment of the Electric Reduction Company Phosphorous Plant at Long Harbour, Placentia Bay, Newfoundland.

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): Mr. Speaker, this motion, No. 151, is similar in content to motion No. 204 also put down by the hon. member during the last session. When the motion was called on October 22, the government's response was as follows: "Mr. Speaker, the correspondence requested in this motion which can be produced has already been approved by the acceptance of motions Nos. 198 and 199. In view of this fact I would suggest that the hon. member may wish to withdraw his motion."

At that time the hon. member withdrew his motion and since there has been no change in the circumstances surrounding the motion since that time, I would suggest that he may wish to adopt the same attitude at this time.

Mr. Walter C. Carter (St. John's West): Mr. Speaker, the information requested in my latest motion was not contained in the reply to the original motion put before the House by the hon. member, so I must ask that the motion stand and, if necessary, be transferred for debate.

Mr. Speaker: Motion transferred for debate.

Shall the remaining notices of motions stand?

Some hon. Members: Agreed.

ORAL QUESTIONS

LABOUR RELATIONS

LONGSHOREMEN'S STRIKE—FAILURE TO RATIFY SETTLEMENT—INQUIRY AS TO ACTION

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask a question of the Minister of Labour. Arising from the rejection last night by the British Columbia longshoremen of the proposed contract settlement, what action are the minister and the government now going to take?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I thank the hon. member for his question. I might say that I am rather disappointed that the unions on two occasions have rejected the recommendations of their negotiating committee. The last proposal which they rejected was the unanimous recommendation of their executive committee to accept the settlement proposed just the other evening. Since then I have been in touch with management and labour and a form of action has been agreed upon, but at the moment I am not prepared to reveal it publicly. I would only ask that the House be patient for a few more days. I will be prepared to make a statement not later than Friday.

Mr. Stanfield: A supplementary question, Mr. Speaker. In view of the grave effects of this strike on the economy of British Columbia, the Yukon and western Canada generally, and in view of the minister's statement a week ago that if a settlement was not reached he would be forced to make use of legislation, for how long is he prepared to let the strike continue without recommending to Parliament some form of legislative action to re-open the affected ports?

Mr. Mackasey: Mr. Speaker, I think the hon. gentleman has raised a good point. In these matters there comes a moment of truth. Any Minister of Labour is guided in these matters by jurisprudence and what has happened in the past. I think the hon. gentleman ought to look at what happened in 1958 when

the government of the day let a similar strike go on for 34 days. There was also another strike in 1958 affecting the steamship companies in British Columbia. At that time the government, in its wisdom, let that strike go on for 71 days. I think the people of British Columbia know how disruptive any strike affecting the wharves is. They also know that it is not quite as disruptive as a strike in the steamship area.

Mr. Stanfield: A supplementary question, Mr. Speaker. Without expressing any opinion about the minister's haphazard use of precedents, may I ask whether the statement made by the federal mediator, William Kelly, that there are to be no further mediation attempts by the federal government represents the minister's position?

Mr. Mackasey: Mr. Speaker, on two occasions, as the hon. gentleman knows, we have intervened in the mediation role. In both of our attempts we were successful in obtaining a collective agreement. Unfortunately, in both instances they were rejected by the union. The basic problem, as the hon. member knows and as other hon. members representing ports in this country undoubtedly know, is twofold. On the one hand, we have management wanting, quite logically, to introduce the highest degree of automation possible and, on the other hand, the longshoremen at the same time rightly concerned that this increased automation will substantially decrease the number of longshoremen's jobs. Since longshoremen are averse to any agreement which they think will mean the phasing-out of their jobs, the situation has become quite difficult.

It is not our intention at this time to interfere further in the mediation role. I understand that today and tomorrow management and labour will be holding informal talks in order to clarify the one or two issues which resulted in the rejection of last week. I am hopeful that the difficulties with respect to ratification this time will be considerably less than they were the first time around.

Mr. Harold Winch (Vancouver East): A supplementary question, Mr. Speaker. I, too, have been in touch with Vancouver. Since I understand that both parties to the dispute are looking again at the remaining problems, does the minister not think it advisable that he or his chiefs of staff should proceed immediately to Vancouver in order to aid in removing the last remaining obstacles preventing a settlement of the dispute?

Mr. Mackasey: Mr. Speaker, perhaps on reflection I may wish I had stayed in Vancouver to see the agreement ratified. I do not wish to mislead the House. The parties to the dispute are reviewing the situation independently. If as a result of that review, which I think will be concluded shortly, they feel that our presence is necessary and can be helpful, then I or members of my department will travel to Vancouver. I would be happy to travel to a province where I know I am welcome. In the meantime, the unions have rejected the proposal but have promised to move grain and also other products for the B.C. lumbermen. I understand, too, that they have agreed to move an emergency supply of apples so that we do not jeopardize a new market in New Zealand.

Mr. Winch: A supplementary question, Mr. Speaker. Instead of waiting to be asked to go to Vancouver, does the minister not think that, to minimize any delay, he or his officials ought to go to that city so as to be on the spot?

Mr. Mackasey: Mr. Speaker, the hon. gentleman is very eloquent and persuasive and is one of my favourite members. I am tempted to run out there now—

Some hon. Members: Hear, hear.

Mr. Mackasey: I am glad that hon. members opposite have such confidence in my ability to settle this affair.

Some hon. Members: Hear, hear.

Mr. Mackasey: Contrary to the opinions of some, British Columbia is still part of the country, a very important part, and we are able to communicate by telephone with the province. The Prime Minister has stated on several occasions that transportation will be placed at my disposal if it should be necessary. The province is only five hours away by air and I do not think anything is being jeopardized by my presence here. However, I will certainly reconsider the hon. gentleman's request.

Hon. George Hees (Prince Edward-Hastings): A supplementary question, Mr. Speaker. Does the Babe Ruth of the bargaining table not realize that you cannot hit the ball unless you are standing at the plate?

Some hon. Members: Hear, hear.

Mr. Mackasey: Mr. Speaker, unfortunately I did not hear the hon. gentleman's remark,

although I can imagine, to judge by the quality of the questions he has asked in the past month, that it was not really that important.

Some hon. Members: Shame.

Mr. Speaker: Order, please.

Mr. Hees: Bryce, you have struck out again. You are becoming a fanning fool.

Mr. Mark Rose (Fraser Valley West): A supplementary question, Mr. Speaker. Since the mandatory 12-hour overtime provision violates enlightened employment practices, does the minister not feel that he, personally, or members of his department could assist in overcoming what is probably the major obstacle preventing a settlement?

Mr. Mackasey: Mr. Speaker, that particular matter was settled on my last trip to Vancouver. Many of these rather unenlightened work practices have been eliminated. Quite naturally the longshoremen were afraid that they could be asked to work for 84 hours a week, which in theory was possible. That matter has been rectified. It is now a question of identifying how the various kinds of employees, casual, semi-casual and permanent, will be affected on the waterfront by the attempted change in the working rules, because management insists on certain rights. Once we can pinpoint this effect and assure the longshoremen that the collective agreement will not reduce their work force so drastically, I think we shall have gone a long way to reversing present opinions in the union. We are working to this end now.

Mr. Lewis: On a point of order, Mr. Speaker, I hope the minister made a slip of the tongue. He talked about assuring the longshoremen about the purpose of the legislation. I hope he meant to say "collective agreement".

Mr. Mackasey: Thank you, Mr. Speaker, for allowing the hon. member to make that correction, because I have not as yet contemplated legislation. That would be a cabinet decision and I have not made any particular recommendations to my colleagues. When the moment of truth comes we must worry about the economy of the country and about that part of the country serviced by this port. The responsibility here must be borne by the employers and employees as well.

[Mr. Mackasey.]

Mr. Les Benjamin (Regina East): May I ask the minister whether he made a statement in public prior to the latest balloting by the membership of the union to the effect that if the agreement was not ratified, legislation would be imposed, and if he did make such a statement, does he not consider that it was a threat to the membership?

Mr. Mackasey: I must admit I threatened all sides, including myself. I tried seduction, I tried blackmail, I tried every weapon at the disposal of a Minister of Labour to get an agreement. What I had not counted on was the membership rejecting an agreement which had been unanimously accepted by the negotiating team. That was something which had not been expected, and it is a problem which, in the final analysis, the unions themselves will have to solve—what happens to unions, to seven different locals, when they repudiate what is done in their name by a negotiating team and an executive committee in pursuance of their responsibilities. This is something which the unions themselves will have to work out.

THE AUDITOR GENERAL

SUGGESTED REDUCTION OF STAFF

Hon. George Hees (Prince Edward-Hastings): I have a question to direct to the President of the Treasury Board. Has the hon. gentleman looked into the directive from the Treasury Board that the Auditor General reduce his staff ceiling to 239?

Hon. C. M. Drury (President of the Treasury Board): Yes, Mr. Speaker.

Some hon. Members: Oh, oh.

Mr. Hees: We will get to it. Is the minister reviewing that directive in the light of the statement by the Auditor General that he cannot accept it because—I quote his words—"if the government is going to determine of itself the size and quality of the staff of the Auditor General then they can determine and limit the scope and effectiveness of his work."

Mr. Drury: The correspondence to which the hon. gentleman referred has been reviewed. The assumption was made that the Auditor General would wish to be a full participant in the government's program of restraint upon staff expansion in the current year. Consequently, it was proposed to him that his ceiling might well be limited in the same way as those of other government

departments, namely, to the number on strength as of July 31. However, as I think we agree, the Auditor General is in a special position and he did, in fact, advise us that he required additional people beyond the number on strength in August. Agreement was reached with the Treasury Board that he should have an increase in his establishment above the figure on strength on July 31 of this year, to the figure of 239. In this sense there has been an initial review of his establishment and he has not been subject to the general guideline set for the government as a whole, because of his special position.

May I take this opportunity to correct a misunderstanding which perhaps I created yesterday in response to a question from the hon. member for Winnipeg North Centre.

Mr. Knowles (Winnipeg North Centre): Oh, no! Don't correct it!

Mr. Drury: In reply to the hon. member's question I indicated that the establishment of the Auditor General was approved under the terms of the Appropriation Acts. In fact, the establishment and the manpower figures which appear in the estimates are there merely for information and are not approved or authorized by the Appropriation Acts. I believe this was a misunderstanding which we both shared. In fact, the establishment figures in the blue book are not binding—

Mr. Speaker: Order, please.

Mr. Hees: A further supplementary to the Prime Minister. Can the right hon. gentleman advise the House why his government believes that the staff of the man who is the watchdog over government expenditures should be curtailed while his own staff, which generates most of the spending in this country, can be enlarged without limit?

Mr. Speaker: Order. I suggest to the hon. member that his question is argumentative.

[*Translation*]

CANADIAN NATIONAL RAILWAYS

APPLICATION OF OFFICIAL LANGUAGES ACT ON CERTAIN TRAINS

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I have a question for the Minister of Transport.

As the Toronto-Ottawa and Montreal-Ottawa lines of the C.N.R. have been exempted by order in council from the administration of the Official Languages Act, could the minister tell us for how long, in terms of days and years, such exemption has been granted?

[*English*]

Hon. Donald C. Jamieson (Minister of Transport): One year, Mr. Speaker.

[*Translation*]

Mr. Dumont: Mr. Speaker, I have a supplementary question.

Is it the government's intention to apply such exemption to every Crown corporation?

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I have a supplementary question.

Could the Secretary of State tell us what policy and criteria were the basis for his recommendation that the government adopt such an order in council exempting the C.N.R. from the obligation to implement bilingualism, particularly on trains running between Toronto and Montreal, as provided in the decree, until 1972?

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, the hon. member could find the reply to his own question if he had another look at the Act, which provides a 60-month period for full implementation. Exemptions are therefore in order, and they are always granted on the basis of the criteria of the feasibility of achieving bilingualism in a given area within a given period, and potential conflicts. The latter criterium, I believe, applies in the case of the C.N.R. who have already signed with their employees a legally binding contract which conflicts with certain provisions of the Act.

Mr. Asselin: A supplementary question, Mr. Speaker. Did the minister recommend to the Cabinet that other Crown corporations or agencies be granted a similar exemption?

Mr. Speaker: I do not believe that the hon. member, whom I invite to resume his seat, can be allowed to ask the minister to disclose what was said in conversations he may have had with members of the Cabinet.

Mr. Asselin: On a point of order, Mr. Speaker. Perhaps I might rephrase my question and ask the minister if other Crown corporations or agencies will also be exempted from implementing the policy on bilingualism?

Mr. Pelletier: Some requests have been made, Mr. Speaker, but I would not trust my memory to list them and say which have been accepted. I might give the hon. member that information later, if he wants it.

Inquiries of the Ministry

[*English*]

TRADE

SASKATCHEWAN PLAN TO BARTER WHEAT FOR MACHINERY

Right Hon. J. G. Diefenbaker (Prince Albert): My question is directed to the Prime Minister. It has to do with the plan of the Premier of Saskatchewan to barter $300,000 worth of wheat for certain machinery. Has the government taken any stand against this course and, if it has, can we be told why the government of Saskatchewan should not be permitted to do something which would be beneficial to a small degree in diminishing the tremendous amount of wheat which is now piled up in that province?

Right Hon. P. E. Trudeau (Prime Minister): I know that the Minister of Industry, Trade and Commerce has been talking to the premier of Saskatchewan and I believe he has reported briefly to the House on those talks. If the right hon. gentleman wishes to direct his question to the minister, I can say that he expects to be in the House tomorrow.

Mr. Diefenbaker: I ask the Prime Minister whether the Premier of Saskatchewan has been in touch with him in this regard and whether he has protested the attitude of the government in endeavouring to throw roadblocks in the way of the government of Saskatchewan in its endeavours to dispose of this wheat?

Mr. Speaker: The hon. member for Waterloo.

Mr. Hees: Mr. Speaker, does the Prime Minister intend to sit and sulk like a petulant little boy while important questions of this nature are asked?

Some hon. Members: Oh, oh.

CANADA PENSION PLAN

EXEMPTION OF OLD ORDER MENNONITES

Mr. Max Saltsman (Waterloo): I wish to direct a question to the Minister of National Health and Welfare. It has to do with a reply the minister gave during an adjournment debate regarding the exemption of Old Order Mennonites from the Canada Pension Plan. On July 16 the minister indicated to me that this question had gone to the cabinet for consideration. May I ask whether a conclusion has yet been reached by the government and, if so, what that conclusion is?

Hon. John C. Munro (Minister of National Health and Welfare): I expect to be in a position to announce government policy on this matter within approximately two weeks.

Mr. Saltsman: It was to be two weeks on the last occasion, on July 16; I hope the minister can assure us that this two weeks will be shorter than the last.

NAVIGATION

MACKENZIE RIVER—INQUIRY AS TO AGREEMENT WITH BRITISH COLUMBIA

Hon. Marcel Lambert (Edmonton West): My question is intended for the Minister of Public Works. It concerns the statement the minister made with regard to navigation on the Mackenzie River. Will he tell us whether the government is working toward obtaining an agreement with the government of British Columbia to protect downstream benefits, potential hydro development, navigation and wildlife?

Hon. Arthur Laing (Minister of Public Works): Because of the abnormal draw-down taken by British Columbia Hydro in August and September of 1968 we made representations and they restored, I think, 12,000 second-feet at that time. At the present time we are again making representations to the effect that while the area behind the dam is being filled, as much flow as possible is to be provided to the Mackenzie River.

Mr. Lambert (Edmonton West): A supplementary question. Would the minister advise the House whether the government has not insisted, under the provisions of the Navigable Waters Protection Act, that British Columbia obtain a permit and enter into a proper agreement, so that the federal government does not have to go cap in hand every time that province wants to transgress in this regard?

Mr. Speaker: Order. I think the question as asked by the hon. member has taken the form of an argument.

Mr. Lambert (Edmonton West): With the greatest respect, Mr. Speaker, this problem is not a simple one but one that is seriously affecting navigation and many other matters. It is a serious area problem, and I submit it is not sufficient simply to dismiss the question. The problem may be argumentative, but the question does require an answer.

Mr. Speaker: I am not dismissing the problem; it is the hon. member's question that I am dismissing.

POST OFFICE

MONTREAL MAIL ROBBERIES

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct my question to the Solicitor General. It deals with a matter in which I am sure he is deeply interested, namely mail robberies in Montreal, of which there have been three within two days.

In light of the increasing incidence of major thefts of mail, can he advise whether any special measures are being taken by the protective authorities so that mail deliveries, although now unreasonably slow, will remain reasonably sure?

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, I should like to give a long and informative answer to that question, but I do not feel competent to do so at the moment. I will be glad to look at the hon. member's question to see whether there is an answer that I can give to any part of it.

SOCIAL SECURITY

INQUIRY AS TO ESTABLISHMENT OF INCOME FLOOR

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, my question is for the Prime Minister. I am glad to see he is lending an ear. In view of his fervent expression of concern last weekend for people on low income, and in view of representations made yesterday in Halifax to the Senate committee on poverty, is the government now prepared to consider the establishment of an income floor below which no Canadian will be allowed to fall?

Mr. Speaker: Order. I think that the question as asked is rather broad in nature. The hon. member is asking for a statement of policy. I doubt very much that the question is acceptable in those terms.

Mrs. MacInnis: Then, could I put it in another form? Would the Prime Minister be willing to consider making a statement on motions very shortly about this matter which is concerning a great many Canadians?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, if the hon. member is talking about a guaranteed annual income, yes, we have been considering it for some time. I am not in a position to say when a statement will be made, because as a government we are not yet satisfied that this is a realistic step.

[*Translation*]

SPORTS

POSSIBLE REVISION OF AID PROGRAM

Mr. André Fortin (Lotbinière): Mr. Speaker, I should like to put a question to the Minister of National Health and Welfare (Mr. Munro).

Since the need for sports and recreation facilities is becoming increasingly urgent in Canada and since such facilities are not subsidized at all under the Fitness and Amateur Sport Program, does the minister intend to review the government policy in this connection during the present session?

[*English*]

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, there are certain programs now under review that assist in the provision of facilities. I would remind the hon. member that his statement is not correct. The federal government has shared substantially in the provision of sports facilities across Canada under the aegis of the Canada Games and Pan-Am Games committees during the last few years.

ADMINISTRATION OF JUSTICE

RAID ON OFFICE OF FREDERICTON "GLEANER"

Hon. Hugh John Flemming (Carleton-Charlotte): Mr. Speaker, I wish to address my question to the Minister of Consumer and Corporate Affairs. Is the minister familiar with the question asked by me one day last week of my hon. friend the Minister of Justice in relation to the apparently discriminatory raid that was recently carried out by officials under the Combines Investigation Act on the premises of the *Daily Gleaner* of Fredericton? If so, is he prepared to answer it now?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Yes, Mr. Speaker. I am also familiar with some of the newspaper editorials that have attacked the conduct of my officers.

I should like to inform the house that I have investigated these allegations and I am quite satisfied that my officials, all of whom are professionally trained, comported themselves with complete courtesy to those involved. They acted in a polite and efficient manner and confined their search to matters concerning the ownership and control of the newspapers involved. The search that they were conducting was carried out by these representatives pursuant to section 10 of the

Combines Investigation Act and the statutory duty of the officers in my department to examine into this sort of matter.

Mr. Flemming: A supplementary question, Mr. Speaker. May I draw to the attention of the minister the latter part of the question that I put last week to the Minister of Justice, which was to this effect: Has the same type of investigation been made of newspapers and newspaper proprietors in other parts of Canada? There was never any question about courtesy. There was never any question about the right of his officials to do what they did. It is the question of discrimination with which I am concerned.

Mr. Basford: Mr. Speaker—

Mr. Speaker: Order. I would suggest that we are perhaps getting into the field of debate here. However, the minister may wish to reply to that supplementary question.

Mr. Basford: Mr. Speaker, there is no question of discrimination. The Director of Investigation and Research is carrying out his statutory duties which are laid down in the Combines Investigation Act. I do not have in front of me the details of other inquiries, but I do know that the Restrictive Trade Practices Commission has conducted, over the last few years, three inquiries into the proprietors of newspapers.

Mr. Flemming: A further supplementary question. I should like to ask on whose complaint the investigation was initiated, and whether any complaint has been made with regard to any other newspaper proprietors in Canada.

Mr. Speaker: Order. Again, I have some doubt about this supplementary. If it is felt that the minister should reply out of particular consideration for the hon. member who asked the question, then perhaps the minister might be allowed to reply.

Mr. Basford: Mr. Speaker, the inquiry was conducted pursuant to section 8 (b) of the Combines Investigation Act. As the House knows, under the policy laid down by the former Minister of Justice from Kamloops, British Columbia, it is not the general practice to reveal details of inquiries that are being conducted under the Combines Investigation Act. However, in this case the inquiry was made public by the people being inquired into.

Right Hon. J. G. Diefenbaker (Prince Albert): A supplementary question, Mr. Speaker. May I ask the minister whether a member of the Senate of Canada from the province of New Brunswick is on the board which decided upon that prosecution?

Mr. Basford: No, Mr. Speaker.

HARBOURS

REQUEST FOR STATEMENT ON SMALL VESSEL REGULATIONS

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I have a question I should like to ask the Minister of Transport. I have gone through two earlier Ministers of Transport on this question but I hope I will get an answer from this minister.

Just before the summer recess, I asked the minister whether he would make a statement to the House on the government's plans with regard to a small vessel harbour administration on the British Columbia coast. The minister said at that time that he would do his best to make a statement before the recess. Could he now make that statement to the House?

Hon. Donald C. Jamieson (Minister of Transport): I might say, Mr. Speaker, that my hon. friend will find it more difficult to go through me than any of my predecessors. However, may I apologize to the hon. member; the statement is not yet ready. The reason is the complexity of trying to work out an equitable solution.

Briefly, I think I can say that we are prepared to do something in this regard. It is a matter of user charges and whether all those wealthy yachtsmen on the west coast of Canada have the right to have these services free or, frankly, whether we should nail them.

FISHERIES

SEALS—REQUEST FOR REPORT ON HEARINGS OF COMMITTEE

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct my question to the Minister of Justice. Is the Minister of Justice now ready to report on the hearings of the Fisheries Committee concerning its investigation into the seal fishery in the Gulf of St. Lawrence?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, the last time the hon. member put that question to me I again looked into the matter. I want to be able to report to him in some detail later.

HOUSE OF COMMONS

PRESENCE IN GALLERY OF PROVINCIAL MINISTERS

Hon. John N. Turner (Minister of Justice): Mr. Speaker, while I am on my feet, I wonder whether you would allow me to draw to the attention of the House the presence in the gallery of three distinguished members of provincial legislatures; the Attorney General of the province of British Columbia, Hon. Leslie Peterson, the Attorney General of the province of Saskatchewan, Hon. Daryl Heald, and the Minister of Justice of the province of New Brunswick, Hon. Bernard Jean.

Some hon. Members: Hear, hear.

NATIONAL PARKS

BANFF, JASPER AND WATERTON—LEASE VALUE OF PROPERTIES

Mr. Allan B. Sulatycky (Rocky Mountain): Mr. Speaker, I wonder whether the Minister of Indian Affairs and Northern Development could advise the House how much longer the residents of Banff, Jasper and Waterton National Parks will be required to wait before being apprised in respect of the average lease value of their properties last summer?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Not much longer, Mr. Speaker.

[*English*]

INDIAN AFAIRS

TERMS OF STANLEY ISLAND LEASE

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, in view of the development in respect of leasing arrangements on Stanley Island in the St. Lawrence, will the Minister of Indian Affairs and Northern Development take appropriate steps to assure that this situation will be remedied and that such exploitation will not continue in the future?

Mr. Speaker: Order, please. I have some doubt as to whether the question is in order. Perhaps the hon. member may wish to debate it at the time of adjournment if there is urgency which is not apparent to the Chair.

PUBLIC SERVICE

STEPS TO AVOID STRIKE BY ELECTRONIC TECHNICIANS

Mr. David Lewis (York South): Mr. Speaker, I should like to direct my question to the Minister of Supply and Services, provided I am right in assuming that he is still the minister who gives answers relating to the Public Service Staff Relations Board. If I am wrong, perhaps it might be directed to whichever minister has that responsibility. This question arises from a serious dispute that is brewing among electronic technicians in the Department of Transport. Will the minister concerned inquire into the situation and consider the possibility of making a statement to the House, informing us about the steps being taken to avoid a strike in this area?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the minister involved is the Minister without Portfolio from Saskatchewan. I note that he is to be in the House tomorrow and on Friday. Perhaps the hon. member will ask the question then.

Mr. Lewis: Mr. Speaker, I rise on a point of order. Perhaps this information was given to hon. members of this House earlier when I was not here. The Minister of Supply and Services last session was the minister to whom questions of this type were put. If a change was made the Prime Minister should have informed us.

Mr. Trudeau: Mr. Speaker, if the information was not given I do apologize to the House. The change was made because, as the hon. member will appreciate, it was preferable to have a Minister without Portfolio and not one responsible for another department to answer this type of question. If notice was not given, I do apologize.

REGIONAL ECONOMIC EXPANSION

INQUIRY AS TO DEVELOPMENT PROGRAM

Mr. James A. McGrath (St. John's East): Mr. Speaker, is the Minister of Regional Economic Expansion in a position to tell the House whether negotiations have taken place with the province of Newfoundland with a view to developing a program for that province, and, if so, is the minister now in a position to make an announcement?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I think I answered a similar question a few days ago. We are now negotiating with the authorities of Newfoundland, and of the other provinces, in order to set up projects and programs which will be implemented very quickly during the coming months.

Inquiries of the Ministry

[*English*]

Mr. McGrath: Can the minister assure the House that a statement will be made on this most important matter before the end of the year?

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, I fail to see why a statement should be made. There will undoubtedly be some information to give the House as the programs are set up with the co-operation of the provinces.

[*English*]

INFORMATION

REPLIES TO QUESTIONS IN PARLIAMENT

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, have the Prime Minister and his colleagues taken note of the recommendations of the task force on government information which state there is a specific need for the government to provide more informative replies to questions raised in Parliament than has been the tradition and, if so, what does he plan to do about it?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, as I said, we plan to announce government policy regarding the task force recommendations before the end of the year. I hope we will be supported by the opposition in respect of these plans in order that we may commence an operation to be called Information Canada. With regard to the questions asked in the House and the answers given to these questions, we will undertake to give more informative answers as soon as the questions become more informative.

Mr. Bell: Mr. Speaker, has the Prime Minister, in the meantime, taken refuge in silence, and are his ministers' refusing to answer questions regarding this embarrassing—

Mr. Speaker: Order, please. I seek the co-operation of hon. members. I should remind them that there are only three or four minutes of the question period left.

EXTERNAL AFFAIRS

CHANGES IN CANADIAN DIPLOMATIC ESTABLISHMENTS

Mr. Jack McIntosh (Swift Current-Maple Creek): Mr. Speaker, I was going to say something about the number of times members in this row have tried to get the floor to ask questions—

[Mr. Marchand (Langelier).]

Mr. Speaker: Order, please. I will assume that the hon. member has not said anything.

Mr. McIntosh: I should like to direct my question to the Secretary of State for External Affairs. It arises out of the minister's announcement that Canada is to close a number of missions abroad. Will the minister say whether the action taken to close any of the Canadian missions that have been closed or are about to be closed was the result of requests from the countries involved and, if so, have these requests had anything to do with the present efforts of Canada to recognize Red China?

Hon. Mitchell Sharp (Secretary of State for External Affairs): The answer to that question is no, Mr. Speaker, unless one were to consider the attitude taken by the Cambodian government toward the International Control Commission as a request for us to withdraw.

HEALTH AND WELFARE

ASSISTANCE TO NATIONAL CANCER INSTITUTE

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, my question is based on the fact that cancer is a disease which annually claims the second highest number of Canadian lives. In view of the important research work being done by the National Cancer Institute of Canada in attempting to eliminate this killer, will the minister assure the House that he has not and will not terminate the government's important financial support to this work, as has been rumoured in various quarters?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, representatives of this very worthwhile organization were in to see me this morning, at which time I gave them the assurance that support would be given next year. I did not give them anything definite as to the amount.

REGIONAL ECONOMIC EXPANSION

FUTURE OF FAIREY OF CANADA PLANT

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I should like to ask the Minister of Regional Economic Expansion whether he is in a position to answer the question I asked last week about direct aid or negotiations between authorities in his department and Fairey of Canada, in light of the very serious situation and the plight of a number of families?

Hon. Jean Marchand (Minister of Regional Economic Expansion): I sent a letter to the hon. member. I do not know whether he has received it. I hope he will receive it soon, since I sent it a few days ago.

[*Translation*]

In that respect, Mr. Speaker, the only exchanges with my department concern information on what we might do. There was also a meeting with my executive assistant, but nothing more exhaustive than what I have just said.

[*English*]

CONSUMER AFFAIRS

AUTOMOBILE PRICE INCREASES—INQUIRY AS TO INVESTIGATION

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, toward the end of last session the Minister of Consumer and Corporate Affairs indicated that if the automotive industry increased prices substantially in respect of 1970 models he would undertake to have his department investigate such price increases. I should like to know whether or not such an investigation has taken place and, if not, why not?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I can only refer the hon. member to statements made in the last few days and I would refer the hon. member to those.

Mr. Broadbent: Mr. Speaker, on a point of order, I would request that the statements—

Mr. Speaker: Order, please.

[*Translation*]

BILINGUALISM AND BICULTURALISM

LABELLING OF PRODUCTS

Mr. Roch La Salle (Joliette): Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs, which I would like to substantiate by referring to a meeting held in Quebec City last February 20th, when a federal official agreed in principle that labels on Canadian products should be bilingual.

Did the minister reach a decision in that respect and, if so, could he explain?

Mr. Speaker: I do not think this question is urgent, but if the hon. member disagrees, it might be discussed at the time of adjournment.

[*English*]

PUBLIC ACCOUNTS

REQUEST THAT COMMITTEE MEET TO HEAR AUDITOR GENERAL

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I should like to ask the President of the Privy Council, as government house leader, if he will arrange shortly for the organization meeting of the Public Accounts Committee so that the Auditor General may appear and make his case for adequate staff to deal with the countless cases of government waste and extravagance on which he has reported.

• (3:20 p.m.)

GOVERNMENT ORDERS

CANADIAN WORLD EXHIBITION CORPORATION

MEASURE WINDING UP EXPO

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce) moved that Bill C-6, to wind up the Canadian Corporation for the 1967 World Exhibition and to authorize the writing-off of certain costs and the deferral of certain payments connected therewith, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Stanley Knowles (Winnipeg North Centre): On a point of order, Mr. Speaker, I wonder whether I might raise a question concerning what we do under this new régime whereby all the members do not have files of bills at their desks. I confess I have mine, as have a few others, but if we are not to have files of bills at our desks, I wonder whether a copy of a bill that is to be discussed on any particular day should not be placed on members' desks.

Mr. Speaker: The point is well taken. It was my understanding that copies of the bill would have been distributed, particularly today since the business had been announced previously.

I notice that copies of the bill are now being circulated. The minister might wish to proceed now with his presentation.

[*Translation*]

Mr. Pepin: The purpose of Bill C-6 is to dissolve the Canadian Corporation for the 1967 World Exhibition.

Dissolution of 1967 Expo Corporation

The Exhibition ended in the fall of 1967 and the Corporation has now disposed of most of its assets and liabilities. Its continuation would consequently no longer serve any useful purpose, it would only perpetuate the presentation of annual budgets and reports which are no longer meaningful.

What is left of the assets and liabilities of the Corporation will be vested by this bill in the Minister of Industry, Trade and Commerce. Parliament will, therefore, continue to receive an accounting for the future disposal of these assets and liabilities in the same way as it does for other assets and liabilities of the government of Canada.

Mr. Speaker, I should like to recall to the committee how the financing of the Corporation was carried out. Initially this financing was ensured by grants given by each of the three governments concerned in proportion to their financial commitments towards the International Exhibition according to the Tripartite agreement of January 1963.

Canada, as it is known, allocated $20,000,000 to that initial financing; Quebec $15,000,000 and Montreal $5,000,000, that is a percentage of 50 per cent, 37.5 per cent and 12.5 per cent respectively for a total of $40,000,000.

The subsequent financing of the Exhibition relied mostly on loans made by the Canadian government to the Corporation which totalled $205,000,000. The Corporation resorted to loans because it had an urgent need for large amounts and because it would have been difficult to fill those needs by issuing bonds or by asking for grants from the three governments concerned.

In exchange for these loans, the Corporation issued notes guaranteed jointly by the government of Canada and the government of the province of Quebec, on a 50 per cent basis in each case. The city of Montreal was not called upon to provide any guarantee.

A third method was used. The chartered banks also made loans of $35 million to the Expo Corporation. These loans were again guaranteed jointly by the government of Canada and the government of the province of Quebec.

Finally, a fourth method, if you wish, was used: the city of Montreal provided $5.55 million, in addition to the $5 million I have already mentioned, by not pressing for payment of sums owed to it by the Corporation.

While Expo was in progress, the city of Montreal carried out works worth about $5.55 million for which it received no compensation.

The total financing made available to the Expo Corporation was, therefore, $285.5 million of which $240 million was by notes and loans, $40 million by grants, and $5.55 million by special arrangement with Montreal, as I have just said.

[*English*]

My second point has to do with the distribution of assets; that is, how the assets of the Corporation were distributed among the three governments. The Canadian World Exhibition Corporation Act, Section 19(2) provides that:

> The corporation shall wind up its affairs and dispose of its assets and liabilities within such time after the closing of the Exhibition and in such manner and subject to such conditions as the Governor in Council, with the concurrence of the Lieutenant Governor in Council, may prescribe.

Accordingly, Order in Council P.C. 1967-2381 of December 21, 1967 set out how the Corporation was to dispose of its physical assets. I might given an indication of the amounts of money we are talking about now. The estimated physical assets were, at cost, about $182 million. This does not mean they were worth that amount of money after Expo. I have read that the estimated book value attached to these was in the neighbourhood of $74 million. These were the assets which had to be distributed among the three partners.

The main effect of this order was that the government of Canada and the city of Montreal, with a few exceptions, acquired the assets situated on the land they owned. So, these were the criteria for the distribution of the physical assets: first, the property on the land, and second, the best use of the particular facility involved. I will come back to the second criterion in a moment.

• (3:30 p.m.)

As a result of these criteria, the government of Canada received on January 1, 1968, in consideration of $1, all assets on the land known as Cité du Havre, which included the Victoria parking lot, which has been leased to the corporation by the National Harbours Board; Habitat, the stadium, the administration building and the labyrinth, the two exceptions being the art gallery and the Expo theatre. I will come back to those in a moment. Central Mortgage and Housing Corporation was designated to assume responsibility for the management of the assets acquired by Canada.

For its part, the city of Montreal acquired all the assets situated on Île Notre-Dame and Île Ste-Hélène, including La Ronde and the structures, rolling stock, trackage, electrical and mechanical installations of all the monorail trains thereon, together with the Concordia Bridge, the Bridge of the Isles, and other bridges. These again were the assets that went to the city of Montreal. It is rather important to underline that these transfers to the city of Montreal were conditional upon the release of the Corporation by the city of Montreal from its obligations under the terms of the lease dated July 1, 1964 between the Canadian Corporation for the 1967 World Exhibition and the city of Montreal. That lease provided that the islands had to be returned to the city of Montreal in the form in which they had been handed over to the Corporation. In order to do so, the Corporation would have had to proceed with extensive dislocation, demolition and restoration which would have been rather expensive. For example, if you bear in mind that a bridge might have had to be removed or transferred to another place, the point becomes clearer. It was partly at least in recognition of this that the city of Montreal received the assets I indicated.

The major assets remaining were the art gallery, the Expo theatre and the Expo express. The two buildings were similarly acquired, that is for $1, by the government of the province of Quebec, presumably on the assumption that they could make better use of them than the federal government. The Expo express was kept out of this arrangement, as hon. members may recall, and it was sold for $1,880,000 to the highest bidder, which was the Société Urbaine des Transports Rapides Inc., at a public tender. My friend, the hon. member for Sainte-Marie (Mr. Valade) remembers the circumstances very well, I am sure.

Mr. Valade: I do not remember what the minister said at that time.

Mr. Pepin: He said it would be sold to the highest bidder! This was what happened. It is my understanding, however, that later on the highest bidder, that is the Société Urbaine des Transports Rapides Inc., sold the same asset to the city of Montreal for the same price.

There are four major consequences of this method of disposal that was used. The method was slightly different from others that could have been used. The assets could have been shared on the basis of the percentage of financial participation of the governments concerned. However, it was made on the basis which I described.

[*Translation*]

Mr. Georges Valade (Sainte-Marie): Will the minister allow me a question, Mr. Speaker, in order to clarify a statement?

As regards the terms of disposal properties and assets on the site, are there not also terms and conditions to be respected as set out by the Bureau of International Exhibitions, concerning the write-off or sale of the buildings?

Mr. Pepin: Mr. Speaker, after the six-month period which the exhibition is supposed to last, the pavilions must be destroyed, according to what I was told at that time, but the mayor has concluded arrangements under which most of the participating countries have donated their pavilion to the city of Montreal. It is in this context that "Man and His World", which is different from "Expo 67", began. However, from that time on, the federal government was not to be personally involved in the new form that "Expo '67" was taking, that is "Man and His World". It became then the problem of the city of Montreal.

I shall return in a brief moment to an exception to the principle that I have just stated.

[*English*]

One of the consequences of this method of disposal was that the expenses of demolition and of restoring the site to its original condition were eliminated. The expenses of demolition and restoration would probably have exceeded the resale value of materials and other items recovered from the site. This is the opinion of experts. In other words, had we restored the site to its previous state it would have been more expensive. In other words, the deficit would have been higher than $285 million had we gone through the process of selling the assets.

The second consequence of the method of disposal was that it eliminated the costs of the long and complex process of valuation which would have been involved in any attempt to charge each of the three parties for assets acquired. The value of exhibition buildings, roads and other structures after an exhibition is over is related not to their initial cost but to their market value for some future use, which is by no means easy to determine. In the event, it was considered advisable to

avoid this costly process. In other words, had they said: let us assess what the value of each of these assets is, and then let us divide that amount on the basis of 50, 37½ and 12½, we might still be trying to assess the value of, say, a bridge which had been used for six months when we did not know exactly to what extent it would be used after! It was thought by the ministers at the time, good politicians that they were, that there was a better way of dealing with the assets than the very complicated process which was also open to them.

The third consequence of the method of disposal that was followed is that the deficit of the Expo Corporation, in these circumstances, is larger than it would have been if each of the three governments had made some payment for the assets they acquired. Suppose they had managed to assess the value of the properties involved and to distribute them among the government of Canada, the province of Quebec and the city of Montreal so that the federal government would have paid, say, $46 million, the Quebec government $20 million and the city of Montreal $54 million. That would have meant $110 million would have been deducted from the deficit that we now have which is $285 million. But this method was not followed and consequently the deficit is higher than it would have been had the three governments really purchased the assets that are still there. How much larger is an open question because, as I have already explained, the value of these assets was difficult to determine. Moreover, it is important to recognize that while the deficit of the Expo Corporation could have been reduced in this way, the net cost of the exhibition to the three governments would have been unchanged. The only affect would, perhaps again, have been to change the amounts payable by each government towards the net cost.

• (3:40 p.m.)

For the Government of Canada,—here I am trying to anticipate some difficulties that might be raised—it is by no means certain that payment in full for any assets acquired, plus its share of a reduced deficit, would have been less costly than paying its 50 per cent share of the net cost of the exhibition. Do you understand all that? The disposition of assets on the present basis—"you, the federal government, get this for $1, and you, provincial Quebec government, get that for $1, and you, Montreal get that for $1"—does not change the situation that would have been created for the federal government had it paid for the assets it got back and also paid 50 per cent of a reduced deficit for the corporation. I hope it is clear now. Anyway you may read it in *Hansard* tomorrow!

The fourth consequence of the method of disposal used was that the process of retiring the Expo Corporation's debt was accelerated, with a consequent reduction in interest costs and in the total deficit. Indeed, had we adopted the slower method I might not have the privilege and the good fortune of introducing this legislation today.

I do not know if it is true or not, but I have been told that the Paris World Exhibition of 1893 has not yet been wound up! I cannot believe it is true, but this is what I have been told. I say this just to indicate how complicated these things can be if one follows the slower method and if once in a while you do not decide to simplify things.

In short, the method of disposal limited the further escalation of the deficit in three ways, by eliminating demolition and restoration costs in some cases, by avoiding valuation costs, and by reducing interest costs, but still showed the full cost of the exhibition to each government.

The next item is the disposition of liabilities.

[*Translation*]

After agreeing to dispose of the assets in this way, the three governments concerned themselves with the allocation of the deficit of the Corporation.

An agreement concluded between the governments of Canada and Quebec was put into effect on June 30, 1968, when the deficit was estimated at $285.2 million or at $245.2 million, after deducting the initial grants of $40 million paid by the three parties concerned.

The 37.5 per cent of $245.2 million, that is the share of the deficit Quebec had to assume, amounted to $91.95 million.

To meet its share, Quebec paid $17.5 million of the bank loans in cash and gave Canada $74.45 million of its notes in the form of 48 notes maturing at monthly intervals and bearing interest at 5.46 per cent, the average rate payable on Expo notes.

Therefore, there has been one cash payment and the others were made in the form of 48 monthly notes, each worth approximately $1.5 million. The province of Quebec has since been paying the amounts regularly.

In turn, Canada repaid $17.5 million of the bank loans and honoured its guarantees on $74.45 million of Expo notes.

The city of Montreal made arrangements with the federal government in May 1969, and met its share of 12.5 per cent of the $245 million deficit by providing $25.15 million of its notes to the Corporation, and by supplying services to Expo valued at $5.5 million which I mentioned earlier.

[*English*]

So, the city of Montreal has given promissory notes to the federal government to the amount of $25.15 million.

The purpose of section 5 of the Bill I am introducing this afternoon is to stop interest accruing on the outstanding notes of the Corporation payable to the government of Canada. Interest on the Corporation's obligations should cease from April 1, 1969, because the intergovernmental arrangements already explained, although finalized in May 1969, were dated April 1, 1969. Otherwise, interest would be paid twice on the same debt.

It is rather complicated but the committee will be able to look more fully into the matter, if my hon. friends want to.

Let us deal now with the write-off of the federal debts, of the federal contributions to Expo, in short, as I said earlier, of federal investments in Expo '67.

In his explanation of the budget changes before the House on June 3, 1969, the Minister of Finance (Mr. Benson) reported that the final accounting for Expo '67 had been carried out, and that Parliament would be asked to approve by legislation the arrangements made for the settlement of the operating deficits incurred by the Expo Corporation. The federal share of this deficit amounts to $122.82 million; the Minister of Finance proposed that this amount be written off completely as a budgetary charge during the current fiscal year.

Therefore, the purpose of this bill, so to speak, is to settle that account.

Section 7(1) provides for the write-off of Canada's share of the deficit of the Corporation.

It is specified in the bill that the amount should not exceed $125 million. The exact figure is $122.82 million.

This measure does not involve any additional expenditures.

Dissolution of 1967 Expo Corporation

• (3:50 p.m.)

Nothing is being added this afternoon. This bill does not involve any additional expenditures. Its purpose is to strike off from Canada's accounts the share of the deficit of the Canadian Corporation for the 1967 World Exhibition that the Canadian government must make up.

Turning now to another subject, section 7 (2) authorizes the Governor in Council to defer to 1972 payments due from the province of Quebec in 1969-70 in settlement of its share of the deficit of the Expo Corporation.

I shall explain this section.

Following the dispersal of Expo's assets among the participating governments, the City of Montreal established an exhibition on the portion of the site they had acquired, now referred to as "Terre des Hommes", that you may have had the opportunity to visit, Mr. Speaker, and that surely impressed you. This exhibition was held in 1968, at a relatively high cost to the City of Montreal, we are told, especially—and the hon. member for Sainte-Marie (Mr. Valade) remembers it well—as the weather was very bad.

Anyhow, in order to reopen the exhibition in 1969, the City of Montreal sought financial support from its former Expo partners. The government of the province of Quebec viewed the additional employment and tourist income which the continued operation of "Terre des Hommes" would bring to the province, and to Canada, of sufficient importance that it undertook to guarantee Montreal's potential deficit in this venture up to a maximum of $5.5 million. In order to make such a guarantee possible, the province requested—and the government of Canada agreed—to defer payments due from the province to the federal government in respect of the province's share of the Expo deficit in a like amount (up to $5.5 million) until 1972, without additional interest.

In other words, as I explained earlier, the province is making monthly payments of $1.5 million. Under this agreement, the federal government allowed the province to defer four of its payments up to a maximum of $5.5 million and that these payments be added at the end of the reimbursement process agreed upon by the province and the government of Canada.

The net cost of the transaction for the federal government will therefore be of approximately $1,100,000. For the coming year, Ottawa will conclude no similar agreements.

The agreement was to be what La Fontaine would call "a one shot affair".

In conclusion, the bill when voted will allow the winding-up of the Canadian Corporation for the 1967 World Exhibition as a body corporate. The bill protects the rights of the individuals with claims against the Corporation, as well as the rights of the Corporation, by means of a transfer of the appropriate powers to the Minister of Industry, Trade and Commerce.

Paragraphs A) and B) of Section 18 and Sub-section (1) of Section 19 of the Canadian Corporation for 1967 World Exhibition Act are not repealed. They refer to the protection of trademarks, symbols and copyrights and exempt the Corporation and its property from the provisions of the Surplus Crown Assets Act.

Therefore, the said provisions of the Canadian Corporation for 1967 World Exhibition Act remain in force, even if the act itself is intended to be repealed.

If I can, I shall table the Annual Report of the Corporation for the year 1968 this afternoon. I hope to have available the number of copies required before 5 o'clock, and immediately after second reading, the bill will be referred to the finance, trade and economic affairs committee, for detailed study.

Mr. Valade: Mr. Speaker, I have a question for the minister.

Mr. Speaker: I think the hon. member for Sainte-Marie has a question.

Mr. Valade: I wish to point out to the Minister that in his remarks, he did not refer to "Habitat". He did not specify whether this was considered as a lost investment or whether the government had studied the possibility of charging it against the account of the Canadian Corporation for the World Exhibition or of the Central Housing and Mortgage Corporation. He did not say either whether the benefits deriving from the undertaking would be considered as an asset or a liability in the Corporation's balance-sheet.

Mr. Pepin: Mr. Speaker, for the purpose of this act, it is enough to say that "Habitat" is part of the federal holding. The question of whether it should be considered as assets or liabilities has no bearing on the bill under consideration.

[*English*]

Hon. D. S. Harkness (Calgary Centre): Mr. Speaker, to put the purpose of this bill in words somewhat different from those of the minister, it calls upon Parliament to officiate, in the words of a tag end of verse at the last sad obsequies of Expo. In 1967, we had a big birthday party in Canada and I think everybody recognizes that one of the most important and successful aspects of that was the 1967 World Exhibition or Expo. As world exhibitions go, this was one of the most successful, if not the most successful, ever held.

The minister has made a long and extremely laboured effort to defend the distribution of the assets. His explanation was so laboured and complicated that I doubt if many people understood him. He recommended that members read the report in *Hansard*, but I doubt if they would even get a clear picture of the situation there.

As I said before, we had a big birthday party and now we must pay for it, and for Expo. I think we in this chamber must examine how the very large amount of money required for Expo was spent to see whether there was waste and extravagance and whether the escalation of cost can be justified. The original estimate put before Cabinet was for a deficit of $40 million and it was agreed that of this the federal government would pay $20 million, the Quebec government $15 million and the city of Montreal $5 million. These grants were made but what was the final result? The Auditor General's report for the fiscal year ending 1968 showed a deficit of $273,500,000, but today the minister tells us that the deficit is now $285 million. In addition, there is about a million dollars in interest on deferred payments from the Quebec government and there is probably some interest due on money which the government borrowed in order to supply funds to the Canadian Commercial Corporation to meet its commitments. I do not see this item included in the Auditor General's report.

• (4:00 p.m.)

I think it is essential that the Standing Committee on Finance, Trade and Economic Affairs, to which this bill is being referred, go thoroughly into the determination of what the costs have been. Although I have seen the figures based on the Auditor General's research up to the end of 1967 and heard the minister speak about them today, I still do not know what the cost is. Actually, the Auditor General himself does not know what the cost to the Canadian taxpayer has been, as I shall show later, nor does he know what the cost will be in the end.

The escalation of costs is symptomatic, I think, of the manner in which the Liberal government has conducted itself during the past six years. The cost to the Canadian taxpayer of Expo was to be $20 million; that cost has escalated to a present known figure of $145 million, which is a seven-fold increase. That increase is greater than for the Arts Centre, which originally was to cost $9 million and wound up costing somewhere between $45 and $50 million. The final cost will be close to $50 million. While the cost of the Arts Centre increased by a multiple of five of the original estimated cost, the cost of Expo escalated by a multiple of seven of the original estimated cost, and we have no explanation as to why these costs should have escalated to such an extent. Why has such a huge deficit finally developed in connection with these undertakings? Certainly, I do not think opposition members of the House are prepared to pass this bill without hearing some satisfactory explanation of these terrific increases in cost which have taken place.

Anyone looking over the Auditor General's report for the year ending March 31, 1968, and reading his comments from pages 32 to 38 and 184 to 188 in connection with the Canadian Corporation for the 1967 World Exhibition will feel his hair stand on end. He will find that things happened which ought not to have happened and that the earlier comments the Auditor General made about the conduct of this Corporation's affairs were ignored. I wish to refer to a number of these incidents, as reported by the Auditor General. Of course, all this shows that if the government wishes to save money it ought to increase the Auditor General's staff instead of decreasing it. If it wants to guard against its own thriftlessness, the government ought to increase the Auditor General's staff.

One of the matters dealt with at page 32 of the report is the inability of the joint auditors—of the Auditor General and the Auditor of Quebec—to express an opinion as to the correctness of the revenues of the Canadian Corporation for the 1967 World Exhibition. The last paragraph on that page of the report reads:

> Prior to the opening of the Exhibition, the auditors drew to the Corporation's attention certain aspects of internal financial control that required improvement and certain important decisions... had to be taken—

Then, the report continues:

> However... the joint auditors were unable to express an opinion as to the correctness of revenues aggregating $101,438,000—

This situation was communicated by the auditors to the then Minister of Trade and Commerce, who is now I think our Secretary of State for External Affairs, and to the Minister of Industry and Commerce of the Province of Quebec. So, here we have a statement that $101 million was taken in by the Corporation, but there is no proper means of checking the figures. The Auditor General does not know whether the statement of revenue is correct and cannot say how much money may have been lost. The matter was brought to the government's attention at that time but nothing was done. This, in other words, is another example of the carelessness and ineptitude of this government.

Mr. Pepin: Mr. Speaker, may I ask the hon. member a question or direct a remark to him. I know how fair he is and I do not think he would respect me if I were not to say that these points were raised and answered before. I will appear before the committee soon and will explain, with the help of my officials, all these matters. I think it would be wrong if we were to leave the impression at this time that the matter has been swept under the carpet, because it has not been.

Mr. Harkness: Mr. Speaker, I am not saying it is under the carpet. It is not under the carpet precisely because the Auditor General brought the matter forward.

Mr. Pepin: No, no.

Mr. Harkness: The minister says, no. Well, I was merely reading from the Auditor General's report to the members of the House of Commons, and that the report shows how well or how badly the government has handled the taxpayers' money.

Next, may I refer to the disposition of the Corporation's major assets, something the minister spent a good deal of time explaining. The Auditor General says that there was an agreement between Canada, the province of Quebec and the city of Montreal, with regard to the disposition of major assets. The report, at page 33, reads:

> ...it was pointed out that the clauses of the agreement dealing with the distribution of assets and liabilities on the winding up of the affairs of the Corporation appeared to be expressed in such general terms that there could be difficulties in their ultimate interpretation and implementation. However, no action was taken to clarify these clauses.

On this point, the minister tried to make a plausible sounding excuse by saying that it would have been so difficult to implement the

agreement that it seemed better to scrap it and to transfer the assets of the Corporation to the three levels of government for the nominal sum of $1. The report reads:

> However, the assets were not distributed in the manner apparently contemplated by this agreement. On the authority of the Governor in Council, ownership of the bulk of the Corporation's capital assets was transferred at December 31, 1967 to the three governments for the nominal sum of $1.

Under this arrangement the assets, according to the report, were transferred as follows: Canada received $59,876,000; the province of Quebec, $4,754,000, and the city of Montreal, $135,095,000. Of course, under the agreement 50 per cent of the assets ought to have gone to Canada, 37½ per cent to Quebec and the remaining 12½ per cent to Montreal. Any deficit was supposed to be met proportionately, according to the same percentages. The federal government, in other words the taxpayers of Canada, is called upon to meet 50 per cent of the deficit of $285 million. The province and the city of Montreal took up the remainder.

To judge from what has happened, it does not seem as if the government has taken good care of the Canadian taxpayers' money. Certainly, the executor of any estate who undertook to give away the assets of an estate and yet agreed to meet the liabilities of the estate would soon find himself in serious difficulty with the courts.

• (4:10 p.m.)

Mr. Baldwin: They need a trustee in bankruptcy.

Mr. Harkness: On page 186, the Auditor General states in paragraph 228 in connection with the general handling of contracts:

> In paragraph 226 of our 1967 Report we pointed out that a number of procedures followed in connection construction projects had the effect of materially weakening financial control. These included amending contracts subsequent to the work having been completed in whole or in part without prior ascertainment of the additional costs involved, making a substantial number of progress payments to contractors without complete verification, and renegotiating bid prices with the lowest tenderer for modified programs without the benefit of competitive bidding. These procedures were continued throughout 1967.

In other words, in spite of the Auditor General having complained about this type of procedure, the government continued to act in the same way as before with a consequent continued escalation in the cost of these things. If we look at some of the costs as far as construction is concerned, we find evidence of terrific escalation. On page 35, the report deals with the cost of Habitat. The estimated cost was originally $11.5 million. It ended up at $22,686,000—an increase of 100 per cent. The report enters into considerable detail concerning the mistakes which were made in letting contracts, the delays which added to the cost, and so on, leading to expenditures on a scale which only the government could possibly stand. In the end, of course, it is the Canadian taxpayer who has to find the money.

I shall not go into further examples. As I say, the detailed comments of the Auditor General on this particular operation take up more than ten pages of his report. They disclose, undoubtedly, that there has been a great deal of carelessness and inattention on the part of the government concerning what was happening. A very large amount of money was wasted. The amount paid out in extra salaries alone totals something well over $10 million, made up of overtime payments made necessary by the poor spacing of work, termination allowances and things of that sort.

The minister talked at considerable length about the way in which the assets have been disposed of so far. I would be interested in knowing the precise nature of the assets, still held by Canada said to be worth between $50 million and $60 million, which the dominion government has received. It seems to me the most iniquitous clause in the bill is clause 6, which deals with the method of the disposal of these assets. It reads:

> The minister shall dispose of the assets and liabilities to which this Act applies in such manner as the Governor in Council, with the concurrence of the Lieutenant Governor in Council of Quebec, may direct.

In other words, it is a blank cheque enabling the minister to do anything he wants to do with these assets. I submit this is a clause which should be changed. Parliament should provide that these assets be disposed of to the highest bidder by public tender, or some other arrangement along those lines. It should not be possible for them to be disposed of entirely at the convenience or whim of a minister. It is true that the concurrence of the Governor-in-Council is needed, but we all know the Governor-in-Council is preoccupied by so many things that the minister's recommendation, whatever it is, is likely to be accepted without question.

Mr. Pepin: You should trust me more.

Mr. Harkness: Mr. Speaker, I do not think our system is based upon trusting a minister to do what he thinks best with public money and public assets. Our system is based on control of the executive by the legislature. This is why I am attempting to impress upon the minister the need for control by this parliament over the disposal of these assets, and such control can only be exercised by saying there should be provision for public tenders and so forth.

As to the write-off of $125 million for which the bill provides, I would point out that the minister has not yet, at least in an intelligible way, indicated just how this $125 million is made up. This, too, is information with which we should be provided.

There are a great many more complaints one could make with regard to what was done, and not done, by this Corporation. However, I do not wish to take any more time this afternoon on that subject. I repeat that I trust there will be no disposition on the part of the government to push this bill through the committee on Finance, Trade and Economic Affairs before it has received a thorough examination.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, in 1967 we had a big party. Even more than two years later we realize, I think, that it was a tremendous success, that we enjoyed it and that it did something for Canada.

All parties have to be paid for, of course. Sometimes they are paid for in advance, but most often they are not paid for until after they have been enjoyed. It would seem that this is what we are being called upon to do in the bill which is now before us.

The party was a bigger one than we had planned; it cost more, and now we have to foot the bill. One cannot but agree with the hon. member for Calgary Centre (Mr. Harkness) that in retrospect there is evidence of extravagance, waste and poor planning which might have been avoided. The Auditor General is a very good witness in this connection. But even after this has been asserted, the fact remains that the bill has to be paid, and the question before us is a very simple one: who is going to pay it? The Government of Canada is obviously taking the position, and so recommending to parliament, that this was a national event, that the mere fact of its location in one part of the country, Montreal—I am referring in particular to Expo—does not mean that the people of Montreal or the people of the Province of Quebec should pay more than their fair share of it. Rather it means that the people of Canada as a whole should pay a major share of the cost of Expo which, as we all recall, was one of the major items on the program for our 100th birthday party.

• (4:20 p.m.)

Therefore, while I cannot but go along with the kind of criticism made by the hon. member for Calgary Centre, I think in all realism we would have to admit that we are now presented with a fait accompli: we are now presented with the bills, and the bills have to be paid.

I would remind you, Mr. Speaker, as I have reminded the House on other occasions, that Expo was not the only national event in our centennial year. There were indeed events of various kinds in every province, in every city, and in many of the towns, villages and hamlets of this country. Moneys were raised in one way or another to finance those celebrations and parties. Most of them, I trust, have been paid for by now; and I share the minister's hope that it will not take us as long to wind up our 1967 events as it is taking France to get over the exposition it held during the last century.

I am sure no one in the chamber has any doubt as to the direction my remarks are taking. One of the other big national events in 1967 was the holding of the Pan-Am games in Winnipeg, or, to use the full title, the Pan-American games. Let me stress the fact that although those games were a much smaller event than Expo, they nevertheless constituted a part, and a very successful part, of the national celebration of our centennial year. Everybody recognized this. It is also a fact that the federal government joined with the government of the province of Manitoba and the city of Winnipeg in helping to pay the cost of the Pan-American games.

Having said that, I think I can add that even two or three years later we still enjoy in retrospect the experience of Expo. It is still true that in Winnipeg we are still enjoying the experience of the Pan-American games, and we are pleased and proud to have in our city such buildings as the Pan-Am pool and other structures that were erected for the Pan-Am games of 1967.

However, just as the actual cost of Expo was greater than its anticipated cost, so the actual cost of holding the Pan-Am games was greater than anticipated. It is the view of all

of us from Manitoba—I am sure I can say all of us—that just as the government by this legislation is helping Montreal and Quebec to meet the deficit incurred on Expo, so the federal government should assist Winnipeg and Manitoba to meet the deficit of the Pan-Am games.

May I point out without hesitation or qualification that the federal government did in fact pay the full amount in respect to the Pan-Am games that it contracted to pay. Therefore, any request that is now being made for additional money is a request that is made in light of subsequent experience, but this is experience that is precisely the same as that in the case of Expo. The government has stated that what it is doing in the case of Expo is simply writing off debts that are on books; that it is not turning over to anybody any extra dollars or pieces of paper. The bills have been paid and the money has been spent. The federal government is simply saying that it will not require Quebec or Montreal to pay back the debt owed to Ottawa.

The Winnipeg situation is slightly different. The debt is one that is owed by the city of Winnipeg, and if Ottawa is going to assist Winnipeg it means that some further dollars, some further cheques or pieces of paper, will have to be turned over to Winnipeg. But I submit that difference is a pretty technical one. In the long run, it is a matter of dollars and cents, a matter of balancing the books. I further submit that the case for Winnipeg with regard to assistance of this sort is on all fours with the case that is being made by Montreal and Quebec with regard to Expo.

I speak with feeling and concern about this matter. But I am not manning the barricades or shouting at the top of my voice because I dare to believe that the views I am expressing are shared on the government side of the house. I know they are shared by private members of the Liberal party from Manitoba. Back home in Winnipeg, we understand there have been exchanges of correspondence between the mayor of Winnipeg and the Minister of Supply and Services (Mr. Richardson). It is also our understanding that the Minister of Supply and Services, who is a member of the government from the province of Manitoba, is as concerned about this question as are some of the rest of us. It is my hope that just as some of us are making the case here on the floor of parliament, so is he making the case inside the cabinet.

[Mr. Knowles (Winnipeg North Centre).]

May I point out that although I talk about a case that is on all fours, a case that is parallel, with that of Montreal, when it comes to the amount of money involved we are talking about two completely different kettles of fish. In the case of Montreal, as indicated in the speech that the minister has just made, we in this House are being asked to write off $120 million odd; in other words, Ottawa's share of a deficit of $240 million, if my figures are roughly correct. In the case of the Pan-Am games the deficit facing the city of Winnipeg is only a little over $1 million. We are talking about peanuts, on the one hand, compared to what is being handed out on the other.

Mr. Deputy Speaker: Order. I am sorry to interrupt the hon. member but I must say I am having some difficulty seeing how the remarks he is now making are really relevant to the bill before the House. Bill C-6, in its preamble, states that it is an act to wind up the Canadian Corporation for the 1967 World Exhibition. It is with some misgiving that I interrupt the hon. member since he is an expert on the rules, but it does seem to me that when he gets into parallel cases—and the instance he cited may well be a parallel—the rule of relevancy excludes that type of argument.

If the hon. gentleman would like to argue the case, I would be delighted to hear him; otherwise I would prefer that he conclude his remarks on this aspect of the debate.

• (4:30 p.m.)

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I am really surprised that you have any difficulty procedurally in respect of this matter. You have read a part of the title of this bill. You read:

An act to wind up the Canadian Corporation for the 1967 World Exhibition—

You did not read the rest of it which states:

—and to authorize the writing-off of certain costs and the deferral of certain payments connected therewith.

I submit with great respect that if we are being asked to write off certain costs of something that was part of our 1967 Centennial celebration, then I have the right to draw a parallel and suggest that the same treatment—equality of treatment in this just society we are now living in—should apply in other parts of the country.

The agreement under which money was paid to Expo was an agreement concluded between the federal government and the

province of Quebec, with Montreal in the picture as well. The money that was paid to the Pan-Am games was paid as a result of an agreement between the federal government and the government of Manitoba, with the city of Winnipeg in it as well. I submit these are parallel propositions.

If we are trying to wind up our 1967 celebrations before 1970, instead of taking 100 years as they are doing in France, we have the right during these discussions to remind the government of some elements of this situation it seems to have overlooked. It is on that basis that I should like to make this case. If I have not persuaded you procedurally, I hope I can persuade you to be patient by saying I have not much more to say at this time. Perhaps that is more convincing to the Chair than my procedural argument. I gather from your gracious smile that it is.

May I just say that it was shortly after the Minister of Finance (Mr. Benson) gave us the budget on June 3, in which he announced the write-off of the Expo deficit, that I asked him—it was on June 10 as recorded in *Hansard* at page 9933—whether he would agree to the same kind of consideration for Winnipeg he had accorded to Montreal. I got an answer, the spirit of which I have already referred to. A couple of questions which I asked later on seemed to leave me in the same position. I had a private talk with the minister at one point toward the end of July during which he suggested I should write him. I wrote him on August 8 and gave him, in the best terms that I could, the facts of the matter. Not having received a reply by September 9, I wrote him again on that day and reminded him of my letter of August 8 and of our previous conversations. On September 15, I got an acknowledgement from Mr. T. K. Shoyama informing me that my letters were being considered and that I would receive a reply later.

By Wednesday, October 29, not having received that promised reply, I raised the matter during the oral question period and the minister replied in these terms, as reported in *Hansard* at page 242:

> If I have not answered my hon. friend's letter yet, I apologize sincerely and will make sure that the answer goes out very shortly.

I still have not received an answer. I still do not intend to raise my voice or shout because I hope that the time being taken indicates that the point is being considered at cabinet level, that the argument I am making does have some merit, and now that we are winding up our 1967 costs we will deal not only with this great big one with respect to Expo, but that we will deal with this one that has come to us from Winnipeg.

I will try to draw this to a conclusion. I said that a moment ago, and if I say it again I hope it will keep you, Mr. Speaker, from interrupting me. I should like to point out that there was an agreement between the federal government on the one hand and the provincial and local governments in Manitoba on the other, on April 8, 1965, under which the costs were to be divided: five-elevenths to Ottawa, four-elevenths to the province and two-elevenths to the city of Winnipeg. Later on certain amounts were added because the Pan-Am pool was built and so on. Through the piece there was a pretty good relationship. There was an awareness of the fact that costs would mount, but when the party was held and when all the bills came in there was much more spent than had been anticipated, not astronomical as in the case of Montreal, but enough that the amount now to be paid by the city of Winnipeg is just too much for a city of that size.

There is a deficit in both cases. We are prepared to write off $120 million in respect of Expo '67. I do not object because, as I said before, this was a good party and Canada is better off for having had it as part of its 100th anniversary. But Winnipeg also made a major contribution to the celebrations of that year. It has a deficit of a little over $1 million, and it is help in clearing off this amount that is being sought from the federal government. I hope that favorable consideration is being given to this matter.

I think this is a solid case. It is being pushed by Mayor Juba of Winnipeg and the Winnipeg city council. It is being pushed by all of us who are the Manitoba members of this House. I hope this matter will be dealt with favourably. After all, we are simply asking for fair play.

Let me say again that all of us are a little astounded at the total cost of Expo. It went far beyond what we anticipated. It is also true that our enjoyment was greater than we anticipated. What it amounts to is that we have to pay the bill now that the party is over. If I may allude again to the minister's reference to the situation in Paris, let us not leave out tag ends. If we are winding up the cost of celebrating 1967 in Canada, let us do the complete job. Let us not only do the fair thing for Quebec and Montreal, let us do the

fair thing for Winnipeg and Manitoba, where we made a major contribution to the celebration of 1967 through the very successful Pan-Am games that were held in my city in Canada's Centennial year. As I have already said, all we are asking for is fair play, and that is why I believe this request is germane to this bill.

Mr. Steven Otto (York East): Mr. Speaker, I will take only a moment of the time of the house. I speak now because I do not think the remarks of the hon. member for Calgary Centre (Mr. Harkness) should pass without comment. What he said was that we have an awful hangover. We had a good time at the party and, as the hon. member for Winnipeg North Centre said—

Mr. Knowles (Winnipeg North Centre): I had a good time, but no hangover.

Mr. Otto: The hon. member for Calgary Centre said we had a good time and an awful hangover because we ate and drank too much. He did not suggest that he was at that party, he just said that we should not have eaten or drunk so much. Surely, he will recall that he was here at the time we encountered difficulties and a threatened labour strike. Members of his party and he himself said we should get the '67 exposition on the road by 1967, not 1968, and the devil take care of the cost.

Questions were being asked daily as to whether we were going to complete the building on time. We finally had to get the late Hon. Robert Winters to take over. It was suggested there was only one way to finish the job on time and that was by working 24 hours a day. We were lucky to finish on time. For one to say now that there was mismanagement is completely out of order. He was one hon. member, along with others, who encouraged this government to get this exhibition ready on time in spite of the cost.

• (4:40 p.m.)

[*Translation*]

Mr. Valade: Mr. Speaker, I would like to add some comment concerning Bill C-6 being introduced by the Minister of Industry, Trade and Commerce (Mr. Pepin). I would like to say that the previous speaker made uncalled for remarks when he repeated an expression which seemed to come from this side of the House, i.e. "The devil with the cost". Mr. Speaker, I do not feel that this is a case of inaccuracy, but rather a gratuitous assumption by a member looking for an excuse for a lack of precision on the part of the minister himself.

In any case, I do not want to deal with this question at length here. I would merely like to take advantage of this introduction, Mr. Speaker, to express the most sincere sympathy of all members, and even of all Canadians, to the families of the great builders of Expo, namely the late Senator Mark Drouin and the late Pierre Dupuy, who, in my opinion, have been the cornerstones, the foundations of what has been done at Expo. I take this opportunity to extend to their families my most heartfelt sympathy.

Mr. Speaker, Bill C-6 is very specific in its request to Parliament. Indeed, hon. members are asked to agree that the government write off the deficits accrued during the operation of Expo '67. I think it appropriate for me to state, Mr. Speaker, that in my own opinion and in the opinion of the majority of Canadians, Expo '67 has really been the event of the century for Canadians. It enabled us to celebrate adequately the centennial of our Confederation, and to become aware of our Canadian environment, with its differences, its requirements, its greatness and its variety.

On April 7th 1965, the former Progressive Conservative prime minister, the right hon. member for Prince Albert (Mr. Diefenbaker) said, speaking of Expo: "The reputation of the Canadians is at stake". To my mind, that was true: that colossal undertaking, we were staking the reputation of the Canadians.

Obviously, today we agreed to pay the bill, to pay the losses. Parliament is responsible for the moneys entrusted to it by the taxpayers, and it is responsible for giving them an account of the way in which those funds were managed.

It is certainly not encouraging for the public to be told that the government must make up $225 millions in losses. Nor is it pleasant for the citizens of Montreal, and elsewhere in Quebec, to have to pay, in addition to their share of the cost of the undertaking, additional expenses in municipal and provincial taxes.

But Expo was more than a regional achievement. It brought renown to Canada throughout the world; it focused attention on the many talents we had to offer in the fields of engineering, architecture and industry.

I feel that we proved to the whole world that Canada knows how to do things, that we are capable of competing in every field with all the countries in the world.

Of course, a deficit adds the already heavy burden the taxpayers must bear through many taxes. But we should not dwell only on the negative aspect of Expo. There is also its positive aspect, that is the various undeniably benefits Canada derived from it. The Quebec government and the municipalities are not without having also somehow benefited by it.

There is no point in emphasizing the benefit, for the country as a whole, of the flow of new visitors invited here on that occasion, who would probably not have come to Canada under other circumstances. We should not forget intangible factors such as encouragement to industry, innovation in the field of employment, and also the important income directly or indirectly accrued to the federal government through taxes levied on building materials and goods sold in Canada during the time of Expo. Had the federal government, however, accepted from the start the suggestions offered by the members, the deficit might have been curtailed. I remember, among others, a suggestion I made to the then minister of Commerce, the hon. Robert Winters. I had suggested allowing for the time of Expo a lottery the profits of which would have helped to meet part of the deficit. At that time the hon. minister had appreciated my suggestion though he did not follow it.

Considering the results of such a lottery in the city of Montreal, I believe that the 50 million people who have visited Expo would have, indirectly though voluntarily, contributed to bring down the deficit we are complaining about today.

The hon. minister was speaking a while ago of the Paris international fair of about one hundred years ago. I would like to remind him that it was precisely on this occasion that the French national lottery was instituted.

[*Translation*]

This is why I say, Mr. Speaker, that the government tell us about the deficits which they must assume, but rather cleverly, they evade a little too easily the responsibilities that were theirs, that is, they had to make sure before and not after that these moneys would be spent reasonably.

In order to enlighten a little the hon. minister of Industry and Commerce, who is responsible for Expo to the House, I would like Mr. Speaker, to refer to page 387 for the record of the House of Commons debate of the 28th of January, 1966. I will quote in English the statements of Mr. Winters.

[*English*]

I do want to say, in order that hon. members will be aware of the controls that are exercised, that the act provides that the corporation's expenditures must be approved by the board, the treasury board of Canada, the governor in council of Canada, as well as the treasury board of the province of Quebec and the lieutenant governor in council of the province of Quebec.

[*Translation*]

That statement, Mr. Speaker, was made a year before Expo 67 operations began. I am coming back to the quotation:

[*English*]

The corporation operates under a master plan which budgets for all expenditures and revenues. Annual capital and operating budgets are approved by the board—

The board of the Corporation.

—the treasury board of Canada, the treasury board of Quebec, and the governor in council and the lieutenant governors of Canada and the province of Quebec. That is quite a gauntlet to run.

I shall continue because I think this is very important:

• (4:50 p.m.)

In addition, all expenditures of the corporation exceeding $100,000, or $25,000 where property is being acquired, require advance approval of the board, the treasury board of Canada, the Quebec minister on the advice of the Quebec treasury and the governor in council. I found the control procedures to be in keeping with good sound practices. It might interest hon. members to know that the corporation's operating procedures have been patterned on those of government departments and crown corporations and conform to the best practices of private enterprise.

[*Translation*]

Mr. Speaker, the government should see to it that the amounts are spent in an orderly and responsible way. The former minister had given us the assurance that the government would exercise a more efficient control on the Crown Corporations' administration. That was said a year before Expo. We have now come to the winding up of that company's assets, properties and securities, and the minister says that the Auditor General had made those remarks, I believe, once the Exhibition was over and that the government had done the utmost to make sure that the amounts would be properly spent.

That is why I refer to the Auditor General's report, pages 32 and 33, and more particularly to paragraph 65, that shows precisely that the

government acted contrarily to the guarantee given by the former minister, Mr. Winters.

I quote the second paragraph of section 65:

> Prior to the opening of the Exhibition, the auditors drew to the Corporation's attention certain aspects of internal financial control that required improvement and certain important decisions that had to be taken before the opening of the Exhibition with respect to the procedures to be followed during the Exhibition for the handling of the substantial amounts of cash and the recording of revenues from admission passports, tickets, parking fees and other sources.

Mr. Speaker, while we can neither blame nor praise the government for having carried out a project which had been embarked upon and which was to be the crowning achievement of the century, the government is nevertheless responsible for the way it manages public property. We find that, in this case, public property was not under the control of the present government, or that it did not keep the promises made a year earlier by the predecessor of the present minister.

Mr. Pepin: Mr. Speaker, if the hon. member will allow me, I would say that answers were given to the Auditor General as regards the points he mentioned. As for myself—and the officials who will appear before the committee could say the same thing—I am prepared to answer each of these questions.

A moment ago I was discussing this matter with the hon. member for Calgary Centre (Mr. Harkness). All I ask is that the government not be found guilty before getting a hearing. The fact that the previous speaker does not accept the answer given by the government does not mean that there is no answer. In connection with the remarks of the previous speaker, I can answer that only $97,000 have not been accounted for, which is an exceedingly small percentage, a "record" percentage, in a venture of that kind, if one recalls that an amount of $107 million is involved.

I will answer all these questions before the committee. However, one should not infer that the government did not answer, or had no answer to offer.

Mr. Valade: Mr. Speaker, I thank the minister for those particulars. I am not talking about the amounts which cannot be traced or have not been satisfactorily accounted for in this report, although they will be at the parliamentary committee, according to the minister, but I say that certain sums of money which were spent, and many of which are

presented to us in the form of a general balance-sheet, escaped government control. Perhaps the minister will allow me to prove my point by giving concrete examples.

I will first deal with Habitat 67 which is mentioned in page 40 of the Auditor general's report. As my colleague was saying a minute ago, this undertaking which had first been estimated at $11 million finally cost $17,982,000. The point I want to make is that when this program was developed the government did not exercise the necessary supervision to ensure that the money would be well spent and that the contractors would receive a lump sum after completion of the project. It was content with foreseeing in a general way the carrying out of the operations. And I am most upset as regards Habitat which I consider a monstrous extravagance. Certainly this question should have been put before the minister in charge at the time, I find it extravagant that $1,891,000 should have been paid in professional fees for the plans and estimates of this project alone.

• (5:00 p.m.)

If the government finds it normal that we should pay $1,891,000 to build such a monster, what I would like to know from the minister is whether this expense was made with the preliminary consent of the government or whether the government is now facing an accomplished fact and is simply bound to pay the shot?

According to Volume III of the Public Accounts of Canada, (1968), details on the assets of the Canadian Corporation for the 1967 world exhibition show terrific increases in the related expenses.

I want to refer to page 30 of Volume III of the Public Accounts, under the item "Personnel Expenses". We find that the amount of $9,273,307, earmarked for 1967 salaries finally totalled $28,091,629.

For administration purposes, legal fees amounting to $65,157 had been provided for. However, they actually came up to $291,698. A surplus of some $230,000 was apparently paid in legal charges.

I imagine the Corporation of the World Exhibition resorted to the services of counsels. The committee should try to find out why there was such an overpayment in fees.

We will also find, on page 31 of the Public Accounts, in Schedule 2, the items listed under the heading "Advertising and Publicity

Costs". This definition is quite vague, and I do not want to deal so much with commercial advertising as with consumer advertising. Expenditures went up from $2,127,177 to $7,439,999.

And further on, under the same heading, the item Consumer Advertising was added, and further below, the item Information.

The funds granted under this item went up from $2,655,000 to $5,616,000. I wonder if there is a difference between publicity and information or whether information and publicity are different for accounting purposes. However, I feel that when we add up all those figures under the item publicity, the total of $9,805,000 goes up to $20,928,000. This is therefore an increase of $11 million for the publicity item alone.

Mr. Speaker, as most Canadians, I was delighted by Expo. Like everybody, I saw in it a way for Canadians to really show the world that they were talented, that Canada was a country worth discovering and that it offered great opportunities to all. In Canada, even if we are somewhat remote from Europe, and in spite of a population smaller than that of other countries, there are enough qualified persons to carry out a project which has been envied by all countries.

Nonetheless, Mr. Speaker, like all Canadians, I was pleased with this manifestation which did much to make Canada known throughout the world. During the world exhibition, there was a slackening in several areas of the administration and I might prove my point by giving an example that will undoubtedly impress the minister, because those are things in which I have been personally involved.

One day, I had been asked to represent the Canadian government and to replace the protocol officer, I believe. The hon. Lionel Chevrier had asked me to represent the Canadian government—in short, parliament—at an official gathering. I think it was to welcome on that day the representatives of Czechoslovakia. I had accepted offhand to replace the chief of protocol. On the eve of that official reception at Expo, I had forgotten to inquire as to the means of transportation available to me from my residence to Place des Nations. Therefore, I telephoned the Protocol Office to ask them at what time I could be picked up at my place to be taken to Place des Nations, since I had noted, as did many others, that several limousines were available to the directors of the Corporation and a few other high officials. I was told—and I must add to further illustrate this funny situation that for such receptions the lady has to wear a formal grown and the gentleman must be in formal attire, which means the striped pants—I was told quite naturally that I would have to take the subway to get to Place des Nations

I do ask the minister to try to visualize what kind of a figure the representative of the Canadian government would have cut, since I was not attending as a private individual. In fact, I had been asked to represent the Canadian government and there was no limousine available for my transportation. At Expo, that Corporation which had become all powerful at one time, which had the right to decide what it wanted—as can be seen by its deficits—had not realized that representatives of the Canadian government should have been entitled to the limousine service, and we were asked, my wife and I, to take the subway to get to Place des Nations. I have difficulty picturing how a representative of the Canadian government travelling by subway would have looked, in the eyes of the people.

I might then have become as famous as the Prime Minister (Mr. Trudeau) during his election campaign, through the strangeness of my garb. Mr. Speaker, although there is something cynically amusing in that incident, I feel that the Corporation may not have understood that it held its authority, its responsibility, from the government. When a corporation provided with hundreds of millions of dollars goes along so merrily in such things as that, I am not surprised that it did not make it a point to balance its budget, and that today we should have to ask the people of Canada to foot the bill.

I trust that, after those remarks, the minister will go before the parliamentary committee feeling duty bound to answer the questions which, when one really wants to get to the bottom of things, must be asked.

I have no intention, through my remarks, of casting any doubt on the integrity of the administrators of the Corporation. I do feel there was an element of urgency. There was much to be done, in very little time. As one of our colleagues said a while ago: no one has more than 24 hours in a day and, obviously, there was much to do and very little time in which to do it. However, that does not justify the fact that funds were spent without reason.

Dissolution of 1967 Expo Corporation

Mr. Speaker, I feel that the committee should see to it that the minister answers all those questions

[*English*]

Mr. A. D. Hales (Wellington): Mr. Speaker, I appreciate the opportunity of making a few brief remarks at this time concerning Bill C-6. First, I would like to endorse what has already been said about the great success of Expo '67. As a matter of fact, its unparalleled success brought millions of people to our shores, attracted some 60 odd exhibitors, and all-in-all it was a tremendous success. There is no argument about that point in this House or anywhere else in Canada. However, we as Members of Parliament are now asked to defray some of the expenses connected with that great show.

I should like to deal with that part of this situation which affects all members of this House, regardless of party affiliation. In 1962, parliament passed an Act stipulating how Expo should operate and indicating that it should be managed in a businesslike way. Employees of the government of Canada were entrusted with this task.

In this connection, I wish to quote from the auditors' annual report for 1967 on the Canadian Expo Corporation. The auditors were the Auditor General of Canada and the Auditor of the province of Quebec, and in that report they said:

> The inadequacies of the financial controls referred to in previous reports still existed at the time the Exhibition opened. Certain revenues could not be effectively checked by us and we are unable to express an opinion on the correctness of the following amounts shown on Schedule 4 of the attached financial statements—

Four years prior to that, the two auditors had informed corporation officials that they were not keeping the proper accounts and records necesssary for them to do an effective audit.

• (5:10 p.m.)

What was done about it? Apparently nothing was done. The Corporation continued ignoring the reports of the two auditors and now we find ourselves in this situation today.

Mr. Pepin: That is not right.

Mr. Hales: Section 13 of the Canadian Corporation for the 1967 World Exhibition Act states:

> The Corporation shall maintain in its own name one or more accounts in a chartered bank designated by the Minister of Finance with the approval of the Minister of Finance of Quebec.

That is what the act states, and that is what members of this House asked the Corporation to do. But what did they do? Well, let's see.

> Although two chartered banks had been designated, the Corporation conducted its banking business during the year with a third bank which had not been designated by the Minister of Finance—

They even ignored the Minister of Finance and engaged a third bank.

> —and with another financial institution which was not a chartered bank.

I ask you, gentlemen, are we in this House of any use at all if the legislation which we pass is ignored? It does not matter which side we sit on, we cannot approve of this type of conduct. The report goes on:

> The Corporation shall, as soon as practicable and in any event not later than one year after the coming into force of this Act, submit for the approval of the Governor in Council and the Lieutenant-Governor in Council its over-all plan for the Exhibition, setting forth the various undertakings and projects proposed by the Corporation in connection with the planning, organizing, holding and administering of the Exhibition, the estimated cost of each such undertaking or project and an estimate of the total capital costs and operating costs of the Corporation in respect of the Exhibition.
>
> Any material changes in the plan referred to in subsection (1), including estimates of cost therein, shall be submitted by the Corporation to the Governor in Council and the Lieutenant-Governor in Council for approval.

Of course, the Corporation must have done this and given it to the minister who must have approved it. But what annoys each and every member of this House is the failure to abide by the rules and regulations set forth in the Act.

I will not take time to reiterate the examples of extravagance and waste mentioned by the hon. member for Calgary Centre (Mr. Harkness), though he did not mention them all. However, we would not find ourselves facing this deficit today had the incidents brought to our attention by the two auditors not occurred.

Mr. Pepin: You are an optimist.

Mr. Hales: Amongst other things, the Auditor General mentioned the loss on operation of a rented apartment building. The Corporation rented a furnished apartment building which was not fully used, and ended up with a loss of $345,000.

An elaborate gas distribution system was built at Expo costing $743,000 but there was a provision in the agreement with the gas distribution company that should the system still have value after the close of Expo, some of this cost could be redeemed. I understand the distribution system is still in use but the Corporation, without pursuing the possibility of recovering part of its costs, has transferred its rights of recovery to the city of Montreal and Central Mortgage and Housing Corporation. Apparently the Corporation was not at all concerned about redeeming some of the cost.

An extensive telephone service was provided at a cost of $335,000 over and above the regular charges, to cover construction costs. The service is still in use but the Corporation has never approached the telephone company for the recovery of any part of the construction cost. One hundred and nine telephone booths were to be provided to the Corporation at no cost, but apparently they wanted something more elaborate and put in their own design at a cost of $170,000. This sort of thing added greatly to the cost. There is no excuse for those in charge who did not abide by the conditions laid down for this exhibition and do their part to prevent waste and careless spending.

Before I conclude, Mr. Speaker, I should like to ask the minister why the reports were not tabled on time. The Act provides for them being tabled three months after the end of the fiscal year. The 1967 report was tabled on October 2, about six months late, and the minister states that the 1968 report will be tabled today, although it should have been tabled last April according to the act.

I would be remiss, Mr. Speaker, if I did not make mention, as did the hon. member for Sainte-Marie (Mr. Valade), of the two great Canadians who had a lot to do with staging Expo 67 and who have since passed on. I refer to the late Minister of Trade and Commerce, the right honourable Robert Winters. He carried a tremendous load during Expo and I know that these expenditures worried him a great deal. It is most regrettable that a greater effort was not made by those in charge to keep costs under control. Another person who travelled abroad and was successful in having many countries exhibit at Expo was the Commissioner General and President of Expo 67 Mr. Pierre Dupuy, C.M.G. To these two great Canadians we owe respect and offer our condolences to their families.

• (5:20 p.m.)

It is regrettable that the minister has had to come before Parliament and ask that this deficit be forgiven or wiped off the accounts receivable for Canada. There is one other thing I should like to ask in connection with the deferment until 1972 of moneys due by Quebec. Is any interest being charged on these moneys, and what happens if Quebec fails to meet its commitment? These and many other questions I hope will be asked when this Bill goes to the committee. I hope that those who are responsible for letting the show get out of control will be called before the committee and asked to give an accounting.

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have listened with a great deal of interest to hon. members who have spoken on this bill which is to wind up Expo. I do not intend to spend a great deal of time on it. I merely wish to say that Expo celebrated our one hundredth birthday and was eminently successful. I am of the opinion that Expo '67 had a great unifying effect on Canada and Canadians, that it advertised Canada to the world and that the way it advertised Canada will bring us benefits for a long time to come. Nevertheless, despite the good that has come out of Expo and the good that will accrue to Canada as a nation, Members of Parliament should not hesitate to criticize if they find that planning on the financial side has been faulty and lax. That, certainly, seems to be the case with Expo. Like other members of the House, I read with amazement some of the foolish financial arrangements entered into by the federal government with regard to Expo '67. You know, Mr. Speaker, here we seem to see the same old story of cost estimates running wild and no attempt being made by the Corporation or the government to collect recoverable expenses which, in my opinion, should have been taken into account. I agree with the hon. member who preceded me. When the Auditor General's report is before the committee, those who were to keep an eye on the accounts ought to be brought before the committee and asked to explain why they did not adhere to the various agreements we had entered into in financing Expo. They must explain why certain things went wrong.

Mr. Pepin: All that will be done in committee.

Mr. Harding: If we do not ask for all these explanations, we shall not be doing our job as legislators in the House of Commons.

Since hon. members who preceded me covered matters in the report I had wished to bring up, I will not repeat what has been said. May I direct a question to the minister. I expect he will answer me when closing the debate. Why did the government not insist that Expo Corporation establish and maintain an adequate system of internal financial control?

Mr. Pepin: How does the hon. member know it did not?

Mr. Harding: The minister seems to imply that it did establish such a system. I suggest that this procedure was recommended both by the provincial Auditor of Quebec and by the Auditor General of Canada.

Mr. Pepin: It was not.

Mr. Harding: I suggest that, in the end, a financial control system could not be set up because the finances of Expo had reached such a state that the Auditor General could not say exactly how much revenue had been received. This merely shows that financial controls ought to have been set up at the very beginning.

Mr. Pepin: All this will be discussed in committee.

Mr. Harding: All these matters must be aired in committee.

Mr. Pepin: They will be.

Mr. Harding: Possibly the minister may wish to clear up some of these matters in the House this afternoon. Earlier in this debate an hon. member spoke about building costs running wild. For instance, it was estimated initially that Habitat '67 would cost $11.5 million. The federal government entered into the agreement, thinking that that would be the cost. Well, Mr. Speaker, eventually Habitat cost about $22.6 million, double the original estimate. The Auditor General's report lists the reasons for this increase Nevertheless, that the increase should have occurred does not speak highly of those who were supposed to be the watchdogs over government expenditure. We have the same story with the theme buildings. Originally they were to cost $9.1 million; they wound up costing $20.5 million. That is almost a repetition of the Arts Centre story, Mr. Speaker.

[Mr. Pepin.]

May I refer to some points mentioned by an hon. member before me, Mr. Speaker. Since the Corporation built sewage disposal units, a gas distribution system and set up a telephone service system, I submit that certain items of expenditure were recoverable. The Corporation ought to have collected certain amounts from the utilities companies which put these services in and I, for one, will ask the minister to explain why these amounts were not recovered. Why were not amounts of, say, $50,000 or $100,000 collected by the Corporation and applied to the partial benefit of the federal government, the province of Quebec and the city of Montreal? That would have been the proper way to act. Since we entered into an agreement and told the people of Canada about the type of agreement we had with the other interested parties, I submit we should have implemented its terms. There can be no excuse if the minister, the government or any official has let these matters go by the board and so caused the Canadian taxpayer to lose hundreds of thousands of dollars. This is my complaint.

In closing, may I say that I will support the bill, even though its passage will mean ultimately that every man, woman and child in Canada has paid $6. Although I live many, many miles from Montreal, I visited Expo. I realize its value in unifying this country. By the same token, there is no reason for financial laxity on the part of the government or Expo Corporation. That is the point I wish to make in the House this afternoon, Mr. Speaker.

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, it is very difficult for me not to repeat some of the things that have been said this afternoon. Nevertheless, since I come from British Columbia, which was not an original entry into the 1867 coast to coast united Canada stakes, I should like to say a few words today about this bill to wind up the affairs of Expo '67.

Perhaps, Mr. Speaker, you and members of the House will permit me to reminisce for a short while about those great days of our centennial year and refer particular to Expo. Probably the greatest value of that fair, to my mind, was that it provided a focal point for Canadian unity at a time when our national unity was being most seriously questioned. It also proved to be a source of justifiable pride for Canadians everywhere. It would be hard to deny, I suggest, that millions of Canadian hearts beat faster in those

days and continue to beat faster today at the sound and sight of the words "Expo '67". Even the name was new and Canadian. Surely, there must have been few, particularly among Members of Parliament, at the time the planning for Expo first began, who did not expect it would cost money to finish the job properly—more money than was originally anticipated.

• (5:30 p.m.)

It was a gigantic undertaking which lay before the creators of the fair. They had to build, among other things, a large extension to an island in the St. Lawrence, and the work had to be done under extremely arduous conditions. I stand to be corrected, but I do not know of a single genuine world fair in this century which has made money. But I take a special pride in our fair because I believe it set a new worldwide standard of general excellence for fairs of this calibre, while at the same time capturing the imagination of Canadians generally in a way which cannot be measured in dollars alone. They said it couldn't be done, but we did it—and we did it within the framework of what seemed at the time to be an impossible timetable. That is something else to be proud of.

There are other spin-offs, and these too, in my view, are beyond price. I am of the opinion that Expo '67 and all it encompassed came at a most significant time in history. Man and His World was the theme. I firmly believe it contributed toward better world understanding—a new understanding of Canada and Canadians by non-Canadians, a new understanding of the world and of our place in it by Canadians, a new understanding between eastern Canadians and western Canadians, between young Canadians and old Canadians, between English-speaking Canadians and French-speaking Canadians, in fact, between all Canadians. We should be grateful for this.

From across Canada, from all directions, came people, particularly young people, to gather in Montreal to see what we as a nation were capable of doing. They came not only to see what we could do and how well we could do it, but to see for themselves how far we had come in 100 years of history. It is a large amount, in terms of dollars, that we are today being asked to pay, but I believe it to be a fair one in terms of its immediate and long-range benefits to our country and to our people.

Perhaps I could quote, Mr. Speaker, some words spoken by the Premier of our Province of British Columbia who, speaking of Expo '67, said:

> I wonder how we as Canadians will remember EXPO best? Certainly we will remember it as a triumph of imagination and planning, of architecture and entertainment—for a triumph it most assuredly is. Certainly we will remember it as the catalyst which brought into focus the attention of the world to a spectacle produced in Canada by Canadians, and unrivalled by any exhibition ever produced before.
>
> But in the fullness of time it may be that we will remember EXPO best for still another reason; and it may be that this remembrance will be EXPO's greatest gift of all to future generations of Canadians.
>
> Because in my opinion, as a proud Canadian, the one greatest contribution EXPO '67 has made to our country is simply this: It has demonstrated to ourselves—not just to the world, but once and for all to ourselves—that there is in our nation an unlimited capacity for excellence.

Finally, speaking for myself, let me say this: I repeat, there are long term benefits, some of which are yet to come, from Expo and I believe there are few in this country who are not willing to see their fair share paid now by this parliament. I hope this bill will be sent to committee for fuller study tonight.

Mr. Lloyd R. Crouse (South Shore): It is not my intention to speak at any great length on Bill C-6 which is presently before the House, but there are some proposals in it which concern me since the measure has to do with a large expenditure of tax dollars and our present tax laws are of vital importance to all Canadians.

I listened with interest to the hon. member for York East (Mr. Otto). I must disagree with his statement that members on this side urged the government to go ahead with this project "the devil with all costs", to use his words. I would remind the hon. member that it was not members on this side of the House who advocated the Pearson formula in 1966 under which a 30 per cent pay increase was granted to the stevedores, a settlement which set inflation ablaze throughout Canada and which the Liberal government has not yet been able to extinguish. To the hon. member who has just resumed his seat, the hon. member for Victoria (Mr. Groos), I should like to say that no one disagrees with his view that Expo was important to Canada. What my hon. friend from Calgary Centre (Mr. Harkness), the hon. member for Sainte-Marie (Mr. Valade) and the hon. member for Wellington (Mr. Hales) had to say amounted to this—that everything which was accomplished could have been done with a lot less

waste of money had there been more supervision over expenditures.

I find no fault with the intent of this bill. The measure simply states that it is an act to wind up the Canadian Corporation for the 1967 World Exhibition and to authorize the writing off of certain costs and the deferral of certain payments connected therewith. There is little doubt in the minds of many Canadians that we had a bang-up birthday party to celebrate our 100 years as a nation or that one of the glittering stars in that birthday celebration was Expo '67, the world exhibition held in Montreal. In fact, this star shone so brightly that it continues to glow under the direction of provincial and municipal authorities. In my view this exhibition has done much to strengthen Canada's international image. It helped the tourist trade, at least in central Canada. It encouraged our architects to think big and to create new designs. The hon. member for Carleton-Charlotte (Mr. Flemming) says it encouraged them to charge big, as well, and this tendency may be reflected in some of today's building costs.

As I was saying, the fair, the star of the occasion, continues to glow under the direction of provincial and municipal authorities with assistance from the federal government by way of a deferral of repayment amounting to some $5,500,000, payment of which had been due on June 28, 1968. It is now deferred until 1972. Like one of the previous speakers, I wonder whether this deferral has been arranged without any consideration being paid to the interest which is due. This is a question which, more than likely, will be researched by the committee.

There is an old saying that the man who pays the piper calls the tune, and I suppose it applies to parties as well as to other things. Since all Canadians are now being asked to pay for the party, I think it is only fair that they should be made aware of the size of the tab as they reach for the bill. In the public accounts of Canada for the fiscal year ending March 31, 1968, volume III we find these figures on page 29. Against a net loss from operations, we find a figure of $59,726,718. Amounts written off on transfer of capital assets to participating governments are listed as follows: City of Montreal, $135,094,953; Government of Canada, $59,876,285; Province of Quebec, $4,753,693. The loss on the disposal of the mass transit system is estimated as $199,724,931; the amount written off on the demolition of buildings and other assets is $291,160, and the loss on sale of other capital assets appears as $426,880. The deficit, the net cost of the exhibition as of December 31, 1967 is listed as $273,588,537.

[Mr. Crouse.]

• (5:40 p.m.)

You will note that the Auditor General lists the total net cost of the exhibition at $273,588,537. Anyone who knows anything about the cost of parties will have to admit that this was a good one. Obviously no thought was given as to the cost of the party or as to whom would have to pay the bill. Early in the game some people did become concerned, but they were reassured by the government of the day that the federal government's participation would not exceed $20 million. For example, during the first session of the 26th parliament this question was placed on the order paper by the then New Democratic Party member Douglas Fisher, and is to be found at page 3016 of *Hansard* for September 30, 1963:

> What is the estimated total contribution of the federal government to the world's fair including its share of the cost of the proposed upstream ice dam, the ramps from the Jacques Cartier bridge to the proposed Ile Notre Dame, the bridges from Ile Notre Dame to St. Helen's island and the proposed bridge from St. Helen's island to point St. Charles?

The question was answered by the hon. member for Fort William (Mr. Badanai) as follows:

> The federal government is committed under the statute and the agreement between Quebec and the city of Montreal to provide a maximum—

I emphasize the word "maximum".

> —of $20 million to the world's fair corporation. The corporation is responsible for providing services on the completed site. The federal government has also agreed to pay on the construction of an ice control structure the amount required in excess of $2½ milion to be provided by the city. The amount of the excess has not been determined pending the results of engineering studies.
>
> The federal government is not responsible for providing access by the bridges mentioned in the question.
>
> May I add that the federal government will, like many other countries and some provinces, have an exhibit at the world fair, for which it will assume the cost.

You will also find this same amount listed at page 29, along with the amounts pledged by other governments. These amounts are listed as grants received from participating governments. There is $20 million from the government of Canada, $15 million from the government of the province of Quebec, $5 million from the city of Montreal, for a total of $40 million. This leaves a balance of $233,588,537.

Today, the House was informed by the minister that this amount had escalated. I am sorry I cannot recall the exact amount, but it was a larger figure than the previous one.

Mr. Harkness: It is $285 million plus.

Mr. Crouse: According to my hon. friend, the total has now increased to $285 million. What can we do? As a nation we must pay our bills. However, these figures give the House some idea of the slap-happy, haphazard manner in which the Liberal government has mismanaged Canada's affairs. This government has shown a sense of irresponsibility which borders on insanity. The fact that this attitude persists to the present day is causing concern to many Canadians. As I have said, we must pay off our debts. But I cannot agree with the course that is proposed in this bill, which I think is unsound. I cannot help but wonder what Canadians generally are thinking about the irresponsible approach that this government adopts to our financial problems.

What did the Auditor General, for example, have to say about this irresponsibility? At page 34 of his report to the House of Commons dated March 31, 1968 he listed some examples. Some of these have already been cited by the hon. member for Calgary Centre (Mr. Harkness) and the hon. member for Wellington (Mr. Hales). I think they skipped some that are pertinent to the discussion, and one is as follows:

> In the case of many appointments to senior positions, starting salaries were higher than the established minimum rates and frequently maximum rates were paid immediately or within six months of appointment. Thirty-three officers in receipt of salaries of $10,000 or more received increases during 1967 ranging from 20 per cent to 60 per cent. Of these employees, 10 left the Corporation's employ in 1967 and received salary termination payments averaging 27 per cent of annual salary.

Then, later he says:

> However, payments were made to all employees including those who did not qualify because their former or comparable positions were assured. Twelve such payments aggregating $70,000 came to our attention during the year, the largest being $15,425.

I presume that that was paid to one individual.

> Termination payments totalling $4,694,000 were provided for in the 1967 accounts but it is estimated that an additional $1,188,000 will be required.

These are astronomical figures and raise some doubt about the ability of the present government to manage our affairs.

If I may return to the bill, let me read to the House the words of clause 3:

> The administration and control of all the properties, rights, franchises and other assets under the administration and control of the Corporation immediately before the commencement of this Act are hereby transferred to the Minister.

Think of the power that this clause alone places in the hands of the minister! May I say at once that I am not singling out the Minister of Industry, Trade and Commerce.

Mr. Pepin: The amount involved is less than the hon. member has stated, but I will be making reports on my activities, as does every government department.

Mr. Crouse: I thank the minister for his intervention, and I was about to say that I was not being critical of the minister personally.

Mr. Hales: It would be too late anyway; he has sold us the goods now.

Mr. Crouse: Yes, he has sold them now. It is his misfortune to be saddled with this particular burden, but having taken the kudos he must now be prepared to accept a bit of the blame.

Clause 4 provides still more power:

> All rights of creditors against the Corporation and all actions pending against the Corporation are unimpaired by the transfer to the Minister of the administration and control of the assets heretofore under the administration and control of the Corporation; and all subsisting liabilities of the Corporation and actions pending against the Corporation may be enforced or continued against the Minister in like manner and to the same extent as they could have been enforced or continued against the Corporation.

The minister is going to be pretty busy. The clause to which I really take exception is clause 6, which provides:

> The Minister shall dispose of the assets and liabilities to which this Act applies in such manner as the Governor in Council, with the concurrence of the Lieutenant Governor in Council of Quebec, may direct.

Under this government the people of Canada are losing control of their property and financial rights. Why could not the minister use the offices of the War Assets Disposal Corporation for the purpose of disposing of these assets? Since the government has been telling us every day that they are waging a war against poverty, the very least that the government should do, in our opinion, is to call for public tenders with regard to the disposal of these assets.

I say that we need greater efficiency in government management. These are not my views alone; these views were well expressed in the Sixth Annual Review of the Economic Council of Canada, where at page 157 the Council states:

> The government sector has now become so large, and its revenues and expenditures affect directly or indirectly so many aspects of our economic and social goals, that it has become urgent to develop more effective mechanisms for managing our affairs in this critically important area of our national life. Governments today are facing critical problems of choice among many competing demands. Moreover, there is no profit calculus in the government sector to set standards of efficiency and performance.

We have had a classic example of that. All one has to do is to look at the criticism in the Auditor General's report with regard to the mismanagement of Expo's affairs. The council continues with this statement:

> Yet greater efficiency in the delivery of public goods and services, such as health care and education, could conceivably result in very large savings in resources which could then be diverted to other pressing needs.

• (5:50 p.m.)

Canadians want to know what are the assets of Expo '67. They want to know where they are and what they are worth. Why is there all this secrecy about this particular disposal? What is the government hiding? We are being asked by the minister to give him a blank cheque covering the disposal of these assets which have been payed for by all Canadians. This literally denies all Canadians an opportunity to tender in respect of these assets. We are also being asked to pay off an amount of $125 million towards accounts receivable under Expo guarantees.

This type of procedure outlined in this bill only serves to destroy the confidence of Canadians in our democratic process. Certainly, it destroys the confidence of Canadians in this government and makes a farce, if I may say so, of the Prime Minister's (Mr. Trudeau) slogan "The Just Society". At this stage, we cannot call this government just or fair.

I hope the Minister of Industry, Trade and Commerce (Mr. Pepin) will give us some indication at an early date of the manner in which he plans to wield this almost totalitarian power placed in his hands by this bill. Many communities across Canada made an effort to celebrate our Centennial year. Many of these projects have not been paid for. In my constituency we had a number of Centennial projects. In my own home town of Lunenburg we have the only floating museum in Canada. This was established as a Centennial project. This is one of the last floating replicas of the old sailing schooner, similar to the Bluenose. The Centennial Committee is requesting the people of this town, populated by a little more than 3,000 people, to contribute $60,000 to create a permanent display berth for this ship. Surely, the minister can realize the strain that this will place on these people.

Surely, if we are prepared to give money to Expo we should be prepared to pay some of the other deficits. I should like to hear from the minister on this matter of such vital importance to the people throughout this country. The truth is that this government does not run a tight ship in respect of financial matters. It has no real objective and no real course. As a result, it is sailing around in circles while the economy flounders in a whirlpool of inflation. It has no objectives and no priorities. The government has no vision, but I know the Minister of Industry, Trade and Commerce will welcome the opportunity of examining the wasteful and extravagant policies of his government when this measure comes before the committee. I hope the committee's recommendations will include measures to control the disposal of the assets of Expo. I hope that these recommendations will not be discarded by the minister and that he will give them careful thought and full consideration.

Mr. Mongrain: Mr. Speaker, may I call it six o'clock?

Mr. Speaker: Is it the wish of the House that the Chair call it six o'clock?

Some hon. Members: Agreed.

BUSINESS OF THE HOUSE

Mr. Aiken: Mr. Speaker, I wonder whether I might ask the house leader to indicate the business for tomorrow and Friday?

Mr. Macdonald (Rosedale): Mr. Speaker, we will continue with the item now before the House as the first item of business for tomorrow, that is item No. 8 on today's order paper. The next item of business will be item No. 11, the bill in respect of Children of War Dead, in the name of the Minister of Veterans' Affairs (Mr. Dubé). This will be followed by item No. 19, a bill to amend the Canada Student Loans Act. We will then take up item No. 4, a bill to amend the Judges' Act, to be followed by item No. 23, a bill respecting the

expropriation of land. We hope to be in a position tomorrow or Friday to announce a somewhat more definitive schedule of business for the four days next week.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I should like to ask whether this means that the Canadian National financing legislation is not included for this week?

Mr. Macdonald (Rosedale): That will depend on the progress made on the bills I have enumerated. The ones I have referred to will be in a position of priority. If we succeed in giving second reading to them, the Canadian National financing legislation will be included.

Mr. Knowles (Winnipeg North Centre): I asked this question, Mr. Speaker, in order to ascertain whether the minister had changed the order slightly from that announced last night.

Mr. Macdonald (Rosedale): If we make progress, it is very likely that the Canadian National financing legislation will come before the House on Monday.

Mr. Speaker: Pursuant to standing order this House stands adjourned until two o'clock tomorrow afternoon.

At six o'clock the House adjourned, without question put, pursuant to standing order.

APPENDIX "A"

STATEMENT ON CO-OPERATION BETWEEN UNITED STATES AND CANADA ON ANTI-COMBINES AND ANTI-TRUST MATTERS

Monday, November 3, 1969

Canadian Consumer and Corporate Affairs Minister Ron Basford met today with United States Attorney General John M. Mitchell for a discussion on co-operation between Canada and the United States in anti-trust matters affecting the two countries. They referred to the 1967 Recommendation of the Organization for Economic Co-operation and Development on co-operation between member countries on restrictive business practices affecting international trade and they discussed placing in this context the informal "Antitrust Notification and Consultation Procedure" between Canada and the United States. This arrangement had its origin in discussions in 1959 between then Canadian Minister of Justice E. D. Fulton and then Attorney General (now Secretary of State) William P. Rogers.

Under this understanding the United States in enforcing its anti-trust laws and Canada in enforcing its anti-combines laws consult with each other when it appears that the interests of the other country will be affected by such enforcement. The primary object of this procedure is to avoid situations arising out of the enforcement of the restrictive business practices laws of one country that might give rise to misunderstanding in the other country, particularly in cases where it might appear that such enforcement had extra-territorial effect or constituted an infringement of the sovereignty of the other country.

The normal course under the procedure is that each country notifies the other prior to the institution of an anti-trust suit which involves the interests or the nationals of the other country and, except for particular time schedules or unusual circumstances, permits time for consultation concerning the contemplated suit. While not required by the understanding, notification is given during the investigative phase whenever possible. In all cases, each government keeps the other informed of significant developments in the litigation.

Consumer Affairs Minister Basford and Attorney General Mitchell noted that the notification procedure had been useful to both countries. The two cabinet members noted that the United States-Canadian Understanding had been the forerunner of the restrictive business practices co-operation recommendation of the O.E.C.D. Council. This recommendation provides for intergovernmental co-operation on a purely voluntary basis without impairment of sovereignty and in accord with each country's laws and policy, in three areas:

1. Notification of and consultation on anti-trust actions,

2. exchange of information on anti-trust matters where feasible, and

3. co-ordination of anti-trust enforcement where possible.

The O.E.C.D., which includes 19 European countries, Canada, the United States and Japan, together with the European Communities, has a Restrictive Business Practices Committee which drafted the recommendation. Mr. D. H. W. Henry, Director of Investigation and Research under the Combines Investigation Act in Canada, is Chairman of that Committee and Assistant Attorney General Richard W. McLaren is a Vice-Chairman.

Mr. Mitchell and Mr. Basford stated that in their views, the procedure adopted by the O.E.C.D. strengthens the United States-Canadian understanding which has served to eliminate conflicts in anti-trust enforcement and has provided a common approach to problems affecting both countries. Of course, each country has the responsibility to enforce its own laws and the discussions under these procedures do not in any way bind a country as to what action it decides to take. The two cabinet members expressed the view that, in this time of expanding international trade, with special problems being posed by the multi-national corporation, and when most industrial countries have enacted anti-monopoly laws, international co-operation in the anti-trust area is essential for carrying out anti-trust policy and to avoid conflicts in enforcement.

In addition, therefore, to continuing the notification and consultation procedure in accordance with the 1959 understanding, the two cabinet members agreed that the O.E.C.D. recommendation of 1967 should be actively implemented as between Canada and the

United States in relation to restrictive business practices in international trade. Notification and consultation will continue under both arrangements. Each country will, insofar as its national laws and legitimate interests permit, provide the other with information in its possession of activities or situations, affecting international trade, that the other requires in order to consider whether there has been a breach of its restrictive business practices laws.

A primary concern would be cartel and other restrictive agreements and restrictive business practices of multi-national corporations affecting international trade. The enforcement agencies of the two countries, each within its own jurisdiction, will where possible co-ordinate the enforcement of their respective laws against such restrictive business practices.

Referring to the close relationship that has developed over the years between the Canadian and United States anti-trust enforcement agencies, Mr. Mitchell and Mr. Basford said that to facilitate the implementation of the foregoing co-operative arrangements, it is intended that more regular and more frequent meetings between the agencies will take place.

HOUSE OF COMMONS

Thursday, November 6, 1969

The House met at 2 p.m.

PRIVILEGE

MR. BROADBENT—ALLEGED FAILURE TO INVESTIGATE AUTOMOBILE PRICE INCREASES

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I rise on a question of privilege. Late in the last session of Parliament the Minister of Consumer and Corporate Affairs asserted that if the automobile companies introduced a substantial increase in the price of their 1970 models he would undertake an investigation of their pricing policies. Yesterday in the House, when I asked what had been done by the minister since the automobile manufacturers announced higher prices for their new 1970 models, he reneged on this commitment to the people of Canada.

Therefore, Mr. Speaker, if you agree with me I should like to move that this matter be referred to the Standing Committee on Privileges and Elections.

Mr. Speaker: Order, please. I notice that the President of the Privy Council wishes to rise in connection with the point raised by the hon. member for Oshawa-Whitby. As he knows, by virtue of the Standing Order the hon. member is required to give notice, which he has done, to give the Chair an opportunity to study the matter extensively, which I have done during the lunch hour. I thank the hon. member for giving me the opportunity to do so.

The hon. member claims that the alleged failure of a Minister of the Crown to take certain steps which he had indicated would be taken in certain circumstances is in itself a violation of Parliamentary privilege. Let me refer the hon. member for Oshawa-Whitby and other hon. members, as I have done in the past, to Citation 113 of Beauchesne's fourth edition, which reads as follows:

> Members often raise so-called "questions of privilege" on matters which should be dealt with as personal explanations or corrections, either in the debates or the proceedings of the House. A question of privilege ought rarely to come up in Parliament.

Do the circumstances outlined by the hon. member for Oshawa-Whitby give rise to a valid question of privilege? I do not think so. The circumstances alleged by the hon. member may give rise to a grievance, and grievances should normally be raised and discussed by hon. members on one of the many occasions available under our supply proceedings.

What I am suggesting to the hon. member is that although he may have a complaint and may feel that the minister has not fulfilled a promise or undertaking given to the House during the course of an answer to a question, this in itself does not, in my respectful submission, constitute a question of privilege. It is the type of grievance which should normally be taken up under other circumstances, particularly when the House is debating matters under the terms of our supply proceedings.

Neither the special privileges of the hon. member as a member of the House nor the collective privileges of the House are, to my way of thinking, at issue in this instance. I must rule, therefore, that I cannot at this time put to the House the motion proposed by the hon. member.

[*Translation*]

ROUTINE PROCEEDINGS

BILINGUALISM AND BICULTURALISM

FINANCIAL CO-OPERATION WITH PROVINCES RESPECTING PROGRAMS

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I should like to inform the House that this morning the hon. member for Vancouver Centre (Mr. Basford) and myself have had the privilege of meeting with provincial ministers in the Ministerial Committee on Official Languages of the Constitutional Conference. During that meeting I announced to the provinces the federal government's proposals for financial co-operation in respect of bilingualism programs based on the principles set forth in Book II of the Report of the Royal Commission on Bilingualism and Biculturalism.

Financing of Bilingualism Programs

[*English*]

I might add that the position we have advanced is in line with the process undertaken earlier in respect of Book I of the royal commission report, particularly the Official Languages Act which was adopted by Parliament last summer. The proposals we have advanced involve acceptance by the federal government of the principles underlying those recommendations in Book II which were addressed by the Royal Commission specifically to the federal government. They look forward to a program which would provide for federal co-operation with the provinces in greatly expanded activities in the field of minority language education and second language learning.

I am sure hon. members realize that the B and B recommendations concerning other minority groups have not yet been received.

[*Translation*]

We fully recognize that much of the substance of the recommendations of Book II of the Royal Commission Report falls more in the provincial field of responsibility than that of the federal government. At the same time, we consider that there is a national dimension to the problem. We believe that this latter aspect involves the development and encouragement of programs which will advance and encourage the use of the two official languages across the country.

Volume II of the Royal Commission Report contains 12 recommendations respecting aid to minority language schools, teacher-training, including the establishment of new teacher-training institutions; university education, including grants to minority-language students to study outside their own province, grants to minority-language universities, and a one-year transfer program for students specializing in the second official language; and finally the establishment of a Language Research Council. Other details of these programs are to be found in the statement I have made this morning.

• (2:10 p.m.)

[*English*]

Essentially, these programs would involve two related priorities; first, measures undertaken in co-operation with the provinces to ensure that the official language minorities will enjoy equal rights with the majority so far as access to education in their own language is concerned; second, the encouragement of second-language learning, to meet a desire expressed by an increasing number of Canadians who wish to be competent in both of Canada's official languages.

As a government, we accept both these priorities and we are prepared to provide for federal financial participation in support of them. Action in this field of course calls for provincial participation as well, because proposals relating to programs and institutions in the field of education are in the provincial domain. Accordingly, in order to achieve any substantial progress in this field, provincial initiative will be required as well as a federal willingness to participate.

[*Translation*]

The question of financing is of course of the first importance. Given the financial restraints which are operative today, no government can think in terms of providing unlimited resources or establishing open-ended programs even in fields of the highest priority. We have therefore felt it necessary to inform the provinces that it will be necessary to place at least rough limits on the amounts which the federal government can contribute to this program.

Our proposals will require detailed discussion with the provincial authorities, who have of course not yet had an opportunity to study or comment on them. My purpose in speaking today is to ensure that the House is informed without delay of the government's position on this important matter. I would hope, so far as our provincial colleagues are concerned, that what we have begun this morning is a useful series of consultations which will eventually result in arrangements satisfactory to all concerned.

[*English*]

With the consent of the House, Mr. Speaker, I should like to table the proposals that were put to the provinces this morning which, if the House agrees, might be appended to and printed in today's *Hansard*.

Mr. Speaker: Is it agreed?

Some hon. Members: Agreed.

[*Editor's Note: For text of proposals, see appendix.*]

Mr. G. W. Baldwin (Peace River): Mr. Speaker, while we welcome the statement by the minister in his desire to inform Parliament, we have certain reservations and cautions about what appears to be a substantial initiative by the federal government in the field of education. Federal interference in the field of education has, in the past, been the

source of serious problems in Canada's history.

In his statement the minister recognizes that the recommendations of Book II of the Royal Commission on Bilingualism and Biculturalism fall more in the provincial field of responsibility. But he adds that there is a federal dimension to the problem. He went on to say that the federal dimension involves the development and encouragement of programs which will advance and encourage the use of the two official languages across the country. We do not disagree with this concept. But one is too easily reminded of the development and encouragement of medicare which forced many of the provinces to swallow an unacceptable plan. Having foisted this principle on the provinces, the government is now considering removing itself from this field.

The Secretary of State (Mr. Pelletier) also mentioned the restraints resulting from austerity. The present Secretary of State for External Affairs (Mr. Sharp), and ex-minister of finance, also talked of austerity as the Liberal government forced medicare on the provinces. While the federal government is limiting its contributions because of austerity, it should not push increased expenditures on the provinces. Having in mind the position in the past, I would hope that the programs proposed for federal assistance to the provinces will allow for some form of assistance not only for the two official languages but also for the other ethnic languages which have become a part of Canada's culture.

In conclusion, Mr. Speaker, in welcoming the statement by the minister we ask the government to exercise caution in its meetings with the provinces. Having in mind past experiences of the provinces with this government, it is probably superfluous to ask the provinces to exercise caution in dealing with the federal government.

Mr. David Lewis (York South): Mr. Speaker, may I begin my brief comments on this issue by saying immediately that so far as I am concerned I cannot see anything in the minister's statement or in the proposals which he made to the provincial ministers that suggests any intention to interfere with the provincial jurisdiction in education. I do not think one should assume this from the proposals which were made.

It has been evident from the start that if bilingualism in Canada is to be promoted and to become a reality, the major responsibility for it lies, in fact, with the federal government. The additional cost of enabling Canadians to learn the second official language and of increasing the teaching of the other official language in our schools should be borne by Canada as a whole through its federal treasury rather than by the provincial governments and the provincial treasuries. This is what the B and B commission indicated, and this is what we knew from the start. We therefore welcome the federal government's acceptance of that responsibility.

I have only three comments to make on the proposals that have been put before us. The first is the hope that the federal government will be as concerned with promoting the learning of other languages in Canada when the volume on other languages is produced by the B and B Commission as they have been with the promotion of the two official languages.

My second comment is that this is a field from which the federal government should never withdraw. I say this because we have had indications from the federal government of its intention to withdraw from other cost-sharing programs, an intention which I and my colleagues believe is contrary to the interests of Canada in those fields. But when the federal government seeks the co-operation of the provinces in introducing costly programs to promote bilingualism in Canada, the people of Canada are entitled to a firm assurance that it will not then load the provinces with the cost of that task at some future time. I do not wish to overemphasize this because although the minister did not say that in the future the government intends to withdraw from this field it is a fact that the government did not at first say it would withdraw from other cost-sharing programs, the cost of which is now being loaded entirely on the provinces. Therefore I think it is the duty of Members of Parliament to warn that any suggestion from the government of placing the burden of the cost of promoting bilingualism in Canada on the provincial treasuries would be a betrayal of the cause of bilingualism and of the obligation of this government to the people of Canada.

The third point I want to make is to express my astonishment at hearing the government pull a figure out of the air. I appreciate that any government has to allocate priorities and decide how much it can spend on A, B or C, but I am somewhat repelled by the notion that some bureaucratic group should decide that $50 million is to be spent on this project. I do not know why and how it

decided on this amount; the minister has not told us. It seems to me it would have been much more sensible and, in my respectful submission, would have shown a great deal more good faith on the part of the federal government if it had continued discussions with the provincial governments, produced some kind of plan—or have the provinces produce plans for the promotion of bilingualism—made some kind of estimate of the cost and then related the cost to the total obligations of the federal treasury. Under such a procedure the figure might then be $35 million or $65 million or something else. But I am appalled at what I consider to be this totally bureaucratic approach of saying, without knowing what the plans are going to be, without having discussed exactly what they will be, without knowing what the cost will be: "You make plans but we place a limit of $50 million on those plans no matter what they may be." It seems to me this is not the proper approach to this kind of problem.

• (2:20 p.m.)

I conclude by reminding the House if I have to remind it, of my dedication to the bilingual character of this country. Therefore I cannot but greet with pleasure the federal government's involvement and its assumption of its responsibilities. I just hope that the fears I have expressed will in the future prove unjustified.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, we consider it excellent policy to provide the provinces with funds for joint financing of education of minority groups of one of the official languages so that they may achieve equality with the majority group, provided the rights and powers of provinces in the field of education are respected.

I should like to remind the minister that education comes under the exclusive jurisdiction of the provinces, under section 93 of the British North America Act, and urge him to keep this in mind during his discussions with the provincial representatives. We trust, Mr. Speaker, that the federal government will proceed cautiously and respect this principle, which is embodied in the Constitution.

It is obvious that on the pretense of curing a national malaise, our action should not become for the provinces another source of frustration and dissatisfaction against federalism, whatever our intentions are, if we do not comply with the terms of confederation.

[Mr. Lewis.]

Mr. Speaker, we believe that federalism must be flexible so as to respect the identify of the individual while guaranteeing its own unity and Canadian characteristic in a bicultural and bilingual atmosphere. We rejoice at the minister's statement and action, yet they leave us confused about respecting the terms of confederation.

It is utopian to imagine that all Canadians can become bilingual. However, we sincerely believe that it should be possible for anyone who wants to do so.

Mr. Speaker, I would like to conclude my remarks by saying that it is up to the federal government to help the provinces finance the program for bilingualism, show every respect for the identify and characteristics of each province, and provide for all equal opportunities to see their rights respected.

It proved more expensive for the province of Quebec to ensure the respect of bilingualism than for any other province.

Mr. Speaker, if it were possible to make such a legislation retroactive, I firmly believe that the federal government would not be in a position to repay the astronomical sums of money which the province of Quebec spent to maintain federalism, while in other provinces unilingualism was promoted. If every province will extend to its minority the same respect which the province of Quebec has shown to its minority, we of the Ralliement créditiste believe that national unity is possible.

That is why we are pleased with the initiative of the federal government, provided naturally that it will respect the identity and the jurisdiction of each of the provinces.

[*English*]

PUBLIC SERVICE STAFF RELATIONS ACT

PROVISION OF PENALTIES FOR FAILURE TO IMPLEMENT ARBITRATION AWARDS

Mr. Lloyd Francis (Ottawa West) moved for leave to introduce Bill C-145, to amend the Public Service Staff Relations Act.

Some hon. Members: Explain.

Mr. Francis: The purpose of this bill is to provide penalties which would be binding upon senior government employees for failure to implement arbitration awards within the period of 90 days specified by section 74 of the Public Service Staff Relations Act.

Motion agreed to, bill read the first time and ordered to be printed.

DOMINION COAL BOARD DISSOLUTION ACT

MEASURE TO DISSOLVE

On the order:

First reading of Senate Public Bills—Bill S-3, an Act to provide for the dissolution of the Dominion Coal Board and for the repeal of the Canadian Coal Equality Act, the Coal Production Assistance Act and the Dominion Coal Board Act—The Minister of Energy, Mines and Resources.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I am rising on a point of order. At this stage I must, with great respect, challenge the right of this House, pursuant to Standing Order No. 70, to receive this bill. I should like Your Honour's leave to put the circumstances before the House very briefly, without in any sense opposing the principle of the bill or what is involved in it.

In all seriousness I suggest to Your Honour that an attempt to place the bill before the House in this way constitutes a violation of the British North America Act, and in addition violates two of our most important standing Orders, Nos. 62 and 63. I should like to read to you the clause in the bill which I submit makes it repugnant as far as this House is concerned:

3(2). The provisions made by any Appropriation Act to defray the expenses of the board shall be applied to such classifications of the public service within the Department of Energy, Mines and Resources as the Governor in Council may determine.

It is my submission that this is in fact an appropriation within the meaning of our rules and within the meaning of the British North America Act as well as within our traditions and practices. I need hardly remind Your Honour that the British North America Act, particularly clauses 53 and 54, states:

53. Bills for appropriating any Part of the Public Revenue, or for imposing any Tax or Impost, shall originate in the House of Commons.

54. It shall not be lawful for the House of Commons to adopt or pass any Vote, Resolution, Address, or Bill for the Appropriation of any Part of the Public Revenue, or of any Tax or Impost, to any Purpose that has not been first recommended to that House by Message of the Governor General in the Session in which such Vote, Resolution, Address, or Bill is proposed.

Standing Order 62 provides:

1. This House shall not adopt or pass any vote, resolution, address or bill for the appropriation of any part of the public revenue, or of any tax or impost, to any purpose that has not been first recommended to the House by a message from the Governor General in the session in which such vote, resolution, address or bill is proposed.

Then, Mr. Speaker, pursuant to the changes in Standing Orders which were made last year there is provision that:

2. The message and recommendation of the Governor General in relation to any bill for the appropriation of any part of the public revenue or of any tax or impost shall be printed on the Notice Paper and in the *Votes and Proceedings* when any such measure is to be introduced and the text of such recommendation shall be printed with or annexed to every such bill.

I cannot answer for what message may or may not have been sent by His Excellency, but certainly none has been printed in *Votes and Proceedings*. I would point out to Your Honour that there has been a breach of what from the time of antiquity has been one of the rights and privileges of this House, to vote and appropriate money for a specific purpose which this House may see fit to direct to that end. Beyond any question, clauses 2 and 3 of Bill S-3 deal with an appropriation of moneys for a specific purpose not covered by a Commons appropriation bill of this session.

• (2:30 p.m.)

The purpose of this bill has been initiated in the other place. Large sums of money may or may not be involved; all I can say is that an examination of the Appropriation Acts will reveal that for the current fiscal year the sum of $180,000 has been set apart for the purpose of meeting the expenses of administration of the Dominion Coal Board which is being dissolved by Bill S-3. In addition, there appears in an appropriation bill of 1964 a certain sum which was added to in 1966. The total provision is for a sum of $22 million to be expended over a five-year period on matters coming under the jurisdiction of the Coal Board.

That, simply, is my reason for objecting to this bill. It constitutes an appropriation of funds for a purpose which this House has not necessarily approved and which has not been recommended in a message from His Excellency. In other words, the spending of the unexpended funds referred to in the bill ought not to be applied to the classification of the Public Service as the Governor in Council may determine by clause 3(2).

It may well be that if this bill were allowed to proceed and subjected to the normal proceedings of this House, it would be competent for the government at any time to initiate in the other place a bill to set aside certain payments and programs covered by measures or statutes properly recommended by His

Excellency and divert the money for other purposes. I am of course referring to purposes for which money has been appropriated. True, the matter would have to come back to this House for discussion, but I submit most sincerely that if that were done there would be a flouting of the provisions of the Standing Orders of this House and of the constitution.

I conclude by saying that in the past 18 months the power of the government has expanded far too much and the power of the Commons has been eroded in a studied fashion. I submit, therefore, that we cannot permit this bill to go through unchallenged. That is why I have raised this issue. Your Honour may wish to take the matter under advisement and bring down a decision on whether the bill ought to be allowed to proceed.

Mr. Speaker: The hon. member for Peace River has raised very important issues respecting the procedural and constitutional privileges of this House. Since hon. members have not had prior notice of the point raised by the hon. member in connection with the first reading in the House of the Senate bill referred to, I should like to suggest to hon. members that the matter be left in abeyance at the present time to allow those hon. members who wish to study the matter the opportunity of considering it from its different aspects. In due course, perhaps at the beginning of next week, argument might be heard from hon. members on both sides of the House about the point raised by the hon. member for Peace River. Also, the Chair would be given additional time thereafter to consider the arguments in support of and against the position advanced by the hon. member for Peace River. For the time being, the matter will be allowed to rest, with the consent of the House, and hon. members who take a special interest in these very complex questions will have an opportunity to give the situation serious thought over the weekend.

ORAL QUESTION PERIOD

TRANSPORT

SUGGESTED CURTAILMENT OF RAILWAY PASSENGER SERVICE—INQUIRY AS TO ACTION

Mr. J. H. Horner (Crowfoot): Mr. Speaker, may I address a question to the Prime Minister. In light of the historic commitment of the federal government to provide a rail link from coast to coast in Canada, and the ever increasing congestion and ever higher accident rates on our highways, what steps is the government taking to assure Canadians that adequate rail transportation will continue to be available for passengers despite the attempts of Canadian Pacific and Canadian National Railways to avoid their responsibilities?

Mr. Speaker: Order, please. I am sure the hon. member will realize that he is raising a matter of very wide scope. He is inviting the Prime Minister to make a statement of a general nature. In all fairness, I suggest that this statement ought to be made on motions. I wonder whether the hon. member might not put his question in a different way.

Mr. Horner: Mr. Speaker, will you permit me to rephrase my question in the manner you have suggested? Will the Prime Minister make a statement on motions and set out the government's position with regard to the historic commitment to provide train service across Canada from coast to coast?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I should like to discuss with the Minister of Transport the possibility of such a statement being made in due course. The matter is now before the Canadian Transport Commission. We think that we should let the companies have a chance to be heard before the commission and see what action the commission will take.

Mr. Lambert (Edmonton West): But who is the Commission?

[*Translation*]

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

Could the Prime Minister assure the house that serious studies will being made on the management of railways who ask for grants, —for they are grants—before any elimination of service is accepted?

Mr. Trudeau: Yes, Mr. Speaker. In my view, it is necessary that serious studies be made, if those companies want to put their proposals before the Canadian Transport Commission.

As I already said, we have to wait for the Commission's reaction and if the government feels their decision is wrong, we shall decide whether we should act under the law.

[*English*]

Right Hon. J. G. Diefenbaker (Prince Albert): A supplementary question, Mr.

Speaker. Since, as the Prime Minister mentioned, this matter is now before the Canadian Transport Commission and since the Canadian Pacific Railway specifically agreed prior to construction getting under way to make full provision for passenger and other transportation, will not the Prime Minister, in light of this historical background, consider having the government of Canada represented by counsel before the Canadian Transport Commission so that the government can oppose any action by the CPR—I am dealing at the moment only with the CPR—which is contrary to the provisions upon which the CPR received so much consideration prior to construction?

Mr. Trudeau: Mr. Speaker, the statute provides certain ways in which the federal government can act. We will wait to see if it is necessary to act in one way or another, and we are prepared to take our responsibilities seriously.

Mr. David Lewis (York South): A supplementary question, Mr. Speaker. The right hon. member for Prince Albert referred to the undertaking by the CPR in 1881 under which it promised to operate the railway forever for the benefit of the people of Canada. Considering the provisions of the National Transportation Act, which make it possible for the CPR to ask for subsidies of up to 80 per cent if it can prove losses in certain particulars, will the Prime Minister not discuss with the Minister of Transport the urgent need to place before the Canadian Transport Commission Canada's interests as opposed to the interests of Canadian Pacific?

Mr. Trudeau: Mr. Speaker, the Transport Commission was set up precisely to represent the public interest. The representations of the hon. member and of hon. members of other parties are well known. I think everyone in this country realizes that that railway company was given certain advantages in the west, including large grants of lands, in return for certain services. I know this as well as the right hon. member for Prince Albert, as does everyone else. We established the Canadian Transport Commission by statute; I do not think the House should panic because the railway companies are following the procedures that we set up under that law and which they are required to follow.

Mr. Lewis: A supplementary question, Mr. Speaker. I ask the Prime Minister in all seriousness whether, in view of the behaviour of the Canadian Pacific Railway over the last number of years and particularly in view of this present attempt to get out of a service which in law they undertook to provide, if the time has not arrived to consider seriously bringing the Canadian Pacific Railway under public ownership?

Mr. Diefenbaker: A supplementary, Mr. Speaker. Lest there be any mistake, I could not even indirectly agree to that proposition. Is it not a fact that government counsel have appeared before the former Board of Transport Commissioners and have placed various propositions before that board? This matter affects the people of Canada, and surely the government will not regard it as panic to place the views and propositions of this Parliament before the Transport Commission.

Mr. Speaker: I suggest that the last two supplementaries are argumentative.

Mr. Robert Simpson (Churchill): A supplementary question to the Prime Minister, Mr. Speaker, with respect to the operations of Canadian National Railways with which the government possibly has closer liaison. Will the Prime Minister assure the House that the government will make efforts toward influencing Canadian National Railways as much as they possibly can to continue passenger services now being operated in remote areas of Canada and which are necessary to the survival of the people in those areas?

Mr. Trudeau: Mr. Speaker, I do not mind suggesting to the Minister of Transport that he should, to use the words of the hon. member, influence this Crown corporation. I have suggested in the past weeks that I would try to influence other crown corporations, but the House did not consider that was a proper procedure. However, I will ask the Minister of Transport to use whatever influence he has over this publicly owned corporation. I should like to add, Mr. Speaker, in reference to a previous question, that I fail to see how taking over the Canadian Pacific Railway would solve this particular problem because we have in the CNR a Crown corporation which nevertheless needs to be influenced a little bit.

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

Mr. Simpson: On a point of order, Mr. Speaker. I point out that in relation to

manipulating Crown corporations, the Secretary of State said, as appeared in the April 26 issue of the Ottawa *Journal:*

Nowadays you can leave the written press free if you can manipulate the radio and television facilities.

Mr. Speaker: Order please. That, of course, is not a point of order. At the beginning of the question period I would invite the co-operation of hon. members to move on as soon as possible to other questions. If we spend too much time on one question, the Chair gets in difficulty with members who feel they should have been called upon to ask their questions earlier. I also take this opportunity to remind hon. members that there is a forty-minute limit on the question period. Some hon. members will be first, others necessarily will be last, and I try to be as fair as I can and call on hon. members as quickly as I can. I hope that from day to day members who are called at the last will not hold it against the Chair because they have not been called first.

[*Later:*]

Mr. Speaker: I wish to allow the hon. member for Crowfoot to ask a supplementary. He was unfortunately lost in the fray. He asked the original question and did not have the opportunity of asking a supplementary. I feel very badly about this.

Mr. Horner: Thank you, Mr. Speaker. I did not mind being put aside for a while, but I did want to have the last word. I wish to ask the Prime Minister if the government will give consideration to providing an opportunity at an early date, possibly in the Transportation Committee, to allow this whole question of passenger service and the commitment for passenger service from coast to coast to be studied in order to determine the need in view of the particular concern of the Canadian people all across Canada?

Mr. Trudeau: You have had the last word.

Mr. Horner: I assume from the Prime Minister's reply, Mr. Speaker, that he is in agreement with having this question studied in the Transportation Committee at an early opportunity. He nodded his head and I just wanted to confirm his agreement.

LABOUR RELATIONS

LONGSHOREMEN'S STRIKE—REQUEST FOR STATEMENT ON PROGRESS TOWARD SETTLEMENT

Mr. Harold E. Winch (Vancouver East): I wish to address a question to the Minister of Labour. It is my understanding that association executives and negotiating members of seven Vancouver longshoremen's locals met yesterday afternoon and last night in an endeavour to resolve the dispute and that there have been some new proposals. In view of this serious situation, is it possible for the Minister of Labour to comment on the information he has in order to bring us up to date?

Hon. Bryce Mackasey (Minister of Labour): Yes, Mr. Speaker. The ILWU have come up with some proposals which will be considered at meetings of the several locals at one o'clock p.m. Vancouver time. I anticipate that the results of those meetings and votes will be known at six o'clock Vancouver time. If the deliberations and votes are favourable, it is quite conceivable the men will be back to work in a day or two.

[*Translation*]

EXTERNAL AFFAIRS

REPLY TO PROTEST RESPECTING VISIT OF JEAN DE LIPKOWSKI

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I wish to direct a question to the Secretary of State for External Affairs.

Can he tell the House whether he has received a reply to the diplomatic note sent to the French government concerning Mr. Lipkowski's visit to Quebec?

[*English*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the discussions between our ambassador and the foreign minister of France have not yet taken place.

OIL

INQUIRY AS TO ANNOUNCEMENT OF REVISIONS IN POLICY

Mr. Stan Schumacher (Palliser): May I direct a question to the Minister of Industry, Trade and Commerce. In view of the critical situation which has developed, as pointed out by the Independent Petroleum Association of Canada, when will the minister be in a position to announce revisions in the national oil policy which will allow the petroleum industry to fulfil the greatly increasing demand, both national and international, for Canadian oil?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The main responsibility for the oil policy, Mr. Speaker, comes

under the jurisdiction of the Minister of Energy, Mines and Resources.

Mr. Schumacher: May I then direct my question to the Minister of Energy, Mines and Resources?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, the question of national oil policy is under constant review. There is a particularly critical review going on at the present time in light of the hearings of the Schultz Committee, the presidential committee on oil in Washington, in connection with Canadian oil policy. We are in constant communication with our United States counterparts to assure that the Canadian interests are considered in the United States review and so that Canadian producers can have the maximum access to the United States market, a most advantageous oil market.

INDUSTRY

POTASH—INQUIRY AS TO MEETING WITH PRODUCERS

Mr. John Burton (Regina East): I wish to direct a question to the Minister of Industry, Trade and Commerce. Is the minister holding a meeting this week with the potash producers? If so, what is the purpose of the meeting?

Mr. Speaker: I doubt very much whether the question as asked is the type of question which should be asked during the question period.

Mr. Burton: Mr. Speaker, if I might rise on a point of order, it is a very urgent matter involving the stand of the federal government, certain positions of the Saskatchewan provincial government, and an important sector of the Canadian economy. I urge that a question on this subject be allowed.

Mr. Speaker: I would be pleased to accept a question but not the one asked by the hon. member. The hon. member for Calgary North.

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

Mr. Speaker: Order please. The Chair has recognized the hon. member for Calgary North and will return to the hon. member for Regina East.

TAXATION

CONFIDENTIALITY OF WHITE PAPER

Mr. Eldon M. Woolliams (Calgary North): I wish to direct this question to the Prime Minister. In view of the fact the white paper on taxation was to remain confidential and in view of the invitation to hon. members to attend a confidential briefing, will the Prime Minister check and advise the House tomorrow whether there has been any leakage in reference to the white paper on taxation? I ask this question in view of statements made at noon by radio commentators and statements made in the press in reference to what may be contained in that white paper.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I will be glad to check this, but during the many months that this matter has been discussed by cabinet anything that has been published heretofore has been done merely by way of speculation. We are rather satisfied with the fact that there have been no leaks at all. If, today, there is a continuation of the speculation, there is nothing I can do about it.

Mr. Woolliams: A supplementary question, Mr. Speaker, which I put to the Prime Minister in view of his answer that there has been some speculation. Since the Prime Minister has not checked into this matter, would he do so and give an assurance to the House in this regard in view of its importance to the economy and taxpayers of Canada?

INDUSTRY

POTASH—INQUIRY AS TO MEETING WITH PRODUCERS

Mr. John Burton (Regina East): Mr. Speaker, my question is directed to the Minister of Industry, Trade and Commerce. Is it the intention of the minister to meet with the potash producers? If so, would the minister inform the House as to the government's stand with regard to the Saskatchewan plan involving licensing, minimum prices and prorationing of production?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Yes, Mr. Speaker, there is to be such a meeting tomorrow between producers in the potash industry and officers of my department. The purpose of the meeting is to gather from these people maximum information on their views, as well as

to bring to their attention some of the cautions that I have already brought to the attention of the premier of Saskatchewan in terms of constitutionality, in terms of feasibility and in terms of economic desirability.

The House will observe that I have been rather reticent to pronounce judgment on these matters for the simple reason that nobody knows what the package that the premier of Saskatchewan is trying to put together will consist of at the end of the day. It is, of course, very difficult to comment on it before we see what it comprises. Obviously there is a difference between prorating for the purpose of conservation and controlling exports and prices.

Mr. Burton: A supplementary question, Mr. Speaker. Is the government examining those aspects of the plan, as far as they are known to the government, that may discriminate against both Canadian producers and consumers and may result in fixed prices in Canada but no control over prices in the U.S.A.?

Mr. Pepin: That is the name of the game, Mr. Speaker.

COMMUNICATIONS

METHOD OF PUBLICIZING POLICY STATEMENTS BY MINISTER

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, my question is directed to the Minister of Communications. Has the minister, in his role of Postmaster General, been advised that notice of his inauguration as Minister of Communications in respect of the audio-communiqué system for radio stations on November 5 was not received by certain stations in eastern Canada by mail until November 6, the day after the blessed event? Has the minister been giving thought to the expedition of mail delivery as another technique to improve communications?

Mr. Speaker: Order. The hon. member has made a suggestion and he has to assume that it will be considered by the minister.

VETERANS AFFAIRS

TRANSFER OF LANCASTER HOSPITAL

Mr. J. Chester MacRae (York-Sunbury): Mr. Speaker, my question is directed to the Minister of Veterans Affairs and is prompted by the many submissions that I and many other members of the House of Commons from New Brunswick are now receiving from veterans in that province. Is consideration being given to the postponement of the transfer of the Lancaster Department of Veterans Affairs hospital to the Board of Commissioners of the Saint John General Hospital until the proposed veterans wing at the Saint John General Hospital is available to the veterans of the province?

Mr. Speaker: Order. I respectfully suggest to the hon. member that this is the type of question that should properly be discussed at the time of adjournment. I realize it is important and possibly very urgent, and if that is the case it should be discussed at the time of adjournment.

Mr. MacRae: Then I give such notice, Mr. Speaker.

UNITED NATIONS

PROPOSED ADMISSION OF PEOPLE'S REPUBLIC OF CHINA—ABSTENTION FROM VOTE

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. Could he state to the House if Canada will abstain in the vote at the United Nations on the admission of the People's Republic of China to the United Nations, as has been reported?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, it is not customary for the government to state in advance the way Canada will vote, because one can never tell whether there might not be last minute developments. The vote takes place tomorrow. I shall be very happy to explain after the vote why we acted the way we did.

Mr. Brewin: A supplementary question. Would the minister agree that it would be quite inconsistent with Canada's policy of negotiating for recognition to abstain on this question?

Mr. Sharp: No, Mr. Speaker. I think our vote tomorrow will be entirely consistent with our negotiations in Stockholm.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I have a supplementary question for the Secretary of State for External Affairs. Can the minister inform the House whether or not he is conferring with Secretary of State Rogers before making a decision?

Mr. Sharp: No, Mr. Speaker.

Mr. John Lundrigan (Gander-Twillingate): A supplementary question, Mr. Speaker. While the Secretary of State for External

Affairs has the floor, may I ask him whether he has had any recent negotiations with the United States government regarding the phasing out of U.S. military bases in Canada and whether—

Mr. Speaker: Order.

Mr. Lundrigan: —before recognizing Red China he would recognize that Newfoundland is part of Canada?

Mr. Speaker: Order, please.

BANK OF CANADA

INCREASE IN SALARY OF GOVERNOR

Mr. A. D. Hales (Wellington): Mr. Speaker, I should like to address my question to the Prime Minister. In this period of inflation, and in view of the government's effort to control prices and wages, did the Prime Minister or the Minister of Finance approve the increase in salary of the Governor of the Bank of Canada from $50,000 to $100,000?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker.

Mr. Hales: A supplementary question. If the Prime Minister did not approve it, what organization or body did approve it?

Mr. Trudeau: No one, Mr. Speaker.

Mr. Hales: A supplementary question, Mr. Speaker.

Mr. Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker.

Mr. Speaker: Order, please. Both the hon. member for Wellington and the hon. member for Winnipeg North Centre are rising on a supplementary. I think the original question could well have been placed on the order paper since we are dealing with a situation *ex post facto*. Unfortunately, the Prime Minister rose to answer just a little too quickly, and so I allowed the supplementary on the part of the hon. member for Wellington. However, I do not think we should get into a debate on the matter.

Mr. Knowles (Winnipeg North Centre): On a point of order, Mr. Speaker, due to a slight error in the question the Prime Minister was able to give the House a misleading answer. Was not the raise to $75,000?

Mr. Speaker: Order. Perhaps the correct question might be placed on the order paper.

[*Translation*]

WATER RESOURCES

GRAND CANAL—DISCUSSIONS WITH QUEBEC AND ONTARIO

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources.

Could he tell us whether the officials of his department have been in touch with the governments of Quebec and Ontario regarding the diversion of the waters of the James bay basin, what has been called the Grand Canal project? Could the minister tell us whether studies in this field are going on at the federal level?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): I will take the question as notice, Mr. Speaker.

[*English*]

POLLUTION

THREAT FROM BREAKING UP OF TANKER

Mr. James A. McGrath (St. John's East): Mr. Speaker, in the absence of the Minister of Fisheries may I direct this question to the Minister of Energy, Mines and Resources. Does the breaking up of a loaded tanker off the coast of New England yesterday pose a pollution threat to Canada's eastern coastal waters? If so, what steps is the government taking to counteract it?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I have no knowledge of any pollution threat to Canada, but I will be glad to take notice of the hon. member's question and look into the matter. If any pollution is threatening Canada, we will certainly take such action as is available to us under the applicable legislation.

Mr. G. H. Aiken (Parry Sound-Muskoka): A supplementary question, Mr. Speaker. May I ask the minister whether the government is undertaking research programs in connection with the special problems of oil dispersion in the Arctic?

Mr. Greene: Mr. Speaker, there is continual research being conducted into pollution, including the possibility of pollution in the Arctic as well as elsewhere. I know of no program within my department that is specifically directed to the question of oil pollution in the Arctic, but certainly this matter is well within the ambit of our total framework of research programs.

Inquiries of the Ministry

Mr. McGrath: A further supplementary question, Mr. Speaker, which I can perhaps direct to the government House leader, whom we all welcome back to the House. Would the government, in view of the importance of this subject, give consideration to referring this matter to the appropriate committee of the House for investigation so that the evidence can be heard and correlated?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I should like to thank the hon. member for his first but, I am sure, not his last question to me this session. As in respect of all the others, I will take it into consideration.

Mr. Speaker: Order, please. Again I seek the co-operation of hon. members. I will recognize the hon. member for Gander-Twillingate, but if he will look to his left and other hon. members will look around them, they will see how many hon. members are anxious to ask questions. For this reason, I suggest there should not be so many supplementary questions.

Mr. John Lundrigan (Gander-Twillingate): May we be assured that the position of the federal government will be made clear to international bodies responsible in respect of pollution in order that our attitude toward this incident will be clear?

Mr. Greene: Yes. I think international questions in respect of ocean pollution are very much at the forefront of discussions. I believe Canada will be represented this weekend at an international conference which will discuss this specific matter.

GULF OF GEORGIA—REPRESENTATIONS FROM LABOUR ON OIL DRILLING

Mr. Barry Mather (Surrey): Mr. Speaker, in the absence of the Minister of Fisheries, may I direct a related question to the attention of the minister's usually well informed parliamentary secretary.

Some hon. Members: Hear, hear.

Mr. Mather: Have representations been received from labour organizations in British Columbia protesting what they consider to be threatened pollution in Canada's Garden of Eden as a result of impending plans to drill for oil in the Gulf of Georgia—

[Mr. Greene.]

Mr. Speaker: Order, please. The hon. member has had the floor for a while now. Will he put his question?

Mr. Mather: Mr. Speaker, have representations been received from British Columbia organizations protesting the impending plans for oil drilling in the Gulf of Georgia?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): Yes, Mr. Speaker. During our investigations we found that the province has given authority for seismic testing. We do not feel that this testing will cause any damage to marine life, but the federal authorities certainly will be taking a hard look at this project before giving any drilling permits in this area, because of the pollution risk.

EXTERNAL AFFAIRS

NIGERIA-BIAFRA—STEPS TO OVERCOME BLOCKADE OF RELIEF SUPPLIES

Mr. David MacDonald (Egmont): Mr. Speaker, I should like to direct a question to the Prime Minister in relation to his remarks on October 24 in the House about the relief program for Nigeria-Biafra. He indicated that if the present blockade of the relief operation is not removed quickly, other appropriate steps will be taken. Can he give us some idea as to how long this government is going to wait, and make some suggestion as to the other initiatives that might now be open to it.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, perhaps I may answer this question on behalf of the Prime Minister. We have recently held conversations with the Candian Red Cross. General Wrinch is now in Geneva and we are hoping to hear from him soon. The main problem, as the hon. member knows, is that they have not been able to work out an agreement on daylight flights, which is by far the best way to handle the matter. If this cannot be accomplished, we will have to look at the situation again. In the meantime, we are talking to the Red Cross. I think it is most important that we should not undermine the efforts of that great international organization.

Mr. MacDonald (Egmont): Mr. Speaker, since our government has now waited many months for the Red Cross to clear up these difficulties, can the minister indicate whether any deadline has been expressed or what is the exact interpretation to be placed on the words of the Prime Minister "not quickly removed"?

Mr. Sharp: I am sure we all want to support the Red Cross as long as its members feel there is still a chance to obtain approval for daylight flights.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I wonder whether the minister can say that one of the steps taken relates to aid to the church organizations and Canairelief which have in fact been flying supplies in to the starving people of Biafra?

Mr. Sharp: Yes, Mr. Speaker, we have been holding discussions with the church groups and Canairelief who also would like to have daylight flights. I am sure hon. members would agree that this is desirable.

GRAIN

INQUIRY AS TO ACREAGE PAYMENT PROGRAM

Mr. George Muir (Lisgar): In view of the very serious situation on the prairies resulting from the unharvested grain and the inability to find adequate markets for grain in store which have led to very drastic cash shortages affecting the whole western economy, I should like to ask the Minister without Portfolio from Saskatoon whether the government is giving consideration to implementing an immediate program of acreage payments to alleviate this intolerable situation?

Hon. Otto E. Lang (Minister without Portfolio): Other questions along this line have been asked. As the hon. member knows, the Minister of Agriculture and I personally have visited the area in question and the government has been considering the situation. I expect an announcement of government policy to be made shortly.

POLLUTION

BURYING OF FISSIONABLE MATERIAL IN ATLANTIC OCEAN

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I should like to ask the Minister of Energy, Mines and Resources whether in recent months Canada has given consideration to representations, not only at the immediate Conference on the Sea but at the much broader one to be held in 1971, concerning the burying of fissionable material in the Atlantic depths?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, under the aegis of the United Nations there will be an international conference on this subject in 1971 or 1972. Certainly, my department, along with the Department of External Affairs, has given very careful consideration to Canadian representation at this conference. I feel sure that Canada will be represented and will state her position very clearly at that time.

Mr. Forrestall: Mr. Speaker, will the minister indicate whether Canada is now adopting a position in respect of the custom of the United States of burying this fissionable material in the depths of the Atlantic Ocean, in this day and age when we are all concerned about pollution, particularly this worst type?

Mr. Greene: I believe this very question is under discussion at the present time. Perhaps the Department of External Affairs is more directly concerned with this problem. It may be that the minister can elaborate.

Mr. Speaker: Order, please. I suggest that this information should be conveyed to the House in due course by way of a statement on motions.

EXTERNAL AFFAIRS

NEGOTIATIONS WITH U.S. RESPECTING CLOSING OF BASES

Mr. Walter C. Carter (St. John's West): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs which is similar to a question asked by my colleague, the hon. member for Gander-Twillingate. Has the minister had discussions with his counterpart in the United States government regarding the future of United States military and naval bases in this country, and whether any will be affected by the recently announced policy of that government to phase out over 300 bases round the world?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Quite clearly, Mr. Speaker, the United States, like Canada, has been engaged in some retrenching operations, and we can hardly protest about them. We have, however, been discussing with the United States government the notice that should be accorded to Canadian employees. We have been urging upon them, not as successfully as we would wish, some greater notice than they have given. I think that is the extent to which we can protest. In fact, as hon. members of the House know, I have been engaged in somewhat similar operations.

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I wonder whether the minister could indicate the result of the negotiations

he has had with his United States counterpart in an effort to have the term of 30 days notice to employees with 20 to 25 years service extended so that they might have some indication of the extent of his negotiations?

Mr. Sharp: As I indicated in my previous answer, our representations have not been very successful. We have been unable to change the practice of the United States government in this respect, notwithstanding the strongest possible representations on behalf of Canadians.

TRANSPORT

TRUCKING—EXAMINATION OF COMPANIES' RECORDS BY INTERSTATE COMMERCE COMMISSION

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I should like to ask the Right Hon. Prime Minister the following question. On October 29 I asked him a question which arose from a report that officers of the United States Interstate Commerce Commission were entering Canada to examine the records of Canadian truckers. He said he would look into the matter. Has he any further information to give the House at the present time?

Right Hon. P. E. Trudeau (Prime Minister): I did look into the question, Mr. Speaker, and discussed it with the Department of Transport. Perhaps officials of that department could give a more detailed answer. In summary, we understand there has been no such intervention or inspection in Canada by the ICC, but the responsible United States agency does have some arrangement whereby it inspects Canadian trucks in the same way that we have a similar arrangement with the United States which entitles us, as I understand it, to make certain inspections. This is a matter of convenience between the two governments, and the companies involved, so that instead of stopping the trucks at the border there is inspection inside the country. If the hon. member wishes further details he might ask the Minister of Transport when he is in the House.

ATOMIC ENERGY

BRUCE NUCLEAR GENERATING PLANT—EFFECT OF FEDERAL SAFETY REGULATIONS

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources. Since, as a result of instructions of the federal Energy Control Board, Ontario Hydro has been forced to halt construction on its Bruce nuclear generating station and move it to a new site, was the federal Energy Control Board aware of the original building plans of Ontario Hydro for the Bruce nuclear generating station?

Mr. Speaker: I suggest this question should be placed on the order paper.

DRUGS

PLACING OF CATNIP ON RESTRICTED LIST

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, my question is for the Minister of National Health and Welfare. In view of the reported prosecution in Port Arthur of a person for selling catnip to the R.C.M.P.—

Some hon. Members: Oh, oh.

Mr. Nesbitt: This is a serious question, Mr. Speaker. In view of this fact, has the minister put catnip on the restricted list? If not, will he consult with his colleague the Solicitor General concerning whether prosecutions of this nature are in order?

Hon. John C. Munro (Minister of National Health and Welfare): I will be pleased to consult with my colleague the Solicitor General on this question.

MARIJUANA—CONSIDERATION OF LEGALIZATION

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I have a supplementary question for the Minister of Justice. In view of the statement made by the Minister of National Health and Welfare to the effect that his department is considering legalizing marijuana, what has the Minister of Justice to say about this?

Mr. Speaker: Order, please. The hon. member for South Western Nova.

INQUIRY OF THE MINISTRY

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, may I ask the Prime Minister where applications—

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

Mr. Speaker: Order, please. I wonder whether the minister would allow the hon. member who started his question to continue, and then I will return to the minister's question of privilege.

Mr. Comeau: Mr. Speaker, may I ask the Prime Minister where applications may be made to apply for a seven-hour $250 a day job?

DRUGS

MARIJUANA—CONSIDERATION OF LEGALIZATION

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I have a question of privilege. I think the hon. member should be aware that he is very badly misinformed. I made no such statement.

Mr. Woolliams: I am glad to hear the minister deny it. Then, he must have been misquoted and this puts the Minister of National Health and Welfare and the Minister of Justice at last in the same bed.

Mr. Munro: Mr. Speaker, a question of privilege—

Mr. Speaker: Order, please. The minister has already raised a question of privilege. I suggest there should be no debate on the matter. Perhaps the minister and the hon. member might get together and decide just exactly what has been said.

[*Translation*]

HEALTH AND WELFARE

TELEVISION AND RADIO CIGARETTE ADVERTISING

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

Does he intend to recommend any legislation to prohibit all advertising on radio or television concerning cigarette smoking?

Mr. Speaker: I do not believe this is an urgent question. It might be put on the order paper.

[*English*]

INFORMATION

RETRAINING PROGRAM—LACK OF KNOWLEDGE BY FARMERS

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I have a question for the Minister of Manpower and Immigration. In view of the fact that the report of the task force on government information revealed that approximately 40 per cent of Canadian farmers were not aware of the government's retraining programs or even the location of manpower centres, is it the intention of the government to provide some emergency information to the farmers or must they wait for a white paper on this subject?

Mr. Speaker: Order, please.

SPORTS

PAN-AMERICAN GAMES—INQUIRY AS TO FINANCIAL ASSISTANCE TO WINNIPEG

Mr. Craig Stewart (Marquette): Mr. Speaker, I should like to direct my question to the Minister of Industry, Trade and Commerce. In view of the settlement the government is proposing to offer the Expo Corporation to cover its deficit, is the same consideration being given to the city of Winnipeg to cover the deficit incurred during the Pan-Am games, the major Canadian sports event of centennial year?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The question was raised in the debate yesterday and I am obtaining information on it.

NATIONAL REVENUE

REQUEST FOR REMOVAL OF DUTY ON BIOLOGICS

Mr. Cliff Downey (Battle River): Mr. Speaker, I should like to address this question to the Minister of Industry, Trade and Commerce. In view of the fact that veterinary medicines and biologics for the prevention of livestock diseases are equally important to those for the treatment of diseases, and in many cases are the same basic biologics, can the minister assure the farmers and ranchers that there will be a discontinuance of the 15 per cent duty on preventative biologics that was imposed in August of this year as a result of the re-interpretation of the Canada Customs Act by some overzealous customs inspectors?

Mr. Speaker: I would think the question is one which might very well be debated at the time of adjournment.

EXTERNAL AFFAIRS

VIET NAM—U.S. POLICY STATEMENT—CANADIAN POSITION

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Prime Minister. In view of the fact that Senator Fulbright, Chairman of the United States Senate Foreign Relations Committee, was extremely critical of President Nixon's recent statement of United States policy on Viet

Nam as being unlikely to lead to peace in that unfortunate land, has the Canadian government made known to the United States government its views on this important international question.

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker.

BUSINESS OF THE HOUSE

Mr. Baldwin: Mr. Speaker, might I be permitted to revert to the usual custom of asking the government house leader about the business for the rest of this week and next week?

Mr. Macdonald (Rosedale): Mr. Speaker, today, as hon. members know, we are to continue with the second reading stage of item No. 8, Bill C-6 in respect of the Canadian Corporation for the 1967 World Exhibition, to be followed by item No. 11, Bill No. C-8 in respect of the children of war dead.

I should like to call the attention of the House to a change in the business announced last night. Item No. 19, in respect of Bill C-135 to amend the Students Loans Act, will not follow as the third item. Rather, we will proceed to item No. 4, Bill C-2 in respect of the Judges Act and item No. 23, Bill C-136 in respect of the Expropriation Act. It is hoped that by the time the House rises at three o'clock tomorrow afternoon, second reading of these four bills may be achieved.

On Monday next, the first item of business to be called will be No. 14, Bill C-11 in respect of the Railway Act, to be followed by item No. 6, Bill C-4 in respect of the Canada Corporations Act.

The House will not sit, as hon. members know, on Tuesday due to Remembrance Day but on Wednesday the business to be called will be item No. 19, Bill C-135 in respect of the Canada Students Loans Act; item No. 12, Bill C-9 in respect of the Small Businesses Loans Act and item No. 10, Bill C-7 in respect of the Canadian National Railways. If there are any changes in this order, every effort will be made to announce them in the House in advance.

Mr. Hales: On a point of order, Mr. Speaker, I should like to express my appreciation, and add also the appreciation of every hon. member of the House, to you and your staff for the appearance for the first time of this very colourful new seating plan which has been distributed today. I am sure it will be most useful to the thousands of visitors who grace our galleries from time to time. We appreciate the explanation therein in respect of the reason members may or may not be at their desks from time to time. I am sure the House appreciates your efforts, Mr. Speaker.

Some hon. Members: Hear, hear.

• (3:20 p.m.)

GOVERNMENT ORDERS

CANADIAN WORLD EXHIBITION CORPORATION

MEASURE WINDING UP EXPO

The house resumed, from Wednesday, November 5, consideration of the motion of Mr. Pepin that Bill C-6, to wind up the Canadian Corporation for the 1967 World Exhibition and to authorize the writing-off of certain costs and the deferral of certain payments connected therewith, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

[*Translation*]

Mr. J.-A. Mongrain (Trois-Rivières): Mr. Speaker, before coming to the heart of the matter, I should like to request your indulgence since, for a few seconds, I shall be in order only partly, I think; in this case, I base myself on a precedent created yesterday, for I heard some of my colleagues pay tribute to those who were at the origin of the Canadian Corporation for the World Exhibition. For instance, they referred to the honourable Mark Drouin, who has died since, and to the Commissioner, His Excellency Pierre Dupuy, who served with such distinction and who has also left us for a better world.

I feel I am complying with the wishes of every hon. member in paying tribute also to a great man, one who has contributed the most to the creation of Expo, that is Mr. Jean Drapeau, mayor of Montreal. I am doing it not only because I believe he deserves the gratefulness of all hon. members and of all Canadians but also the sympathy of the house and of every Canadian for the shocking, ungrateful and dirty way he has been treated since then by people throwing bombs at his house and his place of business.

Having said this, I now turn to Bill C-6 entitled: An Act to wind up the Canadian Corporation for the 1967 World Exhibition and to authorize the writing-off of certain costs and the deferral of certain payments

connected therewith. The explanatory note states clearly that the purposes of this bill is:

(a) to provide for the dissolution of the Canadian Corporation for the 1967 World Exhibition;

Nobody can object to that, I think, because it is in order.

The second purpose of this bill is, and I quote:

(b) to authorize the disposition of the remaining assets and liabilities of the Corporation;

There might be differences of opinion as to the manner of disposing of the assets and liabilities, but the government proposes a solution which will be discussed at the meetings of the appropriate committee. The third purpose of this bill is:

(c) to stop interest accruing on the outstanding notes of the Corporation payable to the Government of Canada and thus prevent the accumulation of additional liability in respect of those notes and to write-off one hundred and twenty-five million dollars representing Canada's share of the deficit of the Corporation;

It must be admitted that this is an economy measure which can be easily accounted for and it will be possible to put questions to the minister in the committee.

Here is the fourth purpose of the bill:

(d) to authorize the deferral to 1972 of payment by Quebec of not more than five million five hundred thousand dollars due in 1969-70 in connection with the operations of the Corporation.

As we know, the government has taken such action in order to take advantage of the request made by the city of Montreal to cope with unemployment there. It is therefore a rather fictitious expenditure, since the equivalent would have been spent on unemployment insurance and welfare allowances.

The minister explained in greater detail the reasons for every provision of the bill.

After the minister's statement, the bill seemed quite clear and simple to me, and even the opposition praised it no end. Therefore, I thought the debate would only take a few hours, just long enough perhaps to hear the few usual speeches from members of the opposition, so that the measure could be referred to the appropriate parliamentary committee, where questions and explanations could be asked, concern expressed and answers obtained from the minister and his experts.

I would not have dared intervene in the debate if all members had agreed that it might save time. But since the whole day yesterday was spent in bringing all kinds of charges against the government and distorting the facts, I feel duty bound today to answer at least briefly.

While I felt the debate was unnecessary, I listened to all the interventions of the opposition, including statements that were petty and at times disquieting.

I hope that I am mistaken, because I do not pride myself on being infallible. However, I thought I perceived in certain members an intention to express, indirectly and discreetly, while heaping praises on the minister, some feelings of jealousy toward the city of Montreal and the province of Quebec because of Expo. Some also took the opportunity to attack the government.

Mr. Speaker, in my view this is uncalled for, since we are dealing with an exceptional measure. In fact "Man and his World" has been the finest monument ever erected to the Canadian way of life, for all the world to see, thanks to the co-operation of all—whoever they may be: the Progressive Conservative party, other parties or all citizens, even those who are not interested in politics.

This achievement was the result of co-operation from the beginning. At least this time we managed to agree on a tremendous achievement for the sake of Canada's prestige. I think we should not give the rest of the world the impression we are mice trying to nibble away at this monument's base, but that we can work together and complete this wonderful undertaking that was launched so successfully.

Of course, some people always worry and we must try to reassure them.

First of all, I wish to deny that this was a gift to the city of Montreal, and I can prove it. On the contrary, I believe, as I already said, that it was a co-operative effort from all Canadians toward the development of this country, and that Montrealers and Quebecers did more than their share, or at least their share, shall we say, not to exaggerate.

We are told that Expo cost every Canadian $7, but it is perhaps not known that it also cost Quebecers more than $7. They have indeed paid $18, Montrealers have paid $75, not taking into account the sharing of the deficit that we shall pay as Canadians, Quebecers and Montrealers. The contribution of each Montrealer, Mr. Speaker, will amount to some $75.

This is to say that Quebecers, mostly Montrealers, have done more than their share and have not really got anything free, gratis and

for nothing. Rather it is they who gave something to the rest of the country in their great kindness, a present so to speak, but I shall not stress that word unduly. At least they proved their willingness to do their share.

The same holds true for the breakdown of Expo costs: they said that Canada would finance 50 per cent of the cost, Quebec 37½ per cent and Montreal 12 per cent. However, with respect to the 50 per cent contributed by the federal government, we must recognize that about 16 per cent thereof comes from taxes collected in the province of Quebec. Therefore, Quebec did its share.

I have quoted those figures for the benefit of those who might worry and who think that on this occasion there was a lack of distributive justice in Canada; I would like to show them that, on the contrary, Quebecers and mostly Montrealers are willing to co-operate with the rest of the country, when Canada's welfare is at stake.

In the course of this debate, Mr Speaker, it has also been said to my amazement that Expo cost considerably more than had been anticipated originally. I have here the official report of the House of Commons debates recording the words of the right hon. member for Prince Albert (Mr. Diefenbaker) in this matter. Indeed on December 20, 1963, as is recorded at page 6213, the latter spoke in the following terms and I quote:

[*English*]

In 1959 the Montreal chamber of commerce prepared a brief. In 1960, on February 10, I announced that Canada would apply to I.B.E. for the fair; that Ottawa would guarantee $20 million, Quebec $15 million and the city of Montreal $5 million.

• (3:30 p.m.)

[*Translation*]

That is what had been anticipated in 1960.

Mr. Speaker, I feel almost tempted to be nasty to my friends opposite and remind them that the then responsible authorities for Expo, the Commissioner at that time, were of the same politicial stripe as they are. I have the feeling that those people—his associates and himself—lacked vision, did not imagine that Canada had to meet a greater challenge than what they pictured.

Those figures, moreover, were much too conservative. They did not show enough vision to anticipate the great support from people all over the world who would come to Canada on that occasion, to anticipate the number of countries which would wish to take part in Expo, as well as the number of statesmen who would come here with impressive retinues to visit what Canada and all the other participating countries had to show to the modern world.

I forgive them for making wrong predictions, but the government should not now be blamed for shortsightedness because the people who made wrong predictions had been appointed by our friends on the other side.

Mr. Speaker, I readily admit that nobody in the world could have forecast in 1960, 1961, 1962 or 1963 the tremendous success of the exhibition. Planning was as sound as could be but, considering the unprecedented number of countries anxious to take part in Expo and the millions of people who were then planning to visit us, the Expo site had to be enlarged, facilities and staff had to be increased. They were recruited within the private sector and, since it was for temporary employment, they obviously had to be paid more than had been expected.

Mr. Speaker, it is no cause for surprise that the exhibition should have left us with a deficit of $143 million, at least as far as the federal government is concerned. No matter what the Auditor General says, I maintain that the exhibition has left us with assets worth more than that deficit. The Auditor General of Canada has overlooked them. They are most valuable and more than compensate the deficit for Canada.

These are moral assets, Mr. Speaker: invaluable prestige, such as Canada never enjoyed before and acquired through the exhibition which brought citizens of many other countries to visit us. They now know the true image of Canada, a giant emerging from sleep in 1969, thanks, first of all, to Expo, then to "Man and His World."

Mr. Speaker, such things are bought and are paid for, even with money, nowadays. The research and the experiments that were carried out will bear fruit in many sectors of our economy and of our industry. What nobody would have dared undertake before because the necessary money could not be found in the usual budgets, was done with the Expo budget. Such things will profit our scientists, manufacturers and businessmen for centuries. All year round, funds are being spent for research and our friends opposite are the first to blame the government for not investing enough in that field. Now, we had a unique opportunity for research which resulted some new techniques.

Mr. Speaker, the federal government's share in the deficit have contributed to the

advancement of research. The results were so many that I would have to speak for hours on end to explain what I have seen, and I am only a layman.

What about the publicity given to Canada and its undertakings? Everyone knows how publicity is costly. My friends opposite are the first to criticize the government sometimes for spending too much on publicity for Canada. We got the benefit of indirect publicity which would have cost us millions of dollars and would not have been as effective, since it attracted to Canada a great number of visitors who came to see for themselves that our country was one of the most active in the world.

With regard to the Expo deficit, we should keep in mind the Auditor General's function. I do not want to criticize him because his job is not to appraise moral, intellectual or scientific values but to add figures. He is doing a fine job. If reliance is placed solely on his evidence to condemn the deficit of Expo '67, then any argument is unfair and practically dishonest in some cases.

What has Expo brought us that does not appear in the official reports? Revenue in the form of taxes that have been derived from the tourist trade. This means considerable sums of money that have not been added to the good results brought about by Expo. Today, when this great event has ended brilliantly, some would start beefing—if I may use this expression that is not taken from Bossuet—when we have succeeded in building something as tremendous as that, without taking into account a number of things that undeniably and unquestionably exist and that have brought to Canada considerable and needed additional revenue for the benefit of all Canadians.

Mr. Speaker, Expo '67 has brought us more than that still. I am thinking of the ties which have been established through Expo. A number of businessmen came from various countries to establish commercial and industrial connections with Canadian businessmen, financiers and manufacturers. Such connections are of priceless value to the Canadian people. Let us think of that, rather than criticize additional expenses which by the way, are nothing out of the ordinary, since the initial estimates go back to 1960 and the scope of this exhibition has more than doubled; actually it increased fourfold, as compared with the first estimations.

Mr. Speaker, Expo had another result that adding machines will not be able to compute: it reinforced national unity. All the countries which took part in the World Exhibition and whose citizens came to Canada, join hands today in a spirit of good will; they have gained a better mutual understanding and have a sincere desire for peace.

Those results of Expo cannot be denied. I believe the deficit of Expo, which will cost Canadians $125 million, not to mention the City of Montreal and the province of Quebec, will be offset by the circulation of additional money.

Expo will have tangible results. As I said before, Expo is the most beautiful memorial ever erected to Canadianism. All Canadians should rally around this memorial, and give up all petty thoughts at this point, when Expo is about to wind up.

Mr. Speaker, I think that I should bring my comments to a close, even if it is only to prove that I believe a little in what I have just said.

What is the minister asking us to do, after having given his explanations? To refer that bill to the parliamentary committee, because he will be there with his experts and he will answer all our questions. If we are not satisfied, the bill will be sent back to the House and we will then be free to air our grievances.

The opposition has the right to question public expenditures, but at least when an important achievement which will affect the future of Canada and of many other countries is concerned, hon. members should certainly not make malicious assumptions or dubious statements.

In my view—and all government members agree with me, I think—one must admit, so that no doubts remain in the minds of the members of the opposition, that Expo was an achievement to which everyone contributed to the full extent of their power, even the opposition parties.

As good citizens of Canada, we should put an end to all objections and hasten to refer this bill to the designated committee where questions can be asked and answers listened to and checked, so that the bill may come back to the House where every member will be able to vote on it according to his lights.

• (3:40 p.m.)

[*English*]

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, this is where we pay up for our one-hundredth birthday party and I believe

most Canadians are willing to pay if convinced the overspending was reasonable. I believe there is very little disposition in the minds of Canadians generally to question cases of additional expenditure where reasonable overtime was required and where things were done in good faith to make the birthday party and Expo a success. However, I rather resent some of the remarks of the hon. member for Trois-Rivières (Mr. Mongrain). I should like to answer in a friendly spirit, and perhaps explain to him some of the things which motivate those of us who are questioning the expenditures for Expo.

I do not think we can ignore any instances of bad faith there may have been during the construction of the Expo site, nor can we afford to make further mistakes in winding up the Expo corporation.

I should like to make some comments on the hon. member's speech, Mr. Speaker. He seemed to think there might be some hidden jealousy of Montreal in the speeches of members of the opposition and suggested that where good projects were involved, troublesome minds were at work. But, Mr. Speaker, I do not think there is anybody in this country who feels any resentment toward either Montreal or Quebec in connection with Expo 67. As a matter of fact, it is exactly the opposite; it was a tremendous national project in which Montreal, the Province of Quebec and all Canadians joined. We were proud of Montreal, of the show they put on, and we were proud of the people of the province of Quebec. People from all over the country went to Montreal for Expo 67, were thrilled by it and heartened by the friendliness of the people of Quebec. They returned to their homes full of good will. Surely, no one is trying to spoil this result of a real effort on the part of all Canadians.

However, government supervision of the project and the activities in connection with winding it up must be questioned. At least, these are matters which concern me. There is no doubt in the world that a lot of mistakes were made as a result of bad judgment, and these cost money. I am sure some can be justified by the fact that there was a time limit; there was just no way of postponing the day of opening. However, we do not have this excuse now and further mistakes in winding up should be prevented, although there are some things in this bill which I believe to be wrong.

The hon. member for Trois-Rivières said that all Canadians had benefitted financially from Expo 67. In a sense that is true, but I come from a tourist area in a tourist province and I can tell the hon. member that in my riding of Parry Sound-Muskoka, and in Ontario generally, tourist revenues in 1967 dropped as low as they have ever been. They dropped right down to nothing because everybody was going to Montreal. However, I never heard one word of complaint. People felt that if they were losing money, then they would probably make up for it the next year. The deficit about which we are talking amounts to $7 per head, but some of these people lost thousands. They just hoped that their usual customers would return the next year. The hope had been expressed that tourists would take a triangular or circular tour through our part of the country when returning to their homes in the United States or the west. This did not happen but people in my riding did not complain about it. This is the spirit in which the great effort of the city of Montreal was accepted. Nevertheless, it must not be forgotten that they did lose large sums of money.

The hon. member for Trois-Rivières also mentioned generosity, and asked if we were going to be niggardly about a few million dollars in settling the affairs of this Corporation. The hon. member for Winnipeg North Centre (Mr. Knowles) pointed out that Winnipeg has a deficit of less than one million dollars as a result of the Pan-Am Games, a pittance compared with Expo. However, as far as I can gather, this government has not made any commitment to assist in this regard.

An hon. Member: Yes, there was.

Mr. Aiken: I hope so, but no reply was made to the hon. member for Winnipeg North Centre yesterday. If an answer has been given since it was the fastest answer I have ever heard in this place.

Mr. Pepin: They were asking for extra money.

Mr. Aiken: Yes, they were asking for extra money. What do we have here—$20 million to $175 million. I would say that is a lot of extra money. I am not quibbling about the volume, I am just saying that a great deal of money is involved.

The Canadian National Exhibition in Toronto is desperately trying to modernize its facilities. I remember that about four years ago a group came down here from Toronto to try to get some help, but nothing substantial

has happened as yet. I am surprised that we have not heard the hon. members from the Toronto area squawking about the shabby treatment meted out to them. But perhaps we will hear about it before the debate is concluded. The treatment accorded the Toronto exhibition is incidental but I am just trying to point out that if the question of generosity is involved, surely it applies to one part of the country as much as to another. If no generosity was shown, a little bit of jealousy might have arisen following Expo 67, as the hon. member for Trois-Rivières mentioned. I think perhaps this controversy has arisen because tremendous sums were spent on Expo while other people, who may have wanted to spend $1 million or less on good centennial projects, did not receive the treatment they really expected.

• (3:50 p.m.)

May I now return to my own speech, Mr. Speaker. The one thing that specifically bothers me about this bill is that it gives the minister power to dispose of the assets of the Corporation without consultation with Parliament. No guidelines are established as to the method of disposing of these assets.

Mr. Pepin: Mr. Speaker, it may save time if I inform the hon. member that the remaining assets are minimal. Also, I shall be reporting on these matters, as well as on others, in the normal way. There is nothing strange, difficult or abnormal about this question of assets.

Mr. Aiken: Mr. Speaker, I do not doubt that the minister will be perfectly above-board with us. I do not question the minister's honesty or veracity in connection with this matter. Nevertheless, for all I know he may soon be promoted to a position of greater glory. He may not be here and one of his less forthright colleagues might take over the minister's job. Yet again, the minister may be defeated—

Mr. Speaker: Order, please.

Mr. Pepin: The assets are not worth stealing.

Mr. Aiken: The minister says the assets are not worth stealing. A few dollars here or there do not matter, perhaps. I was given to understand that between $50 million and $75 million worth of assets remain for disposal. At any rate, that is what we understood from the minister's remarks yesterday. The minister cannot divert my trend of thought. He need not explain to anyone how he is to dispose of these assets. The bill does not require him to explain, and it is that to which I object. For instance, a building that has cost several millions of dollars to erect could be acquired by another party for $1. On the other hand, there might be cases where accounts owing to the federal government or to Expo Corporation are wiped out. I should be interested to hear about these matters. For instance, it is quite possible that debts owing to Expo will be cancelled. I do not know the laws of Quebec too well, but I do know that in most provinces of Canada there is a statute of limitations under which debts owing may be collected at least six or seven years after those debts have been incurred. After that period, the debtor may invoke the statute of limitations. In this case, debts owing to Expo Corporation may be eliminated at the stroke of a pen. Perhaps no money is owing to the Corporation; but I should be quite surprised to learn that there are no outstanding contracts or that there are no contracts which have not been terminated in some manner. The minister can terminate them and wipe out debts owing with a stroke of his pen, and he need not explain anything to anyone.

The minister may well say that he will explain everything to us; but it is the principle of the bill that is wrong. It seems to us that the government is saying that its authority is not to be limited by the control of Parliament and that it does not have the responsibility of reporting back to parliament on certain matters. I do not care whether the amount involved is $1 or $1 million; the principle of the bill is wrong, and we object to it.

Some hon. Members: Hear, hear.

Mr. Aiken: It is the principle of the bill itself that counts. As I said, the provisions of the bill make it unnecessary for the minister to report back to this House after he has disposed of the assets of Expo Corporation. I think this bill ought to be amended in committee so that public tenders are required for the sale of assets.

Mr. Pepin: But the assets have been disposed of already.

Mr. Aiken: Then, why does the government not eliminate the clause to which we object?

Mr. Pepin: The assets have been disposed of.

Mr. Speaker: Order, please. It seems to me that we are not progressing in an orderly

way. My understanding is that the types of questions being asked by the hon. member, and the answers given by the minister, ought normally to be considered when the bill is before the committee.

Mr. Pepin: That is quite right, Mr. Speaker.

Mr. Aiken: Mr. Speaker, since the minister is such an amiable person, I do not object to his interruptions. I ask, if the assets are all gone, what are we doing now? We may as well dispose of this bill immediately, or the government could withdraw it. At any rate, the minister could withdraw the pertinent clause of the bill I am discussing. I think he is exaggerating.

I merely wanted to draw this particular clause to the attention of the House because, in passing this bill, Parliament will be divesting itself of any power to control the public properties involved. That is the principle to which we object. I think the minister ought to make it very clear that he has no assets for disposal.

Mr. Pepin: I have already said that.

Mr. Aiken: In that case, could we not withdraw the clause? If the assets are so miniscule that it does not matter, could the clause not be withdrawn? Perhaps the minister may want to amend the bill so that even those miniscule items still remaining could be sold by public tender. I think the federal government can afford the cost of advertising in our newspapers.

Mr. Robert C. Coates (Cumberland-Colchester North): Mr. Speaker, we are now in the position of a man who is suffering from the hangover that comes after a big party. The hangover in question results from the actions of the present government, because it was in office when the expenditures covered by Bill C-6 were undertaken.

It is good to see the Secretary of State for External Affairs (Mr. Sharp) in the House. Initially, when the opposition of the day warned the government of the magnitude of the cost Canadian taxpayers would have to bear unless the government took some action to protect the taxpayers, our present Secretary of State for External Affairs was the minister responsible for Expo. He was unwilling to allow a committee of the House to examine the activities of the management of Expo '67 to determine whether excessive expenditures were being made in respect of Expo.

[Mr. Speaker.]

• (4:00 p.m.)

I wish to refer to a question I asked the acting Prime Minister (Mr. Martin) on June 22, 1965, as recorded on Pages 2744 and 2745 of *Hansard* for that year. I asked the government to set up a special committee to investigate expenditures in connection with Expo '67. This request was made on the basis of information tabled in reply to question 397 in which the House was informed the expenditures of the federal government had risen from the initial $20 million to more than $64 million. On June 22, as recorded at page 2803 of *Hansard,* I indicated my concern over the unwillingness of the federal government to set up a committee because at that time I feared the expenditures might rise to $100 million. I felt that would have been an excessive figure. All I can say in connection with the bill now before us is that I certainly took a pessimistic view of the big spenders across the way.

It appears from the comments of the minister to the hon. member for Parry Sound-Muskoka (Mr. Aiken) that there has not been much change in the government's approach to these matters. The minister says the assets are minimal, whereas the auditor-general places their value somewhere between $50 million and $60 million. That may be minimal to the minister, but it is certainly not minimal to the taxpayers of this country.

Some hon. Members: Hear, hear.

Mr. Coates: The minister is following in the footsteps of a former minister of that department who said "what's a million?". We have now reached the point where this minister states, what's $50 million or $60 million. It all depends on the degree of inflation the Canadian people have to put up with and the attitudes of those who sit on the government front benches.

Mr. Pepin: Come on!

Mr. Coates: The minister says "come on". He is upset, Mr. Speaker.

Mr. Pepin: Could I interrupt you for one moment?

Mr. Coates: Sure.

Mr. Deputy Speaker: Order please. I am sorry to interrupt the minister. We really should not have this type of exchange during debate on second reading. We are not in committee. If the minister wishes to clarify a statement he previously made which he feels

is being misrepresented, he has the right under the rules to do so. But I do not think we can allow this present type of exchange.

Mr. Coates: Perhaps we will have the benefit of the minister's views a little later. I would be very happy to hear from him. When I initially asked on June 22, 1965 that a committee be set up to examine the expenditures of Expo '67 and the federal government's involvement therein, the present minister was the parliamentary secretary to the then Minister of Trade and Commerce. At that time, the present minister indicated to me that maybe in the fall a committee would be set up, but in fact a committee was not given the opportunity of examining the expenditures until well into 1966. This was after the late Robert Winters became Minister of Trade and Commerce. He willingly consented to an examination because he, like most Canadians, was becoming very concerned about what appeared to be a spending spree at Expo '67.

Mr. Pepin: And you said you were satisfied.

Mr. Coates: Certainly, we were satisfied at that time. If the committee had been established in June 1965 a great many things that did happen might not have happened. As it turned out, it was too late to do anything about them. The same situation applies today. We are discussing a write-off of $122.8 million. We can only talk about it. We still have to pay the bill, but even at this late date Canadian taxpayers have the right to know that this government was asked to take action in 1965 and refused to do so. If they had taken action at that time, the bill today would not be nearly as large. That is the point I am trying to make.

It is only right that the people of this nation should be aware that a great many expenditures were made in relation to Expo '67 that do not come within the purview of this legislation, or, indeed, of Expo itself. I am referring to expenditures such as those incurred by the CBC, the National Harbours Board and the Department of Public Works. For example, an ice control structure erected by the Department of Public Works was originally estimated to cost $2.5 million. The final cost was $13 million, of which the federal government was responsible for $10.5 million. Inflation being what it is with this government in office, that's the way things go; $2.5 million becomes $10.5 million.

The expenditures of the National Harbours Board in the year 1964-65 were $2 million. For the year 1965-66, it was estimated they would increase by an additional $3.8 million. However, in the supplementary estimates for 1965-66 this figure was increased by almost another $1 million.

The total cost of Expo '67 cannot be determined by a study of this bill. This would require an examination of every department of government. If such an examination were undertaken, the figure would be fantastically large, much more than the $122.8 million which we are now discussing. I feel this figure is a very small portion of the cost to Canadian taxpayers.

A statement made by the hon. member for Parry Sound-Muskoka deserves corroboration. He pointed out a previous speaker suggested that some Canadians, including some members of the opposition, were upset about the fact that Expo was located in the city of Montreal. Nothing could be further from the truth. I think Canadians everywhere were pleased that Montreal was the site of the fair and that it did such an outstanding job of giving the right impression to those people from other parts of Canada as well as those from other lands who visited Expo. However, all Canadians outside of Quebec certainly sacrificed a great deal in tourist dollars as a result of Expo '67.

• (4.10 p.m.)

As the hon. member for Parry Sound-Muskoka (Mr. Aiken) said, although they did not complain they did find less cash flowing into their businesses in the Atlantic provinces. The tourist industry there showed substantially less return in 1967 compared with 1966. The tourist operators shouldered a very heavy burden that year as a result of Expo '67.

I have but one other point to make, Mr. Speaker. One of the matters that gave me greatest concern was the construction of Habitat '67. The government has yet to provide a full explanation of what is happening to this—

Mr. Southam: White elephant.

Mr. Coates: "White elephant" is the kindest phrase you could possibly use so far as the Canadian taxpayer is concerned. We do not know who is responsible for it, whether Central Mortgage and Housing Corporation or somebody else. But I do know that it was not required in the first place. It cost many millions of dollars, and the taxpayer has had to foot the bill almost entirely. In my opinion Habitat '67 was, and still is, a monstrosity,

one of the most expensive monstrosities ever constructed in this country's history.

I await with interest and anticipation the comments of the minister when he rises to explain exactly what bills will be paid, whether there will be further bills later, what is going to happen to Habitat '67 and what the final bill will be.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have very few comments to make, following which I hope the minister will be able to answer the questions which have been asked.

I want to join with the hon. member for Parry Sound-Muskoka (Mr. Aiken) in denying categorically that, as far as I am concerned, there is any question of jealousy or of being upset in the context of the remarks of the hon. member for Trois-Rivières (Mr. Mongrain). All Canadians were proud of the fact that Expo was held in the way it was; that it was held in the city of Montreal, in the province of Quebec; that it brought to Canadians all over the country a sense of exhilaration, joy and happiness. It was a great event, and no one I know of has ever suggested anything to the contrary.

But, Mr. Speaker, it is over, finished. The money has been spent. I think we agree with the Tentmaker, who said:

> The Moving Finger writes; and, having writ,
> Moves on; nor all your Piety nor Wit
> Shall lure it back to cancel half a Line,
> Nor all your Tears wash out a Word of it.

Although we cannot now do anything about money that has been spent, I am here as one of 264 trustees of the people of Canada whose money is being utilized in a variety of ways. Consequently, I would be derelict in the exercise of my duty were I not to call to the attention of the House, and I hope ultimately to the committee, certain facts in connection with the financial program and administration of this Corporation.

I would not call back one cent, one five cent piece, of the money that was needed to be spent on the great and glorious spectacle that was Expo. Neither do I know of any member on this side of the House who would want to call back any of that money. However, I come from an area where there are a million acres under the snow; where thousands of people will have extreme difficulty in eking out a living this year; where, as the minister knows, there are tens of millions of bushels of grain which will not be harvested until next spring, and probably not harvested successfully even then.

[Mr. Coates.]

I would not be carrying out my responsibility if I did not challenge certain of the workings of this Corporation with regard to Expo. I conceive it my duty to call to account people, corporations and administrations which have been delinquent, which have been guilty of extravagance and waste.

As to the future, we do not know what other areas of expenditure may be taken in hand. The lessons of Expo may well be lessons that can be usefully exploited and utilized by this or succeeding governments that undertake responsibilities that are related in their nature to the undertaking that was Expo.

With this in mind, Mr. Speaker, just what do we find? Right from the inception of this Corporation, an officer of this Parliament, independent and answerable only to Parliament, saw fit, in the exercise of his duties, to call to our attention, through the medium of the successive reports published by him, a number of aspects concerning the administration of Expo which he, the Auditor General, considered very dubious and which, at the very least, required explanation. These observations appear in the 1964 report and are pursued in the reports of 1965, 1966, 1967 and 1968. I am quite convinced that the report for the fiscal year ending March 1969 will also have some interesting observations to make on this subject.

Merely because we say that Expo was a good show, a good party, that the people of Montreal and their mayor, the people of the province of Quebec, indeed the people of Canada, did a good job in putting it on, does not absolve us from the responsibility of making a careful examination of these accounts. All we can do, of course, is to carry on a post-mortem, and in this respect I wish to bring certain matters briefly to the attention of the House. Then, I will make a suggestion.

For example, may I refer to a matter that was brought to my attention by a person in my constituency, a constituency in which, as a result of certain factors, people occasionally read the report of the Auditor General. At page 154 of the Auditor General's report for the fiscal year 1966-67 appears this paragraph:

> In several cases relocation expenses involving substantial moving hotel and living expenses of newly-appointed senior officers and employees over extended periods would not have qualified for payment under the regulations laid down by the federal or provincial Treasury Boards. From the inception of the Corporation to December 31, 1966, approximately $150,000 has been spent on removal

expenses for newly-appointed employees. Six cases involved expenditures in excess of $4,000 each and, in one instance during 1966, $5,000 was paid for the shipment by air express of the employee's effects from overseas.

This is the kind of thing that I have to explain to the long-suffering people in the riding of Peace River. It is the kind of thing about which I am going to insist upon an answer, whether in this House, in the committee, or in the public accounts committee.

• (4:20 p.m.)

The Auditor General's report for the year ended March 31, 1968 at page 34, contains several interesting statements:

In the case of many appointments to senior positions, starting salaries were higher than the established minimum rates and frequently maximum rates were paid immediately or within six months of appointment. Thirty-three officers in receipt of salaries of $10,000 or more received increases during 1967 ranging from 20% to 60%. Of these employees, 10 left the corporation's employ in 1967 and received salary termination payments averaging 27 per cent of annual salary.

This government, now acting like a reformed drunkard, must have its attention directed to some of its alcoholic excesses during the past three or four years. At the bottom of the same page, there is the following statement:

About 2,400 employees, 25 per cent of the Corporation's work force, received overtime pay ranging from $1,000 to $19,000 during 1967 at a cost to the Corporation of nearly $4.5 million.

One employee received overtime pay in the amount of $19,000. Obviously, this must have been an employee at a very high executive level, in receipt of a very substantial salary, to which must be added overtime of $19,000. We cannot recall the money that has been spent, but we are entitled to examine the situation and apportion the blame so this kind of thing will not happen again. That is true if this House has the authority it should have.

Let me refer to some of the questions of a general nature which should be answered. I have just given illustrations of the more exorbitant and flagrant type of thing that has happened. We are entitled to have information about the investigation in respect of salary rates and termination payments. We should know how much was paid in termination payments and what percentage of employees received such payments. We should also know how many of these already had lined up jobs.

Let me refer specifically to the Auditor General's report for the fiscal year 1966-67, at pages 154 and 155. The federal government for example bought a number of bonds which the federal government itself guaranteed. What did this do to the status of the guarantees of the province of Quebec? How much did the federal government spend on Expo securities? These matters are referred to in the Auditor General's report for 1967-68 at page 187. What did the government pay exactly in terms of benefits? Who was eligible for payment and in what way? What was the total cost of foregone tax revenue? Were there any comparable tax concessions from the government of Quebec? What were the tax concessions made in respect of temporary buildings of concessionaires and so on?

As hon. members know there were amendments to certain tax provisions dealing specifically with Expo, and these are questions that must be answered. Why were the auditors unable to verify approximately $101 million out of Expo's $141 million revenue? Was anything given in the way of sales tax concessions? These are reasonable and logical questions to which satisfactory answers should be given.

Although I was tempted to do so, I am not going to move that the committee study of this bill should be postponed until a thorough and proper examination has been made by the Public Accounts committee of the affairs of this corporation. I suggest nothing would be lost if this were done. The standing committee to which the bill will be referred will be engaged in many other matters. I know it will want to deal with certain aspects of the bill itself. The Public Accounts Committee is set up to handle studies of this kind. It should look into this whole situation with the Auditor General and his officials in attendance. They should delve into the questions asked by members of this and other parties in the opposition. These questions should be answered before the winding up is completed.

When this bill is passed the corporation will have been wound up and will be *functus officio*. It is my respectful submission that it should not be wound up until adequate answers have been supplied. I, therefore, urge the minister who will be replying shortly to give very careful consideration to this suggestion. A lot of questions have been asked. I might feel sorry for the minister were it not for the fact he has escaped from the problems of the Wheat Board and is now faced with the problems of Expo which are, I believe, the lesser of two evils. Surely, he is willing, on behalf of the government and the people of

Canada, to allow a very careful and thorough financial examination by a committee of this House, I have in mind the public accounts committee. This should take place before this bill is examined by the other committee. In view of the many appeals that have been made, I hope he will agree. If he does agree I think this will have the effect of expediting the passage of this bill. For this reason, it is important that the minister direct his attention to this proposal.

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I should like to ask a few questions at this time. I am sure that everyone in Canada is proud of our 1967 Centennial celebration. Certainly not everyone is proud of the inept way in which this exhibition was financed. No one who has had any experience in financing a municipality, province or a government at the federal level could be unaware that estimates have a tendency of increasing over original tenders. However, it is absolutely unreasonable to expect the public of Canada to accept an increase of this kind from $40 million to $285 million.

It would not matter much which part of the nation held Centennial celebrations such as Expo. It would not make much difference whether Expo had been held in Newfoundland, the Maritimes, central Canada, on the prairies, or on the west coast. The same situation might have existed if the supervision of spending had been exercised in the same way.

Mr. Pepin: How do you know?

Mr. Skoberg: Let me say to you, Mr. Speaker, that I have some questions to ask about Bill C-6. What action does the minister intend to take so far as this bill is concerned? When we read the various provisions, we realize that all the assets are to be transferred to the minister. We should have some assurance from him that if there are any assets worth redeeming they will be subject to public tender.

Mr. Pepin: I would be in violation of the law.

Mr. Skoberg: I agree with the minister when he suggests it is sometimes better to get a dollar here and a dollar there because occasionally it takes a long time to make a dollar by demolition. I presume there will be other assets turned over, and these should be subject to public tender.

Let me refer for a moment to one other aspect of this bill which indicates that all the rights of creditors against the corporation, and all actions pending, are unimpaired by the transfer of these assets to the minister. The bill also provides:

—all subsisting liabilities of the Corporation and actions pending against the Corporation may be enforced or continued against the Minister in like manner—

• (4:30 p.m.)

I should like to know whether or not there may be some outstanding liabilities, some outstanding claims against the Corporation, for which we now are assuming responsibility. I should like to know also whether or not the province of Quebec and the city of Montreal could act on behalf of any complainant against the Corporation once this bill is passed. I believe it is most important to realize that we do have in our society today individuals who will deliberately take advantage of a large spending institution such as the federal government. I should like to make sure that the minister will tell the House, and the committee when this matter is referred to it, that whatever the outstanding claims are against the Corporation, neither the province of Quebec nor the city of Montreal will be able to participate in further claims against the federal purse. I believe this is very important if we are to be truthful to the people whom we represent and ensure there is fair play in respect of the over-all financing of this centennial project, in view of the exorbitant increase in the cost of it.

I am sure all of us here would say without hesitation that we hope the fair of 1967, which brought with it a great unity in Canada, can continue. However, it was only through the centennial, and the people and institutions in the various provinces working together, that this unity was brought about. Now that we are spending $125 million to write off the liability of Expo and to wind it up, I suggest we should be looking for better ways to unify Canada. We had unity in 1967 and this could be strengthened if we have the right kind of federal government. I am not sure, however, that this kind of money will accomplish the purpose. It will take a real effort on the part of the information services to bring about the unity of our entire nation.

That is about the extent of what I have to say at this time. Again, I would ask the minister when he replies to assure the House that these are all the liabilities against the Corporation or, if there are others, what they may be. Only then can we intelligently vote on this bill when it comes back to the House.

Mr. Deputy Speaker: Before recognizing the minister, it is my duty, according to Standing Order, to advise the House that if the minister speaks now he closes the debate.

[*Translation*]

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I shall be very brief, of course, because I would not want to filibuster my own bill.

I shall say a few words only to point out that during yesterday's and today's discussions we totally agreed on at least two points: first of all, on Expo's considerable success. I had brought a refrigerator almost full of famous quotations from Canadians and foreigners concerning Expo '67. It will not be necessary for me to use them, since hon. members have proved themselves equal to the occasion to point out this great success.

However, I am taking the liberty of reminding the house that usually such a success is relatively expensive in terms of human efforts and money. For a sum of $20 million, you can have what you pay for: a small circus, a regional exhibition. However, to get an international and universal exhibition, you must pay the price. In fact, I was reading in a newspaper, a few days ago, that the Japanese expect their exhibition to cost them $2,300,000,000. It would thus have been rather odd if Canada had been able to manage with only a dozen millions or two. In other words, to have an exhibition which will not be a disappointment, you have to pay the price.

Secondly, total agreement was reached on the advisability of obtaining from the committee the answers to the questions which have been raised and while I rose two or three times to interrupt the speeches of my hon. friends, it was not to deny them the right to direct questions; it was to try and shorten the debate because some of them proved inclined to draw conclusions based on false premises. If I annoyed some hon. members with these interventions, I humbly apologize.

But again I could not but notice that some were a little tempted to arrive at conclusions based on unproved premises. Before finding the corporation or the government guilty, the least one should do is to hear the explanations to be given to the committee beginning tomorrow morning, I hope.

So we shall see among other things why the cost of Expo increased during its four years of preparation and why also benefits have been larger. Further, we shall examine the administration system under which the corporation operated. If it is so desired, we shall look at each of the criticisms made by the Auditor General in his 1967 report. I believe that it is better to study those questions in committee. We shall have plenty of time to analyse them as my hon. friends please.

Mr. Speaker, let me now recommend that the bill be referred to the committee; however, I wish the members of the committee had the following document, that is, the Sixth annual report of the Canadian Corporation for the 1967 World Exhibition for the year 1968. With leave, I shall table it now. I shall also have one copy sent to the hon. members of the opposition parties.

[*English*]

Mr. Hales: Mr. Speaker, before there is agreement to the tabling of this report, I should like to ask the minister on what date the report should have been tabled.

Mr. Pepin: I really do not know what date it should have been tabled. The only thing I know is that it is being tabled today. Again, as probably happens in these cases, there must have been difficulties of reconciliation. However, I will look at that before tomorrow.

Mr. Deputy Speaker: Is the House ready for the question?

Some hon. Members: Agreed.

Motion agreed to, bill read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

• (4:40 p.m.)

CHILDREN OF WAR DEAD (EDUCATION ASSISTANCE) ACT

AMENDMENTS RESPECTING ELIGIBILITY, ETC.

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs) moved that Bill C-8, to amend the Children of War Dead (Education Assistance) Act, be read the second time and referred to the Standing Committee on Veterans Affairs.

He said:

[*Translation*]

—Mr. Speaker, the bill now before the House deals with a legislative measure which has been in existence for sixteen years, more precisely since April 13, 1953. At that date, the legislation was received with enthusiasm by all members of all parties. The Children of War Dead (Education Assistance) Act is based upon two principles closely related: firstly, to allow those young people to complete their

education and, secondly, to recognize the special obligation of the state towards the children of Canadian war dead who gave their lives for their country.

Mr. Speaker, I think Canadians can rightly be proud of this legislation. Since it came into effect, many young people who benefited from its provisions later on expressed their gratitude to the Minister and to the Department. Thus, I received a few weeks ago a letter of which I would like to quote an excerpt:

> The bill with respect of children of War dead is an excellent legislation; my daughter Linda feels as I do that it is a distinguished tribute to the memory of her father.

Mr. Speaker, the number of recipients clearly indicates that the law is attaining its true objective. Since its enforcement on July 1, 1953, 4,801 orphans of soldiers, veterans or certain special classes of civilians have been in a position to carry on post-secondary studies. Of that number, 2,201 successfully completed their studies, 135 of them during the financial year 1968-1969. In the course of that same year, 330 students were enabled to start their studies through assistance provided under the Act, i.e. 16 more than in the previous year. On March 31, 1969, 899 students were pursuing their studies under this plan throughout Canada.

Mr. Speaker, since 1953, the Act has been amended four times, to make its benefits available to groups of children not covered by the initial Act, to increase the amounts applicable to tuition and other related expenses, and also to increase the amounts of monthly allowances and, in certain special cases, to extend the period over which allowances are payable beyond the 36 months or 4 academic years initially provided.

From 1953 to 1963, beneficiaries included primarily students whose father or mother died or were killed during World War II. During the last six years, they included mostly children of veterans killed in Korea, of deceased members of the regular forces or of deceased World War II pensioners.

All members will agree I am sure, that that piece of legislation has been most useful, not only to those who are directly concerned, but to the general public.

Mr. Speaker, I now wish to ask the house to approve two amendments that not only will eliminate certain anomalies but will also give full justice to the students to whom the act applies.

[Mr. Dubé.]

First of all, we want to extend the application of this measure to a group of children, approximately 80 in number at the present time, who receive a pension under section 25 of the Pension Act. As many members know, according to section 25 of the Pension Act, the Canadian Pension Commission is authorized to pay a compassionate pension, an allocation or a supplementary pension in certain worthy cases where the claimant is not otherwise entitled to a pension.

Section 25 is therefore very useful where technical considerations make it impossible to grant a pension in the usual way, that is because of statutory entitlement. For instance, when a veteran dies before the Canadian Pension Commission has been able to decide on the question of eligibility or to assess disability which existed before death, section 25 allows the granting of a pension to his children. Section 25 allows in fact the Commission to conclude from the medical file that it would have declared itself in favour of eligibility had the veteran lived.

Mr. Speaker, I guess it is not the appropriate moment to discuss the technical details of the Pension Act. In fact I was only mentioning a case relating to the first of the two suggested amendments.

I should like to add that the suggested amendment derives from a recommendation of the Woods Commission which suggested that, when a pension is granted on compassionate grounds to a widow, her children who are entitled to pension should be eligible to the educational allowances provided by the Education Assistance Act. Moreover, with this amendment, the children of a widow who does not benefit from a pension, or does not live with them, would be eligible to this assistance.

Mr. Speaker, the second amendment that we shall have to study pertains to section 7 of the Pension Act. It concerns students who fail their examinations and to whom is given the right to try a second examination. At the present time, any student who fails more than one supplementary examination is deprived of any other assistance provided for in section 7. This exclusion results from the standard of success that used to be imposed to student veterans, at the end of World War II. It was in accordance with requirements from colleges, universities and other educational institutions, at the time this legislation was enacted. As a rule, the students were required to give up their studies under the circumstances I have just mentioned. However, these educational institutions, colleges and universities

have modified their rules in the last few years, thus creating abnormalities resulting in unfair treatment.

Let us take the case of two students in the same university or faculty who failed their examinations: one of them failed for lack of a few marks only, while the other one failed by a wider margin. Perhaps the university will offer the first one the privilege of trying supplementary examinations and should he fail several of them, he might be authorized to repeat his year and then proceed normally with his studies. However, he would not be entitled to any financial aid because section 7 forbids subsidizing students who have failed more than one supplementary examination. The second student mentioned, who was barred from the supplementary examination because of lower marks and a poorer general standing, can repeat his year and get his degree. However, under the present legislation, the latter who has failed to a greater extent than the former can obtain financial aid after successful completion of the year that he failed.

Another oddity occurs when two students attending the exact same courses in two different universities fail their examinations. One of those institutions offers supplementary examinations and section 7 of the Act then applies to that student. The other university does not offer supplementary examinations so that the student attending the latter university is not liable to the exclusion provided for by the said section. Those two examples point to an obvious injustice, and we hope these amendments will correct the situation.

I am convinced, Mr. Speaker, that hon. members recognize the benefits of the Children of War Dead (Education Assistance) Act. Also, I am positive that all members want this Act to be brought in line with current practices being followed in Canadian educational institutions and eligible students to get approximately what their parents would have given them had they lived.

• (4:50 p.m.)

[*English*]

Mr. J. Chester MacRae (York-Sunbury): Mr. Speaker, I would like to comment briefly on the minister's statement which I think was an excellent one. It covered this bill very well. The Children of War Dead (Education Assistance), Act, which was introduced in 1953, is perhaps the finest piece of legislation in the entire veterans' charter. In 1946, at the very first national convention of the Canadian Legion held following the end of World War II, and which I attended, this matter was discussed. It was again pressed in 1948, 1950 and 1952, and in 1953 the federal government enacted the legislation, mainly in the form in which we presently find it.

One unfortunate thing about the enactment of the legislation was that it was a full eight years after the end of World War II before it became effective. As a result we had examples of older men, perhaps not older in relation to many of us now, who had children getting out of high school in 1945 and 1946, and of other men who were killed, or who died of war wounds and who left children still attending high school. These children were not able to benefit from the act. After the act became effective in 1953 the children of war dead, and of those who subsequently died from their wounds, were protected under the act.

I was interested to hear the minister's figures showing that 4,800 students have benefited under the act, and that over 2,000 students have completed their education. He also pointed out that roughly 900 are presently in schools or attending university. This also includes students attending nursing schools.

The minister's explanation of the clauses in the bill was helpful, but through you, Mr. Speaker, I say to him that it must be in the Standing Committee on Veterans Affairs that this legislation is thoroughly examined, with the assistance of very able departmental officials, especially from the Welfare Department, who will answer our questions. At first reading, clause 2 in particular, amending section 7 of the act, looks highly technical. I have had some discussion with officials of the Department of Veterans Affairs on the bill and as a result I understand exactly what is proposed. However, I am sure many other hon. members would find it difficult to follow.

I can assure hon. members that everything proposed in this bill is good. I only wish we had been able to amend the Act a few years earlier, but for the delay the present minister cannot be held responsible in any way. As I say, the amendments in this bill are excellent.

I was interested to note that the minister pointed out that this is one of the first of the Woods Commission recommendations to come before Parliament in the form of legislation. It is only fitting that our finest piece of veterans' legislation should be the first to be amended. I conclude by saying I feel the members of this party—I cannot speak for all the others, only for myself—the members of

Motions for Papers

Her Majesty's Loyal Opposition in the House of Commons will support the amendments that have been presented, and I congratulate the minister on bringing them forward.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, may I call it five o'clock.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Grand Falls-White Bay-Labrador (Mr. Peddle)—Communications—southern Labrador—request for temporary re-instatement of D.O.T. service; the hon. member for Winnipeg North Centre (Mr. Knowles)—Canada Elections Act—suggested vote by mail for disabled persons; the hon. member for Edmonton West (Mr. Lambert)—Navigation—Mackenzie River—inquiry as to agreement with British Columbia.

It being five o'clock the House will now proceed to the consideration of private members' business as listed on today's Order Paper, namely, Notices of Motions (Papers).

MOTIONS (PAPERS)

INDIAN AFFAIRS

GRANTS TO INDIAN BAND COUNCILS

Mr. Frank Howard (Skeena) moved:

That an Order of the House do issue for a copy of any document prepared in the Department of Indian Affairs and Northern Development entitled, or relating to "Grants to Indian Band Councils" subsequent to the issuance of Circular No. 15, dated September 18, 1968, which is entitled "Grants to Indian Band Councils."

He said: Mr. Speaker, there is a short history relating to the particular document for which production is sought, a short history that I think shows an element of refusal on the part of the government to be totally and completely honest with the general public, and to be open in so far as its activities are concerned with our native Indian people. There has been a confined, narrow, bureaucratic and legislatively fine concept which has permitted the present difficulties to arise.

[Mr. MacRae.]

In referring to this matter, I must go back to May 28 of this year in the preceding session when a motion, identical in wording, was presented to the House. As recorded at page 9163 of *Hansard* for that date a response was given by the Parliamentary Secretary to the President of the Privy Council (Mr. Forest) as follows:

On behalf of the Minister of Indian Affairs and Northern Development I would like to inform the hon. member that subsequent to the issuance of circular 15, dated September 18, 1968, entitled "Grants to Indian Band Councils", no additional documents have been issued.

• (5:00 p.m.)

Under the circumstances would the hon. member from Skeena consent to withdrawing the motion?

I did not so consent, but had the motion transferred for debate. The opportunity to debate it did not arise but I think it is important, apropos of what I said earlier about a deliberate refusal to be completely open with the public about these matters, to point out that the motion made on the 28th of May for the production of that document asked for the production of any document prepared in the department relating to that subject. I think it is important to notice that the Parliamentary Secretary to the President of the Privy Council (Mr. Forest) who has a particularly esteemed and high position within the government, deliberately phrased his response to avoid making reference to the request in the motion for any document that was prepared, but simply talked about any documents that were issued.

I submit, Mr. Speaker, this sort of legalistic nit-picking was deliberately designed to confuse the issue and cover up something within the department. Otherwise, why did the Parliamentary Secretary to the President of the Privy Council ignore the particular request in the motion for any document that was "prepared" and use instead the word "issued", to which no reference was made.

Here, we have exactly the same motion, exactly the same words, but now we have a newly appointed Parliamentary Secretary to the Minister of Indian Affairs and Northern Development (Mr. Honey). As an aside, I am sure Your Honour will not mind if I wish him well in his appointment. Presumably, if he works well and carefully, he may rise to higher and greater things within the structure of government. I shall be quite happy to co-operate with him in any way in the performance of his duties, but I would probably cause him some difficulties. However, that is

the way things happen. In any event, yesterday the Parliamentary Secretary, in response to the motion which I put to the House, said:

> Mr. Speaker, the Department of Indian Affairs and Northern Development has no record of any document prepared—

And here the word "prepared" is used. I think this is the correct approach because that is what I am seeking to obtain, any document prepared by the department. He says the department "has no record of any document prepared subsequent to the issuance of Circular No. 15 dated September 18, 1968" relating to certain matters.

I would not say this unless I were fairly sure of my ground and I do not mean it unkindly, but knowing how things work within the government, I think it is probable that some one in the Department of Indian Affairs and Northern Development prepares a reply to a motion. The reply is then handed to the unsuspecting minister or parliamentary secretary for presentation to the House. So when the parliamentary secretary stated yesterday that the "Department of Indian Affairs and Northern Development has no record of any document prepared subsequent to the issuance of Circular No. 15" relating to the subject matter contained therein, I think this is a deliberate attempt to maintain an element of secrecy and keep information from the public. It is a deliberate and conscious effort to deny to the Indian people access to a document prepared by the Department of Indian Affairs and Northern Development which relates to grants to Indian Band Councils. The government seems content to present to the public, by way of press release, only those things it wants to present and to keep hidden those things it wants to hide. It is more intent upon propagandizing than upon public disclosure.

I cite this development as a preliminary to the argument for the production of this particular document or any document because, as I said earlier, regardless of what the Parliamentary Secretary to the President of the Privy Council said on the 28th May and regardless of what the parliamentary secretary said yesterday about there being no record of any such document, there is in fact a document which can easily be identified and was identified by the motion before us. The identification of the document in the motion before us was extracted from the document in question. Lest there be any doubt, I have in my hand this document which does not exist, of which the Department of Indian Affairs and Northern Development has no record; this document which the Parliamentary Secretary to the President of the Privy Council skirted around on May 28th.

The document is on a piece of paper which has right at the top, in the English language so that it is properly identified, "Department of Indian Affairs and Northern Development", the very department about which we are talking. The French version is underneath that. There is the coat of arms with "Canada" underneath it and a place along the right hand side for the file number or "dossier". Then, there is the subject, and let me quote that, Mr. Speaker: "Grants to Indian Bands Councils".

What I am seeking to obtain is any document prepared subsequent to the issuance of Circular 15 dated September 18 entitled "Grants to Indian Bands Councils". This document is entitled, "Grants to Indian Bands Councils". It is on paper which has on it the name of the Department of Indian Affairs and Northern Development and there is a bunch of numbers down at the bottom to identify some kind of form used within the department. There is on it a date which is not legible but which is 1969, a date which would then be subsequent to September 18, 1968. It goes into more detail, Mr. Speaker, about the subject matter of grants to Indian Band Councils. The document contains eight pages of formulae, statistical information, tabular material and a report on the subject contained therein.

If the massive and highly efficient Department of Indian Affairs and Northern Development has no record of such a document, I would be quite happy to make mine available so that they would have a record of it. I would be quite happy to table the document, and make it available. Mr. Speaker, this is not something upon which the foundation of the state rests; it is not something within the Department of National Defence which is highly confidential; it is not any secret document from the Department of External Affairs concerning our relationship with other countries; it is not from the files of the R.C.M.P. who are involved in secret activities. This is a simple, ordinary document from the Department of Indian Affairs and Northern Development, prepared within that department, distributed to every Indian agency in Canada, distributed to quite a number of chiefs of Indian Band Councils, and distributed to regional directors within the Indian Affairs Branch.

• (5:10 p.m.)

Surely, a document like this would be prepared within the department. Judging from the paper it was written on, it was, and is widely circulated within the department. Surely, departmental officials must have some record of it. I submit that they either have some record of it, or that somebody is deliberately misleading us by saying there is no record of it. If that is the case, and I cannot believe that is true, then departmental officials are even more incompetent and inefficient than some would suggest. If there is no record of the document I shall be very glad to make my copy available to the department. I will not give it to the Parliamentary Secretary because he is not really involved in this matter, having been caught in the bureaucratic workings of government. He is more of a spokesman in this situation and has probably been grossly misled. But I am certainly prepared to make the document available to the public and to parliament, and I hope I may be allowed to table the document so that the Department of Indian Affairs and Northern Development can no longer hide behind the excuse that there is no record of it. May I ask for the consent of the House to table this document?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I am not sure whether the hon. member is in order in asking that his copy of the document be tabled. If my hon. friend consents, what I should like to do is complete my remarks, and then see whether there is a consensus for one or other of us to table some documents.

Mr. Knowles (Winnipeg North Centre): You have found the document, then?

Mr. Honey: The hon. member for Skeena (Mr. Howard) has been very congenial in his remarks but has been somewhat critical of departmental officials. I think perhaps he may have overstated the case. I ask him to read again the notices of motion prepared for the previous session of parliament and for the present session of parliament. Does he think that the officials of the department or anyone else, for that matter, could reasonably identify from the wording of the motions the particular document he has in mind? I have been able to identify the document after listening to the hon. member's remarks this afternoon. I suspect, however, that without his assistance in this debate it would have been quite difficult or almost impossible to sort out his

[Mr. Howard (Skeena).]

document from the several hundred memoranda which each year emanate from the department to regional directors, chiefs of Indian bands, and so on, on the question of consultation between the minister and his officials and the Indians of Canada. If I have correctly identified the document, it is only because the hon. member has been of assistance this afternoon. It would have been very difficult to identify it from his notice of motion.

I think the document we are speaking about is the memorandum that was prepared to be circulated to regional directors of the Department of Indian Affairs and Northern Development, chiefs of Indian band councils and superintendents of Indian agencies, with a view to obtaining the views of the Indians of Canada, through their bands and in consultation and discussion with officials of the department, on certain modifications that were proposed with respect to grants to Indian band councils. A cursory reading of the document will reveal that it was not intended to be a final document. Its purpose was only to provide a basis of consultation with the Indian peoples. I think it might be helpful if I were to note two or three items in the covering letter which accompanied this particular memorandum to regional directors and to others to whom it was circulated. This letter is from the then director of the department, Mr. David A. Munro, and I wish to quote two or three extracts from this letter. Mr. Munro said in part:

> You will recall that the Grants to Bands Program was discussed during the Regional Directors' Conference last December. I indicated to you that as soon as modifications to the existing program as requested by the Indian people could be embodied in the new proposal it would be referred to you to ensure that the Indians in your Region would be given the opportunity to give us their views on the modified formula.

The letter goes on to say:

> There are herewith . . .
>
> A proposal on the Grants to Bands Program, embodying certain changes intended to meet the wishes of Indians to be used by you—

Meaning, by the Regional Director. I continue:

> —as a basis for discussion with them.
>
> Copies of Blue Circulars 4, 9, 13 and 15, which will be rescinded and replaced by a new circular after an agreement has been reached on the modified program.

It is apparent from the covering letter and the document itself that this was only the basis of consultation. There was to be a reporting back to the minister and his officials

in Ottawa, and the reactions of Indians throughout Canada would be considered. Then the minister, in consultation with his officials, would decide whether the particular modifications could be adopted on the basis of reports received from the Indian peoples of Canada. The last paragraph of the letter which, I repeat, was sent to regional directors across the country, reads:

> Would you, therefore, by February 21st, please supply me with a statement of the reaction of Indians to the proposals contained in the draft circular attached, together with a clear statement of the manner in which you have consulted with them.

Clearly, if my hon. friend and I are speaking of the same document, and I think we are, the document was widely circulated. As I have said, it was sent to the regional directors and chiefs of Indian band councils, and was made available to all Indians through their band councils. There is nothing privileged about the document; it is not classified. Since the hon. member for Skeena has been so helpful in identifying the document, perhaps I might be allowed to table it in the House.

Before sitting down may I thank my hon. friend for helping to describe the document. He has been most helpful. Although his criticism may have been fair, and I concede that Members of Parliament have a responsibility in these matters, his criticism of departmental officials might have been more valid if he had taken a bit more care in drafting the notice of motion. Then, the particular document or memorandum he wanted might have been identified from among the hundreds of memoranda on the subject that are sent, and continue to be sent, to regional directors. These documents are meant to be a basis for consultation with Indians in their particular areas.

• (5:20 p.m.)

Having said that, and if it is in order, I wish to table the document referred to by the hon. member for Skeena and to which I have been referring. I need not describe it further because it has already been described in the remarks of the hon. member for Skeena. This document is issued by the Department of Indian Affairs and Northern Development. It is entitled "Grants to Indian Band Councils". It is on the basis of this memorandum that discussions were to be held with the Indian people in connection with certain proposed modifications to the Indian Band Council grants program.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I wonder why there is any question about getting consent to table a document. Surely, all that is necessary is for the motion to be passed. I might also say, Mr. Speaker, I am impressed with the argument of my colleague. The definition in his motion certainly fits the document, at least the copy I now have in my hand. At any rate this is one of those mysteries that it is nice to see cleared up. Perhaps the motion could be put and it might even be passed unanimously.

The Acting Speaker (Mr. Béchard): Shall the motion carry?

Some hon. Members: Agreed.

Motion agreed to.

Mr. Howard (Skeena): Now that the motion has carried, I wish to rise on a point of order, Mr. Speaker. The motion which we have just passed orders the issuance and production of a copy of any document prepared in the department, identified in the way this was. That does not necessarily restrict it to the particular document to which the hon. parliamentary secretary (Mr. Honey) and I have been referring. There are many more. I think it is now incumbent upon the government to search its records and produce all documents. This was the intent of the motion.

Mr. Pilon: Mr. Speaker, I think we have reached agreement that we now adjourn until eight o'clock.

The Acting Speaker (Mr. Béchard): Is it agreed?

Some hon. Members: Agreed.

At 5.30 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

CHILDREN OF WAR DEAD (EDUCATION ASSISTANCE) ACT

AMENDMENTS RESPECTING ELIGIBILITY, ETC.

The House resumed consideration of the motion of Mr. Dubé that Bill C-8, to amend the Children of War Dead (Education Assistance) Act, be read the second time and referred to the Standing Committee on Veterans Affairs.

Children of War Dead Act

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I was pleased to hear the remarks made by the minister in introducing second reading of this bill. I am also gratified at the number of people who have received support under this act. The amendments to the act throw no light on what the act has done for children of war dead, but I think it is safe to say that under this legislation, as under other veterans legislation concerned with the education of veterans and the children of veterans, we have more for our money than is the case with most pieces of legislation passed by Parliament.

I think it is also true to say that no educational assistance provided under veterans affairs legislation has been more productive than the act we are now discussing. For example, take the case of a woman whose husband returned from overseas badly wounded and later died, leaving several small children. I suspect that those children's chances of going on to higher education on the amount of money the widow would receive under other pension legislation would be non-existent were it not for this particular act. As I say, the dollar value received for the money spent under this legislation has been exceedingly good.

I am pleased that in these amendments the minister has taken into consideration two matters that have radically changed in approach over the years. One concerns age requirement. An opportunity is being afforded children to attend school for longer than has been the case in the past. This provision is in keeping with modern times and is a change well worth making. The other matter relates to the person who is weak in a particular subject and it has cost him his year. There is a growing body of opinion that it is one's over-all educational qualifications that are important, and so long as one has a reasonable awareness of all subjects a student should be allowed to proceed to a higher education level and carry his one weak subject. Prior to these amendments such a person would not have qualified for assistance.

I suggest the minister could also have considered assisting education in institutions other than universities. I include courses of instruction at technical colleges. Many of our high schools are now offering courses in technical subjects, and a great deal of emphasis is put on taking full advantage of the natural ability of students in the field for which they are best equipped. Many of these students have yet to complete even their elementary education. In many cases where education is sought in the technical field beyond high school level assistance is not now available. I think the minister could have considered providing some assistance in these cases as well.

It is true that when this act was originally passed in 1953 the need was for assistance at the university level. Technical education in most provinces had not advanced to the level where it offered a major opportunity to most students. But today attendance at technical school beyond the elementary level of education costs just as much as for attending university, with the probable exception of the tuition fee. I suggest the minister could have put forward an amendment to assist a large segment of the population to take advantage of technical education in every province in Canada.

Neither of the amendments proposed by the minister offer assistance of this kind. I am sure most members feel that since this legislation is offering assistance to children of war dead, it is obviously coming to the end of its life. Today the child of a father killed overseas during the last war would be about 27 years old and with respect to him the provisions of the act are self-liquidating. However, since numbers of children will now qualify under the act because they are in receipt of a compassionate pension under the Pension Act, the need for this legislation will remain for some time.

• (8:10 p.m.)

I suggest that the minister consider an additional amendment to provide assistance in respect of students at less than secondary school level. This would allow students to attain higher educational standards in certain fields, including university degree courses following a number of years in an academic field. It would be a very serious amendment, but such a provision would be in keeping with changes now taking place in our educational institutions. This matter has been drawn to the minister's attention. I am sure he will give consideration to it.

Mr. Frank Howard (Skeena): Mr. Speaker, I hesitated because I thought other hon. members would want to make some remarks about this bill. I want to take the opportunity to draw the minister's attention in a public way to something about which I have had correspondence with him. The minister has on four occasions said that the act has been changed

to expand facilities and to extend the assistance offered to groups which were heretofore excluded. There is still a deficiency within the act and its regulations; there is a disparity which is not corrected by the amendments now before us. The disparity occurs in respect of children now coming under the Pension Commission and children who receive benefits under Children of War Dead (Education Assistance) Act.

I have in mind those children who come within the ambit of the provisions of this act and attend institutions of higher learning than secondary schools. They do not receive assistance if the educational institution they attend does not have a requirement for a secondary school graduation certificate. In other words, if a student intends going to a university or college which requires a secondary school graduation certificate, he can receive assistance under the act. If a student wishes to attend an educational institution—say of a technical or vocational nature—other than a university, which might not have an entrance requirement including a certificate of graduation from a secondary school, assistance is not available.

I have exchanged correspondence with the minister in this regard. Let me put on the record part of what the minister said to me in a letter dated September 25 following representations made to him. In one paragraph of the letter he said:

—facilities for technological training and the broadening of the occupational fields in which such training is given can quite properly, I think, be described as remarkable in the past decade.

I take it that this program has expanded in the past few years partly because of a recommendation to extend facilities and partly because of assistance to technical training schools and the like. The minister indicates that the growth has continued. I should like to read one sentence of his letter which I think does not fit in with the rest of it. It does not match the concept of the act or the expectation of the minister in relation to the benefits that should be available to students. He stated:

The majority of these newly developed courses require secondary school graduation as an entry condition, and it would be a retrogressive step to establish a lower criterion for the Children of War Dead (Education Assistance) Act at this time.

Apparently the majority of them require a secondary school graduation certificate as a condition of entry. The great bulk of technical educational facilities available to persons with a grade 10 standard obviously do not require secondary school graduation certificates. In any event, the minister goes on to say that it would be a retrogressive step to establish a lower criterion for these children under the act. It seems that if we expand the benefits available under this act to an additional group of students, that would not be a retrogressive step. Any time we can provide assistance or a helping hand to students, we are progressing. Surely this is not a retrogressive step. The minister has confused the two concepts.

It was my hope that between the time of that exchange of correspondence and the presentation of this bill to Parliament the minister would have looked into the situation and made some changes. Perhaps it is necessary to do this by way of legislation, but some provision should be made to extend the benefits available under the act to students who are embarking upon a course of higher education in institutions that do not call for a secondary school certificate as an entry requirement. Perhaps the minister can do this by way of regulation. If it is necessary to do it by ministerial edict, I hope he will consider doing so. Perhaps it can be done by order in council. In any event, I make a plea to the minister to take the step, which is certainly not a retrogressive step, to expand the benefits of the act to this larger group of students.

The minister read a letter about this matter, extolling the virtues of his action. That is all well and good. Perhaps he will not complain about my referring to a letter which points out another awkward situation. It relates to a particular individual and a particular situation. I do not intend to mention the name of the person or the family involved. I should like to quote from this letter without reference to the individual. I do not think one need involve specific people under these circumstances. The letter was addressed to the mother of the student concerned. It is dated September 9 this year, just a couple of months ago. At that time the minister was undoubtedly considering this bill or had prepared it for presentation. The letter was written by the area supervisor for welfare, the Department of Veterans Affairs, Vancouver. The text of the letter is as follows:

As per your recent correspondence where you state that—

• (8:20 p.m.)

It gives here the name of the young girl.

—is now attending Columbia Junior College—

Listen to this, Mr. Minister, because it indicates the perseverance of this young student.

—and taking two Grade 12 subjects and her first year university—

There are the two things. She does not have secondary school graduation. She is taking first year university and at the same time is taking Grade 12 subjects. She is proceeding with both at the same time in order to advance herself in the educational field. The letter continues:

—it is unfortunate that I have to point out that assistance under EAA—

I take it that means educational assistance act.

—does not apply until the student has successfully completed Grade 12. So it now appears that we are in a position where we cannot assist until—

Then it gives the name of the young lady.

—has completed the two subjects she is presently taking. On completion of these two courses, I would assume this to be in June of 1970, we will be in a position to assist in her nursing training.

I say this is an anomalous situation. It is probably a situation which had not been conceived when the act was developed and amended from time to time. This may be the first case, but it is one case in point of a young girl who is desirous of pursuing a higher level of education to become something better than she is at the moment. From personal knowledge I know that this girl has spent a great many hours on homework and on work at school in order to proceed through school in this way. Unfortunately she does not fall within the narrow legal framework of the act and its regulations.

I cite this as an additional example of a situation with which I am sure the minister is sympathetic. I am quite sure no one would object to the concept that this young lady should have available to her the benefits available under the act. Her mother, with the pension accruing to her, is not in a position to provide for the advancement of this young girl through school. There may be other children in a similar situation. In fact, another mother wrote to me. I shall not quote that letter except to say it was written by a widowed mother with a feeling of despair and anguish because of the difficulty she was facing in trying to raise her children and get them through school. She was up against a situation where if the circumstances had been slightly different there would have been this additional benefit available to her both in respect of the children proceeding through Grade 12 and into first year of university. In both cases the assistance was not available because the person did not fall under the ambit of the Children of War Dead (Educational Assistance) Act but rather came under the ambit of the Pension Act.

I am sure it is not the desire of the minister or of the government to make these decisions on an extremely narrow legalistic and interpretive basis. I am sure it is the desire of the minister to be expansive and deal with situations from a moral point of view. I do not know whether this requires legislative action or whether it can be done by regulatory action or decision on the part of the minister, but I would ask the minister seriously to take this matter under his sanction and expand even further the facilities available under the act. Contrary to what the minister said in his letter, it is not a retrogressive step when we make available to needy students the assistance which generally is available under the act.

The Acting Speaker (Mr. Béchard): The Minister of Veterans Affairs (Mr. Dubé).

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Mr. Speaker, first of all—

[*Translation*]

The Acting Speaker (Mr. Béchard): Order, please. I have to inform the House that if the hon. minister speaks at this time he will close the debate.

[*English*]

Mr. Dubé: Mr. Speaker, first of all I wish to express my appreciation to the hon. member for York-Sunbury (Mr. MacRae) for his support and that of his party which he has offered in respect of this bill. Of course, I agree with him that this small bill is in fact one of the finest pieces of legislation arising from the veterans' charter. I also agree with him that there are some technical points which need to be clarified. This we will endeavour to do in committee. I wish also to thank the hon. member for Timiskaming (Mr. Peters) for the remarks he has made. I agree with him that we are receiving more value for our money from this legislation dealing with education than from most other bills of a similar nature. The hon. member for Timiskaming would like us to reduce the qualifications and not insist on high school education for training under this legislation. That is something we will have to discuss at greater length, but at the present time I would make a few remarks which apply to what the hon.

member and the hon. member for Skeena (Mr. Howard) said.

First of all, high school education is free in most provinces, so there is no necessity to include in this bill a reference to high school education. I should also say that most technological schools today do insist on high school graduation as a condition of entrance. I do not have with me the full list of all the new schools in the country, but we will attempt to provide this to the committee. In summing up I should say that the purpose is not at all to try to limit the number of children who would qualify under the act. The purpose of the act is to be very generous and to make sure that the greatest possible number of students are admitted to the best possible schools and universities. We will attempt to achieve this purpose. If hon. members can convince us that we could be more generous and more liberal by dropping out the high school qualification, we will look into it. However, from the information I have and the advice I have received, this seems to be the best deal we can have at the present time. In any event, I wish to thank hon. members of the opposition for the support they have given this bill. We will discuss the technicalities and further improve it in due course.

Mr. Bell: Mr. Speaker, may I address a brief question to the minister? As one who has had a very sincere interest in Section 25 of the Pension Act, and as one who presented a brief to the Woods Commission on this specific point, may I ask the minister whether he has under serious consideration a review of the very rigid requirements of this act, and possibly new legislation? I appreciate that this question deals with only the educational part of that section. But does the minister agree that this compassionate section 25 of the Pension Act is very important? Is he looking at it seriously, and is he hopeful that it may be possible in the future to ensure, by way of new legislation, that the requirements of the section are not so rigid?

• (8:30 p.m.)

The Acting Speaker (Mr. Béchard): Order, please. Is it the pleasure of the House to adopt the said motion?

Mr. Bell: All I am asking for, Mr. Speaker, is an indication of interest from the minister.

The Acting Speaker (Mr. Béchard): Order, please. At present we are studying a special bill, Bill C-8, an act to amend the Children of War Dead (Education Assistance) Act. Is it the pleasure of the House to adopt the said motion?

Motion agreed to, bill read the second time and referred to the Standing Committee on Veterans Affairs.

JUDGES ACT

PROVISION OF ADDITIONAL JUDGES IN ALBERTA AND ONTARIO

Hon. John N. Turner (Minister of Justice) moved that Bill C-2, to amend the Judges Act, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Some hon. Members: Explain.

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I want to congratulate you for taking the Chair again in this session of Parliament. Through you may I send my commendations to Mr. Speaker and the Deputy Speaker together with my best wishes as they preside over the chamber during this session.

Bill C-2 is adequately described in the explanatory note. However, I will say very briefly that authority is sought from Parliament for the provision of salaries for eight additional judges; two judges of the Supreme Court of Alberta, five judges of the county and district courts of Ontario and one judge of the district court of Alberta. I should like to mention for the information of the House that the number of judicial offices for the district court of Alberta was increased by way of provincial order in council. The order in council was passed by the government of Alberta, providing for an additional district judge of the southern part of Alberta, on February 11, 1969. The provision for increasing the number of judicial offices of the trial division of the Supreme Court of Alberta was made in a statute of that province which received royal assent on April 21 of this year. As I said, provision is also made in this bill for increasing by five the number of judicial offices in the county and district courts of Ontario, four for the county of York and one for the county of Carleton. The Ontario legislature provided for these additional judicial offices by a statute of the legislature which received royal assent on March 26 of this year.

From discussions I have had with my provincial counterparts, the attorneys general of Alberta and Ontario, concerning the administration of justice in those provinces and based on the information that I receive from time to

time from the legal profession and from the public generally, I am satisfied that these increases are warranted. They are necessary to deal effectively with the additional volume of judicial business and litigation in those provinces that must be transacted in the public interest. I am satisfied, therefore, that Parliament would be justified in authorizing an increase in the provisions for the salaries of these judges.

In recent times I have received submissions from the Canadian Bar Association and from other quarters indicating that in the opinion of the bar it is time we began to think about further changes in the Judges Act. This bill is a simple one again this year. It provides for an increased number of judges, but the time will come very soon—I think by the next session of Parliament—when we should think seriously about fundamental amendments to the Judges Act.

The question of salaries is one which we shall have to consider. I felt that it was not appropriate this year to come before Parliament and ask for any increase in the salaries of judges in the country. But I say frankly to Parliament that it is becoming increasingly difficult for me to persuade some of the leading candidates for judicial office, particularly lawyers who have had experience before the courts, younger men between 40 and 50 years of age who could make a great contribution to the bench and thereby to the administration of justice, to accept judicial office.

Mr. Peters: Or parliamentary office for that matter.

Mr. Turner (Ottawa-Carleton): I will take that as read. Those men between 40 and 50 have children who are usually at the high school or university stage, and are therefore at their maximum financial exposure in those years. When one considers that the current provisions for widows and dependent children are ludicrously low, it is often very difficult to persuade them to accept the office. The widow's pension is two-ninths of two-thirds of the judge's salary, and many women are now living close to penury. However, as I said, I felt that this year was not the proper time to broach the subject. But I say to the House that we will be looking very seriously into the matter of salaries, pensions and expenses during the coming year because I think it is important that we attract the best men and women we can to serve on the bench in Canada. In order to do that one has to offer remuneration that is at least somewhat competitive with what they might otherwise receive. There are a few matters that I would like to mention briefly for the purpose of informing the House about a number of initiatives that we have taken during the last year with respect to the judiciary.

[Mr. Turner (Ottawa-Carleton).]

[*Translation*]

First, I should mention that we have set up language courses for judges. I must inform the House that, between July 20 and August 8, a series of classes was given successfully in the capital city of Quebec for 24 judges of the provincial Superior Courts.

I am glad to mention, Mr. Speaker, that judges from seven out of ten provinces attended these classes. The courses were given by the federal school of languages. These are preliminary courses of necessity and these judges as well as those from the federal courts will be able to attend French classes in their own district and if they take an immersion course in a school of languages, I think that they will be able to improve their ability to speak or at least to understand the other language.

Bilingual facilities will also be available to French-speaking judges of the Superior Courts and we are confident that our program for French-speaking and English-speaking judges will be made available to all members of the judiciary.

In the near future we hope to be in a position to make these courses available to all district and county judges. Obviously, these courses have to be organized so as not to affect the proper administration of justice. Therefore, a schedule of classes has to be arranged with the co-operation of the chief justices of the country.

• (8:40 p.m.)

[*English*]

I also wish to say something about the Canadian Judicial Conference which was held for the first time this past summer in the city of Toronto. We sent the judges back to school. I might say that this was done with the full, enthusiastic co-operation of the Chief Justices of the country. The course was sponsored by the federal government. It was established by the Conference of Chief Justices of Canada. The council of the conference is composed of Chief Justice Gale of Ontario as chairman, with Associate Chief Justice Challies of Quebec as vice-chairman. The balance of the council is composed of Chief Justice Smith of Alberta, Chief Justice Culliton of Saskatchewan and Chief Justice Cowan of Nova Scotia. This council convened the first seminar which

began on August 14 in the city of Toronto. It lasted for an entire week and 24 judges from all parts of Canada attended.

I was particularly glad that Mr. Justice William Morrow, territorial judge of the Northwest Territories, was among these 24 judges. I would hope that because of the remoteness of his particular circuit he would be able to attend these courses at least every second year in order that he could be brought into contact with his brother judges across the country who have more opportunity to converse with each and keep abreast of the law. In fact, he made such an impression upon his brother judges that they have asked him to join the faculty of the seminar next year. I would suggest that Mr. Justice Henry Madison of the Yukon be invited to attend these seminars on alternate years. I understand that the seminar will be an annual event sponsored by the Council of Chief Justices.

I would like to read into the record the faculty for the seminar this year which consisted of the following persons: Chief Justice Tremblay of Montreal, Chief Justice Challies of Montreal, Chief Justice Cowan of Halifax, Mr. Justice Laskin of Toronto, Mr. Justice Hartt of Toronto, Mr. Justice McFarlane of Vancouver, Mr. Justice Brooke of Toronto, Dean G. E. LeDain, Q.C., of Toronto, Professor John Edwards of Toronto, Professor D. Mendes da Costa of Toronto, and the Dean was H. Allan Leal, Q.C., of Toronto.

I wish to thank publicly the members of the faculty for participating in what I think is a very useful initiative in Canadian judicial practice. It is my information, not only from the council but from the judges who attended the seminar, that they all benefited individually from the course. One of their particularly lively discussions concerned public relations, and I understand they had a stimulating discussion with Mr. Jack Dennett and Mr. Ray Corelli, two well known representatives of the newspaper world in the city of Toronto.

Among the subjects discussed at the seminar were criminal law and procedure, divorce, evidence, administrative bodies, the preparation and writing of judgments, judicial behaviour and recent trends in the law of contract and tort. I would hope we could reach a stage where once every five years every high court judge in the country would be able to go back to school to continue his legal training, not just for a period of one week but for, say, three weeks, and that subjects that are of social concern and subjects of current human confrontation before the courts would be researched.

I believe that the Canadian Judicial Conference inaugurated last year fills a very definite void that has existed in this country for a great many years in the area of judicial training. We are trying to improve our law schools and make their curricula more relevant. We are trying to inaugurate courses in consumer law, courses on law as it affects the poor, on law to protect the debtor as well as the creditor, the borrower as well as the lender. I believe that the legal profession in certain parts of the country is becoming alive to its responsibilities as a profession and is recognizing that society as a whole is the client of the law. I am delighted to see that the judges of this country are becoming more responsive to the new urges for change under the law. The Canadian Judicial Conference will serve as a refresher course for those who have sat on the bench for some time.

Mr. Marshall: Mr. Speaker, may I ask how many judges outside the province of Ontario attended this course?

Mr. Turner (Ottawa-Carleton): Twenty-four, minus five, would be 19.

Mr. Marshall: Outside Ontario?

Mr. Turner (Ottawa-Carleton): Yes.

Mr. Marshall: You did not indicate that.

Mr. Turner (Ottawa-Carleton): We started this in a limited way, but as I have said I hope we will expand it so that every judge in the country gets this refresher course once every five years. I think this is important because I think the judges, and the bench as a whole, must realize that in an era where there is a crisis of legitimacy, of authority, there is no institution in this country that is immune from criticism, and the bench must also respond to these urges for change and social responsibility. The seminar will be held in the city of Montreal next year and a completely different group of judges will attend on that occasion.

I should also mention that the annual conference of the Chief Justices of Canada met in Edmonton this year on September 28, 29 and 30. This conference is now well established and a decision was taken at this year's meeting to convene next year's meeting in Newfoundland. This conference enables all the Chief Justices to meet to discuss problems that are common to them in relation to the administration of justice. They find that they

are able to assist one another greatly by their free exchange of ideas. They are able to carry back to their own respective benches various suggestions relating to procedures and administration, and interpretations of the law, that have considerable value to all members of the bench.

I should like at this time to make a brief reference to the question of judicial appointments. As you will recall, Mr. Speaker, I went into this matter rather fully last year. We have continued the practice of consulting, prior to recommending appointments to the bench, the Judicial Committee of the Canadian Bar Association. Aside from that, I consult the members of the provincial bars concerned and sometimes members of the bench who have the opportunity of judging who are the competent counsel appearing before them. We consult as widely as we can in the community. But I want to add that of course the final responsibility for making a recommendation to the Governor in Council remains mine. I do not intend to shirk that responsibility or delegate it to any other body. I believe that I should take the heat in the legislature for the appointments whether they are good or bad. I might say that no candidate for the bench whom the committee of the Canadian Bar Association judged not qualified received an appointment to the bench since my appointment to this portfolio. In other words only those whom the bar committee judged to be qualified received nomination and appointment.

• (8:50 p.m.)

Mr. Speaker, I am sure hon. members will recall that for the first time in the history of this country a lady was appointed to one of the high courts in Canada, the Superior Court of the Province of Quebec. Madame Rejeanne Colas is an outstanding woman. She graduated top of her class at the law school of the University of Montreal in 1952 and practised law for 16 or 17 years before appointment to the bench. She has three children, was president of Les Clubs Feminins de la Province de Quebec, and chairman of the Canadian Bar Association Committee on Family Law. She has made an outstanding contribution to the bench in the six months since her appointment, particularly with reference to interpretation of the new Divorce Act.

Mr. Speaker, I should now like to mention the Supreme Court and Exchequer Court in relation to the Official Languages Act. Members of the House will recall that sections 5 and 11 of this act impose obligations upon the federal judiciary. I have taken appropriate steps to see that arrangements are made to meet the requirements in section 5 to permit simultaneous translation in the Supreme Court and Exchequer Court. Both languages have enjoyed equal rights before the federal courts of this country but the additional requirements in sections 5 and 11 make some adjustments necessary. I am informed that these are well in hand. I have also been considering the usefulness of certain regulations on judicial proceedings which might be made by order in council under section 11 (5) of the Official Languages Act in order to facilitate the application of section 11 (2) respecting simultaneous translation. These rules, if made, would apply to all courts of record established pursuant to an act of the Parliament of Canada as well as to the Supreme Court and Exchequer Court.

There are also courts in the Yukon and Northwest Territories to be considered. I have caused enquiries to be made as to what arrangements will be necessary for them in order to meet the exigencies of the Official Languages Act. Here, too, the matter seems to be well in hand. We have arranged to appoint Mr. Justice Dechene of the Alberta Supreme Court a deputy judge for the Northwest Territories, and we are attempting to provide court staff so that it will be possible to have proceedings in the French language where necessary without obligatory recourse to simultaneous translation in the French language. It is not yet settled whether similar arrangements will have to be made in the Yukon Territory. However, translation of the judgements of both these courts will be made available as well as facilities for simultaneous translation where required.

Mr. Speaker, that is a small report to the shareholders in the country through their representatives in this House in so far as the judiciary under the authority of the federal government is concerned. But the administration of justice is wider than that, and sometimes I find it restricting and even frustrating that the daily operation of the courts falls within provincial jurisdiction in both criminal and civil matters. Whereas all criminal law in statute form rests with Parliament, prosecution under the Criminal Code is the responsibility of the provincial attorneys general. But there are problems within the administration of justice that, while provincial in content, are so national in scope that sometimes I find it necessary to communicate with the several attorneys general. Indeed, when they were here at the beginning of the week discussing

the Charter of Human Rights we considered the possibility of convening a meeting of all attorneys general federal and provincial to deal with national problems relating to the administration of justice.

I am concerned about the delays in our courts, whether the responsibility lies with the judiciary, or the bar, lawyers who amongst themselves conveniently arrange to postpone cases. In the Department of Justice in Ottawa we are exploring the uses of the computer in the land. I think it could be used a great deal in promoting the administration of justice at the provincial level. In order to set to rest the fears of the hon. member for Greenwood (Mr. Brewin) let me say that we do not intend to replace lawyers, we just intend to explore some improvements. I am convinced that if justice in the city of Toronto or Montreal were put to a computer for the purpose of ascertaining who is responsible for the delay in our courts, the answer might be the same as that found in Philadelphia where delays were traced to just one or two law firms who were digesting too much business. But I do think we should pinpoint the responsibility for the delays.

We must consider the effectiveness of right to counsel. We must also consider the very serious problem which is building up with respect to the Divorce Act. Dissolving a marriage does not solve the problems of maintenance, alimony and custody of children. These matters often have to be decided by separate courts in the same jurisdiction and it is not unusual to have the same matrimonial situation simultaneously before two or three courts. All the legal consequences of divorce and marriage should somehow be co-ordinated better than they are at present.

Mr. Speaker, these are some of the matters relating to the administration of justice and the appointment of judges which fall within the general scope of this bill. In any event, my brother attorneys general are agreeable to a conference and I hope we can hold it late in the spring. I thank the House very much for its attention.

Mr. G. W. Baldwin (Peace River): Thank you, Mr. Speaker. I did not really intend to participate in this debate—

Mr. Peters: I did not know it was going to be so extensive

Mr. Baldwin: I have the keen attention of my friends to the left who are already evincing an interest in what I am going to say before I even say it. The distinguished and learned critic for this party is at present engaged in examining other legislation which the minister will be presenting to the House leader, and this has catapulted me into making a speech. I was glad to hear the minister engage in a rather extracurricular discussion—no one is objecting to it—but the question of the appointment of judges should not be any bar to the minister, to members of the opposition or backbenchers on the government side dealing with this matter in some detail.

Mr. Speaker, anyone who has seen on television or read in the press in the past year of the riots and violence which have taken place throughout the western world will have wondered whether the courts are going to have a place in society as we know it. Is there a place for those delegated by society to the decision-making process in the judiciary to determine the rights of the parties, having in mind the stresses of modern times? Is there a real place for a man learned in the law to calmly and dispassionately make a decision in disputes arising between citizens or between citizens and the state? To some of us this would not appear necessary. People have taken to the streets. The demonstration which has sometimes become violent has counter-balanced the machinery our society has established for dealing with such problems. I was glad to hear the minister give some indication of his thinking in this regard. It was not the government's thinking, but his own. His remarks gave us an insight and will enable us to judge what we may look forward to in this regard in the next year or two.

• (9:00 p.m.)

We must appoint to the judiciary people who are not only learned in the law but are knowledgeable about society and the frailties of human nature. The men we appoint must be those who can sit on a dais and weigh, evaluate and assess the conflicts between human beings and the differences between them. They will listen to people who challenge the rights of governments and the rights of big corporations. I think no society will remain free and good unless we evolve methods of selecting people of this kind for judicial appointment.

May I digress and say that I have sometimes heard in different parts of Canada and in this House the suggestion that those who serve in the public life of this country, our politicians in other words, should not be made judges. I disagree with that. I am not saying that one's participation in public life by itself

is a mark of distinction and should automatically mean that one may be elevated to the bench. Men in public life have often been elevated. I submit that men in public life gain an insight into human nature, and a politician has that faculty. The man who has sat on the opposition benches and had to contend with the monolithic apparatus of government makes a very good judge—and please do not think I am preaching for a call, Mr. Speaker. It is bad enough for one to have to sit here and to listen to some of the speeches. At least we can walk out occasionally, but unfortunately judges cannot do that and are compelled to stay and listen to what is being said.

I make this comment only because I have heard it repeated frequently in this House during the last 10 or 15 years that the man in public life, even though he may have all the other necessary qualifications, should not be elevated to the bench. I disagree with that. In making judicial appointments we recognize that the government of the day will, all things being equal, probably appoint its supporters to the bench. I do not quarrel with that, provided the appointees have all other necessary qualifications. I have discussed this matter with the minister from time to time and will continue to do so as objectively as I can.

If society as we know it is to endure, we must have a free Parliament and a free, independent, very learned and knowledgeable judiciary. Any minister of justice attempting to acquire for the bench of this country people of that character will have my support. While it is very nice to have bilingual judges, if the government must choose between two men, let it choose the good judge. If the judges appointed are bilingual, so much the better. But if you have a man who speaks French and no English and he would make a good judge, I say that you should by all means appoint him. Similarly, if you have a lawyer who speaks English but not too much French and he would make a good judge, by all means appoint him. If you can find a man who speaks both languages, that is fine.

In my experience of the past 40 years I have never come across a case—and I was substantially involved in counsel work—where a person charged with an offence or involved in civil proceedings was unable to secure from the court, upon request, the fullest opportunity to have made available to him in the language of his choice all statements and evidence given before the court. In all instances persons are made fully aware of what is taking place. As this country progresses we may reach the stage where all those appointed to the judiciary will be bilingual, although I think it may be many years before that happens. I urge the minister to exercise the utmost caution in his appointments and not let his desire to appoint a bilingual judge interfere with his need to appoint a good judge.

How judges behave is very important. I recall that as a young law student I appeared in a case—I was not appearing on my own but had a watching brief—involving a woman who was charged with being the keeper of a bawdy house. Something turned upon whether the particular house had stairs at the back, and a lengthy examination was conducted on this point. Finally the judge turned to counsel and said, "Surely you can tell the court whether the stairs are in fact there." The accused woman turned and said to the judge, "But Your Lordship was there last night. You should know that."

Next I wish to speak about our divorce courts. When the Prime Minister (Mr. Trudeau) was Minister of Justice many of us in the House said that jurisdiction to try divorces should not be restricted to Supreme Court judges and that the backlog of human misery which had been built up over the course of years would create many judicial problems. Some provinces take the position that certain leading cases give their county judges jurisdiction to try divorces. I think it would have been better if Parliament had made a unilateral declaration that county and Supreme Court judges can try divorce cases. May I repeat what I have said before. I see no reason for the present distinction between judges. I think we pay Supreme Court judges $26,000 a year, and county and district court judges $19,000 a year. Can you measure the value of justice by the amount you pay a member of the bar?

For a great many years, both as a member of the bar and as a bencher of the Law Society of Alberta, as well as a Member of Parliament, I said that this distinction should be abolished. If the Government of Canada acting on instructions from the Parliament of Canada has the right to appoint judges to courts of record, why should it say, "You, John Brown, with your knowledge and capacity are limited to trying civil cases not involving more than so many thousands of dollars and criminal cases of certain types. But you, Bill Smith, have complete jurisdiction over everything." Justice should not be

valued in those terms. I urge the minister to consider abolishing the distinction between county and Supreme Court judges. If a member of the bar has in the opinion of the minister the qualifications necessary to adjudicate in a civil capacity between people and people, people and corporations, people and the government and in criminal cases, he should have the capacity to try divorce cases whether or not he is a county court or Supreme Court judge. Our only reason for maintaining the distinction is that it existed at the time of confederation and we have continued it to the present time. I suggest there should be only one category of judge rather than a division between county court, district court and Supreme Court.

• (9:10 p.m.)

The minister mentioned judges attending school. I think this is a very good idea. All people in authority should go to school. From time to time even the cabinet should take a little time off and go to school to learn something. They might even learn to answer questions, Mr. Speaker.

Some hon. Members: Hear, hear.

Mr. Baldwin: There are good reasons for this. While we should strive to develop jurisprudence which works toward achieving certain common objectives, nevertheless because human beings are what they are it is not easy to say, for example, that a person who has committed a criminal offence in the province of Ontario should receive the same punishment as a person who committed the same offence in the province of Alberta. Circumstances and environment differ. Each case must be considered entirely on its own merits.

I am nauseated when I hear people talking about uniformity of sentence. There can be no such thing as uniformity of sentence. Sentencing is one of the most important parts of our criminal jurisdiction. Having found a person guilty of a criminal offence, a most searching inquiry consistent with equity must be made into the background of the relevant, surrounding circumstances. I consider it quite improper for the Prime Minister or any minister to suggest that with respect to offences committed under the Narcotic Control Act or any section of the Criminal Code there must be uniformity of sentence. I believe the minister, in response to questions the other day, made this quite plain. There can be no more uniformity of sentence than there can be uniformity of individuals.

I think it would probably serve a good purpose if judges did get together to discuss among themselves their experiences and problems and listen to lectures. Nevertheless, there are limits to this type of practice. It is about time this House became a more effective and active instrument in the formulation of policy with regard to judges. I think it might be advisable if judges appeared before a committee of this House in Ottawa or somewhere else and discussed with the members of the committee, in an informal way, some of the problems which they as the judiciary have encountered. I think this practice would be very useful.

This may appear irrelevant, although it is in the context of what I have been saying, but I feel a committee should be charged with the continuing responsibility of examining our criminal law and all other types of law reform. The committee should be maintained through the course of Parliament, not only to deal with various bills which the minister presents but to deal with other matters of this kind. I think it would be most useful if in fact judges appeared before such a committee from time to time. The hearings could even be held in camera. In this way the committee would have the benefit of the judges' views.

I wish to stress the great importance of the character and type of people who are appointed to the bench. This matter has already been mentioned by the minister. We may talk about anti-bugging devices, matters of defence and secrecy and the problems of the unfortunate people who have become drug addicts, but in the final analysis the extent to which any society continues to survive depends upon those people who have been elevated to judge their fellow human beings. Nothing can be more important than to ensure that the quality and character of these people remains at the very highest level.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, the act before us is not as earth-shaking as the minister indicated. However, it has given an opportunity to the minister, the hon. member for Peace River (Mr. Baldwin) and myself to make some general observations either criticizing or commending our judicial system. I should like to spend a moment or two speaking about the bill itself.

Mr. Turner (Ottawa-Carleton): That would be a highly unusual practice.

Mr. Baldwin: You are liable to be ruled out of order if you do that.

Mr. Brewin: I would not venture to discuss the situation in Alberta, but the proposal to add five judges to the county courts in York and Carleton is highly commendable. The county court judges in these urban centres are the most overworked people in the judicial group. They have a very heavy workload and it is entirely appropriate that their number should be increased.

There should be one amendment in particular to the Code, that is, all judges should be given concurrent jurisdiction in matters of divorce. This was urged upon the minister's predecessor, now the Prime Minister (Mr. Trudeau), by the Bar Association. It made good sense then and it makes good sense now.

Mr. Turner (Ottawa-Carleton): We have already done that. We have that provision in British Columbia.

Mr. Brewin: It should be done right across the country. I do not understand this to be the case in Ontario. I still hear reports of the Supreme Court being clogged with divorce cases. This is causing long delays. I know they do odd things in British Columbia, but as far as I know the Supreme Court of Ontario is still very much tied up with divorce cases. This should not be the case. I am informed that at the beginning of the fall session of the courts the judges spent several weeks doing nothing but grinding out divorce judgments.

Mr. Turner (Ottawa-Carleton): Will the hon. member permit a question Mr. Speaker? Is the hon. member aware that under the federal act the province can at any time designate the county court as having concurrent jurisdiction?

Mr. Brewin: I do not read the act in that way. I followed it closely and even urged an amendment in this House so that it would be clear there would be concurrent jurisdiction in county court judges. The predecessor of the minister, now the Prime Minister, said that although all the advice is to the contrary, we were not prepared to do this. I suggested the requisite amendment should be to the Divorce Act. It should be clear to the province that there is a designation of jurisdiction. There have been delays and attendant expense in the way these matters have been dealt with in the past.

It makes sense when county court judges have this added jurisdiction they will carry a heavier burden than is the case at the present time. I make no apology for approving the addition of these needed judicial officers even at a time when in the interest of controlling inflation the economy axe is being used. It would be false economy to overburden the judicial process by not being ready to make additional judicial appointments when they are required.

• (9:20 p.m.)

There are other fields where the same principle applies. Parole is under the jurisdiction of his colleague, the Solicitor General (Mr. McIlraith), though I know the Minister of Justice (Mr. Turner) has particular interest in that subject. However, I suggest it is false economy not to increase substantially the number of parole officers. Every parole officer on the job saves the country a considerable amount of money, because they are able to service those who otherwise would be in detention. Certainly they can look after people on parole better than if they were still in detention. I hope that no attempt will be made to wield the economy axe as far as the appointment of additional staff in parole institutions is concerned.

The appointment of judges has been discussed, and in this regard I want to say something that I think the minister will be pleased to hear. As far as I know, since the minister has been Minister of Justice appointments to the bench have been of a very high calibre. The appointments have not been political appointments. May I congratulate him on those appointments of which I am aware, though I am not aware of all of them. However, I suggest it is simply not good enough for the minister to perform in the manner he is. If another minister were in his place we might again run into the sort of pork-barrel system that prevailed for many generations when people were appointed to the bench on the basis of political patronage. There has been no greater scandal in the judicial history of our country than this tendency that has existed in the past.

I am happy to say that I do not believe this practice exists today. Indeed, I hope it will never be resuscitated in the future. However, it is the system itself that requires change. We should not have to depend on the good intentions of ministers of justice who are from time to time appointed. The present minister says that he consults the bar associations and other qualified people with regard to judicial appointment, but I suggest some system be worked out under which the temptation to use these appointments for political purposes is removed.

I am aware of the conscious effort of the minister to take politics out of these appointments, but I hope he will not think this will be achieved merely by adopting his present practice for just a little while. I have seen new ministers of justice come to their portfolio with the highest intentions. The first few appointments made are admirable, but then as they linger on and the demands of former supporters become more insistent, later appointments do not reach the same high calibre of the earlier ones. I hope this will not happen as far as this minister is concerned, but I warn him that it has happened before and it might happen again. I suggest that while the opportunity presents itself he should ensure that some system of consultation is firmly embedded in the legislation.

I was delighted to hear that judges were going to be sent to school again. It has been my experience at the bar, especially when I was a young lawyer, that very few judges would have the humility to return to school. They seemed to know almost everything and did not require any instruction from counsel; at least, that could be said of some of them. I was glad to hear the minister say that some of their instruction would be in social subjects. I believe that past legal training has completely failed to instil any adequate social awareness in those who are called to the bar. They do not have any adequate knowledge of the modern social sciences to assist them to do their job. I hope that when judges return to school they will take these courses seriously; that they will be attended not by just a few conscientious judges but that they will be regularly attended by all judges.

[*Translation*]

Mr. Speaker, I am very happy to learn that some English-speaking judges have taken French immersion courses.

[*English*]

I see no purpose in detaining the House longer by discussing this bill. As I said at the beginning, the subject is not earth-shaking. I think we might properly pass the bill, and may I thank the minister for taking the time and trouble to tell us something about how his department is approaching the whole question of judicial appointments and activities. I must say I was encouraged by what he said.

Mr. P. M. Mahoney (Calgary South): Mr. Speaker, while I do not wish to put myself forward as a connoisseur of the French language, I had to avail myself of the services of the translator to appreciate the effort of the hon. member for Greenwood (Mr. Brewin) at the close of his remarks.

I should also say that since the Minister of Justice (Mr. Turner) had occasion during the course of his speech to mention the present justices of the territorial courts in the Northwest Territories and Yukon territory, I would be very remiss if I did not take this occasion, one that I think is very appropriate, to commemorate the passing this past year of the first judge of the territorial court of the Northwest Territories, the Hon. Jack Sissons. I had the pleasure and privilege of articling in law at Lethbridge at a time when Judge Sissons was chief judge of the district court, and a very good friend of mine he was. He was also a very good friend of the native people of the Northwest Territories. I understand his popularity here was somewhat more circumscribed. I do not propose to attempt to discuss the judicial situation in the province of Ontario, but I should like to elaborate to some extent on a subject opened up by the hon. member for Peace River (Mr. Baldwin) during his speech. I refer to the rationale for the division of the two courts in the province of Alberta.

By chapter 4 of the Statutes of Alberta, 1907, the district court was established on the basis that in every judicial district there would be a resident—I underline the word "resident"—district court judge who could exercise his jurisdiction, in the absence of a special direction, only within the judicial district in which he held his appointment. His civil jurisdiction in trial matters went to a maximum of $400.

At that time the Supreme Court, consisting of five judges, exercised both trial and appeal jurisdiction. There were nine judicial districts and two sub-judicial districts. Of these, the more populous were Calgary, with a population of 31,800; Edmonton, with a population of 20,500, including Strathcona; Lethbridge, with 6,200; and Medicine Hat with 4,300. The other judicial districts were Athabasca, Wetaskiwin, Red Deer, Stettler and Macleod.

A resident judge in a community of small population could become involved in the community life and intimately known by his neighbours. Therefore, it was not difficult to understand that it was in the interests of justice that an independent, removed judicial personage should come to the community to deal with the more serious civil and criminal matters and matters involving jury trials. With the difficulties of transportation it is

easy to understand why district court judges were also required to be resident judges. However, in 1933, by chapter 15 of the Statutes of Alberta the province was divided into district courts for northern and southern Alberta. The judges appointed had jurisdiction throughout the district; that is to say, judges appointed as district court judges for southern Alberta had complete jurisdiction throughout southern Alberta, and this was the case with the district court judges in northern Alberta district courts.

In effect, this meant the disappearance of resident judges as such. At the present time Alberta is served by eight district court judges for the district of northern Alberta, all of whom reside in Edmonton; and by six district court judges for the district of southern Alberta, four of whom reside in Calgary and two in Lethbridge. The district court judges in northern Alberta serve six judicial districts, and by order in council are required to hold court in 12 centres. The district court judges in southern Alberta serve six judicial districts as well, and by order in council are required to hold court in 19 centres. In each case, the centres other than those where the judges reside are served by judges travelling to these centres at the times scheduled to hear chamber applications, hold civil and criminal trials, deal with matters of adoption and wardship, probate, administration and the passing of accounts. In the matter of chamber applications, and in civil trials, the judges are frequently required to act and exercise jurisdiction as local judges of the Supreme Court.

• (9:30 p.m.)

The jurisdictional wall between the two courts, the district and Supreme Court, is an odd thing. The numerous overlappings and contradictions make it appear that it is something without any real, present day reason. The District Courts Act limits the trial jurisdiction to cases involving a monetary value of $2,000, but the Seizures Act gives complete jurisdiction to the district court. This jurisdiction involves the determination, in a summary way, with affadavit or *viva voce* evidence, of such matters as the right to make seizure, the amount payable between the parties or the ownership of goods. There have been in Calgary cases under this act where the question for determination was the ownership of $1 million worth of machinery and the ownership of $750,000 worth of bowling equipment. These cases were heard and determined in a summary way by the district court. The Surrogate Courts Act gives to judges of the district court jurisdiction in "all matters arising out of or connected with the issue and revocation of grants of probate and administration" and confers the rights and powers of the Supreme Court and of the judges and officers thereof.

There has never been any limitation of the value of a probate or administration with which a district court judge could deal, although in the past, before the Surrogate Courts Act, certain matters had to be referred to the Supreme Court. Under the Domestic Relations Act, Supreme Court judges hearing divorce actions have dealt with the question of the custody of the children and have awarded custody to one or other parent. No order for such custody is ever final and may be referred back to the court in the event of any change in the circumstances of the respective parties. But under the Child Welfare Act a judge of the district court has the power, and it must be frequently exercised, to make a child a permanent ward of the Crown and permit his or her adoption by other persons. In the exercise of this power a district court judge may make an order for permanent wardship which by section 32 of the Child Welfare Act takes precedence over any order for custody given by anyone else. With the consent of the parties a district court judge may as local judge of the Supreme Court hear and determine any action brought in the Supreme Court, and in such case he has the same powers as a judge of the Supreme Court. The district court has concurrent jurisdiction with the Supreme Court in all matters except capital offences and trial by jury.

In southern Alberta, district court judges serve six judicial districts and hold court in 19 centres. Two of these are not visited with any regularity because they are close to other centres and the solicitors bring their work to these other centres. But the other 17 are served regularly. The judicial centres, six of them, are served regularly by the trial division of the Supreme Court. In Lethbridge, for example, where there are two resident district court judges and where the public is well served by them, the Supreme Court will attend four times in the spring term to do those things which a district court judge could do if he had the jurisdiction. Medicine Hat is served weekly by one or other of the district court judges from Lethbridge. Three times during the spring term judges of the

Supreme Court are required to go to Medicine Hat to do those things which the limit of jurisdiction prevents the district court judge from doing when he is there at the same time.

The district court judges from Calgary serve Hanna and Drumheller, both of which are judicial centres of separate judicial districts, once a month. In the spring term judges of the Supreme Court must go twice to Drumheller, in each case within a few days of the district court judge, to do those things which the division of the courts makes necessary. The same situation holds true in the judicial districts of northern Alberta outside the city of Edmonton.

It is significant that much of the work done by the judges of the district court in these outlying points is done in the exercise of their jurisdiction as local judges of the Supreme Court. But those functions which can be performed only by judges of the Supreme Court are not performed at those centres to which district court judges go, which are not the centres of judicial districts. Banff, Brooks, Cardston, Blairmore, Claresholm, to name just a few, although they are served regularly by the district court must bring all Supreme Court matters to Calgary, to Medicine Hat, to Lethbridge or to Fort Macleod. An amalgamation of the two courts would not diminish the service; it would only do away with the duplication, which is costly and senseless.

The qualifications for appointment as judge of the district court are the same as those for appointment as judge of the Supreme Court. The law and its application is the same in both courts, the rules of evidence are the same, the rules of court apply to both courts and the rules of procedure are the same. But the separation of the courts and the limits of jurisdiction placed on the district court leave the public with the impression that there is a lesser brand of justice in a lower court.

I realize that this a matter for reform by provincial government and I hope that with the endorsement of the hon. member for Peace River (Mr. Baldwin) the Attorney General of Alberta will get the idea that this might be a good thing to do. I certainly hope the Minister of Justice is prepared to go along with any such action. The only cost to us is related to extra salaries. There are not too many things which western Canada feels it can learn from the province of Quebec, but we can look upon the actions of Quebec in this regard as a very progressive step.

Mr. Frank Howard (Skeena): Mr. Speaker, if we had not been enticed to participate in this debate perhaps we would have dealt with the matter by now. A couple of points mentioned by the minister deserve elaboration. I do not suggest he did not cover the subject completely, but there is room for another expansion or point of view regarding the change that will take place. This is true particularly in view of the minister's suggestion that at the next session or some time in the near future there will be an overhaul of the Judges Act in terms of philosophy and structure rather than just changes in respect of bits and pieces of the act.

At the outset I would say in respect of the matter of judges salaries that so far as I am concerned, it is extremely important. Their job is in many cases extremely difficult. If there is only the matter of salaries involved, and by increasing salaries we can obtain a high standard and quality of judges in our courts, by all means raise the salaries. We should not be hesitant in this regard.

I know the government is sensitive about curtailing inflation through a reduction of government expenditure. The minister should not be timid in this area, because it is a very important field. Judges are public servants who deal with interpretation regarding the rights, functions and the position of society. The minister mentioned that some judges have recently gone to school.

Mr. Turner (Ottawa-Carleton): I said they have gone back to school.

Mr. Howard (Skeena): I prefer my original phrase—some judges have recently gone to school, particularly in terms of bilingualism. In this regard many judges are lacking education in terms of the humanities of our society. Many of them are too damn legalistic and narrow minded when it comes to interpreting the law. They have no concept whatever of individual feelings. Many of them operate simply on the basis of the criminal law and mete out the full extent of the penalty the law provides. It is in this area that I think an element of education is necessary.

• (9:40 p.m.)

Since I am not one of those who has any desire to be a judge, nor the opportunity since I am not in a field or activity that would lead to it, perhaps my remarks about judges may not be as precise as those of a lawyer. Quite frankly, however, I think there are too few judges in our court system and in our

society who have an all-embracing approach. There are too many judges, to put it the other way, who apply statutes universally whether they are dealing with the most violent criminal cases that come before them or with a young citizen who is appearing in court on a first offence for a minor, insignificant demeanor. There is a danger on the part of judges —and on the part of magistrates who do not fall within the jurisdiction here—to apply a sort of "two-bit" lecture approach without any concern for the individual or what is involved in a social or humanitarian sense.

I believe there is a tendency on the part of the courts and judges to disregard completely the whole social area of use or misuse of drugs. The misuse of drugs has reached fantastic proportions by any comparison with the past, and it has reached fantastic proportions in any comparison with age groups that use narcotics or hallucinatory drugs of all kinds now and those who used them in the past. In fact, government itself has today moved into this area, albeit on a scant basis, without too much understanding of what is involved in respect of the individual. How can one urge the judiciary to have any concern about this problem when they are faced with a particular law which they must enforce? I believe the judges, in the field of drug use and abuse, think in terms of the full impact of the criminal law against the offender and in the context that the penalty must be a preventive and deterrent measure. I believe it can be reasonably and logically argued that there is no connection whatever, in the field of drug use and misuse, between the deterrent concept and the actual use of the drug.

It is true that judges are enforcing the law as it is. Nonetheless, there is a certain psychology involved. The idea would seem to be that so long as the individual is behind bars and is in jail, he is not using drugs. Although that is not always the case, it is at least the case in theory. We have read of instances where judges, in meting out offences for a criminal act, will make the senseless statement that they are sentencing an individual to a particular institution because there he will have an opportunity to learn a trade. We have also read about judges meting out sentences to mentally or emotionally disturbed individuals who will make this sort of gracious remark, "I am sentencing you to this particular institution so that you will receive psychiatric help". Anyone who has paid the least attention to what goes on in our penal institutions is aware that the judges just do not know what they are talking about when they make such declarations when sentencing people to penal institutions. They hope the person will receive psychiatric treatment or learn a trade so that they will become worthwhile members of society.

If judges were to go back to school, I think one of the requirements should be that they spend a certain period in our penal institutions which deal with young offenders. This should not be a casual visit which they would make when everything would be laid out and everything that was undesirable would be kept out of the way. Rather, it should be an extended visit in the form of an immersion course so that they would have an opportunity to find out what goes on in penal institutions. In this way a judge who hands down a sentence that an individual is to be incarcerated in jail would at least know through some association with the institution, from having visited there on a number of occasions, to what he is sentencing the individual. He might thereby have a more human attitude about the sentence he is meting out.

I do not think too many people will disagree with what I am about to say. Certainly some members of the House who are lawyers have spoken on this subject. We have two types of justice. Even though the standard of law may be the same, the justice which is meted out to the rich is different from the type of justice meted out to the poor. I am sure that from his activity in the legal field the minister is aware of cases where the person charged with an offence, because he did not have a fair amount of money at his disposal, was not able to arrange for the best hearing or obtain the best lawyer to fight his case through the legal system and the loopholes which exist in it.

There are in our society many people who do not have sufficient understanding of what is involved in court procedure. These people sometimes appear unrepresented in court either because of threats by the R.C.M.P. or perhaps because of promises of some sort of act of justice. They lack an understanding of their position, appear in court and plead guilty to charges of which they are in fact not guilty. Had they had the money with which to obtain proper legal assistance, in many instances they would never have been convicted.

So there is in the very practice of it, one type of justice for the rich and another for the poor. I believe this is something which must be looked at. I put forward these few ideas from the limited experience I have in

the courts and the legal system in the hope that they might have some effect on what is finally transformed into law when the philosophy relating to judges and the manner in which they enforce the law is considered.

Mr. Speaker: Order, please. Before I call on the hon. member for Battleford-Kindersley (Mr. Thomson) to address us on the subject of Bill C-2 I think I should remind hon. members that we are dealing with a bill which is rather limited in scope. I understand the Minister of Justice (Mr. Turner) when he presented the bill did open the subject by ranging far and wide. This having been allowed, it is very difficult to confine hon. members to the very narrow scope of the bill. However, in our future contributions to the debate we should try to keep as close as possible to the scope of the bill.

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, in regard to justice, I feel I am to be judged by a different law than the hon. members who have already spoken. Therefore, perhaps you will excuse me if I vary a little from the scope of the bill. I should like to commend the hon. member for Skeena (Mr. Howard) for his contribution. Some of the remarks he made, I had intended to make myself.

• (9:50 p.m.)

I should like to make one point in connection with justice. I am not suggesting that there should not be more judges appointed in Alberta or Ontario, but I think that judges appointed in the future should receive further training in the social understanding of Indians and Eskimos. This is an area in which these people do not understand the law as does the Minister of Justice (Mr. Turner) or members of the house; therefore, I think that the judges appointed in this area of Canada should have special training in this respect. Many Indians feel that there is inequality in the way in which laws are applied, and I do not think the Minister of Justice would be happy about that.

I should like to commend the minister on appointing permanent magistrates in the Yukon and the Northwest Territories. I think this was a good move. However, I have a criticism to make. As I understand it, the prosecuting attorney is appointed by the Department of Justice on a more or less haphazard basis. If I am in error, I will gladly accept correction in this respect. However, it is my understanding that it was done on a casual basis because there were no permanent people available to act as crown prosecutors in some places in the Northwest Territories and the Yukon. If this is the case, I think the minister should consider the appointment of a permanent crown prosecutor in addition to the additional judges in Ontario and Alberta. I hope the minister will be able to answer the question I am putting to him now.

Mr. Turner (Ottawa-Carleton): I will answer the hon. member by asking whether he is aware that in the Northwest Territories there is a permanent crown prosecutor, and that at his request we appoint deputy crown prosecutors from the province of Alberta to help him when he considers that his caseload has become too burdensome for him to carry alone. There is also a permanent prosecutor in the Yukon, although the latter has now left the practice of law and I have to replace him.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, my remarks will be brief. Since I am neither a jurist nor a regular visitor of courts of justice, perhaps I am not fully qualified to discuss tonight's subject. I only wish to make a few comments on something the minister said when he introduced his bill.

First, I have nothing against the appointment of additional judges in Alberta and Ontario, quite the contrary; however, considering what is going on these days, I wonder if enough good judges can be found. The hon. member for Peace River (Mr. Baldwin) declared earlier that it is better to appoint good judges than bilingual judges, and I could not agree more. I am in favour of that because, according to what the minister said, it was a matter of establishing language schools in order to give judges an opportunity to master a second language.

In this connection, Mr. Speaker, I feel somewhat skeptical and concerned, because I have the impression that before speaking a second language fluently, particularly when it comes to deciding the fate of an individual, one has to be perfectly bilingual.

I doubt that even in the most up-to-date language schools, it would be possible in more or less short periods to make a judge fluent enough in the other official language to allow him to judge adequately the case of the accused before him.

That is why, Mr. Speaker, I myself would be rather concerned had I to appear before a judge who does not speak my language. My comments however do not apply to a court

comprising three or five judges, one of whom at least speaks the language of the accused.

In that case, the judges by consulting each other will better understand the testimony and the defence of the accused.

For these reasons, I believe that it would be necessary to be very cautious when choosing judges who will have to hear the cases of the accused.

[*English*]

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

Motion agreed to, bill read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Speaker: Order, please. It being ten o'clock it is my duty to inform the house that the proceedings are now deemed to have been completed.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

COMMUNICATIONS—SOUTHERN LABRADOR—REQUEST FOR TEMPORARY REINSTATEMENT OF D.O.T. SERVICE

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): Mr. Speaker, on October 29, about eight or nine days ago, during the regular question period I asked the following question:

> Mr. Speaker, in view of the fact that the target date of Bell Canada for improved telephone service in southern Labrador has been set ahead to January, 1970, and in view of the fact that the Department of Transport withdrew its radio, telephone and telegram service from that area on August 1 of this year to coincide with the inauguration of the improved Bell Canada service which did not materialize, will the Minister of Transport arrange for the radio, telephone and telegram service of the Department of Transport to be reinstated and maintained until such time as Bell Canada has completed its installation in 1970 and is capable of providing reasonable communications in that area?

You were quite right when you said that I had made a representation, but Your Honour said the question should be placed on the order paper. I must say, with all respect, that I cannot accept that suggestion because the result of putting it on the order paper would be that the answer would not be forthcoming for about two months, at which time the question would become obsolete. For that reason I have to take it up with the minister now. I communicated this problem to the Minister of Transport (Mr. Jamieson) in a letter which I wrote him on July 11. It reads as follows:

> Dear Mr. Jamieson: I am enclosing a petition received from the residents of Henley Harbour, Labrador, regarding the proposal of the Department of Transport to withdraw its radio-telephone service from South Labrador as of August 1, 1969. I have also received correspondence from several other communities in Labrador South requesting that the service of your department be maintained until the Bell Canada service is brought up to a better standard.
>
> I support this petition, and ask that you also give it sympathetic consideration.
>
> I would appreciate your comments.
>
> Yours sincerely,
> Ambrose Peddle, M.P.

• (10:00 p.m.)

I received a very prompt reply on July 15, four days afterwards, from Mr. Ross, special assistant to the minister, saying that the minister was out of town, and advising me that my letter and the petition I had forwarded had been brought to the attention of the appropriate officials for their consideration and report; on receipt of that report they would be pleased to get in touch with me again. On August 14, about 30 days later, I had a communication from the minister which read:

> Further to the letter of July 15 from my Special Assistant, concerning the withdrawal of the department's radio-telephone message service at Henley Harbour, I share your concern and will do everything possible to ensure that adequate service is provided to the residents of this area.

Before that, during that and following that I received a number of petitions from the area of Labrador south. The people there are very concerned because Bell Canada was supposed to have a decent service inaugurated by August 1, and on this basis the Department of Transport decided to withdraw its service on August 1. However, Bell Canada, because of certain problems caused by strikes and God knows what, found they could not improve their service. I have been in communication with Bell Canada who have told me there were a number of parts—I do not know the technical names for them—that were needed but could not be provided. They now tell me that these parts cannot be made available until late November, that a number of them will be assembled in Montreal and forwarded to Labrador south, and that improvement to the service will be in full effect as of some time in January, 1970.

I have had communications and petitions from people in places such as Port Hope Simpson, Labrador; Henley Harbour, Marys

Harbour and Cartwright—communities in which several hundred people live. They are not asking for anything fancy; they are asking only that the Department of Transport continue to provide its service until the independent organization, Bell Canada, gets around to providing a decent service.

I earnestly hope, Mr. Speaker, that the answer from the minister's representative will not be, "We are looking into it." There has been ample time to look into it. I have given these communications to the minister; he expressed his concern to me and said he would see that a reasonable standard of service was maintained. I hope that will be the case.

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I can assure the hon. member that not only is the minister looking into it but that he can give a very encouraging answer to the hon. member. I suppose the hon. member's question is directed to the Minister of Transport (Mr. Jamieson) because the Minister of Transport is from his province, but I should point out that responsibility for the maintenance of the Labrador service now rests with the Department of Telecommunications.

The difficulties referred to are the unfortunate result of unavoidable delays in the delivery of equipment to Bell Canada, which holds the franchise for the area and which is to take over the service previously provided by the Department of Transport. Changes were made in anticipation of the transfer to Bell Canada, but because of the timing problem certain inconveniences have resulted, and as the hon. member has mentioned, his people have been suffering since.

Steps have been taken to correct these inconveniences. The Minister of Transport has indicated a willingness to reactivate the original equipment at those locations where this appears necessary, as an interim measure until the Bell service is in full operation. In this regard, stations that were serviced by Department of Transport radio-telephones up to August 1 are now being reactivated. Both the Minister of Transport and the Minister of Communications (Mr. Kierans) will do everything possible to ensure that service to people of the Labrador coast is maintained at least at the level that prevailed before the Bell transfer was undertaken. As the hon. member can see, the Minister of Transport, who is from the same province, is looking after the interests of the people of Newfoundland.

CANADA ELECTIONS ACT—SUGGESTED VOTE BY MAIL FOR DISABLED PERSONS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I am happy to be raising a question during the late show on a night when it seems that we are getting favourable replies. My question is based on a point which I raised on Monday, November 3, as recorded in *Hansard* at page 405, when I asked this question:

> Mr. Speaker, I should like to direct a question to the Secretary of State. In view of the fact that when the Manitoba legislature amended the provincial Elections Act to provide for voting at age 18 it also included a provision to make it possible for persons who are so disabled they cannot get to the polls to vote by mail, I wonder whether the federal government would consider making a similar recommendation so far as the federal Elections Act is concerned?

The Secretary of State (Mr. Pelletier) replied that he was not responsible for amendments to the Elections Act and that I should put my question to the President of the Privy Council (Mr. Macdonald). I was a little puzzled by his advice because I had looked at the book that morning and found that it confirmed that the Secretary of State is responsible for the supervision of the Chief Electoral Officer. However, that is a minor point and I am delighted to see the President of the Privy Council here tonight to respond to my question.

Mr. Speaker, it is a fact that the Manitoba legislature at a recent special session did pass Bill 38, entitled an act to amend the Elections Act. This bill makes two changes. On the one hand it lowers the voting age for provincial elections in Manitoba to 18 and, in addition, it includes a provision under which persons who are physically incapacitated may cast their vote by mail. The arrangements, of course, are spelled out in Manitoba's Bill 38 and are similar to arrangements made for members of the armed forces to vote in the federal election and the arrangements made in some other provinces for absentee voting.

However, the details are not important; what is important is that something has been done. In Manitoba persons who are physically incapacitated and therefore through no fault of their own are unable to go to the polls will be able to exercise their franchise in provincial elections in my province. It is my earnest hope that a similar provision will be included in the Canada Elections Act, and that this will be one of the results of the study to that legislation now being given by the Standing Committee on Privileges and Elections.

Proceedings on Adjournment Motion

• (10:10 p.m.)

I hope the House will not mind if I take a moment or two to pay tribute to a person who is recognized as being largely responsible for this achievement in Manitoba. I believe this person is known to my hon. friend, the President of the Privy Council. Dr. Isabel MacArthur, a woman in her early fifties who has been a victim of multiple sclerosis for nearly a decade and who pursued a very active career before she became incapacitated, has been working from her bed on this issue of votes for disabled persons. She has written a great many letters to various persons in Manitoba, seeking support for the change that has now been accomplished there. Members of the Standing Committee on Privileges and Elections of this House have received letters from her, as have various members of the federal government and various officials here in Ottawa. After bill 38 was passed in Manitoba she wrote a letter to Premier Schreyer. This was in October, and this is what she said:

Dear Sir:

Thank you for the 2nd part of Bill 38 which allows voting by mail. I hope that the Federal government will take a "Leaf from Manitoba's Book."

Sincerely
(Dr.) Isabel MacArthur

I want to read a sentence or two from the letter Premier Schreyer sent to this lady, also in October. At the end of his first paragraph he wrote:

I believe the passage of this measure was due in no small part to your own determined efforts.

After indicating that he was forwarding certain material to some of us here in Ottawa, he concluded by saying:

With kind regards and my good wishes to a very gallant lady.

I join in that tribute paid by Premier Schreyer to this outstanding Manitoban, Dr. Isabel MacArthur, and I hope that the appeal she has been making to the federal government and to the members of our Standing Committee on Privileges and Elections will have the same successful outcome that has attended her efforts in Manitoba.

After all, Mr. Speaker, the purpose of an election is to enable all citizens to express their view by casting their vote. When people cannot get to the polls I think we ought to make arrangements so that their votes can be counted. I believe this ought to apply in particular to those people who cannot get to the polls through no fault of theirs, particularly when they are bed-ridden or unable to get out at all. Dr. MacArthur once made the statement that she often wondered why people did not do something about matters of this sort. The time came when she realized that it was up to her to do that something. She made the effort in Manitoba and succeeded. I join with others in paying tribute to her and I hope the federal government will also look sympathetically at this proposal and make an appropriate recommendation so that when the Standing Committee on Privileges and Elections makes its report we shall have an amendment to The Canada Elections Act that will enable those who cannot get to the polls, and particularly those who cannot get to the polls because of physical incapacity, to vote, either by mail or by proxy, in all federal elections.

[Mr. Knowles (Winnipeg North Centre).]

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, as the hon. member for Winnipeg North Centre (Mr. Knowles) indicated, Dr. MacArthur's appeal comes with greater force to me because she has been a long-standing friend of my family in Winnipeg. I first met her when I was a boy. Her idea has force. I am also glad to support her idea from a personal standpoint.

As the House knows, the Standing Committee on Privileges and Elections has already commenced studies of the Elections Act, including the changes in this regard. I have given notice of a motion to authorize the committee in the present session to continue that study. During the last session I had already recommended to the chairman of that committee and to members of this party on the committee that they give special attention to the question of absentee voting. I was referring not only to absentee voting in the case of those whom I regard as being most meritorious in deserving consideration because of their physical incapacity, but to the absentee votes of other people who for a variety of reasons would not be able to exercise their franchise. It would not matter whether they are resident abroad or whether there are difficulties preventing their voting at the advanced poll in Canada.

Hon. members will recall the committee recommended against the permanent voters' list scheme for Canada, and it must be recognized a permanent voters list would certainly have facilitated absentee voting. I still regard absentee voting as possible and I am very hopeful the committee will give particular priority to seeking a solution to this question to facilitate absentee voting. I repeat in public what I already recommended in private, that

they should give particular attention to the bills that have been adopted by the province in this regard. I believe an even more encompassing bill is now in force in British Columbia, and I hope we might have a recommendation from them as to an effective method for absentee balloting for the voting of not only those physically incapacitated but others who, for a variety of reasons, may not be able to be present at the polls on either voting day or at the advance poll.

I have one or two comments regarding Bill 38. I am surprised it is confined only to the physically incapacitated and does not extend the franchise even further. I would like to be satisfied, which I am not by Bill 38, that the anonymity of the ballot, the secrecy of the ballot, will not suffer in the course of the mail ballot. Subject to that I have no hesitation in recommending the proposal to the members of the committee, and I am hopeful that perhaps before the House rises at Christmas time we may have a definitive report from the committee including a favourable recommendation along this line.

Mr. Knowles (Winnipeg North Centre): Hear, hear.

NAVIGATION—MACKENZIE RIVER—INQUIRY AS TO AGREEMENT WITH BRITISH COLUMBIA

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, the reason I appear tonight is not so much because I am dissatified with the answer I received from the minister but because under the rules a member who is not satisfied with the ruling of Mr. Speaker may raise the point at this time. I say this with some deference, but the problem I raised and the manner in which I raised my question was on a par with questions being asked yesterday in connection with the port of Vancouver. These questions were close and I intended my question to be close. It is for that reason I sought to speak on this occasion tonight.

The problem of navigation on the Mackenzie River affects far fewer people than does the situation in the port of Vancouver, but for those people along the Mackenzie River and part of the Northwest Territories it is far more important. That is why I insisted upon the problem being ventilated. There is a problem in that area. I do not suppose many hon. members are aware of what has happened, but with a great fanfare the province of British Columbia constructed a huge hydro-electric dam on the Peace River at Partridge Mountain, upstream from Hudson Hope. At the time the chief engineers on this project warned that the hydro-electric scheme tied in with, shall we say, a B.C.-Pacific coast ridge, could theoretically and quite effectively cut off all the water downstream in order to fulfil the requirements for hydro-electric power.

• (10:20 p.m.)

It must be remembered that under the Navigable Waters Protection Act, protection must be provided. The act envisages protection of downstream interests when obstructions on navigable rivers are erected. This protection is not limited to those years when there is sufficient rainfall and adequate water resources. You have to take it by and large, good years and bad. It is said that this year there was a deficiency in rainfall. But what we saw, Mr. Speaker, was a deficiency in the water levels of the Athabasca River, as evidenced this spring. There was a deficiency in the level of the Mackenzie River, particularly this fall, for navigation purposes downstream, to such an extent that a crown company, Northern Transportation, had to make a public statement that it would have to undertake many hundreds of thousands of dollars of expenditure to clear the Sans Sault rapids for navigation purposes if it were to fulfil its contracts in the forthcoming year, to justify the fleet it now has and to which it committed itself in the future.

The company stated that, as a result of the government's cutback in expenditure, the Department of Public Works could not clear this obstacle to navigation. Barges travelled downstream at 40 per cent load at a time of year when there was unprecedented development on the Arctic slope and a real opportunity to develop Canada's portion of the Arctic.

I am not blaming the minister; I blame the faceless people in this administration who have not the smallest conception of what transportation in remote areas of Canada means to developing businesses. At a time when we are asserting our sovereignty in the Arctic and trying to develop new resources, the government makes across-the-board cutbacks. No doubt the estimates of the minister's department have been cut back, and as I say I do not blame him. I blame those faceless members in Ottawa who sit in those comfortable pews and have not the slightest idea what is happening in the north.

I want to know just what is happening in the matter of navigation on the Mackenzie

River. I was hoping that the minister would make a full statement outlining the difficulties. I was hoping he would explain why the government has not insisted in the past that the government of British Columbia enter into an agreement so that the downstream benefits are protected. I should like to know why it is that the town of Peace River has to sue to protect its position. Why has navigation along the Athabasca River been affected? The federal government has to go to the government of British Columbia cap in hand every time the government of British Columbia takes some action in connection with B.C. Hydro and the water level of the Peace River dam. The Department of Public Works has been derelict in the responsibility conferred on it by the Navigable Waters Protection Act to protect the interests of the province of Alberta and the Northwest Territories in regard to navigable waters.

I hope I have exposed the problem sufficiently and have justified my putting the question and the suggestion that Mr. Speaker should not have ruled it out of order.

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, I want to compliment the hon. member for having brought this matter to the attention of the House. First, it gives me an opportunity as well as the hon. member to confirm the importance of the Mackenzie River. He will recall that Sir Alexander Mackenzie in 1789 called it the river of disappointment. I hope that to most Canadians today it is the river of very great hope. We hope to make a first-class commercial river along this route. Freight carried this year by the Northern Transportation Company was of the order of 235,000 tons. We hope that by 1972 this will be in excess of 800,000 tons. Not only is there a tremendous amount of activity along the Mackenzie River as a result of companies exploring for oil and metals, but also because of companies operating in the high Arctic Islands and Panarctic Islands.

Last summer the Northern Transportation Company carried 235,000 tons of freight at an average cost of $85 per ton, compared with $25 per ton out of Seattle. We expect to make the Mackenzie River an important traffic artery. That is why we have obtained about $500,000 for blasting to remove the rock at Sans Sault rapids. We intend to make a passage of about 600 feet in width over a distance of 900 feet. As my hon. friend has pointed out, there was a loss of about 25 days in shipping as a result of low water in the Mackenzie this year and because of the situation at Sans Sault rapids. Last year we had a very low level of rainfall and the drainage was low. Unfortunately the action by British Columbia Hydro in filling their reservoir as quickly as possible cut the level of water severely. When a corporation spends $741 million on a dam, it wants to get water behind it as soon as it can in order to sell power.

This action cut back the normal discharge of water of 36,000 cubic feet per second on one occasion to 1,000 cubic feet per second. My hon. friend pointed out that no permit was issued. Apparently at that time the company was not required to take out a permit. Having regard to correspondence and questions by the hon. member for Moose Jaw (Mr. Skoberg), the hon. member for Peace River (Mr. Baldwin) and the hon. member for Kootenay West (Mr. Harding), I had contact with Mr. Gordon Shrum, chairman of the British Columbia Hydro. He admitted that the company had cut down the outflow to 1,100 feet per second in July, 1,000 feet per second in August and 4,900 feet per second in September. When we made representations the company brought it back as quickly as it could to 15,000 feet. The danger spot occurs in the month of September and the 15 days in October when we are still shipping on the river. Prior to that the normal river flow supplies us with ample water—

Mr. Deputy Speaker: Order, please. I regret to interrupt the minister but his time has expired.

Motion agreed to and the House adjourned at 10.32 p.m.

APPENDIX

STATEMENT OF THE SECRETARY OF STATE, THE HONOURABLE GÉRARD PELLETIER, TABLED IN THE HOUSE OF COMMONS ON NOVEMBER 6, 1969, CONCERNING THE FEDERAL GOVERNMENT'S POLICY WITH RESPECT TO VOLUME II OF THE ROYAL COMMISSION ON BILINGUALISM AND BICULTURALISM

I. GENERAL REMARKS

Over the past few months careful and detailed consideration has been given to those aspects of Volume II of the report of the Royal Commission on Bilingualism and Biculturalism which are of particular interest to the federal government. Special attention has been devoted to an examination of the extent to which the federal government may be able to assist in this area.

The government acknowledges that much of the substance of the recommendations put forward in Book II is more in the provincial domain than that of the federal government, both in terms of constitutional jurisdiction and as a practical matter. Nevertheless, we believe that there is a dimension to the problem which perforce involves the federal government.

As we see it, this entails the development and encouragement of programs to reinforce and advance the use of the two official languages across the country. More specifically, it relates to twelve of the royal commissioners' recommendations which are addressed directly to the federal government. We also believe that it involves a concerted effort in co-operation with the provinces to ensure that full advantage is taken of the widespread desire, not only to ensure equal rights to the official minority language communities, but also to encourage second-language learning.

The government's basic position is that we accept the principles underlying the recommendations addressed to the federal government and are prepared to provide for a financial contribution to support their implementation. This means that the government is ready to accept its responsibilities as set out by the royal commissioners. It is clear of course that action in this field cannot depend on the federal government alone, for these proposals relate to educational institutions and programmes which are a provincial responsibility. Translation of these principles into practice therefore requires acceptance by the provinces, and beyond that a willingness on their part to take the initiative in putting new programmes into effect.

Secondly, the federal government welcomes and fully supports the view expressed by Canadians that the time has come to provide a better opportunity in Canada, particularly among young people, to learn the second official language, whether this be French or English, as the case may be. We recognize that this would require a concerted effort in the field of education, which is pre-eminently the concern of the provinces, and we will be examining the possibilities for action in this area with the provinces.

Because the government is aware not only of provincial interests but of provincial responsibilities and jurisdiction, our suggestions have been put forward as a basis for discussion and consultation and it is the government's hope that further consideration of the matter can go forward in this spirit. Federal representatives look forward to meeting with their provincial counterparts to work out formulae which will be satisfactory to all concerned.

With respect to financing the programmes involved, the government has indicated that it has no choice but to establish priorities and limitations for all programmes across the range of governmental activities. We have suggested that, realistically, even the best will in the world does not necessarily carry with it the ability to disperse unlimited funds. We have therefore informed the provinces that, after the most careful consideration, the government feels obliged to place at least approximate limits on the amounts which it can contribute to this programme.

II. RECOMMENDATIONS OF THE ROYAL COMMISSION WHICH ARE ADDRESSED TO THE FEDERAL GOVERNMENT

The twelve recommendations specifically directed to the federal government can be grouped into five categories: the first is recommendation 26 which asserts a general principle; second, recommendation 27 has reference to minority language schools; third, there are four recommendations—numbers 28 and 29, 41 and 42—which have regard to

teacher-training; fourth, recommendations 23, 24, 25, 30 and 44 are related to university education; and finally, recommendation 46 is concerned with the establishment of a language research council.

a) General Principle

Recommendation 26 asserts a general proposition to the effect that the federal government should accept, in principle, the responsibility for additional costs involved in official-language minority education. The financial implications of this recommendation and the means of giving substance to this principle are to be found in the remaining recommendations addressed to the federal authority.

b) Primary and Secondary Schools

Recommendation 27 proposes a formula which might be used as a basis for establishing costs and the extent of federal financial aid for official-language minority schools. The formula proposed is that a federal grant to provinces be based on the number of students attending official-language minority schools, and that the grant be 10 per cent of the average cost of education per student within the province. The federal government accepts the principle that a grant should be made to provinces for additional costs entailed in providing minority-language education. The government believes, however, that the costing of this recommendation, including the question whether the 10 per cent formula could be applied universally and equitably across the country, will require further examination and consultation with the provinces.

c) Teacher-Training

Recommendation 28 proposes a federal grant to Quebec, Ontario and New Brunswick to be based on the number of students attending official-language minority teacher-training institutions, the grant to be 10 per cent of the cost per student plus 10 per cent of capital costs in future. Again, in accordance with the principle that federal government is willing to provide assistance in respect of additional costs arising from minority-language education, we are prepared in principle to accept this recommendation, subject to further discussion of its implications with the provinces.

Recommendation 29 relates to a teacher-training institution at Moncton to service the Western provinces. It suggests that the federal grant to the provinces be 25 per cent of the cost per student attending each of the two teacher-training institutions. A further recommendation is made that for the Western provinces there be a federal grant covering 75 per cent of capital costs of the institution, and that for the college at Moncton, the grant should cover 50 per cent of capital costs attributable to out-of-province students. The government is prepared to accept this recommendation as a basis for discussion with the provinces, recognizing of course that they may have comments and suggestions regarding numbers of institutions and locations, as well as on the question of financing.

Recommendations 41 and 42 relate to the creation of second-language training centres, designed for the training of language teachers, and to the establishment of an interprovincial bureau of second-language training centres. Recommendation 41 proposes a federal grant to the interprovincial bureau and recommendation 42 suggests that there be a federal-provincial sharing of capital costs of the second-language training centres. The government is prepared to accept the principles embodied in these recommendations and to discuss their implementation with the provinces. In order to give greater encouragement to second-language learning, the government is also prepared to think in terms of a larger number of institutions than that envisaged by the royal commission. Beyond that, we also consider that there may be somehing to be gained by providing for modest bursaries to teachers who would be attending these or similar training institutions, in order to ensure that they would be able to do so without undue hardship. We are prepared to discuss all these aspects with the provinces.

d) University Education

Recommendation 23 proposes a federal grant to official minority-language students to enable them to study in their own language at a university outside their province when appropriate courses are not offered within the province. The government is ready to accept participation in a programme of this nature and is prepared to discuss the manner of its implementation with the provincial representatives.

Recommendation 24, which should be read in conjunction with recommendation 23, provides for a grant for additional costs that the host university will be expected to incur in respect of visiting students. The commissioners recommend that the grant be equivalent

to the normal provincial grant to the university. The government is prepared to consider grants for this purpose and to review with the provinces the amounts which might be involved and the manner in which they might be made.

Recommendation 25 proposes that the federal and provincial governments reach agreement on measures required to meet the special needs of French-language universities. In the government's view, this recommendation appears to require special treatment. Our consideration of the matter leads us to believe that it would be difficult to judge the extent of these needs without further study. We have therefore suggested to the provinces that studies be conducted into the nature and dimensions of these needs and the manner of meeting them within available resources. The federal government would be prepared to consider participating in the financing of such studies.

Recommendation 30 proposes that there be a federal grant to provinces in respect of official minority-language universities which would amount to 10% of the provincial grants to these universities. Again, the government is prepared to accept the principle of federal grants for this purpose and to work out the modalities in consultation with the provinces.

Recommendation 44 suggests that the federal government meet the cost of a one-year transfer programme for university students specializing in the second official language. Within limits which will need to be agreed upon, as to the number of students who could be involved in such a programme and the cost per student, the government is prepared to accept this recommendation as well. We would hope to examine the possibilities for such a programme with the provinces.

e) Language Research Council

Recommendation 46 proposes that a language research council be established by the federal government. We are ready to accept this recommendation and to consult interested parties on the implications of establishing such a council, as well as to the manner in which it could best serve to meet the requirements of improved minority-language education and second-language training.

III. SECOND-LANGUAGE LEARNING

A study of the recommendations of the commission which are addressed to the federal government shows that they are intended to cover both minority-language education and second-language learning. The first of these priorities is designed to redress an imbalance which has existed for many years and to ensure access to education in the minority, as well as the majority, language across Canada, wherever this is feasible. The second priority goes beyond this and looks to a future in which there will be an increasing opportunity for all Canadians to learn their second official language.

The government accepts both these priorities, and our acceptance of both is reflected in our willingness to provide financial assistance in both areas in the light of the commission's recommendations. We believe, however, that the further effort which may be required to improve the quality and the quantity of second-language instruction requires experience and knowledge of curricula, facilities and other matters of concern to educators in the provinces. As a result, we believe that further action in this field will require the closest consultation with the provinces on the dimensions of a rational programme in this area, and the means available to meet the needs once the latter are determined.

IV. FINANCIAL CONSIDERATIONS

Based on our studies, we believe that the recommendations which I have just reviewed can be met, insofar as a federal contribution is concerned, by financial participation in the order of about $50 million for a full year of operations. This amount could increase, within limits established in terms of available resources, as the programme expands with enhanced participation on the part of the provinces. As far as we are concerned, the programme could go into operation in January of next year.

The government naturally envisages a series of further discussions and consultations among federal and provincial representatives on financial aspects of the programme. It was considered desirable, however, to provide a reasonably clear indication at the outset of the limits which financial considerations place on the potential federal contribution.

V. CONCLUSION

The government regards the problems which have been examined by the royal commissioners, with respect to minority-language education and second-language learning, as being of fundamental significance to the future of Canada. The extent to which the

Canadian people will succeed in reaching their goals depends, in our view, on our ability to face up realistically to the facts of life in a federal state comprising ten provinces and two major linguistic groups. We believe that the royal commission report takes us a long way forward in this direction. It is clear that there are limits—of a technical, financial and human order—as to what can be accomplished in this area, but we believe that we can nevertheless do a great deal. The federal government is prepared to do its part. It profoundly hopes that the provinces will wish to do likewise.

HOUSE OF COMMONS

Friday, November 7, 1969

The House met at 11 a.m.

HOUSE OF COMMONS

HANSARD, VOTES AND PROCEEDINGS, ORDER PAPER—DELIVERY TO MEMBERS

Mr. Speaker: Order. I should like to inform hon. members that on occasions when copies of *Hansard, Votes and Proceedings* or the order paper are not received from the Queen's Printer by our joint distribution branch by one o'clock in the afternoon on Saturday, delivery will then be made directly to members' offices rather than to their mail boxes.

BUSINESS OF THE HOUSE

LACK OF OPPORTUNITY TO STUDY EXPROPRIATION BILL

Mr. Eldon M. Woolliams (Calgary North): I rise on a point of order, Mr. Speaker. I know Friday is not usually a day for disturbing the House of Commons, but this is a very serious point of order. As I understand the order of business for today, in a few minutes we shall begin the debate on second reading of Bill C-136, respecting the expropriation of land. Copies of this bill were distributed this morning. I received a copy yesterday because, after the government House leader said that it would likely come up, I asked for and received a copy. This bill contains 44 clauses and copies of it were distributed only this morning. After we have finished the routine which we go through every day the opposition will be asked to discuss intelligently the question of expropriation on second reading of a bill containing 44 clauses.

With the greatest respect, I say this is further evidence that the government does not want Parliament and does not want an opposition. This is proof of it. This bill is one of the most important measures facing Canadians since it involves their civil rights in respect of owning property. Yet we are being asked to debate a bill containing 44 clauses which was delivered only this morning. Surely this place can arrange its business a little better. If the Prime Minister considers Parliament to be a nuisance and believes we are nobodies, if he does not want Parliament at all, why does he not get up and say, "Let us dissolve Parliament", because we have a dictatorship in Canada now.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, as you know, I am not really in a position to control the publication and delivery of bills. I should like to bring out the fact that this bill is not exactly strange to the hon. gentleman. It was in fact before the House in the last session. Second, notice of this bill was given and in fact first reading was given earlier.

I can only apologize to the hon. gentleman if he does not have a copy available. I indicated privately and publicly to House leaders earlier and again yesterday that this would be the business to be called. The first indication we on this side of the House had that any hon. gentleman had an objection was when the hon. member got to his feet. I regret the circumstances, but at least from the standpoint of the government it seems to me our conduct has not been unreasonable.

• (11:10 a.m.)

Mr. Speaker: Is the hon. member for Edmonton West rising on the same point of order?

Mr. Lambert (Edmonton West): No, Mr. Speaker, on a question of personal privilege.

Mr. Speaker: I should like to say, with regard to the point raised by the hon. member for Calgary North that I understand there may have been some delay in distributing the bills caused by the fact that some 100 or more bills were sent for printing and had to be distributed thereafter. To the extent that the administration of the House is at fault, there will be an effort made to correct the situation in the future.

Mr. Woolliams: May I say with the greatest respect, Mr. Speaker, that my comment was not a criticism of the administration of the House or of Parliament but a criticism of this government.

Some hon. Members: Oh, oh.

Mr. Woolliams: They do not want criticism.

Mr. Speaker: Order, please. I can only reiterate that to the extent that the administration is at fault we will try to correct the situation in the future. We realize that at the start of a session some difficulty is always caused when there are 100 or more bills which have to be printed and distributed. I may say that as soon as bills receive first reading in the House they will be distributed to hon. members. So perhaps we can prevent in the future a repetition of the situation with which we are faced this morning.

PRIVILEGE

MR. LAMBERT (EDMONTON WEST)—ARRANGEMENTS FOR BRIEFING MEMBERS ON WHITE PAPER ON TAXATION

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I rise on a question of personal privilege which also affects a number of my colleagues on this side of the House. I have not raised the matter with the Minister of Finance before because it did not come to my attention until very recently. I am referring to the arrangements for this afternoon with regard to the presentation and study of the white paper on taxation, according to which hon. members who wish to have a look at the document before it is tabled by the minister will be confined in a room. Unfortunately, this has certain connotations for those members of the House who are former members of the Privy Council and are still under their oath. They are entitled to the information but they are still bound by their oath and should not be bound by additional restraint. Therefore alternative arrangements should be made for those members of the House who are Privy Councillors so they will not be so restricted. They are bound as members of the Privy Council to their oath of secrecy, just as the minister is, and I am sure they are fully cognizant of their responsibilities.

I raise this point not in criticism but to draw it to the attention of the House and also to preserve the privilege of Privy Councillors.

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I would simply like to say that, at some urging from the opposition for the first time in history with respect to tax matters hon. members will be able to see the document involved before it is actually presented to the House.

With respect to the distribution of the document to Privy Councillors, I wish to point out to my hon. friend that with one or two exceptions I have not even distributed the document to the present members of the cabinet.

Mr. Diefenbaker: That is no excuse.

Mr. Baldwin: You have some leaky colleagues over there, anyway.

[*Translation*]

ROUTINE PROCEEDINGS

FINANCE, TRADE AND ECONOMIC AFFAIRS

First report of the Standing Committee on Finance, Trade and Economic Affairs, in French and in English—Mr. Clermont (Gatineau).

[*English*]

[*Editor's Note: Text of foregoing report appears in today's Votes and Proceedings.*]

HOUSE OF COMMONS

PRESENCE IN SPEAKER'S GALLERY OF MR. AND MRS. HENRI LABOUISSE

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, may I be permitted to call the attention of the House to the presence in your gallery of Mr. and Mrs. Henri Labouisse. Mr. Labouisse is the Executive Director of the United Nations International Children's Emergency Fund. Mr. Labouisse will be remembered by many as a distinguished member of the United States diplomatic service. Perhaps I might also remind the house that Mrs. Labouisse is the former Eve Curie whose mother was famous for her contributions to humanity so well remembered in the famous biography.

GRAIN

ANNOUNCEMENT OF ASSISTANCE TO WESTERN FARMERS WITH UNTHRESHED CROPS

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, as hon. members are aware, unfavourable weather conditions in western Canada have resulted in a complete stoppage of harvest operations in the Peace River district of both Alberta and British Columbia, in areas of central Alberta, northern Saskatchewan and to a limited extent in parts of Manitoba.

In the Peace River district very few farmers have harvested more than 20 per cent of their crops.

The largest amount of unharvested crop is in Alberta where approximately 5,635,000 acres of wheat, oats, barley and rye remain standing or in the swath, and an additional 435,000 acres of flax and 375,000 acres of rapeseed have yet to be harvested.

In Saskatchewan there are some 3,000,000 acres remaining to be harvested while in Manitoba there are about 350,000 acres still to be threshed. In total some 10,000,000 acres of western crops may remain in the fields over winter to be harvested in the spring.

It is estimated that some 25,000 farmers have been affected by the inclement weather conditions and as a result find themselves in financial difficulties. Many of these farmers would now be entitled to assistance under the PFAA crop insurance and advance payments programs had they been able to harvest their crop in a normal manner.

To meet this condition the government therefore proposes to take the following steps to accelerate the provision of assistance to farmers in western Canada with unthreshed crops:

1. In areas where in the opinion of the Prairie Farm Assistance Act administration potential yields of unthreshed crops are such that producers would qualify for some measure of assistance regardless of a possible spring harvest, there will be an assessment of possible yields and interim payments made to those who qualify for same. These payments will be subject to final adjustment after harvest is completed in the spring.

2. The Department of Agriculture, through the Prairie Farm Assistance administration, will maintain a close liaison with provincial crop insurance administrators with a view to providing interim indemnity payments to farmers whose potential yields are estimated to be such as will fall below insured levels when crops are threshed in the spring.

3. Legislation will be brought forward to provide for cash advances on unthreshed grain similar to those provided for with respect to threshed grain under the Prairie Grain Advance Payments Act.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, the minister was kind enough to hand me a copy of his remarks as I was coming into the House a few moments ago. May I at once say that in so far as the third suggestion is concerned regarding legislation to provide for cash advances on unthreshed grain similar to those provided for threshed grain under the Prairie Grain Advance Payments Act, it commands support. This is something that I and other members have pressed for, and I compliment the government for proceeding in this regard. It is something that is going to cover a present position of affairs that has required, as I have described it, emergency action in order to place money in the hands of the western farmers at the earliest possible date.

In regard to the first two steps proposed, in effect what will be done is that in those areas in which the yields may be anticipated to be such that they will qualify under one or more of the categories for payments under the Prairie Farm Assistance Act, then in co-operation with the authorities of PFAA and in close liaison with provincial crop authorities advances will be made of part of that to which, under ordinary circumstances, the individual would have become entitled.

These things are beneficial and will bring moneys into the hands of the western farmers at a time when, because of inability to sell our wheat abroad, sales are almost impossible for the average farmer except within the quota limitations, and then only provided there is space to store the grain.

• (11:20 a.m.)

This brings me to a suggestion that I should like to place before the minister as part of the general pattern. I refer to the need to assure western farmers that moneys required to harvest the remaining 375,000 acres of rapeseed will be forthcoming. As has been pointed out to the Minister without Portfolio, the hon. member for Saskatoon-Humboldt (Mr. Lang), when rapeseed is actually placed on the premises for cleaning it is not taking up space that should be available for wheat. I therefore find it difficult to understand why Canadian Northern Seeds Limited, a company which has been selling rapeseed abroad and has markets all over the world which in no way interferes with storage, has been denied the right to take rapeseed from thousands of farmers in Saskatchewan.

In my opinion, Mr. Speaker, the order made by the Wheat Board is completely arbitrary, unjustified and should be repudiated. The Wheat Board might lose face as a result of a change but it would mean that tens of thousands and even hundreds of thousands of dollars would be available to the farmers of Saskatchewan who are producing rapeseed. It would gain markets abroad and bring in foreign exchange. Knowing the interest of the minister in agriculture, and I say that without any intention to flatter, I suggest to him that

before he leaves on his trip to Rome in connection with agricultural matters he should remedy the defect which prevents Saskatchewan farmers from selling their rapeseed in this manner, which would not interfere, directly or indirectly, with elevator space used for wheat and other crops. The matter has been before the government. It was presented with the support of the government of Saskatchewan but apparently the Wheat Board is standing firm. It should be made known to them that the order is directly contrary to the wishes and desires of the western farmer.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I am pleased that the minister has put before the House the program which the government intends to follow in this very serious situation. Within its limits it is a workable program, but I am afraid it will fall far short of meeting the needs of other types of farming. For instance, it says nothing about assistance in providing livestock feed in the area concerned. From the information I have been able to gather it appears that because of wet weather farmers have been unable to gather the feed necessary to carry their livestock through the winter, and in this part of the prairies there is a significant concentration of livestock. I strongly urge the minister to address himself to this problem as I doubt very much that the farmers, of themselves and by themselves, can meet the situation. The last thing we want to happen is a reduction of hogs and, more particularly, cow-calf herds in that area. This is a very important matter.

I think action should be taken to ensure, with the co-operation of the grain companies, that drying facilities are available in case some of the flax or rapeseed can be taken off the ground. Anyone who knows anything about rapeseed no doubt realizes that if the seed stays outside all winter it will be ruined by the time spring comes. Rapeseed piled in the outdoors will not survive the winter. Flaxseed was showing a 15 per cent moisture content, I believe when tested yesterday. The chances are pretty slim that these grains will dry. I would have been much happier if the minister had said that drying facilities would be set up. Possibly cash advances in addition to the ones contemplated in the program now before us will need to be introduced.

I do not wish to downgrade the program the minister has put in motion, which is similar to existing programs in the form of cash advances, crop insurance and PFAA. Such programs are designed to be of assistance to farmers. Let us not forget that farmers need assistance. The price of farm products has declined and costs of production have gone up to such an extent that the farmer has been caught in a cost-price squeeze and cannot afford to meet the slightest extra cost without the risk of finding himself in deep trouble. I hope the minister will consider these representations.

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I have just read the statement the Minister of Agriculture was good enough to make here about problems now arising in west Canada in connection with the crop. This is indeed a most trying experience for the 25,000 western farmers, particularly those in the province of Alberta.

I believe the government should take action to assist those western farmers financially, and not let it remain just another plan. We must make haste as expenses are incurred regularly and day by day. Funds must be found to provide the farmers with financial resources, income, in order to meet their commitments.

However, I wonder whether the Minister of Agriculture could not take the necessary steps to prevent excessive effects on prices of grain for the preparation of mill-feed in the eastern provinces.

The eastern farmers are also experiencing difficulties, and their dairy and production problems as well as others are known to the members of this house.

The federal government will give assistance to the western farmers and I would ask, on behalf of the eastern producers, that the government also take the necessary steps to prevent a possible increase in prices which would be greatly detrimental to the eastern farmers.

I welcome the intended government measures which I feel are timely. The bill concerning subsidies for unthreshed cereals should be introduced—and this is also the minister's opinion—as soon as possible.

As far as we Créditistes are concerned, we can assure the western farmers and the government of our full co-operation.

• (11:30 a.m.)

[*English*]

REMEMBRANCE DAY ACT

ADDITION OF PRECEDING SUNDAY

Mr. Barney Danson (York-North) moved for leave to introduce Bill C-146, to amend the Remembrance Day Act.

Some hon. Members: Explain.

Mr. Danson: Mr. Speaker, the motive behind this bill is to make the remembrance of World War II and other wars more relevant to our society today, 24 years after World War II. It is designed to enhance the sanctity of the occasion for those who served and those who were bereaved. Equally important, it is designed to manifest some compassion to our former enemies, more particularly those who are now in Canada, and even more particularly to their children who sometimes grow up in our society with a feeling of guilt about the role their parents played in past wars.

Motion agreed to, bill read the first time and ordered to be printed.

ORAL QUESTIONS

THE CANADIAN ECONOMY

INTEREST RATE ON LONG-TERM OBLIGATIONS —ROLE OF PRICES AND INCOMES COMMISSION

Hon. Marcel Lambert (Edmonton West): My question, Mr. Speaker, is directed to the Minister of Finance. Does the continued increase in interest rates as reflected by this week's rise to 7.85 per cent on government long-term obligations in the face of the government's monetary restraints indicate that any changes in these restraints or other measures taken by the government in combating inflation will have to be reviewed if we are to see a ceiling or some sort of control imposed on interest rates?

Hon. E. J. Benson (Minister of Finance): As my hon. friend knows, Mr. Speaker, our policies in this regard are continually under review.

Mr. Lambert (Edmonton West): I have a supplementary question for the Prime Minister. Does the statement by the chairman of the Prices and Incomes Commission made yesterday in a speech for delivery in Montreal, indicating a study by the commission of specific price increases, mean that the commission will assume the role of a prices review board? Does this indicate a change in the government's thinking with regard to the role of the Prices and Incomes Commission?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker; as I have stated many times, the commission is acting on the authority it has received from Parliament.

Mr. Lambert (Edmonton West): A supplementary, Mr. Speaker. There has been an indication by the commission of a purely voluntary approach and that it would not conduct a study into specific prices as though it were a review board. However, the statement yesterday does make that suggestion.

Mr. Trudeau: Mr. Speaker, because the commission is independent from the government it is using various ways and approaches to control inflation. It may be that the statement to which the hon. member is referring, of which I have no knowledge, indicates a change of tactics or strategy by the commission. The hon. member asked if it indicated a change in the government's approach, and my answer is no. We consider the commission to be acting under its own steam.

Mrs. Grace MacInnis (Vancouver-Kingsway): A supplementary question to the Prime Minister. Can the Prime Minister say when hon. members will be able to find out whether a prices review board will be constituted?

Mr. Trudeau: No, Mr. Speaker. I am not in a position to say when.

GRAIN

FLAX—REPORTED LACK OF SUPPLIES FOR EXPORT

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I wish to direct my question to the Minister without Portfolio from Saskatoon-Humboldt. In view of reports that supplies of flax for export were not available at the Lakehead during the October to November shipping period, can the minister assure the House that steps have been taken to ensure that supplies will immediately be moved into position at the Lakehead?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, I believe I indicated to the House on a previous occasion that the Wheat Board has given high priority to the movement of flax into position and that on the basis of information I had, flax was flowing to meet the demand there.

Mr. Gleave: A supplementary question, Mr. Speaker. I wish to ask the Minister without Portfolio if the chain of responsibility of the companies concerned, other than permission by the Wheat Board, has been clearly established?

Mr. Lang: I am not sure I understand the real import of that question, Mr. Speaker.

Inquiries of the Ministry

Mr. John L. Skoberg (Moose Jaw): A supplementary question, Mr. Speaker. Have any instructions been issued to elevator companies requiring them to have space available for marketable grain such as flax and rapeseed?

Mr. Lang: That is a pretty broad question. I do not know whose instructions are being referred to, but I will certainly investigate whether any instructions have been given by the Wheat Board in this regard.

Mr. Skoberg: Can the Minister tell the House whether he has assumed any responsibility in this regard or whether he is leaving it up to the elevator companies?

Mr. John Burton (Regina East): A supplementary question, Mr. Speaker. Has the minister determined from his examination of the situation whether in fact flax orders were shifted from Canada to the United States, and has his investigation of the situation led to the conclusion that flax should be brought under the jurisdiction of the Canadian Wheat Board?

Mr. Lang: With regard to the first part of the question, Mr. Speaker, my investigations are not complete. With regard to the second part, this is a broad question which indeed does deserve and may well be the subject of further consideration by the House later this year.

INFORMATION

REQUESTED REFERENCE OF TASK FORCE REPORT TO COMMITTEE

Mr. Heath Macquarrie (Hillsborough): I wish to direct a question to the Prime Minister concerning the report of the task force on information to which the Prime Minister has made reference in the House recently. Would the Prime Minister consider having the task force report sent to a House committee for study and recommendation, thereby helping the government in formulating its policy on this very important but potentially dangerous course of action?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, as I indicated when I tabled the task force report, the government intends to make a statement on its own policy before the end of the year. If the House wants to examine the report in a committee, of course we could consider this. Another way of proceeding would be for the members who have constructive ideas on the subject to make speeches or let us know their thoughts. I was surprised that in the debate which just ended there were not very many constructive suggestions on this topic; however, members may have some ideas.

Mr. Macquarrie: A supplementary, Mr. Speaker. I cannot reflect upon the right hon. gentleman's lack of taste or otherwise. In the meantime and in accordance with its proclamations of austerity, has the government decided to put a freeze on the hiring of information and public relations officers for the staffs of individual ministers?

Mr. Trudeau: Mr. Speaker, this particular aspect of a freeze has not been the object of any government announcement, but I confess to the House that in our view information is perhaps the most important single subject which is facing not only this government but all governments in Canada. We intend to do as much as we can to correct the lack of proper information available to the people of Canada so that they will know they live in a federal state and that the federal government is very much present in their lives.

Some hon. Members: Hear, hear.

TRANSPORT

ALLEGED LACK OF ENFORCEMENT OF REGULATIONS, ETC. BY AIR TRANSPORT COMMITTEE

Mr. Charles H. Thomas (Moncton): My question, Mr. Speaker, is directed to the Minister of Transport. Is the Minister aware that the Air Transport Association of Canada has charged that the Air Transport Committee of the Canadian Transport Commission is not enforcing its own regulations, orders and directions, and that the association has passed an unprecedented vote of non-confidence in the committee?

Mr. Speaker: I have some doubts as to the form in which the question is asked. The hon. member is simply asking whether the minister is aware of a certain situation. Perhaps the minister might be allowed to reply.

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker, I am aware of it and in fact have already discussed it with the officials, including the chairman of the Air Transport Association. I think perhaps there was a certain amount of misunderstanding on both sides. The difficulty appears to have arisen because of an inadequacy in some of the older legislation having to do with the

establishment of the new Air Transport Committee. This has now been rectified and I believe the members of the association are satisfied that within a comparatively short time these anomalies will be ironed out. We shall undertake to do this because I believe there are legitimate grounds for some of the complaints which were made at the convention.

Mr. Thomas (Moncton): Will the minister be bringing down new legislation so as to make these regulations enforceable and, if so, when may it be expected?

Mr. Jamieson: The hon. member may recall that legislation was passed at the end of last session; the changes have already been made in the legislation to take care of the anomalies. However, it is now necessary to bring the provision into line with the old regulations of the former Air Transport Board.

GRAIN

RAPESEED—DENIAL TO FIRM OF RIGHT TO PURCHASE

Right Hon. J. G. Diefenbaker (Prince Albert): My question is directed to the Minister without Portfolio, the hon. member for Saskatoon-Humboldt. It has to do with the matter to which I referred a few moments ago, namely, a direction from the Wheat Board to Joe Caplan, who operates a seed firm, denying him the right to purchase rapeseed although he has orders from abroad and his elevator does not come within the definition of an elevator under the law as it now stands and could not, therefore, be used for the storage of wheat or interfere with wheat storage elsewhere. I know the minister's own feelings on this subject; he is from Saskatchewan. What has the minister to say as to the reason for this most unconscionable order by the Wheat Board which is preventing thousands of farmers—

Mr. Speaker: Order. Perhaps the right hon. gentleman has asked his question now and the minister could reply.

Hon. Otto E. Lang (Minister without Portfolio): I think an accurate statement of the facts would in itself be a good part of the answer to this question. I am very sympathetic to the movement of this grain, as I am to the movement of all others. The truth of the matter is that the Wheat Board has in no way impeded the delivery on quota of rapeseed by farmers to Mr. Caplan. What it is resisting is the granting of a special off-quota privilege which would prejudice farmers who are not able to avail themselves of this privilege.

Mr. Diefenbaker: That was not the minister's view the other day. But if this is so, why are the crushing plants in Saskatoon, Lethbridge, Nipawin and Altona allowed to do so over the quota? Surely the minister intends to start looking after the interests of the western farmers.

Mr. Lang: That is indeed the intention not only of the minister but of this government.

Mr. Speaker: Order, please.

TRANSPORT

SUGGESTED CURTAILMENT OF RAILWAY PASSENGER SERVICE—CONSIDERATION OF RETURN OF GRANTS TO CPR

Mr. David Lewis (York South): I have a question for the Minister of Transport, Mr. Speaker. In view of the fact that the Canadian Pacific Railway has expressed its intention to withdraw from all passenger services and thereby withdraw from carrying out the obligation which it undertook to the people of Canada in return for large grants of land and money to set up the corporation, would the minister and the government consider demanding that the railway system give back to the people of Canada the land and the money grants made to them?

Some hon. Members: Hear, hear.

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker, I shall be glad to consider that proposal.

Mr. Lewis: Would the minister tell the House now whether he is prepared to consider it favourably or whether he thinks that was merely a funny answer?

Mr. Speaker: Order.

GOVERNMENT REPRESENTATION BY COUNSEL AT HEARINGS

Mr. Eldon M. Woolliams (Calgary North): I wonder whether I might ask the following question, Mr. Speaker. It was touched upon yesterday but the minister was not in the House. Since the Canadian Transport Commission is a quasi-judicial body which has responsibility for transport generally, and since the railway will be represented when the latest proposals by Canadian Pacific are being considered by that body, will the minister consider having the government of

Canada, which represents the people, represented by counsel in order that not only the position of the railways but the interests of the people can be made clear before the commission?

Hon. Donald C. Jamieson (Minister of Transport): I would be glad to consider that suggestion but I believe the procedures are well established under the act. There is ample opportunity for representations to be made by all parties. In any event, should the decision of the CTC be challenged by any authority, then there is a right to appeal to the Governor in Council.

Mr. Woolliams: Yes, but in view of the fact that railway law and railway economics are difficult subjects and subjects upon which railway counsel are well briefed, would the minister not agree that it is costly to retain the services of the right kind of experts and counsel, for which reason it is important that the government should be represented at this hearing in order that the public interest might be protected?

Mr. Speaker: I suggest to the hon. member that his supplementary is a repetition of his earlier question, put in an argumentative way.

PROVINCIAL CENTENNIALS

BRITISH COLUMBIA—INQUIRY AS TO GRANT

Mr. Barry Mather (Surrey): I have a question to direct to the Prime Minister, Mr. Speaker. Taking into account the announcement that the federal government is making a $5 million grant toward Manitoba's centennial celebrations, can the Prime Minister indicate whether similar consideration will be given in the case of British Columbia's centennial celebrations?

Right Hon. P. E. Trudeau (Prime Minister): I do not know of any request having been made yet by the province of British Columbia, but when we were discussing the grant to Manitoba several ministers from British Columbia did raise that question with me. I answered then, as I answer the hon. member now, that if we receive such a request we shall, of course, consider it very carefully. It may be that British Columbia, because it has benefited so much from confederation and because it is so generous, will decide to send money to Ottawa.

Some hon. Members: Oh, oh.

[Mr. Woolliams.]

CROWN CORPORATIONS

POLYMER—REMOVAL FROM SCOPE OF GOVERNMENT COMPANIES OPERATION ACT

Mr. Jack Cullen (Sarnia): I have a question for the Minister of Supply and Services; I have given the hon. gentleman notice. Did anyone consult with the city of Sarnia or the province of Ontario before Polymer Corporation was removed from the scope of the Government Companies Operation Act, bearing in mind the fact that a change in the distribution of $1 million in municipal tax money is involved?

Mr. Speaker: I have some doubt as to the admissibility of this question. The hon. member is asking whether the minister consulted with anyone in connection with this situation. However, the hon. gentleman may wish to reply.

Hon. James Richardson (Minister of Supply and Services): I thank the hon. member for having given me notice of this question. I am able to advise him that the removal of Polymer Corporation from under the Government Companies Operation Act was not a matter which required consultation with the city of Sarnia or with the province of Ontario, and that to the best of my knowledge no consultation took place.

I might add by way of explanation that as an agent of the Crown, Polymer paid the City of Sarnia a grant in lieu of tax equal to the assessment which would have been payable had it been an ordinary commercial corporation. I understand that the amount in lieu of tax in 1968 was approximately $825,000—

Mr. Speaker: Order, please. The reply given by the minister confirms my original thought that the question should have been placed on the order paper.

ECONOMIC COUNCIL

EMPLOYMENT OF OUTSIDE CONSULTANTS

Mr. G. W. Baldwin (Peace River): My question is directed to the President of the Treasury Board, Mr. Speaker. Since it has been alleged that the Economic Council of Canada has been requested to cut back expenditure on the engagement of outside consultants, can the minister assure the House that the government does not intend to interfere with the effectiveness of such bodies as the Economic Council of Canada and the office of the Auditor General?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, the government is anxious and indeed eager to see that the Economic Council of Canada is as productive and useful as it can be. The hon. gentleman will appreciate that there have to be limits placed on attempts to do all the good things we want to do right here and now. The Economic Council of Canada has accepted the fact that it is not possible right now to achieve all the things it would like to achieve.

Mr. Baldwin: I have a supplementary question in relation to the last part of my original question. In view of the fact that substantial salary increases have been and are being given to senior officers in departments and government institutions is it the intention of the government to introduce a proposal for a comparative increase in the salary of the Auditor General, an officer of this House and Parliament?

Mr. Drury: Consideration will be given to that, Mr. Speaker.

PESTICIDES

DISPOSAL BY CROWN ASSETS DISPOSAL CORPORATION

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I should like to direct a question to the Prime Minister relating to the statement he made in the House on November 3 concerning restrictions on the use of DDT. In view of the fact that Crown Assets Disposal Corporation has called for public tenders for the purchase of 5,000 DDT bombs and 500 pounds of pesticides, the reason for the sale being the high content of DDT, will the Prime Minister request the Minister of Supply and Services to withdraw this call for tenders and have the materials returned to the manufacturer?

Mr. Speaker: Order, please. The question as asked is not in order.

Mr. Benjamin: I rise on a point of order, Mr. Speaker. Perhaps I might rephrase my question. What the government is doing is in direct contradiction of the statement made in the House a few days ago. I request your indulgence and I ask the Prime Minister and the Minister of Supply and Services whether they will consider withdrawing this call for public tenders on this product the government intends to ban?

Right Hon. P. E. Trudeau (Prime Minister): I will discuss the matter with the minister, Mr. Speaker.

TRADE

NICKEL—EFFECT OF STRIKE ON EXPORTS

Hon. D. S. Harkness (Calgary Centre): Mr. Speaker, could the Minister of Industry, Trade and Commerce tell the House what is the over-all decline in our nickel exports as a result of the strike at the International Nickel Company of Canada, and will he indicate how much in the way of permanent markets we are likely to lose as a result?

Mr. Speaker: Order, please. I suggest to the hon. member that his question asks for detailed information which should not normally be either asked for or given at this time. The second part of the question may be in order, but only to the extent that the hon. member is asking the minister to make a statement on motions. He may want to reply to that part of the question.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Should I make a statement on it, Mr. Speaker?

Mr. Speaker: It is not my job to answer questions.

INDUSTRY

AUTOMOBILE PACT—REMOVAL OF PROTECTION BENEFICIAL TO CANADA

Mr. A. D. Hales (Wellington): Mr. Speaker, perhaps the question I intend to put to the congenial Minister of Industry, Trade and Commerce will be in order. In view of impending meetings in the United States with a view to removing from the U.S.-Canada car pact certain beneficial protections as far as Canada is concerned, will the minister assure the House that he will not endorse or condone the removal of these protective features?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): I do not think this would be the proper approach. In conversations of this kind I think you must stand on principles that you think are worthwhile, but you should be flexible, also open to suggestions for improvements.

Mr. Hales: Is it the intention of the minister to agree to having original replacement parts incorporated in the agreement?

Mr. Pepin: This might be part of the conversations. I want to repeat that I treat the whole thing very seriously, and I consider

that the safeguards that are in the present agreement are very important as far as Canada is concerned. I will not let them go easily; you can be sure of that.

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, in view of the government's brilliantly consistent record of failure to obtain automobile price parity between the United States and Canada, will the minister agree that Canadians are likely to obtain price parity and lower prices for automobiles only by following the suggestion made yesterday by Dennis McDermott, Canadian director of the United Automobile Workers of America, that unions must begin to negotiate such prices with the company?

Mr. Speaker: Order, please. This is an argument rather than a question.

NATURAL GAS

REPORTED DISCOVERY BY PANARCTIC OILS LIMITED

Mr. P. M. Mahoney (Calgary South): Mr. Speaker, I should like to ask the Minister of Indian Affairs and Northern Development whether he has been advised of the very substantial discovery by the Panarctic consortium in the Arctic and, if so, is he in a position to advise us as to the nature and the extent of the same?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, it is with pleasure that I shall answer that question. It is true that on Wednesday a substantial discovery was made, at a depth of 3,600 feet, of a gas field of a capacity of 10 million cubic feet per day. Had this discovery been made in Alberta its importance would have been all the greater. But, as it has taken place in the Arctic, its importance is lessened although this discovery does prove that the government's investment in Panarctic consortium was justified.

[*English*]

TAXATION

WHITE PAPER—DISTRIBUTION ARRANGEMENTS

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, I should like to ask the Minister of Finance what arrangements have been made to distribute extra copies of the white paper in light of the great interest shown in western Canada by the mining and oil industries?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, in light of the great interest shown by everyone in the white paper, individual single copies are available free of charge to anyone who writes to my office.

[*Later:*]

Mr. Benson: Mr. Speaker, I rise on a question of privilege. I did not complete my answer. I should also have pointed out that copies of the white paper on taxation will be available at all district taxation offices from six o'clock till nine o'clock tonight and again on Monday.

Mr. Diefenbaker: They have already got them? They are subject to secrecy.

FISHERIES

LAMPREY CONTROL—REQUEST FOR EXTENSION TO LAKE ONTARIO

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, in the absence of the Minister of Fisheries and his pinchhitter, perhaps I should direct my question to the Minister of National Revenue. Is it the intention of the government to give any consideration to the request made by the Lake Ontario fisheries committee to extend lamprey control operations to the waters of Lake Ontario?

Hon. Jean-Pierre Côté (Minister of National Revenue): Mr. Speaker, I will make sure that this question is brought to the attention of the minister.

Mr. Noble: Perhaps I should direct my supplementary question to the Minister of Energy, Mines and Resources. Has the government made any investigation to determine whether lampricide used in the lamprey control program is making any significant contribution toward pollution?

Mr. Speaker: May I suggest to the hon. member that the supplementary question should normally be answered by way of a statement.

POST OFFICE

DECEMBER SATURDAY DELIVERY

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, in view of the news release issued last night outside the House by the Postmaster General indicating that letter carrier delivery in

urban areas will be made on three Saturdays in December and will cost $350,000 per day, will the Minister of Finance tell the House whether it is a fact that failure to provide letter carrier delivery on the other 49 Saturdays in the year will save the treasury $17,150,000?

Mr. Speaker: Order, please. The question as asked is not in order.

POLLUTION

THREAT FROM BREAKING UP OF TANKER

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, yesterday the hon. member for St. John's East asked me whether or not the break-up, as he termed it, of a loaded tanker off the coast of New England posed a pollution threat to Canada. I investigated the matter immediately and found that this disaster happened southeast of Nantucket, several hundred miles south of Canada's shoreline. The best information of the scientists is that the normal tides and currents will dissipate any pollution and there will be no threat to Canadian shores as a result of this disaster.

HOUSING

URBAN RENEWAL—INQUIRY AS TO REMOVAL OF FREEZE

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I should like to direct a question to the minister in charge of housing. It arises from his statement in response to a question on October 28 as to when there would be a removal of the freeze on urban renewal. He said at that time that if the Leader of the Opposition would try to be patient he would try to make a statement during the next few days. In British Columbia we are not used to such long periods of freezing, and I should like to ask the minister when this statement will be made and when the next few days will be over.

Hon. Robert K. Andras (Minister without Portfolio): Soon, Mr. Speaker.

PUBLIC SERVICE

DELAY IN ISSUING RETROACTIVE PAY CHEQUES

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I should like to direct my question to the President of the Treasury Board in an attempt to assist him in making some of the constituents of the Solicitor General happy this weekend. Has the President of the Treasury Board received a lawyer's letter about the delay in payment of retroactive wages to civil servants, and what action does he plan to relieve the hardship to many people?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I did receive a letter from the legal representative of the Professional Institute of the Public Service. It has been forwarded to the law officers of the Crown for advice. I should point out that we have been taking and are continuing to take massive action to try to overcome the very large problem created by this backlog of retroactive pay. As I indicated to the House before, in each individual case of reconciliation of accounts going back to July 1, 1967 there is a great deal of clerical work required in the departments and in the Central Pay Office. It is this complicated one-time operation we are trying to get over.

Mr. Bell: May I ask the President of the Treasury Board what he thinks of a meeting on this matter with the legal officer such as has been suggested?

Mr. Drury: Highly.

THE CANADIAN ECONOMY

PLACING OF SERVICEMEN'S GROUP INSURANCE WITH U.S. ACQUIRED CANADIAN COMPANY

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have a question for the Minister of Finance. Last Friday I asked the Minister of Finance a question concerning a report that life insurance coverage for the Canadian Armed Forces to the value of between $1 billion and $2 billion had been acquired by a non-Canadian company. I trust the minister will have his reply available today.

Hon. E. J. Benson (Minister of Finance): I have taken up this matter with the Minister of National Defence. He is to supply me with information in this regard. It is not, as I understand it, a matter of the government being engaged in giving insurance to this company but rather it is a matter of the employees carrying additional insurance through the company. The Minister of National Defence is looking into the matter.

Inquiries of the Ministry

GRAIN

WHEAT—SHIPMENTS FROM VANCOUVER DURING STRIKE

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I wish to direct a question to the Minister without Portfolio from Saskatoon-Humboldt. Can the minister tell the House the amount of wheat that has actually been moved through the port of Vancouver since the beginning of the longshoremen's strike, and whether the volume has been normal?

Mr. Speaker: The hon. member is asking for statistical information. This is the type of question which should not normally be asked at this time.

PENSIONS

FEDERAL SUPERANNUATES, RETIRED CNR EMPLOYEES—INQUIRY AS TO INCREASE

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, now that Christmas is only 48 days away, may I put a question to the President of the Treasury Board. Is the minister hopeful that a decision regarding pension increases for federal superannuates will be made in time so that these people might enjoy a happier Christmas than is in prospect for some of them?

Hon. C. M. Drury (President of the Treasury Board): I think the hon. gentleman knows I am always full of hope.

Mr. Bell: Like Scrooge.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a supplementary question to the Minister of Transport? I should like to ask him whether he is hopeful that something might be done to increase the pensions of retired employees of the CNR, also before Christmas.

An hon. Member: Are you full of hope, too?

Hon. Donald C. Jamieson (Minister of Transport): Yes, and more of it.

TRADE

NICKEL—EFFECT OF STRIKE ON DOMESTIC ECONOMY AND EXPORTS

Mr. Keith Hymmen (Kitchener): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce which bears some slight relationship to a previous question. I trust you, sir, will find my question more acceptable. I should like to remind Your Honour and members of the House that we in this country have other important export commodities besides wheat and grain, about which we hear so much. Can the minister advise the House concerning what initiative has been taken or what can be done to encourage the resolution of another serious situation. I refer to the prolonged strike at the International Nickel Company and the increasingly adverse effect of it on our domestic industrial economy as well as on our export position with regard to the production and supply of nickel.

[Mr. Benson.]

Mr. Speaker: Perhaps the question as asked by the hon. member is somewhat more regular than the question asked by the hon. member for Calgary. The minister might try to reply to both questions at the same time.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, the labour aspect of this problem is not under my jurisdiction or for that matter under the jurisdiction of the federal government. So my contribution, I am sorry to say is limited to prayers.

With regard to the other aspect of the question, concerning the influence the strikes in the nickel, copper and steel industries have had on the exports of Canada, I have a figure but I hesitate to put it on record because it may well be that once the strikes are solved the companies will pick up in their operations and exports will increase sharply.

However, there are other aspects of this question. The price of these metals has gone up and substitution of sources might be taking place. Other countries are developing mines for nickel and copper which might not have been developed had Canada been in a position to fill the requirements. All these aspects are terribly important, but again I hesitate to give a figure in respect of the damage the strikes have caused to our export position because, as I said, some of it may be picked up in the future.

Mr. A. D. Hales (Wellington): I have a supplementary question, Mr. Speaker. Would the minister consider placing an embargo on the export of scrap copper in order to relieve this situation?

Mr. Pepin: Is this scrap copper, nickel, or what?

Mr. Hales: Copper chiefly.

Mr. Pepin: I understand this is beneficial to Canada at this time. Some of this scrap—

Some hon. Members: Oh, oh.

Mr. Pepin: —is being imported in Canada. This might have changed, I will check and report back. I said "scrap", Mr. Speaker.

TAXATION

CONFIDENTIALITY OF WHITE PAPER

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I should like to follow up a question I asked the Prime Minister yesterday. I asked him whether he would check to see if there were any leaks in respect of the briefing on the white paper. Can he advise us now how many copies of the white paper have been handed out, in whose hands they are, and in fact whether there have been any leaks.

Right Hon. P. E. Trudeau (Prime Minister): I have made the check, Mr. Speaker. The Minister of Finance may wish to give his own reply.

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, copies of the white paper were not distributed. As you know, the members of the press are locked up in a room and will have copies of the white paper in their hands. Also as is usual, sealed bundles have been sent across the country. In the past we have sent these to the branches of the Bank of Canada. In this instance we sent them to the district taxation offices. They are sealed and will not be opened until six o'clock tonight. As for distribution among members of the government, I think I have given a copy of the white paper to two of my cabinet colleagues.

Mr. Woolliams: Are these people in the department who have received the sealed packages under oath to keep secret or are you just depending on their good behaviour to not disclose anything?

Mr. Benson: In the Department of National Revenue, all employees are under oath. I, of course, told them to keep this secret until six o'clock and I believe they will do so. We have never in the past had a leak in sending such documents to the Bank of Canada offices. This has been done for a great many years.

TRADE

SASKATCHEWAN PLAN TO BARTER WHEAT FOR MACHINERY

Mr. John Burton (Regina East): Mr. Speaker, I should like to direct my question to the Minister of Industry, Trade and Commerce. Has the government decided whether it will allow the type of barter plan being promoted by the province of Saskatchewan involving the exchange of Japanese electric generators for Saskatchewan wheat? Also can the minister inform the House whether other countries have made inquiries about the possibility of barter arrangements since the suggestion of the Saskatchewan-Japanese arrangement was first raised?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): I do not think the government of Canada can prevent the province of Saskatchewan from buying wheat from the Wheat Board at the regular prices and bartering with it. I believe any individual or even the provincial leader could do this.

I have been almost tangling with both the former prime minister of Canada and the Premier of Saskatchewan on this subject. This is very daring on my part. I have been trying to show the disadvantages of this operation in terms of co-operation between exporters-countries, in terms of the jeopardizing of a number of markets which are cash markets at this time, and in terms of the damage this might do to the other sectors of the Canadian economy.

Mr. Speaker: Order, please. I have to interrupt the minister as we will be running short of time soon.

Right Hon. J. G. Diefenbaker (Prince Albert): The minister saw fit to mention me in his answer. Let me ask him this, is it a fact that, as stated by the premier of Saskatchewan, the minister is 90 per cent opposed to any action in this regard that would remove a great deal of wheat from the province of Saskatchewan? What is his position?

Mr. Speaker: Order, please. Perhaps the minister may be allowed to reply, but I thought the hon. gentleman was asking for statistical information.

Mr. Pepin: I was just trying to be helpful. When the hon. member for Prince Albert went west this summer he said himself that there were major difficulties to bear in mind. I have been spelling out what the difficulties were.

Mr. Diefenbaker: How long?

Expropriation

LABOUR RELATIONS

LONGSHOREMEN'S STRIKE—DENIAL OF UNEMPLOYMENT INSURANCE TO CASUAL WORKERS

Mr. Mark Rose (Fraser Valley West): This question is directed to the Minister of Manpower and Immigration, but perhaps it may be taken as notice by his parliamentary secretary if he is not in a position to answer at the moment. Has the minister reconsidered the decision to deny unemployment insurance benefits to those casuals employed on the British Columbia waterfront in longshoring who had no part in the decision to strike and who have been, at least up until now, considered ineligible for B.C. welfare benefits on the grounds that they have unemployment insurance stamps in their books?

[*Translation*]

Mr. Rosaire Gendron (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, I shall draw the attention of the minister on that question so he may give his answer the next time he is in the House.

[*English*]

GOVERNMENT ORDERS

EXPROPRIATION

ACQUISITION AND ABANDONMENT OF LAND, APPOINTMENT OF HEARING OFFICERS, ETC.

Hon. John N. Turner (Minister of Justice) moved that Bill C-136, respecting the expropriation of land, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

He said: Mr. Speaker, this bill was first introduced in the House during the last session of parliament as Bill C-200 on May 23. It is designed to reform the law relating to the compulsory acquisition or expropriation of land by the federal government and by its agencies. We trust that this comprehensive revision will largely remove the arbitrary features long associated with the existing federal expropriation law. We trust also that it will provide a consistent legislative scheme predicated on an advance notice of intent to expropriate, on a public hearing before expropriation, a prompt offer of payment, revised negotiation procedures, and statutory principles of compensation.

The existing law on the subject is found mainly in the Expropriation Act as it now exists, chapter 106, Revised Statutes of Canada, 1952. It has remained substantially unmodified since its enactment in 1886. Even then, it was not very new since the provisions of the existing law can be traced to earlier public works legislation and to inter-colonial railway legislation.

I suggest to the House, therefore, that there is very little wonder that a law which was drafted and prepared for a primarily agrarian rural society is in its present form, at a time when 80 per cent of Canadians live in the great urban centres of the country, wholly unsuited to the complexities and realities of modern urban life.

When the bill was first introduced in the spring, I made reference to the fact that several provincial governments had reviewed their legislation on expropriation recently. The federal government, in preparing the bill now before the House, owes a good deal to the research made by Chief Justice McRuer and his report, and to the hon. Mr. Clyne of British Columbia and his report. I want to say that the federal government never hesitates to borrow and to adopt the good ideas advanced by the provincial legislatures, and in this instance I think much credit can be attributed to those earlier studies. We feel that in several ways perhaps this bill may be a further improvement.

The legislation, if adopted by the House and by the other place, will apply to all federal departments and to expropriations by the Canadian Broadcasting Corporation, the National Capital Commission, the National Harbours Board and the St. Lawrence Seaway Authority. It will not, however, extend to inter-provincial railways or to private companies under special acts which exercise special expropriation powers. We plan to deal separately with these companies in the future. Obviously, if we had applied this bill to the Canadian National Railways without having corresponding legislation affecting the Canadian Pacific Railway it would not have been a just piece of legislation. We are actively reviewing that particular problem.

Since the bill was introduced, I have had consultations with the Bar across the country and in response to a circular letter which I sent out to members of the Canadian Bar Association I received about 1,700 requests for copies of the bill. In response, the department received hundreds of letters, some detailed, some less detailed, from lawyers across the country who had some expertise in this very complicated area of legislation. Indeed, at the Canadian Bar convention here in Ottawa in

September there was a panel on the new bill in which my deputy minister participated, and here again we were able to derive some useful ideas. I expect as well that when the bill is referred, if it is, to the Standing Committee on Justice and Legal Affairs, some more useful ideas from all sides of the House will be brought forward.

Mr. Arnold Peters (Timiskaming): May I ask if the bill in its present form has been amended from the draft that was sent out to the society.

• (12:20 p.m.)

Mr. Turner (Ottawa-Carleton): The hon. member seems to be somewhat telepathic. I was just going to say yes, it has been amended. There are 11 changes, most of them technical, and we hope technical improvements. None of them affect the principle of the bill.

Perhaps, Mr. Speaker, I might just review the highlights of the bill without, I hope, trespassing on the rules of this place by referring to specific clauses. The first amendment of consequence is the introduction of a public notice of intention to expropriate. Under the present law the government can decide to expropriate property without giving any notice of its intention to expropriate to an owner or tenant, and the person whose land or interest is expropriated sometimes learns about it only after expropriation takes place. The new law will require, in advance of any property being taken, that there be publication in a local newspaper of a notice of intention to expropriate, and notification by registered mail to any person whose interest against the property appears in the local registry office. The notice must describe the property to be taken, indicate the public work or purpose for which it is required, and inform all interested persons of their right to object to the intended expropriation. I would hope that in this way the current shroud or curtain of secrecy that surrounds expropriations will be lifted.

[*Translation*]

As for the second reform, it deals in principle with the holding of a public hearing before the expropriation. The legislation as it stands now, Mr. Speaker, does not grant an owner or a tenant the right to object in law to the expropriation of his property, even if he is always free to complain to his member of parliament once the property has been expropriated.

The new act will give him or any other person the right to appraise the minister concerned of the reasons for his opposition to the expropriation contemplated and to get, either personally or through his lawyer or solicitor, a public hearing to be held by the investigator specially appointed by the Attorney General of Canada for the purpose of looking into objections to expropriations.

The investigator, not a public servant, is required to prepare a report dealing with the objections to the expropriation, and the minister must accept and study that report before confirming his intention to expropriate and before actually expropriating the property.

Furthermore, if the responsible minister decides to expropriate the property, he is required, upon request by the litigant, to supply him with a copy of the investigator's report, and to give him the reasons why he disregarded his objections.

It is especially provided that persons who submit objections will be reimbursed for any reasonable expenses incurred in that connection. However, when expropriation is not carried out, the law provides for a special right to claim compensation, to the extent of any real loss due to the registration of a notice of intent to expropriate in the course of the period during which such notice was effective.

[*English*]

Thirdly, Mr. Speaker, under the present law a person whose property has been expropriated without notice and without a hearing can be required to give up possession immediately and prior to the payment of any compensation by the government. The new law will provide that following the registration of a notice of confirmation—and this confirmation will effect the actual expropriation or taking, to use the technical term, of the property—each person who is entitled to compensation must be offered, within 90 days of that notice of confirmation, an amount estimated to be his full compensation. This offer must be on an unconditional and without prejudice basis.

The offer so made by the minister must be made in writing, based upon a written appraisal, and a copy of the appraisal must be sent to each person entitled to compensation. Persons receiving such offers will be free to accept them or press for an additional amount in court if they are not satisfied with the amount so offered.

Mr. Brewin: May I ask what I think is a very fundamental question? I think it is more than a question of detail. Supposing the offer

is not accepted, supposing the owner feels the offer is inadequate, is there provision in the statute for any money to be paid to him then, pending disposition of his claim?

Mr. Turner (Ottawa-Carleton): Then, he can receive all the money and still proceed before the court for the extra amount he feels is his due, and the minister then is bound to make that payment.

Mr. Woolliams: Following on that may I ask another question? That suggestion is a good one. But if the property owner accepts the money at that stage, is that made known to the court, like tendering money, and if the judgment given is less than the amount offered will the owner have to pay the court costs?

Mr. Turner (Ottawa-Carleton): The costs might well be discretionary on that basis. If the owner goes to court and gets an award over the amount paid by the minister, then he is entitled to his legal costs as of right, and the minister must pay a penalty of 10 per cent of the amount between his offer and the amount awarded by the court.

On the other hand, let us say the court awards him less than the minister offered. We must remember that it was an unconditional offer, and I suppose he is entitled to retain it, but obviously in such a case the costs would be assessed at the discretion of the court.

Unless there are special circumstances that give rise to an urgent requirement for possession of the property by the government, a minimum of 90 days' notice will have to be given to persons in occupation of expropriated property before the government can take possession from them under the new law, and they must have received an offer of full compensation as described, as a condition of giving up possession to the government. If, however, the government must take possession before the 90 day period has elapsed it will be obliged to pay what might be described as a special compulsory taking allowance, as a kind of penalty for depriving persons of their general right to remain in possession for the minimum 90 day period. The additional amount specified is 10 per cent of the value of the expropriated property.

[*Translation*]

Fourth, under the present legislation, the government can arbitrarily state, in writing, that it no longer requires a property that was expropriated and that it abandons its rights to it and the registration of such a document

[Mr. Brewin.]

at the Registrar's Office automatically allows the property to be returned to the former owner.

The new legislation will allow the government to abandon an expropriated property only if the former owner chooses to accept the abandonment after receiving a notice indicating the government's intention to abandon its right to the property.

Fifth, we shall inaugurate a new negotiation procedure. The present legislation prescribes no negotiation procedure to help solve disputes concerning compensation. The new legislation entitles the owner or the lessee to cause a negotiator to be appointed, and that negotiator shall not be a civil servant, to inspect the land, the appraisals and other evidence for the purpose of determining the compensation payable to him. The statements made in the course of the negotiations are privileged statements not admissible in judicial proceedings intended to settle the compensation payable.

[*English*]

Turning now to the principles of compensation, at present the rules that govern the determination of the amount of compensation payable are unstated except in the decided cases. They depend on the rules that have been determined over the years by the courts.

• (12:30 p.m.)

The new law will provide a comprehensive code for determining the compensation payable with the minimum or base amount being, in general, the market value of the property at the time of its taking. Provision is expressly made to compensate for any costs or losses incidental to disturbance, including moving to other premises and for any element of special economic advantage related to occupation or use of the property. Special rules are also included to cover specially designed buildings such as schools, hospitals and religious institutions for which there is no general demand or market. Holders of security interests or mortgage interest are also dealt with specifically.

New principles of compensation have been included to deal with the expropriation of property that was in use as a residence and with the expropriation of leasehold interests. In the case of the expropriation of a residence, the new law will recognize the right of the expropriated person to claim as compensation the cost of relocating his residence in reasonably equivalent premises if the compensation otherwise payable to him is not

sufficient to enable him to do this. In the case of a tenant, the length of the term remaining under his lease, his prospect of obtaining a renewal of the lease and his investment in the property, including the nature of any business carried on by him on the premises, will all be taken into consideration in determining the compensation payable to him.

In the matter of interest, Mr. Speaker, the present law provides for interest payable at the statutory 5 per cent. Under the new law, interest will be paid at an economic rate that will fluctuate from time to time and will not be less than the average yield from government of Canada treasury bills.

An hon. member asked about costs. Lawyers in the House are well aware that under the present law a person claiming compensation has no right to claim legal and appraisal costs reasonably incurred in asserting his claim before legal proceedings are commenced. Those are costs for an appraisal and legal fees spent by him or incurred by him to evaluate his property. The new law will also provide that legal and appraisal costs reasonably incurred in asserting a claim for compensation will be paid as well as any court costs awarded if legal proceedings are commenced.

Mr. Brewin: Mr. Speaker, could I ask the minister another question?

Mr. Turner (Ottawa-Carleton): Yes.

Mr. Brewin: Could the minister state whether these costs will be paid before or after expropriation?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, my understanding of the bill is that the legal and appraisal costs incurred before negotiation relate to the unconditional offer. Costs of legal proceedings will be awarded as of right or by discretion at the time judgment is given.

Under the new law a claimant will be entitled as of right to have the whole of his court costs paid by the government where the amount awarded to him exceeds the amount of compensation offered by the government, and in any other case, the awarding of court costs will be in the discretion of the court. It will, therefore, be seen that the new law will make provision for the payment of costs at three stages, namely, the pre-expropriation stage when objection can be taken to the expropriation itself, the negotiation stage following upon the confirmation of an intent to expropriate, and the litigation stage to which resort may be had in the event that a negotiated settlement cannot be achieved. Mr. Speaker, those are the general principles of the bill.

As I stated in a speech before the Canadian Bar Association, and some members of the House were present, during the time I am permitted to hold this portfolio we will have three main objectives. The first is, within the federal sphere, to move as far as we can toward equality of access and equality of treatment before the law for rich and poor alike. The second is to move toward a more contemporary criminal law, one that is enforceable, flexible and compassionate.

The final objective is to achieve a better balance between the right of the ordinary citizen and the government.

It is to the first and third objectives that the present bill is directed. As the administrative arm of the state increases its influence over our social values, our lives and our goals, more and more people in this country demand greater protection from the abuses of the administrative process. This Parliament is making an effort to achieve this goal. I hope the report of the House committee on statutory instruments will result in parliamentary review of regulations. Within the government we shall re-examine the enabling powers given to the ministers and before the session is over we hope to introduce a new reform of administrative law, providing the courts with wider powers of Judicial review of the decision of administration.

In any event, Mr. Speaker, I believe this new expropriation bill strikes a blow for individual rights against arbitrary state power. Canadian citizens will have the right to participate in a process which in the past has been denied. The fact that government is powerful and remote must not and should not dwarf individual rights. This expropriation bill with its guarantees of the individual's right to notice, right to a hearing, right to negotiation, right to appeal and minimum compensation, will enhance the power of the individual against the state.

Mr. Speaker, as I said when this bill was first introduced, it is a citizens' bill.

Mr. Eldon M. Woolliams (Calgary North): Thank you, Mr. Speaker. First of all I should like to thank the minister for outlining the purpose of the new expropriation bill and stating the high aims of the department under his direction in the weeks and months, maybe even years ahead.

Expropriation

I have a little article which appeared on October 13 in the *Palo Alto Times* in San Francisco which pretty well describes the situation in the past regarding expropriation in the United States, but I am sure it applies equally in Canada. I am not so sure, Mr. Speaker, whether we have really measured up to the high aims of the minister. This is an article by Dennis Tristram concerning expropriation from the average man who waits years for compensation and in the meantime has to pay for his appraiser's report and a lawyer to plead in a very academic court, namely the Exchequer Court. This is a parody on a song, and here it is:

An hon. Member: Sing it.

Mr. Woolliams: I would but I have not got such a nice voice as my friend.

Old McMillan had a farm.
And on that farm he had a lot of things.
He had milk cows here and chickens there and work horses everywhere. With hay fields big and silos full and oink from there and a moo moo here and a moo moo there and everywhere a function and everywhere production, here a function there production, Old McMillan had a farm—
He doesn't any more, just memories and some scattered junk. E-I-E-I-O.

Yes, he had a farm once but now the farm is a freeway. And I think that is really the problem, Mr. Speaker, that in the development of the urban society and specialized living, it is necessary to give the power of expropriation to the government.

• (12:40 p.m.)

I should like to make a few points immediately. Without getting into any particularization, I notice that the sole court mentioned in the bill is the Exchequer Court of Canada and I should like to say something about this provision. However, in doing so I do not want to break confidence arising from a discussion with a member of that court. I am not attacking the court or the personnel of the court, Mr. Speaker but I do say that the Exchequer Court was specially set up to serve the state and, in particular, the Crown. Actually the court functions from Ottawa. When there is a need, its judges from time to time move to the various urban centres of Canada to try cases. Actions which were begun by petition will now be set in motion by the filing of statement of claim. Any litigant who begins an action by filing a statement of claim is usually forced to make various applications under the rules of the Exchequer Court, and I shall have some comments about those rules later in my speech. I say that if the judges have the right to determine what the rules are, litigants are not being fairly treated.

A litigant in that court may make an application in chambers. He may seek an order permitting him to examine for discovery certain officers of the Crown who otherwise may not be available for discovery. Sometimes departmental officials are not willing to give answers during examinations for discovery, and orders to compel answers are sometimes necessary. Similarly, if it should happen that a departmental official is withholding information, it may be necessary for the litigant to obtain an order from a judge of the court to force the official to provide the necessary information so that counsel can argue the case properly and obtain adequate compensation in law.

My point is this, Mr. Speaker. If a litigant's lawyer has to travel to Ottawa from Vancouver, Calgary, Winnipeg or the Maritimes, the litigant is put to great expense. If all the litigant's assets are tied up in a piece of land which is to be expropriated by the Crown, say, then, unless he can obtain a lawyer who will work until the compensation is handed down, justice will not be done. The litigant will be unable to retain counsel or pay an appraiser. It is very nice for the minister to write beautiful law into our statute books, but nothing is gained unless each person in our society has an equal opportunity to appear before the courts.

What is the answer to this, Mr. Speaker? Unless the Crown or the state has special reasons for opposing my idea, I do not see why the superior trial courts of all of the provinces should not have concurrent jurisdiction with the Exchequer Court. The Exchequer Court deals with matters pertaining to the tax field and I do not think we would destroy the efficiency of that court if we gave the superior courts of our land concurrent jurisdiction with it. Surely, there is nothing wrong with giving all the high courts of each province equal and concurrent jurisdiction. The advantages flowing from such equal and concurrent jurisdiction are several. First, all chamber applications can be argued at the situs of the litigant. Second, since a local judge will have a better knowledge of his province and community and will no doubt know something of the land or local matter in question, he will be able to use his environmental knowledge to better interpret the law for the benefit of the litigant. For example, a judge residing in Calgary or Edmonton would know more about problems associated with national parks, and how to

value that unique land which might be the subject matter of an Exchequer Court action, than a stranger to the community.

I think the minister is acquainted with Mr. Jack Safian, Q.C., of Regina. I believe Mr. Safian mentioned to the minister at the meeting of the Canadian Bar Association his thoughts on this matter. He emphasized that in his view a judge with local knowledge could do a much better job, not only from the point of view of the litigant, but also for the court. Let us set up in this country courts before which all can appear. Let us not set up courts which are so expensive to litigate in that only those with money can afford to retain counsel to argue their cases. The Minister of National Health and Welfare has high ideas about lawyers, and his recent criticisms did not please the bar.

What other advantages would flow from giving our high courts concurrent jurisdiction? At present, if you are not satisfied with an Exchequer Court judgment, you must appeal to the Supreme Court of Canada. And may I say this, Mr. Speaker. All lawyers concede that the higher the tribunal before which one pleads, the more courteous is the hearing one receives. No matter whether counsel comes from a village, town or city, the Supreme Court of Canada will invariably grant him a courteous hearing; and for that I commend the court. But, Mr. Speaker, appealing to that court is very expensive. For example, I once considered appealing a case involving compensation. The cost of the evidence alone and of the appeal books was somewhere between $6,000 and $7,000. Of course, counsel fee would have to be added to that sum. In addition, anyone contemplating appealing in Ottawa must retain an agent to file all the necessary documents with the Supreme Court of Canada. If provincial appeal courts were empowered to hear appeals from the Exchequer Courts, litigants could stay in their own province, have their appeals heard by provincial courts of appeal, and save a great deal of money.

I hope the minister is sincere in his intention to give all people equal opportunities to appear before the courts; because, Mr. Speaker, as we all know, at present there is one law for the rich and another for the poor. I do not think passage of this bill will remedy that state of affairs.

May I deal now with the question of leases in parks, Mr. Speaker. What are the factors we must consider when studying the question of expropriations in this area? At one time some of the land in the parks of Canada—and I am dealing with the question of expropriation at this time—was held in fee simple. Other land was held under 99 year leases, and still other land was held under leases in perpetuity. Of course, other land was held with leases to run for a term certain of, say, 42 years, and provision was made for renewal of the lease for certain periods. A big change has taken place in this area, Mr. Speaker. Anyone now wishing to build a hotel or motel to serve the tourist trade must obtain a lease from the government. At the end of 42 years or some other term that person may renew his lease for an additional five or ten years. Nevertheless, at the end of the 42 years or the term certain, title to all the buildings erected on the land reverts to the government, and no compensation is paid.

I studied a lease over the weekend, and what does it say, Mr. Speaker? May I point out that property erected on such leased land often costs between $600,000 and $700,000. Ordinary people may put up, say, $100,000 of their own money and a syndicate may put up the rest. The point is that all this property reverts to the Crown at the expiry of the lease. Clause 16 of the lease I have in my hand reads:

• (12:50 p.m.)

(1) Where

(a) any portion of the rent is unpaid for more than thirty (30) days after it becomes due whether formally demanded or not;

(b) the Lessee fails to perform, observe or keep any of the covenants and agreements herein contained; or—

(c) the Lessee violates any of the provisions of the National Parks Act—

The Minister can on notice, and in some cases without notice, cancel the lease prior to the 42 year term. I will now refer to termination of the lease. This is the important part. It shows us the power of the Crown. Section 23 reads as follows:

On termination of this lease all structures, fixtures and improvements which have been affixed or placed on the land at the expense of the Lessee will become the property of Her Majesty.

Referring back to the other clause, it is easy to determine whether the lessee has paid his rent. Section 16 refers to the lessee failing to perform, observe or keep any of the covenants and agreements, and there are many, but under this document who has the discretion to decide whether he has observed them or not? The Minister has full discretion.

I challenge anyone in Canada to say he knows all the regulations that govern parks.

When I was dealing with lawsuits in connection with parks, I had a thick book of regulations. I never did know all the regulations because they were contradictory.

Let's take a look at this lease. It is up to the Minister to determine whether the lessee fails to perform and observe the agreement. What political power does this give to the Minister? The Minister decides whether there has been a breach of the National Parks Act. If he comes to a careful and thoughtful conclusion, using his wise discretion, whether it is political or motivated by some other reason, he can terminate the lease and all the property becomes the property of the state without compensation.

The trouble with this kind of document is that those people who get involved in this type of deal do not understand it until everything has been signed and they have their property worth many thousands of dollars. The Minister said he hoped this new law would serve to protect people against the strong state infringing on the right to own property. I say leases with the Department of Northern Affairs, similar to the one I have been referring to, and possibly other leases, do not allow for any compensation.

This lease might be interpreted differently. If it means something else the Minister should so state. I wish to again read Section 23:

> 23. On termination of this lease all structures, which have been affixed or placed on the land at the expense of the Lessee will become the property of Her Majesty.

The Minister can cancel this lease on these grounds, which in fact are rather wide. In my opinion, this bill does not remedy that situation and certainly does not give people equal opportunity before the courts. There is still a law for the rich and a law for the poor. This is why I would like to see all courts with concurrent jurisdiction.

I now wish to deal with the Exchequer Court. This is a different type of court to plead in from the high trial courts of the provinces. In order that an action may properly get before the Exchequer Court, counsel must have knowledge and experience in litigation in the Exchequer Court. Exchequer Court judges have their own rules. These rules, as I read them, do not compare to the rules that streamline our courts in the provinces of Saskatchewan and Alberta, where I practise, but are more like the English court rules. In fact, if one reads the white book, dealing with the procedure in English courts, he would almost think we had English courts functioning here in Canada, in the name of the Exchequer Court. This makes it very difficult. It does not facilitate litigation. Highly skilled counsel are required to understand the situation and appear before the Exchequer Court. I believe that unless we change the rules of procedure for government expropriations by giving all courts concurrent jurisdiction, we will not remedy or cure the situation.

I maintain that even though this bill is changing law which has been in force since 1886, it is still not doing much for the average man. The average man will not like it because he cannot afford to take his case to that court. What happens is the Crown makes an offer. The owner must very carefully consider this offer. If he is not satisfied, he knows it will be very costly to bring an action to the Exchequer Court. It will be very costly to him to hire an appraiser. If he loses in the Exchequer Court, it is going to be very costly to appeal to the Supreme Court of Canada.

What happens? The big squeeze by the big state is exerted on the little man and he has to accept the sum of money that is offered, even if it is inadequate. An example of this is the Fraser case which one hon. member knows something about because his father was involved in the litigation. I do not have the exact figures, but the amount awarded by the Exchequer Court was only one-fifth of the amount awarded by the Supreme Court of Canada. In one of my own cases, my clients were offered $13,500 and ended up with over $100,000. If they could not have afforded to litigate and did not have someone to go along with them, they would have had to accept the little handout of $13,500.

If this bill is not changed much from the one I saw previously, and I listened to the lectures of the Canadian Bar Association, then I do not believe it will solve the situation.

I wish to pause here and call it one o'clock.

The Acting Speaker (Mr. Béchard): It being one o'clock, I do now leave the chair until 2 p.m.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. Woolliams: Mr. Speaker, just before one o'clock I was dealing with the application of this measure to leases in the national parks, particularly in western Canada. I see

nothing here which provides for compensation upon the cancellation of leases granted in respect of land upon which hotels and motels are built.

The section of the act in question says that if any portion of the rent is unpaid for 30 days, a formal demand having been made, or if the lessee fails to perform any convenant in the agreement, or if he breaks any of the park regulations, the minister may terminate the lease. It is the minister who decides. He is all-powerful. He is the court which will determine whether the regulations have been broken. This is what happens, Mr. Speaker, after people have been encouraged to put their money into projects to serve the needs of tourists. Anyway, who would know whether lessees are in breach of some of these regulations? It is a most complicated document. Browning said of one poem he had written: When I wrote it only God and I knew what it meant; now, only God knows. The same applies to this document. On one point, however, section 23 is very clear. It states that on the termination of the lease all the improvements, all the fixtures, all the fittings, go back to the Queen without compensation. I listened to the minister's fine words. But it is like talking about the just society; words are one thing, but you have to look for deeds. In saying this, I am not criticizing the minister himself because the subject I have been discussing does not directly concern his department. Nevertheless, I hope he will look into this question. I doubt very much whether this measure will help anyone in connection with leases. The Prime Minister (Mr. Trudeau) said while speaking in Saskatchewan during the election campaign that if the farmers were not efficient the state would take the farms over and lease them out. Well, if this is the kind of lease a tenant will get, it will not be of much help to him.

There are one or two other points I should like to make. One has to do with tender of offer. It has been asked: What is the purpose of this clause which provides that the offer of compensation should "forthwith, upon the acceptance of the offer, be paid"? In what circumstances would an owner decline to accept the offer, since he might do so without prejudice to his claim for additional compensation? Would it not be simpler to provide in plain language that the amount of the offer should be tendered together with a notice drawing the owner's attention to the fact that he can cash the cheque without prejudice to any claim for additional compensation, saying, in other words, that if he did not like the offer he could take his objection to court. To me, this would be streamlining the law and bringing in some measure of equality for everybody.

Now, I turn to this matter of definitions. One of the hardest things about these expropriation acts is to arrive at clear definitions of what is meant by the value to the owner, market value at the time of expropriation, and so on. There are scores of cases on this point.

• (2:10 p.m.)

Professor Eric C. E. Todd of the faculty of law at the University of British Columbia said about this act that the definition of market values is a clumsy thing. I agree with him, because when you are talking about marketing value at the time of the taking of the property you become involved in the principles of the Fraser and Woods cases for example, one of which went to the Supreme Court of Canada. The decisions in those cases went so far as to say that market value is not only the value of the land as a piece of agricultural land but is also its future potential. The courts have been reluctant to apply that principle.

We might refer to the famous Indian case that went to the Privy Council on the principle of future potential. This is like the Lake Louise case in which I was involved. The townsite had already been surveyed when the government built the road. They needed only 2½ acres but took the whole 40 to 50 acres. The Crown said it was needed for park purposes. The government then built the townsite. I suggested to the court, although they did not follow me, that the future potential was there and the government should have paid for the land on its townsite value.

If a piece of land had been taken in the city of Calgary, Montreal or Toronto, it would have been fine, because the courts and even the department would have applied this principle. They would not apply it in the case to which I have referred. I think the definition in the Ontario act to which the minister has referred is very much better than that in the federal act. Professor Todd said it is a very clumsy definition of market value and introduces the novel element of "fully paid for in cash". He said that if this element were retained it would either be ignored in practice or would cause considerable difficulty when using comparable sales in order to ascertain market value.

When you come to put a value on land you try to obtain details of sales of similar quality and potential which occurred about the same time as the taking of the property. From those and the appraiser's report the judge comes up with an answer. These sales are not for cash, so they have not been looked at in this way. Under today's conditions you cannot get cash because of the tight money policy. Very few sales of real estate on the open market are fully paid for in cash. Ontario has adopted the standard definition used in England and the United States. We should take a serious look at this definition.

I have only one or two more points to make. I should like the act to have done something for the first Canadians. I am not talking about the English or the French; I am talking about the Canadian Indian. If ever a dirty deal was perpetrated on any group of Canadians, it was perpetrated on the Indians. The white people eroded the conditions of the Indians and drove them onto little reservations. They have ever since been taking a little more from them in respect of their property rights. This new policy will not help our Indians. Their rights have been ignored, their treaties have been ignored and every promise made to them has been broken. How could they trust us? For years we have been asking the government to set up an Indian Claims Commission. I know of one case that has been before the Exchequer Court for at least ten years without anything being resolved. It involves the Blackfoot reservation near Gleichen. I should have thought that when the minister was bringing in a bill in respect of compensation, Indian claims would also have been covered.

This brings me to my conclusion. Let me again emphasize that I hope the minister will see fit to amend this act when the bill goes before the committee and amendments are proposed. I hope we will not be faced with little changes handed in by members of that committee who belong to the party to which the minister belongs. Let us make a real change and divide the jurisdiction of the act. Let me give one example. A man named Gourlay is a litigant before the Exchequer Court in respect of land that was expropriated. He finally got the case before the Exchequer Court, but because of the rule which provides that you have to file an appraiser's report within a certain number of days, the case was adjourned. After all the parties came here and were ready to proceed, one of the Crown Counsel stood up and objected on the basis that this rule had not been complied with. As a result the case stands adjourned. I know what would have happened in the courts of Alberta. The trial judge would have asked whether the Crown's case had been prejudiced. How long does it take to read an appraiser's report and analyse it? The case would have been adjourned till the next day and the court would then have proceeded.

So far as I am concerned you could write a wonderful book on the Expropriation Act. You can say as often as you like that you are trying to make the law equal for everybody, but this will not solve the situation if you leave full jurisdiction with one court. It will do nothing for the litigant. This bill is straight window-dressing. I might be a little extreme in this remark, but I feel we would be wasting our time to even study the bill. So long as the situation is left in this way, we are not helping the individual. It has been said that we want to give every man in Canada an equal opportunity before the courts. The individual is not getting an equal opportunity because individuals are not equally wealthy. Under the Expropriation Act individuals are fighting the state which has the taxpayers' money behind it, including some of the money the litigant has thrown in. A litigant must pay for the appraiser's services, which sometimes amount to thousands of dollars. He has to pay for his lawyer, the use of documents, and witnesses.

An offer made by an expropriating body amounts in many cases to nothing more than duress. A person either accepts the offer or he loses everything. I appeal to the minister to take a good look at this matter. If he intends to streamline the law he should do just that. There has been talk of changing the criminal law. It is still such that any child of seven years of age who knows the nature and the quality of his act can be tried for an offence under the Code. The government has talked about reform, but it has not even scratched the surface of this problem. I should like to see something really constructive done about this matter. I have had enough experience in the courts, including the Exchequer Court, to know that the average man does not get a fair shake.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, the Expropriation Act is an act of immense importance to a very great many individuals. I know of very few fields in respect of which there is more sensitivity and more sense of injustice than in cases where the state has stepped in and taken over property which has been built up by the work and effort of perhaps generations, certainly of

individuals. I suppose I must in all fairness congratulate the minister for producing what is clearly an advance in the law on this subject. I cannot help saying that it is extraordinary to me—it is not the minister's fault and I should not blame him for it in any way—that a sensitive subject like this, which affects the whole of our economy, has up to the present time come under a law passed in 1886, more than 80 years ago.

The fact that we have had to wait 80 years to update our law is certainly a reflection on somebody. It is not a reflection on the minister, who has at long last produced this bill which contains many improvements; it is a reflection on our system of government. The minister has indicated his acceptance of my proposition. I think the hon. member for Calgary North (Mr. Woolliams) has indicated the same thing. This is an intensely complex subject. It seems easy enough in a dynamic economy, such as we have, to establish the value that ought in all fairness to be assessed in respect of an individual's property. We must remember that the state should not be required to pay a disproportionate or excessive price. This is an extremely complex matter which involves the advice of experts and substantial sums of money. In view of the complexity of the subject and the voluminous nature of the bill itself, which breaks new ground, I hope the minister will be thoroughly receptive at the Standing Committee on Justice and Legal Affairs, to which this bill is to be referred, to amendments proposed by hon. members from all sections of the House.

• (2:20 p.m.)

As I say, I think this bill is a great advance, but I believe it needs the most careful examination not only by the minister's department but by representatives of all parties in this House. In committee there is sometimes a tendency to say that we already have a lot of good advice and that we do not need much more; that by and large we will let things go as they are with only minor changes. In this case, if fundamental changes are suggested I hope they will be given the most open-minded consideration.

In my experience the property owner who is well financed originally, who owns very substantial property, has very few problems with respect to expropriation. He is able to hire an expert evaluator and experienced counsel, and he pays very substantial sums of money for their services. On the other hand, the small property owner, the farmer, the property owner who perhaps owns a small house which he has bought out of his savings, is not only inexperienced in the law, not only unacquainted with where to get qualified advice, but is intimidated by the whole proceedings.

One of the weaknesses of our system has been the complete inequality of bargaining power as between the citizen whose property is expropriated, on the one hand, and the expropriating authority on the other hand. The authority usually has a department responsible for this work. It has a lot of expertise. Usually it has a legal branch devoted to the subject. But the ordinary citizen is baffled, worried and frightened because he does not want to incur tremendous expenses. When the minister was speaking I asked him what would happen under this legislation if the offer made by the expropriating authority were not accepted. The minister replied that it could be accepted without prejudice. That is a matter which needs to be looked into very carefully. In clause 15 of the bill it is explicitly stated:

> Where an offer of compensation has been made to any person under section 14, the full amount thereof shall, forthwith upon the acceptance of the offer, be paid to that person.

I do not intend to discuss the details of that provision, but it goes to the principle of the bill. The way I would interpret a provision like this is that when you accept an offer you are bound by it. In this case you get paid. If you do not accept the offer, how can you still accept the money? How can you accept and not accept it? I am aware that there is a provision in clause 29 which indicates in some rather backhanded manner that perhaps you can accept the offer, change your mind within a year and ask for more. That is a novel legal concept. It is not made clear in the statute.

Through you, Mr. Speaker, the point I want to make to the minister is that somehow or other we have to make it clear beyond peradventure that the person whose property is expropriated, before being dispossessed and having his claim determined, should at least have the Crown's estimate of compensation—or a substantial portion of it say, 90 per cent—paid to him so that financially he may be in a position of equality and can secure the expert services necessary to take the case further.

Mr. Turner (Ottawa-Carleton): That is the case.

Mr. Brewin: The minister says that is the case. I am delighted to hear it, if that is his interpretation. But I give him notice now that in the committee we will have to clarify the question beyond what we see in this bill. If

that is the case, fine; let us say it in words that no court, no judge and no citizen can misunderstand. I do not think those words are there now. I am afraid I would be getting into an argument on detail, on the legality of the matter, if I pursued this point further. However, I am pleased with what the minister has said and I assure him that when we get into committee we will deal with the question.

The root of the whole problem at present is the uneveness of the negotiating balance between the expropriating authority and the person whose property is being expropriated. This happens when a government department, the Crown or some other public authority is on one side and a small, private citizen unused to the law and without the necessary funds is on the other side.

Mr. Speaker, this is a little out of order in my notes, but I concur entirely with the hon. member for Calgary North (Mr. Woolliams) when he says there is no use providing justice unless you make it available in all areas. Without being rude to the Exchequer Court, sitting here in Ottawa with high legal fees and antiquated rules it is not available to the ordinary citizen except on terms almost impossible for him to meet. The hon. member is right in suggesting that justice should be made available locally. It should not be something to be purchased at great expense in a capital city perhaps 2,000 miles from where you live. I join the hon. member for Calgary North in urging the minister to consider the question of whether the Exchequer Court is the only court that ought to be able to determine these matters.

There are in the bill some things which I commend and for which I congratulate the minister. He has introduced something of an innovation in providing for a right to a hearing and a right to make objection to the expropriation itself. This is a valuable, new principle in the act. It seems to me very clear that when property owners have their property taken away by the force of the state, they should have the right to attend an open hearing and say, "There is vacant land next to mine that you could use just as well. You do not need mine for your particular purpose. The purpose is unsuitable for the locality."

There is in the bill another provision which I am happy to see. It concerns a principle for which I and other hon. members have fought many battles in this House in the past. The bill provides the right of a small homeowner to get, in effect, a home for a home. This principle of relocation has long been neglected. I believe it is imperative that in order for

[Mr. Brewin.]

the person dispossessed to be put in an economic position where he does not suffer from the expropriation, he should be given the means to acquire other property, another place where he can live, as long as it is comparable to what he had, and he should be paid whatever is necessary for this to be done. I commend this feature of the legislation.

The provision with respect to interest is also commendable and reasonable. It made no sense at all that the government should take your property, have long hearings over it and then say at the end of it all, "We will pay you 5 per cent on the money we withheld from you even though we acquired title to your property a long time ago." I am not equally happy, frankly, about the provisions of the bill that attempt to define the compensation to which people are entitled. There are long, complex provisions in regard to that matter. My view is that the basic principle has been recognized by courts in civilized countries for generations, and that principle is fair value to the owner. That principle, as Mr. Justice Rand said in one case, is that the owner is entitled to be made economically whole.

• (2:30 p.m.)

You can talk about the market and relocation value and try to analyse it to your heart's content. The basic proposition is that the man whose property is taken should neither benefit nor be damaged because it happens to be his property that is taken. I suggest that in those sections which deal with the definition of compensation there should be an overriding provision in this respect. Even if we are trying to spell out the principles that make up the concept of market value, value to the owner and what should happen to the tenant, the basic purpose is to make the person expropriated economically whole and to give the proper value to the owner. In so doing you fall back on the basic principle that has been recognized by civilized jurisdictions and courts for many centuries, and that has a useful effect.

There is a danger in being too specific about these things. If you attempt too much definition you limit cases by definition. The circumstances that exist in respect of matters of expropriation are as infinite as is the ingenuity of mankind in acquiring and improving different types of property. So if you put provisions into a straitjacket of long and complicated words, as is done here, and you do not adequately reproduce the basic principle, you may be giving a formula for injustice in certain cases.

I want to say something general about this legislation. I do not know whether anything can be done about it because it is really too long and too complex. I do not know why the draftsmen had to produce pages and pages in order to set out the principles. I would very much hope that someone could say to these draftsmen, "Shorten this. Cut out the verbiage that is unnecessary." Perhaps it is an impossible thing to do in this case.

Mr. Turner (Ottawa-Carleton): The hon. member is a classic common lawyer.

Mr. Brewin: I may be a common lawyer but I am also a common man and I do not like long, complicated words that no normal person would ever want to read or could understand if they did read them.

Mr. Otto: You would not like to be paid by the word.

Mr. Brewin: There is one example of what I am saying. There are provisions for what I call forced negotiations. When your property has been expropriated after receipt of notice, the confirmation and offers having been made, you may have to engage in a process of mediation or settlement. The mediator is appointed by the government. I suspect that this process is a waste of time. I do not mind negotiating directly with the government, and I do not want to instal a whole host of fifth wheels on the coaches whereby you would waste time going through other processes. If I cannot agree with the government, I want to go to the courts as quickly as possible without going through unnecessary proceedings which are more expensive and less satisfactory. Delay and uncertainty in this field causes more frustration than actual injustice.

I am afraid I will not use the 40 minutes that are assigned to me, but I do not suppose anyone in the House will complain very bitterly about that. I may be setting a good example to others who may follow in the debate. May I say in summary that this is a good act. It is at least 50 years overdue. It has some excellent features which we welcome. It has in it some provisions which we question and which we desire to have clarified. There are some things in it which we oppose and want taken out. I assure the minister that in the committee he will have our full co-operation in trying to make the act as modern, just and up-to-date as possible. As I said in my opening remarks, this is a subject which we may regard as academic and suitable for discussion by lawyers, but when the shoe pinches it pinches the average citizen and we are concerned with justice to individuals in this country.

Therefore, I commend the bill and say to the minister that we hope to meet him again in the committee. At that time we shall press amendments which we think will constitute real improvements to the bill.

Mr. Deputy Speaker: Is the House ready for the question? Is it the pleasure of the House to adopt the said motion?

Motion agreed to, bill read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I want to thank hon. members for the instructive and positive way in which they dealt with the bill. I wonder whether with the consent of the House I could call it three o'clock?

Mr. Deputy Speaker: Is this agreed?

Some hon. Members: Agreed.

Mr. Deputy Speaker: It being three o'clock I do now leave the chair until 5.45 p.m.

SITTING SUSPENDED

At 2.40 p.m. the sitting of the House was suspended until 5.45 p.m.

SITTING RESUMED

The House resumed at 5.45 p.m.

ROUTINE PROCEEDINGS

TAXATION

TABLING OF WHITE PAPER ON TAX REFORM

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I now table the white paper on proposals for tax reform, according to the provisions of Standing Order 41 (2).

HOUSE OF COMMONS

MOTION TO ADJOURN

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I move, seconded by the Minister of Industry, Trade and Commerce (Mr. Pepin):

That the House be now adjourned.

Motion agreed to and the House adjourned at 5.45 p.m.

HOUSE OF COMMONS

Monday, November 10, 1969

The House met at 2 p.m.

ROUTINE PROCEEDINGS

FARMERS' CREDITORS ARRANGEMENT ACT

NOTICE OF MOTION BY MEMBER FOR PEACE RIVER

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I rise on a question of privilege or a point of order to bring to Your Honour's attention, and the attention of the House, a situation with regard to a motion which I filed in the proper way last Friday. I accompanied it with a letter to the Clerk dated November 7 in which I wrote the following:

> Enclosed please find a motion for the Order Paper for Monday next in connection with the introduction of a bill.
>
> You will note that I am using the alternative means which is available under Standing Order 68(1), namely, a motion to appoint a committee to prepare and bring in the bill.
>
> With kind regards, I am
>
> Yours sincerely,
>
> Gerald W. Baldwin,
> Member for Peace River

The motion in question, which appears, as a matter of fact, on today's Order Paper under private members' notices of motions, reads as follows:

> That a committee be appointed to prepare and bring in a bill to amend the Farmers' Creditors Arrangement Act, Chapter 111, R.S.C., in order to extend the application of the said act to debts incurred before January 1, 1969, and to authorize the Governor in Council to have the said amendment come into effect in such parts of Canada as may from time to time be designated by Order in Council.

The Clerk, exercising his discretion, felt that this type of motion could not be dealt with under routine proceedings, whereas I submitted it could be, and it has now been placed in the back of the Order Paper under private members' notices of motions.

I wish to argue very strenuously that I am entitled, as is any other hon. member, to have this motion dealt with in the daily routine of business under Standing Order 68, which I shall read to Your Honour. It provides that:

> Every bill is introduced upon motion for leave, specifying the title of the bill; or upon motion to appoint a committee to prepare and bring it in.

It was my feeling for several reasons that this was the type of proceeding which I would choose in this particular case. I point out that while it is true, as was pointed out to me, that Standing Order 69 provides that no bill may be introduced either in blank or in an imperfect shape, the nature of my motion is an interlocutory proceeding, a proceeding by which I am asking for the appointment of a committee pursuant to this Standing Order written in the plainest of language, according to which the committee could prepare and bring in the bill.

• (2:10 p.m.)

It should, therefore, be under the heading, "Introduction of Bills", despite the fact that the bill itself is not presented. The purpose of the order is to appoint a committee which would prepare the bill and bring it in. I submit that for that reason it should be placed on the Order Paper under "Daily Routine of Business" and, if not for that reason, then certainly according to the provisions of Standing Order 42(1) which provides that:

> Forty-eight hours' notice shall be given of a motion for leave to present a bill, resolution or address, for the appointment of any committee—

This is just what I am trying to do.

There is nothing in the Standing Orders which says that this motion to appoint a committee must be a government motion. I submit that all too often a tradition has been allowed to grow up in this House of permitting things to be done only by the government when they are really matters for the House to settle. I will be quite frank and say that if effect is given to my application, then this motion becomes debatable under Standing Order 32(1)(m), which Standing Order defines a number of types of motions which may be debated. I believe that Standing Order 32(1)(m) provides that one of the motions that may be debated in this House is a motion for the appointment of a committee.

It is true that, for reasons best known to itself, the House at the time Standing Order

68 was introduced provided that the first method of introducing a bill is not debatable. Standing Order 68(2) reads:

A motion for leave to introduce a bill—

Of course, this is not the method I am employing.

—shall be decided without debate or amendment.

Consequently, most bills are introduced in the normal way and this has been the general practice. However, I submit that if this motion were placed upon the Order Paper under "Daily Routine" it would be a debatable motion.

Let me say very briefly, Mr. Speaker, that I have had occasion over some months to look into this practice. I have wondered why it has never been used in this House. It was the practice in the United Kingdom. As a matter of fact, originally, the proper method of introducing a bill, whether it was a government bill or a private member's bill, was to appoint a select committee which prepared the bill. Then, the chairman of the committee brought in the bill in accordance with the practices of the House.

Apparently that practice has never been altered so far as Canada is concerned and so far as this House is concerned, particularly if one reads the second part of Standing Order 68(1). However, the United Kingdom House of Commons saw fit some 80 years ago to change that practice by introducing what is known as the ten minute rule. Under it, there is a motion for leave to introduce a bill and a limited amount of time is allotted to the sponsor to speak, as well as those who are opposed. A committee is then appointed and brings in the bill. As a matter of fact, Mr. Speaker, that custom endures right up until 1964.

I have here an extract from the United Kingdom House of Commons Debates for January 14, 1964, recording that on that date a motion was moved by Mr. Fenner Brockway, a private member of the House, for leave to bring in a bill "to make it an offence to discriminate" against any person, etc. It was debated by the sponsor for some 10 or 15 minutes. The question was then put and agreed to, and a committee was appointed to prepare and bring in the bill at a stated date.

Later in the same year, on July 22, 1964, Mr. John Parker, also a private member at Westminster, introduced a bill in the same way. A committee was appointed and brought in the bill. For some reason we in Canada, in this House, did not see fit to attach to the employing of a committee the reservations which have been established in the United Kingdom. It is my argument, therefore, that I am entitled to use, as is any hon. member, this particular practice which I have referred to and which forms the basis of my motion today.

Before I sit down, Mr. Speaker, may I say that although this procedure may impose certain difficulties upon the government, I submit that the government has had an option in the past to deal with this particular rule and should not now thrust upon Your Honour the onus of making this decision.

The simple ordinary language speaks for itself. Any other interpretation would be twisted and contorted and not in keeping with what was intended as an alternative means of introducing a bill. It is my hope, Mr. Speaker, that other members will intervene on this somewhat novel point. Your Honour may wish to take the matter under advisement.

I think my motion is a good one for a good cause but it has a collateral purpose. The rules governing the introduction of private members' public bills smack so much of hypocrisy in the sense there is no opportunity at any time to have them brought to the point of decision by the House. Before this debate is over I hope that either the Acting Prime Minister or the government house leader will be prepared to announce that the present method of introduction of private members' bills, the method of appointment of a committee to consider the bringing in of such bills involving the U.K. ten minute rule, and the need to allow such bills to come to a vote, will be referred to the Standing Committee on Procedure and Organization forthwith. In that case, Mr. Speaker, I am quite prepared to ask that this matter stand. I think it is more than time for some method to be designed by which private members' public bills can be considered and put to the question in this House.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, in speaking to the point of order raised by the hon. member for Peace River I should like to commend him for bringing this matter before the House. I realize that since the notice was given on Friday there has been an opportunity for Your Honour to spend an enjoyable weekend going over all the precedents, but perhaps there are further arguments for some of us to put forward.

It seems to me that the hon. member is rendering a service in two ways. In the first place, he is raising the whole question of how private members' bills are handled. In the second place, he is raising the question of the intent of the language in the latter part of Standing Order 68 (1). It must have some purpose, some meaning, although there are Standing Orders which seem to have died through lack of use. Standing Order 68 (1) reads as follows:

68 (1) Every bill is introduced upon motion for leave, specifying the title of the bill; or upon motion to appoint a committee to prepare and bring it in.

That rule clearly specifies two ways in which a bill can be introduced. Usually we rely upon the first method, but the hon. member for Peace River has attempted to exercise the right contained in the second part of the Standing Order. I hope that this matter will be clarified, whether Your Honour makes a ruling today or holds it over for decision on a later day.

Whilst assuring the hon. member for Peace River that I am on his side, I should like to point out that another Standing Order seems to have been broken by the placing of his motion as No. 42 under Private Members' Notices of Motions.

Standing Order No. 49 (3) reads:

No member shall have more than one notice of motion at a time on the Order Paper.

The hon. member for Peace River already has a motion under this order of business, No. 39 which reads as follows:

That the Standing Committee on Procedure and Organization review Standing Orders dealing with private members' public bills with a view to making a report to the House with a recommendation that such changes be made as will allow a recorded vote on some of such bills.

• (2:20 p.m.)

Mr. Speaker, it seems to me that the operation of Standing Order 49 (3) would prevent a second motion being put on the Order Paper in the name of the hon. member. Yet the Chair or the table saw fit to put it there, which seems to me to suggest that the Chair or the table believes that in some way the hon. member's motion can or should be brought before the House. If that is the case, if it is the belief of the Chair or the table that it can or should be brought before the House, I hope it will be made clear when we shall have a chance to deal with this matter.

Hon. Marcel Lambert (Edmonton West): Very briefly, Mr. Speaker, I wish first of all to underline those points which have been brought up by my colleague from Peace River. I say it is instructive for Your Honour's guidance for Your Honour to consider that all these rules were before the committee on procedure for detailed examination last session and this rule was not amended. It was, therefore, felt that it was in order. If there was anything that was, shall we say, contrary to the practice or the intended practice with regard to the latter portion of 68 (1), that matter would have been brought to the attention of the House and the committee would have directed its attention to it.

On reading the wording of the Standing Order I think it becomes obvious that the language is quite clear and that it envisages that a motion can be moved—it does not specify by whom it shall be moved, whether by a member of the treasury benches or by a private member—directing the committee to prepare a bill and bring it in. This is, therefore, a clearly defined way of introducing a bill. Actually, it would be the committee in its report that would introduce the bill.

With regard to the point raised by the hon. member for Winnipeg North Centre, it seems to me that somehow or other the table officers who were faced with the question of this motion had to fit it into some slot. Without doing their thinking for them, I suggest it is very likely that the table officers felt this would be the area in which there would be the least difficulty, namely, under private members' notices of motions. However, there is nothing in the rules that says that a member shall only present a motion under that heading.

In fact, I would put it that the argument made by the hon. member for Winnipeg North Centre with regard to Standing Order 49 (3), to which he referred, would have an extraordinarily limiting effect on the conduct of hon. members. In other words, if the member had been unfortunate enough to have a motion put down in the normal course of events—and we know what kinds of motions these are—and if, subsequently, he had a purpose in bringing forth a bill through a committee, he would be precluded, unless he obtained the consent of the House, from withdrawing his first notice of motion which might be sixty-fifth or one hundredth on the list for consideration. In other words, it would be one which would never reach the floor of this House and the member would be completely stultified. Certainly, I do not think one would interpret our rules in so limiting a manner. Therefore there is this different,

albeit very unusual, means which is still open to the hon. member for Peace River by which he is entitled to ask a committee of the House to consider and bring in a bill for the purposes stated in his motion. After all, it is up to the committee to bring in the bill and the committee, undoubtedly having a government majority in its membership, would, if it brought down a bill, undoubtedly have the government's assent. Therefore this motion must not be taken to be a means to defeat the government or to do anything of the kind. This is something which involves the privileges of a member of this House. Therefore I would urge Your Honour to give the most favourable consideration to the points and arguments put forward in support of the motion by my colleague from Peace River.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, the proposal put forward by the hon. member for Peace River, as the hon. member for Edmonton West suggested, is an obsolete procedure of the House. In reference to the remarks of the hon. member for Edmonton West may I say he will, having been a member of the procedure committee last year, recognize that there are a great many Standing Orders which have become obsolete in their application, perhaps the most notable example being Standing Order 5.

Mr. Baldwin: How about 75c?

Mr. Macdonald (Rosedale): How about 75c? Well, that depends on the good conduct of the hon. gentleman. Whether this is an indication, Mr. Speaker, of a program of obstruction to be carried on under the leadership of the hon. gentleman, we will find out in due course.

Mr. Baldwin: On a question of privilege, Mr. Speaker. Surely the distinguished, honourable and learned government House leader knows he is not allowed to make such a remark. I was simply using the privilege to which I am entitled. To say that this is obstruction is something I am sure the hon. minister will, on reflection, realize he should not have said and withdraw the remark.

Mr. Macdonald (Rosedale): The hon. member knows very well there is no element of privilege involved in those remarks.

To deal briefly with the remarks of the hon. member for Edmonton West, the fact of the matter is that although the committee did deal at some length with the Standing Orders last year, neither this question nor many of the other obsolete and archaic provisions in our rules were dealt with. The mere fact it was left on the books does not indicate anything.

It is not without significance, after what the hon. member for Peace River has said, that neither he nor any of his colleagues were so motivated by their concern about this problem being dealt with by the standing committee last year that they brought forward any elaborated proposals for dealing with the question of private members' business. I am prepared to concede that at some appropriate time perhaps this might be reviewed, but the fact is that until now this concern has not been indicated, at least in the Standing Committee on Procedure and Organization.

I make the submission to Your Honour and the hon. member that the provisions of Standing Order 68(1) are to be read in contemplation of the provisions of the Standing Orders with regard to private members' business. I think that common sense requires little hesitation over this point to see that if hon. members such as the hon. member for Peace River were to be in this position every day, the business each day could be pre-empted by a motion of this kind and there would be no possibility to bring government business before the House. Every day there would be one of these motions and it would therefore be impossible to deal with the public business. That, of course, is not the intention or meaning of the Standing Order.

There is a recognized procedure in the Standing Orders for dealing with private members' business. It is quite clear that to give the interpretation to Standing Order 68 sought by the hon. member would, in effect, stop dead the forward progress of the business of the company—the country.

An hon. Member: You are still a corporation lawyer!

Mr. Macdonald (Rosedale): We are still a united company on this side, but I do not see the former member for Colchester-Hants on that side. We are quite prepared to have this question of private members' business discussed by the hon. member for Peace River, if he is still interested in the question, when it comes up under private members' business. We submit it is not in order for the hon. member to have the motion brought forward in the way he has suggested.

An hon. Member: When are you going to speak to the point of order?

Mr. Macdonald (Rosedale): When are you going to open your ears?

Some hon. Members: Shame.

• (2:30 p.m.)

Mr. Speaker: Order, please. I thank hon. members who have participated in this procedural debate. The Chair always has a difficult decision to make whether a final ruling ought to be made at the time this kind of point is raised or whether the matter should be taken under advisement with a view to making a ruling at a later date or later in the day's proceedings.

As hon. members will suspect, and as it has been indicated by the hon. member for Winnipeg North Centre, the Chair has had some time now to consider the point raised by the hon. member for Peace River since the difficulty first arose on Friday afternoon. My weekend was not spent entirely in looking into the matter, but I did with the assistance and advice of counsel and the learned officials at the table, look into the matter very closely. Most of the time was spent looking for precedents which I did not find. Indeed, I have to tell the hon. member for Peace River—and I believe he recognized this himself—that there is no precedent at all for the procedure he is suggesting now.

This may not be the proper approach, but I must say I am always a bit suspicious when an hon. member proposes a procedure and, looking over 100 years of precedents, I cannot find a single precedent which applies. I suspect that if hon. members had thought in the past that this was a procedure which was open to them they might have proposed it before, and rulings would have come from the Chair one way or another. Because of the circumstances I believe I can at this point give hon. members the benefit of my reflections on the situation.

The hon. member raised this question by way of a point of order concerning consideration of this private member's notice of motion which proposes the appointment of a committee for the purpose of bringing in a bill to amend the Farmers Creditors' Arrangement Act. In support of his argument and of the proposed procedure he referred to Standing Order 68(1), which reads as follows:

> Every bill is introduced upon motion for leave, specifying the title of the bill; or upon motion to appoint a committee to prepare and bring it in.

As the hon. member for Edmonton West and others have pointed out, if these words mean anything they must be accepted as a procedure which ought to be followed. If so, what is the procedure contemplated by the words in 68(1)? With respect, I have come to the conclusion that it is not the procedure which is suggested now by the hon. member for Peace River. I mention in passing that the terms of the hon. member's notice of motion would appear to involve a charge on the consolidated revenue fund and, if this is so, the question could not be considered until after a recommendation from His Excellency. But I am not ruling on that point; I have some qualms on the point but I think they should be set aside and that the ruling of the Chair should at this time relate exclusively to the question specifically raised by the hon. member for Peace River, the hon. member for Edmonton West and the hon. member for Winnipeg North Centre.

It would appear to the Chair that the one question which must be resolved at this time is whether the hon. member's motion may be proceeded with during routine proceedings. While Standing Order 15(2) does provide for the introduction of such bills at this time it does not permit the proposing of a motion to appoint a special committee to prepare a bill during routine proceedings. In accordance with paragraph 4 of Standing Order 15, such a proposed motion may be considered only under government orders or, in the case of a private member's motion, only when private members' business is being considered between the hours of 5 and 6 p.m. on a Monday a Tuesday or on a Friday. It is suggested that the provisions of 15(4) are quite explicit in this regard.

The hon. member for Edmonton West and the hon. member for Winnipeg North Centre drew attention to another problem in connection with the motion proposed by the hon. member for Peace River, pointing out that we now have on the order paper two notices of motion standing in the name of that hon. member. My understanding is that this decision was taken in the face of the difficulty which arose through the motion having been proposed at that time, and because it was difficult to hold consultations at that moment. It may have been an error; possibly the matter should have been held in abeyance until the hon. member had had an opportunity to explain his views, and the Chair to consider them.

In any event, we find ourselves in a situation now in which, contrary to the Standing Orders, the hon. member for Peace River has two notices of motion appearing in his name whereas in accordance with the rules, he is entitled to only one. It is of interest to note that the hon. member's notice of motion No.

[Mr. Speaker.]

39, the one which stands as a bona fide notice of motion on the Order Paper, seeks to alter the procedure relating to the consideration and disposal of private members' business. This point was made by the hon. member for Peace River in the course of his presentation. I wish to say that I have every sympathy with the objective sought to be achieved by the hon. member as expressed in the terms of his notice of motion No. 39 and by the motion now being discussed.

There is much to be said for a re-examination of our procedure in the whole field of private members' legislation and it may well be that this is a suitable topic for consideration in due course by our Committee on Procedure and Organization.

As hon. members may know, there are meetings of house leaders in the Speaker's chambers during which procedural matters are discussed informally from time to time at which the Speaker takes the initiative on occasion to suggest that the committee might consider special problems. I propose to take the initiative to recommend to the committee that it take up at the first opportunity, at its very first meeting, the point raised today by the hon. member for Peace River. However, for the moment, and for the reasons stated I must rule that the hon. member's motion now being discussed will have to be removed from the notice section of the order paper.

Mr. Peters: Mr. Speaker, I rise on a point of order related to the remarks made by the President of the Privy Council. I should like to draw Your Honour's attention to Standing Order No. 5 and ask whether permission has been given by the House for the absence of the right hon. member for Mount Royal and also of the hon. member for Nanaimo-Cowichan-The Islands.

Mr. Speaker: The point of order raised by the hon. member is a precise illustration of the statement which was made by the President of the Privy Council, namely, that some of our rules are not observed to the extent that they ought to be. Perhaps the committee would like to consider not only 68(1) but all the Standing Orders which need to be looked into further. I do not think it would be possible at this time to try to enforce the Standing Order to which the hon. member for Timiskaming has referred.

Mr. Peters: Since this Standing Order is unenforceable, and since Your Honour has a responsibility for enforcing it, could I ask you to make arrangements for the committee to review these unenforceable Standing Orders, with, of course, the support of the committee?

Mr. Speaker: That is precisely what I was saying a few moments ago. I can make suggestions to the committee though it is, of course, a committee of the House, not a committee of the Chair; a committee instructed by the House can study whatever subjects it decides in its own wisdom to consider. But I would be pleased to bring to the attention of the committee, including the hon. member for Winnipeg North Centre, the suggestion now made by the hon. member for Timiskaming.

Mr. Knowles (Winnipeg North Centre): Why me? I am here.

[*Translation*]

FINANCE TRADE AND ECONOMIC AFFAIRS

CONCURRENCE IN FIRST REPORT OF STANDING COMMITTEE

Mr. Gaston Clermont (Gatineau) moved that the first report of the Standing Committee on Finance, Trade and Economic Affairs, which was introduced before the house on Friday, November 7, 1969, be concurred in.

Motion agreed to.

• (2:40 p.m.)

[*English*]

UNEMPLOYMENT INSURANCE COMMISSION

TABLING OF ANNUAL REPORT

Mr. Jim McNulty (Parliamentary Secretary to Minister of Labour): Mr. Speaker, in accordance with section 95 (2) of the Unemployment Insurance Act I should like to table copies, in English and in French, of the annual report of the Unemployment Insurance Commission for the fiscal year ended March, 1969.

[*Translation*]

CENTRAL MORTGAGE AND HOUSING CORPORATION ACT

MEASURE RELATING TO QUALIFICATIONS OF DIRECTOR

Mr. Réal Caouette (Témiscamingue) moved for leave to introduce Bill C-147, an Act to amend the Central Mortgage and Housing Corporation Act.

Some hon. Members: Explain.

Mr. Caouette: Mr. Speaker, the bill tends only to amend a provision of the present

legislation to the effect that one has to be a British subject in order to become an official of the Central Mortgage and Housing Corporation. I simply wish to replace the expression "British subject" by "Canadian subject" in the provisions of the Act.

Motion agreed to, bill read the first time and ordered to be printed.

CRIMINAL CODE

AMENDMENT RESPECTING DISORDER IN PARLIAMENT

Mr. Réal Caouette (Témiscamingue) moved for leave to introduce Bill C-148, An Act to amend the Criminal Code (Disturbance in Parliament).

Some hon. Members: Explain.

Mr. Caouette: Mr. Speaker, the purpose of this bill is to authorize parliament to apply severe sanctions against those who, from the gallery, disturb the House of Commons.

Motion agreed to, bill read the first time and ordered to be printed.

USE OF THE WORD "CANADA"

AMENDMENT ABOLISHING CERTAIN EXPRESSIONS

Mr. Réal Caouette (Témiscamingue) moved for leave to introduce Bill C-149 entitled "An Act respecting the use of the word "Canada".

Some hon. Members: Explain.

Mr. Caouette: Mr. Speaker, this bill concerns the use of the word "Canada". In our opinion, the term "Dominion of Canada" should be dropped and replaced simply by the word "Canada".

Motion agreed to, bill read the first time and ordered to be printed.

SUPREME COURT ACT

AMENDMENT RESPECTING TRANSLATION OF JUDGMENTS

Mr. Réal Caouette (Témiscamingue) moved for leave to introduce Bill C-150 entitled "An Act to amend the Supreme Court Act".

Some hon. Members: Explain.

Mr. Caouette: Mr. Speaker, at the present time, according to the act, the Supreme Court renders its judgments in English only.

Some hon. Members: No, no.

Mr. Caouette: The object of this bill is to provide for the translation of the judgments of the Supreme Court and for their publication in both the official languages.

Motion agreed to, bill read the first time and ordered to be printed.

[*English*]

Mr. Turner (Ottawa-Carleton): Mr. Speaker, before the motion is put, may I rise on a point of order.

Mr. Speaker: Order. The question has already been put and carried. Perhaps the minister might want to raise his point of order now that the question has been put. When shall the said bill be read a second time? Next sitting of the House?

Some hon. Members: Agreed.

Mr. Turner (Ottawa-Carleton): Mr. Speaker, on a point of order, with the greatest respect to the hon. member who has just introduced the last bill, I would suggest that the terms of the Official Languages Act cover the point he is making in the bill.

Mr. Speaker: I suggest that is hardly a point of order but a point of debate. The minister may want to participate in the debate in the House before the bill is given second reading.

BRITISH NORTH AMERICA ACT

AMENDMENT RESPECTING GRANTS OF AIDS AND SUPPLIES

[*Translation*]

Mr. Réal Caouette (Témiscamingue) moved for leave to introduce Bill C-151, to amend the British North America Act, 1867 (Grants of Aids and Supplies).

Some hon. Members: Explain.

Mr. Caouette: Grants of aids and subsidies are now decided mainly by the Senate. The bill tends to have this fall within the jurisdiction of the House of Commons which is made up of the true representatives of the Canadian people.

Motion agreed to, bill read the first time and ordered to be printed.

[*English*]

NATIONAL PARKS ACT

AMENDMENTS RESPECTING DEFINITION, ACQUISITION, ADMINISTRATION, ETC.

Hon. Donald S. Macdonald (for the Minister of Indian Affairs and Northern Development) moved for leave to introduce Bill C-152, to amend the National Parks Act.

Motion agreed to, bill read the first time and ordered to be printed.

DOMINION COAL BOARD DISSOLUTION ACT

MEASURE TO DISSOLVE

On the order:

First reading of Senate Public Bills—Bill S-3, an act to provide for the dissolution of the Dominion Coal Board and for the repeal of the Canadian Coal Equality Act, the Coal Production Assistance Act and the Dominion Coal Board Act—The Minister of Energy, Mines and Resources.

Mr. Speaker: Bill S-3 comes forward for consideration under this item. I take the liberty of reminding hon. members who have taken an interest in the procedural point raised last week that perhaps at an early opportunity they may wish to submit arguments in relation to the proposed Bill S-3 for the consideration of the Chair. Shall the matter stand?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I am prepared to accommodate my hon. friends, but I wonder whether they would be prepared to go ahead today. I should like to deal with this matter on Wednesday next if they wish. I believe the hon. member for Peace River has already made his argument, and I am addressing myself to other members of the House. I am prepared to go ahead today if hon. members so wish.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I am in the hands of the House. I am prepared to go ahead or I am prepared to wait.

• (2:50 p.m.)

Mr. Macdonald (Rosedale): Then, Mr. Speaker, perhaps I might be permitted to make my argument now in relation to the bill. You Honour might then have the privilege of spending another holiday looking into the precedents of the House.

As I followed his argument the other day, the hon. member for Peace River's objection to the proposed Bill S-3, an act to amend the Dominion Coal Board Act and certain other statutes, was basically founded upon the provisions of section 53 of the British North America Act and Standing Orders 62 and 63 of the House, which to a substantial degree re-enact the directions given by the British North America Act.

For the purpose of my argument in this regard, perhaps I might be permitted to indicate in a general way the provisions of the bill. Clause 2 provides for the dissolution of the Dominion Coal Board. Clause 3(1) provides that all rights and property of the board, and all obligations and other liabilities, are transferred to, vested in, or imposed upon the Crown itself. Clause 3(2) of the bill is the one to which the hon. member took exception. This clause stipulates that where an appropriation has been made by an Appropriation Act, either present or future, to defray the expenses of the board, then that sum may be applied to such appropriate branch of the Department of Energy, Mines and Resources as the Governor in Council may determine. Clause 4 repeals the other Acts referred to and, in my submission, is not material to the point of order raised by the hon. member.

The critical question, therefore, is whether this provision amounts to an appropriation of public revenue as indicated in Section 53 of the British North America Act and, therefore, also whether there should have been preceding this bill a recommendation under the hand of His Excellency recommending the measure to the House and, in particular, whether, therefore, the measure should have been commenced in this House rather than the other place.

I should like to submit two arguments in this connection supporting the conclusion that this is not a money Bill, in the very broad term used often in debate in this House, introduced as an appropriation of the public revenue and therefore this is not a measure which requires a recommendation of His Excellency or one required to be introduced in this House. The basis upon which I would make my argument, firstly, is the very terms of clause 3(2) of the proposed bill. There can be no application of the section and therefore, there can be no charge against the Consolidated Revenue Fund unless there is, in fact, an Appropriation Act. Putting that in the context of the Appropriation Act passed in June this year which provided the appropriation for the board in the current year—unless the House had previously taken exception to it, and there is no exception now—clause 3(2) could not operate unless there had

been a legal appropriation, which there was in this case. If there had not been any appropriation at all, of course the clause would not apply.

I think it might be of some assistance to refer to some of the precedents in this regard. In the opportunity I have had to look into this matter I could find no precedent exactly on the case which appears to have commended itself forcefully to Parliamentary counsel. I would, however, like to draw to the attention of the Chair two citations from the third edition of Beauchesne which would seem to be particularly germane to the type of measure we have here. The first is paragraph 449. It is a brief one and I should like to read it in full if I may:

> A Bill, which does not involve a direct expenditure but merely confers upon the Government a power for the exercise of which public money will have to be voted by Parliament, is not a money Bill and no resolution is necessary as a condition precedent to its introduction.

I submit that the procedure being followed here is analogous to the procedure being discussed in that particular case. Here we have a situation where money has in fact been voted by Parliament and, therefore, it is a question of changing the tense of the quotation in that particular paragraph and saying that where money has been voted by Parliament no direct charge against the Crown is involved and therefore no recommendation is necessary in this particular context.

The other precedent to which I would refer is paragraph 450 of Beauchesne's third edition, the one immediately following the one to which I have referred. Here again I should like to quote the paragraph in full:

> A Bill designed to furnish machinery for the expenditure of a certain sum of public money to be voted subsequently by Parliament may be introduced in the House without the recommendation of the Crown and without a resolution being first considered in committee.

Just to remind the House, of course, the procedure referred to in that decision, that is to say, a resolution being first considered in committee, is due to the rule changes of last year, no longer required in the House. I would say by analogy that that precedent applies in this case. Parliament did approve an appropriation bill last year for the Dominion Coal Board. What this particular bill does is provide the machinery whereby the executive government may take advantage of those particular funds that have already been appropriated by parliament. Therefore on an analogous principle, by carrying forward to a later date in time, that is to say to the time when funds have been appropriated, this would be machinery to deal with funds which have been appropriated after the dissolution of the corporation in question.

There is also another body of opinion which I have had an opportunity to consider. I should also like to bring this to Your Honour's attention. This, in essence, is a second alternative. This argument is really founded upon the opinion held in some quarters that there probably is no necessity at all for clause 3(2) in this particular bill.

In answer to the obvious question concerning why it was put in, my understanding is it was put in out of an abundance of caution on the advice of legal counsel to make certain there would be no doubt concerning the propriety of the provision. I submit, however, there has already been an Act of Parliament, preceded by the necessary formality, which in fact authorizes the re-direction of the particular Act of appropriation already made for another purpose. I should like to draw to your attention the Financial Administration Act, which is chapter 116 of the Revised Statutes of Canada and more particularly section 81 of the Financial Administration Act. Section 81(2) stipulates:

> The Minister of Finance may, with the concurrence of the appropriate Minister, direct a corporation to pay all or any part of the money of the corporation to the Receiver General to be placed to the credit of a special account in the Consolidated Revenue Fund in the name of the corporation, and the Minister of Finance may pay out, for the purposes of the corporation, or repay to the corporation, all or any part of the money in the special account.

Similarly subsection (3) of that section makes a stipulation with regard to the application of surplus funds where they have been appropriated but not used or otherwise dealt with. The decision of the minister in question is to be supported by a decision of the Governor in Council. I, therefore, make an argument on two grounds; first, that the provisions of the bill indicate it is in order in that, in effect there has been advance appropriation of public funds. The funds are to be provided for the ends, benefits, conditions, obligations and qualifications for which the sums were originally appropriated in the Appropriation Act of last June. Therefore, there has been the necessary authorization by parliament of an appropriation against the public revenue. That being so, this in effect is a procedural means whereby funds already appropriated may be dealt with so far as necessary by the department to which the responsibility will be given if parliament

adopts the bill. They will be applied to the purposes already approved by Parliament.

• (3:00 p.m.)

Secondly, in any event, the provision for the application of funds is covered by section 81 of the Financial Administration Act in respect of corporations as set out in the schedule to that statute. We have the authorization of the Governor in Council on the advice of the minister to apply those funds in such circumstances as may be required. In effect, this is a provision to make for greater certainty, and is one which is already authorized by statute of this parliament. For that reason also, therefore, the bill will be found to be in order. I hope these two arguments may commend themselves to you, Mr. Speaker, but in any event I will be happy to abide by your decision in this regard.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I regard this as an extremely important point of order which goes to the very root of the relations between the two Houses of Parliament. I commend the hon. member for Peace River for having raised this issue last week, and I believe that it should be given most serious consideration. I should like to make it clear that our concern does not relate to the substance of the bill. In all probability, I will be prepared to support, without any question whatever, what the bill seeks to bring into effect. The simple question is this: Should a bill of this kind originate in the Senate or is it required by our constitution and our practices that it originate in the House of Commons. Should we in the House of Commons receive this bill or should we refuse to receive it—the latter, I believe, is the course we should take—whereupon the government would be in a position to introduce the same bill here in the House of Commons.

In my view there is no question but that Bill S-3 is an appropriation measure. The President of the Privy Council (Mr. Macdonald) argues that it is merely a case of putting somewhere else funds that have already been appropriated by Parliament, and he tries to find support for his argument in the Financial Administration Act. I submit that the portions of the Financial Administration Act to which he referred do not apply, but I remind him and I remind Your Honour that there is a provision in that act under which moneys, although appropriated, if not expended as appropriated, lapse. I submit that but for the provisions in subclause (2) of clause 3 of Bill S-3, the dissolution of the Dominion Coal Board would mean that the moneys appropriated for that Board would lapse. Therefore, a bill that seeks to make it possible to spend those moneys in some other way is an appropriation bill.

[Mr. Macdonald (Rosedale).]

Bill S-3 is an attempt to give parliamentary approval for the use of moneys in a certain way, a use which has not been previously authorized by parliament. If this could be done by the Minister of Finance (Mr. Benson) under the Financial Administration Act, then this proposal did not need to be put in this bill or to be put before us at all. But the fact is that those who drew up this bill realized that with the dissolution of the Dominion Coal Board its funds would lapse, and that the only way in which the unused money could be used for some other purpose would be by an appropriation bill passed through all stages in parliament. It is because this is a bill for the appropriation of money, and for saying how certain of the public moneys are to be spent, that we contend it is the kind of measure that should originate in the House of Commons and not in the Senate.

The hon. member for Peace River read some portions of the British North America Act and some of the Standing Orders the other day, but so that the whole argument might appear in today's *Hansard* as well, may I be permitted to read some of these portions. First of all, section 53 of the BNA Act is very clear and explicit. It reads as follows:

> Bills for appropriating any Part of the Public Revenue, or for imposing any Tax or Impost, shall originate in the House of Commons.

I contend, on the basis of the argument I have already advanced, that Bill S-3 is an attempt to appropriate part of the public revenue and to say how it is to be expended. There is nothing obscure, mysterious, or difficult to follow about this. This is a bill that will appropriate part of the public revenue, and therefore under the terms of our constitution, the BNA Act, it should originate in the House of Commons.

Section 54 of the BNA Act reads:

> It shall not be lawful for the House of Commons to adopt or pass any Vote, Resolution, Address, or Bill for the Appropriation of any Part of the Public Revenue, or of any Tax or Impost, to any Purpose that has not been first recommended to that House by Message of the Governor General in the Session in which such Vote, Resolution, Address or Bill is proposed.

That, of course, is a spelling out of what is already in section 53. I recognize the point made by the President of the Privy Council, that we used to think that that section

required that there be a resolution preceding a money bill. We decided that that is no longer the case, but it is still true that this House of Commons cannot pass a bill for the appropriation of any part of the public revenue that has not first been recommended to this House by message of the Governor General in the current session. That means that a bill to appropriate money, if we are going to vote for it, has to be one presented in the House with the recommendation of the Governor General. If, on the contrary, we proceed to vote on and pass Bill S-3, which comes to us from the other place without that message to the House, then I submit we are violating section 54 of the BNA Act.

Let me turn also to some of our Standing Orders. Standing Order 62 (1) reads:

> This House shall not adopt or pass any vote, resolution, address or bill for the appropriation of any part of the public revenue, or of any tax or impost, to any purpose that has not been first recommended to the House by a message from the Governor General in the session in which such vote, resolution, address or bill is proposed.

That is obviously taken from the BNA Act.

Standing Order 62 (2) reads:

> The message and recommendation of the Governor General in relation to any bill for the appropriation of any part of the public revenue or of any tax or impost shall be printed on the Notice Paper and in the *Votes and Proceedings* when any such measure is to be introduced and the text of such recommendation shall be printed with or annexed to every such bill.

None of these procedures has been followed because this bill has not originated in this House but rather has come from the other place.

Paragraph (3) does not really matter, so I shall skip it. I will come shortly to a more important one.

Standing Order 63 reads:

> All aids and supplies granted to Her Majesty by the Parliament of Canada are the sole gift of the House of Commons, and all bills for granting such aids and supplies ought to begin with the House, as it is the undoubted right of the House to direct, limit, and appoint in all such bills, the ends, purposes, considerations, conditions, limitations and qualifications of such grants, which are not alterable by the Senate.

• (3:10 p.m.)

The last phrase relates to another problem, and I will have something to say about that in a moment. But please note, Mr. Speaker, that by the granting of money to Her Majesty, and that is what this bill does in the offending clause, the government is provided with certain money which, but for this bill, would not be there because but for this bill that money would lapse. But we have the sole right of originating a bill for such money, and we have the sole and undoubted right to "direct, limit, and appoint in all such bills, the ends, purposes, considerations, conditions" and so on. This is our sole and undoubted right, but in this case the decision is already made and given to us in a bill from the other place.

I must be careful, Mr. Speaker. I must not get worked up into expressing my feelings for the institution we call the other place. That is another issue, and it will come up in a private member's bill in a few days. But here, I am talking to those who accept the existence of the Senate, for a while yet at any rate, and I suggest that as long as it does remain we should follow the constitution. Standing Order 63 is as clear as it could possibly be, that the decisions as to how moneys are to be spent, what limitations, conditions and qualifications are to be attached to such grants, are the sole prerogative of the House of Commons. They are not even alterable by Their Honours in the other place. In this case, not only are they beyond that right but they are going to the point of telling this House, in the first place, how those grants shall be used.

While I am dealing with Standing Orders, may I draw Your Honour's attention to Standing Order 64, which I think we should take very seriously as a House, even if Your Honour were to rule that the bill is in order. I hope the bill is not in order, but if you do rule that it is a decision for the House to make rather than the Chair, I hope the House will carry out the provisions of Standing Order 64 and refuse to receive it. Please note what Standing Order 64 says:

> In order to expedite the business of Parliament, the House will not insist on the privilege claimed and exercised by them of laying aside bills sent from the Senate because they impose pecuniary penalties nor of laying aside amendments made by the Senate because they introduce into or alter pecuniary penalties in bills sent to them by this House; provided that all such penalties thereby imposed are only to punish or prevent crimes and offences, and do not tend to lay a burden on the subject, either as aid or supply to Her Majesty, or for any general or special purposes, by rates, tolls, assessments or otherwise.

If I understand the language of that Standing Order, it is quite clear. It says that, as a general rule, we in this House of Commons have the complete say over money matters, and if the Senate were to send us a money bill we would refuse it. However, it says that if the Senate sends us a bill, or amends a bill of ours, in a money respect, and that bill or

amendment is concerned only with the imposition of a fine or a punishment of some sort, we will not claim our privilege of refusing to accept that bill. Surely, the language of Standing Order 64 is as clear as can be to the effect that in all other cases we will claim our privilege. Therefore I submit, Mr. Speaker, that if Your Honour finds this a matter for the House to decide rather than the Chair, the decision of the House should be to reject the introduction and the first reading of this bill.

Now, Sir, by an interesting but strange coincidence Professor Elmer A. Driedger, now of the Faculty of Law at Queen's University, just a few days before this issue came up very kindly sent me a copy of a paper he had prepared entitled, "Money Bills and the Senate". Professor Driedger sent it to me because he knew I would be interested in this kind of exciting reading. I read it before this issue was raised the other day, and it is amazing how timely it is.

Mr. Turner (Ottawa-Carleton): Would the hon. member give the date?

Mr. Knowles (Winnipeg North Centre): Yes, it is reprinted from the Ottawa Law Review, volume 3, No. 1, Fall 1968, copyright 1968 by the University of Ottawa, and is entitled "Money Bills and the Senate" by Elmer A. Driedger, Q.C. It is a very interesting and learned review of this whole question of whether or not the Senate has the authority to amend money bills.

Professor Driedger, whom we all remember as a distinguished civil servant, a former deputy minister of justice who was with us for many years, goes into the question very thoroughly and finds that the practice in the United Kingdom is quite clear. Their Lordships just do not have this power. He also finds that, over the years, our Senate has argued from time to time that the limitations on their Honours are not the same as the limitations on the House of Lords at Westminster. He points out that the Senate has argued that really the only limitation placed on the Senate in money matters is that they cannot originate money bills.

Now, I do not agree with the position the Senate takes, and I think it is fair to Professor Driedger to say that he does not agree either. But the point I am making, well documented in his article, is that even the Senate, in its discussions over the years of its powers in relation to the House of Commons, has never doubted the proposition that it has no right to originate money bills. The Senate has argued for the right to amend money bills, a right which the House of Commons has never conceded, but at no point has the Senate even contended that it had the right to originate money bills.

Professor Driedger's article, as I said, deals at some length with the position in the United Kingdom, and then he translates that into the Canadian position. As so often happens in these procedural arguments, he falls back on those famous nine words in the preamble to our constitution which so often, when we get into something like this and wonder what the answer is, lead us to say that our constitution is "similar in principle to that of the United Kingdom". And Professor Driedger says that if the Senate has certain powers here that Their Lordships do not have in Westminster, then of course those nine famous words in the preamble to our constitution are being violated. I quote briefly from his article as follows:

> But perhaps the strongest argument in favour of the Commons can be founded on the theory that under our Constitution (similar in principle to that of the United Kingdom), representation and consent form the basis of the power of the Commons to grant money and impose taxes.

Further on he says:

> Through the centuries the principle was maintained that taxation required representation and consent. The only body in Canada that meets this test is the Commons. The elected representatives of the people sit in the Commons, and not in the Senate—

This is Professor Driedger talking, not the member for Winnipeg North Centre.

> —and, consistently with history and tradition, they may well insist that they alone—

The House of Commons.

> —have the right to decide to the last cent what money is to be granted and what taxes are to be imposed.

Professor Driedger carries this argument through to point out something that Your Honour is very much aware of, namely, that we so completely assert our rights with respect to the appropriation of money that, as he says:

> The Supply Bill is presented for Royal Assent by the Speaker of the House of Commons with the words "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 Excellency the following Bill." And in the course of his speech on prorogation the Governor General addresses his thanks to the Commons alone.

In another paragraph, Professor Driedger points out that Section 53 of the BNA Act deals only with origination of bills and therefore does not deal with the question of

amending money bills, so that so far as origination is concerned there is no question that that particular power does not belong to the Senate. Over the years, the Senate has produced a number of studies on this issue, and in some of their memoranda they have made certain arguments for their rights. But as Professor Driedger points out:

The Senate argues that Section 53 takes away only the right to initiate, and not the right to amend;

This is an argument for the Senate's position, that maybe the Senate has power to amend. But at no point in all of these discussions, even on behalf of Their Honours, has there been any question about the right to originate money bills. That right belongs solely, exclusively, absolutely to the House of Commons.

• (3:20 p.m.)

At one point Professor Driedger discussed this position hypothetically and indicated that if this principle were violated, that is if the Senate could amend a money bill, a number of other things might follow. I shall read this paragraph:

Again if the Senate conclusions are sound, it must necessarily follow that the Senate could change the incidence of taxation, could postpone the coming into force of a taxation bill, could limit its duration, and otherwise control or interfere with the imposition and collection of the revenue.

By a logical extension of the Senate conclusions, it would follow that the Senate could

(1) increase or decrease taxation;
(2) increase or decrease appropriations;
(3) alter the purposes of appropriations;

At best, Mr. Speaker, Bill S-3 does this; at worst it appropriates new money, and this one of the things that Professor Driedger lists as an undesirable consequence if we were to give in to the Senate on this issue. I go on with the quotation:

(4) postpone the operation or limit the duration of taxation bills;
(5) alter the incidence of taxation;

As I say, Mr. Speaker, I found this article on the question of the right of the Senate to amend money bills extremely interesting. By implication, it confirms one of the solid facts of Commons-Senate relationships over the years, namely, that whatever power the Senate may have to deal with our bills it has no power to originate a money bill. That power rests solely with the House of Commons.

To come back to the nature of this bill, I know that the President of the Privy Council takes a view different from mine, and of course I think he is wrong. I think this is a money bill but he says it is just a case of putting money that has already been appropriated somewhere else. But if the Dominion Coal Board were to go out of business, the money allocated to it would lapse. It would not be available, and therefore what would be required would be a new appropriation to make it possible for the money to be spent in some other way.

This is an appropriation bill, and in terms of the Standing Orders as well as all the theory of representative government, it is a matter which should originate in this House of Commons. I hope Your Honour will so find. I hope, too, that on the basis of Your Honour's finding this House will refuse to receive this bill from the Senate but will give it back to the government so that it may be introduced in the proper manner in this House of Commons.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I should have thought it apparent that what the government has done is not acceptable. I submit that they should have moved by way of supplementary estimates, with an item of $1, as they did at the last session when transferring unused funds for a different purpose. I do not think that the Section 81(1) has any bearing because it refers to a sort of "class B" Crown Corporation. Here, in the House of Commons, we must receive a recommendation for appropriation, and this was not done. If this proposal is accepted it is possible that we might find moneys which were allocated for one purpose but unused, being diverted to another purpose which had never been considered by this House. I would say that the limitations imposed upon the Crown are binding in this case. The bill should not have started in the Senate but should have come here in the normal course of events with the usual notation "for discussion and disposal".

Mr. Speaker: I should like to thank hon. members for their learned contributions to a very interesting debate. I shall spend some time studying the arguments and precedents brought forward by hon. members and give my ruling as soon as possible.

PRIVILEGES AND ELECTIONS

REFERENCE TO COMMITTEE OF CANADA ELECTIONS ACT AND OTHER MATTERS

On the order: Government notices of motions:

November 6, 1969—The President of the Privy Council—That the Standing Committee on Privileges and Elections be empowered to study the

following matters and to report to the House such proposals as the committee may deem advisable:

1. The Canada Elections Act, exclusive of Sections 62 and 63;

2. The report of the Representation Commissioner on methods of registration of electors and absentee voting, 1968, made pursuant to Section 9 of the Representation Commissioner Act;

And that the evidence adduced by the committee in its study of the aforementioned items during the first session of the twenty-eighth Parliament be referred to the committee.

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

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

DRB INDUSTRIAL RESEARCH PROGRAM

Question No. 21—**Mr. Broadbent:**

For the fiscal year 1968-69 and the current fiscal year up to September 1969, what has been the number of projects, the forecasted federal government expenditures and the actual government expenditures for the Defence Research Board's Defence Industrial Research Program?

Hon. Léo Cadieux (Minister of National Defence): 1. 1968-69: Number of active projects, 101; Forecast expenditures, $4,500,000; Actual expenditures, $4,299,853.

1969-70: Number of active projects, 89; Forecast expenditures (complete fiscal year), $4,500,000; Actual expenditure, $1,162,442.

SINGLE-MAIL PROCESSING SYSTEM

Question No. 69—**Mr. Orlikow:**

1. For what period of time was the single-mail processing system in effect in the post office?

2. What is the estimated cost of introducing the single-mail processing system in the post office and then reverting back to the original system?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): 1. The system was implemented on February 17, 1969.

2. There was no cost to introducing this system which is still in operation. No consideration is being given at this time to reverting back to the former system.

[Mr. Speaker.]

INVESTIGATION OF DEATH OF TROUT

Question No. 85—**Mr. Harding:**

Has the Department of Fisheries and Forestry undertaken an investigation of the thousands of dead trout fish along a four-mile stretch of the Sable River on the south coast of Prince Edward Island and, if so what are the results of this investigation?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): Yes. Fish kill was detected almost immediately on August 25, 1969, by patrol officers in the DeSable River. Some flounders were killed in the tidal portion of the stream and several thousand speckled trout above in the size range 1½" to 12". This is a small stream of average width of eight feet and depth of two feet, infrequently visited by anglers. The source of the kill was located about four and a half miles upstream.

This source was pollution emanating from emptied agricultural pesticide bags and containers, including DDT. Aquatic life in the stream was normal above this point for the remaining several miles.

Water is taken from the stream in the vicinity of the source of pollution for use in spraying equipment by a number of farms. An intensive investigation failed to provide the identity of the person responsible for the violation. The Department is conducting a very comprehensive program with a view of stamping out the release in streams of these deleterious materials related to agricultural activities.

STUDIES BY PROFESSOR WARNER

Question No. 87—**Mr. Thomson:**

1. What studies by Professor R. E. Warner have been sponsored by the Fisheries Board of Canada?

2. What are the general results of these studies on the subject of the environmental effects of oil pollution in Canada?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): 1. The Fisheries Research Board of Canada has been involved in a minor way in paying Professor R. E. Warner's travel expenses to the Arctic to examine the scene where an oil barge was crushed and sunk near Melville Island.

2. Professor Warner was unable to locate the oil slick in flights over the scene. His account points out (a) the need to maintain contact with the spill in Arctic conditions, (b) the need for practical guidelines to deal with such spills and (c) the need for co-ordination of efforts by an appropriate body.

EMPLOYMENT OF SARAH ANNE ROBINSON

Question No. 110—**Mr. Howard (Skeena):**

Since January 1, 1966, has Sarah Anne Robinson, Ph.D., been employed by the Department of Indian Affairs and Northern Development for any purpose and, if so (a) what, in detail, was she employed to do, (b) in what geographic areas was this work conducted, (c) what amounts of money was she paid, and (d) does the government consider that it received full value for the money so expended?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): (a) Miss Robinson has not been employed by the Department of Indian Affairs and Northern Development, (b), (c) and (d) Not applicable.

SERVICEMEN'S GROUP INSURANCE

Question No. 111—**Mr. Brewin:**

1. Has the Department of National Defence taken out group insurance for Service men?

2. What is the aggregate amount of insurance taken out?

3. Was the contract given to the Maritime Life Assurance Company of Halifax?

4. Is the Maritime Life Assurance Company of Halifax a subsidiary of the John Hancock Mutual Life Assurance Company of Boston?

5. Has the group insurance been divided or farmed out one-third to the John Hancock Mutual Life Assurance Company of Boston, one-third to the National Life Company of Canada and one-third retained by the Maritime Life Assurance Company of Halifax?

6. If these are not the correct figures, has the group policy been farmed out and on what basis?

Hon. Léo Cadieux (Minister of National Defence): 1. No. Members of the Canadian Forces designed a self-paid group insurance plan for the specific needs of the serviceman. The Chief of the Defence Staff will sign the contract on behalf of the serviceman. The expenditure of public funds is not involved in this proposal.

2. The value of the insurance and the premiums are individual based on age, income, family status and years of service. Since it is a vountary program the number of participants cannot be forecast and thus the aggregate amount of protection is unknown.

3. The plan was offered to all federally registered insurance companies. A consortium, of which Maritime Life Assurance Company of Halifax was a member, was eventually accepted.

4. John Hancock Mutual Life Assurance Company of Boston is the principal shareholder of Maritime Life Assurance Company of Halifax.

5. This insurance plan is co-insured by the three companies quoted in equal amounts. Maritime Life Assurance Company, is a member of the consortium, will be operating and administering the plan.

6. Not applicable.

PAYMENTS TO EUGENE STEINER PUBLIC RELATIONS LTD.

Question No. 112—**Mr. Howard (Skeena):**

Since March 1, 1969, how much money has been paid to Eugene Steiner Public Relations Ltd., 1330—8th St., S.W., Calgary, Alberta by the Department of Indian Affairs and Northern Development?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): We have no record of Eugene Steiner Public Relations Ltd. However, $6,473.19 was paid to K. M. Steiner Public Relations Ltd., 514-5th Ave. S.W. Calgary 1, Alberta, from March 1, 1969 to October 1, 1969.

PAYMENTS TO BERGER, TISDALL, CLARK AND LESLEY LTD.

Question No. 113—**Mr. Howard (Skeena):**

Since March 1, 1969, how much money has been paid to Berger, Tisdall, Clark and Lesley Ltd. Box 61, Toronto-Dominion Centre, Toronto, Ontario by the Department of Indian Affairs and Northern Development?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Since March 1, 1969, $7,000 has been paid to Berger, Tisdall, Clark and Lesley Ltd., Toronto by this Department.

PAYMENTS TO CROCKETT WRITERS

Question No. 114—**Mr. Howard (Skeena):**

Since March 1, 1969 how much money has been paid to Crockett Writers, Public Consultants, 295 Kensington St., Winnipeg, Manitoba by the Department of Indian Affairs and Northern Development?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Since March 1, 1969, $3,248.16 has been paid to Crockett Writers, Public Relations Consultants, Winnipeg, by this Department.

PAYMENTS TO JACQUES GUAY ET ASSOCIÉS INC.

Question No. 115—**Mr. Howard (Skeena):**

Since March 1, 1969 how much money has been paid to Jacques Guay et associés inc., Public Relations Counselors, Suite 440, Dominion Square Building, 1010 St. Catherine St., West, Montreal 2, Quebec by the Department of Indian Affairs and Northern Development?

Questions

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Since March 1, 1969, $5,788.89 has been paid.

PAYMENTS TO INTERNATIONAL SURVEYS LIMITED

Question No. 116—**Mr. Howard (Skeena):**

Since March 1, 1969 how much money has been paid to International Surveys Limited, 550 Sherbrooke St., West, Montreal 2, Quebec by the Department of Indian Affairs and Northern Development?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): No money has been paid to International Surveys Limited, Montreal, by this Department since March 1, 1969.

PAYMENTS TO WILLIAMS AND WILSON LTD.

Question No. 117—**Mr. Howard (Skeena):**

Since March 1, 1969 how much money has been paid to Williams and Wilson Ltd., Public Relations Counsel and Services, 1161 Melville St., Vancouver 6, B.C. by the Department of Indian Affairs and Northern Development?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Since March 1, 1969, $16,589.60 has been paid to Williams and Wilson Ltd., Vancouver, by this Department.

PAYMENTS TO DESROCHES, JASMIN ET ASSOCIÉS INC.

Question No. 118—**Mr. Howard (Skeena):**

Since March 1, 1969, how much money has been paid to Desroches, Jasmin et Associés Inc., Public Relations Counsellors, 640 Cathcart St., Montreal 2, Quebec, by the Department of Indian Affairs and Northern Development?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): None.

ARMED FORCES AIRCRAFT RESCUE OPERATIONS

Question No. 142—**Mr. Barnett:**

1. How many hours of flying time under the direction of the Rescue Co-ordination Centre, Vancouver, B.C., was spent by Armed Forces aircraft in the period (a) July 1, 1968 to December 31, 1968 (b) January 1, 1969 to June 30, 1969?

2. Of this time how much was spent on (a) marine searches (b) mercy flights (c) aircraft searches (d) searches for missing persons (hunters, etc.)?

3. How many aircraft of the Canadian Forces participated in such operations during these periods and in what numbers for each type of aircraft used?

4. What was the maximum number of aircraft participating at any one time?

5. What is the estimated average cost per flying hour?

[Mr. Howard (Skeena).]

Hon. Léo Cadieux (Minister of National Defence): 1. (a) 834 hours, 28 minutes; (b) 678 hours, 53 minutes.

2. (a) 92 hours, 8 minutes; (b and d) 283 hours, 55 minutes (These are not recorded separately); (c) 916 hours, 58 minutes.

3. Albatross and Labrador aircraft in 442 Squadron at CFB Comox carry out search and rescue in the Pacific area. Other military aircraft such as Dakota, T33 or Hercules may be called in when required for a major search and rescue operation.

4. Eight.

5. As Order-in-Council P.C. 1962-13/653, dated 2 May, 1962, stipulates no fee will be charged for humanitarian assistance, specifically search and rescue, no record of costs of individual searches is maintained. The estimated average cost per flying hour for each of these aircraft based on costs of fuel, oil, lubricants, spares and contractor repair and overhaul is as follows: (a) Albatross, $142; (b) Labrador, $229; (c) Dakota, $117; (d) T33, $141; (e) Hercules, $318.

RCMP INTERVIEWS OF SUSPECTED U.S. DRAFT EVADERS OR DESERTERS

Question No. 177—**Mr. Nystrom:**

1. What authority has the RCMP to locate and interview persons suspected of being draft evaders or deserters from the United States?

2. How many such interviews have taken place since January 1, 1969?

3. How many man-hours have been involved in these procedures?

Hon. G. J. McIlraith (Solicitor General): 1. The Royal Canadian Mounted Police, by virtue of Section 18 of the RCMP Act, has authority to make investigations under the Immigration Act and, in reference specifically to Section 50 thereof, to locate and interview aliens to determine their method of entry into and their present status in Canada.

2. 2,259.

3. Man-hours not recorded.

UNEMPLOYMENT INSURANCE APPLICATIONS

Question No. 194—**Mr. Laprise:**

How many initial applications were made to the Unemployment Insurance Commission during 1967-1968?

[*Translation*]

Hon. Bryce Mackasey (Minister of Labour): There were 1,389,366 initial applications made to the Unemployment Insurance Commission during 1967-68.

[*English*]

R.C.M.P. SUPERANNUATION ACCOUNT

Question No. 203—**Mr. Knowles (Winnipeg North Centre):**

1. What was the total amount of money in the Royal Canadian Mounted Police Superannuation Account as at (a) March 31, 1964 (b) March 31, 1965 (c) March 31, 1966 (d) March 31, 1967 (e) March 31, 1968 (f) March 31, 1969?

2. What rate of interest does the Government pay for the use of this money?

3. What amount of interest was credited to the Royal Canadian Mounted Police Superannuation Account during the fiscal years ending (a) March 31, 1964 (b) March 31, 1965 (c) March 31, 1966 (d) March 31, 1967 (e) March 31, 1968 (f) March 31, 1969?

4. What was the total amount paid out of the Royal Canadian Mounted Police Superannuation Account during the fiscal years ending (a) March 31, 1964 (b) March 31, 1965 (c) March 31, 1966 (d) March 31, 1967 (e) March 31, 1968 (f) March 31, 1969?

Hon. G. J. McIlraith (Solicitor General): 1. (a) March 31st, 1964, $45,986,906.99; (b) March 31st, 1965, $57,706,948.59; (c) March 31st, 1966, $65,411,253.45; (d) March 31st 1967, $85,081,315.27; (e) March 31st, 1968, $104,724,-111.76; (f) March 31st, 1969, $130,811,253.12.

2. Interest is credited to the Superannuation Account on the last day of each quarter in each fiscal year, namely, on June 30, on September 30, on December 31 and on March 31, respectively, calculated at the rate of one per cent of the balance to the credit of the Account on the last day of the preceding quarter.

3. (a) March 31st, 1964, $1,576,978.32; (b) March 31st, 1965, $1,929,488.33; (c) March 31st, 1966, $2,420,759.75; (d) March 31st, 1967, $2,841,067.52; (e) March 31st 1968, $3,534,-722.02; (f) March 31st, 1969, $4,494,764.86.

4. (a) March 31st, 1964, $573,195.38; (b) March 31st, 1965, $666,752.98; (c) March 31st, 1966, $848,113.32; (d) March 31st, 1967, $972,646.84; (e) March 31st, 1968, $988,991.22; (f) March 31st, 1969, $1,101,036.09.

IMPORTS—DESIGNATION AS TO SOURCE OF ORIGIN

Question No. 234—**Mr. Gleave:**

1. Which imports coming into Canada are not labelled to be specifically identified as to source of origin and for what reasons?

2. Is the Government of Canada giving favourable consideration to requiring Australian beef imported into Canada to be labelled as to source of origin?

Hon. Jean-Pierre Côté (Minister of National Revenue): 1. The following is a list of categories of imported goods which are not required to be marked as to country of origin: (a) Goods for use by the trade which are not normally considered to be consumer goods. The Marking of Imported Goods Order was passed by Order in Council under the authority of section 15 of the Customs Tariff, to provide for country of origin marking of certain consumer goods so that the ultimate purchaser or consumer could determine the origin of an article if he so desired, and was not intended to be a protection for manufacturers or a form of trade barrier. (b) Goods that are only partially manufactured before importation or are components to be further manufactured or to be incorporated into other goods in Canada. To require goods of this nature to be marked could result in goods of substantial Canadian manufacture being sold on the domestic and world markets as the produce of the country of origin of the imported part. (c) Goods imported by individuals or institutions for their own use such as antiques, gifts, personal effects, bequests and donations to institutions. In instances of this nature, the importers are also the ultimate consumers and are aware of the origin of the goods by virtue of the importation effected. (d) Goods imported on a temporary basis or in transit through Canada. Importations of this nature usually do not become the property of anyone in Canada and in most instances remain under Customs control while in Canada. Departmental Memorandum D42 established by Order in Council P.C. 1963-1775, December 5, 1963, as amended, contains the Marking of Imported Goods Order including a Schedule of the goods to which this Order applies.

2. Importations of beef from Australia, as well as from other countries whose system of meat inspection is satisfactory to the Government of Canada, are presently subject to country of origin labelling in accordance with Part VI of the Meat Inspection Regulations. Section 87(1) states in part: "Except as provided in this Part, products are not eligible for importation into Canada unless (b) there is securely applied to the meat product and to the package and container thereof (iii) the name of the country of origin preceded by the words 'product of', except that where the name of the country of origin appears as

part of an official stamp or brand of the national government and such name is prominently displayed, the words 'product of' may be omitted from the marking." The Department of National Revenue, Customs and Excise co-operate with the Department of Agriculture in the administration of the parts of the Act dealing with imports and exports of meat. Regulations pertaining thereto were passed by Order in Council P.C. 1959-192, February 19, 1959, as amended, and are published in departmental Memorandum D55-18.

PAROLES FROM FEDERAL PRISONS

Question No. 238—**Mr. Winch:**

1. How many persons are estimated to be paroled from federal prisons in 1969?

2. How many persons are estimated to be paroled from federal prisons in 1970?

Hon. G. J. McIlraith (Solicitor General): 1. 1,600.

2. 1,930.

CHANGES IN SEALING INDUSTRY REGULATIONS

Question No. 274—**Mr. Diefenbaker:**

1. What alterations or changes have been made in the regulations or by direction of the Department of Fisheries in connection with the sealing operations of baby seals?

2. When do the altered provisions go into effect?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): 1. The sealing seasons in the Gulf of St. Lawrence and on the Front will be shortened; whitecoats will not be taken in the Gulf; the use of aircraft and helicopters will be prohibited except for scouting or searching for seal herds and landing in close proximity to seals will not be allowed; it will be illegal to shoot seals in the water.

2. In time for the 1970 sealing season.

FRESHWATER FISH MARKETING BOARD EXECUTIVE OFFICERS

Question No. 277—**Mr. Reid:**

1. When were the chief executive officers of the Freshwater Fish Marketing Board appointed?

2. Who were responsible for these appointments?

3. What consultations were taken with the fishermen about these appointments, and if there were none, for what reason?

4. What is the background of each of the chief executive officers of the Freshwater Fish marketing board?

[Mr. Côté (Longueuil).]

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): 1. The President who is the Chief Executive Officer of the Freshwater Fish Marketing Corporation was appointed on March 7, 1969.

2. This appointment is by Order-in-Council as required by the legislation.

3. There were no formal consultations with fishermen but many were known to be in favour of the appointee selected.

4. The President, David F. Corney, has been in the fish business for 20 years in the course of which he was engaged as General Manager of the Saskatchewan Fish Marketing Service for ten years, and General Manager of Acadia Fisheries Limited, Mulgrave, N.S. for six years. He was ten years a Director and eventually President of the Fisheries Council of Canada.

FRESHWATER FISH MARKETING ADVISORY BOARD

Question No. 278—**Mr. Reid:**

1. When was the Advisory Board of the Freshwater Fish Marketing Board appointed?

2. Was it consulted in the appointment of the chief executive officers of the Freshwater Fish Marketing Board and, if not, for what reason?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): 1. Twelve members of the Advisory Committee were appointed by Order-in-Council on May 22, 1969.

2. The Advisory Committee as provided in Part II of the Freshwater Fish Marketing Act is advisory to the Corporation on such matters relating to trading and dealing in fish, fish products or fish by-products as are referred to it by the Board of the Corporation.

FRESHWATER FISH MARKETING BOARD—COMPETITION FOR EXECUTIVE POSITIONS

Question No. 279—**Mr. Reid:**

1. What kind of competition was run for the chief executive positions on the Freshwater Fish Marketing Board, and what kind of advertising was given to these competitions, and if there were no competitions, why were there none?

2. By what authority were these positions filled without a competition, and how were the people now holding the chief executive positions on the Freshwater Fish Marketing Board selected?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): 1. Following normal business practice, the Freshwater Fish Marketing Corporation advertised

its requirements for executives where this appeared most practical or necessary to find the talent required to fill the position and no advertising was considered necessary, particularly in the case of urgent and limited term requirements in this period of transition, where personnel with known skills and experience were immediately available from within the fishery and the fish trade community.

2. The Freshwater Fish Marketing Act. Appointments were approved by the board of directors on the recommendation of the president.

BOW RIVER—CONTROL OF RAW SEWAGE

Question No. 288—**Mr. Mahoney:**

1. Has the Department of Indian Affairs and Northern Development completed its plans for the installation of facilities to prevent the escape of raw sewage into the Bow River from the Banff municipal sewage system?

2. When is it proposed that these facilities be in operation?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. Plans are underway. There has been a pre-tender call and there is considerable interest by companies.

2. It is intended that the project get underway early in the next fiscal year for completion in the fall of 1970.

ORAL QUESTION PERIOD

TAXATION

SALES AND SPECIAL COMMODITY TAXES—INQUIRY AS TO REVIEW

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question relating to finance. I do not know whether as a result of the white paper on taxation the Prime Minister and his finance minister have sought refuge or are away celebrating. In view of the statement by the Minister of Finance that the government will review its sales and special commodity taxes as soon as Parliament and the country have digested the white paper proposals, will somebody say when the review will get under way and how it will proceed? Will we have a white paper with regard to these taxes and, if so, when?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, the department will be responding to questions tomorrow.

An hon. Member: Tomorrow?

Mr. Stanfield: The department is supposed to be responding to questions today, Mr. Speaker.

Mr. Woolliams: We might as well have had a holiday today. They are all away.

Mr. Crouse: You are the government; you are running the country.

Mr. Macdonald (Rosedale): Give your leader a chance. He needs it.

Mr. Stanfield: Mr. Speaker, I must say I am delighted by the co-operative attitude shown by the government house leader. I have a supplementary question for the appropriate minister when he comes into the House to answer. Is it the position of the government of Canada that Parliament should be asked to consider proposals like those in the white paper without having had an opportunity to examine and consider in the same context changes in the sales and special commodity taxes, which the government intends to consider?

Mr. Macdonald (Rosedale): Mr. Speaker, if I may correct my previous answer, the House will not be sitting tomorrow so it will respond to the question on Wednesday.

THE CANADIAN ECONOMY

FOREIGN TAKE-OVERS OF CANADIAN FIRMS

Mr. David Lewis (York South): Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs arising from a report by the anti-combines branch which showed an alarming increase in take-overs in Canada as well as an alarming increase in the merger of Canadian firms. Is the minister considering the establishment of an agency or other body within his department to supervise foreign take-overs of Canadian firms and to limit such take-overs if it is in the public interest to do so?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, the comment in the report tabled the other day arose out of a study prepared for the Economic Council of Canada which was published some months ago. The recommendations of the study were taken into account in the recommendations that the Economic Council of Canada made with regard to competition policy. The implications of the report, the implications of the merger movement in

Canada and of the take-over movement, are being considered in our proposed revisions of the Combines Investigation Act.

Mr. Lewis: A supplementary question, Mr. Speaker. If I understood the minister's answer correctly, he said that all these things are now being studied by his department. Can he inform the House when he expects the studies in this important field to be concluded and whether he expects to bring in legislation to deal with these matters?

Mr. Basford: Mr. Speaker, the Speech from the Throne indicated that we will be introducing amendments to the Combines Investigation Act during the present session.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, a supplementary question.

In his investigation on American control over Canadian companies, could the minister include the new government of Manitoba which only last week borrowed $15 million from the Americans?

[*English*]

POST OFFICE

PARCEL DELIVERY—INCREASE IN SERVICE BY BUS COMPANIES

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, since so many ministers are absent may I direct my question to the Postmaster General. It is prompted by information that certain bus companies are expanding their parcel delivery system in anticipation of increased demand for their services because of high rates and the lack of dependability of delivery by the Post Office. Can the minister advise if he or any of his 15 task forces are contemplating the withdrawal of the Post Office from the parcel post business?

Hon. Eric W. Kierans (Postmaster General): The answer is no, Mr. Speaker.

PUBLIC ACCOUNTS

REQUEST FOR TERMS OF REFERENCE FOR COMMITTEE

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, may I direct a question to the Acting Prime Minister. Since the Public Accounts Committee has a vast amount of work facing it, a fact that was drawn to the government's attention only last week, and since no action has yet been taken, will the Acting Prime Minister see to it that the required terms of reference to the Public Accounts Committee are brought in as speedily as possible in order that we, the members of the committee, can not only get on with the work ahead of us but obtain fresh authority to bring in a report on the work we finished prior to the recess?

Hon. G. J. McIlraith (Acting Prime Minister): Mr. Speaker, I will be very glad to look into the matter.

VIOLENT DISTURBANCES

PROPOSED MONTREAL BYLAW

[*Translation*]

Mr. Gilbert Rondeau (Shefford): I should like to put a question to the Minister of Justice.

Can he tell us whether the authorities of the city of Montreal have asked the advice of his department concerning the bylaw which it is on the verge of passing in connection with demonstrations and public meetings which will from now on be banned in the city?

Hon. John N. Turner (Minister of Justice): No, Mr. Speaker.

Mr. Rondeau: I wish to put a supplementary question to the Minister of Justice.

Does he believe that the Montreal bylaw is constitutional?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, this question is still—

Mr. Speaker: Order. The hon. member will admit that the question is out of order.

[*English*]

Mr. Andrew Brewin (Greenwood): A supplementary question, Mr. Speaker. In view of the apparently sweeping nature of the proposed bylaw to ban demonstrations in Montreal and its possible implications with respect to freedom of speech and freedom of assembly guaranteed by the Canadian Bill of Rights, will the Minister of Justice look into this question and consider making a statement to the House on the constitutional aspects of the bylaw?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, since the bylaw is still before the city council of Montreal, I doubt whether it would be appropriate for me at this time to say much about it. I have asked to see a copy of the text of the bylaw. Of course, whether such bylaw is constitutional or not will depend, in the final analysis, on what the courts might

say about it if it were challenged. If the bylaw were challenged it might, at that point, give an opportunity to the Attorney General of Canada to decide whether to intervene.

VETERANS AFFAIRS

LAYING OF WREATH AT WAR MEMORIAL

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, may I direct a question to the Minister of Veterans Affairs. Can he advise the House what minister is to lay the wreath tomorrow at the war memorial on behalf of the government of Canada?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Mr. Speaker, it will be the Acting Prime Minister.

Mr. Marshall: A supplementary question, Mr. Speaker. Can the minister explain why the Prime Minister himself will not be laying the wreath?

Mr. Speaker: Order, please.

FISHERIES

CONSERVATION OF RESOURCES OF SEA, CONTROL OF POLLUTION

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, since the Prime Minister and the Secretary of State for External Affairs are absent, may I direct a question to the Parliamentary Secretary to the Minister of Fisheries and Forestry. Has the hon. gentleman anything to report on the outcome of discussions held over the weekend between the Prime Minister and U Thant on the proposed conservation of our sea resources as well as methods for controlling pollution of the high seas?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): No, Mr. Speaker, I have nothing to report at this time.

FINANCE

INQUIRY AS TO ESTABLISHMENT OF SECURITIES COMMISSION

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, may I direct a question to the Minister of Consumer and Corporate Affairs. Since the list of legislation tabled by the Prime Minister on opening day does not contain any reference to a bill dealing with a Canadian or national securities commission, does that mean the minister has abandoned any thought of establishing such a commission? Will he report to the House what progress he has made since the month of June with regard to obtaining consent for the establishment of such a commission?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, the answer to the first part of the question is no. The answer to the second part is that we are still considering our position within the government.

PUBLIC SERVICE

ACHIEVEMENT OF QUOTA IN UNITED APPEAL CAMPAIGN

Mr. Lloyd Francis (Ottawa West): Mr. Speaker, I have a question for the Secretary of State. Did the Public Service division of the United Appeal achieve its quota in the recent Red Feather drive. If so, will the government issue a statement to counteract the impression left on a recent television program that the Public Service division was in large part responsible for the failure to meet the United Appeal quota?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): According to my information on the subject, Mr. Speaker, the Public Service employees have not only reached but oversubscribed the objective set for them in this joint appeal, and it might be a good idea to take up the hon. member's suggestion and issue an official statement about it.

[*English*]

ALLEGED LACK OF EQUAL EMPLOYMENT OPPORTUNITIES FOR WOMEN

Mr. Barry Mather (Surrey): Mr. Speaker, I wanted to direct a question to the President of the Treasury Board. Since he is absent may I direct the question to an appropriate minister of the government who can take it as notice. In view of the statement over the weekend by the chairman of the Public Service Commission of Canada alleging a lack of equality in employment opportunities for women in the Canadian Public Service, will the minister look into this matter and make an early statement in the House?

Mr. Speaker: Order, please. I doubt whether the question in the form it was asked is in order. The hon. member should ask his question directly, instead of seeking a comment from the minister about a statement made outside the House.

Inquiries of the Ministry

CRIMINAL CODE

JUVENILE DELINQUENCY—CONSIDERATION OF RAISING OF AGE

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, may I direct a question to the Minister of Justice. It has to do with Criminal Code reforms to be brought in to comply with recommendations of the Committee on Juvenile Delinquency. Is the Minister of Justice considering amendment of the Criminal Code so that the age at which a person may be convicted for an offence will be raised from seven years, the present age, to twelve years. Will he also be considering section 13, the exception clause?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, we are studying all aspects of that report.

Mr. Woolliams: A supplementary question, Mr. Speaker. No bill has yet been brought down, but in the contemplated reform of the Criminal Code, will this aspect be dealt with?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I am afraid the hon. member will have to wait and see. It may be in that bill or in another bill to be introduced by my colleague, the Solicitor General.

Mr. Woolliams: A further supplementary question, Mr. Speaker. In view of the minister's answer and the convictions registered against youths, would he consider referring my bill to amend sections 12 and 13 of the Criminal Code to the Standing Committee on Justice and Legal Affairs?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, whatever procedure we may want to adopt, I certainly will do everything I can to make sure that the provisions of the hon. member's bill receive early consideration by the committee. I do not know whether I can influence the deliberations of that committee. The hon. member is a very prominent member of it.

COMBINES

RETAIL GASOLINE TRADE—MACKENZIE REPORT—INQUIRY AS TO FINDINGS

Mr. Don Mazankowski (Vegreville): Mr. Speaker, may I direct a question to the Minister of Consumer and Corporate Affairs. On March 6 last the minister told the House that the research division of the Combines Investigation Branch was conducting an examination of the MacKenzie report to the provincial government of Alberta in respect of the retail gasoline trade. He stated also at that time that the report was being referred to the Economic Council of Canada. Can the minister now say whether the examination of the MacKenzie report has been completed by these two bodies, and can he also state whether we may expect the findings to be communicated to this House?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): The Economic Council in its report published last August commented on the problems and some of the trade practices raised not only in the MacKenzie report but in the T.B.A. report and the B.C. report, all of which dealt with similar trade practices engaged in by the oil companies. As I said earlier today, we are considering the report of the Economic Council leading toward a revision of the Combines Investigation Act.

With regard to the MacKenzie report, I want to make it very clear that many of its recommendations do not fall within the jurisdiction of either the Combines Investigation Act, no matter how worded, or within the jurisdiction of the federal government. Many of these recommendations with regard to licensing, terms of chattel mortgages or leases, are purely provincial matters.

Mr. Mazankowski: A supplementary question, Mr. Speaker. In light of the fact this question is of the utmost importance, particularly to those who are involved in the gasoline trade, is the minister prepared to introduce this subject to Parliament by means of a white paper or some other parliamentary procedure?

Mr. Basford: My preference would be to act more quickly than that and introduce an anti-combines revision act.

Mr. Mazankowski: In light of the fact Imperial Oil has launched an intemperate attack on the MacKenzie report, can the minister advise whether in fact this or any other company made representations to his department—

Mr. Speaker: Order, please. This supplementary should be placed on the order paper.

NATIONAL HOCKEY LEAGUE—INQUIRY AS TO INVESTIGATION

Mr. Steven E. Paproski (Edmonton Centre): I wish to direct my question to the Minister of Consumer and Corporate Affairs. Since the minister is from Vancouver I wish to ask, in

view of the large initiation fee Vancouver has to pay to enter the National Hockey League, whether he will investigate the N.H.L. under the Combines Investigation Act?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, unfortunately the law is clear that professional sports do not fall within the Canadian Combines Investigation Act. As the hon. member may have noticed, I had some discussions on this subject a few days ago in Washington and I stated some months ago in Toronto the onus was on professional sports leagues to show why they should not be included in a revised Combines Investigation Act.

TRANSPORT

SUGGESTED CURTAILMENT OF RAILWAY PASSENGER SERVICE—REQUEST FOR PUBLIC HEARINGS

Mr. Stanley Knowles (Winnipeg North Centre): I wish to direct a question to the Acting Prime Minister. In view of the deep concern felt by railway workers over the applications by the two railways to abandon passenger services and in view of requests by the unions representing these workers that hearings on these applications be held in public, will the government do what it can to see to it that these requests are met?

Hon. G. J. McIlraith (Acting Prime Minister): Mr. Speaker, I will have the matter looked into.

PUBLIC BUILDINGS

OTTAWA—METHOD OF SELECTING MONTREAL CONTRACTOR

Mr. G. W. Baldwin (Peace River): I have a question for the Minister of Public Works. It is based on the report that the government, in hot pursuit of its program of austerity, awarded a contract for $27 million to a Montreal firm for the construction of buildings in the city of Ottawa. Can the minister advise if this contract was awarded by tender or by closed invitation?

Mr. Speaker: I think this question should be placed on the order paper. If there is urgency about the matter, it can be considered at the time of adjournment.

MANPOWER

JOB OPPORTUNITIES FOR UNIVERSITY GRADUATES

Mr. Louis-Roland Comeau (South Western Nova): My question is to the Minister of Manpower and Immigration. In view of the growing concern about the number of non-Canadians on the faculties of Canadian universities and the lack of job opportunities for Canadians at the graduate and post-graduate level, can the minister tell the House if his department has in existence any programs designed to provide placement for the highly educated unemployed?

Mr. Speaker: Similar questions have been asked in the past. It has always been the view of the Chair that information of this kind should be given by ministers by way of a statement on motions. Perhaps the question might be asked in those terms.

Mr. Comeau: Would the minister be prepared to make a statement on motions regarding this problem?

Hon. A. J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, I am aware of the problem my hon. friend mentions. I will seek some opportunity to give the information that I have available on this point.

DRUGS

LSD—INQUIRY AS TO LEGISLATION

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I wish to address a question to the Minister of Justice. In view of recent hospital reports of an alarming increase in emergency treatment of young people suffering from the effects of LSD, as well as four deaths in the last month, is the minister considering the taking of early action on the legislative level?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, despite the tragedy of the particular instances which the hon. member has brought to the attention of the House, it is still the intention of the government to await the report of the task force under the chairmanship of Dean Le Dain of Osgoode Hall Law School. The Minister of National Health and Welfare is awaiting his report on the non-medical use of drugs. I think that is the position at the moment.

EXTERNAL AFFAIRS

PURPOSE OF VISIT BY MINISTER TO MIDDLE EAST

Mr. Lorne Nystrom (Yorkton-Melville): I wish to direct a question to the Acting Prime Minister, Mr. Speaker. Is the minister in a position to inform the House as to the purpose of the visit by the Secretary of State for External Affairs to the Middle East?

Hon. G. J. McIlraith (Acting Prime Minister): No, Mr. Speaker.

Mr. Nystrom: A supplementary question, Mr. Speaker. Is the Acting Prime Minister in a position to inform the House as to which countries the minister will be visiting while in the Middle East?

Mr. McIlraith: No, Mr. Speaker, but I will be glad to have that information brought forward on Wednesday.

[*Later:*]

Mr. McIlraith: Mr. Speaker, a few moments ago I answered two questions addressed to me. I was under the impression the Parliamentary Secretary to the Secretary of State for External Affairs was not in the House. I notice he is in the House and perhaps he could be permitted to give fuller answers to those questions.

[*Translation*]

Mr. Jean-Pierre Goyer (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, the Secretary of State for External Affairs (Mr. Sharp) is going to Iran, Israel and the United Arab Republic.

The purpose of his trip is to respond to the invitation extended by the Foreign Affairs ministers of these three countries and, naturally, to inquire in the field on the problems facing those countries.

The object of his mission is necessarily a peaceful one, even if it is not necessarily a peace mission.

[*English*]

CAPE BRETON DEVELOPMENT CORPORATION

INQUIRY AS TO APPOINTMENT OF CHAIRMAN

Hon. Robert L. Stanfield (Leader of the Opposition): I wanted to ask a question relating to external affairs but apparently there is no one in the House to answer. I think this is a day on which the Minister of Regional Economic Expansion is supposed to respond to questions. He was here earlier. Perhaps his Parliamentary Secretary could inform the House whether a chairman of the board of the Cape Breton Development Corporation has yet been appointed to replace the chairman who resigned a number of months ago?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): I will be pleased to bring that question to the attention of the minister, Mr. Speaker.

INQUIRY OF THE MINISTRY

Mr. T. S. Barnett (Comox-Alberni): I have a question for the Postmaster General. In view of the increasing number of Canadians who are deprived of letter carrier delivery service under the existing rules of the Post Office, does the minister or the government have under consideration the complete abolition of mail delivery to individual premises across Canada in order that all discrimination can be eliminated?

Mr. Speaker: Order, please. The question appears to be in argumentative terms.

VETERANS AFFAIRS

TRANSFER OF LANCASTER HOSPITAL

Mr. Thomas M. Bell (Saint John-Lancaster): My question is to the Minister of Veterans Affairs. With regard to the take-over of the Lancaster veterans hospital, which is the subject matter of a pending question on the late show this week by the hon. member for York-Sunbury, will the minister satisfy himself that the heavy lay-offs of staff from this hospital are in accordance with civil service guarantees?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): As the hon. member has said, Mr. Speaker, this whole matter will be discussed on the late show some time this week, perhaps this evening. With regard to the lay-offs, I wish to assure the hon. member that all due precautions and notices have been given. We do not know as yet how many lay-offs there will be. What we did send out last week were notices to those who may be surplus. It is very possible those who have received such notices will fit into other positions.

WAR VETERANS ALLOWANCE ACT—INQUIRY AS TO REFERENCE TO COMMITTEE

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I wish to direct a question to the Minister of Veterans Affairs. Tomorrow being Remembrance Day, I wonder if I might ask the hon. gentleman a question which is of concern to many veterans. When the Standing Committee on Veterans Affairs finishes the work it is now doing in connection with the Pension Act, will the government be prepared to refer to that committee a study of the War Veterans Allowance Act?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Mr. Speaker, the Prime Minister has already announced—in fact, he did so on June 16 before the adjournment of the previous session—that the whole fabric of social legislation in this country is under review by the government. As soon as this review has been completed announcements will be made at the proper time.

• (3:50 p.m.)

GOVERNMENT ORDERS

RAILWAY ACT

EXTENSION OF AUTHORITY OF CANADIAN TRANSPORT COMMISSION RESPECTING TELEGRAPH AND TELEPHONE TOLLS

Hon. Eric W. Kierans (Postmaster General and Minister of Communications) moved the second reading and reference to the Standing Committee on Transport and Communications of Bill C-11, to amend the Railway Act.

He said:

[*Translation*]

Mr. Speaker, the purpose of the bill is merely to extend the regulating powers of the Canadian Transport Commission with regard to telecommunications companies whose activity falls within its jurisdiction. Before going into the reasons for this initiative, I should like to say a few words about the Canadian telecommunications industry and existing regulating powers.

Our industry represents a unique combination of the public and private sectors which, through the years, has allowed the setting up in Canada of one of the best telecommunications system in the world. Thanks to their efforts of voluntary co-operation, those companies which, in this respect deserve praise, have managed to set up an integrated national system that meets the nation's economic and social needs. The most recent addition to this family of companies is, naturally, Telesat Canada. A few months ago we made a review of the plans for integrating the new satellite technology into the complex cable and microwave network we already have. It behoves us all to pursue our overall plan and use our authority in such a way that the Canadian telecommunications network may be even more efficient, more flexible and surer in the future.

[*English*]

Turning now, Mr. Speaker, to the regulatory situation, radio matters as such are exclusively under federal jurisdiction. So, also, are the affairs of telecommunications companies operating under federal charter, of which the most prominent are Bell Canada, CN/CP Telecommunications and the British Columbia Telephone Company.

The implementation of this federal jurisdiction in terms of legislation has been I think it is fair to say, rather limited. Apart from broadcasting, the regulation of telecommunication has been confined largely to a detailed technical control of the use of radio, a rate setting activity in the public telephone and telegraph field, a control over submarine cables used for external telecommunication, and other matters covered by special acts.

Under the Railway Act, the Canadian Transport Commission regulates telephone and telegraph rates charged to the public but not the rates for services where no charge is made to the public. These latter services are usually referred to in the jargon as private wire services. They include such things as networks for TV distribution, Telex and TWX, data transmission for computers, air traffic control voice circuits, etc. There is a limited element of competition among the providers of these private services, whereas the telephone service is considered a natural monopoly. It is to these private wire services that the bill would extend the jurisdiction of the Transport Commission.

As I am sure hon. members know, the pace of technological development in telecommunication has been accelerating at an exceptional rate with the result that this technology is being applied to practical use at a rate that often exceeds the ability of legislators and administrators to assess the long term implications. I need only mention, as an example, the wide band cables which in a short space of time have been established to bring many TV channels into our homes and which can bring many other types of service as time goes on. This same cable technology will be used to provide thousands of telephone and data transmission paths within and between cities.

If the government's regulatory structure is not geared to keep pace with these industrial changes, both in terms of competence and basic philosophy, then logical, well-planned and orderly development will be impeded.

It was with all of these factors in mind that earlier this year I established a telecommission which has as its objective the production of facts and recommendations in this whole field. Already this body has organized some 50 separate studies involving many interested

parties engaged in various disciplines throughout the country.

At this point, Mr. Speaker, I should like to ask leave of the House to have a document setting out the work of the telecommission printed as an appendix to *Hansard*.

Mr. Deputy Speaker: Is that agreed?

Some hon. Members: Agreed.

Mr. Kierans: There are copies in English and in French.

[*Editor's Note: For text of document referred to see Appendix A.*]

Mr. Kierans: When the work is completed and evaluated, toward the end of next year, the government will make known its general intentions on telecommunications policy and legislation. We do not pretend that such policy can be fixed in all respects or endure for a long period of time; the art is too fluid and concepts are being challenged continuously. However, it will be essential to have a sufficient degree of stability to allow the industry to continue their long term planning with certainty.

I think I have said enough about the general position in which we find ourselves, and where we plan to go during the next few years. If developments were not so rapid, I could stop here and have this regarded as a progress report on our activities. However, nothing stands still.

Among the many developments taking place in the telecommunications industry few are more striking than the growth of private wire services. They have been growing at the rate of up to 20 per cent a year and today the private wire services of federally regulated companies account for some $90 million. This rate of growth will not only continue but will increase particularly as a result of the development of computer service companies which operate on-line time-shared computers linked to distant customers by communication systems. The present value of all types of computers installed in Canada is estimated at about $800 million and is forecast to exceed $1 billion by the end of 1970.

The development of private wire networks is important in itself. It is important also in relation to the general networks which are regulated in the public interest, through private networks are, at present, not so regulated. The same communication companies operate both regulated networks and unregulated private networks. In the case of CN-CP, for example, close to 75 per cent of the revenue of this company derives from its private wire offerings.

• (4:00 p.m.)

It is inherently unsatisfactory for a body such as the CTC to be charged with regulating only one position of a particular company's business. In terms of the rates charged to users, the relationship between the regulated and unregulated operations of a company can be decisive. In this connection, I should mention that the CTC in its recent decision on the rate application by Bell Canada requested that company to produce a revenue and cost breakdown both of its regulated and its unregulated operation.

[*Translation*]

Most hon. members are aware, I am sure, of the enormous possibilities of electronic data processing. Before long, computer systems will cover the whole country and will be used extensively for storing, distributing and communicating information as well as scientific, medical, educational, legal, accounting statistics and others. Already, improvements which will increase considerably the storing and research capacity of computers can be foreseen. Used jointly with today's highly complex telecommunication system, the whole thing becomes a powerful instrument which, well managed, may strongly influence Canada's development. In that respect, the proposed amendment is designed to enable the Commission to determine an equitable rate applicable to the private wires which intervene in computer communications with other services, and to make sure that all users of the private wire service will get equitable non discriminatory treatment. Such an amendment will entitle the Canadian Transport Commission to examine the complete range of the activities carried out by the telecommunications companies falling under its jurisdiction. To that end, the definitions "telegraph toll" and "telephone toll" are amended by clause 1 of the bill.

The charges collected by the cable television firms from their customers are expressly excluded from the jurisdiction of the Canadian Transport Commission, since they come under the Canadian Radio Television Commission.

[*English*]

I have much pleasure in moving the second reading of this bill.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I want to congratulate the minister

for going into orbit for the first time, I think, as a sort of custodian or guardian angel of the Railway Act. I have watched with interest the expansion of his empire as, by order in council, those responsibilities which heretofore were held by the Minister of Transport (Mr. Jamieson) have come under his careful scrutiny.

I suppose it is only proper that the empire of the Minister of Communications (Mr. Kierans) should be expanded, because after all he has done so remarkably well in the Post Office Department that he should be given greater opportunities to serve and to expedite! I did not realize how ambitious were his plans for new empires until I returned to the precincts of Parliament Hill this fall, when on visiting the men's room outside the door to this chamber I discovered that about a fourth of the floor space had been pre-empted. When I asked about this I was told it was to be the new domain of the Minister of Communications. So, the expansion is indeed physical as well as intellectual and jurisdictional.

Mr. Kierans: Mr. Speaker, on a point of order. The information is false.

Mr. Macquarrie: I have been corrected, Mr. Speaker, and I stand corrected. As I stand crowded in the future I will remember that it is not this minister but the Minister of Indian Affairs and Northern Development (Mr. Chrétien) who is responsible. I should not have been building for the Minister of Communications a larger empire than he has; I should have known better than to think that he needed help from me in that particular regard.

At some time we will be looking forward to what is supposed to be in the wind, a confrontation of Imperia between those who are supposed to be the consuls of the new Information Canada empire—the Secretary of State (Mr. Pelletier) and the Minister of Communications. This confrontation will be extremely interesting.

On looking at Bill C-11 I thought it was very straightforward and innocuous, not a piece of legislation that would evoke a great deal of wide ranging discussion. But never has so seemingly a straightforward and innocuous piece of legislation evoked such an explosion of ideational projection as that which has just been delivered. I suppose that old habits die hard. It is said that once you learn to write you never forget. I suppose once you learn to sky-write you never forget that either, and the minister is an expert at sky-writing. He has expertise in his office, and perhaps there are some appropriate speeches left over. Who knows what opportunities must be seized to make use of them?

I had not expected that in this legislation the minister would find an opportunity to expatiate upon the telecommission or Telesat. I thought he might more likely have told us about his own "Dial a Message" service which he inaugurated, perhaps anticipating the Secretary of State (Mr. Pelletier) in this regard. When the minister finally got to the legislation, I think he said nothing to which I would find serious reason for taking exception. I think this is just a piecemeal beginning.

As we mentioned to the minister many times during the past session, there is a crying need for a more thorough going operation in the realm of regulation in the whole field of telecommunications. For a time it seemed as if the minister was not seized with the importance of this, but with the appointment of the telecommission I am satisfied that he has now come to a recognition of the great importance of putting into one framework the relationship between regulation and operation in this tremendously important field.

I am sure that some of my colleagues who are very well informed on this subject may wish to address themselves to this legislation. I will look forward to later opportunities, at various stages of the bill's passage, to express further views thereon.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, when I heard the minister say at the commencement of his remarks that Canada has one of the best telecommunications systems in the world, I wondered whether he and I were living on the same planet. One Saturday morning this summer, while spending some time in my constituency, I wanted to do what has been for at least 100 years a relatively simple task: I wanted to send a telegram to the city of Yorkton, Saskatchewan, approximately 300 miles from Winnipeg. I phoned the Canadian Pacific telegraph office, since Yorkton is on the CP line, and I was told that although they could take my message they could not tell me, in view of the cut-back in services, whether the CP telegraph office in Yorkton was open, and consequently did not know whether my message would be delivered before Monday morning. So, when the minister tells us we have one of the best telecommunications systems in the world he and I must be talking about a different company.

Railway Act

• (4:10 p.m.)

The purpose of this bill apparently is a very simple one, to extend the authority of the CTC under the provisions of the Railway Act to regulate and set the tolls charged by the telegraph or telephone companies to private wire services. I submit it is not nearly as simple a proposal as the minister puts forward. I believe the cabinet, having made a very serious mistake in January of this year, is now proposing legislation in an effort to get itself out of a somewhat difficult situation. On January 28, 1969 the cabinet passed an order in council, one paragraph of which I should like to read:

> That after exploring a number of alternatives and following extended negotiations, it was concluded that the purpose of CN/CP Telecommunications would best be served by accepting a proposal to acquire a 51% interest in Computer Sciences (Canada) Limited;

It is because the cabinet permitted that acquisition that we are in this difficulty and have to pass this legislation. I submit, however, that it is not in the best interests of the computer companies of Canada nor of the ordinary people of Canada. This was done at the same time the anti-combines division of the government was holding an inquiry into the defects, if there are any, in permitting Bell Canada to own a wholly owned subsidiary, Northern Electric Company. The Bell-Northern Electric inquiry was held because Northern Electric is a manufacturer, as is Computer Sciences Limited. The inquiry by the anti-combines division is for the purpose of examining the relationship of Bell, as a monopolistic buyer of communications equipment, and Northern Electric which apparently is a subsidiary of Bell and a manufacturer of this equipment. One section of the government apparently has some doubt about the good sense of permitting Bell, a communications carrier, to own Northern Electric while another section of the government, in this case the cabinet, has permitted CN-CP Telecommunications to purchase a computer company, which I submit is in precisely the same position in relation to it as is Northern Electric to Bell Canada.

Not only was it probably a mistake to have permitted this, but I submit, having permitted it, the government will find that Bell Canada will now follow the example of the CN-CP Telecommunications and want to engage in the same business of transmitting computer information from one city to another. The government took this action in the full knowledge that the private computer companies of Canada objected to it and made their position very clear in a brief which they submitted to a number of cabinet ministers, including the Minister of Communications. In their brief the companies suggest that the government investigate the competitive nature of CN Telecommunications and the public communications arm of Canadian Pacific, the relationship between the Canadian and United States Telex networks, the adequacy of existing telecommunications, the relationship of unregulated and regulated aspects of common carriers to computer uses, common carrier rates and tariffs and the possibility of the federal government becoming more involved in communications and the security of data sent by common carriers. They point out that there was a similar proposal in the United States to the U.S. Federal Communications Commission from the Department of Justice.

Despite this, the Canadian cabinet permitted this acquisition by CN-CP Telecommunications. The brief quotes from a submission to the United States Federal Communications Commission from the Department of Justice which says that common carriers may use tariff restrictions as a means of placing independent data processors at a disadvantage if allowed to enter the computer time-sharing field. It goes on to say that communications common carriers should not be allowed to use their monopoly position in the field of providing circuits to extend their influence into areas not necessarily included in the monopoly.

I submit that the cabinet has permitted CN-CP Telecommunications to do what no other telecommunications system has been permitted to do. In the Montreal *Gazette* of February 27, 1969 the vice-president of the CPR, Mr. W. J. Stenason, is reported to have told a press conference that this is the first time anywhere in the world computer systems and communications services have been integrated, despite the fact that they are ideal partners. That, of course, is Mr. Stenason's opinion. I submit it was a mistake to permit this purchase by CN-CP Telecommunications. It is a merger which will not benefit the people of Canada. I submit that when the minister suggests he wants the CTC to regulate these operations, he really is saying there will be no regulation at all. I suggest that the record of the Board of Transport Commissioners, the commission which preceded the CTC, the record of the CTC and of its highly

priced and highly influential but in my opinion hardly objective president, has been one of complete failure in protecting the interests of the citizens of Canada. Whether you look at the failure of the regulatory commission to protect the interests of the people in respect of railway services or whether you look at its complete failure to protect the interests of the ordinary people in respect of telephone rates, it is a history and a record of complete failure.

I have said on another occasion, and I repeat it, that the office of the Board of Transport Commissioners and the office of the Canadian Transport Commission might just as well be at the head office of the CPR or Bell Telephone because that Board has never done very much to protect the interests of the ordinary people. The Board of Transport Commissioners and the Canadian Transport Commission have been given, by government legislation, the task of making sure the interest of the public are protected on matters of rates and service. They are quasi-judicial bodies, but there is no evidence at all that they have really protected the rights of the people they are supposed to protect. Unlike regulatory bodies of a comparable nature in other countries which vigorously dig out the facts regarding the financial positions of public utilities, the Canadian agencies have played the very passive role of merely assessing the information submitted to them in the hearings which they hold on very rare occasions. The result has been a most uneven contest with organizations, such as the Canadian Association of Mayors and Reeves, having to pass the hat around to collect a few tens of thousands of dollars from their already strapped budgets trying to get the expert advice needed to counter the fantastic ability of Bell of Canada and, I submit now, of CN-CP Telecommunications to hire the best people to present their case.

• (4:20 p.m.)

It should be acknowledged that as a result of reconstituting the old Board of Transport Commissioners into the new Canadian Transport Commission, the CTC is now empowered to dig out the facts in the manner traditionally adopted by the U.S. regulatory bodies. However, there is no evidence that it has in fact done anything more than the old Board of Transport Commissioners. Every year, following rulings by the former board which entitled Bell to a certain rate of profit on its investment, Bell exceeded the level of earnings permitted by the Board of Transport Commissioners. From 1958 into the middle of the 1960's Bell's excess profits which were extracted, I submit, illegally and in violation of the Board of Transport Commissioners own rulings, amounted to some $37 million. When you consider that this amount remained after Bell paid the 50 per cent corporation tax, it is obvious that Bell extracted in that period, I submit illegally, about $75 million from the telephone users.

In 1964, the Board again reviewed the situation, but all it did was to permit Bell to continue legally to make the rate of profit over and above what had been permitted in the earlier rulings. This profit amounted to about 6.6 per cent, despite the earlier ruling of the Board of Transport Commissioners which permitted the Company to make a much lower rate of profit. Bell's defiance of the Board of Transport Commissioners continued into the period when parliament changed the set-up and established the Canadian Transport Commission with Mr. Pickersgill as its president. In its first full year of earnings after the 1966 ruling, Bell's profit levels were in the range of 6.7 per cent and 6.8 per cent. At that point the CTC stirred itself, and asked Bell what proposals for rate decreases it had in view of its excess earnings. Bell argued that because of the sharp rise in interest rates and increase in construction costs, their excessive profits were justified. The CTC like the Board of Transport Commissioners before it, accepted this explanation and agreed to tolerate profit levels in excess of the maximum which they had fixed in their own ruling a year earlier.

With that encouragement, Bell of Canada came back to the CTC and asked for new permissive rates of 8 or 9 per cent return on total average investment. To achieve this, Bell requested a general rate rise which would add 10 per cent or about $83 million to their revenues. These increases would have meant 40 cents to 70 cents a month increase for home telephones and approximately $1.30 to $2.95 for business telephones.

The CTC seemed to reject the Bell application but in fact, using a slightly different formula, it permitted Bell increases estimated to amount to $27 million a year. I submit, on the basis of past experience with Bell's calculations which have always erred on the side of conservatism when it suited Bell, that the rate increase which the CTC permitted, we will find, will not come to $27 million a year but probably to something in the neighbourhood of $35 million to $40 million a year. In making this decision, the CTC ignored Bell's

relationship with Northern Electric. As has been suggested by a number of government agencies such as the Canadian Association of Mayors and Reeves, the Board refused to order an investigation into the accounting system of Bell so that the accounting system would show the division of costs between the regulated and unregulated aspects of Bell's business. This is essential for any commission to be in a position to determine the fair, reasonable and non-discriminatory rates in a regulated area. Furthermore, exact and complete particulars of the nature of Bell's investments should have been required.

Other information should have been required of the company, such as the detailed depreciated book value of all non-telephone communications, plant and equipment not regulated by the CTC; reports showing operating revenue for the same years produced by non-telephone plant and equipment; the relationship and transactions between Bell and the American Telephone and Telegraph Company; and the actual terms of the service agreement between these two companies. None of this information was requested by the Canadian Transport Commission or by its chairman, thereby following the completely passive role of the former Board of Transport Commissioners.

One should not be surprised that this board and its chairman—on the basis of our past experience with him—should have taken this passive approach. However, that does not absolve the government from appointing the kind of commission which has done the sloppy and passive job which I have indicated. The board did not look into the relationship between Bell of Canada and its subsidiary, Northern Electric. The United States authorities have prohibited and forbidden the kind of close relationship which exists between Bell of Canada and Northern Electric. The commission should have inquired into what amount in excess of fair prices was paid to Northern Electric by Bell and which may be buried in Bell's earning base or operating expenses. It should have investigated the dividend policy of Northern Electric. It is true that the commission has no direct control over Northern Electric, but since Northern Electric is a wholly owned subsidiary of Bell of Canada, obviously its financial position is extremely important because Bell can hide in the profits of Northern Electric a good part of what are supposedly its operating costs. It should have compared Northern Electric's rate of return with those of other telephone equipment makers. It should have demanded a cost of manufacturing study of Northern Electric by private groups to ascertain the precise level of mark-up or profit from its sales to Bell that may be embedded in Bell's operating expenses or earning base.

[Mr. Orlikow.]

• (4:30 p.m.)

The Board should have determined whether funds spent by Northern for research and development were excessive in relation to other operating costs and whether these were included in the cost to Bell of materials and services purchased from Northern. None of these things were done by the CTC in the last inquiry which it held when Bell asked for an increase.

On the basis of my personal experience with the way the former commission failed to protect the interests of the consumer, of railway passengers, I am very skeptical that the CTC will look closely at the proposal of the CPR to abandon its transcontinental train service. I remember speaking to the Chairman of the former Board of Transport Commissioners in 1966 and asking him was he aware of the rumours then prevalent among CPR employees that the CPR intended to do away with the Canadian, its transcontinental train. The chairman told me he had no knowledge of this.

I pointed out to the then chairman that a couple of years previous to that the CPR operated two transcontinental trains, the Canadian which was then still in operation, and the Dominion. I reminded him that the CPR had applied to Board of Transport Commissioners for permission to withdraw the Dominion from service, that the board had refused the application, and that then the CPR had taken the dining car and sleeping car facilities away from the Dominion. I do not have to tell members of this House that there are very few people willing to travel from Montreal to Vancouver by train if they cannot get a meal on that train or a place to sleep. The inevitable result was that in about six months the Dominion attracted no passengers.

The CPR then came back to the board and said, "We want to discontinue the Dominion; we can show you that it has no passengers and that we are losing a great deal of money on it." The board did not ask, "Why has it no passengers? Why is it losing money?" The board did as it always did, it rubber-stamped the discontinuance of the Dominion.

On the basis of past experience with the Board of Transport Commissioners, I am very much afraid that in acting as a regulatory

agency to protect the people of Canada the new board will behave as its predecessor, and will serve simply as an office boy for the companies it is supposed to regulate, the CPR, Bell Telephone and CN-CP Telecommunications. Indeed, I am very doubtful that the new board needs any more power, taking into account its high-priced, competent personnel, although I am not certain they are as competent on behalf of the Canadian people as they are on behalf of the companies that the Board is supposed to regulate.

In the past this Board has failed to use the power given to it to regulate telephone rates. In the past it has failed to use its powers to make the railways companies, in particular the CPR, live up to their commitments. The commitment by the CPR was in a contact which it made with the Canadian government and the people of Canada, a contract to provide adequate railway service. The CPR has now built up other interests and investments, but it should be remembered that these have been based almost exclusively on the grant of some 25 million acres of land, some of it the most valuable land in this country, given to the CPR about one hundred years ago as part of the price of persuading so-called free enterprisers to build a railway across Canada. In the light of this past experience I have no hope that the CTC will use the new powers which the minister proposes to give it to protect the interests of the consumers in this field, any more than it used its power to protect consumers in the past. This being the case I have to say to the minister that at the very least I am rather skeptical about the proposal he is making.

Mr. W. M. Howe (Wellington-Grey): Mr. Speaker, in its outward appearance Bill C-11 might be one of those simple types of bills that are periodically brought before this House to tidy up matters and put certain things into focus. But in view of the statement which the minister has made, it is now clear that it is not a simple bill. It does not deal with a simple matter, but rather with something that is very complex, very sophisticated, and upon which a number of companies are spending a great deal of money.

At first glance it might appear that the bill deals with small, private telephone and telegraph companies which had been getting away with something that should not be permitted. However, from the minister's statement it would appear that the bill concerns important matters of transportation and communication and problems that have arisen with respect to the use of new types of communications now being employed by so many business organizations. Therefore, the bill is one that requires a great deal of thought and examination.

The authority of the Canadian Transport Commission is to be enlarged, and the explanatory note to clause 3 of the bill reads:

> This amendment would extend the non-discriminatory and just and reasonable rules application now "in respect of tolls" to services and facilities provided by a telegraph or telephone company.

The minister did not indicate in his statement to the House whether there had been any discrimination, or areas of dispute or complaint with respect to companies using services being provided by telephone and telegraph companies. I remember that when we were discussing amendments to the Telephone Act a few years ago a little bit of controversy arose between the cable television people and the Bell Telephone people with regard to the rental being charged by Bell Telephone for the services it provided for the cable television companies. Regulatory authority might be necessary in an area such as that.

But, Mr. Speaker, there must be other areas in which discrimination may have been practiced, areas that the minister did not tell us about, because a bill like this is not introduced in this House, all of a sudden without some reason other than that the industry has increased in size and complexity. Someone must have felt he had been over-charged or not properly served, and complaints must have been made to the department, to the government and to the Canadian Transportation Commission, thus making this bill necessary to bring all these companies under the control of the Canadian Transportation Commission.

• (4:40 p.m.)

I do not want to ramble around like the hon. member for Winnipeg North (Mr. Orlikow), going into railway matters and all types and areas of communications and transportation. However, when the Canadian Transport Commission was established a few years ago we hoped for a tremendous improvement in dealing with problems, but at the present time we wonder whether they have the facilities to investigate questions like discrimination and toll charges. This is a very complex business and if the Commission is going to take these matters under consideration it may be necessary to double the staff and even hire experts to ensure the job is done properly. I

am not so sure that we have seen very many concrete examples of the wonderful job the Transport Commission was supposed to do. By the time they get through dealing with railway complaints it is doubtful whether they will have time to go into the matters covered by this bill.

I hope that the many people involved in this type of business will receive notice well in advance so that they will have ample opportunity to prepare and present their cases before the committee. There will be arguments for and against the bill, but there is so much money involved—the minister indicated $90 million in one case and $100 million in the other—that I hope everyone involved will have enough time to prepare a case to help the committee examine the subject thoroughly before this bill finally becomes the law of the land. We look forward to a thorough and adequate discussion of this legislation at the committee stage.

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, in saying a few words on this Bill C-11 I am not interested in wire service or Telesat; I am only interested in getting the normal means of communication for the people I represent. The government can repeal paragraphs or sections of the Act to their heart's content, but it is obvious to me that if tolls are to be changed or approved or revised, there must be a service in the first place. I submit respectfully that this is not the case in the district I represent. The name of the Canadian Transport Commission is not one which is bandied about in a complementary way in the province of Newfoundland, Mr. Speaker, because they continue to treat with apathy the services they are charged with providing for my province. I need not repeat statements about the action taken with regard to the railway passenger service in the province which has denied normal transportation services to many Newfoundlanders.

With regard to telephone service, another form of communication and one which falls within the responsibility of this Board, one would not believe the type of system that exists in many of the communities in the province. There are far too many communities limited to one telephone in a home or in a CNT office, where people have to travel as much as 10 to 14 miles to use it—that is if one is lucky enough to find the phone in working order.

And then again, Mr. Speaker, there are some communities which are really well supplied with CNT service. Some communities have 10 or 12 phones supplied by the good graces of the CTC, but they are all on the same line. Picture, if you will, Mr. Speaker, a community in Newfoundland in which someone gets sick and one has to call a doctor. The lack of medical services is one thing but the means of communication necessary to contact help in the case of an emergency is the responsibility of the department which controls the CNT. To deny any Canadian the right to this service is a shameful situation. Reference has been made to changes in tolls but in the isolated communities of Newfoundland the Company does not charge a toll, they charge by the pole. If anyone wants telephone services extended the charge is $85 a pole. So, why are we so concerned with amendments? Why is the CNT looking for approval or revisions? When is the government going to live up to their promise of equal opportunity for all Canadians regardless of where they live?

May I quote a few examples? I offer the little community of Trout River which is lucky enough to have a few telephones, but if people want to call an adjacent community about five miles away they have to use long distance. Then, there is the community just a stone's throw away from the city of Corner Brook where the storekeeper who has the phone has to pay 40 cents every time he wants to make a call. This is the latest type of telephone, Mr. Speaker, a radio-telephone. In this age of the satellite, Mr. Speaker, the government does not hesitate to spend millions upon millions of dollars to communicate around the world, but they evidently are not aware of the denial of the rights of many thousands of Newfoundlanders who do not have the basic necessity, a telephone.

And now we are coming up with a new scheme which is called Information Canada. This agency is going to inform all Canadians what the government is doing. Well, this Information Canada is not going to be of much help to many parts of Newfoundland, certainly not through the use of the telephone. But these people are getting information from their members of parliament because they know how to communicate directly with the people they represent. The Newfoundland members are interested in offering the involvement and participation that this government does not care to communicate to neglected Newfoundlanders.

I hesitate to criticize the Minister of Communications (Mr. Kierans) in this regard, Mr. Speaker, but when one faces the daily frustrations resulting from the neglect of one's district through the failure to provide the

basic right of normal communication services, it is pretty hard to accept. So, Mr. Speaker, I say if the passage of this bill will help provide the telephone service and the extension of these facilities to people who need them and must have them, by all means let us pass it. Let us do our duty to the Canadians we represent by providing this necessary service.

Mr. Speaker: Order, please. I must advise the House that when the minister speaks he closes debate.

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): Mr. Speaker, I have warm sympathy for the remarks made by the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall). Recently, I had a discussion with the telephone companies and while it was not directly related to his riding, great emphasis was laid on the fact that services had to be improved and maintained, particularly in Labrador. We see all the common carriers from time to time and this is the position we take with all of them. Inevitably, this matter comes up and I might say that it is one of the strongest selling points for the satellite.

The satellite will make possible the extension of communication services to scattered areas, and throughout the north. It will make service available in both languages in accordance with national policy and will strengthen communications from one end of this country to the other. If common carriers are not willing to comply with requirements, having all the facilities at their disposal through satellite communication, my department will take very firm measures.

I should like to reply to the three members at one time, the hon. members for Humber-St. George's-St. Barbe (Mr. Marshall), Winnipeg North (Mr. Orlikow) and Wellington-Grey (Mr. Howe) and to thank them for their participation in this debate. I agree with some of the subsequent speakers in that I did not find the remarks of the hon. member for Winnipeg North entirely relevant. We are not here to fight again the battle of increasing telephone rates or curtailing railway services before the CTC. It is not relevant. We are getting into a somewhat analogous situation. As the hon. member for Winnipeg North said, it is a very difficult issue and the Board itself is faced with some very complex questions. We cannot decide them now. So, I say to the hon. member that the position we presently find ourselves in is this: we want to introduce this amendment as a holding operation, pending a full scale review that will be placed before the House on what should be a telecommunications policy for Canada. With the gracious permission of hon. members I tabled today the document showing the scope and extent of the studies of that commission. Some 50 studies are going on, and involve participants both inside and outside the government.

• (4:50 p.m.)

I ask for the co-operation of all hon. members. If they think that this outline is not complete, and that the 50 studies do not encompass all the ramifications of the problem—and I am not certain that they do—I should appreciate hearing suggestions about areas we have overlooked.

At present we have in Canada a computer industry that is overwhelmingly United States owned. Do we want the services side of the industry also to be United States owned? If so, then it follows also that the location of all computer banks may inevitably have to be on a north-south orientation instead of an east-west orientation. We have not made up our minds yet as to whether we want to permit Canadian-owned common carriers to enter the computer services industry. If we do, under what conditions do we want them to enter? To what extent are we going to permit the structure of that particular telecommunications industry to be organized in the competitive, free enterprise area? To what extent are we going to demand that it be under monopoly control and how much of that monopoly will we attempt to regulate; also, how is it to be regulated? This industry is advancing so rapidly, as I was at great pains to point out, that instead of letting another 18 months go by before we have all these answers, we have simply said that for the time being we will conduct a holding operation. We will, during this period, attempt to develop a logical, coherent and rational policy we can lay before hon. members. We are giving priority to this particular aspect of the study and I think that some very serious questions will be posed in this House.

All I can say at present is that instead of waiting that 18 months and letting the industry become entrenched in new directions that we may find impossible to roll back, we think it is better to take advantage of the Canadian Transport Commission which we presently have at our disposal and bring this matter under the aegis and authority of the commission. It can regulate either for better or worse, as the hon. member for Winnipeg North suggests. But it will regulate the industry to some extent, and that is better than

having no regulations at all. The bill, we frankly admit, is a short term solution being brought in now so that a long run solution and policy can be presented to this House.

Mr. Orlikow: Before he finishes, will the minister permit a question? When the 50 studies to which the minister referred are completed, will they be tabled and made available to members of this House and to the public, or will they be treated as so many other studies commissioned by the government have been, as internal documents not to be made available to the public?

Mr. Kierans: Mr. Speaker, it is my policy and the policy of my department to table, as we did in the case of the post office, as many of these studies as we possibly can. The restrictions will of course be those that are imposed by the authors, restrictions that may be applied for reasons best known to themselves and may be designed to prevent personal criticism or criticism of, let us say, a particular aspect of an operation. For instance, the criticism might not serve the interests of the Canadian people because it might contribute in a material way to some decrease in morale within a department. But I would say that, generally speaking, the answer is that we intend to table as many of these studies as we can, if not all.

Motion agreed to, bill read the second time and referred to the Standing Committee on Transport and Communications.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order, please. It being five o'clock, it is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Vancouver East (Mr. Winch)—housing—urban renewal, Vancouver—request for policy statement; the hon. member for Vancouver-Kingsway (Mrs. MacInnis)—social security—inquiry as to establishment of income floor; the hon. member for York-Sunbury (Mr. MacRae)—veterans affairs—transfer of veterans hospital.

The House will now proceed to consideration of private members business as listed on today's order paper, namely: notices of motions.

[Mr. Kierans.]

NOTICES OF MOTIONS

INCOME TAX

SUGGESTED INCREASED EXEMPTION FOR OLD AGE PENSIONERS

Mr. Hubert Badanai (Fort William) moved:

That, in the opinion of this House, the government should give immediate consideration to increasing the Income Tax exemption of all citizens from the date they start receiving their pension from $1,500 to $2,500, retroactive to January 1, 1969 in view of the spiralling cost of living during the past ten years, so as to prevent the tax burden from falling heavily on those no longer able to earn.

He said: The motion before us which I have had the honour to move is in effect a plea on behalf of all citizens in receipt of old age security pension to have their income tax exemption increased from the present $1,000 to $2,500, retroactive to January 1, 1969.

I am naturally pleased that this resolution is No. 1 on the order paper under private members' notices of motions and I express the hope that, knowing there could hardly be a dissenting voice to the implementation of this measure in this first session of the twenty eighth parliament, the government will give it early consideration. This motion is, of course, principally designed to offer a modest relief to pensioners in general and to superannuates, most of whom have been suffering from the inflationary trend of consumers' prices prevailing in the economy.

Last Friday the government unveiled a tax reform program which will free some 750,000 low income Canadians; among this number there will be many of those whom this motion is designed to help. Nevertheless, the exemption for a single pensioner does not reach the $2,500 I am suggesting in this resolution.

In the white paper the Minister of Finance has acknowledged the need for an increase in tax exemption from $1,000 to $1,400 for a single person, but does not make any distinction between a young person in the prime of his productivity and a pensioner, a person who has reached the declining years and can only look forward to a bleak future. For what the minister has suggested in the overhauling of the tax system, I have nothing but praise The general effect is bound to be good; but it would have been a little better if he had taken into consideration the plight of those for whom I am speaking.

• (5:00 p.m.)

The purpose of this motion, however, is not to discuss the merits of the white paper on

taxation in general, but I hope I am in order in pointing out what the white paper could have contained to help the pensioner with a low income. In passing, may I point out the pitiful situation in which retired civil servants find themselves, with a low fixed income eroded year after year by the spiralling cost of living.

If the pension dollar had the same purchasing value it had in the year 1959. I would not be introducing this motion at this time. However, I am thinking of the many thousands of pensioners, including the thousands of retired civil servants with an income of not much more than their pensions, for whom even the little assistance they may find in the modest exemption increase of $1500 in their personal income tax, would be of some help.

Life expectancy at age 65 is estimated at approximately 15 years. It is a small recognition to extend to those who will live beyond their retiring age the right to enjoy a few extra dollars saved from their income tax. It seems that whether or not we should seriously attempt to provide a measure of income below which no man or woman will fall is a social as well as an economic and moral question. I admit at once that the measure of relief which the motion under discussion will provide to pensioners is very small. Nevertheless, it is an admission that it is immoral to allow some Canadians to exist below an adequate level of income, while the majority live on a level of prosperity.

The Prime Minister (Mr. Trudeau) on August 13, 1969, speaking on "Expenditures and Guidelines" said, and I quote:

> We want to replace inefficient and outdated programs by new ones which will assist even more than now, low-income and destitute Canadians.

With the introduction of the suggestions contained in the white paper, it is evident the Prime Minister meant what he said on that occasion. However, the tax proposals in the document are not final. There will be ample time available for amendments since the date for the implementation of the tax reform is January 1, 1971 The head of our government always means what he says. He is not given to making promises, as everyone knows but everyone may not admit. He is a man of action, and I am encouraged to firmly believe that as soon as possible he will come through with a program which, in time, will dispense with the need of introducing resolutions such as this one. But, in the meantime, I submit to the Minister of Finance (Mr. Benson) this modest proposal of giving those who have made their contribution to the sum total of our national development a little relief from the burden of taxation.

While I am proposing an increase in the personal income tax exemption for recipients of old age security pensions in general, I wish to add a word on behalf of the federal superannuates, for most of whom financial security has deteriorated considerably during the past few years on account of the escalation of the cost of living. I feel that the government should do something to alleviate their predicament by an upward revision of their pension benefits.

The President of the Treasury Board (Mr. Drury), speaking to the Canadian Pension Conference in Montreal last May, dealt with the subject of an increase in pensions to the retired civil servants. He contended that the government could not dip into funds of the superannuation account to pay an increase in pensions to retired civil servants and leave to the future the question of repaying the deficit that such an increase would create. If it did so, the minister stated, the statutes would require the government to make good this deficiency by budgetary charges, so this provides no easy way out for the government under the present budgetary system. Frankly, I have not been impressed by the minister's statement, however correct it might be. If to meet an obligation, and I feel it is a moral obligation if you will, the government has to make good whatever budgetary charges may be necessary, so what?

However, I have faith in a statement made by the Prime Minister shortly after he took office. He said he had arranged for a review of the costs and benefits involved in our social security system which could take into account the question of the difficulties now being experienced by those living on pensions.

The Minister of Justice (Mr. Turner), speaking at a conference of social workers a few days ago on the subject of justice to the poor, had this to say and I quote:

> That we should have poverty in Canada is, as the Economic Council has reported, a disgrace. The arguments of social academics, then, as to what constitutes the threshold of poverty, or whether there is a cycle of poverty, or whether most of the poor are found in the slums, or in the central city, or whether they are concentrated in areas of rural blight, appear not so much brutal, as banal. Poverty, simply enough, is pervasive; and poverty, unhappily enough, is present everywhere in Canadian society.
>
> You don't have to tell the poor what poverty is, they know. They feel it very painfully—the sense of hopelessness and helplessness. They understand

the deprivation of denial. They know what it is like to live in decrepit housing, to have the cracked pavements of the streets as their only parks. They know what it means to be prey to debt and despair.

Senator David Croll, that great humanitarian, as Chairman of the Senate Committee on Poverty now holding hearings on the question of poverty in the various regions of Canada, three years ago headed a Senate committee on aging. His committee report recommended massive reforms in attitudes and assistance involving Canada's senior citizens. One was a suggestion that all Canadians at 65 should receive a guaranteed minimum income as a matter of right. This recommendation, as everyone knows, was finally adopted by the former Liberal government of the Right Hon. Lester B. Pearson, in the form of a $30 supplement to the old age security pension to pensioners with no other income.

• (5:10 p.m.)

This was a breakthrough for all old people without income. It meant a minimum income of $1,260 for single persons and $2,220 for married couples. The committee also recommended the establishment of a technically competent body to study income needs and develop a socially acceptable minimum. Had such a committee been established it would undoubtedly have looked into the effect of personal income tax exemptions upon the aged whose means, other than their pensions, were limited.

I might add that Senator Croll's committee report fully justified the three years of study and research which went into its preparation. To my knowledge no previous attempt had ever been made to examine, as a whole, the problems facing aged Canadians. To those Senators who worked like beavers on this committee, parliament owes a debt of gratitude; certainly, a parliamentary committee of the House of Commons would not have the time to undertake this approach to the income needs of elderly people on a long term basis. It is to be regretted that notwithstanding such valuable work there are some who advocate the abolition of the Senate.

Few problems are worse than to be old without the means of sustaining a decent standard of living, especially if one suffers from poor health, as is often the case. Then again, those I have in mind are the people who suffer most when inflation robs them of a portion of their meagre incomes. I realize that the government has been busy trying to formulate a program limiting large new expenditures, and that it has been reluctant to give up any revenues until inflation has been brought under control. Nevertheless, bearing in mind the fact that wide ranging proposals for tax reform were made public last Friday, November 7, I suggest the effect of this motion will be very small indeed, and I therefore urge the government to give favourable consideration to its adoption tonight.

[Mr. Badanai.]

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, the calling of the hon. member's motion today has precipitated discussion in this House of part of the contents of the government's white paper on income tax. To this extent, one welcomes the motion.

I would say to the hon. member, however, that before we can possibly adopt this proposal, all the evidence will have to be available. Taking account of the proposals which now appear in the white paper to increase the allowances of all citizens to $1,400, one has to ask: what is the impact on the totality of revenue? The white paper says the cost would exceed $1 billion The provisions of the Income Tax Act, as they now stand, are such that the taxpayer receives an exemption of $1,500 if he is over 70. It was one of the conditions of the increase in the old age pension in 1964, whereby old age security benefits were made payable progressively over the next five years down to the age of 65, that the $500 exemption then applied to recipients of old age security over the age of 65. Any taxpayer over 65 was allowed the additional $500 personal exemption. But this did not apply to the spouse unless the spouse was an individual taxpayer. So a couple, in normal circumstances, received a personal allowance of $2,500.

The purport of the hon. member's motion would be to increase this to $5,000. Since no distinction has been made between taxpayers and non-taxpayers, his calculations may be somewhat affected by the proposals in the white paper. The proposal in that document is that the personal exemption of a couple shall increase to $2,800; the $500 which now comes into effect at the age of 70 if the person concerned is receiving old age security benefit, applies again only to the taxpayer. Thus, in the normal pensioner's household this would amount to $3,300. However, if the wife was in receipt of a separate income which resulted in her being an independent taxpayer, it would go up to $3,800.

I do not believe there are any hon. members in this House who are more conscious

than any others of the burden imposed by inflation on persons of fixed incomes. I find it interesting that the hon. member, who was a parliamentary secretary and who is now an entirely private member on the government side, should be drawing attention in such clear and unmistakeable terms to the evils of inflation. The government, it would appear, has only recently been convinced of the seriousness of this problem, if we are to judge by the nature of the program it is advocating. Even three years ago we were brushed off whenever we drew attention to the dangers of inflation. I am glad to note that the hon. member for Fort William (Mr. Badanai) has come to the side of the growing number of people in this House who say that all else matters nought—that first, we must deal with inflation. This has been said by speakers on this side of the House for a long time—even before the change in pension arrangements made in 1964.

It seems to me, however, that the hon. member is destroying the equity of the tax system. It is proposed in the white paper that the system should be made more equitable by increasing the personal allowance to $1,400. I am not satisfied that this will be the result, because the $1,400 applies to a person who is in receipt of a very modest income as well as to a person who receives a very substantial income. Thus, in effect, the additional $400 exemption should be chargeable to the well-endowed taxpayer at his marginal rate.

• (5:20 p.m.)

The benefit bestowed by the $400 can be very high, as much as 50 per cent under the new rates. In other words, the tax benefit to an individual at the end of five years will be to the extent of $200. The additional $400 per taxpayer in the more modest income class can mean an $80 benefit if the tax rate is only about 20 per cent.

I would have been much more interested in seeing the hon. member put forward a proposal for a tax credit at the age of 65. I am referring to a tax credit which can be computed as a target rate, shall I say, for a mean income. By that I mean a standard income, not the very modest or low income. It would be more valuable to persons of lower income.

Let us suppose you give $150 in cash by way of a tax credit to a man who has an income of $3,500. These figures are taken out of thin air purely by way of illustration. This sum would represent to this person a nice little gift. On the other hand, in the case of a person of the same age and with the same entitlement, but whose income is $15,000, what does this $150 mean to him? To this extent a payment or tax credit to the taxpayer of more modest means would tend to make the tax system more equitable.

This is a personal view, Mr. Speaker. I have a preference for the tax credit system over a personal allowance. It is contended that a tax system must be equitable, but my own view is that the tax system must not inhibit economic growth. If it does, then it becomes very difficult even to maintain equity within the system. Equity is important, yes—terribly important; but I do not think it outranks all other considerations, as some people have indicated.

I also wonder whether or not the hon. member should have put a dollar figure on his proposal. For example, how many taxpayers would there be at age 65—in this particular case, at age 70—who would receive this exemption? If millions of dollars of revenue were lost or diverted as a result of this proposal, where would it go? We must bear in mind that income tax yield seems to be an inflexible figure. Certainly the record of this government indicates that expenditures per annum are going to rise, notwithstanding the fact that there have been all sorts of promises made about revenues being held to the line. In 1968 the present Minister of Finance (Mr. Benson) guaranteed that the budget would be balanced and that government expenditure would remain the same. Although there was no decline in revenue there was a short fall of over $700 million. Therefore, I find it a little difficult to accept that any revenue saved from this particular group of taxpayers would not be transferred to some other group.

If this is so, I would like to know whether this group is going to be the middle income group, or is it going to be that very high income group that apparently the Minister of Finance has recognized is so limited in Canada that additional taxes on the group would yield very little? This is why the middle income taxpaying group is being distinguished in the white paper as the target for ever-increasing heavy taxation.

We must remember that the so-called wealthy people described in the white paper are those who earn from about $10,000 to $24,000, and I am just wondering how many people in this country earning between $11,000 and $13,000, those who find themselves in this so-called wealthy class and are the first to disclaim that they are wealthy, are

in fact struggling. Otherwise, why do we see heavy wage demands in certain categories of skilled workers, such as carpenters, electricians, plumbers and bricklayers, in Toronto and Hamilton whose new contracts, providing they work all year, will net them $12,000 or $13,000 a year and even more if sufficient overtime is available?

The hon. member spoke about the guaranteed income supplement that has been in effect for some years under federal legislation. This supplement was, of course, a rehash of legislation that existed in some provinces, though not necessarily under the guise of a guaranteed income supplement. I remember in some provinces it was in the form of an old age supplement to which the federal government contributed half the cost. It was computed by the provincial government, who had the administration of it, frankly as a form of guaranteed income; there was an income test to qualify.

In my own province, the province of Alberta had an old age supplement which was then changed to a social allowance, but the purpose was the same. The criteria in relation thereto were much the same. Actually this was not a new and radical idea. In fact, it has broad application, I think, across the country today. Some provinces not in a financial position to pay the supplement are now doing so even though this is placing an additional strain on their budgets, the provincial contribution being substantial.

I think it might be called the fortunes of war that the hon. member has raised this question at this time; that is, if the word "war" can be used in any way in connection with private members' hour. The hon. member was exceedingly fortunate to draw first position in debating this motion, and on that score he is to be congratulated. He is extraordinarily lucky to bring the motion in just on the morrow of the white paper on taxation.

I am sure the hon. member would agree that, before we could properly express ourselves on the advisability or otherwise of his motion in the terms in which it is couched, we must have evidence of the repercussions of the white paper and the modifications that may be brought to it by the government, since the government itself has said that the white paper does not contain hard and fast proposals in every case. This may be one of those cases.

I suggest that the hon. member address himself to his government colleagues in order to see whether he cannot bring about some additional relief for the particular group to which he refers. But let us bear in mind that the old age security recipients are not the only ones whose fixed incomes are being eroded by inflation. A number of widows have been caught by the effect of inflation on annuities arranged by their husbands. Women in their middle years who are raising a family and trying to pay for their children's university education, as well as many other people who depend on a fixed income to live, deserve consideration too. However, I think the prime consideration is that every effort should be made to defeat inflation and then to remove some of the pressure on all those groups which are equally meritorious.

[Mr. Lambert (Edmonton West).]

• (5:30 p.m.)

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I am afraid I do not share the confidence in the Prime Minister (Mr. Trudeau) and the present government expressed by the hon. member for Fort William (Mr. Badanai) so far as pension matters are concerned. I am also afraid I do not share his euphoria about the other place and its Committee on Poverty. I commend the two or three members of that committee who have been anxious to get acquainted with poverty itself rather than just listen to ivory tower briefs. But that is beside the point about which we are concerned at this time. I do not wish to take over any of the functions of the Senate, although it is trying to take over one of ours. However, despite my not sharing some of the attitudes expressed by the hon. member for Fort William, I am glad he won the draw so that his motion could be at the top of the list on the order paper and be discussed today, as the hon. member for Edmonton West (Mr. Lambert) just said, on the morrow of the presentation of the tax reform white paper.

As the last speaker pointed out, the details in a motion of this kind are a bit complicated. One must look at what it does in raising the exemption levels at the lower end in respect of giving a little to some people and a whole lot to others who do not need it, and so on. But I do not think even that should be brought into the argument today, because the hon. member's contention is that something should be done right away to relieve the suffering being experienced by a great many of our retired people. I agree. I am glad he mentioned not only old age pensioners generally, although I think those on the old age pension and who have nothing else are the worst off. I

am glad he also mentioned retired civil servants. It seems they have been mentioned a few times before in this House. I would add other federal superannuates such as retired members of the R.C.M.P., retired members of the armed forces, retired employees of the CNR and various other groups.

The fact about this resolution which I think pleases me most is that it has in it a date, namely January 1, 1969. The hon. member is asking that whatever is done be made retroactive to January ,1 1969. On that proposal I wish to support him wholeheartedly. I would urge him, no matter what happens to this resolution today, to use all the winsomeness he has with his colleagues on that side of the House to get them to accept that part of his resolution. We can argue all we want—and I will do some of it—about the proposals in the white paper, whether they are good enough, whether they go far enough and so on, and what their effect would be on pensioners; but the fact is even if the white paper is adopted it would not be effective until January 1, 1971. Therefore, even if the white paper becomes law, in the two years 1969 and 1970 old age pensioners will be under the law as it now stands.

I cannot expect the government to bring in an elaborate amendment to the Old Age Security Act or to the Income Tax Act with regard to one group in society when it is planning an over-all tax reform bill, but it does seem to me it could find a way to declare a moratorium on income tax for 1969 and 1970 in the case of people who are living on only the old age security pension or on only an income up to a total of, say, $2,000 for a single person and $4,000 for a married couple. I should like to stress this as strongly as I can. I can see the government saying to the hon. member that he has a good idea and all the rest of it, but now that we have the white paper this type of change cannot be made because it would amount to fiddling around in the meantime. The trouble is that in the meantime many of these people are passing away. Some of them will die sooner than they would otherwise simply because they cannot make both ends meet.

What I find to be commendable in the hon. member's resolution, and what I am asking as something that should be considered, is a moratorium on income tax for the years 1969 and 1970 in the case of retired people whose incomes are below a certain point. The figures I suggest are $2,000 single and $4,000 married. Like the hon. member for Edmonton West, I become a little concerned about merely raising the exemption level because then the millionaire who is in receipt of the old age pension would be covered by this resolution and would receive quite a bonanza. This problem could be solved, however, by the proposal I am making in respect of establishing floors and declaring that any retired persons whose incomes are under those floors shall not pay any income tax whatsoever for the years 1969 and 1970. I make that proposal strongly and suggest the figures of $2,000 single and $4,000 married.

If the government does not turn around and accept my proposal right off the bat, or argues that my figures are too high in respect of the bookkeeping or figuring that has been done, then may I say that at least the government should go as far as $1,400 single and $2,800 married. By the white paper of Friday the government has admitted that no one in Canada should be paying income tax if his income is below $1,400 single or $2,800 married. The government is saying that in its view $1,400 single between age 65 and 70, $1,900 single over age 70, $2,800 married between age 65 and 70 and $3,300 married over age 70, are floors which ought to be achieved. That having been admitted with regard to our pensioners, I think it is an insult to these people to say this shall not come into effect until the taxation year 1971. There are many other people who would like to see the tax benefits come into effect earlier, and I am with them. At least most other people will have a few years to live in which they will be able to obtain the benefits of the tax reform proposals, but many pensioners will not.

• (5:40 p.m.)

I think it would be little enough for the government to declare the kind of moratorium I have suggested. If it is not prepared to take my figures of $2,000 and $4,000, at least it should take its own figure of $1,400 and $2,800, $1,900 and $3,300 or whatever it is. I urge that the government do this, and that the hon. member for Fort William and the friends he has on his side of the House fight this matter out in the Liberal caucus and not take no for an answer. I hope he will not come back one day and tell us that he took it up with the government but that he was given good reasons for not going ahead with his proposal. That is not good enough.

I said in passing that I shared the view of the hon. member for Edmonton West, that if you merely raise the tax exemption level you

give quite a bonanza to the people on top. This is true, but I would almost rather accept the resolution as it is than not do anything at all. The reason is that 60 per cent of the people of Canada who have qualified for the old age security pension, the non-means test one, have qualified for the guaranteed income supplement, and about half of those who have qualified for the guaranteed income supplement have qualified for its full amount. This tells a story of poverty and old age in this country that is even more glaring than anything the Senate committee has yet brought out. You do not have to go looking for it; it is right there in the statistics that 60 per cent of our people who are old enough to receive the old age security pension have been able to qualify for the guaranteed income supplement. This means they have been able to meet the means, or needs, or income test on that pension.

That is why I say that the important thing is to get some action. Let us not make the kind of mistakes that could be made, but I would rather make those mistakes and give a few bonuses where they are not needed, if that is the way we have to do it to get something done for those who really need help.

I return to my basic position. I think the thing to pick out of this motion, coming as it does after the white paper has been proposed, is the date the proposal would become effective—January 1, 1969. Let us ask for retroactivity, and let us not be satisfied with action two or three years from now. Let us, rather, call for action which will take care of these people during 1969 and 1970. I repeat the word I have used a number of times and again call for a moratorium on income tax for all persons in receipt of the old age security pension whose total income is below certain figures. I have already suggested the figures I have in mind.

Having said all that, I want to sit down in case there are others who want a minute or two in which to speak before a vote is taken on this motion. But may I remind the House that even after we have done these things in terms of the income tax legislation, even after we have tried to improve things for people in other ways, this does not fill the bill. The one thing that we have to do for our older people is increase their pensions. That goes for the old age security basic pension, for pensions to retired civil servants, for pensions to all federal superannuates and for pensions across the board.

[Mr. Knowles (Winnipeg North Centre).]

I am not taken in by the argument that these people have to wait until we have solved the problem of inflation, because in the meantime they are suffering more than those higher up the economic ladder. In my view it is time that we closed the gap between those at the bottom and those at the top, by raising the incomes of those at the bottom, without waiting to solve the problem of inflation. I am in favour of coping with it, but I do not think these people should be made to suffer while we wait. The main job of this Parliament in the economic field is to increase the pensions of our older people and the income levels of all our people, but in the meantime I support the proposal that something effective be done regarding the income tax situation, not just in 1971 and the years thereafter but by a moratorium that will be effective for 1969 and 1970.

Mr. Murray McBride (Lanark and Renfrew): Mr. Speaker, it is a great privilege to have at least a few moments in which to make some comments on the notice of motion that has come before us in the name of the hon. member for Fort William (Mr. Badanai). It is a double privilege because the hon. member is held in very high regard and has the affection of many members of this House, if not of us all. Therefore, I am pleased to support the motion that he put forward. It seems rather symbolic that the hon. member's motion should have come out first in the draw and that it should be the first one to be debated today.

Some people might say that since the Members of Parliament on the government side of the House tend to be youthful, they are interested only in young people. Some of the youngest people I know are very old in years, and I commend the concern expressed in the motion for the retired and those on limited and fixed incomes. This concern is demonstrated not only by the motion before us but by the actions of the Government of Canada, in particular in presenting the white paper on tax reform, which matter has been adequately covered by hon. members who spoke before me.

It has for a long time seemed to me that the two main problems in Canada are, first the ever decreasing farm incomes in rural areas, and second the problems facing pensioners, especially those retired from civil service. I think both problems are very urgent and demand equal attention. I hope that Treasury Board will be able to raise the pensions of retired civil servants, those who have given of themselves, of their time and of their years

for the well-being and furtherance of Canada. I was delighted, as I am sure other members of the House were, to learn last Friday that the white paper on tax reform proposes a significant step in the right direction in easing the burden of many people who are on fixed incomes.

The motion before us and the suggested raising of the exemption from personal income tax reflect the social concerns and indeed the social sensitivity of the government. This kind of concern demonstrates the heart and compassion of the government, and the view held in all parts of the House that people are of first importance and governments must seek a closer understanding of the problems of the average man whom we represent in the House. We must be concerned about the quality of life, and not simply the quantity of life. We do not want simply to perpetuate more years of penury; we want to promote genuine prosperity. It is a very natural human desire and drive to want to survive, to cling to life. But we want more than the survival of the elderly; we want, rather—and must work for—a personal income that enables the maintenance of the highest possible degree of human dignity. It is not good enough to provide institutions and community clubs for the "unfortunate" elderly. We must eliminate the circumstances that tend to demean and belittle anyone's self-esteem.

I want to illustrate this point by sharing with the House a report that came to me in the last few days from a man who was travelling in the Andes of Peru. He was coming down a mountain route when he met a local Peruvian who could speak English. This man was very interested in what the native of Peru thought of North America in general and of the United States in particular, and asked him about it. The Peruvian told him that he hated North Americans. My friend was a bit surprised and he said, "Why? Surely you are aware that the United States of America has given many millions of dollars in aid to your country, to help Latin America, and has done so much for you." The Peruvian drew himself up, standing on his dignity, and replied, "Yes, that is true. They have given us a lot, but they confirm us as beggars."

• (5:50 p.m.)

It may be very difficult to give assistance but it is far more difficult for many proud Canadians, among whom are most of our elderly people, all of them very proud of their human dignity, to be the recipients of handouts and charity. Therefore, I support wholeheartedly and with great enthusiasm any means which would enable our elderly citizens to be independent and to command their own future by having adequate financial means with which to live a full and rewarding life in their advanced years. So far as this motion and the steps taken by the government will not confirm our elderly as beggars, but will do the exact reverse, I support them.

Mr. E. B. Osler (Winnipeg South Centre): Mr. Speaker, time is pressing and I do not want to prevent anybody else from speaking. However, I think there is one thing that should be considered when the substance of this proposal is being examined. We now have the white paper on tax reform which will have a generally good and advantageous effect, but it seems to me that some form of tax allowance should be considered in respect of legitimate expenses as well as the capital gains tax allowance that will be granted on homes. I wonder why we should not allow depreciation on homes owned by elderly people whose reportable or taxable income is below a certain figure. I know that many people do not own their own homes, but I think it is a tragedy when a married couple with a very modest income, probably anchored by time and memory to a home they have lived in for years, find that the cost of ever-increasing taxation is driving them out of that home.

When this matter is being discussed I think consideration should be given to the proposal that those with incomes below a certain level be allowed full depreciation on their homes after they have reached a certain age; and further, that the depreciation be worked out in such a way that the costs of education of the younger people, in other words the educational taxes involved in the full tax on their homes, would be eliminated. The federal government would then be subsidizing education. I know that might be unconstitutional, but the government would be doing it through a back-door method and it would also be helping poor, elderly people. In the average city such people would have their taxes cut by at least half. That suggestion is all I have to contribute at this time, Mr. Speaker.

[*Translation*]

Mr. Guy LeBlanc (Rimouski): Mr. Speaker, I am pleased to use the remaining few minutes to express my full support of the motion of the hon. member for Fort William (Mr. Badanai).

Nobody in this House would refuse to join in assisting and encouraging him in his good intentions, when the aim is to help a group of our fellow citizens who need it so badly, particularly old people who, due to their age, find it so difficult to earn a living.

I concur with other members who have mentioned, perhaps it was coincidence, the white paper published a few days ago. I have studies this document rather rapidly and it seems to me that it contains, at least in part, an answer to some questions that hon. members, especially the hon. member for Fort William, may have.

In any case, the government proposes to improve the situation in this white paper. There is no mention of a $1,500 basic exemption for old people, single people, or of a $2,500 exemption for married persons but things look better just the same. By the way, if I am not mistaken, there is nothing final about the white paper since the government intends to refer it to a committee where all hon. members will be given the opportunity to defend their point of view so as to help our senior people and our parents.

However, there is one thing that worries me in reading this white paper—and I think the hon. member for Winnipeg North Centre (Mr. Knowles) concurs in this—and it is the difficulty to make the measures passed in 1970 retroactive to January 1969.

Generally speaking and in principle, it will not be easy to give retroactive effect to measures adopted between now and 1971.

[*English*]

Mr. Deputy Speaker: Order, please. The hour appointed for the consideration of private members' business having expired, I do now leave the chair to resume the same at 8 p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

CANADA CORPORATIONS ACT

ADMINISTRATIVE AND CONSEQUENTIAL AMENDMENTS

Hon. Ron Basford (Minister of Consumer and Corporate Affairs) moved that Bill C-4, to amend the Canada Corporations Act and other statutory provisions related to the subject matter of certain of those amendments, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

He said: Mr. Speaker, Bill C-4 which is moved for reference to the committee this evening embodies important and far-reaching amendments to the Canada Corporations Act. Since its introduction in 1934 the Canada Corporations Act has been amended three times. Only one set of those amendments, those enacted four years ago in 1965, could in any way be considered substantial amendments. The amendments now before the House are the most extensive that have been prepared since the inception of the act in 1934. In retrospect, Mr. Speaker, I think 1965 can be considered as the year in which we in this House initiated a complete review of our corporation law. The amendments now before us are an important part of that review, and I emphasize "an important part" —a review which I expect will be completed within the next two years. These amendments are, therefore, only part of the process.

The tremendous changes that have occurred in society since 1934 and which are continuing at an increasing pace must be reflected in our legislation. Indeed, Mr. Speaker, I am amazed that such an important piece of legislation could have gone virtually untouched from 1934 to 1965. Our corporation law sets the framework within which much of the economic development in the business life of our country takes place and I believe that such legislation should be under constant review, consideration—and reconsideration. Only then can it fulfil the vital objectives it is designed to serve.

As I have indicated, Mr. Speaker, this bill does not propose the complete revision of all matters dealt with in the Canada Corporations Act. It deals with the most pressing problems. Other aspects of the Canada Corporations Act are still under study in my department as part of a general review of company law. Since the early 1960's a good deal has been said about the role of securities and companies regulation in the careful functioning of our capital markets. The Royal Commission on Banking and Finance, the Porter Commission, was the first attempt in Canada to consider this question in a meaningful manner. In 1964 this report helped point the way to the advances we have witnessed during the last four or five years in this field. More recently it was pointed out by

the Kimber Committee in Ontario that "one of the strongest single forces in the complex process of raising capital is public confidence". Public confidence requires a knowledge of the relevant facts that will permit the anticipation of profits. The Porter Report stressed the desirability of greater disclosure of corporation information relating not only to financial institutions but also to the securities market as a whole. The Kimber Report paved the way to the introduction of a comprehensive set of disclosure requirements in Ontario in 1967. The four western provinces have followed suit and have adopted in substantial form the Ontario requirements.

The maintenance and strengthening of investor confidence and investor protection are real concerns of this government. The 1965 amendments improved the financial disclosure requirements of the Canada Corporations Act. This was only the first step, Mr. Speaker. The bill that is now before the House will considerably improve the quality, the range and the level not only of the financial information but generally of the corporate information available to shareholders, prospective shareholders and to the public in general. There is no valid reason why the corporate information available from federal companies should not be as adequate as the information concerning companies incorporated in other jurisdictions. The improvements proposed in the interests of investors should help increase confidence in the securities industry. As was pointed out by the Kimber Report, to the extent that the securities industry has become a more effective and a more efficient part of the economy, the general public will benefit. This is the main goal that we are pursuing in the present bill.

The measures contained in Bill C-4, whether they concern no disclosure, insider trading, takeover bids, proxy solicitation or inspection and investigation, are all designed to promote the climate required for a high degree of investor confidence to develop. The most important proposals in this bill to improve public confidence and public information relate to financial disclosure. As long ago as 1935 the Royal Commission on Price Spreads, the Stevens Commission, called for better financial statements and recommended that they be published in the press and in the Canada *Gazette*. A later Royal Commission on Prices, the Curtis Commission devoted much of its attention to proposals for greater quantity and better quality of information in corporate financial statements. In 1959 the Royal Commission on Price Spreads in Food Products, under Dr. Andrew Stewart, noted that "private companies whether incorporated federally or provincially are not required to provide financial information." The commission pointed out that this category includes subsidiaries of many foreign firms. It recommended that private companies be brought under the same financial disclosure rules as public companies. The Porter Commission and the Carter Commission both expressed concern about the standards of corporate disclosure in Canada.

• (8:10 p.m.)

The concerns these various inquiries have expressed was reflected in the interim report of the Joint Committee of the Senate and the House of Commons of which I had the honour to be the co-chairman together with Senator Croll. In our interim report of December, 1966, our committee, which was made up of all parties of the House, said in part:

> In times of both depression and prosperity, Canada has in the past resorted to a series of Royal Commissions or parliamentary inquiries on prices and price spreads, each of which has had to compile its own information on costs, profits and return on investments. Your Committee was no different, and used its parliamentary privilege to ask for and receive from corporate witnesses information never before made public. However, your Committee feels strongly that if those responsible for or concerned about the management of public affairs are to be properly informed, such information should be available publicly on a continuous basis for the scrutiny of parliamentarians, public officials, consumer groups, investment analysts and the academic community. Such public disclosures would also be a spur to greater efficiency and productivity by preventing inefficient enterpreneurs from hiding their inefficiency from shareholders or public scrutiny. Further, your Committee sees no reason why large public companies should be compelled to compete in the marketplace against other large private competitors whose operations are almost wholly secret and many of which are privately held wholly-owned subsidiaries of the non-Canadian parents.

The committee's recommendations were:

> (a) That the distinction between disclosure requirements for private companies of significance to the public and public companies be eliminated.
>
> (b) That the disclosure requirements for both public and such private companies be enlarged to assure full and complete disclosure of corporate activities to give to the public sufficient information for meaningful continuous analysis and comparison.

In this bill, Mr. Speaker, we are seeking to extend the financial disclosure requirements to all federal companies of economic significance, to make all this information more readily available to the public and to make the financial information that is disclosed

more comprehensive and meaningful. To take the last point first, the amendments would require companies to prepare a statement of source and application of their funds. This will provide an accurate portrayal of the manner in which the company used the funds that became available to it during the year. Companies would also be required to prepare all their financial statements in comparative form, showing in a single statement figures for the last two consecutive years. Generally speaking, these new requirements will involve little or no additional work by the company, as the figures to be included in these statements would readily be derived from the company's books.

The bill proposes various other requirements which will undoubtedly be thoroughly discussed in the committee to which it is to be referred. But there is one new requirement that I wish to draw to the attention of the House this evening.

The growing conglomeration and diversification of business enterprises, especially in the United States and to a certain degree in Canada as well, has reduced the quality and the usefulness of the financial statements of many corporations. Companies operating across many industries commonly report their operating results on a consolidated basis, thus preventing the public from having access to relevant financial and operating characteristics. The failure to make public detailed financial information not only deprives investors of the data they need to make informed investment judgments, but also deprives shareholders of the data they require to assess the performance and quality of the administrators and managers of companies.

The variables that are of primary concern to the investor include the profitability of the business, the risks involved and the opportunity for growth. In the case of a company with a single class of business, each of these variables is effectively consistent throughout the company. In a company with multiple classes of business, the rate of profit, the extent of the risk and the opportunity for growth are bound to be different for each class of business. The progress and success of such a company is a composite of the progress or success of its several parts, and it is not possible to forecast the future of the total company without some knowledge of each of these parts.

For these reasons, companies with more than one class of business would be required to indicate the proportion in which their sales or gross revenue are divided amongst these classes. They would also be required to disclose the extent to which the carrying on of the business of each class contributed to or restricted the profit or loss of the company. I am convinced that hon. members will agree with me that in the wake of conglomeration and diversification of business enterprises in Canada it is essential that we take steps to increase the quality and usefulness of the financial statements of many corporations.

[Mr. Basford.]

The experience in other jurisdictions, especially in the United States and Great Britain, has shown that reporting requirements of this sort are both desirable and feasible. The amendments would leave a good deal to the discretion and judgment of the directors. We are confident that they will approach this requirement in a manner consistent with the over-all purpose of the legislation. This brings me to a second important aspect of our proposals concerning financial disclosure.

One question that we had to resolve is to whom the companies' financial reports should be made available. The Canada Corporations Act is silent on this point, but following a policy of long standing my department does not make these financial statements available to the public. I suggest that there are no valid reasons for such a restriction in the case of the financial statements of public companies. Shareholders, prospective shareholders and creditors should all have access to this information. We all know how easy it is for anyone to get access to the information available to the shareholders by buying one share in the company. We propose to do away with this legal hypocrisy, and the amendments require that the financial statements filed in my department be made available to the public on the payment of a prescribed fee.

I now turn to the third aspect, the extension of financial reporting requirements to some private companies.

We are most anxious not to impose unnecessary reporting burdens or disclosing requirements on the many firms—the great majority of all companies incorporated under the Canada Corporations Act—which are private companies. We have considered the advisability of imposing on all private companies the disclosing requirements imposed on public companies, as has been done in some jurisdictions. We have concluded that the public benefit that could possibly be expected to be gained from such disclosure requirements being imposed on all private companies, of whatever size, would not be sufficient to justify such additional costs.

There is, however, the problem of the many large private companies that exert considerable influence in our economy. The private company device that had originally been developed to assist the small entrepreneur, most often organized on a family basis, has very often become the corporate structure used by huge firms. Furthermore, many of these large private companies are in competition with public companies which must disclose information about their operations. Many of these private companies are wholly-owned subsidiaries of public companies incorporated abroad; we know little if anything about their operations in Canada, although the global operations of the parent and subsidiaries taken as a whole may be required to be disclosed in the foreign jurisdiction concerned.

The government and the public need to know more about the affairs of the large private companies. It is a prerequisite of any rational decision-making process that it be based on information as complete and accurate as possible. This principle applies to all managers, including those who manage the affairs of the country.

• (8:20 p.m.)

The 1968 report of the Task Force on the Structure of Canadian Industry struggled with this problem in dealing with the issue of foreign ownership and control in Canada. The report correctly pointed out that a judgment of the benefits and costs to Canada of foreign investment must include a careful analysis of the performance of foreign-owned firms in Canada. How does the behaviour of these firms and their efficiency compare with Canadian-owned firms? With their parents? With foreign subsidiaries elsewhere? These are some of the questions that are most difficult to answer now because of the lack of sufficient information about foreign-owned, private firms. In the view of the task force, the most serious problem with respect to the issue of foreign ownership and control was the extent to which foreign-owned firms were relieved of the necessity of public disclosure by virtue of their status as private companies in Canada.

The lack of definite information about private companies concerns not only the issue of foreign ownership. Noting that it is impossible to determine precisely the number of large private companies in Canada, the report indicates that on the basis of data on 743 of the largest Canadian companies it appears that 60 per cent are private companies. Of 375 of the largest non-financial Canadian corporate complexes identified by the task force, 162 or 43 per cent are private companies and about 75 per cent of those are controlled by non-residents.

In a recent study on the performance of foreign-owned firms in Canada, Professor Safarian noted how limited was the available data for the examination of both foreign-owned and Canadian-owned firms in Canada.

The task force pointed out:

> It is a pre-requisite to public discussion of government policy and the formulation and implementation of actual policy that more information be available on the activities of corporations, particularly large corporations, both Canadian-owned and foreign-owned.

The proposals now before the House in Bill C-4 will make an important contribution toward improving the present situation. The disclosure requirements that we propose will not apply to small private companies for the reasons I have outlined. Nor will they apply to any private company that is a personal corporation within the meaning of section 68 of the Income Tax Act. They will apply only to private companies which by virtue of their size are of significance in our economy.

One of the difficulties of this approach is deciding which companies are economically significant. We recognize that setting a test for this purpose is bound to be arbitrary. We have chosen to define an economically significant company as one which has assets or gross annual revenues greater than $3 million. We have chosen this figure because this test will elicit sufficient information to help us understand the greater part of the economic activity of federal companies. If the test we are proposing in Bill C-4 was copied in all Canadian jurisdictions, federal and provincial, we would get the following coverage: (a) some 1,200 manufacturing companies accounting for 80 per cent of assets employed in all manufacturing and 75 per cent of manufacturing sales; (b) over 300 mining companies accounting for 87 per cent of sales, and 87 per cent of assets in the industry; (c) over 400 companies accounting for nearly 50 per cent of sales in the wholesale trade; and (d) some 1,700 finance companies accounting for over 75 per cent of gross revenues and 86 per cent of assets in the industry.

Some people say that the government has the information it needs in its files, especially in the files of the Department of National Revenue, in the files of Calura and the Dominion Bureau of Statistics; that if it does

not have the required information, the government has the means of getting it. The claim is made, however, that there is no need to make public the information relative to the affairs of private companies; that to do so would amount to an unwarranted invasion of privacy. Those who speak that language surely do not appreciate all the implications of their position. I can hardly believe that in this day and age they want the government of the land to stand beyond the reach of the criticism of the citizens; that they want to allow the government of the land to take decisions that affect us all on the basis of information not available to the public. The public, even the otherwise well-informed public, the analysts, the academics and commentators, cannot appreciate, discuss or criticize policy as effectively as possible because of lack of access to the same information as is available to the policymakers or to the government.

One may ask whether it is worth having such disclosure since it will apply only to federal companies. First, it should be recognized that many, if not most, of the large foreign corporations operating in Canada through wholly-owned private companies are federally incorporated. Moreover, we believe that it is up to the federal government to take a lead in this matter and encourage provincial governments to follow. The act will provide for exemption when disclosure would be detrimental to a company's interests. Some people have also suggested that the requirement sould apply only to foreign-owned companies not to Canadian-owned firms.

Surely, we do not want to embark on a course that would discriminate in this way against foreigners. We do impose restrictions on the degree of foreign ownership permitted in certain sensitive sectors of our economy, such as communications, finance, banking and broadcasting. But once those specific requirements are satisfied, our general corporate laws should apply equally to foreign-owned and Canadian-owned companies, regardless of the ownership of the shares.

I like to think that hon. members will agree with the government that although there is no particular objection to the large firm being organized on a private basis, there is no valid reason why the use of the private company device by large firms, which play an increasingly important role in our economy, should become a shelter enabling them to hide from the public their financial affairs.

[Mr. Basford.]

I would now like to discuss some of the other aspects of Bill C-4. Much of the discussion about corporate law in recent years has turned on the relationship that should exist between corporate management and the company, and between corporate management and the shareholders. At the centre of this discussion is the question of the duties and responsibilities of corporate management in the exercise of their office.

This question raises many difficult problems that are still under study in my department and in other jurisdictions as well. Bill C-4, however, deals in a comprehensive manner with one of the most important of these problems, the problem of insider trading. Let me illustrate by an example the type of situation that in this regard troubles the public so much. Texas Gulf Sulphur is a case in point which has been widely publicized in the press. Various issues arising out of this case are still currently discussed, especially in the United States press and the United States courts.

The case of Texas Gulf Sulphur raised complex questions that have resulted in a number of lawsuits in the United States. Some of these are not yet settled and I do not wish to comment on whatever action may remain before the courts. However, the case provides a good illustration of a problem that should concern us all. Insiders who have access to information intended to be available only for a corporate purpose and trade for their own account in the securities of a corporation do great damage to our system of free market economy.

• (8:30 p.m.)

The Kimber Report studied this question in great depth. It concluded that while it is not improper for an insider to buy or sell securities in his own company, it is improper to use confidential information acquired by him by virtue of his position as an insider in order to make profits through trading in the securities of his company. The ideal securities market should be a free and open market. The price of securities should be based upon the fullest possible knowledge of all relevant facts. We agree with the Kimber Committee that any factor which tends to destroy or put in question this concept lessens the confidence of the investing public in the marketplace and is, therefore, a matter of public concern. The question which arises is: What do we do to prevent insiders from using confidential information for their own personal benefit and to

the detriment of the company or the shareholders? And when the insider has in fact used the information for his own personal gain and caused prejudice to the company or to some other person, what do we do? How do we ensure that everyone is treated fairly?

The problem of insider trading is dealt with in a rather rudimentary way in the Canada Corporations Act. Under the current provisions, directors, officers and shareholders controlling more than 10 per cent of the issued shares of a corporation are required to file reports with the company's secretary on a monthly basis disclosing the number of shares sold or purchased during the preceding month. The secretary must make the reports available for inspection by the shareholders and they are presented to the shareholders, whether requested or not, at the annual meeting. The secretary of the company must also, within a month of receipt by him, send copies of these reports to my department, where they are available for shareholders' inspection. Penalties for breaches of these provisions are imposed by way of summary conviction proceedings. There are a number of shortcomings in this approach: First, the act currently applies to a narrowly defined class of insiders. Second, the disclosure provisions are not satisfactory. The information disclosed is available only to the shareholders of the company and not to former shareholders, let alone to the investing public generally. Finally, there are not provisions for the recovery of the benefit or advantage received by the insider at the expense and to the detriment of the company or the persons who traded with the insider.

Bill C-4 proposes a comprehensive code to deal with the problem of insider trading. The proposed insider trading rules are substantially the same as those already found in the company law or securities legislation of Ontario and the four western provinces. The important features of the uniform provincial legislation in this regard have been adopted. The differences are only minor. Insiders would not under these provisions be prevented from trading in the securities of their company. The amendments would, however, improve the accessibility of insider trading reports by making them available to the public, and not only to shareholders as is now the case. Thus, the purposes of these disclosure requirements will be better served. The reports will provide an indication of insiders who might be liable for damages. They may also prevent insiders from engaging in improper trading they would be reluctant to disclose.

The amendments would also impose a statutory liability on the insiders, their associates and affiliates, including close members of the family as well as on any employee of the company or any person whose services are retained by the company, who take improper advantage of their inside knowledge. These people would be accountable to any persons who have suffered a direct loss because of the use by such insider of specific confidential information in connection with a transaction relating to the securities of the company. The insider would also be accountable to the company for any direct benefit received by him in similar circumstances. As this kind of abuse is likely to arise only in the case of a company whose securities are traded publicly, these provisions would apply only to public companies that have made or are making offers of their securities to the public. These new requirements should help to maintain a high degree of confidence in the investing public that all will be treated fairly and equitably. They should also militate against the undue enrichment of insiders through their confidential knowledge at the expense of the shareholders or other affected persons who lack the inside knowledge.

I now turn to the amendments which deal with proxies and proxy solicitation. As our economy expands and our companies grow larger and more complex, management seems further isolated from the shareholders in an increasing number of companies. For most of the year, corporation management can carry on without reference to the shareholders. Once a year, however, the shareholders have the privilege of deciding whether the present management should be continued in office. Relatively few shareholders actually appear at annual meetings and more are willing to give proxies to representatives of management. Unregulated, the proxy device thus tends to become a powerful instrument which management can easily use to perpetuate itself indefinitely. Furthermore, proxies are often solicited to approve management's action in cases where shareholders are not given sufficient information. An informed decision is often almost impossible. In practice, no alternative is offered to the shareholders. The proxy form they receive designates a management representative as nominee. He has full discretion to vote on behalf of the shareholders.

Professor Louis Loss, an American authority on securities regulation, has discussed this problem in the following words:

> Corporate practice has come a long way from the common law's non-recognition of the proxy device. The widespread distribution of corporate securities with the concommitant separation of ownership and management, puts the entire concept of the stockholders' meeting at the mercy of the proxy instrument. This makes the corporate proxy a tremendous force for good or evil in our economic scheme. Unregulated, it is an open invitation to self-perpetuation and irresponsibility of management. Properly circumscribed, it may well turn out to be the salvation of the modern corporate system.

The proposed amendments provide a comprehensive set of rules governing proxies and proxy solicitation whether the solicitation is by management or others. The form of the proxy would be regulated. It would also be designed in such a manner as to afford the shareholder the opportunity to appoint as his nominee someone other than the person designated by management. The form would also allow the shareholder to instruct his proxy how to vote on each matter to be considered.

Sufficient information is a prerequisite to sound decisions. An information statement would therefore be required to accompany any solicitation of proxies. Shareholders must be provided with an opportunity to exercise their right of corporate suffrage. For that reason, companies would be required to send suitable proxy forms along with notices of meetings. Furthermore, shareholders will now receive, prior to the meeting, an information circular giving information on the matters to be considered at the meeting. Thus, they should be in a position to vote more intelligently. The considerations to which I have referred are less likely to arise in companies owned by a small number of shareholders. Consequently, these requirements would not apply to a private company or a public company which has fewer than 15 shareholders. These amendments correspond with the present requirements of the legislation of Ontario and the western provinces.

In one important respect we are breaking new ground insofar as Canada is concerned. We are introducing a procedure of shareholder initiative to make it easier for those shareholders who wish to involve themselves in the affairs of their company to do so more effectively. The amendments would provide machinery to enable a shareholder to give notice to all shareholders of his intention to submit a proposal to the meeting. A company soliciting proxies would be required to include the shareholder's proposal in its information statement. Thus, a shareholder, not only the management, could avail himself of the company's mailing facilities at comparatively little cost to the company. This should prove, as it has proved in other jurisdictions, a healthy device in stimulating shareholder interest; and there are provisions in the act to prevent abuse of this privilege by cranks and kooks. Our objective in proposing these changes is clear. We want to ensure that shareholders are provided with adequate information to enable them to make intelligent use of their voting right, or of their right to have someone else vote for them at meetings. In this way we wish to encourage shareholders to take an active and responsible role in the direction of their companies.

• (8:40 p.m.)

The fourth major aspect of Bill C-4 deals with takeover bids. At present there is virtually no provision in the Canada Corporations Act governing takeover bids, despite the growing importance of this method of acquiring control. There can be serious, undesirable side effects if shareholders are not given the time and information necessary to judge on its merits an offer for shares. Most other jurisdictions have found such legislation desirable for orderly activity in the marketplace. The object has been to give the shareholders whose shares are wanted for the purpose of the takeover the information which they need to evaluate the bid intelligently, and to ensure that those shareholders who want to accept the bid are treated equally by the bidder. The new rules would apply to takeover bids involving public companies with more than 15 shareholders. These rules will cover situations where the bidder or offerer has, or will have, 10 per cent of the object company's equity shares, which can often constitute control. Shareholders must be given at least 21 days in which to make their decision and deposit their shares.

Mr. Woolliams: That is a beautiful statement.

Mr. Basford: I am glad the hon. member for Calgary North (Mr. Woolliams) likes my statement. When more shares are deposited than the bidder wants, the bidder must take up his total and pay for them, from all that are available to him, on a pro rata basis. This means that there is no pressure on shareholders, as now, on the basis of "first come, first served." The bidder must send his bid to the directors, as well as the shareholders, of the

company in question. Whenever the directors of the offeree company recommend to their shareholders acceptance or rejection of the takeover bid, the directors would be required to issue a directors' circular containing information to explain their recommendation, and indicating whether they themselves propose to accept or reject the offer. It is most desirable that the shareholders receive sufficient information to enable them to evaluate the position of management.

Offers to be effected through the facilities of a stock exchange or on the over-the-counter market would be exempt from these provisions. In these cases the bidders are not in direct contact with the shareholders; the purchase of shares takes place in the market. As the shareholders and the bidders are dealing at arm's length, there is not the same need for protecting the shareholders. Similarly, these provisions would not cover offers made by way of private agreement with individual shareholders. There is also provision for specific exemption by a court upon application. These provisions are substantially similar to the requirements found in the legislation of Ontario and other provinces.

The fifth series of amendments contained in Bill C-4 deal with provisions for inspection and investigation of federal companies. Corporate laws of Canada, most of the provinces and the Commonwealth already contain provisions for inspection and investigation of companies in the interests of shareholders oppressed by mismanagement or fraud, although the mechanics of the investigation process vary greatly.

Under the Canada Corporations Act the minister may appoint inspectors to investigate the affairs of a company, but only on the application of shareholders. Furthermore, the expenses of any such investigation are the responsibility of the applicants or, where I as Minister of Consumer and Corporate Affairs so direct, that of the company. Such requirements tend to deter people from bringing forward valid complaints.

Our experience supports this conclusion. Since 1950 the department has received only 11 formal requests for inspection, although the number of informal complaints received is substantially higher—about six a year. A few of the inspections ordered by the department have paved the way to the laying of criminal charges. In other cases the inspection was useful in showing suspicions of irregularities or misconduct to be groundless and baseless.

The inspection and investigation procedure has a key role to play in maintaining and developing investor confidence in our market system. Through this machinery the administration can help to ensure that the corporate device is not used as a shield to defraud the investors, the creditors or the public generally. Through this procedure the administration can also help to ensure that the shareholders, whatever the extent of their financial involvement in a company, whether their interest is a minority one or not, will be treated fairly and equitably.

With these objectives in mind, and bearing in mind the overriding requirement that the inspection and investigation process be fair and just to all and that the fundamental rights of all be protected, we propose a new approach to inspection and investigation. First, the amendments would spell out the grounds on which an inspection or investigation could be made. These grounds are of two categories; first, suspected fraudulent or unlawful acts, or misconduct on the part of the company; second, acts that are oppressive on the minority of dissenting shareholders.

Second, an investigation could be commenced only with the approval of the tribunal, the Restrictive Trade Practices Commission. This approval could be sought either by my department or by a sufficient number of shareholders of the company. On approving the initiation of an investigation the tribunal would appoint an inspector and define the scope of the investigation to be undertaken. Again I emphasize that in spelling out the powers of the inspector under these provisions great care has been taken to ensure that all be treated justly and equitably. On completing his investigation the inspector will be required to prepare a statement of the evidence he has obtained, and the tribunal must give anyone affected by the statement a fair opportunity to be heard before the tribunal makes its report.

A simpler procedure is provided where the purpose of the investigation is solely to determine the reasons why a company has failed to file with my department a document that is required by the act to be filed. I hope that these powers of investigation and inquiry need never be used. Any investigation or inquiry power has to provide within it proper safeguards. I am confident that these have been built into the act and that they can be defended as proper safeguards in the circumstances. Finally, we propose that the costs of carrying out an investigation be part of the public costs of administering the act. The

amendments, however, provide that in some circumstances individuals or companies can be required to reimburse the administration.

Some may raise questions as to the additional reporting requirements that some of these amendments will impose on the business community. Many of our federal companies are already required to comply with provincial reporting requirements under the securities acts of the provinces. For these companies the amendments are not likely to result in a much greater burden. Great care will be taken to ensure a high degree of uniformity in the development of the prescribed forms.

• (8:50 p.m.)

We have already begun to discuss with the provinces ways and means of eliminating unnecessary duplication of reports. There is no reason why we cannot, in close co-operation with the provinces, minimize the amount of duplication. We will continue our efforts in this direction just as we have tried to make our proposals as consistent as possible with provincial legislation.

We have taken the opportunity in Bill C-4 to deal with one very different kind of problem, the question of companies incorporated by special act of Parliament. As hon. members are aware, various categories of companies such as pipe line companies, trust, loan and insurance companies and railway companies cannot now be incorporated under the Canada Corporations Act or any other statute of general application. They can only be incorporated by special act of this Parliament.

The pressure of other business does not always permit the setting aside of sufficient parliamentary time to consider and dispose of requests for special acts to incorporate new companies or amend the original incorporating statutes. As a result, great inconvenience can at times be caused to the companies involved because of the uncertainty of the procedure and lengthy delays which are sometimes involved. We therefore propose an alternative procedure to the special act machinery.

In the case of pipe line companies, insurance, loan and trust companies, letters patent of incorporation could issue pursuant to the Canada Corporations Act with the concurrence of the minister responsible for the department concerned or any other minister named by order in council. In the case of railway companies, the granting of letters patent would be subject to the issue of a certificate of public convenience and necessity by the Canadian Transport Commission. Companies of this type now governed by special acts would be allowed to apply to become companies subject to the ordinary provisions of the Canada Corporations Act. The amendments do not apply to banks, telephone and telegraph companies which will continue to be governed by the special act provisions.

We have taken great care to ensure that the public interest continues to be a paramount consideration when dealing with these special types of companies. In our view the protective measures embodied in the amendments will be sufficient to ensure that the public interest is well served. I am confident hon. members will come to the conclusion that this is a commendable step which will result in a considerable saving of the time of the House and greater convenience for the companies involved.

Finally, I should draw the attention of hon. members to the provisions of clause 4 of the bill. This clause would permit companies to restrict their shareholders to Canadian citizens or residents if the shareholders are unanimous in wanting such a restriction. At present, companies incorporated under the Canada Corporations Act do not have this power although certain federal regulations, particularly in the broadcasting field, make a certain degree of Canadian ownership a requirement.

Since this bill was introduced in the last Parliament we have received representations pointing to a number of difficulties in clause 4 as it now stands. We have been studying the problem for some time and I am hopeful that when the bill is discussed in committee I will be in a position to offer for consideration and study an amended or improved version of clause 4.

I am confident hon. members will share my view that Bill C-4 is a piece of legislation that deserves the support of the House. I apologize, Mr. Speaker, in this introductory statement on second reading for taking so much of the time of the House, but these are comprehensive amendments to the Canada Corporations Act covering new and very important disclosure provisions, insider trading, takeover bids, proxies, investigations and inquiries. I thought it was, therefore, important that I should make a long and detailed opening statement. I commend these amendments and this bill to the members of the Finance Committee and trust I will receive the support of that committee in dealing with Bill C-4.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, in some instances I am glad the minister has given us some rather lengthy explanations in respect of this 82-page bill, which of course is quite complicated in much of its length, and has outlined the reason this is being done by regulation. We have a sort of allegation or claim in respect of a just society.

Combined with what is proposed in the Minister of Finance's (Mr. Benson) white paper on taxation, this bill concerning corporations and some other things leads me to wonder whether we are moving toward a regulative society. With regard to many of the amendments I have a great number of questions, because it seems to me, particularly in the area of private companies, that since the investing public is not involved in private companies there are some attempts at what seem to be just plain out and out snooping for whatever purpose it may be. It may be that people just want to have control over certain operations. There again, I simply ask: Is it an attempt to establish a regulative society? I give the minister fair warning that I will be looking very carefully at these matters which have to do with a number of the requirements that will be made of private companies in which the investing public is not in any way affected.

It is a cardinal principle that in so far as public companies are concerned, the requirements as to filing financial statements and so on are for the benefit and protection of the investing public. It is not so much the actions of the companies' branches in Toronto, Vancouver or Edmonton that really act as protection for the public, but rather the actions of the various stock exchanges and the securities commission. They are the real watchdog of the public. The minister told me this afternoon that he had not been able to make much progress in respect of the establishment of a Canadian securities commission.

Mr. Basford: That is not what I said.

Mr. Lambert (Edmonton West): The minister said he had not abandoned his idea and that it was still continuing. But I can tell the House and the minister that I know he is not making any progress. The point is, however, that substitute machinery is being set up so that his department can act as though it was a national securities commission in so far as dominion companies are concerned. We will see just how far this goes. I would not want it to be the substitute for a Canadian securities commission. I know some of the problems with regard to that matter. Ottawa's requirement is that the commission shall be seated in Ottawa and shall operate from Ottawa. This is nonsense. A securities commission operates near the biggest market, and a national securities commission could operate in Montreal or Toronto far more effectively than in Ottawa. This is one of the stumbling blocks, and there are others. But I am sure all provincial authorities agree with the principle of a national securities commission whereby many of the provisions the minister would like to impose in the corporations act which would go further than any other corporations act, would be put into effect. I think we are trying to achieve commendable ends.

• (9:00 p.m.)

Certainly those of us who have some knowledge of company law want to see an improvement in the control of insider trading. But according to the way the minister explained it, anybody who might potentially be an insider acts at his own peril, because any information might be used or deemed to have been used by him for his advantage. This point will have to be explained. He will also be subject to claims by shareholders who might have been affected, by previous shareholders, or even somehow or other by the regulatory agency which may initiate a suit to try to recover moneys. This policy goes much further than has even been the case and will require a good deal of explanation.

Let us deal with the various points raised. First of all, there is the removal from this House of the power of incorporation by private bill of many types of organizations, as described by the minister in a rather complete press release dated May 22. I do not know why great parts of it had to be read into the record tonight. In any event, if we look at page 8 of the press release we see that incorporation by special act of Parliament would apply to pipeline companies whether oil, gas or commodity, trust companies, loan companies, insurance companies and railway companies. There is a limitation that they cannot be incorporated in any way other than that permitted under the acts which govern these particular types of companies, such as the Trust Companies Act, and so forth. In other words, the Minister of Consumer and Corporate Affairs (Mr. Basford) could not incorporate a trust company in derogation of any of the requirements of the Trust Companies Act. It must be clear that this is understood.

One provision which concerns me somewhat is that the Minister of Consumer and

Corporate Affairs will issue the appropriate certificate on the recommendation of the minister concerned. This leads me to ask the following question: What will happen in the case where the minister concerned said no? Presumably he has full discretion as to why he should authorize or withhold the authorization or recommendation. We wonder just what considerations shall apply. I warn the minister right now that we shall look into this point very carefully and study what shall be the requirements imposed upon the recommending minister. Those requirements must be outlined clearly, otherwise there will be areas of discretion which could be used improperly. This question must be cleared up.

I am in favour of the provision that existing companies may be brought under the provisions of the act at their own request and with the proper safeguards. This provision will remove an abuse that has grown up in the House whereby justice has not been done to entirely bona fide people whose businesses were quite legitimate and who, for reasons best known to the parties concerned, were prevented from obtaining justice from this House. I think our whole system has fallen into ill-repute as a result of the abuse of rules with regard to the incorporation of such business concerns, or amendments to their acts, in that appropriate restrictions were not imposed upon members of the House with regard to a discussion of matters that were before them. In other words, an application for a change of name allowed a complete discussion of the whole operation of a company.

Another matter to be considered is proxy voting. I agree with the minister that more information must be disclosed in this respect. I hope that the minister and the House do not expect me to reply fully to a detailed statement which took 45 minutes to read, after hearing it just once. If a copy had been made available to me beforehand, this may have been possible. I recall a comment that was made about the British Parliament. A minister came into the House carrying a portfolio and the opposition whip said, "Surely the minister will not read that whole document and then bore us with an equally long speech".

This is our problem when a minister comes into the House with a very carefully prepared statement. We do not deny him authorship or part authorship of the statement, but the opposition must then comment upon what he has said, if we are to have a proper debate. The only thing on which one can go is the

fact that the bill was presented and that there was a press release, which fortunately I saw last May and kept in a file-cover in anticipation. But beyond that it becomes rather difficult.

I wonder just what is the justification for the so-called Watkins task force. I must be careful not to confuse the manifesto with the task force. I am wondering whether the minister read the manifesto as background for the provision to control, examine and inspect certain corporations. I think there should be some respect for the privacy of business operations. For instance, I find it somewhat difficult at the present time to understand why the minister may want the source and application of funds statement to be filled by private companies. There may be a good reason for it. What is so sacrosanct about the figure of assets of $3 million or gross revenue of $3 million? Why those particular figures? The minister did admit they may have been an arbitrary figures. Presumably we will in the committee, be getting reasons for this.

I fail to see why the minister bothered to quote at length the conclusions of a committee in which he took an active part and, therefore, might have a less than objective judgment on the conclusions of the committee to serve as the recommendations for action he may be taking in so far as disclosure of financial statements is concerned. I do not like to think that unless some of the major provinces adopt precisely these provisions there will be no incorporation of federal companies and foreign interests will simply come in with their own company, register in a province as a foreign company and then register in whatever province they may wish to operate.

• (9:10 p.m.)

As a matter of fact, on occasion corporate lawyers have said to me, "Frankly, we see no advantage whatsoever in getting a dominion corporation." The stickier becomes the incorporation, and the stickier become the regulations under which incorporation may be granted, the less will be the incentive to incorporate under a federal charter.

In 1965 when I was on the committee I had a lengthy discussion with the then Registrar of Companies. I suggested to him and to others that it would be more efficient to get more companies to register under the federal charter if certain provisions could be loosened up, otherwise we would lose the opportunity to incorporate companies under the federal act. As a matter of fact, when I was practising law I knew several parties who, having

considered the pros and cons of federal legislation and of the legislation of certain provinces which make a speciality of corporate law, decided they preferred to go with provincial incorporation because the facilities were so much better.

I could speak at considerable length on the area of investigation and inspection. Again, we will want to see what provisions are made with respect to empowering the various inspectors and whether their powers will be greater than those given to the police when they are seeking drugs. Is it thought necessary that they should have the power to walk into any company and on presentation of credentials seize books and do what else they want?

I believe that some legislative acts passed within the last few years are nothing but an infringement of civil rights. In the present case we must see what is intended and what powers will be granted to the various inspectors. Taken with amendments relating to companies that come under the Income Tax Act, I feel that we are moving rapidly toward a much more regulated society. I for one do not subscribe to that policy. However, I am quite prepared to recommend to the House that we give this bill second reading for the purpose of its referral to the committee for examination.

The examination of the bill in committee may take some time. It is a fairly complicated measure, and the committee will have plenty of work before it. The committee must deal with competing legislation, and it is possible that the government's white paper on tax reform will shortly be turned over to it; therefore, we will be faced with a scheduling problem. Progress will also depend on reaction from the public. I am sure a number of bodies will want to make very careful representations on the bill. In conclusion, may I say that I, too, want to see a viable, lively, federal Companies Act, but one which is a useful instrument and does not merely become the authority for a great deal of snooping.

Mr. Max Saltsman (Waterloo): Mr. Speaker, when the minister was introducing the bill I was asked a question behind the curtains. Somebody asked, "What does it all mean?" The thought that occurred to me as a rather fast explanation of the bill was that it will just make it a little more difficult for corporate structures to get away with things. The minister has been castigated by some of the financial newspapers. One had the headline, "Corporation Act Changes Rouse Businessmen," and another, "Business Protest to Corporations Act Mounts." From these headlines it would seem that the minister was introducing an earthshaking document. However, all he is really saying is that after 34 years the executive have finally come to the conclusion that public investors are entitled to expect that there will be disclosure of business activities, that inside trading will be restricted and reported and that proxy solicitation will be somewhat more straightforward than it has been in the past. After 34 years these are the earthshattering amendments that he proposes.

I do not want to commence my remarks with a negative attitude, Mr. Speaker. The fact that it has taken so long to produce these amendments is not something for which we can blame the Minister of Consumer and Corporate Affairs (Mr. Basford). By and large I am glad to see these changes being proposed in our laws affecting corporations. The time has long past when businesses, particularly large ones, and in many cases foreign-owned corporations, can say, "What we do is of no concern to the public or to our shareholders." The proposed legislation is a worth-while step in terms of taking a look at what is going on inside the corporate structure of the country, but I would suggest that the bill can be only a prelude to measures of far greater significance.

Just finding out that there are bad things going on is not enough. Obviously the purpose of finding out is to take some kind of action, but there has been little indication of the kind of action the minister is prepared to take if his investigations reveal that corporations are not always acting in the public interest. I for one do not necessarily view corporations as bad things. In some cases I believe they have been bad things. But, Mr. Speaker, if you look at the kind of industrial society in which we live, and at the kind of technological progress that is taking place, it is quite obvious that only very large corporations having large resources are able to take advantage of these technological changes. The implication is that we will have to live with corporations, with very large organizations. The question is not whether we are going to be happy about it, but to what extent we can make corporations responsive to the needs of people.

The important thing about all our institutions is the degree of responsiveness that they demonstrate to the needs of Canadians. This

bill will at least provide us with an opportunity to examine the structure and behaviour of corporations in a better way than we have been able to do recently. The significant question is, how will the government act to make changes once it is in command of such information? The large companies of our time have taken on the position of a state within a state. They have enormous power. Some of them employ more people than some countries have populations. Many of them have financial resources that are infinitely greater than the taxing powers of some countries. Many of these corporations are based outside the boundaries of the countries in which they operate, and they take their orders from outside those boundaries. This is very true in Canada where to a large extent foreign-owned corporations, if American-owned, are subject to American law even if it be in conflict with the law of Canada. This gives rise to a very serious condition, a state within a state, and we must find means of coping with it.

• (9:20 p.m.)

Large corporations have virtually the power to tax. Usually we think of taxes as being imposed by government at various levels, but where a corporation is able to determine its own profit level it also imposes a kind of tax. The difference is that if we do not like the taxes imposed by our government we can at least turn it out, but people are helpless in the face of a giant corporation.

I would suggest, Mr. Speaker, that the time has come to look at the kind of profits corporations are entitled to make and the prices they charge. They should not unilaterally have the power to tax without having to answer to the people of the country in which they operate, any more than may the government of that country. Governments do not always plan, but corporations do. They represent a huge investment and must make advance decisions. They become bureaucracies with a life of their own and must decide investment and market policy years ahead. Often they are even able to overcome the market structure.

I do not think we can really say that we have the kind of free market of which the classical economists used to speak. Giant corporations and associations of every kind have been able to operate against this type of market system. Knowing that, and knowing that the discipline we would expect from the market system no longer exists, there must be some other way that corporations can respond to the country and its people. The market system cannot be depended on any more in this respect. It is difficult, and to some extent perhaps even undesirable, to impose excessive regulations of any kind, whether of business or other organizations in our society. I for one would look for ways to provide a regulating mechanism without detailed government scrutiny for every sort of activity. I am suggesting that the market can serve a useful purpose if we change the rules of the game so that it becomes a reflection of efficiency and responsiveness, which is what it is supposed to be.

When we set priorities for the number of houses we want and the kind of hospitals and public service we want in a civilized society, we should not let the market make the decisions. But when it comes to a decision as to the kind of shoes we wear, the kind of car we drive or the hat we sport at Easter, surely the market can offer the choice provided there is the market mechanism and it is not frustrated by the enormous power of the corporation as we know it today.

Therefore, Mr. Speaker, we need more than just disclosure and more than just some idea about proxy trading or insider trading. We will have to change our tax system. I suggest that unless we change it to bring some corporations either under regulation or some kind of market pressure, this bill will be meaningless; we will have a lot of information and a lot of facts that will be of no help. We already have enough information and facts and enough insights to indicate a fundamental change in our tax system. Such change is not taking place. I do not have any cause for confidence that if this legislation is passed, the kind of tax reforms and changes necessary to make corporations responsive will come to pass.

How does the corporation escape from the market discipline? One way is by vertical integration of its operation. A clear example of this is the oil industry which starts with exploration, developing, refining and then ownership of the service stations just to make sure the whole thing is co-ordinated. They have a market system which obscures facts. What does "platform power" really tell us about gasoline? What do the glossy ads which we read or see on television tell us about the product? Very little. This is a real form of power. In some ways it is tyranny, and must be broken. I would be much more impressed with this legislation if there were provisions in it to the effect that owners of oil wells

cannot also own service stations. Then we would really get some market forces at work.

That is not such a far-out suggestion, Mr. Speaker. There has been three major investigations in the oil industry all of which came to the conclusion that too many service stations were being built, that operators were not able to make a decent enough living, and that the prices as a result of vertical integration were not cheaper but were higher than necessary. There has been an enormous amount of waste through the vertically integrated operation.

The minister pointed out that under the bill, in the case of conglomerates separate reports of their activities will be required and that there will have to be an indication of their profit and loss position. However, there is nothing in the bill to say that for tax purposes they cannot present a consolidated statement and be taxed on the over-all position provided they indicate their method of operation.

To make this measure effective, where you have a chain of supermarkets each store should report separately and be taxed on the basis of its profit and loss position. If this is not done, one store may take tax money that would normally go to the government and subsidize an inefficient operation or drive out a competitor; the profit from one store could be used to absorb the loss of another. This is really a distortion of the market system because there is no test of efficiency. In effect there is a vast subsidization of the corporation in this position, an internal subsidization at its own discretion.

There is much talk about providing money for old age pensioners, increasing the family allowance and even bringing in the guaranteed annal income. There never seems to be enough money to do this, but the tax laws permit this type of subsidization to go on. In the long run it destroys the small entrepreneur. If the small entrepreneur is destroyed because he is inefficient, that is one thing; but if he is destroyed because a competitor who owns a series of chain stores can open up a store close by and run it at a loss because it is subsidized by the other stores, that is another. That is an unhealthy situation and it illustrates to some extent the real problem that exists in vertical integration and conglomerates and chains. Under our present tax system you do not have an effective way of evaluating the efficiency of the structure of various corporations. Mere pious hopes or platitudes will not do; we need a taxation policy that will force large enterprises into competition.

• (9:30 p.m.)

If you say that competition is good in some areas—and I think it is—then let us have it. Large corporations do not have to compete today except on their own terms; or if they do compete, often they compete with corporations that are organized exactly as they are. That is a very different kind of competition. The minister seems to be quite sincere, and I have no doubt that he is determined to make substantive changes to the corporate structure of this country. He may as well complete his task because he is being blasted in the press. He is not much of a hero to the establishment at this time and has not much to lose. On the other hand, if I keep on talking he may wind up looking like a Conservative. I think he must go beyond words and declarations and give strong assurances that there will be changes in the tax structure of this country.

Many large corporations grow not because they are efficient, although some of them are efficient and have good management and technical know-how, but because they are subsidized by the tax moneys of this country. Some of them grow because they can deduct selling and marketing expenses from income tax liability. Some of them obtain a head start in business and spend money on advertising and the promotion of brand name products, which in themselves are a form of monopoly. If you spend money to impress a brand name on the public consciousness, every 50 cents you spend is 50 cents that might have been paid in taxes. For that reason I say that potential tax money is being used to subsidize the advertising and enlargement of such corporations. Repeated over and over again, the brand name becomes a form of monopoly control. It is true that other people may use brand names, but a brand name is a powerful selling tool.

The abuse does not end there. Most of the brand names we talk about are United States brand names. When we permit a corporation to deduct from taxable income money spent on the advertising of brand names, we are subsidizing that corporation with our tax money. Actually, we are accepting the culture of another country. There is no way around this. If you buy United States products, look at their programs and accept their advertising, it follows that you must share their values. I say nothing about how useful these values may be to the people of the United States; they must consider them worth while

or they would discard them. That is their business. But I do not like those values for this country because I think we are a different kind of people. I resent tax laws that allow us to be dominated culturally by entrepreneurs of another country. There might have been some justification for these exemptions in the early stages of industrialization, but by permitting them to continue today we are distorting the market system.

I am not making a pitch for us to regulate advertising; I am not saying that we ought to control it, because I do not think anyone in government is wise enough to say how much one should spend on advertising, what form the advertising should take or how an advertiser should spend his advertising dollar. That is not what I am suggesting. I am suggesting that the product should bear its full selling costs. I say that selling costs should not be deductible for income tax purposes. If the product sells well, that is good. If by selling many items you lower your selling costs, as many people claim, that is very good. The success of your product will be reflected by success in the marketplace and it will not be subsidized with tax money. If the product does not sell, again that will show up in the marketplace. We cannot see how successful a product is so long as we allow advertising and selling expenses to be deducted for income tax purposes. The tax bonus that is conferred on the entrepreneur in this manner is tantamount to a direct subsidy. This is made possible by our present taxation system. I am asking that our tax system be changed to allow market forces to operate more accurately and specifically than they now do. Our large enterpreneurs always say they want to live by the market. But they are not living by the market, Mr. Speaker, because they are receiving a subsidy through our tax system. I do not think they are entitled to that kind of protection.

The third area I wish to touch on is that of retained earnings. According to our information about corporations, big corporations seldom have to go to the marketplace if they want money for expansion. Even when they do go to the market, they go there with the advantage of an AAA credit rating, and so on. It might be worth-while if we forced large corporations to pay out all retained earnings to shareholders. Corporations should not hold on to retained earnings or if they do those earnings should be taxed at a special rate. If the corporations need money for expansion, let them go back to the shareholders and the marketplace. I think the minister said that our capital markets are functioning smoothly. I say to him that our capital markets are enormously distorted because corporations can hang on to retained earnings. As a result they are not subject to the discipline of the marketplace; they do not have to explain their investment priorities to any banker. In my opinion this is not good. If those gentlemen who are in charge of our corporations believe so much in the marketplace, they should live by the marketplace. Then perhaps we might see some significant changes which would benefit our consumers.

I think this legislation is worth while, Mr. Speaker, and I am sorry it has taken 34 years to arrive. That it has taken so long is a powerful indictment against governments which for the past 34 years have directed this nation's affairs.

An hon. Member: I do not agree.

Mr. Saltsman: I exonerate the present minister from blame. It is hard to hold him accountable for the sins of previous governments since for all I know he may not have been born 34 years ago. We have come a long way, and I hope we do not have to wait another 34 years before seeing action based on the kind of information that will become available through legislation of this kind. I conclude by saying that unless we obtain a fairer tax system, and unless the government is prepared to act on the information that is obtained, this entire exercise will not have been worth while.

• (9:40 p.m.)

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, Bill C-4 introduced by the Minister of Consumer and Corporate Affairs (Mr. Basford) is entitled "An Act to amend the Canadian Corporations Act and other statutory provisions related to the subject matter of certain of those amendments."

The members of the Ralliement créditiste have always expressed very clearly their faith in private enterprise and they are in favour of permitting private enterprise a maximum of development in order to reach standards of valid competition that will enable the consumers to benefit from reasonable prices while respecting the consumer sector of our society and of our national economy.

Many people have taken objection, in the past, to corporations, calling them, for

instance, highway robbers and exploiters of small people, profiteers who take in millions and millions of dollars, asking the government to take over some corporations or even nationalize them in order to achieve a more equitable distribution of the country's wealth.

Mr. Speaker, one seems to forget that the millions of dollars made by these companies are not necessarily stashed away in order to ensure them a cash reserve. On the contrary, the corporations are investing their profits in their firms to expand.

I remember reading one day the speech made by a great American tycoon. I refer to Henry Ford who said some time before he died: If I had to launch my industry today, I could not do it because when I started in the car industry, I could use my profits to expand, to enlarge my plants and I did. Today, I could not do it simply because the government takes away my profits and I have to go to credit lenders and borrow at prohibitive interest rates in order to expand.

Today, this same thinking should be understood by the Canadian parliament and the Canadian people.

Often I hear people say: If there are poor people in Canada, it is due to the large corporations and the profits they make. It is incorrect to say or to attempt to prove that poverty in some areas of Canada is due exclusively to corporations.

I know that some corporations, and the same is true of any other sector of our economy, are guilty of abuses. For example, if several companies combine in order to fix prices, in that case the government is certainly obligated to interfere in order to prevent trusts.

In the past, we have seen cases where the organizers of trusts or combines were sentenced to fines from $25,000 to $50,000. Those people did not care because by raising their prices by a quarter of a cent or half a cent, they could make a $50 million profit within 12 or 24 hours.

That was laughing at the government or at justice.

Therefore, as concerns combines, trusts or people who want to monopolize in order to exploit the Canadian people, I say that the government should take more restrictive measures, not only by having them pay a fine, but by sentencing them to jail. In fact, a five or ten-year jail term would give the trust or combine organizers something to think about.

If we really want to protect private enterprise as well as the establishment of new corporations or ensure the respect of already established ones, we should preserve healthy competition that provides for a better output to the consumer sector in our society.

Whenever a company does not provide good service, or produces low-quality goods, competition takes on great importance since consumers will prefer honest companies which really have at heart the welfare of the people.

This 80-page bill is really a substantial one, but hon. members have not had enough time to consider all its clauses.

In any event, I feel this is I a measure that could improve the part played by corporations in our society. This measure is intended to protect the consumer and I hope it will do so. Were we some day to, realize it has failed to achieve its objective, it would be up to us to introduce the required amendments.

Mr. Speaker, provided we keep a watchful eye on them, it is possible to have in Canada honest corporations, eager to promote the general welfare of the country and respectful of the laws passed by the federal parliament. If every corporation is led to see the importance of legislation passed in order to ensure the over-all welfare of the people, the Canadian parliament will have contributed to help the consumers of the country and the nation as a whole.

[*English*]

Mr. Arnold Peters (Timiskaming): Mr. Speaker, in my opinion this is a very large bill to correct a very small fault with relation to the private members' hour. That has been mentioned as one of the reasons for this bill. I think there are probably other reasons for it. Some of them have been mentioned.

The objection which we in this party have is that bills coming before Parliament recently have not been met by the terms of this bill, and I do not think they will be. The minister is to be congratulated on building up a bureaucracy in his department from a very small beginning to what has obviously become a large section of the government. I remember when there were only three or four people in the companies branch and the function of two or three of them was to help the others back on their chairs when for various reasons they fell off. This was about all that was done in the companies branch. Obviously the minister intends to make changes. This is good, because from my personal observations

it has not been the strongest of our federal government branches. Perhaps armchairs would have been more satisfactory for some of these people, Mr. Speaker.

We in this party have been interested in a number of incorporations. We have used other companies for the purpose of getting the minister to make a decision in this regard, and for that we make no apology. To prove the point, I have on a number of occasions discussed at length the proposal of a company to change its name when the amendment being sought contained no other proposal but that.

• (9:50 p.m.)

I agree with everyone who says that companies should not be subjected to harrassment of this sort when they are seeking merely a small change of that nature. We have been concerned by the fact that many companies wish to set themselves up in Canada under a federal charter and then operate as if they were foreign companies, providing none of the benefits which one is inclined to think should come from a good Canadian corporate enterprise. This is true in the case of many insurance companies. I am happy that we have been able to persuade some of them which have been incorporated during the last two or three years to become Canadian-owned within a stated period of time to the extent that Canadian law provides. It is odd that this should be, not 51 per cent as one might expect but 49 per cent. Canadian law states they can establish only 49 per cent or all voting rights are lost, with the exception of 10 per cent.

We do not believe this bill will really meet these problems. It is true the minister is expanding his department, but the Superintendent of Insurance still does not have the powers necessary to do the job which I am sure both the minister and myself, as well as Canadians generally, want done in relation to insurance companies.

An hon. Member: How are you so sure the minister wants it done?

Mr. Peters: I am fairly sure he does. I cannot believe anyone would want to extend further the proliferation of insurance companies, adding more to the thousand or so already in existence. We would be creating a monster, one which the minister would not wish to supervise. How much better the situation would be if the number of companies engaged was small enough to maintain a reasonable competitive level while at the same time providing coverage in all necessary fields.

In an attempt to provide safeguards for the public we have resorted, in addition to legislation, to a number of devices. One is control through the National Energy Board and similar bodies such as the Transportation Commission. This is an area which the minister should seriously consider enlarging. I presume we shall soon be incorporating companies engaged in the transfer of gas and oil. I would point out that it is not only a question of whether these companies meet all the corporate requirements; we have to consider whether they also meet the needs of the Canadian people.

We can all recall the debate on the trans-Canada pipeline which brought down the man who was perhaps the greatest planner Canada ever had, Mr. C. D. Howe. It brought him down because he had looked only at the business entities, forgetting the way in which people would be affected. I believe this situation will be repeated. It will not be long before a national commodity pipeline is in operation, and even before that we shall see the construction of a national oil pipeline to the Montreal market When this happens the needs of the Canadian people will have to be considered first, not the convenience of the new company which will be incorporated to carry out the work.

In this connection, I do not think the National Energy Board should make decisions which ought to be made in Parliament. I do not believe the board has the machinery for making these decisions on a proper basis. I strongly urge that important decisions on questions such as these be left to Parliament because of the great influence we have on our national development. It is possible that given time the minister will set up more effective machinery within the insurance branch of his department. I do not think such machinery exists at the present moment. The hon. member for Edmonton West (Mr. Lambert) referred, as did one of my hon. friends, to the work of the securities commissions of the provinces and the lack of any federal equivalent in this field capable of supervising investment corporations and other companies whose activities are being supervised haphazardly under provincial jurisdiction.

The minister has gone to great trouble to remove from the attention of private members a number of vexing problems which

have developed over the years. But let us look at the traditional procedure under which the federal Parliament authorizes the incorporation of companies. I submit that we incorporate them here because it is felt that the necessary controls for the protection of the Canadian people would otherwise be lacking—because as things are the public interest could not be supervised in any other manner.

May I call it ten o'clock, Mr. Speaker?

BUSINESS OF THE HOUSE

Mr. Bell: Mr. Speaker, would the leader of the House confirm that the business for Wednesday is as announced?

Mr. Macdonald (Rosedale): Yes, Mr. Speaker. Notwithstanding the fact that we did not complete consideration of this bill, we shall begin on Wednesday the three bills which were announced—the Canadian student loans bill, the small businesses loans bill and the bill for financing the Canadian National Railways. I forget the order which was given. If we make progress on these measures, we shall for the balance of the afternoon return to the bill we have been discussing.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

HOUSING—URBAN RENEWAL, VANCOUVER—REQUEST FOR POLICY STATEMENT

Mr. Harold E. Winch (Vancouver East): Early last week, Mr. Speaker, I gave notice of a debate at ten o'clock because an answer is urgently required from the Minister without Portfolio who is responsible for reporting to this chamber on housing matters.

It will be recognized by all hon. members that several months ago the government put a freeze on urban renewal and development. We would like to have a weather forecast indicating when the thaw is likely to set in. In my constituency of Vancouver East and one adjoining area in Vancouver Centre is a total of 1,315 acres all of which is subject to urban development and renewal. Two of the projects in this area were approved as far back as five years ago. It is therefore understandable that we should be interested in learning from the minister how long we shall have to wait before construction begins, and just when it is expected he will reach a decision on the policies, procedures and regulations which will be involved in the government's brand new urban renewal and development plans.

In order to give a few examples of what this means in my riding, let me say that I received information from Central Mortgage and Housing Corporation that the project known as redevelopment project No. 2, comprising some 28 acres of land, was initially approved in July, 1964. No action has yet been taken.

• (10:00 p.m.)

There is also urban renewal scheme No. 3 at False Creek flats which was approved in December, 1964. This area comprises a total area of about 900 acres, which is divided into seven sub-areas, of which only one has been completed. We have what is known as Strathcona sub-area, which covers some 40 acres and has a population of 3,000. This application has been deferred until the government brings down its new policy. We also have what is known as urban renewal scheme No. 4A, which was approved on October 3, 1968, and comprises 340 acres. According to Central Mortgage and Housing Corporation, this submission is being held up pending determination of the government's brand new urban renewal and development policy. Another is urban renewal scheme No. 6, covering seven acres of a residential pocket. This scheme was approved in August, 1967, and only the clearing is under way.

Those are a few examples of projects which have been approved over a period of five years and cover a total of 1,315 acres in my constituency. All the work and development is being held up, to say nothing of the planning, until we are told what is in the mind of the Minister without Portfolio responsible for housing in regard to reconstruction and development in the city of Vancouver.

I think I have said sufficient to point out the situation in my constituency and the urgency of the matter. We members of the House of Commons need an indication from the government as to when the thaw will set in and the government will announce its policy. Then construction and redevelopment of these projects can proceed. Such projects are a vital necessity not only in my constituency but throughout the length and breadth of Canada.

Proceedings on Adjournment Motion

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, as hon. members will recall, the minister responsible for housing has agreed to make a statement on motions in the near future on the general subject of urban renewal.

In so far as the situation in Vancouver East is concerned, as I think the hon. member who asked the question is aware, the city of Vancouver has made an application for assistance under section 23B for the Strathcona section only of the total 1,300-acre area No. 3. As the minister indicated to the hon. member recently, he had the opportunity to visit this area and to talk to many of its residents when he was in Vancouver in August to meet the Hon. Dan Campbell, Minister of Municipal Affairs for the province of British Columbia. On August 7, he met with the mayor and members of council of the city of Vancouver. The representatives of the Strathcona Property Owners and Tenants Association were also present. As a result of these meetings it was agreed that the real need in this area appeared to be one of finding ways and means of assisting the citizens in rehabilitating and upgrading their properties and to involve the people concerned in the total process. The earlier proposals of the city contemplated acquisition and clearance of most of the properties in the area.

The National Housing Act contains no provisions for grants or subsidies to assist people of low income in the repair and rehabilitation of privately-owned residential properties. It seemed apparent that the citizens of Strathcona area considered such aids to be necessary in their case. Therefore, it has been arranged with the city and the province as well as with the Strathcona property owners and Tenants Association, that a committee should be appointed with representatives from the city, the province and Central Mortgage and Housing Corporation as well as the association charged with the responsibility of formulating proposals for the rehabilitation of one or two blocks within the area.

A condition to the minister's agreement is that the residents of the area are given the fullest opportunity to participate in the selection of the site and in the terms of reference for the proposed study. Since that time a working committee has been organized under the chairmanship of the director of the Vancouver social welfare department. The Strathcona Property Owners and Tenants Association is represented on the committee, as are officials of the province and of Central Mortgage and Housing Corporation.

Continuing meetings at about weekly intervals have been held since October 1. The committee has agreed to the principle of the residents' association engaging consultants to assist in the definition of a one or two block area which may be the subject of an experimental rehabilitation project and as well to assist in examining the buildings in this area to establish what might be done.

Mr. Winch: That is only 40 acres out of 1,350.

Mr. O'Connell: That is the only area in respect of which the city of Vancouver has made application for an implementation scheme. City officials are examining the area to ascertain—

Mr. Deputy Speaker: Order, please. I am sorry to interrupt the hon. member but his time has expired.

SOCIAL SECURITY—INQUIRY AS TO ESTABLISHMENT OF INCOME FLOOR

Mrs. Grace MacInnis (Vancouver-Kingsway): On November 5, Mr. Speaker, I asked the Prime Minister (Mr. Trudeau) if, in view of his recent expressions of concern about people on low income and in view of the representations made in Halifax to the Senate Committee on Poverty, the government was now prepared to consider establishing an income floor below which no Canadian would be allowed to fall. The Prime Minister very courteously replied that the government was not yet satisfied that this was a realistic step.

Two days later the government published its white paper on tax reform. It proposed, among other things, to raise income tax levels from the present levels of $1,000 for a single person and $2,000 for a married couple to $1,400 for a single person and $2,800 for a married couple. By this very proposal the government admits that several million Canadians are now living below acceptable income levels. The fact that three-quarters of a million taxpayers are now going to be dropped from the rolls because their income is too pitifully low to tax is the strongest argument anyone could advance for the need to establish a guaranteed income in Canada.

As I listened to the debate this afternoon on the motion of the hon. member for Fort William (Mr. Badanai) I had the distinct impression that some members on the government side of the House have the idea that if

and when the proposals of the white paper become law in 1971, everything will be all right; low income people will then know the full blessings of the just society. Not so. Fairer taxation will help, of course. We are not sure yet how fair it is nor how many of the proposals will be put into effect. But fairer taxation will not necessarily provide income for the 4½ million to 5 million Canadians who live in poverty. Only a guaranteed annual income can do that; and only this Parliament can establish that income floor.

Where is the money to come from? There is only one source, ever. It is the taxpayer's money, based on the wealth this country can produce. But today a lot of this money is wasted in keeping poverty in being. Poverty is not cheap. The Economic Council in its latest report points out that poverty is an expensive luxury. Keeping people poor means using precious resources to deal with more sickness than we would otherwise have. Keeping people poor means using valuable resources to administer public welfare and assistance programs. Keeping people poor means paying for more policemen, judges and jails than we would otherwise need. Keeping people poor means losing human abilities and possibilities on a scandalously wasteful scale. And what have we to show for keeping people poor? We have frustrated, alienated, wasted, broken human beings who exist in a substandard world of their own and watch twentieth century life passing them by on television. We send out the rare committee to weep over their misery. No wonder the young people revolt against our hypocrisy.

• (10:10 p.m.)

The time has come for us to realize that while millions of our fellow Canadians continue to live in poverty, the rest of us cannot long continue to enjoy affluence with impunity. The time has come to face the challenge of getting rid of poverty altogether and, as has been indicated over and over again in this House, although there is never money to establish things like a guaranteed income we know perfectly well that if a war were to break out tomorrow, money would be no object; it would be found, and in the amounts needed.

An essential, first step in that direction is the building of a solid income floor based on a modern standard of living and geared to changes in that standard of living. Surely we want to get away from the charge levelled in the story told by the hon. member for Lanark and Renfrew (Mr. McBride) in which the poor said bitterly of their wealthy benefactors, "They confirm us as beggars". The guaranteed income will be a first step in wiping out that indictment against the rest of us.

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): Mr. Speaker, I thank the hon. member for her continuing concern in this area, one which we all share. I am sure that all members of the House share this concern, as does the government. As the hon. member knows, the Prime Minister (Mr. Trudeau) answered the question that was asked by the hon. member during the oral question period in this chamber on November 5 in the only way he could. At that time he stated, as recorded at page 547 of *Hansard*:

> Mr. Speaker, if the hon. member is talking about a guaranteed annual income, yes, we have been considering it for some time. I am not in a position to say when a statement will be made, because as a government we are not yet satisfied that this is a realistic step.

May I suggest that when the Prime Minister used the word "realistic" he was talking about a step that must be realistically beneficial to people of low income, and in my judgment there is no use doing anything until we know that this will be the result of government action.

I think also it is obvious from the remarks of the Prime Minister that the government's constant attention has been addressed to the interest of Canadian citizens on low income. Certainly the tax reform proposals, about which the hon. member had some nice things to say a minute ago, recently put forward by a genuinely liberal Finance Minister and supported by the government, are unassailable proof that a major preoccupation of this government is the creation of a just and equitable society for all Canadians. How this can best be done is matter for discussion and consideration of the kind that was intimated by the Prime Minister in his reply to the hon. member.

I might add that I share the hon. member's deep and sincere concern that has continued for many years, and I have confidence that this government will be producing proposals that are best for the low income families in our country. I am quite sure that all members of the House will endorse such proposals when they are brought forward.

Proceedings on Adjournment Motion

VETERANS AFFAIRS—TRANSFER OF LANCASTER HOSPITAL

Mr. J. Chester MacRae (York-Sunbury): Mr. Speaker, the question I would like to discuss in the seven minutes that I have under the rules this evening is that of the proposed transfer of Lancaster Military Hospital to the board of commissioners of the Saint John General Hospital and the New Brunswick department of health. There are a number of questions involved in this whole matter.

First of all, an integral part of the agreement in the transfer was that there was to be a 300-bed wing provided for veterans at the Saint John General Hospital, and second that the takeover date was to be the 1st day of July, 1970, or such other date as the parties might agree—I repeat, "or such other date as the parties might agree."

This particular question was debated very fully at the New Brunswick provincial convention of the Royal Canadian Legion held on September 1 and 2. As the minister perhaps knows, it was also debated a week ago when the very able and eloquent member of the New Brunswick Legislature for Saint John West, Mr. Logan, aired this matter on the television station there. A response was made to Mr. Logan's charges by the New Brunswick minister of health, Mr. Theriault.

I wish to quote from a press release which appeared in the Saint John *Evening Times Globe* on November 3, in which Mr. Theriault is reported to have said that there are two points with which he is dissatisfied; first, the amount of the federal grant in connection with this takeover, and second, the takeover date. As to the grant, he felt it should be $10 million instead of the 4½ million that the federal government is transferring to the province. Second, he objected to the takeover date because he did not expect that all the details could be worked out by that date. I would call the particular attention of the Minister of Veterans Affairs (Mr. Dubé) to these statements by the New Brunswick minister of health. They indicate that the province of New Brunswick is not prepared to take over the hospitalization of New Brunswick's veterans on July 1 next.

There is something more important than just having all the details worked out, Mr. Speaker. I feel, and the New Brunswick veterans feel, that before any transfer is made the proposed new 300-bed wing at the Saint John General Hospital must be ready for the receiving and proper care of those veterans who need treatment. In answering my question I would ask the minister to advise whether or not he is aware of the freeze on new hospital construction that has been imposed by the New Brunswick provincial government. I am sure that the minister has received many letters on this subject, as have all of us who represent New Brunswick constituencies. I am deeply concerned. I know the Royal Canadian Legion is deeply concerned. I know the veterans are concerned.

In order to help the minister out with his answer—I want to be helpful because we are working toward the same objective on this matter—I would like to place on the record the resolution passed at its convention by the Royal Canadian Legion. If the minister has not received a copy I would be glad to supply him with one. It reads:

> Whereas the present agreement between the Department of Veterans Affairs, Province of New Brunswick and the Commissioners of the Saint John General Hospital provides inter alia for the transfer of Lancaster D.V.A. facilities to the province of New Brunswick by July 1st, 1970,
>
> And whereas the integral part of the aforementioned agreement is the construction of a 300-bed wing to the Saint John General Hospital and the agreement provided for a takeover date for Lancaster D.V.A. as "the first day of July, 1970 or such other date as the parties may agree,"
>
> And whereas the New Brunswick Command, Royal Canadian Legion strenuously and vigorously objects to any takeover prior to the construction of the new wing, and paragraph 11 of the agreement clearly contemplates no move of veterans until the said wing is completed,
>
> And whereas the New Brunswick Command Royal Canadian Legions considers the pith and substance of the agrement to be the proper care of veterans in conjunction with the construction of the new wing, and whereas the Department of Health for the province of New Brunswick has announced a halt in hospital construction in the province.
>
> Therefore be it resolved that the proposed takeover of the Lancaster D.V.A. facility by the Province of New Brunswick be postponed until such time as the new wing proposed for the Saint John General Hospital is constructed and ready for occupancy.

I am sure that the New Brunswick veterans, especially those who are sick and who need hospitalization, will be deeply interested in what the minister has to say on this question.

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Mr. Speaker, as the hon. member for York-Sunbury (Mr. MacRae) has said, there is indeed an agreement between the Government of Canada and the province of New Brunswick whereby Lancaster will be

transferred to the province on July 1, 1970, "or such other date as the parties may agree." The agreement referred to also provides for the construction by the province of New Brunswick of a 300-bed wing to the Saint John General Hospital, for which my department is ready to contribute the sum of $4½ million.

• (10:20 p.m.)

Both the hon. member for York-Sunbury (Mr. MacRae) and myself are aware that the province of New Brunswick has announced that it will not commence hospital construction this year. Under the circumstances we are reviewing the situation with the province. Officials of my department were in New Brunswick last week meeting with officials from provincial hospitals, the provincial department of health and the Legion. I myself expect to meet with the provincial minister of health later this month.

We must remember, however, that the paramount consideration is the welfare of the veterans. My duty as Minister of Veterans Affairs is to ensure that our veterans continue in the future to receive the highest standard of hospital care. This cannot be accomplished by keeping our hospitals in isolation when there is such a heavy load of chronic cases. We must ensure that they participate fully in the most modern techniques and medical services that can be obtained only in hospitals with an adequate load of active patients. This is the only way to ensure that a sufficient number of professional and technical staff will continue to be attracted.

Under the rules I have only three minutes at my disposal; therefore I must conclude my remarks. I wish to assure the hon. member for York-Sunbury and all New Brunswick veterans that our sole purpose is to improve the lot of veterans. We will stampede no one into a forced transfer, but we are duty-bound to ensure that the best possible care for our veterans is secured for the future.

Motion agreed to and the House adjourned at 10.25 p.m.

APPENDIX "A"

TELECOMMISSION

THE PARTICIPANTS

Representatives from eleven government departments will be working on the Telecommission announced today by the Communications Minister Eric Kierans. They are:

The Department of Communications
The Department of Justice
The Department of Industry, Trade and Commerce
The Department of Consumer and Corporate Affairs
The Department of National Defence
The Department of External Affairs
The Secretary of State Department
The Department of the Solicitor General
The Post Office Department
The Department of Regional Economic Expansion
The Department of Indian Affairs and Northern Development
The Department of Agriculture
The Department of Transport

The Department of Communications has also enlisted the assistance of several Canadian universities and the following public and private bodies:

The Canadian Radio-Television Commission
The Canadian Transport Commission
The Canadian International Development Agency
The Canadian Broadcasting Corporation
The National Research Council
The National Film Board
The Canada Council
The National Gallery
The Telephone Association of Canada
The Independent Telephone Association of Canada
The Trans-Canada Telephone System
CN/CP Telecommunications
Electronic Industries Association of Canada
Canadian Radio Technical Planning Board
Canadian Overseas Telecommunications Corporation
Communications Research Center
Computer Society
Canadian Radio Technical Planning Board
Canadian Cable Television Association.

TELECOMMISSION

STUDY PROJECTS

Fifty study projects have been undertaken by the Telecommission to examine the legal, social, economic and demographic implications, both present and future, of telecommunications. They are:

LEGAL CONSIDERATIONS

Analysis of constitutional and legal basis for regulation of telecommunications in Canada.

Study of relevance of American legislative and regulatory experience to the Canadian situation.

Relevance of regulatory experience in countries other than Canada.

History of regulation and current regulatory setting.

Concept of a common carrier.

Analysis of the relationship between common carriers' and broadcasters' function.

ECONOMIC CONSIDERATIONS

Study of formal structure of telecommunications; logical basis for regulation; regulation of monopoly versus competitive price system.

Quantitative description of the telecom munications sector, links with other sectors of economy, production and cost relationship within a sector, evolution over next years, projection of demands.

Telecommunication carriers-oriented market projection and analysis.

Description of Canadian telecommunications manufacturing industries—size—growth, etc.... International marketing of goods and services.

Study on institutional structure of telephone operating industries.

Corporate ownership and control of telecommunications carrier service industry, vertical and horizontal integration in telecommunication and related industries.

Reappraisal of present management of frequency spectrum.

Study of management spectrum policy with particular concern with the economic aspect of spectrum usage.

INTERNATIONAL CONSIDERATIONS

A study of international implications of telecommunications, the role of Canada in international organizations, Intelsat and other relevant organizations.

Communications and the Canadian assistance programme of developing countries (hardware and software).

International legal problems concerning transfer and storage of information.

Analysis of the role of Canadian telecommunications companies in respect of foreign countries.

Analysis of international telecommunications operations, the growth and handling of international traffic.

TECHNOLOGICAL CONSIDERATIONS

The future of communications technology—long range study.

Research and Development—industry/universities/government programmes to promote R and D industry and industries.

INFORMATION AND DATA SYSTEMS

Concept of a computer utility

Relationship between common carriers, computing companies and information and data systems.

Civil liberties, privacy and other problems related to the input of, and access to data storage in a computer system. Conference to provide further information.

Study of problems in data transfer with particular regard to visual data software.

Institutional arrangements for optimizing development of data banks in public interest.

Long term market prospects for computer services.

Telecommunication services present and anticipated needs of the computer industry and its customers.

TELECOMMUNICATIONS ENVIRONMENT

Telecommunications and the Arts

Telecommunications and the Mass Media

Telecommunications and Education

Telecommunications and Leisure

Telecommunications and the Individual

Telecommunications and Governments

Telecommunications and Corporate Institutions

Telecommunications and Transportation

TELECOMMUNICATIONS AND THE GOVERNMENT

Regulatory bodies, structures and roles.

Relationship between D.O.C. and regulatory bodies.

Relationship between D.O.C. and telecommunications carrier service industry.

Relationship between D.O.C. and manufacturing industry, rationalization of future role of C.R.C.

Relationship between D.O.C. and Universities. Conference to provide further information.

Relationship between D.O.C. and organizations internationally orientated.

Communications and National Security.

Emergency National Telecommunications.

Postal services and telecommunications.

SPECIAL STUDIES

Communications and regional development.

Study of the problems relating to regulation of private wire services including services by satellite.

Study of interconnection of systems, circuits and devices.

Communication and northern development analysis of present and future situation. Conference to provide further information.

Special services provided by wide-band intra-city cable distribution system.

HOUSE OF COMMONS

Wednesday, November 12, 1969

The House met at 2 p.m.

ROUTINE PROCEEDINGS

BUSINESS OF THE HOUSE

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I thought it might be of some assistance to the House if I set out the government's intentions as to the business for the balance of this week. It would be the government's objective to call the following measures this week in the following order, in order to have them disposed of: First, as already announced for today, item No. 19, the Canada student loans bill, to be followed by No. 12, the small businesses loans bill, and item No. 10, the CNR financing bill. It would be intended then to call item No. 6, the Canada Corporations Act amending bill, which has already been under debate, to be followed by item No. 17, the repeal of the Deep Sea Fisheries Act, item No. 18 with respect to the Coastal Fisheries Protection Act, and finally item No. 30, the resolution standing in my name with respect to the Canada Elections Act.

INDIAN AFFAIRS

REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I propose, pursuant to Standing Order 43, in view of the fact that no statement has been forthcoming from the government on motions today with regard to the greatly increasing dissatisfaction and unrest among the Indian people of Canada, to ask for unanimous consent to move a motion. I will exercise my right under that Standing Order to make a very brief explanation which I hope will move the House to let me move the motion.

Despite sincere efforts by the Minister of Indian Affairs and Northern Development to deal with the increasing unrest and dissatisfaction with government policies, no substantial results have to date been achieved. Indeed, only today the Indian people on the Six Nations Reservation near Brantford, Ontario, have announced their intention to secede from Canada and have sent notice of this decision not only to the Prime Minister but to the Secretary General of the United Nations.

This extreme action can only have been taken because of a sense of deep frustration among the Indian people at the treatment they are continuing to be accorded by the government. Indeed, the fact that such notice has been sent to the Secretary General of the United Nations can only embarrass Canada internationally and give those unfriendly to us an opportunity to discredit our good intentions with the newly developing nations.

The motion I will move, if the requisite consent is given me, is:

That the question of aboriginal and treaty rights in particular and the general dissatisfaction of the Indian peoples of Canada be referred at once to the Standing Committee on Indian Affairs and Northern Development, and that this committee shall have the widest authority to look into these matters, to summon witnesses and to seek whatever expertise may be required to appropriately carry out this mandate.

Should I be granted unanimous consent the house leader of my party would be glad to consult with the government house leader as to an appropriate time for debate on the motion.

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: I understand there is not unanimous consent. In the circumstances we may not proceed with the motion proposed by the hon. member.

Mr. Nesbitt: Who said no?

Mr. Trudeau: I said no.

DOMINION COAL BOARD DISSOLUTION ACT

MEASURE TO DISSOLVE

On the order:

First reading of Senate Public Bills—Bill S-3, an Act to provide for the Dissolution of the Dominion Coal Board and for the repeal of the Canadian Coal Equality Act, the Coal Production Assistance Act and the Dominion Coal Board Act—The Minister of Energy, Mines and Resources.

Dominion Coal Board Dissolution Act

Mr. Speaker: Before calling Bill S-3, an act to provide for the dissolution of the Dominion Coal Board and for the repeal of the Canadian Coal Equality Act, the Coal Production Assistance Act and the Dominion Coal Board Act, I have to refer to a procedural discussion which took place in the House during the last few days.

On Thursday last the hon. member for Peace River rose on a point of order to suggest that the provisions of Bill S-3, an act to provide for the dissolution of the Dominion Coal Board and for the repeal of the Canadian Coal Equality Act, the Coal Production Assistance Act and the Dominion Coal Board Act, constituted a violation of clauses 53 and 54 of the British North America Act and also of the provisions of two of our most important rules of procedure, Standing Orders 62 and 63. In his submission the hon. member contended in particular that the stated purpose of clauses 2 and 3 of the bill dealt with the appropriation of public funds and, this being so, that the bill could only be initiated in the House of Commons upon a recommendation of the Crown.

• (2:10 p.m.)

Subsequently, on Monday last the hon. member for Winnipeg North Centre debated the point of order and referred in some detail to a number of authorities dealing with the question of appropriating public funds. I suggest that the hon. gentleman made a lucid and cogent presentation and received the strong support of the hon. member for Edmonton West.

The President of the Privy Council, when he entered the discussion on Monday last, quoted citations 449 and 450 of Beauchesne's third edition in relation to the proceedings on Bill S-3. Those citations read as follows:

449. A bill, which does not involve a direct expenditure but merely confers upon the government a power for the exercise of which public money will have to be voted by Parliament, is not a money bill and no resolution is necessary as a condition precedent to its introduction.

450. A bill designed to furnish machinery for the expenditure of a certain sum of public money to be voted subsequently by Parliament may be introduced in the House without the recommendation of the Crown and without a resolution being first considered in committee.

I have had an opportunity to review the origin of the citations referred to by the minister. They are to be found at pages 118 and 119 and page 240 in the Journals of 1912-13 but, frankly, I do not think those two precedents are analogous to the question now before the House.

[Mr. Trudeau.]

In his ruling given on January 16, 1912, the then Speaker stated, in part, as follows:

The question is not free from difficulty. Mr. Bourinot in his observation seems to have extended the scope of the rule rather beyond the terms in which it is worded. What those terms cover is "A motion for any public aid or charge upon the people." This bill does not constitute such a motion. The most that can be said is, that under its provisions, something may be done which may give rise to a claim against the government. If this be sufficient to bring it within the rule, then it would have to be held that every bill conferring a power upon the government in the exercise of which expense might be incurred, comes under the rule. This, in my opinion, would be giving altogether too extensive an interpretation to the words "a motion for any public aid or charge upon the people."

While the authorities are not absolutely reconcilable, I am not disposed to attach to the rule this very enlarged meaning. I am therefore of opinion that no resolution is necessary.

It will be seen from the remarks of Mr. Speaker in 1912 that there was no question of altering or amending any provision of any Appropriation Act.

The provision in subclause 2 of Bill S-3 cannot be construed in any manner except as an amendment to Appropriation Acts, past and future, and bestows upon the Governor in Council power to dispose of moneys in a manner not authorized by the relevant provisions of certain Appropriation Acts.

By allowing those financial provisions to remain in a public bill sent down from the Senate, the privileges of this House, in my opinion, have been infringed. Section 1 of Standing Order 62, which is explicit in that regard, reads as follows:

This House shall not adopt or pass any vote, resolution, address or bill for the appropriation of any part of the public revenue, or of any tax or impost, to any purpose that has not been first recommended to the House by a message from the Governor General in the session in which such vote, resolution, address or bill is proposed.

My ruling, therefore, must be that as the provisions in Bill S-3 relating to the appropriation of public moneys infringe the privileges of this House that bill should be laid aside. Therefore the notice for first reading of this bill will be removed from the Order Paper.

Order discharged and bill withdrawn.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

INDIAN AFFAIRS BRANCH PERSONNEL

Question No. 220—**Mr. Howard (Skeena):**

As of April, 1969, how many people were on the staff of the Indian Affairs Branch?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): The former Indian Affairs Branch has been reorganized and now forms part of the Indian-Eskimo Affairs Program. As of April 1969, 5,089 people including 1,585 persons who were formerly employed by religious denominations form part of that program.

NEWFOUNDLAND—DESIGNATED AREAS

Question No. 256—**Mr. Burton:**

1. What criteria were used by the Department of Regional Economic Expansion to select designated areas for the province of Newfoundland?

2. Were there comprehensive consultations with the Government of Newfoundland regarding the selection of these designated areas and, if so, did the province concur with the areas designated by the Department of Regional Economic Expansion?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. Weighted measures of rates of economic growth (employment, income and population) and of potential for secondary industry.

2. There were comprehensive consultations. Under the terms of the legislation, the province was not asked to express formal concurrence.

QUEBEC—DESIGNATED AREAS

Question No. 259—**Mr. Burton:**

1. What criteria were used by the Department of Regional Economic Expansion in the selection of designated areas for the Province of Quebec?

2. Were there comprehensive consultations with the Government of Quebec regarding the selection of these designated areas and, if so, did the province concur with the areas designated by the Department of Regional Expansion?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. Weighted measures of rates of economic growth (employment, income and population) and of potential for secondary industry.

2. There were comprehensive consultations. Under the terms of the legislation, the province was not asked to express formal concurrence.

ONTARIO—DESIGNATED AREAS

Question No. 260—**Mr. Burton:**

1. What criteria were used by the Department of Regional Economic Expansion in the selection of designated areas for the Province of Ontario?

2. Were there comprehensive consultations with the Government of Ontario regarding the selection of these designated areas and, if so, did the Province concur with the areas designated by the Department of Regional Economic Expansion?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. Weighted measures of rates of economic growth (employment, income and population) and of potential for secondary industry.

2. There were comprehensive consultations. Under the terms of the legislation, the province was not asked to express formal concurrence.

MANITOBA—DESIGNATED AREAS

Question No. 261—**Mr. Burton:**

1. What criteria were used by the Department of Regional Economic Expansion in the selection of designated areas for the province of Manitoba?

2. Were there comprehensive consultations with the Government of Manitoba regarding the selection of these designated areas and, if so, did the Province concur with the areas designated by the Department of Regional Economic Expansion?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. Weighted measures of rates of economic growth (employment, income and population) and of potential for secondary industry.

2. There were comprehensive consultations. Under the terms of the legislation, the province was not asked to express formal concurrence.

SASKATCHEWAN—DESIGNATED AREAS

Question No. 262—**Mr. Burton:**

1. What criteria were used by the Department of Regional Economic Expansion in the selection of designated areas for the Province of Saskatchewan?

2. Were there comprehensive consultations with the Government of Saskatchewan regarding the selection of these designated areas and, if so, did the Province concur with the areas designated by the Department of Regional Economic Expansion?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. Weighted measures of rates of economic growth (employment, income and population) and of potential for secondary industry.

2. There were comprehensive consultations. Under the terms of the legislation, the province was not asked to express formal concurrence.

ALBERTA—DESIGNATED AREAS

Question No. 263—**Mr. Burton:**

1. What criteria were used by the Department of Regional Economic Expansion in the selection of designated areas for the Province of Alberta?

Motions for Papers

2. Were there comprehensive consultations with the Government of Alberta regarding the selection of these designated areas and, if so, did the Province concur with the areas designated by the Department of Regional Economic Expansion?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. Weighted measures of rates of economic growth (employment, income and population) and of potential for secondary industry.

2. There were comprehensive consultations. Under the terms of the legislation, the province was not asked to express formal concurrence.

BRITISH COLUMBIA—DESIGNATED AREAS

Question No. 264—**Mr. Burton:**

1. What criteria were used by the Department of Regional Economic Expansion in the selection of designated areas for the Province of British Columbia?

2. Were there comprehensive consultations with the Government of British Columbia regarding the selection of these designated areas and, if so, did the Province concur with the areas designated by the Department of Regional Economic Expansion?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. Weighted measures of rates of economic growth (employment, income and population) and of potential for secondary industry.

2. There were comprehensive consultations. Under the terms of the legislation, the province was not asked to express formal concurrence.

MOTIONS FOR PAPERS

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, notice of motion for the production of papers No. 132 is acceptable to the government.

WHEAT EXPORT BARTER ARRANGEMENTS

Motion No. 132—**Mr. Burton:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of all correspondence exchanged between the Government of Saskatchewan and the Government of Canada and the Canadian Wheat Board concerning barter arrangements involving wheat exports?

Motion agreed to.

Mr. Groos: Mr. Speaker, would you please call notice of motion No. 97. I ask that the other notices of motions be allowed to stand.

[Mr. Burton.]

LOAN OF AIRCRAFT

Motion No. 97—**Mr. Orlikow:**

That an Order of the House do issue for a copy of the Order-in-Council passed during June 1969, under the Financial Administration Act, the loan of one CL-41 Tutor Aircraft and one CF-104 Starfighter to Canadair for Aerospace Exhibits Limited.

Hon. James Richardson (Minister of Supply and Services): Mr. Speaker, notice of motion No. 97 is identical with notice of motion No. 266 which was accepted by the government and the document tabled on October 22. In view of this duplication I assume that the hon. member may wish to withdraw his present motion.

Mr. Orlikow: Agreed.

Order discharged and motion withdrawn.

ORAL QUESTIONS

POLLUTION

BRUSSELS INTERNATIONAL CONFERENCE—CANADIAN POSITION RESPECTING ARCTIC WATERS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I direct a question to the Prime Minister. At the Brussels International Legal Conference on Maritime Pollution will the Canadian position with respect to the north be based upon the assertion of Canadian sovereignty over all the waters between the Canadian Arctic islands and the Canadian mainland? Will the Canadian position at the Brussels International Legal Conference on Maritime Pollution be based on that ground?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, it will be based on the position that I have stated in my answers to previous questions by the hon. member: that Canada asserts its claim to as large a part of the Arctic waters as is possible and is proper. However, we have not yet instructed our minister in Brussels to put any lines on a map.

Mr. Stanfield: A supplementary question, Mr. Speaker. Are we to infer from the Prime Minister's answer that Canada will be attempting to negotiate at this international conference without making it clear what our area of sovereign responsibility is?

Mr. Trudeau: Yes, Mr. Speaker, because the conference is involved precisely with international waters and the minister will be discussing Canada's role and its desire to participate

in international controls. But what we do with our own waters is not a matter for discussion at Brussels.

Mr. Baldwin: The government is muddying the waters.

Mr. Stanfield: A supplementary question, Mr. Speaker. Was the Member of Parliament for Don Valley stating the position of the government of Canada when he suggested at the United Nations' political committee that a percentage of each sea, be it Atlantic or Pacific or any other, be set aside for international exploitation?

Mr. Speaker: Order, please. I wonder whether the question is in order and whether we are not attempting to extend the rule which allows the Prime Minister to comment on statements made by ministers outside the House on questions of government policy. It seems to me that we are at this point attempting to enlarge that general rule.

NORTHERN AFFAIRS

NORTHWEST TERRITORIES—STATEMENT ON GOVERNMENT

Mr. Frank Howard (Skeena): Mr. Speaker, I wished to address a question to the Minister of Indian Affairs and Northern Development, but since neither he nor his Parliamentary Secretary are present may I direct it to the acting minister and, hopefully, obtain an answer. To what extent did the government or the minister consult the elected members of the territorial council of the Northwest Territories in the preparation of that puny document which was issued there the other day?

Mr. Speaker: Order, please. Perhaps the hon. member may wish to rephrase his question since I do not think it was put in the proper form.

Mr. Howard (Skeena): Mr. Speaker, will the acting minister tell us whether the elected members of the territorial council of the Northwest Territories were consulted in the preparation of the speech which the Minister of Indian Affairs and Northern Development made on Monday?

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, I think the minister will be returning to the House on Friday and I will draw the hon. member's observation to his attention.

Hon. W. G. Dinsdale (Brandon-Souris): A supplementary question to the Prime Minister. Can the Prime Minister indicate whether the statement made in the Northwest Territories and Yukon Territory is the last statement with respect to gradual progress toward more autonomy in the Yukon and the Northwest Territories or is a further statement anticipated, particularly in view of the fact that next year is the centennial of the Northwest Territories?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I cannot answer the question in detail, but I did see an early draft of the minister's speech. To the extent that he adhered to it I could say that it is a statement of government policy.

ADMINISTRATION OF JUSTICE

HAL BANKS—POSITION OF EXTRADITION APPLICATION

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I had intended to ask the Secretary of State for External Affairs a question, as today is an appointed day for him to be in the House, but in his absence I will address it to the Prime Minister. In view of the statement by Mr. George Aldrich, the legal adviser to the United States State Department, in his memorandum to the minister that "our embassy in Ottawa advises that the Canadian federal government does not have any great interest in reopening the case", would the minister take the first opportunity on motions to outline to the House where its application for the extradition of Hal Banks now stands?

A supplementary question, Mr. Speaker, if the Prime Minister is not going to answer.

[*Translation*]

Mr. Jean-Pierre Goyer (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I think this question should be—

Some hon. Members: Hear, hear.

Mr. Goyer: I do not think this will be necessary after I have said that I feel this question should be directed to the Minister of Justice.

[*English*]

Mr. Hees: Mr. Speaker, can I ask anyone who has nerve enough to answer my question? I am willing to listen. If the Minister of Justice would like to have a go at it, let him try.

Inquiries of the Ministry

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I do not think there is anything in the newspaper story that the hon. member and I both read to change the facts of the situation, namely, that we have received legal advice from counsel in the United States that there would be no purpose in attempting to reopen the case. I only wish the hon. member would be as interested in the administration of justice as he in playing politics.

Some hon. Members: Hear, hear.

Mr. Hees: Mr. Speaker, if I, too, were a prima donna I would demand retraction of that remark because, as we all know, Members of Parliament are not allowed to make such remarks. However, I will not.

Mr. Speaker: Order, please. The hon. member for Témiscamingue.

[*Translation*]

Mr. Caouette: Mr. Speaker—

[*English*]

Mr. Hees: A supplementary—

Mr. Speaker: I wonder whether the hon. member will allow the hon. member for Témiscamingue, whom I have already recognized, to ask his question and I will return to the hon. member in just a moment.

[*Later:*]

Mr. Hees: A supplementary question to the Minister of Justice. As the same memo to Mr. Rogers from Mr. Aldrich recommended that Canada be informed that "as a matter of law the Canadian government is free to make a second request through the courts for the extradition of Harold Banks", is it the intention of the government to make a second request?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I can only reply by quoting from the same report to which the hon. member addressed himself. I quote:

> Reports from our Canadian posts generally indicate that the Canadian political interest stems more from attempts to embarrass the Canadian federal government than from an interest in the return of Mr. Banks.

Some hon. Members: Oh, oh.

Mr. Hees: My question remains unanswered, Mr. Speaker. I would ask the Minister of Justice a further supplementary: Who played politics more with Mr. Banks than did the hon. member?

Mr. Speaker: Order.

[Mr. Hees.]

[*Translation*]

CANADIAN BROADCASTING CORPORATION

MONTREAL—ACTION OF EMPLOYEE WITH RESPECT TO DEMONSTRATION AGAINST QUEBEC BILL 63

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I should like to put a question to the Secretary of State.

On the occasion of the famous demonstration against Bill 63 now before the Quebec National Assembly, a C.B.C. employee called the leaders of the Rouyn CEGEP, asking them to organize the said demonstration.

Does the Secretary of State know that some C.B.C. employees use the Corporation's telephones to organize similar demonstrations in remote areas such as Rouyn-Noranda? If not, would he inquire about the situation with a view to determining which C.B.C. employee made that telephone call to the Rouyn CEGEP?

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I am unaware of this fact, but I agree to inquire.

[*English*]

UNITED NATIONS

PEOPLE'S REPUBLIC OF CHINA—CANADA'S POSITION ON ADMISSION

Mr. Andrew Brewin (Greenwood): My question is for the Prime Minister, Mr. Speaker. In light of the fact that the discussions leading to diplomatic relations between Canada and the People's Republic of China are apparently progressing favourably, will the Prime Minister consider making a statement to the House explaining why the government of Canada did not propose to the United Nations the seating of the People's Republic of China in that body, without prejudice to the eventual position to be held there by the government of Taiwan?

Right Hon. P. E. Trudeau (Prime Minister): I would not make such a statement, Mr. Speaker, because I have nothing to add to what the Secretary of State for External Affairs has said in previous explanations.

DRUGS

MARIJUANA—STUDY OF EFFECTS ON HUMANS

Mr. Gordon Ritchie (Dauphin): My question is directed to the Minister of National Health and Welfare, Mr. Speaker. Has the minister initiated a study by his department concern-

ing the medical effects of the use of marijuana and, if so, when will he be in a position to inform the House of the findings?

Hon. John C. Munro (Minister of National Health and Welfare): Yes, Mr. Speaker. Money is available to various scientists in Canada for study and research having to do with the effects of marijuana on humans. Some experiments are going on, first, with a view to ascertaining its effect on animals, and the findings will then be related to the study affecting humans. I do not know precisely when the results will be made public.

I should like to point out that the commission inquiring into the non-medical use of drugs has money available to it for similar studies. As the hon. member may know, it is expected to make an interim report some time in January and a final report about a year and a half later.

ECONOMIC COUNCIL

REDUCTION OF PERMANENT SECRETARIAT, EMPLOYMENT OF OUTSIDE CONSULTANTS

Mr. Heath Macquarrie (Hillsborough): I should like to direct a question to the President of the Treasury Board, Mr. Speaker. Has the Economic Council of Canada been asked to reduce its permanent secretariat and to refrain from entering into contracts with outside consultants?

Hon. C. M. Drury (President of the Treasury Board): The Economic Council, like other departments and agencies of the government, has been given a budget for the next fiscal year. In some instances this will result in a reduction of staff; in some instances it will result in changes in programs, and in other instances it will involve changes in the practice of hiring consultants. The determination of which of these courses of action is to be followed is left largely to the agency.

Mr. Macquarrie: May I ask whether this important body has made representations to the effect that its work might be inhibited and proscribed by these respective suggestions?

Mr. Drury: Yes, Mr. Speaker, such representations have been made and given consideration.

SPORTS

TELEVISING OF FOOTBALL PLAY-OFFS

Mr. Len Marchand (Kamloops-Cariboo): I have a question for the Secretary of State, Mr. Speaker. Thousands of Canadians who receive only television coverage provided by the CBC will be able to see only four or perhaps five of the eight Canadian Football League play-off games, which is a great injustice to them. Would the minister contact the management of the Canadian Broadcasting Corporation and urge that all eight games be carried on the full network?

Mr. Speaker: The hon. member has made a representation. He has to assume he has the support of all hon. members and that this will be looked into by the appropriate minister.

PUBLIC BUILDINGS

NATIONAL DEFENCE COMPLEX—ASSURANCE RESPECTING ESCALATION OF COST

Mr. A. D. Hales (Wellington): I should like to direct my question to the Minister of Public Works, Mr. Speaker. It has to do with the tender recently let to build a national defence complex at a cost of $27 million. Can the minister assure the House that the final cost of this building will not escalate to $135 million, or five times the estimate, as was the case with the National Arts Centre?

Mr. Speaker: Order. The question as asked is argumentative.

HEIGHT OF STRUCTURES NEAR PEACE TOWER

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, my question is also for the Minister of Public Works and it is on the same subject, but I hope in order. In view of the announcement that a $27 million national defence headquarters is to be built in centre town in place of the national defence tower at LeBreton flats, which was to have cost $90 million and would have been higher than the Peace Tower, may I ask the Minister of Public Works whether he can assure the House that there are no plans for any buildings in the immediate proximity of this building that would be taller than the Peace Tower of this building?

Hon. Arthur Laing (Minister of Public Works): Yes, Mr. Speaker, I think that assurance can be given.

Inquiries of the Ministry

TRADE

SASKATCHEWAN PROPOSALS RESPECTING WHEAT AND POTASH

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a question for the Prime Minister. Has the Prime Minister had discussions with Premier Thatcher of Saskatchewan today, or is he about to have them and, if so, could he advise the House whether he is willing to support the Premier's barter deal on wheat and the prorationing of production and a minimum price for potash?

Right Hon. P. E. Trudeau (Prime Minister): No to the first part of the question, Mr. Speaker, which makes the second part hypothetical.

Mr. Southam: A supplementary question, Mr. Speaker. When the Prime Minister has his discussion with the Premier, will he look favourably on his representations?

CANADIAN SOVEREIGNTY

STATUS OF WATERS BETWEEN ST. PIERRE-MIQUELON AND CANADA

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a question to the Prime Minister. In his reply to a question from the Leader of the Opposition the Prime Minister referred to international waters. Can the Prime Minister tell the House what will be the status of the waters which lie between St. Pierre and Miquelon and Canada? Will any fishing activity be permitted in this area, and will our boundaries be the traditional three miles or will the 12-mile limit apply?

Right Hon. P. E. Trudeau (Prime Minister): I am afraid I cannot answer that statistical question, Mr. Speaker.

ACCESS TO NORTHWEST PASSAGE FOR FOREIGN SHIPS

Mr. Eldon M. Woolliams (Calgary North): I have a supplementary question for the Prime Minister, Mr. Speaker. In view of the recent statement of the Minister of Transport that it is acceptable to Canada to permit free access to the northwest passage to United States ice-breakers and freighters, is it the policy of the Canadian government to agree that access shall be permitted to all other nations irrespective of their purposes or their relationship with Canada and the western world?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker.

[Mr. Laing.]

Mr. Woolliams: A further supplementary question. In view of the fact that the United States has already made use of the passage, is the government making certain that there will be security restrictions and protection for Canada and, indeed, North America, against the use of access to the northwest passage by nations for purposes other than trade and goodwill?

Mr. Trudeau: In so far as it will be necessary and possible, Mr. Speaker, the answer is yes.

NATIONAL DEFENCE

LOCATING OF CF-5 AIRCRAFT

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, may I address a question to the Minister of National Defence. I hope he will be able to reply to it so that I can answer a number of questions I have received. Has a decision been reached to locate any of the new CF-5 aircraft in northern Canada? If so, how extensive will be the navigational equipment necessary to meet Arctic conditions having regard to the proximity of the magnetic pole?

Mr. Speaker: I have the impression that this is the type of question that should be placed on the order paper. When the hon. member receives a reply in writing, perhaps he could pass on the information in writing to his constituents.

Mr. Winch: A supplementary question, Mr. Speaker. By leaving out the last part—

Mr. Speaker: Order. Perhaps the hon. member might like to rephrase the question.

Mr. Winch: May I ask the Minister of National Defence whether a decision has been reached to locate any of the CF-5 aircraft in northern Canada?

Hon. Léo Cadieux (Minister of National Defence): No decision has been reached, Mr. Speaker, because there are no such plans.

[*Translation*]

BILINGUALISM AND BICULTURALISM

DISTRIBUTION OF GRANT FOR PROGRAMS

Mr. Henry Latulippe (Compton): Mr. Speaker, I wish to direct a question to the Secretary of State.

Would he tell the House how he intends to divide between the provinces the $50 million ear-marked to promote the teaching of a second language, or, rather, which steps he will take to enable each member state of the federation to benefit equally from it? Would the province of Quebec be treated differently in view of its special situation?

Mr. Speaker: The hon. member is seeking information which should normally be given to the House by way of a statement on motions.

[*English*]

AIR TRANSPORT

CRASH AT LABRADOR CITY—AIRPORT EQUIPMENT

Mr. James A. McGrath (St. John's East): Mr. Speaker, I should like to direct my question to the Acting Minister of Transport. Is the minister prepared to make a statement in the House concerning the circumstances of the tragic plane crash yesterday at Labrador City and can the minister, either now or in a subsequent statement, assure the House that this airport is adequately equipped with GCA equipment and DOT personnel to man it?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): In answer to the question put by the hon. member, Mr. Speaker, the department started to look into this matter yesterday. I will be pleased to inform the hon. member of any further information, and when the department will have a report.

CONSUMER AFFAIRS

GASOLINE AND HEATING OIL PRICE INCREASES—INQUIRY AS TO INVESTIGATION

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs. In view of the serious effect on the standard of living of Canadian consumers caused by the price increases in gasoline and heating oil just announced by Shell Canada Limited, would the minister suggest to the Prices and Incomes Commission that they make an early investigation of these price increases?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, there is no doubt in my mind that the price increase announcement made by that company is inflationary and a danger to the Canadian economy. I regret very much that the company saw fit to make these price increases. I have endeavoured to make clear, as explained in the House many times, that the Prices and Incomes Commission is independent and entitled to look at this or any other question as it thinks necessary.

Mrs. MacInnis: A supplementary question, Mr. Speaker. May I ask the minister, in view of his reluctance to advise the Prices and Incomes Commission of his opinions, whether he would now consider setting up a prices review board under his direct control to investigate these increases which keep occurring with rather alarming frequency?

Mr. Basford: First of all, Mr. Speaker, may I say that at one point the House wanted an independent body, but I am delighted with the hon. member's confidence in me since she now feels I should have direct control. I will certainly consider that.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a supplementary question for the minister. Are we to assume from his answer and from the view he has expressed with regard to this price increase that either he or the government are now expressing opinions as to specific restraints that should be applied, indicating what is appropriate to particular conditions, rather than simply calling for a general exercise of restraint?

Mr. Basford: Mr. Speaker, any general call for restraint must, of course, involve individual companies and price decisions, and I was commenting on one this morning.

Mr. Stanfield: A further supplementary question. I understood what the minister said very well. What I was asking him was whether the government is now doing what the Prices and Incomes Commission says it is unable to do in the absence of a consensus, namely, to indicate what does, in effect, constitute restraint in a particular circumstance?

Mr. Basford: In my opinion, Mr. Speaker, what constitutes restraint is companies and others making private decisions not to increase prices. I think I have made that very clear for some time.

Mr. J. Edward Broadbent (Oshawa-Whitby): A supplementary question, Mr. Speaker. Does the minister intend to do anything about the specific promise he made last August to investigate prices in the automotive industry?

Inquiries of the Ministry

Mr. Speaker: Order. The hon. member will recognize that that question was asked; at least, it was according to my recollection. If I am wrong the minister may reply. Apparently I am right.

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I have a supplementary question for the minister. In view of the fact that the minister has commented on the Shell Oil increase, what is his opinion of the apparent increase which is being voted on today as a result of the Inco settlement?

Mr. Speaker: Order. The hon. member is asking the minister to express an opinion, and I do not think that a question asked in this way is acceptable.

Mr. Nowlan: Mr. Speaker, perhaps I might rephrase the question, always recognizing the Chair. After we know what the Inco settlement is, will the minister be prepared to come into the House and express an opinion on whether it too may be inflationary?

Mr. Basford: If that should be indicated as a desirable course of action, yes.

INQUIRY OF THE MINISTRY

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, I have a question for the Right Hon. Prime Minister which has to do with his visit to New York. Besides dancing with "Funny Girl", did the Prime Minister preempt his next election by going to see the Broadway play, "Promises, Promises"?

Some hon. Members: Oh, oh!

NATIONAL DEFENCE

FUTURE STRUCTURE OF MILITIA FORCES AND CADET CORPS

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, can the Minister of National Defence inform the house whether the government is contemplating a drastic reduction in Canada's militia forces and, if so, will this involve the various cadet movements?

Mr. Speaker: I should think that the question as asked is an invitation to the minister to make a very general statement of policy. I hope the minister will not attempt to do that at this time.

Hon. Léo Cadieux (Minister of National Defence): No, Mr. Speaker. I intended to indicate to the hon. member that I did specify in my announcement of September 19 that the number of cadets would not be reduced. So far as the militia is concerned, we are currently discussing this matter with the Conference of Defence Associations, and I am sure there is going to be a meeting of minds on what the future structure of the militia forces will be.

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, in view of the permanence of the tender to build a new defence headquarters I should like to ask the Minister of National Defence whether we should understand that the defence review has now been concluded?

Mr. Cadieux (Labelle): Mr. Speaker, my own interpretation in respect of the defence building is that it is just an indication that we are still in business.

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

REQUEST THAT STANDING COMMITTEE MEET

Mr. David Orlikow (Winnipeg North): Mr. Speaker, in view of the fact that almost two weeks ago we received the annual report of the Department of Indian Affairs and Northern Development and the evidence taken by the committee at the last session on matters referred to it, will the House leader take this matter up with the chairman of the committee and urge an early calling of meetings?

Hon. Donald S. Macdonald (President of the Privy Council): Yes, Mr. Speaker.

NATIONAL DEFENCE

REQUEST FOR STATEMENT ON ARCTIC FORCES

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, will the Minister of National Defence indicate when he will announce his plans in respect of Arctic forces, a subject of much discussion these days?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, I hope this may be soon, if that is satisfactory to the hon. member. May I also indicate to him that after the many representations he has made the flights in the North are more regular than before.

EXTERNAL AFFAIRS

NIGERIA-BIAFRA—DISCUSSIONS WITH UN SECRETARY GENERAL

Mr. David MacDonald (Egmont): Mr. Speaker, my question is for the Prime Minister and it relates to his meeting yesterday

with the Secretary General of the United Nations. Can he inform the House whether or not in his discussions with U Thant any matters were raised relative to the war in Nigeria-Biafra, specifically the removal of some of the obstacles the Prime Minister referred to in his speech in the debate in reply to the Throne Speech in terms of relief and progress regarding the possibility of United Nations assistance toward a ceasefire?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I can speak only in general terms because I believe I would be wrong to refer to the discussions in detail. The matter of confidence regarding these meetings is very important. I did want to assure myself whether Canada could usefully take any new initiatives at the United Nations. On that aspect of the question I received no encouragement from the Secretary General.

Mr. MacDonald (Egmont): Mr. Speaker, was the Prime Minister able to ascertain from the Secretary General whether the United Nations might play some role in establishing effective relief corridors?

Mr. Trudeau: No, Mr. Speaker, and I would hesitate to speak in the name of the United Nations.

PUBLIC SERVICE

ALLEGED LACK OF EQUAL EMPLOYMENT OPPORTUNITIES FOR WOMEN

Mr. Barry Mather (Surrey): Mr. Speaker, I wonder whether I might be allowed to rephrase a question I tried to direct to the attention of the President of the Treasury Board on November 10. Having in mind the statement last weekend by the chairman of the Public Service Commission of Canada alleging discrimination in employment opportunities for women in the Public Service, will he undertake to inquire into this situation?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I recommend that the hon. gentleman read the speech of the chairman of the Public Service Commission; I will send him a copy of it. It is an analysis of a situation which is perhaps to some extent reflected in this chamber. It involves obtaining adequate recognition of the rights and qualifications of women, even in Parliament. He was merely drawing attention to the fact that this situation also exists in the Public Service.

Mr. Mather: Mr. Speaker, I should like to—

Mr. Speaker: Order, please. The hon. member is rising on a supplementary question. Perhaps he would kindly resume his seat so that it will be easier for me to indicate to him that I have the same reservations today that I had last week about questions concerning statements made outside the House by persons other than ministers of the Crown. Perhaps the supplementary question should be asked in another fashion.

Mr. Mather: Mr. Speaker, I simply want to ask the minister whether, in spite of what he has said, he will have a look at this general situation?

TAXATION

SALES AND SPECIAL COMMODITY TAXES—INQUIRY AS TO REVIEW

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister without Portfolio from Windsor West whether, in view of the statement by the Minister of Finance that the government will review its sales and special commodities tax as soon as Parliament and the country have digested the white paper proposals issued last week, he can indicate when this review will get under way and how it will proceed? Will we have a white paper on the subject of these other taxes and, if so, when may we expect it?

Hon. Herb Gray (Minister without Portfolio): Mr. Speaker, the white paper on tax reform points out in paragraph 1.19 that income taxes:

> —should be given priority in the tax reform program. Reform of the sales tax is less urgent and can be undertaken after action on the proposals in this paper.

I think these words speak for themselves. May I conclude by saying that the method of reviewing sales taxes will be announced in due course.

Mr. Stanfield: I take it this relates to something that is possibly in the dim and distant future. Do I understand the minister correctly that it is the intention of the government to have the country and Parliament study the proposals in respect of income tax changes without having had an opportunity to examine and consider in the same context changes in sales and commodity taxes which might very well have a bearing on attitudes toward the special proposals in the white paper?

Mr. Gray: Mr. Speaker, Parliament and the public may well feel that the proposals in the

white paper are of sufficient importance that they should have primary attention for the time being.

ADMINISTRATION OF JUSTICE

NORTHWEST TERRITORIES—INQUIRY AS TO STATEMENT

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct my question to the Minister of Justice in his capacity as Attorney General for the Northwest Territories. I understand he has that function. When will he be making a statement regarding the administration of justice in the territories?

Hon. John N. Turner (Minister of Justice): Within the next two weeks, Mr. Speaker.

Mr. Howard (Skeena): In view of the fact that the report on Indians and the law has been sort of sloughed off by his colleague because this subject falls to a great extent within the jurisdiction of the provinces, and inasmuch as there is no such impediment regarding the Northwest Territories, will his statement about the administration of justice cover the salient points of that report?

Mr. Speaker: Order, please. The question as asked is not in order.

REGIONAL DEVELOPMENT

REQUEST FOR REFERENCE TO STANDING COMMITTEE

Mr. James A. McGrath (St. John's East): Mr. Speaker, I should like to ask the government House leader whether he will bring in an appropriate reference in order that the Standing Committee on Regional Development can continue its study of the various regional development programs in the country, which it did not complete at the last session?

Hon. Donald S. Macdonald (President of the Privy Council): I will discuss that with my colleague, Mr. Speaker.

REGIONAL ECONOMIC EXPANSION

ATLANTIC DEVELOPMENT COUNCIL—MEETING AND DIRECTIONS

Mr. David MacDonald (Egmont): Mr. Speaker, now that the Atlantic Development Council has been appointed I should like to ask the Minister of Regional Economic Expansion when it will begin meeting and whether the minister is willing to make a statement on the directions he gives the council, or table them in the House, in order that we may fully understand its duties and its responsibilities?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I think the Council will meet in Halifax in the very near future, that is next week, if not this week.

Its terms of reference are laid down in the legislation, and I do not expect we will issue other guidelines than those contained in it.

[*English*]

Mr. MacDonald (Egmont): I have a supplementary question, Mr. Speaker. In view of the fact that undoubtedly the minister or his deputies will be giving further directions because of the very general nature of the act, when these directions have been given to the council will he agree to make them public by tabling them or making a statement so that all hon. members may be aware of the council's full responsibilities?

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, if general guidelines are to be issued to the Council, then I shall not object to their being tabled in the House.

OFFICIAL LANGUAGES

APPOINTMENT OF COMMISSIONER

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I have a question for the Secretary of State.

Could he tell the House when the federal government will appoint a Commissioner of Languages as provided for in the act that was passed during the last session?

Hon. Gérard Pelletier (Secretary of State): In the near future, Mr. Speaker.

[*English*]

OLD AGE SECURITY ACT

INQUIRY AS TO AMENDING BILL

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. Toward the end of last session there was a list of bills given, many of which were not reached. One of them was a bill to amend the Old Age Security Act. In view of the fact that such a bill was not included in the list of bills

that the Prime Minister tabled on the first day of this session, may I ask the minister whether there will be such a bill during the course of this session?

Hon. John C. Munro (Minister of National Health and Welfare): It is highly unlikely, Mr. Speaker.

FEDERAL-PROVINCIAL RELATIONS

PARTICIPATION OF MUNICIPALITIES IN CONFERENCE

Mr. Lincoln M. Alexander (Hamilton West): I have a question for the Prime Minister. In view of the oncoming federal-provincial conference, is it the intention of the government, in co-operation with the provinces, to invite representatives of the municipalities throughout the nation to attend this conference?

Right Hon. P. E. Trudeau (Prime Minister): At one point I made some general remarks along the lines suggested by the hon. member, but of course I cannot issue directions to the provinces with regard to the composition of their delegations.

Mr. Alexander: I have a supplementary question, Mr. Speaker. Is the Prime Minister prepared to take leadership in this regard and to follow up the matter with the provinces in order to get their opinions?

Mr. Trudeau: Sometimes I am asked to take leadership within areas of provincial juridiction and at other times I am asked not to take leadership in the area of federal jurisdiction, so I am not quite sure in which direction the House wishes me to go.

Mr. Robert Simpson (Churchill): I have a supplementary question, Mr. Speaker. Can the Prime Minister say whether representatives from the Northwest Territories Council and the Yukon Council will attend the conference?

Mr. Trudeau: I expect the arrangements to be similar to the ones that existed in the past.

[*Translation*]

THE CANADIAN CONSTITUTION

INQUIRY AS TO ESTABLISHMENT OF HOUSE COMMITTEE

Mr. Roch La Salle (Joliette): Mr. Speaker, I wish to put a question to the Prime Minister.

Since he stated recently that he was contemplating setting up a committee on constitutional matters, is he in a position to advise us whether a decision has been taken in this connection? If not, would he be prepared to issue a statement on this subject in the near future?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the decision has been announced in principle. The main thing is to agree with the leaders of the opposition parties on the most suitable time for the creation of that committee.

Mr. La Salle: Mr. Speaker, I have a supplementary question—

[*English*]

EXTERNAL AFFAIRS

GREECE—REPORTED REPRESSION AND TORTURE—CANADIAN REPRESENTATIONS

Hon. Robert L. Stanfield (Leader of the Opposition): I would like to ask the Prime Minister a question concerning leadership outside the country. In view of the continuing reports of repression and torture by the military government of Greece, is the government of Canada making any special effort within NATO to bring the strongest possible pressure to bear on the regime in Greece and, if so, what measures are being taken and what alternatives are being considered by the government?

[*Translation*]

Mr. Jean-Pierre Goyer (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, the European Commission on Human Rights is studying this question at the present time, and I do not believe that an intervention by the government of Canada is advisable at this time, particularly in view of the fact that the Greek government has agreed to an inspection by a Red Cross international commission of the camps where Greek citizens are detained, and that this commission plans to publish a report on the matter.

[*English*]

Mr. Stanfield: I have a supplementary question, Mr. Speaker. Would the Prime Minister ensure that the House is given a report on the present extent of Canadian sales and supplies of military and other equipment to Greece in view of the apparent increase in Canadian military exports to that country since the present regime took over?

[*Translation*]

Mr. Goyer: Mr. Speaker, Greece is a member of NATO and this question must necessarily come under our general NATO policy.

GOVERNMENT ORDERS

CANADA STUDENT LOANS ACT

AMENDMENTS RESPECTING DEFINITION OF "BANKS", QUALIFYING STUDENTS, ETC.

Hon. Herb Gray (for the Minister of Consumer and Corporate Affairs) moved that Bill C-135, to amend the Canada Student Loans Act, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

He said: Mr. Speaker, the purpose of this bill is to make a number of amendments to the act which created the Canada student loans plan. As hon. members know, this program was first implemented in July of 1964, in time for the academic year 1964-65. It provides a government guarantee for loans made by chartered banks and certain designated credit unions to qualifying students at the post-secondary level. The federal government pays the interest on these loans during the period that the student is engaged in full-time study and for six months thereafter. From then on the student takes over the responsibility for interest charges and repayment of the principal.

Before speaking in more detail about the proposed amendments, I would like to say something about the important role that the plan has played during the past 5½ years in helping thousands of Canadian students to pursue post-secondary studies. The loans under the plan may be obtained only on the basis of certificates of eligibility which are issued to their own residents by provinces participating in the plan. The act contains a provision whereby any province which operates a student loans program of its own can opt out of the plan as such and receive an alternative payment from the federal government. The province of Quebec elected this option at the time the plan was begun and has received this payment in each year since. All other provinces take part in the plan, as do the governments of the Yukon and the Northwest Territories who issue certificates of eligibility to territorial residents for the purposes of the program.

Eligible students may borrow up to $1,000 in any one academic year and up to $5,000 over their entire academic careers. During the first loan year, 1964-65, some 42,000 students received loans valued at over $26 million. In the loan year ended June 30 of this year, over 107,000 students obtained loans valued at almost $66 million, and it is anticipated that the volume of loans could approach $90 million in the current loan year.

Hon. members can see from these figures that the Canada student loans plan has in fact played a very important role in the field of student aid. When the plan first began in 1964-65 it was the only significant source of student aid available in the participating provinces. During the intervening years, however, many provinces have initiated or greatly expanded their own student aid programs. In many cases they have integrated them with the Canada student loans plan so that financial assistance is provided through a combination of federal and provincial aid.

• (3:00 p.m.)

Each participating province has designated an appropriate provincial authority to be responsible for issuing certificates of eligibility for that province. Each province has an allocation which limits the aggregate value of certificates of eligibility which it may issue.

Very soon after the implementation of the plan it became evident to all concerned that it was highly desirable for provinces to co-ordinate among themselves a number of administrative matters associated with its effective operation. For this purpose a committee of officials of the provincial governments, including the province of Quebec, has met regularly in Ottawa since 1964 to develop and review continuously commonly agreed approaches to a number of administrative matters. Federal officials have also participated in these meetings. At these meetings a set of criteria has been developed which represents a consensus of the provinces concerned.

The effectiveness of the Canada student loans plan would not have been possible without the active participation and initiative of the provinces at these federal-provincial meetings and their willingness to work toward a consensus of the approach to be followed by all of them on matters of common concern linked with its administration. The result has been a basic student loans facility which is available to students in all participating provinces for attendance at recognized post-secondary institutions inside and outside Canada and which is administered on a uniform and consistent basis among the provinces. At the same time it still leaves individual provinces flexibility to deal with those factors they consider to be operating in a unique way within their own jurisdictions.

Let me now turn to the proposed amendments. Hon. members will recall that the Canada Student Loans Act provides for a basic loan provision for each loan year. This provision is divided among the provinces, both participating and non-participating, into provincial allocations on the basis of the distribution among them of the general population in the 18 to 24-year age group. The provincial allocation acts as a limit on the aggregate value of certificates of eligibility which can be issued by a participating province. The basic loan provision was originally established for the loan year opening on July 1, 1964, at $40 million. The original act provided that this could be increased in subsequent loan years by the percentage increase of Canada's population in the 18 to 24-year age group from year to year. The $40 million, while sufficient over-all in the first loan year, proved to be inadequate in the case of a few individual, participating provinces. It was necessary, therefore, through the medium of the estimates to provide special increases for that year.

Early in the second loan year which began on July 1, 1965, it became apparent that the basic loan provision, which had increased by a small amount over the first year, would be inadequate to meet the demand for loans which would be placed on it. In June of 1966, therefore, amendments were made to the act which increased the basic loan provision for the year 1965-66 to $58 million. At the same time a supplementary loan provision, equal to 20 per cent of the basic loan amount in a loan year, was established.

This provision could be allocated by the Minister of Finance of the day on the request of a province where the demand for loans exceeded the available provincial allocation. This feature was incorporated in the act because it came to be recognized that there was a different relative demand for loans among participating provinces which could not be met simply by dividing the basic loan provision among provinces on the basis of population distribution.

These amendments enabled the Canada student loans plan to work effectively until the loan year 1968-69. During the intervening period, however, the rate of increase in the number of students attending post-secondary institutions was some three times greater than that in the 18 to 24-year age group. This inevitably meant that the growth in demand for student loans would outstrip the increase in the basic loan provision from year to year. When this situation in fact came to a head last year, use was made of the supplementary estimates to provide a temporary solution.

The Appropriations Act, No. 1, 1969, established the basic loan provision for the loan year 1968-69 at $80 million and increased the supplementary loan amount from 20 per cent to 21 per cent of the revised basic loan provision. The same item also took account of the current loan year which commenced last July 1, setting the basic loan amount at $100 million and increasing the supplementary provision to 30 per cent. However, no provision was made for the period beyond June 30 of next year. This meant, in the absence of legislative action prior to that time, available allocations for the loan year 1970-71 would have to be determined under the basic provisions currently in the act itself, and these would be insufficient to meet current needs. It is primarily to prevent this from happening that this bill is being presented at this time.

Another reason for this bill is that during the period since the act was last amended a number of matters have arisen related to conditions spelled out in it, which have caused complications for borrowers and others involved in the effective administration of the program. A number of the proposed amendments are intended to deal with these complications.

As I have said, Mr. Speaker, the most important of the amendments before us is the one dealing with available allocations for the loan year commencing July 1, 1970, and for subsequent years. In 1970-71 the basic loan provision under the proposed amendment will be established at $115 million, a 15 per cent increase over the current year. For loan years subsequent to 1970-71 the basic loan provision will be escalated by the percentage increase in total post-secondary enrolment in Canada in that year rather than the percentage increase in the 18 to 24-year age group. This will provide for an automatic escalation factor of from 12 per cent to 15 per cent a year for the next few years rather than the 4 per cent to 5 per cent which would have been the case under the present act, and at least will allow the basic loan provision to increase in line with the increase in the post-secondary student population.

In addition to increasing the basic loan provision, the amendments will make permanent the increase in the supplementary loan provision which has been implemented for the current loan year. The supplementary loan provision, if Parliament agrees, will accordingly from this year on be established

at an amount equal to 30 per cent of the basic loan provision for a given year. This will provide greater flexibility in meeting the requirements of provinces which for one reason or another have relatively higher student loan requirements than others.

At the time the act was implemented virtually all students attending post-secondary institutions did so on the familiar academic year basis, that is, a fall and winter term followed by a relatively long summer vacation. Accordingly, the terms and conditions under which individual students could obtain loans were all related to the academic year, defined as a distinct period of full-time studies of not less than 26 consecutive weeks.

The past five years have seen a considerable growth in a new form of study program, the semester system. Under this system a student completes a study program which is broken into a number of distinct periods, generally three or four in a year, and to which the traditional concept of the academic year is not applicable. While these students were not definitely excluded from the benefits of the Canada student loans plan, a number of complications and problems were encountered by many of them. Amendments are contained in this bill which will explicitly include students studying on the semester system as well as those who study on the academic year basis. Thus, the full benefits of this program will be made available to a group of post-secondary students whom it was intended to include within it.

Provision is also made in the amendments to enable trust companies, insurance companies and mortgage loan companies to apply to the Minister of Finance for designation as eligible lenders under the plan. Lenders presently operating under the plan are all the chartered banks as well as certain credit unions that have applied for and received designation as eligible lenders.

This amendment will broaden the classes of lending institutions to which students can apply for loans. It will parallel changes made in the recent past in two of the other guaranteed loan programs operated under the Minister of Finance, the farm improvement loans and the fisheries improvement loans programs. It will also parallel changes which are proposed in the bill to amend the Small Businesses Loans Act, which will be considered next by the House.

I would like to comment on another amendment in this bill. The existing provisions of the act provide that students are eligible for loans if they are, among other things, Canadian citizens, or are not Canadian citizens but have lived in Canada for one year and have indicated that they intend to make their home in Canada upon completion of their studies.

• (3:10 p.m.)

The proposal in this bill is to require that persons who are non-Canadian, to be eligible for a loan under the act, must have landed-immigrant status and must have resided in Canada for one year. The effect of this amendment is simply to clarify the language presently in the legislation, since it is a condition to obtain landed-immigrant status, and provide that applicants for loans declare their intention to reside permanently in Canada. Let me stress that the amendment will, therefore, in no way restrict the availability of student loans to new Canadians who come here to make this country their home. The main effect of the amendment will be to make clear that foreign students here on student visas are not eligible under the act.

There are a few other amendments in the bill, Mr. Speaker, but I will not take the time of hon. members to describe them at this point. They are either consequential on one or more of the amendments I discussed earlier or are of a minor administrative nature. I am sure hon. members will agree that they can be covered adequately in discussions in the standing committee.

May I say in closing, Mr. Speaker, that the government believes that the Canada Student Loans Act has served a useful purpose in aiding tens of thousands of young Canadians to further their education beyond the secondary school level, enabling them to be better able to take advantage of the opportunities which Canada today offers its young people and thereby to make a greater contribution to Canadian society, which is ultimately of benefit to all Canadians. It is the hope of the government that the amendments being considered at this time will be supported by the House to enable the Canada student loans plan to work even more effectively in achieving its important goals.

Mr. Stanfield: What happened to all those scholarships?

Mr. Dinsdale: Ten thousand!

Mr. J. Chester MacRae (York-Sunbury): Mr. Speaker, I should like to thank the minister for the very comprehensive statement that he has given to the House on a very important subject, the education of the youth of

our country. Perhaps it is a cliché to say that the future of our nation depends upon the education of our youth, but it is true.

I am deeply interested in this particular act for many reasons, as a parent and as the president of a school where many students have been able to take advantage of the provisions of the act. I feel the act is a good one but unfortunately—I shall touch on this in more detail later—there have been abuses as there have been in all acts designed to improve our lot. The first item, that of including more institutions to make loans, is a good one and brings this act in line with other legislation. I have often wondered why these institutions were not granted the right to make loans from the beginning. This is an item which we can recommend. Second, I am not entirely clear about the minister's statement on making changes under the certificate of eligibility. What has been deleted here, as I understand it, is explained in the explanatory section of the bill. The act provides that where an applicant—

—(B) has been resident in Canada for a period of not less than one year and has declared that he intends to reside in Canada after he ceases to be a full-time student—

In that event he is a qualifying student. That provision has been deleted, Mr. Speaker, and from the minister's explanation I am not sure why. Undoubtedly this will be raised and thoroughly discussed in committee. We all know, of course, of the brain drain to the United States and other nations every year. Perhaps it would help to retain those who are educated here with the help of these loans if there were such a declaration of intent. At the moment I cannot see the reason for the amendment.

The minister raised the point about the semester, and I think that is good. A great change is taking place these days in the whole educational system of our country. There is fomentation everywhere. Although some of it may be justified, events such as those at Sir George Williams University and Simon Fraser University, for instance, are deplorable. But coming back to the point which the minister raised, the semester idea, previously nearly all universities started in September and went through until May. If you failed two subjects and did not get a chance to write supplementals, the entire year was lost. So the semester idea is excellent; it provides good, progressive education.

The minister stated that the limit of the loan is to remain at $1,000 but is to be based on $500 for each semester. That is good. We all know only too well that under the British North America Act education is a provincial matter. But did the minister discuss the matter of authorization with the provinces? He used the word "payment" in reference to Quebec. Did he mean in this case that it was a loan to Quebec to make necessary loans to students or was this an outright payment? I think the minister indicated it was an outright payment. I would ask him to clarify that matter because I am not completely clear on it, and perhaps I should be as I am a native of Quebec. The minister did not discuss the introduction of the means test. I think he might also clarify that point.

I am completely in accord with this provision of the act. For many years it has disturbed me that children of wealthy parents can obtain a student loan whilst others, when there is a limit imposed, cannot because they do not have the necessary marks. I think the means test is a good idea. Just this morning, Mr. Speaker, one of my colleagues expressed the thought that if we are going to reduce the voting age to 18 perhaps we should also be prepared to make students completely responsible from the age of 18. But that is debatable.

There is another point that we must not forget. Whilst these loans help students obtain a university education, it means that they start out in life with a debt of $5,000. Many of us here who were educated during the depression did not have the opportunity to obtain a university education. However, I believe in the means test. I know of the case of a young lady who at the beginning of the winter semester last year filled in the necessary application forms for a loan, went to the bank and obtained the money and terminated her education that day. She was married a few days later and never returned to school.

• (3:20 p.m.)

These are abuses we should somehow or other try to correct. We all want to be on the side of the angels and see that every deserving youth receives an education, but this bill needs to be as carefully screened and looked into as other bills of its kind. As the minister said, in my province of New Brunswick we have a designated official who administers this program. The department responsible is the department of youth, with an able deputy minister and the program has been very well administered over the years. We have been very fortunate in that regard.

Last March I put on the order paper a question dealing with this matter. I was interested in knowing whether we had made many loans which could not be collected and had to be written off. To be frank, I was surprised at the answer I received, but on reflection I can understand the reason for it. The answer to my question shows that at that particular time little had been written off by the government. An amount over $100,000 had been written off because of the death of the students concerned, and something over $500,000 in loans was owed by students who were in default. We shall have to see what can be done about students who are in default. However, only $22,000 had been written off at that particular time. I am afraid that as the years go by many millions of dollars will not be collectable for one reason or another; some students who have obtained loans will leave the country and factors other than death will enter into the picture. There will have to be proper provision for the writing off of such loans.

In conclusion, may I say that I think the amendments the minister is proposing in this bill are good ones and the legislation is good when it is used properly. I should appreciate answers in due course from the minister with respect to the points I have raised on this occasion.

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I should like to deal with an aspect of student loans that was not dealt with directly or implicitly by the minister in his statement or by the previous speaker. I am speaking of the whole question of the social legitimacy or social desirability of higher education costs being financed through a loans program.

In the 1963 election campaign the former Prime Minister of this country, the Right Hon. Lester B. Pearson, made what many considered a commendable promise, namely, to provide 10,000 scholarships for Canadian students. By granting scholarships we would recognize that higher education must be universally attainable and that cost should not be a factor in enabling an individual to obtain an education. Of course, no such program has been instituted since 1963. Instead, our program permits students to borrow money and pay it back, with interest. This approach to education is outdated on grounds of social philosophy and on grounds that it will not, even in pragmatic terms, lead to the kind of limited advanced society which we understand the Liberal party espouses.

[Mr. MacRae.]

I therefore wish to suggest briefly what the positive and negative aspects of student loans are when one compares them with the universal right to higher education. By making loans available to students, as opposed to giving them by right a chance of obtaining a post-secondary education, we do not really motivate students who have not reached university age to seek a university education. Only if post-secondary education is universal and as readily available as a public school or high school education will all our students be motivated to seek higher education. The point is—this has been demonstrated in many studies—that unless a child has acquired the motivation to go to university before reaching university age, it is very unlikely that he will go to university or even apply for a loan. Whether a child lives in one of the poor provinces of Canada or one of the rich provinces, he takes for granted his right to a secondary school education.

I submit that if a child has the ability to learn and the talent and desire to go to university, his right to do so should be a basic and fundamental right. I say this because the loans program militates against children of working class parents who view the loan merely as a debt. These children look on the loan as a burden. More important, perhaps, is that these children adopt their parents' attitude in looking on such loans as obstacles which must be overcome. Such children must surmount psychological barriers arising from their backgrounds, which barriers do not inhibit children of wealthy parents in the development of what I may call positive attitudes toward higher education.

All kinds of evidence is available to support my contention. The "Vertical Mosaic", a study of social classes and the power structure of Canada, although it is outdated shows very conclusively the maldistribution of our university population. It shows that the children of the wealthier people of this country are proportionately over-represented at universities when compared with students who come from other class backgrounds. Although student loans have rectified this situation to some degree, I submit that we would do much better if we made university or other post-secondary education free for all children of our society.

I should like to make another very important point about university education. Many consider a university education to be something that is bought—which it is now—and something which you acquire after paying a fee. That sort of thinking has promoted a

wrong attitude towards what education is all about. At present our students see a university education as a commodity to be invested in so as to provide a future economic benefit. This, I suggest, is precisely the kind of education and attitude we do not want. We do not want to see that kind of environment nurtured in Canada. Education must not be looked on as a commodity. That is why I am pleased that certain educational authorities have suggested abolishing the B.A. degree. They know that some students want a degree only because it will enable them to get a better or higher paid job. The theory of these authorities is that if you do not grant a degree, only those interested in learning will seek higher education because at the end of it there will be no official recognition of their endeavours. This is a very serious point that others concerned about higher education ought to be considering carefully.

• (3:30 p.m.)

Professions, of course, are quite another matter. It is necessary to retain a formal recognition such as a degree to maintain technical standards. The point is that we in this country must do everything we can to get away from the notion that education is some kind of commodity which it is useful to obtain for a supposed kind of advancement. We must not look upon the loan factor as an inducement to regarding education as an investment.

The next point I want to make—and it was suggested by the previous speaker—is that under the present loans set-up thousands of Canadian students are deeply in debt by the time they graduate; the figure often reaches $5,000 owing on government loans. In my opinion this has an interesting class effect. Its impact weights more heavily on students from average income or poor families, which tends to affect the student's judgment in deciding which course he should enter. The duration of the course is very relevant to such a student. The studies undertaken bear out the fact that students from working class families are more likely to enter short-term courses. This is in fact happening. Students from these families know they will be in debt and therefore choose the shorter courses, avoiding post-graduate work and the longer professional courses. I say again the debt principle weighs very heavily on the thinking of the poorer members of our community. In short, it has an anti-democratic bias.

I wish to suggest the social consequences this attitude will have on our society. I have already indicated that it more seriously affects students from lower income families. These students take the debt problem much more seriously than do the students from wealthier families. When such students graduate, they tend to accept more lucrative jobs in order to pay off their debts. What does this do to our society? Relatively speaking, fewer students are entering the field of social work, fewer are joining CUSO, and I suggest that fewer students are becoming members of the Company of Young Canadians. Fewer students are undertaking socially desirable work because a higher income is required in order to pay off their debt of $5,000. Therefore, in the long run the community as a whole is the loser; we are losing the creative work that many of these university graduates would be willing to carry out if they did not have to work in higher paying positions in order to pay off their debts.

With regard to the general question of extending the range of students to whom these loans would be available, I ask the minister to comment on why part-time students were not considered in the amendments. It is important that men and women who are working in our society and have the desire for some form of higher education should be eligible for a loan. As a first step toward universality, people in this category should also be eligible for loans under the program.

I have received letters from working wives in my constituency, as I am sure other hon. members have, stating that they would take university courses if loans under the program were available to them under this program. At the moment they are excluded. One reason they require a loan is to pay for babysitters while they are attending university. Why should adults who are working part-time be excluded from this measure?

These are my general observations, Mr. Speaker. Although the points have been made in a rather low-keyed fashion, they are extremely important to our society. Some years ago, under the leadership of the Right Hon. Lester B. Pearson, the Liberal Party embarked upon a desirable program, at least in terms of commitment. The program in principle gave the right of education to every young Canadian, not as something that had to be purchased on borrowed money on which interest had to be paid but as something available according to one's own capacities, talents and desires. I suggest we do not have such a legislative program. Although this loans bill is important, it comes nowhere near

meeting this requirement and as a consequence many individual Canadians, and Canadian society as a whole, suffer.

Mr. MacRae: Mr. Speaker, may I direct a question to the hon. member who has spoken so eloquently and has evidently done his homework on this matter? In doing his research, did he inquire into the question or make any estimate of what it would cost the nation to educate its students to the end of a baccalaureate degree?

Mr. Broadbent: I will be pleased to answer, although I will not go into detail. Perhaps the minister or the questioner could provide more specific information. I do know that approximately two-thirds or three-quarters of the costs of attending university are paid by the state, whether from a provincial or a federal source. This is merely an extension of that cost. I am not trying to underestimate the size of the problem.

A statement of commitment should be made by the government with regard to moving in that direction, and this is not accomplished by a loans program. A very different principle underlies the loans program. If the questioner would like a suggestion regarding the principle of universality, the initial step would be for the federal government to pick up the fee tab of every student who is admitted to a post-secondary institution. At this point perhaps it would not pay his living costs, but every student admitted to such an institution would have a least his fees paid and would not have to pay back those costs to the state. This is an initial step which the federal government could now take at not too great a cost.

• (3:40 p.m.)

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, the matter of student loans is one of the most essential aspects of the evolution of our society. There is a fundamental principle: the right of the individual to education. It should not give rise to any financial problem, since I believe this right to be inherent in the freedom of the human being. Poverty, the number of children in the family, lack of education facilities in a region, none of those reasons should prevent a student from getting the education to which he is entitled.

That is why I unreservedly approve the comments of the previous speaker, namely that the matter of loans should not even be mentioned, as it is quite obvious that the students who are unable to pay their school fees should be helped. But since we are always stuck in the same system and we unfortunately refuse to consider the necessary reforms and changes within our economic system, we are compelled to accept the lesser evil of student loans.

The amendments brought to the Canada Student Loans Act seem to me worthwhile and I hope that they will further promote education. I take the liberty of pointing out that Quebec has a program of loans and scholarships and therefore has no need for the federal legislation.

It is our duty to see to it that justice prevail in that field. It would be imperative for the federal government to reach full agreement with the provinces which already have their own program so as to prevent any discrimination against any region of our country.

It is a known fact that certain political administrations in Quebec rejected many student loans programs during several years. Thus Quebec lost a considerable amount of money and this explains in part why it is lagging and must take giant strides in order to achieve a decent standard of living.

Mr. Speaker, it is extremely important that all the funds which Quebec needs to enable its students to complete their studies be made available to it by the federal government, without any restrictions whatsoever, in order to ensure an equitable distribution.

Such equitable distribution is one of the points I wanted to emphasize. It should not be based on a certain amount, as this would lead to injustice. Actually, should the number of students requiring financial assistance exceed the amounts available, some will be unable to obtain loans. These loans should be made available to all of them, provided, of course, they really need assistance.

Too often, students whose parents could well pay for their studies are using scholarships, so as to have things easy or perhaps to cause trouble.

We should be more wary of the conditions under which loans are granted in order that they may meet a real need. But with that reservation, is it not unfair to set an amount thus setting aside a number of applicants?

Under what principle can we justify discrimination? This problem should be looked into more thoroughly and I do not think we should impose any restrictions, if everybody recognizes the principle that every citizen has a right to education.

Starting from that principle, let us make the required amount available to those who need it and that without any kind of restrictions.

There is always a certain amount of injustice in the present loans plan. In fact, it seems that those are penalized who participate most in the development of the country, that is those who are not afraid of bringing up children. This is what happens when there are five, six or seven children of school age in a family. It is easy to imagine what it costs then and even wealthy families are unable to cope with education expenses if they have at the same time too many children at the post-secondary level.

Students who take advantage of these loans will have to repay them some day. Therefore, why not simply distribute equitably the necessary credit to those who need it?

We will have to come back to this matter in order to defend the freedom of the individual to get an education. Lack of money should not be an obstacle to the development of people, particularly in 1969, when there is an abundance of money. Without education, no one could possibly earn a living these days or consider playing a part in society. It is very important to ensure that everyone has the opportunity to get an education.

I hope that this amendment will be useful. And I close my remarks by saying once again that we will have to study the problem more seriously and consider granting interest free loans to all those who need them, in order to raise the educational level of our citizens, something which our people could be proud of.

Mr. Herb Breau (Gloucester): Mr. Speaker, it is a pleasure for me to support Bill C-135 and to recommend that it be referred to the Standing Committee on Finance, Trade and Economic Affairs.

At the beginning of my remarks, I should like to stress a point just mentioned by the hon. member for Champlain (Mr. Matte), as regards those students with better financial means who are nevertheless entitled to those loans under the plan. Even if their parents are rich, some of those students want to pay for their education. This feeling of independence is commendable, and I do not see how such a plan could deter—

Mr. Matte: If it deprives others.

Mr. Breau: Nobody is deprived.

Mr. Matte: Yes, because a certain amount is earmarked for this purpose.

• (3:50 p.m.)

Mr. Breau: In any case, when dealing with education, one should remember that this question is within the jurisdiction of the provincial governments and that if the federal government intends to subsidize education, it should do so in agreement with the provinces.

In any event, it is important, in my opinion, that the federal government should often take the initiative since such a moving population as ours needs a well-coordinated education system.

Another very important aspect of education that should be taken into account is the fact that conditions change from one province to the other. That is why I think it is extremely important for the federal government to deal actively with this matter.

I should like now to talk about the priority of expenditures for education, and in particular of the change which occurred in the priorities in effect over the last 10 or 20 years.

Everyone knows that the per capita expenditures of the federal and provincial governments with regard to students and the people in general, as well as in ratio to the government revenues from taxation, have greatly increased in the last few years. At any rate, I think that even with an increase in expenditures we have not managed to really deal with the educational problem.

For example, 50 years ago in some provinces and about 20 years ago in others, the principle of free secondary education was accepted.

I think that today it is even more important to get a university education, for instance a B.A. and in some cases an M.A., than it was 30 years ago.

However, at that time, the government assumed the cost of high school education while today university education is not free. Of course, a large part is paid for but education at all levels is not yet free.

Mr. Speaker, here and there, the need for education in our country has not been recognized.

I should like now to make mine the comments of the hon. member for Oshawa-Whitby (Mr. Broadbent) when he spoke about free education.

Mr. Speaker, I firmly believe that education is an inalienable right. Everybody should have access to it. Therefore, I think that in Canada we should enjoy free education

because today schooling fees represent only a minimal part of educational fees.

This is due to the existing university systems. A student must leave his parents' home to go and study at university, for eight or ten months a year. Moreover, he must pay his expenses to live away from home. One should think of subsidizing students, of helping them to pay their expenses because they must live near the university.

Of course, when we talk of free education, among other things, we should mention in one way or another that what is necessary to pay for all that is deducted at the source. In my opinion, if we study the university education system in Canada, we will find out perhaps that it might be possible to change the priorities, in order to give this inalienable right to students.

Is it not more important to give free education and, perhaps, to spend somewhat less in other fields? Perhaps it would be possible to erect less costly buildings? And perhaps, to reduce some university services in order to give priority to free education?

In a society such as ours, I do not see how anyone could accept that only those able to pay $1,000 or $1,200 a year can go to university. I repeat that this is an inalienable right. Education should be made available to everybody. It should not matter whether a person can pay or not.

Before suggesting that the state should assume the cost of education, I should like to deal with the orientation our university system is taking. I think it should be advisable today to consider the very reason for the existence of the university today.

True it is something of an anachronism. It stems from a XIVth or maybe a XVth century concept, whereby educators gathered together in a center and students had to go to them.

Is that the only way to educate people? Is it the only way to have a university education system?

Today, we are witnessing lots of problems on the campuses where students and professors alike are questioning the authority of the administration and all sorts of other things for that matter. To put it in my own simple words, there is a conflict between the students, the educators and the administrators.

I suggest that we shall never make administrators out of professors and vice versa.

This should perhaps induce us to make a thorough reappraisal of our education system. We ought perhaps to wonder whether we are making the fullest use of our communication and transportation networks. Our universities remain uncharged in spite of the fact that, contrary to what prevailed 20 years ago, it is now possible to travel at a speed of 600 miles per hour and to enjoy very fast means of communication of which these institutions do not avail themselves enough.

Some do but, in my opinion, there is a duplication of facilities in these institutions. We are therefore spending a lot of money on those things while it is a matter of respecting a right or a principle. We are unable to find an alternative for the sole reason that it would cost a little more.

Surely, Mr. Speaker, the provinces and the federal government should right now give serious consideration to the role of the university in the Canadian society. They should try to ascertain whether it is not imperative that we should better co-ordinate education, programming and teaching considered as such.

Today, for instance, a professor living in Montreal could deliver his courses across eastern Canada either by being on the spot, or with the help of television. It would be very easy indeed but it is not done.

There are three universities in my province, New Brunswick. It was said that one French university and one English were needed. But I shall not go into that. In any event, there are three universities for 600,000 people. To my mind, that is too many. A lot of money has already been invested in buildings and services alone, and for duplication in administration.

I should like to repeat that I agree with the members for Champlain and Oshawa-Whitby who say that education should be universal, should be accessible to all. However, before saying that more money should be spent on education, the system should be studied in depth as well as the role of the university which was conceived in the XIVth century.

Then, we may be forced by circumstances, by costs and by the standard of living, to review the whole question and see if we might not be able to dispense education at a lower cost.

• (4:00 p.m.)

[*English*]

Mr. A. D. Hales (Wellington): Mr. Speaker, I appreciate the opportunity to say a few words about these amendments to the Canada Student Loans Act. Let me say at the outset that I think it has been a very acceptable and

worth-while piece of legislation. Since its inception in July, 1964, approximately 142,000 students have taken advantage of the act and obtained loans with which to further their education and, in a broad sense, to help Canada as a whole. I am particularly interested in two amendments which have been set forth.

The first amendment deals with landed immigrants. The act is changed in this regard. To be eligible, individuals must no longer be residents of Canada for a period of not less than one year. It seems only right and proper that loans should go to Canadian students or those with landed-immigrant status, rather than to students who may take advantage of the legislation and then return to their native land without being of further assistance to Canada. Of course, we hope they will be of assistance to their native land.

The other amendment makes it possible for students who are enrolled in colleges on semester systems to obtain loans. I am proud to say that the University of Guelph in my city and Simon Fraser University were the first two universities in Canada with a semester system. I think this is still the case. The semester system at Guelph University is working extremely well. It provides an opportunity for many students to continue their education, which they would not otherwise be able to do because of the length of time involved. Under a semester system they can go to school continuously. All in all, the semester system is working out extremely well, and I am happy to note that the plan is being broadened to include it.

I believe that two parts of the operation and control of this act should be considered. A number of people have spoken to me about discrimination in the allotting of student loans. I realize it is up to the provinces to issue certificates, but we at the federal level should be more concerned about this matter. Parents have come to me and indicated that their sons or daughters have been denied student loans. In one case the father and mother were both working and had a family of six children. A student loan was denied one of their children, yet in the same community the son of a banker was granted a student loan. It is very difficult to understand this discrepancy. In August of this year the minister issued a news release in which he said:

> In revising these criteria, no change has been made in the basic principles. In considering whether a student needs financial help, the resources available from the student's family will continue to be taken into account, in most cases, and loans will be authorized only when a student's overall financial resources are insufficient to meet his costs of education. The new criteria include for the first time a uniform procedure to be followed in considering the amount of money that parents can be expected to contribute to the student's educational costs. This will take into account factors such as family income, the number of other dependent children, taxes paid, medical expenses, allowances for a working wife, and other considerations affecting a family's ability to support a son or daughter in college.

If these criteria are followed closely, we should overcome this discrepancy which has been brought to my attention on many occasions. I should now like to speak briefly about the mature and responsible attitude students must adopt when granted a loan. The act has been functioning for some time. At the end of the fourth year a growing number of borrowers have ceased to be students and have become responsible for regular payments on principal and interest. As of June 30, 1968, about 66,400 borrowers were in this category. The report of the Canada student loans plan sets out that the majority of them have adopted a mature and responsible position, but approximately 4 per cent have not done so. The question arises as to how much effort the banks put into collecting loan repayments. Are the banks taking a casual approach and only half attempting to collect the principal and interest because they are guaranteed by the government? Are they taking the attitude that if they do not collect the loans, they will be paid by the government anyway?

Those responsible for administering this act should make it very clear to the banks that they will not be paid the money which has been guaranteed until they have made every effort to collect the loans outstanding. This program has been very good for the business of chartered banks in Canada. In 1968 the federal government paid the chartered banks and other lenders $4,936,456.46 in interest. The plan has been in operation for almost five years, and the interest paid by the federal government to chartered banks on student loans must be in the neighbourhood of $22 million to $25 million. The chartered banks have here a very good account with the federal government and it is up to them to see that the principal and interest are paid.

How many students who received loans were here on student visas? How many of them went home and cannot be located? These are interesting questions. I hope that those responsible for the collection of these debts will ensure that the chartered banks do everything possible to collect them. I am

advised that when the program commenced, the banks were paid 4½ per cent interest by the federal government. This rate has been increased to 8⅛ per cent.

Mr. Gray: It started at 5¼ per cent.

• (4:10 p.m.)

Mr. Hales: It is now up to 8⅛ per cent. The federal government is paying a mighty good interest rate to the lenders of this money. I conclude by repeating that I feel this has been a very worth-while piece of legislation. I believe the plan must have careful guidance and direction from those in control, otherwise it will get out of hand. Those who take loans must be informed that they must be repaid. They must have a mature and responsible attitude when it comes to repaying loans which have been granted them for the specific purpose of their getting through university. It is a privilege that was not accorded to many in this House. Loans of this type were not available when many of us went through university, but by some way or means we got through. We worked hard to pay our way through. When today's society comes forward with such advantages as these, the only fair and reasonable response of students is to repay the loans on time and with thanks for the privilege that has been accorded them.

Mr. Murray McBride (Lanark and Renfrew): Mr. Speaker, I wish to take a few moments to make some comments concerning Bill C-135, to amend the Canada Student Loans Act. But before I make them I want to commend the minister who introduced the bill and say that not only myself but, I am sure, many members of the House are delighted to see him in the cabinet. We wish him well in all the responsibilities which he handles so capably.

I also want to make two observations about the speeches just made, one of them by the hon. member for Wellington (Mr. Hales). I suppose it is only good, common sense to put on the record the remarks he made concerning the necessity to crack the whip even over such venerable institutions as the banks. This is a laudable observation and I concur in it. The other notable comment was by the hon. member for Gloucester (Mr. Breau) who said that perhaps we should look at the whole structure of post-secondary education and ask ourselves whether we are getting good dollar value for the money that is being spent on it in Canada, and whether in a modern society with all the means and advantages of modern techniques of communication we should continue to have a tremendous number of duplications of facilities, administrations, etc.

The main features of the act are these. First, the act will extend the insurability of loans that are issued by three groups other than regular banks, namely, trust companies, loan companies and insurance companies. Second, it will include students who are landed-immigrants. Several speakers have commented on that feature of the act and I shall not elaborate on it now. Third, I am delighted at seeing the flexibility clause included, that is, the $500 for a semester which is now added to the $1,000 for a whole year.

There is another very good provision to which reference has not been made hitherto in this debate. I feel it is important that we have a ceiling on the loan that a student can take—the ceiling here is $5,000—so that students do not come out of the end of the educational pipeline so encumbered by indebtedness that they are forced to do what the hon. member for Oshawa-Whitby (Mr. Broadbent) suggested some are already doing, that is, take employment and pursue goals in society that they would not normally pursue but for the fact that they are so encumbered by debts. In this sense we must do everything we can to enable those who pursue education not to become slaves of our economic system when they have finished their formal education. The clause in this bill specifying that the government will pay off the loan in the case of the death of a student is one that I am delighted to see. I think it is a genuine step forward. It demonstrates the sensitivity of the drafters of this bill, and of the government, to the needs of youth and to what can happen in extreme circumstances.

The main provision of the act is the one which states that the over-all amount of money that is being insured will be raised from $100 million to $115 million for 1970. That is an increase of $15 million of insurable loans at a time of austerity. I think this says in a more than symbolic way that the government is well aware of the priority of education and of the fact that improved educational opportunities should be at the top of its priority list. Thereafter, as the Minister without Portfolio (Mr. Gray) has so well explained to the House, the amount of money to be made available will be tied to the proportion of the population that is made up of students.

This act also bears on the problem that is before us all in an increasingly technologically oriented society. Unfortunately, for many

reasons it has become necessary for people to spend a larger proportion of their lives in educational institutions than was hitherto the case. This has resulted in a larger and larger proportion of our citizens being engaged at one point in time in the business of being students. This development makes it progressively more incumbent on all governments, and certainly on the national government of our country, to provide means to enable students to continue their studies. For this reason I am delighted to learn of the elevation in the ceiling of insurable loans up to $115 million. In my view this is a first-rate example of federal initiative and involvement in education.

I wish to endorse the observation which has been made before in this debate, that although education comes under provincial jurisdiction we see in this act a worth-while contribution by the federal government, in co-operation with the provinces, in an area of primarily provincial responsibility according to our constitution.

The whole discussion today regarding education so far as it relates to the federal government, and therefore to all of Canada—we are the government of the whole country, of course—gives me an opportunity to go one step further and make a proposal on this subject. I propose that in line with the concerns behind Bill C-135 we at the federal level give serious consideration to the creation of a federal agency to unify and standardize education throughout the country. The variety of education among the different provinces is a very serious problem that is faced by many of our citizens. It arises directly out of the mobility of people. This government along with others is already spending millions of dollars to enable Canadians to feel at home in all parts of this great country.

• (4:20 p.m.)

I ask you, Mr. Speaker: How can our citizens feel at home in all parts of Canada under circumstances which now exist wherein the education of their children is very seriously disturbed by most movements across provincial lines? It is true, and I repeat it, that education comes under provincial jurisdiction. But surely if we in this chamber are going to be concerned about techniques and means whereby Canadians can feel at home in all parts of our nation, we must also be concerned with instituting techniques whereby a family's children are not seriously disrupted and unbalanced, or put forward or put back, or failed or passed to other grades and levels of education just because the family happens to move from one province to another.

As you know, Mr. Speaker, education already receives substantial financial aid from the federal government. Especially is this so at the post-secondary school level. There exist a number of areas of jurisdiction which, like education, are primarily the responsibility of the provinces but within which the federal government maintains an active interest. I would suggest but two or three examples to make my case. One is in the area of housing. Housing is a field in which the provinces have a primary responsibility but in which, as all members of this chamber know, the federal government maintains an active role both through Central Mortgage and Housing Corporation and through the assignment of the full attention of a federal minister without portfolio to the responsibility of housing.

Why has this bending of the constitution come about? Why do we have a minister who is responsible for housing, when housing is not even a primary concern of the federal government but rather, under our constitution, is placed under provincial jurisdiction? It seems to me that it is for a very pragmatic reason. It is simply because there has been demonstrated a need for federal involvement that has long been recognized, and so we have responded.

Similarly, Mr. Speaker, you and all other members of the House recognize that most of the jurisdiction for mines, mining development, and so on, comes under the relevant provincial authority. Yet we have a federal minister in this area of concern who sort of backs up the provinces; he is known as the Minister of Energy, Mines and Resources (Mr. Greene). In the same way, forestry is primarily a provincial responsibility but in the federal cabinet we have a Minister of Fisheries and Forestry (Mr. Davis). Of course, the other side of his portfolio, fisheries, is also a provincial responsibility except in so far as it involves coastal waters.

In addition to all these—there are also others but I shall not take up too much time of the House to develop this point—we have a minister in the federal cabinet, the Secretary of State (Mr. Pelletier), who is responsible for many of the educational interests of the Government of Canada, of Canada and of Canadians generally. So, Mr. Speaker, I propose that we do one of the following: (a) we ought to establish an agency under the Secretary of State to take an active lead in co-ordinating

and moving toward establishing a uniform system of education throughout all of Canada, to the end that a family moving from province to province would suffer no educational setback; or (b) if we do not want to make it a branch, a division or agency—whatever you want to call it—under the Secretary of State, it would seem to me that this is a sufficiently important area of concern that we ought to assign this responsibility to a minister without portfolio in the federal cabinet. In that way some order might begin to be achieved in what must be, for many mobile families in this country of ours, educational chaos. With that suggestion, Mr. Speaker, I would close my remarks and say that Bill C-135 is certainly deserving of the support of all parties in the House.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I begin by extending my congratulations to the minister not only for his elevation but for the presentation which he made of this important bill. It was brisk, it was competent and I think very elucidating, and I hope he will, so long as he is there, do this again. I would like to associate myself most strongly with the spokesman for our party, the hon. member for York-Sunbury (Mr. MacRae), who with his usual thoughtful wisdom seized the import of the bill and spoke with great lucidity. As an outstanding educator and a very successful businessman he said those things with which all of us are in agreement, and I will not go over that ground again. I agree with him, and I agree with my colleague from Waterloo (Mr. Hales) that it is important that everything be done to vitiate the potential discrimination in the measure and also to plug any loopholes that can be found.

I suppose our society has always thrown up the lead-swinger. Always there are these people, but it is up to the state to make sure its largesse is extended to them as seldom as possible. I suppose the youth of Canada must be somewhat disappointed with the hon. gentlemen across the way from us. I agree with the hon. member for Oshawa-Whitby (Mr. Broadbent) that it was a great disappointment and indeed a most misleading promise to suggest to the young people of Canada that by voting in a certain way, and if that were the course of enough people to put a certain group in power, that 10,000 scholarships would be made available. These scholarships have never been disbursed and I now never hear them mentioned. Apparently they are as remote as the Canada Development Corporation.

[Mr. McBride.]

I suppose, too, the young people of Canada will see eventually that the Company of Young Canadians will be no more. And if I read aright the remarks of the Hon. Judy La Marsh, who must know a great deal about these things, it will not be primarily the fault of the young men about the country but of those who once having erected the edifice no longer offered any interest, direction or concern for this group, which could have been a most valuable organization. I suppose there was even another disappointment when the people of Canada discovered that the Prime Minister (Mr. Trudeau) was not quite as young as he seemed to allege. In fact, when the true statistic emerged he was as old as I am, and with no flight of fancy would I ever pretend I was or could be a swinger.

The student loans measure is an important one, and heaven knows the student loans have been a real help. This has been valuable legislation. I am in accord with all those who have spoken in favour of this sort of thing. It underlines a federal concern in an area of provincial jurisdiction; there is no question about that. But how could the national government be unconcerned about the development of the nation's human resources? Such a course of action, such an abdication of concern would be totally irresponsible and indeed thoroughly impossible today. I think that despite those forces against it there will in fact be greater and greater involvement on the part of the dominion government in this broad question of educating the youth of our land, indeed educating all the people of our country. I am convinced that one area in which the federal government must become increasingly alert is in regard to the Americanization of our universities. In this connection I believe Professor Steele and those who think like him are on the right track.

I mention this not on the basis of anti-Americanism because that has never been a credo of mine. If I could not be a Canadian I would like to be an American; that is how I view Americans. My concern stems not from any latent anti-Americanism but from anxiety as to what is happening to the Canadian products of Canadian universities.

• (4:30 p.m.)

I hope that my learned friend from Oshawa-Whitby (Mr. Broadbent) will not be upset if I seem to use "commodity" language. I am interested, as are some of my colleagues, in the question of intent as to residence in this country. What has been our experience with the declaration as it exists at present?

How did it work? How was it administered? What did so-and-so really declare to make himself eligible for a loan? I think the amendment is an improvement but I have reservations about the age group. I agree with the hon. member for Oshawa-Whitby that in these days of great adult education development it would be unrealistic to impose an age limitation in this bill. That would be passé, a bit old-fashioned.

It should be underscored, Mr. Speaker, that while student loans have helped a great many young people in Canada to further and finish their education, it would be foolish indeed to think that loans of themselves are enough to educate the young people. My own children are on the threshold of university education and when I think of the financial burden which I will not be able to bear alone, this becomes a matter of great sensitivity and something much more than an academic question, if I may risk a pun.

I have known personally some of the problems of working one's way through college, to use an old expression, Mr. Speaker. There was a time when those who had gone through that mill would express the view that it was a desirable thing and it should happen to everybody. I totally disagree. When I think of the wasted hours, the wasted energy, the misdirected hard work that went into the process, I thoroughly agree with the late Dr. Sydney Smith, a Canadian whom I admired greatly. Recalling his own experiences he said he would not wish them upon any young person in this or any other country. It is a very, very difficult problem indeed. In these days of inflation and a rapidly rising cost of living, let us not delude ourselves that this measure will relieve our young people or their parents of the whole burden. It is a good help but it is only part of the job.

Mr. Speaker, in this afternoon's very interesting discussion some hon. members have dealt with the problems of the universities. I note in particular the remarks of the hon. member for Gloucester (Mr. Breau) in this connection. However, I do not think that the most important problem facing our universities today is a financial one. There are problems which transcend this. The whole question of academic freedom is emerging in a manner which, in my days in the cloistered halls, would have been unexpected. At that time we thought that the great danger to academic freedom would come from without. But we are now living in an age in Canada and in the United States, and perhaps in most of the western world and even beyond that, when academic freedom is threatened more from within the institution than from without. This is a problem with which universities must grapple, and some of them do so unwisely and bring upon themselves a proliferation of anxieties which make the whole academic process extremely difficult.

I have often wondered what would happen if I retired from this place—or should be retired from it by my electors—and whether I would return to the ivy towers to live out my declining years. But looking at the trouble at universities today I know that unless I were to gird my loins with new strength I should have to aspire to the Senate for more ideas and inspiration—

An hon. Member: There are lots of ideas over there.

Mr. Macquarrie: My friend says there are lots of ideas over there. There may be a renewed elixir of life there, too.

Mr. Speaker, it is well known to members of this House that universities today are troubled, perplexed and torn and that quite often the danger comes from within. This may be one of the revelations in our society. Indeed, I have feelings about the future of this particular institution, our Parliament, and it seems to me that at the present time the greatest dangers are not from without but are from within. However, this is a topic for another day; indeed, I have a feeling it will be a topic for a good many other days.

Having said that, Mr. Speaker, I recognize that other problems are of vital importance—finances for the individual Canadian, for the young person aspiring to equip himself to better serve himself, the country or the community—and that these things are of tremendous importance as the task of making a living and making ends meet becomes more and more acute. To use the current expression, this is most difficult for the group usually called "the affluent poor", the middle-range group. Indeed, they may find it even more difficult if the white paper recommendations are enacted.

In recent years we have seen a tightening of job opportunities for young people in the summertime. This is another reason why loans are so important. Inquiries and complaints from students about the lack of summer employment are increasing every year. Last year was particularly bad for students seeking summer jobs and I am afraid that this summer will be worse.

So, Mr. Speaker, we must continue with programs such as this and in so far as this bill makes the program more efficient—and I think in most ways it does—it is a measure which is all to the good. I think it will help the educational process and I am sure it will be of value to many students and therefore of value to the country and the people whom we, collectively, are trying to serve. I hope the minister will accept our support in this regard. Since he is a new minister, perhaps he will take note of what has been said by some of the wise men of the opposition.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I am happy to rise and say a few words on this topic which I regard as one of the most important in Canada today. It is encouraging that money for student loans will be increased from $100 million to $115 million. I should like to look at the purpose of loans and consider whether or not they achieve their objective. Certainly there is a need for student loans in this country. Thousands of students have already been helped in this way, as I was. But it must be remembered, as one hon. member pointed out, that many students find themselves in debt upon graduation. The main objective of the act is to ensure that every person in Canada who wants a university education has the opportunity to acquire it. The goal is universal accessibility to education, but student loans do not go all the way toward acheving this. I think we must take a broader and deeper look at the issue.

• (4:40 p.m.)

The Canada student loans program, as everybody knows, was begun in 1964 and arose out of the 1963 election campaign, at which time the Prime Minister of the country was on the campaign trail. Present student loans in Canada are quite inadequate, especially if one recognizes that living costs and tuition costs in the country have risen. Only 16.9 per cent of Canadians receive a higher education, as compared with about 40 per cent of the United States population.

Student loans are no longer adequate for student budgets. Perhaps I can illustrate this point by referring to a survey on student means conducted by the Canadian Union of Students in 1966. This survey, conducted by Robert Rabinovitch, outlines the difficulties students face nowadays. The survey shows that a typical student pays about 25.6 per cent of his budget money for tuition fees, this being an average of $430 a year. The survey also shows that room and board and other household operating expenses take up another 25.28 per cent of the budget, or about $424 a year. Clearly, tuition fees and room and board account for over half of the average student's budget, which normally runs at $1,677 a year. These figures applied to average students attending university two years ago. As you can see, Mr. Speaker, present available loans would not be adequate to meet the needs of today's students, especially since living costs have increased vastly in the last couple of years. A previous speaker in this debate touched on that point.

Then, all across the country students, and particularly girls, have been finding great difficulty in being gainfully employed during the summer. I know that the students of the University of Saskatchewan are facing this difficulty. Girls, especially, have a hard time finding jobs that pay decent wages. Usually they work as secretaries or clerks. Therefore it is quite clear that as tuition fees, the cost of books and the cost of living have gone up, our student loans program has become inadequate.

We must also look at equity in education. Today we do not have equity. Our system in general favours students coming from middle class or wealthy backgrounds. In this regard may I refer again to the survey conducted by the Canadian Union of Students that I referred to a few minutes ago. It shows that those making $3,000 or less make up 22.1 per cent of Canada's population; yet only 9 per cent of our university population consists of children coming from such background. About 54 per cent of Canada's population has an income of under $5,000; yet only 28 per cent of the students in our universities come from such backgrounds.

On the opposite end of the scale we see that 6.1 per cent of our population has an income of $10,000 a year and over and that 25 per cent of our student population comes fom this upper group. These figures show that we have no equity in our educational system today. The class of society the student comes from clearly is a determining factor in his educational potential. A quarter of Canadian undergraduates come from the richest 6.1 per cent group of our population, and about 28 per cent come from the poorer 54 per cent of the population.

If you want higher education to be universally accessible to all, you must change the system. Student loans are good in their way but they do not go far enough. Many young people who want to go to university cannot afford tuition fees; many cannot obtain jobs

and earn the tuition fees and others, either because of family backgrounds or early marriages, do not have the opportunity of obtaining the tuition fees. The price of education has gone up in common with the price of housing, clothing and almost everything else.

I should like to emphasize one more point. Making higher education universally accessible means more than just removing the financial barriers to education. We must also remove many of the social, psychological and even structural barriers if most of our young people are to have the chance of going to university. Our so-called lower class people live on inadequate incomes. Many of them live in poverty and in homes where unemployment is rife. Such people have social values that are different from those of the middle class of this country or of similar people in the United States. They do not have the same values, the same confidence in education as their cousins from wealthier backgrounds, or the same motivation to learn. Also, you will find that the children coming from the poorer homes of Canada may not be as healthy physically as many of the children coming from the better-off families. All these factors must be taken into account if one wants to make higher education universally accessible to people of all income levels.

I think it is also true to say that our educational system, and especially our higher educational system, discriminates against children coming from the poorer backgrounds of this country. In support of that contention may I quote what Dr. John Porter had to say. I quote:

> Systems of early selection always favour children from the middle and upper social classes. There are no true culture-free techniques of selection. Lower class children live in environments which are restrictive of their intellectual development. Middle class children are exposed at an earlier age and in greater intensity to a range of cultural items which have become important in the measuring of intelligence and aptitudes. Their parents, moreover, have a better knowledge of the system and can prepare them for it. Middle class parents can turn failure in being selected into success by dealing with teachers and school administrators as social equals or superiors rather than social inferiors which is very frequently the experience of the lower class parent. Some lower and working class children are able to compete in this selection system, but they tend to be the exceptionally able.

I think this point is valid and is borne out when one looks at what is happening in the underprivileged areas of the country. Even the curriculum in our classrooms, which is designed by middle-class Canadians and is oriented towards children coming from middle-class backgrounds, is an example in point. Look at what happens in grade 1. The grade 1 story of Dick and Jane is essentially a story involving a middle-class background. The characters display middle-class attitudes and values which are not always relevant to those coming from poorer families. The stories seldom deal with poverty stricken backgrounds, and always have characters that are white. Children coming from the poor and rural background of the country see little that is relevant in such stories. They live in different worlds. Also, the atmosphere of the classroom alone is another barrier to the progress of lower class students because it is alien and, to them, unreal.

I have touched on some of the factors contributing to the inequities in our educational system today. We must take them all into consideration if we wish to solve the problems confronting us. Student loans go only halfway; they are, so to speak, a halfway house and to that extent they are good. May I emphasize, in summary, that the goal of universally accessible higher education is most desirable. I submit that every person, regardless of colour, economic background or social or ethnic origin, should have an equal opportunity to be educated. Only then will you have a just society.

• (4:50 p.m.)

This means the removal of financial, social and structural barriers that many of these young people are facing long before they reach university age. It is also very desirable to have universal accessibility for society as a whole. Many economists say we are losing millions of dollars a year because students are dropping out of school. At this point I would like to quote from a speech made by the late Robert Winters when he was president of Brazilian Light and Power. This speech was made last year in Windsor, Ontario, on the subject of education. He said:

> To bring such facilities and faculties to all who have the wish and the ability to use them is a financial undertaking of the first magnitude. It requires the resources of all levels of government and the private sector.

That is, the private sector of our economy. He went on to say:

> The level of education and the standard of national economic well-being are inter-related. In our case, it is the major reason for the shortfall in our economic performance compared with our better educated neighbours to the south.

This, Mr. Speaker, is a very relevant fact and should be taken into consideration. Also,

it is a great contribution to society. The hon. member for Oshawa-Whitby (Mr. Broadbent) talked about the social advantages involved. Much of the unrest we see in our society is as a result of people living in poverty, not only economic but social and cultural poverty. If we had greater opportunities for education for all we would remove some of the lack of purpose many of these young people feel, and many of the needs that go along with it.

I will conclude, Mr. Speaker, by saying I welcome some of the changes that are being made to the Student Loans Act, but I think we have to go much further. The money is available in this country. All that is necessary is to set the proper priorities. The time to begin is now. Nothing will be gained by procrastinating, or conditions in general will continue to get worse.

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, there is no need to speak at length on this measure. I intend to speak for only a few moments to indicate my continuing interest and also to urge the minister and the government to look far beyond the terms of reference of the bill now before us and to move forward to the next important step that is required in public assistance to Canadian students of university potential. I say this because the legislation that we have before us is merely housekeeping. It tidies up a bill that has been on the statute books since 1964. The minister in his outline of the amendments underscored this point. It regularizes procedures with respect to the position of students with landed-immigrant status It changes the act to deal with the new approach to the university timetable, namely, the trend in universities toward the semester system as contrasted with the yearly system that has prevailed hitherto. It also changes the amount of a loan in line with the inflationary conditions in Canada and the rapidly increasing student population eligible for the student loans program.

I emphasize, Mr. Speaker, that this housekeeping approach to the problem of assistance to our rapidly increasing student population is not sufficient to meet the demands for skilled young Canadians with professional training to deal with the complexities of our modern twentieth century society. The student loans program was actually pioneered by the provincial governments. Most provincial governments had a student loans program operating before the federal government entered the field. The federal government entered the field because it was not within the financial resources of the provinces to provide the sums that were necessary to meet the upsurge in student interest.

I recall the discussions concerning these subjects in the latter 1950's and early 1960's. The federal government's substantial participation in the Technical and Vocational Training Assistance Act was one of the strong motivating sources in stirring up federal government interest. It hardly seemed logical that the federal government would be providing substantial assistance to students at the technical and vocational level and ignoring completely the area of university training, wherein Canadians had the opportunity to become professionally qualified in order to meet the demands of the rapidly expanding Canadian economy as well as the expanding role of Canada in many other areas of human activity both domestic and international. It was entirely logical that the federal government should derive this inspiration from the provincial governments which had already pioneered in this field. I notice the minister did not give the provincial governments credit for being the first to enter this field.

The only other comment I wish to make on the matter on the administration of the present loans act is that the method of administration leaves much to be desired in terms of the allocation of limited loans to students on the basis of academic ability as well as on the basis of economic need. Only in the last year have I received increasing complaints from students who have been denied access to the loan fund because of what would appear to be arbitrary decision. As I have investigated each case that has come to my attention, the student has been eminently qualified in terms of academic ability. It seems that the elimination of these students from access to the loan fund is derived largely from the shortage of total funds available.

It may be that the increased amounts permitted under the amendments to the legislation will overcome the deficiency to this extent. However, I feel that the application of the needs test is on the basis of the old means test principle, which should have been discarded long ago. I think in all public programs of this kind which are administrated at both the provincial and federal levels it has become the accepted procedure to speak in terms of actual need and not in terms of the total means available.

The cases which have come to my attention have involved families where the father had a total income of approximately $10,000 per

year. In the light of that total amount the student was automatically disqualified, even though he might have been one of two or three members of the family attending university at the same time. The point I wish to make is that the program should be administered on the basis of need in light of the total financial picture of the family concerned, and not on the basis of the old, long outmoded means formula that was applied in the past.

• (5:00 p.m.)

I do not think there is any need for a complete and comprehensive speech at this time on the general question of university finances. However, I should like the government to think beyond this intermediate step in the direction of solving the growing financial problems of a student population whose number is rapidly increasing. The provincial governments have already occupied this area to a substantial extent. It was for this reason that Ottawa was thinking and speaking in terms of bursaries rather than in terms of repayable loans. Beneficial as it is to large numbers of students, the loans program does not in any way deal with the needs of the student who is denied an opportunity for university training because of his poor economic position. Other hon. members have drawn attention to the fact that there is a real problem of poverty in Canada; that there are families at the lower levels of the income ladder which cannot afford to send their children to university, simply because no money is available.

It might be argued that the loans program makes up for this deficiency. In fact, it does not, because it fails to meet the needs of those living at the poverty level, those whom the Minister of Finance (Mr. Benson) is trying to assist in the white paper on taxation which he brought down recently. It seems the minister intends to rob Peter to pay Paul; he has adopted the Robin Hood philosophy of taking from those who have and giving to those who have not. It appears to me that this same philosophy should, then, be applied with respect to university students in need of financial assistance. Back in 1963 the government promised in most definite terms to make 10,000 bursaries available for Canadians of exceptional ability who would otherwise be unable to enter university. We pursued this subject in the House for several years. I was one who was interested in it. This afternoon I was looking over my file and I found there the record of a long series of questions which had been put to Mr. Walter Gordon when he was Minister of Finance and to the former Prime Minister, the Right Hon. Lester B. Pearson.

Each of these gentlemen had promised in specific terms that the bursary program would be implemented within a matter of months. Since then, years have rolled by and the promise has yet to be fulfilled. I suggest to the Minister without Portfolio (Mr. Gray) who is handling this legislation this afternoon that here is an area in which he might well become occupied in more than a housekeeping sense. Let us get on with the next stage, that of attending to the real area of need, by supplying these long-promised 10,000 bursaries, promise of which formed part of the 60 glorious days of decision under the late Pearson administration.

There is no need to labour the point further. This is merely housekeeping legislation bringing an old statute up to date. What we want now is some pioneering in this field of public assistance as applied to the needs of university students.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, the bill under consideration concerning student loans is rather important.

This afternoon, I heard the Minister without Portfolio (Mr. Gray) set out the purpose of this bill.

I also heard some hon. members deal with the situation the students experience in Canada and, with the exception of the hon. member for Champlain (Mr. Matte), all more or less said the same thing. Our students lack the necessary means to further their studies and the government intends to increase the amount made available for education under Bill C-135.

The hon. member for Gloucester (Mr. Breau), for instance, said that some students with well-to-do parents did not want their parents to pay for their studies but would rather borrow.

• (5:10 p.m.)

Mr. Speaker, I suggest,—and I would ask the hon. member if he can give proof to the contrary,—that students who can afford to pay their studies do not usually apply for a bank loan and pay an interest rate of 9 or 10 per cent. It is those without any income, those for whom the amendments to this bill are intended, who will borrow $1,000 for a school

year, or $500 for a semester, at a higher interest rate than in 1964 when a student could secure a loan at 5¼ per cent. In 1969, the interest rate has gone up to 8⅛ per cent. If we add to that the bank charges, we get the equivalent of 9, 9¼ per cent, and even 10 per cent in some cases.

Now, a student who must complete a five-year university course may get into debt for $5,000 and on completing his studies, if he wants to establish himself, he will have to spend another $5,000 or even $10,000 in the case of a dentist, a doctor, a lawyer, a sociologist or a psychiatrist.

Therefore, a professional of 26, 27 or 28, is faced with debts ranging from $10,000, $15,000, $17,000 to $18,000. Is this likely to promote initiative? Is this the so-called free education promised by the federal and provincial authorities?

Let us not forget, Mr. Speaker, that if the loans allow students to complete their studies, they nonetheless mortgage their future. It may be one of the reasons why university students do not much agree with the way the central and provincial governments proceed in that matter.

After all, those young people are no fools; they are quite aware they will get into debt. Moreover, when they fail to find summer jobs to earn money in order to pay for their studies, this is no encouragement to them.

I saw something worse last week in western Canada. In Saskatchewan, university students, for instance, pay tuition fees at Regina University with wheat because they do not have any money. In Winnipeg, they pay with barley.

Are those young people encouraged by this government? I admit that education comes under the jurisdiction of the provinces rather than that of the central government as such, but the latter, for example, could set up a credit system which would enable the provinces to look after their respective educational systems and provincial autonomy would be entirely protected in that field.

Mr. Speaker, I said earlier that students cannot find summer jobs. I saw striking examples of that situation last summer; thousands of students were unable to find a job during their holidays, although they had to go back to the university for the fall term. Thousands of them cannot afford it; thousands of others can go back thanks to their annual $1,000 loans.

Is it any wonder then that young students rise against what is commonly known as the establishment, that they rebel against a society to which they cannot identify themselves?

Young people of 20 or 22 still have to ask their father for a buck—and he may be a labourer in Montreal or a miner in Noranda—to be able to go to a movie or buy a pack of cigarettes. Are these young people of 20 or 22 not a bit ashamed to ask their father whose salary is not even sufficient to pay tuition fees for their children attending school or university?

Mr. Speaker, it is all very well for the government to introduce legislation which will enable students to go $115 million deeper into debt, but will it be able to take them out of the hole? All previous speakers mentioned students, young people, because everybody likes them, the future of the country rests on them. We sure like the future and the young people of Canada. But when time comes to help them in order to guarantee the future of Canada, bills are introduced to mortgage them to the hilt, to crush them still more.

Mr. Speaker, in 1964, I had the opportunity to visit communist countries. We are all afraid of communism. We are afraid of some communists in Montreal, Toronto, Vancouver and Halifax. But when I went to Moscow, I made a visit to the university of that city, which has 35,000 students, with whom I talked. As a matter of fact, my Russian interpreter was a student.

At the Moscow university, education is free, although it is in a communist country. Besides the free tuition, the student is given $30 per month. I hope that hon. members have their ears open, and especially their mind. Mr. Speaker, it is possible to give each student $30 per month plus tuition fees, at whatever faculty he may be enrolled. And this is in a communist country. You may say that the individual has been deprived of his freedom, and it is true. But when the Canadian student is prevented from entering university because he cannot afford it, is it not a financial dictatorship which makes it impossible for him to pursue his studies under a system which is supposed to promote personal initiative and liberty?

In a country where private enterprise and freedom of the individual must be respected, the best we can do is to introduce Bill C-135, telling our students: "See how generous we are with you. Get into debt for ten or fifteen years. Borrow from banks or finance companies. Mortgage the future, yours and Canada's."

• (5:20 p.m.)

Mr. Speaker, a capitalist system must curb abuses, not deprive our young people from getting a university education or going to secondary and post-secondary schools because funds have not been made available. It is most shameful and we are condoning it. We tolerate this in the name of freedom, but what kind of freedom is that. I agree that we need individual freedom, that security is not enough. I know it is easy to obtain security. It is the easiest thing in the world when you forego freedom. If all of us here were to go to Freiman's on Rideau Street and smash a big show-window, within ten minutes we would have perfect security, but behind bars. We would be entitled to three meals a day, clothes and a bedroom. It might not be just like home, but it would be secure. If we needed medical care, we would get it. If we had a toothache, we would go to the dentist—free. That is security, but our freedom would be behind bars.

That is why we want to establish a system of security coupled with freedom, real freedom. We must not tell students they can get their education on credit and if next year they can no longer pay, well, just wait another year. We play with students as if they were pets, and we think we are settling their problems.

Mr. Speaker, it is high time we open our eyes. About a year ago, the American economist Robert Theobard suggested that students should get a salary, because, he argued, they do work as any other laborer in any sector of the economy.

What are we of the Ralliement Créditiste suggesting? We do not suggest to fetch the moon and bring it to earth. We do not suggest either to launch the students along with the astronauts to the moon next Friday. We are saying that the public sector of our national economy should be financed from interest-free loans issued directly by the Bank of Canada.

We still need scrip money to cope with the new production—and education is a kind of production—when we are building and developing a country. We say to the federal government to order the Bank of Canada to supply the provinces with the money needed for the administration of their education system. That is what we are suggesting. We can do that for several things, but there is nothing that keeps the government or parliament from ordering Mr. Rasminsky, Governor of the Bank of Canada, to grant the necessary credit to the provinces so that they may take care of their education system.

The federal government should not tell the province of Quebec, the province of Alberta, the province of British Columbia or Newfoundland, how it intends to handle the students. That is the responsibility of the provinces since education comes under their jurisdiction.

The federal government must supply credits through the Bank of Canada so that the provinces may supervise the education system and erect, for instance, universities, post-secondary, secondary and technical schools, if need be. It must help also talented students to pursue their studies.

It is said today that students are faced with financial problems. It is not said that they are having difficulties with their teachers. No! It is not said that they are having difficulties with the university. No! Nor is it said that their text-books are a problem. No! It is said that they do not have the money they need to carry on their studies. So, let us pass legislation giving them the opportunity to go into debt. Such is our present system. But it will not last forever!

According to an old saying: One can fool some of the people all the time; one can fool all of the people some of the time; but one cannot fool all of the people all the time. That is not true, because that is exactly what is happening today!

Mr. Speaker, once more no doubt the créditistes will be laughed at but this will bring no change in the situation and will not help the students in any way.

There are complaints that everything is not well in Montreal and that students should be blamed for it! I met students last week in western Canada. I met students at the Alberta University, at Saint-Paul College in Winnipeg, at the Manitoba University. At Saint-Paul College, I met more than 600 students aged from 18 to 22 who listened religiously to what we had to tell them. Their problem is not so much a French or English language problem as an education problem, a finance problem!

Yet the government does not find any way other than introducing legislation that would allow students to get into debt. What a clever solution! How satisfied these young people must be with Ottawa! It is not surprising that the young are rising against the federal and provincial governments! They are given no chance at all. Why? Because there is too much to do at the same time.

In western Canada, parents face a wheat surplus that they cannot sell; in eastern Canada, it is fish, in Quebec, it is wood and milk, in the province of Ontario, it is corn, fruits, vegetables, wood, and mines that they cannot develop. Parents and children, all are fighting the present system, which does not make sense at all.

That is why I said a while ago—and I have some evidence, because like the students, I got it on good authority—that some students are compelled to pay their school fees with barley and wheat, since they are penniless. The government says: "Now you will have some money because you will be allowed to borrow." But borrow where? From banks and finance companies. Instead of using the Bank of Canada to help the provinces to solve their education problems, students are allowed to be in debt to banks.

If the government has the means to draw up a bill, could it not also issue a government bond which would be bought by the Bank of Canada and made available to the provinces?

• (5:30 p.m.)

When they come to Ottawa, the provinces should ask the central government to use the means at its disposal rather than spend its time saying to the provinces, as the Prime Minister (Mr. Trudeau) does: We are sovereign, we administer the taxes that we collect, that is all. If we do not have money, it is because we do not collect enough taxes. To get more money, we will have to levy more taxes, and since we do not intend to do that, we advise the provinces to take their responsibilities, to get money from their own taxpayers, so the federal government will be cleared of the charges now laid against it.

But does that solve anything? No. We are going towards general paralysis in Canada, in education as in everything else. Not only is paralysis coming, it is a fact!

The farmers in western Canada are paralyzed with stacks of wheet and the people in the Maritimes, with stacks of fish. The same phenomenon appears all over Canada. And the government says: Our only financial solution is taxation. And inflation follows.

They try to quiet down reactions by telling the western farmers: You know, we are going through a period of inflation. Therefore, do bear with it, let your wheat rot on the field. To the eastern fishermen, they say: "We are going through a period of inflation. Let your fish rot there." And to everybody, they sing the same tune: Inflation prevails. Let yourselves be paralyzed.

[Mr. Caouette.]

However, if war broke out tomorrow, the present government would find billions of dollars to get the young students into the army, to feed them, clothe them and house them decently, for then they would say: This is national urgency.

But, when it comes to helping our young people to build Canada and to prepare them to take over the reins, this government says: We are in a period of inflation, and newspapermen believe that, because we can read through the pages of the newspapers: Inflation prevents us from doing this and that. The first people that I would get into the army if war were declared, would be all the Canadian newspapermen. Then, they would learn the difference between inflation and deflation.

Mr. Speaker, there must be an end to all this deceit and it is done on the back of our young people, because we cannot do anything for them. But comes war, and immediately, we can do everything and nothing is missing. But in peace time, it is not the same thing any longer. Universities, let us close them.

I was referring earlier to Moscow and Prague where students have no tuition fees to pay and moreover get $30 a month to study. If under a communist system where freedom is non-existent, students are assisted, in a system where private enterprise must be respected, there is not a single worthwhile reason why they should not be treated in the same manner. I am in no way suggesting that communists are right or wrong, but they certainly look better after their students than we have done up to now.

Everybody knows how much I am against marxism whose aim is to make an individual the slave of the state. On the contrary, I want the state to serve the individual, the mother, the child and the older people. It is precisely this philosophy of life advocated by the Ralliement Creditiste in our province, in our country.

We are not working against one another; we want a state, a government, a parliament that takes into consideration the needs of the individual.

If ever we legislate in terms of the needs of the individuals, of our physical possibilities, then, Mr. Speaker, we can say that in this country of ours we have a system of personal freedom that guarantees security to all the people, including the students who are entitled to a better treatment than the one provided for in this bill.

This is no solution; it is as effective as a band-aid on a wooden leg—as I often say—it will do nothing to solve the problem of Canadian students.

And so, in closing, Mr. Speaker, I say that the federal government should order the Bank of Canada to finance the provinces that they might offer the students, our children, an education system enabling them to pursue their studies and to fulfil themselves for the good of the whole Canadian population.

[*English*]

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, my colleagues, the hon. member for Oshawa-Whitby (Mr. Broadbent) and the hon. member for Yorkton-Melville (Mr. Nystrom), outlined the opinions of our party on this bill; therefore, all I wish to do is deal with a couple of points to which my attention has been drawn over and over again in connection with the Canada Student Loans Act and the amendments in the bill before us.

On balance, we are very glad to see some of the improvements which have been made to the act, particularly in the clause which will qualify for a loan a student who has been a resident in Canada for a period of not less than one year and has declared his intention to reside in this country after he ceases to be a full-time student. I know that this provision will be welcomed in my city of Vancouver as well as in cities across Canada which are receiving a number of people who will make excellent citizens of this country.

I want to comment on the amendment which deals with the period of time for which a person may be eligible to receive a loan. I find that throughout the bill, as well as throughout the act, there is an insistence on the applicant being a full-time student in order to qualify I think the amendment to the act is an improvement in that it introduces the semester as a period for which a student may obtain a loan, but in my riding a number of people—a great many women are in this position—are not able to become full-time students. They are able to give part of their time to household duties and part of their time to studies to upgrade themselves. They cannot study for a full semester nor can they enrol for a full university year, but they can be part-time students or what I would call installment students.

I have known a great many people, not only in my own riding but all across Canada—and this applies particularly although not entirely to women—who are well able to take one course in a year, following which they can take another course the second year and in due time work up to a full university degree. However, as I understand it, under this legislation even as it is amended they are not eligible for a student loan. These are the types of people who need a loan because very frequently they are most anxious to upgrade themselves after their children have left home and no longer need them. Very frequently their studies have been interrupted by an early marriage, but after their children have left home they want to go back to their career or to a job, and prepare themselves for it by going to university; but since they can only study part-time they do not qualify for a loan. I hope the minister will consider these cases because I think it is very important that an incentive in the form of a loan be given to these people to encourage them to study.

As I have said, improvements have been made to the act. It is not necessary now to enrol for a full university year in order to obtain a loan; a semester is sufficient. However, under the bill the instalment students who can take only one course or two in a year do not qualify for a loan.

The other comment which I wish to make applies to the moderate to low income people. There are a great many young people in Canada who are trying their very best to get to university. I have in mind in particular the case of a young chap who managed, through the efforts of his whole family, to enrol for the first year at a university and to get a loan. He found at the end of his first year that he was not able to continue his studies because he had to go out to earn money to help the family. He tried to get a job but was unable to get any kind of steady work after only one year at university. As the hon. member for Hillsborough (Mr. Macquarrie) emphasized today, jobs are very scarce, particularly in the summer months. This young fellow could get only casual work for short periods but not a steady or permanent job. He went away to the hinterland of British Columbia to look for work, but he could not find a good paying, steady enough job that would permit him to pay back the loan principal and interest. In fact he got into real trouble about paying back his loan and it was only due to very special intercession that we were able to have his payments suspended until he had the chance to get a permanent job.

Canada Student Loans Act

• (5:40 p.m.)

I wish we could have some assurance from the minister that in such cases a period of repayment suspension would be allowed, particularly where solid guarantees are provided to the effect that the individual involved has been trying hard to get work but has been unable to do so. Students who had ambition and who applied for and received loans have encountered real hardships, and if cases like these could be met it would be very helpful.

The third point which I want to mention, concerning students who get into a bad position with a heavy load of debt, has already been dealt with to some extent by previous speakers but I do not think anybody mentioned compound cases, such as the one I encountered involving a young girl student. She had almost finished her university course. She had a debt of several thousand dollars under the Student loans plan, and she told me, "I am married now. When I graduate I want to earn money in order to keep my husband at university, where he is trying to qualify as a doctor. Unfortunately, the only dowry I was able to bring him was this load of debt in the form of a student loan. But what if I become pregnant in the meantime"? Then she looked straight at me and said, "I suppose it could be worse in that case if it were twins or triplets." She regarded this as a distinct catastrophe. I hope there will be provision in the legislation for discretion to be exercised in cases of this kind, which are more frequent than many of us who are older realize.

I also notice that there is provision in the legislation that if a student dies suddenly the government must repay to the bank the amount of principal and interest due by the borrower at the time of his death. I suggest to the minister that there are other kinds of death; there is the death of lingering hope, where students hopes are trampled underfoot after receiving these loans. Discretionary power should be provided in such cases. I hope the legislation will before it is passed be amended and improved in respect of these two or three points. Perhaps the minister would touch on these points in his reply.

Mr. Cliff Downey (Battle River): Mr. Speaker, I listened with a great deal of interest to the remarks of the hon. member for Témiscamingue (Mr. Caouette). Having heard the sweeping suggestions he proposed, I feel a bit embarrassed at putting forward the minimal changes I would propose to the legislation.

[Mrs. MacInnis.]

Bill C-135 is not all I would wish, nor is it all that education requires from the federal government. Nevertheless, I make a point of expressing my approval for and appreciation of the fact that the government is concerned in this area. I sincerely hope that it is the beginning of an activist, pragmatic approach by the government toward the challenge of education and the development of the Canada that so many of us envision for the 1970s. I consider that the amendments proposed by the bill are worthy of support, but I wish to make a few brief comments on them. One proposed amendment extends the definition of a bank to include:

> —a corporation that carries on the business of a trust company within the meaning of the Trust Companies Act, the business of a loan company within the meaning of the Loan Companies Act, or the business of insurance within the meaning of the Canadian and British Insurance Companies Act, and that is designated by the Minister on the application of that corporation as a bank for the purposes of this Act.

This is wholly commendable. It substantially expands the number of institutions from which students will be able to borrow funds. It is very much like the amendments passed last session with regard to the Co-operative Credit Associations Act and the Farm Machinery Syndicates Act. Another amendment restricts the availability of loans to foreign students to those qualified as landed-immigrants. Previously, a non-Canadian student was only required to state his intention to remain in Canada after completing his studies. This amendment was not drafted out of malice to those who do not yet wish to become Canadian citizens. That is not why I support it. It is commendable in that it narrows the definition at this time simply because we must apply priorities with regard to public expenditure.

• (5:50 p.m.)

Finally, extending the provisions of the act to include semester students is something which is overdue and is welcomed. The semester is becoming more and more a part of the educational system, of university life in general. The Canadian Student Loans Act has been prejudiced against this system for too long, and the semester student should be included in any such program. Under the legislation parents are not liable to repay interest and principal on loans to their children; that is the sole responsibility of the student. Further, in the event of death or in the event of an assumed death beyond all shadow of doubt, the federal government is

held liable. Yet since the act became operative in 1965, to be eligible for a loan a student has had to prove that his parents or guardian are unable to pay for his post-secondary education. A student is declared independent only if: (1) the student is married; (2) the student has completed four successful years in a post-secondary institution; (3) the student held a permanent job before enrolling in a post-secondary institution; (4) the student is 25 years of age or over.

Bill C-135 should have removed from the act the distinction between "dependent' and "independent". Today growing numbers of young men and women are independent at the age of 18 simply because of their own choice or that of their parents.

This government is about to acknowledge in our Elections Act that an 18-year old is both independent and mature; otherwise, suggesting he should vote would be an insult to democracy. If an 18-year old is to be considered fit to vote, he should now be accepted as independent according to the Canadian Student Loans Act. You can call it undemocratic, or I suppose there is a great deal of other terminology which could be used, but if we consider a student old enough to vote we should consider him old enough to be independent under the Student Loans Act. The present classification of dependent for those not within the criteria of independence is unrealistic for our society today and therefore is of harm to the act and unjust for many young people. I am displeased that this was not one of the provisions put forward in the amendments.

The breadth of assistance has been extended and terminologically and administratively the act has been improved. However, there is another serious inadequacy in Bill C-135 which affects the quality of the program at this time. For five years the ceiling of loan assistance has remained at $1,000 per year. I argue that this figure is increasingly inadequate, it increasingly excludes the poor and, being arbitrary, should have been amended. This bill does not take into consideration increasing tuition costs and the cost of living which for five years have seriously diminished the real value of a $1,000 loan. I would suspect that for all those who require a loan to the full level of the ceiling, this amount is now much too low. This must be painfully true of mothers and fathers who have lost their spouses.

I suggest that Bill C-135 should be reconsidered in light of the two points I have made. An adequate bill amending the Canada Assistance Act would accept that an 18-year old is often independent. I think we should consider raising the loan ceiling. I would not want to throw out a figure, but I would think $1,200 or $1,500 would be a little more realistic when we look at what inflation has done to the economy.

In conclusion, Mr. Speaker, I should like to speak of the Canada Student Loans Act in its fullest context. We can see immediately that this program in terms of aid to education provides more for the wealthy provinces than for the poor ones. For 1967-68 the plan provided $8.25 million to British Columbia, $23.6 million to Ontario, only $1.7 million to Newfoundland and only $4.2 million to New Brunswick. This makes sense considering the objective of the act. However, with the removal of federal assistance generally to education, the financial distribution of the act raises several questions regarding federal involvement in education. Is it responsible only to help students achieve accessibility and not assist the provinces to establish proper facilities? Should not the federal government, the guardian of our two founding cultures, be actively concerned with the Americanization of our universities? Are not accessible and effective universities a central factor in regional development?

I feel these questions are important and compel action. I suggest that the university has become a pivotal national institution as are, for example, the CPR and the CBC. Therefore, I appeal to this House to go beyond the housekeeping of present legislation and adopt an active and selective stance toward higher education within inherent obligations of the federal parliament.

May I call it six o'clock, Mr. Speaker.

At six o'clock the House adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Thursday, November 13, 1969

The House met at 2 p.m.

ROUTINE PROCEEDINGS

LABOUR CONDITIONS

UNEMPLOYMENT—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I ask leave, seconded by the hon. member for Peace River, to move the adjournment of the House under Standing Order 43 for the purpose of discussing a specific and important matter requiring urgent consideration, namely, the serious increase in unemployment during the past month from 5 per cent to 5.3 per cent seasonally adjusted, the culmination of the steady rise which has been taking place for the past four months because of the failure of the government to control inflation and thereby keep Canadian products competitive with foreign goods, and to pursue an aggressive export drive to sell Canadian products in the world market.

Mr. Speaker: As I understand it, the hon. member is seeking unanimous consent to adjourn the House to discuss this matter. Under the provisions of Standing Order 26 it seems to me there is basically and procedurally something wrong with the proposed motion of the hon. member. I would think it is in order for the motion to be moved under Standing Order 43, but I would not think that the hon. member can, under the provisions of Standing Order 43, make a motion which would normally be made under the provisions of Standing Order 26. I suggest to the hon. member that the motion he has proposed to the House in those terms is not in order. If it were, he would require the unanimous consent of the House.

To facilitate things for the hon. member I might at this point ask whether there is unanimous agreement to move the adjournment of the House for the purpose suggested by the hon. member.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: Apparently there is not unanimous agreement, but I have to—

An hon. Member: Struck out again, George.

Mr. Speaker: —caution the hon. member that the motion is not properly worded in that it seems to circumvent the provisions set out in Standing Order 26.

CONSUMER AFFAIRS

INCREASED FUEL OIL PRICES—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I rise to ask the House, under the provisions of Standing Order 43, for unanimous consent to move a motion regarding the inflationary increases in Canada, particularly the increase in fuel oil prices by the oil companies, which the Minister of Consumer and Corporate Affairs agreed yesterday "was obviously inflationary and obviously damaging to the economy". Therefore I ask leave, Mr. Speaker, under the provisions of Standing Order 43, seconded by the hon. member for Regina-Lake Centre, to move the following motion:

That a Standing Committee of the House of Commons to be known as the Standing Committee on Consumer Affairs be established to inquire into and report upon the trends in the cost of living in Canada and factors which may be contributing to changes in the cost of living.

And that, further, as first order of business, this committee be authorized to meet forthwith and proceed as quickly as possible to investigate the recent price increases of the oil industry and their effect on the inflationary situation in Canada.

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There is not.

ORAL QUESTIONS

LABOUR CONDITIONS

UNEMPLOYMENT—INQUIRY AS TO PROGRAMS TO ALLEVIATE INCREASE

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I direct a

question to the Minister of Regional Economic Expansion. Since unemployment increased between September and October by 35,000 people, that figure including an increase of 11,000 in the province of Quebec and 10,000 in the prairie provinces, is the minister ready to announce any programs to alleviate the serious increase in unemployment already apparent in these regions? Apparently the rate of unemployment is likely to increase this winter.

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, the officials of my department are now negotiating with the representatives of all the provinces, especially with those of Quebec and the provinces affected by unemployment, in order to carry out as soon as possible the programs agreed to, to create new jobs and fight the unemployment referred to by the Leader of the Opposition.

[*English*]

Mr. Stanfield: Mr. Speaker, may I direct a supplementary question to the minister. Is the government accepting congratulations upon the success of its program to create more unemployment, particularly in regions of slow growth, in order to overcome the problem of inflation—

Mr. Speaker: Order, please. I doubt whether the question as asked is in order. The Leader of the Opposition is asking whether the government is accepting congratulations. I am not sure whether that is all that urgent.

VIOLENT DISTURBANCES

MONTREAL BYLAW—REQUEST FOR TEST OF CONSTITUTIONAL VALIDITY

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is for the Minister of Justice. Since the Montreal bylaw passed yesterday banning demonstrations clearly invades the domain of criminal law and has the effect of superseding traditional forms of the exercise of the right of free public debate and assembly—

Mr. Speaker: Order, please. The hon. member cannot make a statement. He has to ask a question.

Mr. Brewin: I will ask it, Mr. Speaker. Will the government take steps to have the constitutional validity of this bylaw referred to the Supreme Court of Canada as soon as possible?

[Mr. Stanfield.]

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I have nothing to add to what I said on Monday in the House.

An hon. Member: Zero plus zero is zero.

Mr. Brewin: A supplementary question, Mr. Speaker. The minister said in the House that he could not deal with the matter because the bylaw had not been passed. In view of it now having been passed, will he not answer my question?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, we now have a copy of the text of the bylaw as it was before it was submitted to city council. As I said on Monday, we are studying it.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, may I direct a supplementary question to the Prime Minister. When Mr. Saulnier met him a few days ago, did he discuss the terms of the bylaw with him?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not think it appropriate for me to disclose that which was discussed by Mr. Saulnier and myself at a private meeting.

Mr. David MacDonald (Egmont): Mr. Speaker, may I direct a question to the Minister of Justice. After the law officers of his department have had a chance to review the bylaw passed by Montreal city council, will the minister make a statement on motions in order to clarify this very important matter?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, it is not usual for the Attorney General of Canada to give opinions on constitutional matters since these are still questions that are ordinarily decided by the courts.

[*Translation*]

CANADIAN BROADCASTING CORPORATION

MONTREAL—ACTION OF EMPLOYEE WITH RESPECT TO DEMONSTRATION AGAINST QUEBEC BILL 63

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, yesterday when I asked the Secretary of State if he was aware that a CBC employee had taken the liberty of phoning a separatist at the Rouyn CEGEP to ask him to organize a demonstration against Bill 63 of the Quebec National Assembly, he answered that he would find out whether there was any truth in my statement.

Would the minister tell us whether he has been in touch with the CBC management about that matter?

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, as a matter of fact, I have asked for information on this allegation made by the hon. member. Apparently, the latter was mistaken as far as the date is concerned, but the investigation is still going on.

Mr. Caouette: On a question of privilege, Mr. Speaker. Last evening, the C.B.C. French network newscast ran my interview with Mr. Michel Gaudet about a question I had asked in the House. After the interview, the regular announcer, Mr. Pierre Nadeau, explained that the news had not been given on the 11 p.m. newscast on October 30 and that, obviously, my statement was not quite true.

Mr. Speaker, I inquired this morning and found out that the C.B.C. did broadcast the said news at 11 p.m. on October 28. The C.B.C. employee did phone a separatist at the Rouyn CEGEP during the afternoon of October 28 and urged him to send the students out for a demonstration.

Now on October 28, there was no demonstration in Rouyn, but in fact, on October 29, there was one in the morning.

Mr. Speaker, I simply ask that Mr. Nadeau—and this is my question of privilege—stop garbling the news in order to deceive the population—

Mr. Speaker: Order, please. I must remind the hon. member that pursuant to Standing Order 17(2), he must normally give notice to the Chair of such a question of privilege.

Mr. Caouette: Mr. Speaker, on a point of order.

Since the minister has just said that he has been informed that my question was unfounded, because the date of October 30 was not involved, am I not entitled to give the necessary explanations so that the minister, parliament and even C.B.C. announcers may know the truth?

Mr. Speaker: Order. The question is hypothetical.

[*English*]

NORTHERN AFFAIRS

NORTHWEST TERRITORIES AND YUKON—STATEMENT ON GOVERNMENT—APPROVAL OF DETAILS

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Prime Minister. Has the government given its approval to purely token participation in self-government on the part of the inhabitants of the Yukon and Northwest Territories? I ask this question, Mr. Speaker, in light of the reforms in territorial government recently announced by the Minister of Indian Affairs and Northern Development. The elected representatives total only 9 of the 14 members of the council and only one of four executive members. I also ask this question, Mr. Speaker, in light of the Prime Minister's oft-repeated desire—

Mr. Speaker: Order, please. I have to intervene at this point. The hon. member knows that questions should be for the purpose of seeking information. At the present time the hon. member is conveying information to the House. That is not in order. I suggest that the hon. member should now ask his question.

Mr. Nesbitt: Thank you, Your Honour, for your very wise advice. I will, of course, be delighted to abide by it. I put the question this way, Your Honour. Has the government given its approval to the announcement of the details of participation in self-government on the part of the inhabitants of the Northwest Territories and the Yukon? This announcement was made yesterday, Your Honour, by the Minister of Indian Affairs and Northern Development.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am a little bit confused by the question. Perhaps I could repeat what I said yesterday and the hon. member may ask a supplementary and perhaps clearer question. I said yesterday that the general principle, laid down by the minister, was government policy and, in broad terms, the government policy is that the Yukon and the Northwest Territories are not yet ready for any form of provincial status. This is the government's position. If it is the position of the opposition that they should have provincial status, we should like to hear argument on this point at some time.

Mr. Nesbitt: I am sorry the Prime Minister was confused and misunderstood my question. I am aware, of course, of the statement he made yesterday. But my question today—and I will try to make it clear if I can—is: has the government given its approval to the details—"the details", not the general policy—of the experiment in democracy in the Yukon and the Northwest Territories as announced yesterday by the Minister of Indian Affairs and Northern Development?

Mr. Trudeau: Yes, Mr. Speaker, we did give our approval to the principle and to the details, but with regard to whether those details were stated exactly by the minister in the Northwest Territories, I don't know. I said, yesterday, that I had not read the final draft of his speech, nor have I done so since then, but I do not think the government is bound by every comma in what he said. However, the principle is government policy, and this is what the government is intent on implementing.

Mr. Frank Howard (Skeena): Could the Prime Minister convey a request to the Minister of Indian Affairs and Northern Development to be in the House tomorrow and make a statement on this matter in order that in this same arena other Members of Parliament may have an opportunity to comment?

Mr. Trudeau: I will gladly convey that request to the minister.

Hon. W. G. Dinsdale (Brandon-Souris): A supplementary question with reference to any statement the minister may make in the House on motions. Bearing in mind the strong protests made by the elected council of the Yukon Territory arising from this announcement, would the Prime Minister suggest to his colleague responsible for northern development that in the course of his statement he might refer to the strong resolutions passed by the council with reference not to provincial status but to greater autonomy and increased responsibility?

Mr. Speaker: That is really not a question but a suggestion made by the hon. member to the Prime Minister.

[*Translation*]

POST OFFICE

SPECIAL RATES FOR NON-PROFIT PUBLICATIONS

Mr. Bernard Dumont (Frontenac): Mr. Speaker, according to the roster, the Postmaster General and Minister of Communications should be in the House today. In his absence, I am forced to put my question to the Prime Minister.

Could he tell us if his government intends to emulate the United States and grant special postage rates to non-profit publications by amending the Post Office Act?

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, as the Postmaster General and Minister of Communications could not be in the House today, he asked me to take notice of any questions that might be directed to him, and I am pleased to do so for the hon. member's question.

[*English*]

BROADCASTING, FILMS AND ASSISTANCE TO THE ARTS

REQUEST FOR FACILITIES FOR COMMITTEE COUNSEL

Mr. J. P. Nowlan (Annapolis Valley): My question is directed to the Secretary of State, Mr. Speaker, as the minister responsible for the Company of Young Canadians. Would he consult with his colleagues and, in particular, with the government House leader, in order that his good offices or the collective good offices of hon. gentlemen opposite might be used to provide an office and secretarial help for counsel appointed by the parliamentary committee at present inquiring into the affairs of the CYC?

Mr. Speaker: The hon. member will recognize, I think, that this question should be directed to the administration of the House. Perhaps the hon. member would like to make his representation in the usual way to the Chair for consideration.

Mr. Nowlan: I should like to ask the Secretary of State whether he would consult with the chairman of the parliamentary committee which is inquiring into the affairs of the CYC in order that the pending resignation of counsel does not take place tomorrow?

TRADE

FINANCING OF SALE OF LOCOMOTIVES TO YUGOSLAVIA

Hon. D. S. Harkness (Calgary Centre): I have a question for the Minister of Industry, Trade and Commerce, Mr. Speaker. In his absence I propose to direct it to the acting minister, whoever that may be. Will the minister look into the reasons why the Export Development Corporation has failed to provide financing for a very considerable sale of diesel locomotives to Yugoslavia? Further, in view of the fact that considerable unemployment will be caused unless this sale goes through, would the minister make sure that the matter is reconsidered by the corporation?

Hon. Robert Stanbury (Minister without Portfolio): I shall be glad to bring this matter to the attention of the minister.

EXTERNAL AFFAIRS

WASHINGTON DEMONSTRATION—CANCELLATION BY MURRAY HILL OF ARRANGEMENTS TO SUPPLY BUSES

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. In view of reports that Murray Hill Limousine Service of Montreal cancelled certain arrangements they had made to supply buses for trips from points in the United States to Washington by Americans wishing to participate in the demonstration where on Saturday because of representations made to Murray Hill by a Canadian Member of Parliament, can the Prime Minister say whether this was done with the knowledge and consent of the government?

Right Hon. P. E. Trudeau (Prime Minister): It was not done with my knowledge or consent, Mr. Speaker, nor have I any reason to believe that it was done with the consent of any other minister.

Mr. Knowles (Winnipeg North Centre): May I ask a supplementary question, Mr. Speaker, which I should like to direct to the Minister of Justice. In view of statements made by Murray Hill that one of the reasons for breaking this arrangement was that they did not want their files examined by the FBI, may I ask whether there are any arrangements under which private companies in Canada can have their files investigated in this way?

Mr. Speaker: Order. I would think that this supplementary could well be placed on the order paper.

AGRICULTURE

DAIRYING—REQUEST FOR EARLY ANNOUNCEMENT OF POLICY

Mr. R. E. McKinley (Huron): Mr. Speaker, I have a question for the Minister of Agriculture. In view of the fact that dairy producers are left in the dark annually in regard to the government's forthcoming dairy policy, would it be possible for the minister to announce the next dairy year policy well in advance of the beginning of that dairy year instead of a day or two before it commences?

Hon. H. A. Olson (Minister of Agriculture): Yes, Mr. Speaker. There was an attempt to do this last year and it would have been done had there not been some major changes in dairy production that became known just a few days before April 1.

Mr. McKinley: A supplementary question, Mr. Speaker. While the minister is on this subject, could he give the House an assurance that there will be no further cutbacks in the government's allotment to the dairy producers in the coming year?

Mr. Olson: No, Mr. Speaker.

POST OFFICE

REQUEST FOR REDUCTION OF RATES ON NON-PROFIT PUBLICATIONS

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Postmaster General, but since he is not in the House and he has no parliamentary secretary, though he does have 15 task forces, may I direct my question to the Acting Postmaster General. It concerns the Committee for Fair Postal Rates, composed of representatives of many important non-profit publications seriously injured by existing postal rates, who met with the minister earlier today. May I ask whether an assurance was given to this important group that they could expect, not a free rate, like the National Liberal Federation, but a much better rate than they are now paying?

Mr. Speaker: Order, please.

TRADE

WHEAT—DIRECT SALES TO EASTERN FARMERS

[*Translation*]

Mr. Speaker: Order, please. I think the hon. member has a supplementary.

Mr. Réal Caouette (Témiscamingue): Yes, Mr. Speaker, I wish to ask the Minister of Agriculture a question.

Can the Minister tell us whether he is considering altering his policy with regard to the western wheat farmers so that they can sell their wheat direct to another province without having to go through the Wheat Board in Winnipeg?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I am not quite sure I understand the question and I would like to take it as notice so as to give a more precise answer. However, I do not believe it is the intention of the government to relax the regulations respecting the movement of wheat across provincial borders.

Inquiries of the Ministry

SASKATCHEWAN PROPOSALS RESPECTING WHEAT AND POTASH

Mr. John Burton (Regina East): Mr. Speaker, my question is directed to the Prime Minister. Can the Prime Minister indicate to the House whether he has now had a meeting with the premier of that province of Saskatchewan and whether any progress has been made on questions involving that province's wheat barter proposals and potash problems?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, I can so indicate to the House, but no, I have not had any meeting with Premier Thatcher.

THE CANADIAN CONSTITUTION

STATEMENT BY MINISTER OF COMMUNICATIONS ON PROVINCIAL CONTRIBUTIONS TO DISCUSSION

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister whether the Minister of Communications was stating the position of the government of Canada when he said in Toronto last night that nine of the ten provinces of Canada are making very little contribution to constitutional discussion, and that nothing of substance has come from these provinces? Is this the position the government is taking?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this is not a matter of policy; it is a matter of opinion.

Mr. Stanfield: Mr. Speaker, I gather it is not the opinion of the government.

Mr. Trudeau: Surely, Mr. Speaker, I could not answer that with a yes or no. Some provinces are contributing more and some provinces are contributing less. This is a matter of opinion.

An hon. Member: How about the federal government?

Mr. Stanfield: Mr. Speaker, I take it that the Prime Minister is disassociating himself from the remarks of the minister—

Some hon. Members: Order.

Mr. Speaker: Order, please.

Mr. Stanfield: I should like to ask the Prime Minister whether—

Mr. Speaker: Order, please.

Mr. Stanfield: Mr. Speaker, I should like to ask a supplementary question. Let me ask the Prime Minister whether it is the view of Canada, as expressed by the Minister of Communications, that the Confederation for Tomorrow conference called by Premier Robarts in 1967 was a "grandstand play", and whether it is also the view that—

[Mr. Olson.]

Some hon. Members: Oh, oh!

Mr. Stanfield: This may be great fun to my hon. friends opposite, but is it also the opinion of the government, as expressed by the Minister of Communications, that only the province of Quebec is making any positive contribution to these discussions and that the others have lost interest?

Mr. Trudeau: Mr. Speaker, I can be quite firm about this. We certainly do not take the position that Premier Robarts embarks upon grandstand plays.

Mr. Stanfield: Another supplementary question, Mr. Speaker.

Some hon. Members: Oh, oh!

Mr. Stanfield: In view of the fact that the Minister of Communications seems to be embarrassing the government and is also a liability to the country, will the Prime Minister consider appointing him to the National Parole Board or some other refuge for retired—

Mr. Speaker: Order, please.

Mr. Knowles (Winnipeg North Centre): Cancel his parole.

Some hon. Members: Hear, hear.

An hon. Member: It would be too hard on the Tories who came before the board.

CONSUMER AFFAIRS

INCREASED FUEL OIL PRICES—INVESTIGATION OF COLLUSION

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, in light of the similar increase in fuel oil prices announced today by BP Canada Limited, following yesterday's inflationary increase by Shell Canada Limited, I should like to ask the Minister of Consumer and Corporate Affairs to indicate whether the Combines Investigation Branch is looking into the collusive nature of these price increases?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I have said on many occasions that the Director of Investigation and Research under the Combines Investigation Act watches significant price movements and can be expected to fulfil his statutory duties under that Act.

Mrs. MacInnis: Mr. Speaker, is it possible for him to end the watching process and go ahead with the stopping process?

THE CANADIAN ECONOMY

SUCCESS OF PRICES AND INCOMES COMMISSION IN COMBATTING PRICE AND WAGE INCREASES

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I should like to ask whether the Minister of Consumer and Corporate Affairs will take the first opportunity on motions to outline to the house what success the Prices and Incomes Commission has had since it was established in persuading management to hold down prices and labour unions to hold down wage demands? Also, what is the program of the commission for the immediate future?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, the chairman of the commission has been making a number of statements. I will discuss with him whether in his view it would be useful for me or himself to make an additional statement in answer to the hon. member's question. The commission is carrying out its program which the Chairman has announced in various statements. I hope the hon. member joins with me in wishing him success. I have complete confidence in the members of the commission, and it would be of great value to the Canadian economy if people would co-operate with them so they may be successful in this undertaking.

Mr. Hees: Mr. Speaker, if the successes of the commission are to be measured by the public statements about its activities so far, will the minister not agree that the commission has been a complete failure, and would it not be a good idea to wrap it up, dismiss it and save the taxpayers' money?

Mr. Speaker: Order, please.

Mr. Max Saltsman (Waterloo): Mr. Speaker, in view of the fact we are not getting much action from the commission as it is now set up, will the minister give serious consideration to reconvening the committee on consumer prices which proved so effective the last time?

Mr. Basford: Mr. Speaker, I dispute the implication in the question. The commission has undertaken a program of work, research and inquiry in co-operation with economic interest groups in the country. I cannot accept the implication that it is not doing anything.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister another question in view of the difficulty we are having as to when ministers are or are not stating government policy. Was the Minister of Consumer and Corporate Affairs stating government policy yesterday when he indicated that in his opinion any price increase constitutes a violation of the principle of restraint?

Mr. Speaker: Order, please. I am not sure whether the Leader of the Opposition is referring to a statement made in the House or a statement made outside the House. Certainly it is not in order for a member to ask whether a statement made in the House by a minister represents government policy.

Mr. Saltsman: Mr. Speaker, I should like to ask the minister whether it is his intention to reconvene the committee on consumer prices as a way of dealing with these increases which are taking place?

Mr. Basford: Mr. Speaker, at the end of the last session there was an order on the Order Paper somewhat along those lines. I am currently having discussions with my friend the House leader as to an appropriate motion for the Order Paper, and how it might be fitted into the Parliamentary program.

Mr. Stanfield: Mr. Speaker, I should like to rephrase my question to the Prime Minister. Is it his view or the view of the government that any increase in prices constitutes a violation of the principle of restraint being pursued by the government?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not know whether this is a moral judgment or an economic judgment, but if a proposition can be defended in logic I would think it should not be left to stand alone. As a general principle I see nothing wrong with it.

Mr. Hees: I have a supplementary question.

Mr. Speaker: Order, please. We have already had a number of supplementary questions on this point. I realize that—

Mr. Hees: Just one.

Mr. Speaker: The hon. member says he has just one, but the hon. member for Skeena and the hon. member for Waterloo are also anxious to ask just one. If we have time we

will return to the subject. I must caution hon. members that there are a number of members in the third and other rows who are anxious to ask questions and who will blame the Chair if they do not have an opportunity to do so.

[*Translation*]

OFFICIAL LANGUAGES

INCLUSION OF COST OF SCHOOL IN GRANT FOR BILINGUAL PROGRAMS

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I should like to direct a question to the Secretary of State.

Could he tell us if the $3 million spent for the Public Service Language Centre are included in the $50-million grant offered to Canadians for language teaching?

Mr. Speaker: It seems to me that the hon. member's question could be put on the order paper. If there is any urgency, the question could be debated at the time of adjournment.

Mr. Dumont: At ten o'clock, Mr. Speaker.

INQUIRY OF THE MINISTRY

Hon. Martial Asselin (Charlevoix): Mr. Speaker I have a question for the Prime Minister.

Does he approve of the attitude of the Quebec Liberal party leaders, particularly Messrs. Bourassa, Laporte, Wagner and Lesage—

Mr. Speaker: Order. I do not believe we can hear the hon. member's question. Furthermore I suggest that in its present form the question is out of order.

Mr. Asselin: Mr. Speaker, have I your permission to word it in another way?

Does the Prime Minister approve of the attitude of the Quebec Liberal party which, according to information published this morning, intends to vote against the motion for third reading of the Quebec National Assembly Bill 63?

Mr. Speaker: The new wording is not more agreeable than the first.

Mr. Asselin: On a point of order, Mr. Speaker.

Could I ask the Prime Minister whether, as a citizen of Quebec, he approves of the principle of the languages bill—

Mr. Speaker: Order. The hon. member cannot ask questions of the Prime Minister in his quality of citizen of a province.

[Mr. Speaker.]

[*English*]

AGRICULTURE

NORTHERN PRAIRIES—ASSISTANCE TO FARMERS FACING FORECLOSURE

Mr. G. W. Baldwin (Peace River): Mr. Speaker, in light of the fact that a great many foreclosure actions have been taken or threatened in parts of northern Alberta and Saskatchewan, including one by the Farm Credit Corporation against a man with ten children, and in light of the fact that thousands of honest farmers are unable to meet their obligations as they fall due because of the peculiar situation this year, I should like to ask the Minister of Agriculture whether the government is considering accepting its responsibility by passing legislation to re-activate the Farmers' Creditors Arrangement Act to protect these people?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, as far as foreclosures by the F.C.C. are concerned, I have asked for a report regarding their actions in respect of every single case. I am advised that information like the hon. member has given me is not common to the foreclosure actions that have been undertaken. Indeed, there were something less than 15 out of 562 in the entire area and there will be no evictions of anyone who has made any attempt whatever to look after his indebtedness and is still living on the land.

So far as the other part of the question is concerned, I am unable to answer it. I think this kind of legislation falls in a department other than agriculture.

Mr. Baldwin: I have a supplementary question. Will the minister and his officials not review the provisions of the Farmers' Creditors Arrangement Act and the very useful service it performed after being passed by a previous Conservative government to see whether it could be re-enacted in order to cover the present circumstances?

Mr. Olson: My hon. friend misinterprets that act—

Mr. Speaker: Order. This is fast becoming a partisan debate which would be of no interest to the House of Commons.

POST OFFICE

REQUEST FOR REDUCTION OF RATES ON NON-PROFIT PUBLICATIONS

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I have a question for the Minister of Communications but first I wish to

thank him for rushing back to the House in time for the last part of the question period. In view of the representations made to the minister today by representatives from the Committee for Fair Postal Rates, is the minister considering granting some relief under Section 12 of the Post Office Act in respect of postal rates for regular publications of non-profit organizations? If not, will he give an undertaking to the House to review all such publications and the postal rates they are charged?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): I thank the hon. member for the question and for explaining my earlier absence from the House.

Mr. Hees: Were you making some tapes?

Mr. Kierans: The meeting was called by Mr. Bill Dodge of the Canadian Labour Congress. He was not present, unfortunately, but I did meet with a group. We discussed the matter very carefully and I explained that my colleague the Minister of Consumer and Corporate Affairs is subsidizing the consumers—

Mr. Speaker: I hesitate to interrupt the minister and I realize it may not be easy to give a short answer to a long question. However, I do not think he should make a statement of policy.

Mr. Kierans: Mr. Speaker, in brief my answer is that if these magazines would put up their subscription rates by amounts varying from 8 cents to 34 cents they could cover all of the increased postal rate.

INQUIRY OF THE MINISTRY

[*Translation*]

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

In today's *Montréal Matin*, one could read the following:

Mr. Réal Caouette, N.D.P. leader, asked in the Commons whether the C.B.C. had authorized one of its employees to phone the Rouyn CEGEP from Montreal.

Since this newspaper calls me the leader of the N.D.P., does the minister feel I have the right to bring an action for libel against it?

TRADE

IMPORT OF COTTON THREAD—EFFECT ON VALLEYFIELD PLANT

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I should like to direct a question to the Minister of Labour.

Has he received from the United Textile Workers of America, local 110, in Valleyfield, a letter informing him that the entry into Canada of cotton and thread compels the Dominion Textiles plants to lose one or two weeks of work each year, which is prejudicial to the workers of that company?

[*English*]

Hon. Bryce Mackasey (Minister of Labour): The letter would be better directed, Mr. Speaker, to the minister in charge of manpower than to the Minister of Labour.

[*Translation*]

Mr. Ricard: Mr. Speaker, I should like to direct this question to the Minister of Manpower and Immigration.

Mr. Speaker: May I remind the hon. member that there are only a few minutes left before the end of the question period but perhaps we could allow him to repeat his question.

Mr. Ricard: Then I direct my question to the minister concerned and I hope that he will be kind enough to answer it because it interests a lot of people who will be out of work if the government does not assume its responsibility.

[*English*]

Mr. Speaker: Order. We are running out of time. The hon. member for South Shore.

FISHERIES

SEALS—REQUEST FOR REPORT ON HEARINGS OF COMMITTEE

Mr. Lloyd R. Crouse (South Shore): I wish to direct a question to the Minister of Justice. Is the minister now ready to table his report on the findings of the Standing Committee on Fisheries and Forestry relative to the seal industry?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, the hon. member asked me what action I was taking with regard to the report of the Standing Committee on Fisheries and Forestry. The third recommendation was that the Department of Justice be advised of

unresolved conflicts in the testimony of some witnesses. The record of the testimony given by certain witnesses who appeared before the committee is under investigation by the RCMP. Upon completion of the investigation it will be a matter for the appropriate provincial authorities to determine whether the evidence is sufficient to warrant prosecution under the Criminal Code.

[*Translation*]

BILINGUALISM AND BICULTURALISM

EFFECTS OF QUEBEC BILL 63 IN RELATION TO OBJECTIVES OF CONSTITUTIONAL CONFERENCE

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I should like to direct my question to the Prime Minister.

Could he say whether Bill 63, now before the Quebec National Assembly, meets the aims of integral bilingualism in Canada set by the 1968 Constitutional Conference in which the present Prime Minister participated?

Mr. Speaker: I doubt very much that this question is in order. The hon. member is asking the Prime Minister to express an opinion and I feel the question is out of order.

Mr. Valade: Mr. Speaker, may I ask the Prime Minister whether Bill 63 is contrary to the guidelines issued at the 1968 Constitutional Conference, which he himself presided.

Mr. Speaker: I believe that I should again express the same opinion. I hope that I am not mistaken, for the matter, of course, is very serious. However, I feel that the hon. member is asking the Prime Minister to express an opinion and, in that respect, the question is out of order.

Mr. Valade: Mr. Speaker, on a point of order. May I call Your Honour's attention to the fact that the Prime Minister rose to answer the question?

Mr. Speaker: That of course does not alter the fact the the question is out of order.

[*English*]

The hon. member for Edmonton Centre.

INQUIRY OF THE MINISTRY

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, I wish to direct this question to the Minister of Indian Affairs and Northern Development or in his absence to his parliamentary secretary. In view of the government having allocated $2 million to major cities for a so-called bash to celebrate their Klondike activities, would the minister or his Parliamentary Secretary check to see why Edmonton, which has carried on the tradition of the Klondike and Klondike days, has not been included in this so-called slush fund?

Mr. Speaker: Order, please.

HOUSE OF COMMONS

SELECTION OF COMMITTEE CHAIRMEN

Mr. James A. McGrath (St. John's East): Mr. Speaker, this question is for the government House leader. In the interest of making committees more autonomous vis-à-vis the government, would the government House leader follow the excellent example set this morning by the Committee on Privileges and Elections in electing a member of the official opposition as vice-chairman so that perhaps on some of the other committees a member of the official opposition could be elected as chairman?

Mr. Speaker: The hon. member for Saskatoon-Biggar.

GRAIN

CASH ADVANCES ON UNTHRESHED CROPS—INQUIRY AS TO LEGISLATION

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I should like to direct my question to the Minister of Agriculture. In view of the minister's statement to the House on November 7 to the effect that legislation will be brought forward to provide for cash advances on unthreshed grain in disaster areas similar to advances provided under the Prairie Grain Advance Payments Act and in view of the urgency of the situation, can the minister inform the House when such legislation will be brought forward?

Hon. H. A. Olson (Minister of Agriculture): No, Mr. Speaker, I cannot give the exact date when it will be introduced.

CANADIAN BROADCASTING CORPORATION

PROGRAMS ON CANADA'S ROLE AT UNITED NATIONS

Mr. Colin D. Gibson (Hamilton-Wentworth): Mr. Speaker, may I direct a question to the Secretary of State. In view of the public interest over current disarmament negotiations and in Canada's role at the United Nations, would the Secretary of State consider requesting that the CBC consider

programs dealing with Canada's role at the United Nations?

Mr. Speaker: Order. The hon. member has made a suggestion or representation to the minister. It is not a question.

TRANSPORT

NORTHUMBERLAND CAUSEWAY—RECONSIDERATION OF DECISION—SUPPLYING OF DATA

Mr. David MacDonald (Egmont): Mr. Speaker, I have a question for the Prime Minister. Could he indicate to the House whether or not he has conveyed to the Premier of Prince Edward Island that the government of Canada may be reconsidering its decision, made earlier this year, not to build the Northumberland Strait crossing and, if not, whether it has made available to the Premier much of the preliminary data acquired in the earlier surveys and work?

Right Hon. P. E. Trudeau (Prime Minister): No, to the first part of the question, Mr. Speaker, and as to the part about the data I am not aware. I shall have to ask the departments concerned, especially the Department of Public Works.

PUBLIC ACCOUNTS

REQUEST FOR TERMS OF REFERENCE FOR COMMITTEE

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would like to ask the government House Leader if he could bring in promptly the necessary motion to enable the Public Accounts Committee to proceed with its very important work?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I will be meeting the House Leaders this afternoon at five o'clock to discuss this and other related matters.

• (3:00 p.m.)

GOVERNMENT ORDERS

CANADA STUDENT LOANS ACT

AMENDMENTS RESPECTING DEFINITION OF "BANKS", QUALIFYING STUDENTS, ETC.

The House resumed, from Wednesday, November 12, consideration of the motion of Mr. Gray (for Mr. Basford) that Bill C-135, to amend the Canada Student Loans Act, be read the second time and referred to the Standing Committee on Trade, Finance, and Economic Affairs.

Mr. Speaker: The hon. member for Battle River.

Mr. Cliff Downey (Battle River): I had concluded my remarks on the Student Loans bill, Mr. Speaker.

Mr. Speaker: Is the House ready for the question? If the minister speaks now he will be closing the debate.

Hon. Herb Gray (Minister without Portfolio): Mr. Speaker, I am rising merely to point out that another hon. member, if I am not mistaken, was rising.

Mr. Speaker: I understand the hon. member was rising for the purpose of leaving.

Mr. Gray: Mr. Speaker, I think members would expect me to attempt to respond briefly to some of their questions and to deal, at least in a preliminary way, with some of the very interesting comments they have made in this debate. I thank them for their contributions to it. I am sure we could go into the matters that have been raised so far in the debate in greater detail when this bill is before the standing committee.

The hon. member for York-Sunbury (Mr. MacRae), who has a distinguished record as an educationalist, asked why the requirement with respect to a declaration of residence is proposed to be deleted in the draft bill. I think that the explanation is to be found in the fact that essentially the bill calls for the maintenance of the requirement of a year's residence but stipulates that the person applying for a loan, who is not a citizen, must be a landed immigrant. It is my understanding that to become a landed immigrant a person must declare he has the intention to reside permanently in Canada. Therefore, it would seem to me that achieving the status of landed immigrant would be a more definite indication than the signing of a simple declaration that the person wishes to remain in our country as a permanent resident and make his life here.

The basic purpose of this provision is to make clear that those who come here with student visas are not intended to be covered by the Canada Student Loans Act. The reason for this is that by definition a person with a student visa is someone who has demonstrated he has the financial resources available to him to pursue the course of studies he has in

mind in this country. So, I think the point which concerned the hon. member is covered by requiring that someone who is not a citizen not only must reside here for a year but must become a landed immigrant in order to become eligible for a student loan.

The hon. member also asked for some explanation of the payments made to the province of Quebec, and of how they are made. He seemed rather concerned when I indicated, I guess by a shaking of the head, that it was a transfer not by way of fiscal equivalent but a real payment.

The details of the formula can be found in section 12 of the Act. It is a rather complicated formula and I will not take the time of the House to read it, but to use the words of the annual report it may be summarized as follows: The alternative payment made to a province which does not participate is based upon two factors, the actual payments by the minister to lenders for interest and other charges, and the population aged 18-24 in a non-participating province relative to the size of the same age group in participating provinces.

This formula permits determination of the amounts that have been paid over the years to the province of Quebec. The total paid to the province of Quebec since the inception of the plan in 1964 is in the amount of some $7,334,000, and the payment in the year 1968-69, which is part of this total, was in the amount of some $2,900,000. We should recall that the federal government itself does not provide the moneys for the loans. As hon. members know the moneys are provided by the banks and certain credit unions. The federal government pays the interest on the loans made to students from the participating provinces during the period of their post-secondary studies and for six months thereafter.

Various members have commented upon the criteria for determining eligibility for loans, for example, the hon. member for York-Sunbury, the hon. member for Brandon-Souris (Mr. Dinsdale) and the hon. member for Battleford-Kindersley (Mr. Thomson). Some, like the hon. member for York-Sunbury, referred to the test to determine eligibility for loans in a way that was somewhat more sympathetic than other hon. members, including some in his own party. I do not quarrel with that because that is part of the process of debate in our parliamentary system. However, I would like to point out that the criteria for eligibility for loans are not set forth in the Act itself or in any regulations made under the act by the federal government.

[Mr. Gray.]

Basically, the Act says in effect that loans can be made only where a student presents a certificate of eligibility which is issued by an appropriate provincial authority, and to get such a certificate he has to demonstrate to that authority that he has attained a satisfactory scholastic standard and that he is in need of a student loan. As I have said, the criteria for need are not defined in the Act itself or in the regulations made under it, but instead in a set of criteria which reflect basically the provincial consensus on these matters. To reply to a very interesting point raised by the hon. member for Battleford-Kindersley, this means that the act itself, so far as I am aware, does not define what would constitute an independent student, and therefore a change in any definition of such a student would not have to be carried out through amendment in the act itself but instead in the administrative criteria which have been worked out by the provinces.

Decisions on eligibility for loans and on amounts of loans are not made by any agency of the federal government but instead by provincial authorities who apply these criteria. Therefore hon. members who have raised problems that have been brought to their attention by students whose applications have been turned down, or who have received loans in amounts they do not consider satisfactory, should make attempts to see that the appeal procedure which is provided for in these criteria is used. This will enable those not satisfied with the decisions of the provincial authorities to have these decisions reviewed. I again stress that there is an appeal procedure set forth or called for in these criteria which have been developed through provincial consultation.

The hon. member for York-Sunbury (Mr. MacRae) also expressed the fear that many millions of dollars which have been paid out under student loans would prove uncollectable. However, I think the experience to date should provide some reassurance. If one looks at the annual report one can see that a number of students have already begun repaying loans. About 93 per cent were meeting their obligation on a regular basis. About 3.5 per cent encountered difficulties in meeting regular payments due to a variety of circumstances such as illness, or lack of steady employment, only about 3.5 per cent of those

now responsible for their repayment obligation seem to have tried to avoid their responsibility in some way. I think this speaks quite highly of the integrity and commonsense and of the soundness of the general approach by our young people who have taken advantage of the student loan program. In my opinion, it augurs well for the attitude of students in future who have not yet come to the stage of repaying their loans.

The hon. member for Wellington (Mr. Hales) stated that he felt the chartered banks should be called upon to make sure that those students—and I am saying again, Mr. Speaker, that the percentage so far is very small—who have not been meeting their obligations are required to do so. He asked whether there was some procedure followed by the federal government to make sure that the banks were doing all they could in this regard. I am happy to inform him that there is in fact an established procedure, which has been worked out between the guaranteed loans administration of the Department of Finance and the lending institution, whereby a series of steps have to be completed by the lender before it can submit a claim for payment by the federal government. I am not going to discuss these steps in detail, but they begin with the bank sending a letter and can culminate with court action and judgment taken by the bank against the defaulting borrower. Should one or more of these steps be omitted, a responsible officer of the bank must explain why to the government. In all cases where a claim for payment is submitted to the government, the bank officer must sign a statement to the effect that the loan is uncollectable at the present time.

I should point out, Mr. Speaker, that while the government does pay interest on student loans until the end of the sixth month after the month when the borrower ceases to be a full-time student, should a loan be defaulted, the government pays to the bank the outstanding principal amount but only any past due interest. This total amount, however, becomes a debt due the Crown and follow-up procedures are begun to attempt to recover these funds from the borrower. The federal government does not pay interest indefinitely to the banks on past due loans which they are not attempting to collect. I know the hon. member for Wellington (Mr. Hales), as chairman of the Public Accounts Committee, will be interested in having this reassurance.

Now, Mr. Speaker, the hon. member for Oshawa-Whitby (Mr. Broadbent) made some very interesting comments on the social desirability of the student loan program and also made some reference to the Liberal program of 1963. As I recall, in so far as that program covered this area, it had basically three parts: One, a system of youth allowances; second, creation of a student loan program, and third, a scholarship or bursary program. I think it is well to recall that two of these three programs have been implemented. The youth allowance program is in operation as the student loan program and of course we also have had for several years a program under which the federal government has been paying half the operating costs of post-secondary education. This program is costing the federal government hundreds of millions of dollars. Comments have been made about the social desirability of student loan programs and how they should fit into the general spectrum of student aid.

I might say that I, personally, do not consider that student loan programs will turn out to be the final word on the subject of efforts by governments—and I use the word in the plural—to make certain that all who are capable and desirous of post-secondary education have access to it. Canadians generally have been increasingly willing to support, as a desirable and necessary goal, steps to insure that everyone is able to get all the education desired, irrespective of personal financial resources. However, to achieve this goal calls for effort by more than one level of government. Since under our present constitution education is essentially a provincial matter, this means that any federal activity in this field must take into account this fact of Canadian life. Aside from what the present Canadian constitution provides in this area the provinces appear to have strong views as to the extent that the federal government should attempt to operate in what presently appears to be essentially a field of provincial jurisdiction. It seems to me that our movements toward this goal have to be made within this particular context. In saying this, one should not forget that the Canada student loan program has helped many students get post-secondary education who probably would not have otherwise had the resources to do so. I think this is demonstrated by the facts of the operation of the program. In 1964-65, 42,000 students received loans under the program. In the past year, this number increased to 107,000.

We could of course talk at length, Mr. Speaker, about improvements that could possibly be made to this program but I think we

should not forget that what has been done represents a real allocation of resources by the federal government to student aid. If this plan were not in existence, these resources might possibly have gone into other areas of priority. The federal government has not simply guaranteed payment of loans. Since the beginning of the plan in 1964, a total of some $23 million has been paid for interest, the relatively small amount of claims and alternative payments to Quebec. And certainly these amounts for interest and so on can be expected to increase in future years.

A number of hon. members, Mr. Speaker, have made suggestions for changes in the plan, for addition of different categories of students or changes in the maximum amounts that may be borrowed. For example, several hon. members called for the inclusion of part-time students in the plan. It is true that at the moment the plan only provides for loans to full-time students, but it should not be forgotten that its main purpose is to assist students to obtain education through full-time study so that the education need not be dragged on over several years. In many cases, part-time students hold employment which would assist in paying costs. At the time the plan was originally presented and adopted by Parliament the intention was that it cover full-time students only.

It should be kept in mind when looking at the question of broadening the plan or including other categories or changing the general approach, that when it was introduced in 1964 it was as a broad general measure in the student aid field. It was not intended to meet all the needs of all students seeking post-secondary education but was designed to supplement resources available to students from their own efforts and their families as well as other private or provincial student aid funds. As a reflection of this fact, the maximum individual loan amount of $1,000 did not, even in the first loan year, meet the entire average cost of a student's attendance at a post-secondary institution. As hon. members have pointed out, it is true that costs have increased since that time and $1,000 will now finance a relatively smaller portion of the total costs involved. One should not forget, however, that in 1964-65 the Canada student loans plan was the only major government measure in the student aid field. Since then there has been a dramatic increase in the volume of student aid made available by provincial governments which has helped offset rising costs.

[Mr. Gray.]

The demand by most students, educationalists and others has been for increased grant aid rather than loans in order to minimize the loan burden on students. Programs of student aid in several provinces have been moving in this direction. One should keep this in mind when calling for an increase in the maximum amount of loans, annually or in total. I think at least one hon. member called for such an increase. However, other hon. members pointed out the problem that could be created if students should graduate with a heavy burden of debt. The maximum loan amount that could be obtained by a student for his post-secondary education under the plan was fixed originally with a view to taking into account the problem that could be created by imposing on the student an undue burden of debt after he graduates.

• (3:10 p.m.)

It is my understanding that the provinces are in the process of reviewing, together with the council of ministers of education, the whole field of student aid. The federal government has said that, if invited by them, it would be pleased to take part in this review. Therefore, in spite of the very interesting arguments made by various hon. members with regard to changing in some significant way the structure of the Canada student loans plan, it would not seem appropriate, in view of this ongoing review, that consideration should be given to making basic changes in the program until this review has been completed.

[*Translation*]

Mr. Speaker, the hon. member for Champlain (Mr. Matte), and the hon. member for Hillsborough (Mr. Macquarrie) have raised the question of maximum amounts under the Canada Student Loans Act.

I want to say that the purpose of the bill is to guarantee sufficient money to meet loan requirements and this is why we are asking the House to approve the increased loan provision.

According to my information, the federal government has always taken the necessary steps to make sure that there is enough money to meet student loan requirements throughout Canada. It is the main reason why the government is introducing this bill now.

As far as I know no student has ever been refused a loan because provincial allocations were insufficient.

These allocations have always been adjusted so as to meet needs of students everywhere in Canada.

[*English*]

Dealing with another point raised by the hon. member for Hillsborough (Mr. Macquarrie), I seem to recall him making references to age limits in the Canada Student Loans Act. There is, I should like to assure him, no age limit in the act as far as eligibility for loans is concerned. Perhaps he noted the reference in my remarks to the 18 to 24 years age group. This reference was made solely to help to describe the formula which was used for determining the division of the total amounts permissible in the participating provinces.

The hon. member for Vancouver-Kingsway (Mrs. MacInnis) has brought to the attention of the House the problem of people who have encountered difficulty in meeting repayment terms for various reasons. She mentioned a case where one person was not able to make payments because he was not able to find permanent employment. I should like to assure her and this House that such situations are in fact provided for by the regulations. There exists in the regulations a considerable degree of flexibility in setting the terms of repayment to fit the ability of the borrower to repay or for changing them where the borrower's financial circumstances are, for one reason or another, upset. In addition, there is considerable consultation between the guaranteed loans administration and the lending institutions where genuine cases of hardship are encountered. The important thing for the borrower falling into this sort of difficulty to remember is that he should consult with the bank as soon as possible. I am informed that almost in all cases where complications arise for borrowers in this category, they do so because they have failed to advise the lender of their circumstances. So, the existing regulations do appear to provide sufficient flexibility to take care of the types of cases the hon. member has raised. Therefore, it would not appear necessary to call for an amendment to the act itself to deal with such problems.

To conclude, Mr. Speaker, may I say by way of conclusion, to hon. members that I would be very happy to receive any questions or complaints they may have brought to their attention from time to time about the operation of the Canada student loans plan.

If the matters in question happen to fall within that aspect of the plan which is directly under federal administration, that is matters having to do chiefly with the relationship between the government and the banks which make the loans, I would be happy to have them looked into and, if possible, dealt with in a satisfactory way. If they deal with aspects that come under provincial administration, including aspects dealing with questions of eligibility which I have outlined, I would be very happy to inform hon. members as to the steps they should take to have them reviewed by provincial authorities; or, if they prefer, I would be happy to make sure myself that these matters are looked into by provincial authorities. I hope hon. members will feel free to avail themselves of my willingness to assist them in dealing with problems of this type.

I will conclude, therefore, by saying that we have certainly had a very good discussion during this second reading stage. I look forward to going into other aspects which I have not had the opportunity to deal with at this point when the bill is before the committee. I hope it will be agreed that, on the basis of my own initial presentation, and the discussion that has followed, this bill deserves the support of this House on second reading.

Mr. Speaker: Is the hon. member for Battleford-Kindersley rising to ask a question.

Mr. Thomson: On a point of order, Mr. Speaker, the Minister without Portfolio two or three times in his remarks referred to the hon. member for Battleford-Kindersley. I think he probably meant to refer to the hon. member for Battle River (Mr. Downey). I have not taken part in the debate on this bill. I make this slight correction for the sake of the record.

Mr. Gray: Mr. Speaker, I stand corrected. Both hon. members are active in the work of this House, and perhaps my mistake therefore was a reasonable one to make.

An hon. Member: You'll go a long way, Herb.

Motion agreed to, bill read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

SMALL BUSINESSES LOANS ACT

EXTENSION OF CATEGORIES OF LENDERS

Hon. Herb Gray (for the Minister of Finance) moved that Bill C-9, to amend the Small Businesses Loans Act, be read the

second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

He said: Mr. Speaker, in this bill are proposed a number of amendments to the Small Businesses Loans Act. The small businesses loans program is one of a group of three commercially oriented guaranteed loans programs under federal government auspices. They are designed to make available federally guaranteed term credit from private financial institutions to small businessmen, farmers and fishermen, to enable them to undertake a wide variety of expansion and improvement projects. The companion acts, therefore, to the Small Businesses Loans Act are the Farm Improvement Loans Act and the Fisheries Improvement Loans Act.

The Small Businesses Loans Act, first passed in 1960, provided for an initial three-year lending period. The act has subsequently been amended from time to time to provide for additional lending periods. Under the legislation, businessmen engaged in a number of fields of activity can obtain loans of up to $25,000 to finance a large number of business improvement projects. A small business is defined in the Act as one which has estimated gross revenues of less than $500,000 in the year in which it applies for the loan and which is engaged in one of the following forms of business activity: manufacturing, retail trade, wholesale trade, provision of services, construction, transportation and communication.

• (3:20 p.m.)

Borrowers may use the proceeds of loans to finance the purchase of fixed or movable assets or equipment or for the purchase, construction or improvement of business premises. Small business loans must generally be secured by a first charge on machinery or equipment purchased or a mortgage on business premises. In addition, the borrower must sign a promissory note and the bank may, if it considers it advisable, require further securities to be given in order to secure a loan. Loans may be repaid over a period of up to 10 years. The act does not place the banks under any obligation to make such loans. In fact, it is a requirement of the legislation that they exercise the same care in the making of small business loans as they do in the general conduct of their business.

Lending under the Small Businesses Loans Act has proved to be relatively stable, ranging between $20 million and $26 million in each year since the beginning of the program, with the exception of 1967 when the volume of loans declined to $11 million. From the time this program was started until November, 1968, the maximum rate of interest which banks could charge on loans made under the program was established under the regulations at 5½ per cent.

For some time prior to 1968, however, the general level of interest rates had been moving steadily upward and during 1968 this movement accelerated. The result of this was to make the 5½ per cent maximum rate unrealistic in relation to other avenues of investment which were open to lenders. In November of 1968 an order-in-council was made which changed the basis on which the maximum rate for small business loans was determined. This rate is now established twice annually, April 1 and October 1, and is based on the average of certain government of Canada bond yields over the preceding six months, plus a margin of 1 per cent. For the current period, October 1 of this first to March 31 next, this maximum rate is 8½ per cent. Since the interest rate procedure was implemented, lending has returned to levels closer to the levels of past years.

I now wish to outline the amendments to the Small Businesses Loans Act proposed in Bill C-9. These amendments parallel changes which have been made to the Farm Improvement Loans Act and the Fisheries Improvement Loans Act in the past year or so. If the present amendments are adopted by Parliament, these three programs will operate on a consistent and comparable basis. The amendments will enable trust companies, insurance companies, mortgage loan companies as well as credit unions, Caisses Populaires and other co-operative credit societies to apply to the Minister of Finance (Mr. Benson) for designation as eligible lenders under the Small Businesses Loans Act. This will parallel changes made in other guaranteed loans legislation and considerably broaden the types of financial institutions from which small businessmen may seek financing under this act.

The current lending period would, in the absence of amendment, expire on December 31 of this year. Among the amendments being proposed, therefore, is one which will add an additional 18 month period which will expire on June 30, 1971. This will result in the lending period under the Small Businesses Loans Act ending at the same time as the current lending periods under both the Farm Improvement Loans Act and the Fisheries

Improvement Loans Act. This will enable the government to review these three very similar programs as a group when they next come up for renewal. Possible changes in each can then readily be assessed in light of the implications which it holds for the others.

Under the Small Businesses Loans Act there is a two-fold limitation of the extent of the liability of the Minister of Finance for loans made. The first of these relates to the aggregate value of loans made by all lending institutions in a lending period. For the current lending period this over-all maximum was established at $300 million. During the new lending period established by these amendments, this amount is to be set at $100 million in respect of loans made by all chartered banks and $50 million in respect of loans made by all other eligible lenders.

The second part of the minister's liability deals with its extent to an individual lender. Currently, the liability is limited to an amount equal to 10 per cent of the gross value of loans made by any one lender. Since only the chartered banks had been eligible lenders in the past and since each had a sizeable amount of loans under the act, this in practice amounted to a 100 per cent guarantee as 10 per cent of the aggregate loans made by each was more than enough to pay out in full balances owing to banks on defaulted loans.

This provision could, however, expose a lender with only a few loans to the risk that if there was to be default on even one or two of them, there would be insufficient guarantee to cover the entire amount of the loss to the lender. In order to minimize this possibility, the liability of the minister to an individual lender will now be set at an amount equal to 90 per cent of the aggregate value of the first $125,000, 50 per cent of the amount between $125,000 and $250,000, and 10 per cent of the amount in excess of $250,000 of loans made by that lender. It is hoped that this revision will encourage the making of small business loans even at the low volume of lending by the individual classes of lenders who will be eligible to do so under the proposed amendments.

In conclusion, I wish to say it is the government's hope that these amendments will be of help to the small businessmen in Canada who constitute an important element of our economy. While lending under this program has never approached the volume under the Farm Improvement Loans Act, it has none the less been a useful source of term financing for the small businessmen. Since its inception some 20,000 small businesses have obtained financing of almost $190 million under this program. The proposals in Bill C-9 will ensure that this kind of credit facility will continue to be available to assist small businessmen in Canada.

Mr. Cliff Downey (Battle River): On reading Bill C-9, an act to amend the Small Businesses Loans Act, one finds that section 1(a) extends the definition of a bank within the meaning of the Act to credit unions, caisse populaire, trust companies, loan companies and insurance companies. When the Bank Act was revised in 1966, the government refused amendments defining the business of banking in such a way as to bring credit unions and institutions of this type, carrying on all the functions of banking, under the control of the Bank Act. Yet, in this bill the government is deliberately amending an Act so as to define these institutions as banks. I have no quarrel with this, but it does give me the feeling there is some inconsistency in planning by the government.

The thought occurs to me, why should trust companies be included in this bill? I wonder whether they have actually sought the change to allow them to engage in this business or if this is merely wishful thinking on the part of the government. With a measure of this kind, it is necessary to examine how effective it has been and how many people are making use of these small business loans. I now wish to refer to the annual report of the Small Businesses Loans Act. I find that in the period 1961 to 1965, the total of the loans remained constant at $26 million per year. In the period 1966-1967, this amount decreased to $20 million. In 1968, the figure decreased to $11 million, or slightly more. I think we can draw a parallel to this, to some extent. If hon. members will look at the report on the operation of the Farm Improvement Loans Act they will find there was a gradual build-up to a point at which something between $200 millions and $212 million was being lent in the years from 1965 to 1967. Then, in 1968 it dropped to $40 million, or a little more, which represents a far greater decline than is evident even in small business loans under the legislation we are considering.

• (3:30 p.m.)

It is interesting to compare these figures with those of the Industrial Development Bank operating in an area where the interest rate has been allowed to rise. We note at once

the absence of a similar decline in the amount of money lent. The current I.D.B. rate of interest is something like 10 per cent on amounts less than $50,000, whereas the rate for the small business loans would be 8½ per cent. Knowing the demand which exists for credit at the present time it is obvious there must be definite reasons for the sharp decline in the amount of money lent under the Act now before us.

Three reasons come to my mind. First, the Act could be too restrictive—it might not seem to be, but possibly it could be interpreted by the banks in terms which are too restrictive. It may be we should broaden the scope of this Act so as to cover more types of business, or more lines of credit. We should certainly encourage the use of loans of this type. I am sure hon. members looking back to their ridings, would agree it is much better to have 50 businesses employing 20 people each than to have one business employing 1,000.

Another reason, and one which in my view can be advanced with a greater degree of certainty, follows from the fact that no loan can exceed $25,000. While this may have been realistic back in 1961, it is not even in the ball park today. I do not intend to discuss the changes in the price structure and in the cost of living index since 1961, because we are all familiar with this situation, but I will say that a maximum figure of $40,000 or $50,000 would be far more in line with the credit requirements of business today. The I.D.B. figures certainly indicate that loans in the higher category are more generally required.

The third reason which occurs to me, and I believe it is probably the main reason, is the reluctance of the banks to lend money under this Act. This situation might be partially corrected by the amendment which would increase the percentage of the guarantee for banks whose aggregate amount on loan under the Act did not exceed $250,000. Nevertheless, I cannot but feel there is a reluctance on the part of the financial institutions to lend money at the current rate of 8½ per cent when it is possible for them to do considerably better.

We are all aware that the banks have an obligation to this country and to its citizens. When Parliament granted them a charter to service the money market and create credit they accepted this obligation. I submit, from our experience of the operation of this Small Businesses Loans Act and of the Farm Improvement Loans Act, that they are not

[Mr. Downey.]

living up to their obligation. We can see the demand for loans generally is increasing. But instead of fulfilling their obligations under their charters, our banks are simply going after bigger profits. They are going after the dollar, that is all it boils down to, and they are not concerned with small business; they are not concerned with the people. They would much prefer to put their money where there is no risk and where interest rates are higher than to lend it under this small loans legislation. It is time the minister put his finger on the banks and told them: Live up to your obligations to the citizens of this country or maybe we should revoke your charter.

The banks have a responsibility and it is the duty of the government to see they live up to the terms of their charters. If we allow the present situation to continue we could eventually find the banks lending all their money to the large corporations. General Motors, for example, could use far more capital than is needed for all the small business and farm improvement loans put together. I believe the banks are tending to look at the situation in this light. They are not conscious of any pressure on them to fulfil their obligations, and they are by-passing small borrowers. Look at the amounts set aside for guarantees as compared with the amount used under this Act—something like $100 million set aside for each year, and only $11 million used last year. We know the demand is there, so we can only conclude that a great deal must be wrong in this area.

Last week the Minister of Finance (Mr. Benson) put his finger on the small businesses of this nation. His white paper on taxation said, in effect, to small businessmen, the middle class of this country: Live up to your obligation to the poor. But he is not doing anything to affect the real wealth of this country. The tax rates to be imposed on certain income levels will be dropping from 80 per cent to 50 per cent. If the minister is willing to put his finger on small businesses and private entrepreneurs, I say he should be willing to put his finger on the banks and tell them to live up to their responsibilities, too.

When we look at the financial statements of the banks we find they are not suffering any hardship. I have a statement here from the Royal Bank of Canada from which I note that in the last three years, from 1966 to 1968, net profits rose from $27 million to $35½ million. There is certainly no reason for the banks to complain about their profit margin. They should be forced, if necessary, to go out into

the market and extend credit where it is needed.

I do not believe one can consider this bill adequately without at the same time taking into account the ramifications of the white paper on tax reform, if and when they are implemented—and there is every indication from the government that they will be. Most of the small businesses that will obtain loans under Bill C-9 are what the white paper describes as closely held corporations, and for taxation purposes will be taxed at rates similar to those applied to unincorporated businesses. When a small businessman takes a loan under this Act—the same can be said of farmers taking farm improvement loans—a contract is entered into for a period of time. I believe the time limit on small business loans is up to ten years. In many cases, these loans will extend into the period when the proposed plans in the government's white paper on taxation come into effect.

• (3:40 p.m.)

Present borrowers are contracting to repay their loans in a given period knowing that the tax rate under our present corporate structure is 21 cents on the dollar on amounts under $35,000, the sort of loans we are mostly concerned with here. What happens to these businesses when the government changes the rules in the middle of the ball game? The borrower who has contracted to repay his loan at the current taxation rate is suddenly put into the position of being called upon to pay 130 per cent of his present rate of taxation. By way of additional burden, he may also be paying 50 per cent tax on paper profits supposedly accrued from a misplaced valuation date.

In short, Mr. Speaker, I say that these amendments will do absolutely nothing for the small businessman unless the finance minister puts his finger in present banking policy. May I also say there is little benefit bestowed by legislation that we hope will encourage small businesses and private entrepreneurs when there is already on the drafting board a systematic program that will lead to the eventual destruction of such private enterprises.

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, I should like to draw to the attention of the Minister without Portfolio (Mr. Gray) that this time both the hon. member for Battle River (Mr. Downey) and the hon. member for Battleford-Kindersley are participating in the debate, and since it is reasonable to suggest that he may become confused perhaps he should not quote us directly.

First of all, may I put a direct question to the minister in the hope that he will reply to it when he closes the debate. My question concerns how the Department of Finance intends to supervise and guarantee loans that are made by authorized corporations. The reason I raise this question is that an insurance company, authorized under provincial legislation in Ontario, recently went bankrupt with particularly messy results. In this case many investors lost their money. I would not want to see any federal taxation money going down a similar type of drain, so perhaps the minister will explain how he intends to supervise companies who lend money under a federal guarantee in accordance with the terms of the act.

As we all know, Mr. Speaker, there has been a trend in recent years for small businesses to be swallowed up by the large corporations. Sometimes small businesses are bought up; on other occasions direct competition has been successful in forcing the small businessman to the wall. I hope this bill will provide him with some relief in this regard. Certainly, the small businessman needs capital, and in a time of inflation and tight money it is extremely difficult to find.

I suggest this bill can be likened to a piece of string. Although you can give the string some leeway, and let it out a little, you cannot exert pressure on it. Similarly, you cannot persuade a small businessman to borrow money unless he wishes to do so. Neither can you force a bank to lend him that money. I wonder whether the minister would consider this legislation in that light, because perhaps a little leeway on the string might be required as far as credit institutions are concerned.

The small businessman frequently finds himself in the awkward position of passing on increased costs to his customers. In times of continually rising interest rates, he finds himself in a more awkward position in this respect than do some of the larger firms. I think some consideration should be given to the fact that small businesses are less able to pay high interest rates than the big corporations.

I also wonder whether something could be done for the small businessman by way of training. Let me give an example of what I mean. Take the man who is an exceptionally

able automobile mechanic. Soon, he is promoted to shop foreman, and then eventually, having saved money and perhaps borrowed some from his relatives, the bank, or the credit union under this particular legislation, he purchases the business and goes into business for himself. He is now in a completely different field; no longer is he repairing automobiles or tractors. From experience I have had with others, I feel it would be useful to establish some sort of business management training scheme. Although we have training schemes for mechanics that want to turn to some other trade, to my knowledge there is no adequate government-sponsored training offered in the field of business management.

As a farmer, I was once a member of a farm management club, and I am fully aware of what membership in that club did for me as a small businessman. I suggest the government should consider establishing, either by bringing pressure to bear on provincial governments or in co-operation with provincial governments, a management training scheme for small businessmen who are required to manage businesses. This is particularly necessary when a man leaves a trade and enters the field of business management. Whether these people are in the newspaper business, are workers in garages, tinsmiths or plumbers, most of them have moved up the ladder through their trade, and I think something of the kind I have outlined should be done for them. It is tragic when men who have saved money for 25 years and who have borrowed money to go into business lose all within five years, plus five years off their lives. I know people to whom this has happened, and all they really needed was a little more management skill.

There has also been quite an expansion of the franchising field recently. I think that this sort of business enterprise has considerable merit. In some cases it provides more efficiency, and it offers the individual an opportunity to participate at the local level. I think it is good to have franchising rather than having big companies run everything from the top. I am happy to see the expansion. It is not always the best thing, in so far as price competition is concerned, to have this difference in the positions of the two elements. Frequently, the local businessman finds he has to work long hours for little or nothing, making sacrifices to make ends meet, whereas the big company has arranged to be in a protected position. Perhaps we should have legislation which offers some protection to the man who finds himself in competition with a big company. There are many in this position and the number is apt to increase. Perhaps the minister would consider legislation of this nature.

[Mr. Thomson.]

• (3:50 p.m.)

Let me make one or two comments in respect of small businessmen generally. In our small prairie communities, these people have an equity in the community and they are interested in its welfare and well being. Frequently, they attempt to move heaven and earth to improve business and the community generally. We should give them credit where credit is due. If by offering credit in an economic sense we can help them to establish businesses, I suggest we ought to do so. I am in favour of this bill but I have some reservations as to how effective it might be. I hope the minister will answer the question I have asked in respect of supervision of provincial organizations.

Mr. Mark Smerchanski (Provencher): Mr. Speaker, I should like to speak in favour of these amendments to the Small Businesses Loans Act. They will allow small business enterprises to avail themselves of more competitive loans from various banking institutions. Prior to this, a small businessman was only able to get a loan from a bank. The horizons will now be such that he can get a loan from a credit union, from a trust company and the like.

It is not fair to suggest that the trust companies had a hand in proposing these amendments to the Act. In any event, more money will be made available to the small businessman. The purpose of the Small Businesses Loans Act has been forgotten in recent years. Perhaps this is the result of the establishment of the Area Development Agency program which has provided a certain amount of necessary funds to small businessmen in Canada.

The present bill is an excellent one and is an indication that the Act has served its purpose. The fact that the number and amount of loans have decreased is also an indication of this fact. The suggestion that chartered banks are not prepared to take a risk in respect of small loans is not in accordance with the facts. This suggestion cannot be made simply because banks make loans in the normal course of business and ask for guarantees against default. The income of any bank has little or no bearing on the amount of money being made available under the terms of this Act and I think it is unfair to suggest that

banks have been reluctant to make such loans.

Let me also draw attention to the fact that the current taxation payment of 21 per cent on the first $35,000 will remain unchanged. It is not correct to say that after valuation day small businessmen will be penalized in relation to the big corporations. It will be open to the small businessmen, after valuation day, to pay himself a salary or fees which will be subject to the normal tax rates. Therefore, he does not have to pay double taxation. A small businessman can elect to follow this course under the present legislation and he can elect to do so after valuation day.

Let me caution some hon. members who have spoken about this subject. There is no difference in the terms or percentage that the small businessman pays under the existing law up to the $35,000 limit and what he will pay under the proposed changes in the white paper. The proposals in this bill will increase the number of banking institutions, including mortgage companies, trust companies and credit unions, to which the small businessman in Canada can go for a loan. These institutions will be prepared to assist in the same way the banks have done. This is an excellent change to the present Act. It will help the small businessman and encourage him. If this measure is operated in conjunction with the ADA program, it will be of tremendous advantage to the small business communities in Canada.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, my remarks on the proposed amendments to the Small Businesses Loans Act now before us, will, of necessity, be brief. There is little purpose in discussing at length a question that may very shortly become purely an academic one if the tax reform proposals so recently advanced by the Minister of Finance (Mr. Benson) are adopted by parliament.

In my view the minister's plans, as they affect small businesses and family enterprises, with which this bill is concerned, will effectively remove this segment of business from the national economy. In a few years such legislation as this Small Businesses Loans Act will be unnecessary because there may well be few small businessmen left to apply for loans and no small businesses needing money.

As far as this Act itself and the amendments proposed to be made to it are concerned, I have not criticism. Indeed, I think it is commendable to extend the body of loan-making institutions and to make more money available to small businesses on more generous terms. But, if the government's intent is to drive the small operator out of business, as the proposed tax reforms would appear to indicate, then what is the purpose of amending this Act or of having it on the statute books at all?

• (4:00 p.m.)

I was amazed to read Anthony Westell's quotation of a statement by the Minister of Finance (Mr. Benson) in the *Globe and Mail* of November 8. The minister was quoted as saying that his tax reform program was all for the little man. Such a statement may be politically astute, but it is hardly believable when we take a close look at the minister's proposals with regard to the little man in his role as a businessman. Small companies will be faced with the progressive rise in the tax on corporate income from the present fixed and tolerable 21 per cent on the first $35,000 of earnings to a level of 50 per cent on all income. In these circumstances it will matter little to a small businessman that, thanks to the passing of the amendments now before us, he can apply for a small business loan to a credit union, a caisse populaire, a co-operative credit society, insurance company, trust company or loan company.

Today's small operator, already being ground between jarring economic factors such as inflation, high interest rates, soaring federal, provincial and municipal tax rates, is scarcely likely to be excited by amendments to this Act designed to encourage lending by small-volume lenders. With the tax proposals hanging like a cloud over his head the small businessman in Canada today simply will be looking for a way out. All one needs to do is to take a look at what faces many small businesses and family businesses that revolve around one principal. Should this principal die, his heirs would be confronted by an estate tax that can run up to 50 per cent; a full capital gains tax that, including the provincial tax, could reach a rate of 56 per cent on any profit over the figure established on the proposed valuation day.

The excuse the Minister of Finance has given for singling out small businesses for such harsh treatment is that it is a method of stopping up the loophole of personal incorporation, a device by which some individuals sought relief from taxes by incorporating themselves. But where does that leave legitimate small businesses? Surely, some simple legal provisions could be made that would

prevent tax avoidance by self-incorporation without victimizing legitimate individual business enterprise and initiative. The minister is using a cannon to kill a mouse. He proposes to penalize many to get the few.

In today's *Globe and Mail,* I. H. Asper, in a very perceptive and thought-provoking article on the proposed tax reforms, asks several pertinent questions—"Does Ottawa want everyone to go public" and "Is there no place left for family or individual ownership?" These two questions go to the very heart of the legislation now before us. If Ottawa does in truth want everyone to go public—that is get out of small business and leave the whole field to large public corporations—then these amendments and the Act itself are redundant. If, as Mr. Asper suggests, there is no place left for family or individual ownership, then the same thing applies and we are wasting our time discussing this piece of legislation.

It is my firm belief, Mr. Speaker, that the philosophy of this present government allows no place in the national economy for small enterprises of any kind. The whole tenor of government statements and action since taking office has been to emphasize the fact that individuals, small businesses, independent operators of any kind, particularly those that make up the bulk of Canada's agricultural community, are not wanted, are nothing but a nuisance to the planners and the tax gatherers and have been, in effect, declared expendable by this government.

In conclusion may I say I support this legislation but believe it is odd that, although this legislation is of great value to the small businesses in the relatively depressed areas, these businesses should be faced with this tax cloud hanging over their heads.

Mr. W. M. Howe (Wellington-Grey): Mr. Speaker, I should like to say a few words in respect of Bill C-9 to amend the Small Businesses Loans Act. It is rather interesting that I do not entirely agree with my colleague the hon. member for Dauphin (Mr. Ritchie) when he says that small businesses are disappearing. It is interesting to note how many variety stores spring up in small towns and in this city. Many of these variety stores are open long hours. They are still doing business and must be prosperous. Their premises are well maintained and they provide a service to those of us who forget to get what we need before the large stores close at six o'clock. I do not have the statistics with me but from the statistics I have seen from time to time it would appear that small businesses are able to carry on in Canada today, despite the fact that there are such tremendous organizations as the chain stores and large department stores with which they must compete.

I am happy to support this legislation. The amendments simply add certain other lending institutions to those which are presently available to provide loans to small businessmen who require them. I should like to remind the House and the people of the country that the government of which I was a member in 1961 brought this Act into force in the first place. We were proud to do that because previously there had been no lending area in which a small businessman could borrow money for the purpose of enlarging his establishment, improving it or putting in new facilities. This legislation was of great assistance to him. The report for the year 1968 shows that almost 20,000 small businessmen have taken advantage of this legislation over a period of years. An amount of approximately $108 million has been lent, since the inception of this legislation. I believe this fact was mentioned earlier. It is interesting to note that in 1968 the number of applications and the amount of the loans made dropped by almost half. This fact brings to my mind the situation that has developed in connection with farm improvement loans in my area. When the bank interest rate became so high, the bankers were not interested in lending money to farmers. The same situation applies in respect of small businessmen. When the lending institutions can get 10 per cent for their money in other areas they are not interested in giving money to small businessmen or farmers at an interest rate of 8¾ per cent. I understand the interest rate applicable to this legislation at the present time is 8¾ per cent.

This brings us to an area which I think is important in respect of this legislation. I have reference to the rate of interest which is now so high. When this legislation was brought in, I believe the interest rate was around 5 per cent or at the most 6 per cent. Now, however, it is 8¾ per cent. Under present conditions, this may not seem to be too high, but how high is high. I think interest rates are something which should be looked into by this great commission we have set up to make a review of prices, wages and costs.

Perhaps the Bank Act could be altered in order to place a ceiling on the bank rate. Just the other day a banker whom I know said to me that he would be very happy to see the bank rate go back to 6 per cent because this

would be of great assistance to the people of Canada and would have a tremendous impact on the cost of living. Everybody is affected by the inflationary pressures that take away from the value of our dollars. This situation worries the old age pensioners and those who are retired on fixed incomes because they find they do not have adequate money to buy the things they need. I maintain that the high interest rate has had a tremendous impact on the cost of living. As I said before, I believe the government, through the wonderful new commission which has been set up, should examine the interest rates and if possible come to the conclusion that a reduction in the interest rate will combat the high cost of living and reduce the inflationary pressures in our nation.

• (4:10 p.m.)

There is one other thing I would like to speak about, and one other suggestion I would like to make in connection with this particular legislation. I notice the people who are eligible for loans are those who are in manufacturing, wholesale trade, retail trade, service businesses, construction, transportation or communications. I come from a small community of around 1,200 people which serves quite a large farm area, and we find it difficult to attract professional people who will set up businesses in the community. Would it not be possible to include professional people under the act such as doctors who want to build medical offices or medical centres from which they would service the area, and accountants, dentists and lawyers? I know these people are in the high income brackets, but hon. members who have small communities in their ridings know how difficult it is to attract professional people to them, people whose services are necessary.

Would it be possible for the Minister without Portfolio (Mr. Gray) to look into this suggestion, and give consideration to the possibility of loans being made to these types of people so that they would find it attractive to move into small communities and provide the services that are so greatly needed? In conclusion, Mr. Speaker, I support this legislation because, as I say, it was promoted by our party when we were the government and it has served a tremendous need in the nation ever since its inception.

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I would like to participate very briefly in this debate and to speak in support of this legislation because, as the last speaker has mentioned, it was brought in by our Party when we were in office. We considered it sound at that time and it is equally sound today.

For a few moments I would like to comment on a proposal contained in the White Paper on Taxation which affects small businesses. The Minister of Finance (Mr. Benson) and the Prime Minister (Mr. Trudeau) have submitted that white paper to the country so that it may be commented upon over the next few months, and I would like to make a comment on it now which I hope will be noted by the Minister of Finance through his colleague, the Minister without Portfolio (Mr. Gray). I feel sure he will bring this suggestion to his attention.

I feel it would be a great mistake to introduce the cancellation of the provision which presently exists, the 21 per cent rate on the first $35,000 of profits, and replace it with the 50 per cent rate on all profits. I feel this way, Mr. Speaker, for the following reasons: This 21 per cent rate of tax for the first $35,000 of profits has been of great help to small businesses in two important ways. First of all, the ability to retain a far larger share of the first $35,000 of profits has encouraged many creative men with drive and ability to get into business for themselves, and the country and the economy have benefited greatly thereby. These small businesses have often grown into large operations, with the resultant growth in wealth and employment for our country.

The second reason is that the lower rate of tax on the first $35,000 of profits has encouraged many small businesses to plow much of their earnings back into the business, and this has provided them with expansion capital which they badly need. This is particularly important for small businesses which have the ability to expand but find it hard to do so because of the difficulty in borrowing the capital which they need for their expansion operation.

As we all know, small businesses find it much more difficult than large businesses to borrow capital because of their size and because of the fact that in many cases they have not been long established. If they are able to borrow they often have to pay very high and sometimes exorbitant rates of interest, something which they can ill afford to do. Therefore, Mr. Speaker, I strongly recommend to the Minister of Finance and to the government, through the Minister without Portfolio (Mr. Gray) who is in attendance

today, that they give serious consideration to retaining the 21 per cent tax rate on the first $35,000 of profits which as I say, has been of tremendous benefit to small businesses in the past, and will be in the future. If that measure is retained, I believe that small businesses will in the future be able to continue to grow and prosper with great benefit to our country.

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I just want to say a few words on Bill C-9 to protest the evidence of discrimination which, in my opinion, exists in relation to the availability of funds for some parts of Canada under the Small Businesses Loans Act. I refer in particular to the Atlantic region, especially the province of Newfoundland.

The more I look at this Small Businesses Loans Act and at two other similar ones—I refer to the Fisheries Improvement Loans Act and the Farm Improvement Loans Act—the more it is brought forcibly to me that they are not worth much, if I assess correctly the benefits that are supposed to be derived from the legislation in some areas of the country. But more important is the fact that the lending institutions, specifically the banks, are shirking their responsibility in carrying out their duty to all those for whom the benefits are intended.

We spend hours and hours debating the various Acts and the amendments thereto proposed in this House but I have yet to understand why we waste time debating them when, as is apparent, the government does not seem to follow up what happens after they are passed. I have no hesitation in stating that the principle of the Small Businesses Loans Act is a good one, but if we keep passing these bills we must assume responsibility for seeing that the benefits which should flow from them are extended to all Canadians. Furthermore, we should make sure that those agencies which are responsible carry out the responsibilities with which they are charged under these Acts. Instead, we print reams and reams of copies of these bills and file them away for posterity.

I would like to refer to a news release issued by the Department of Finance on October 21 giving a list of the loans made in 1968 and part of 1969. In 1968, for a six months period under the Small Businesses Loans Act, there were 742 loans granted in Canada totalling an amount over $7 million. However, only one loan was granted in Newfoundland for an amount of $25,00. In a six months period in 1969 there were 769 loans granted in Canada totalling over $8 million, and again only one, amounting to $4,380, to some applicant in Newfoundland.

The same situation applies with regard to the Fisheries Improvement Loans Act. In the 15 years since its inception, only 18 loans were granted in Newfoundland. Under the Farm Improvement Loans Act, in 1968 only one loan was granted in that province, amounting to the grand sum of $1,280 out of a total for Canada of over $30 million. It is easy to see the trend, Mr. Speaker. Newfoundland must be on a quota system for these loans, a quota of one per year. This is a preposterous and ridiculous situation, and it should be the duty of the government to investigate the reason for this situation.

If the object of this Act is to provide funds for loans to small businessmen to start or improve various types of businesses and to help those with initiative and resourcefulness who might not be able to borrow money under ordinary circumstances, then someone is denying Newfoundlanders this right or else Newfoundlanders are not trusted. If this is not so, then I would like to get some answers. I want to know if Newfoundlanders are treated on the same basis as people in the rest of Canada. Since coming to Ottawa I have recommended the availability of various government loans to many constituents in my province seeking help to start businesses, and of the many who tried to obtain loans all have failed with the exception of one. He must be the quota for this year. He was granted a loan, but at an interest rate of 11 per cent. Even though he applied under this legislation, he was not given the benefit of the lower rate of interest. A few months ago, as a result of frustration, I wrote to the Minister of Finance (Mr. Benson) with regard to Fisheries Improvement Loans asking for some explanation of the fact that 99.9 per cent of applicants from Newfoundland were being turned down. I received a three page reply and this is what I was told in effect.

• (4:20 p.m.)

As you know, all these guaranteed loans programs require the lender to exercise the normal procedures used by him in the course of the conduct of his own business. A lender has the authority under the legislation to refuse a loan if a manager feels he would not make a normal bank loan to the individual concerned because of past experience with the customer or if he considers the credit risk too high. He further went on to say that he

did not think it would be proper for him to interfere in these aspects of the programs. If this is the case; Mr. Speaker, that the banks can refuse a government guaranteed loan just as they would a normal bank loan, then what do we need the legislation for or what is its purpose? I can only deduce, Mr. Speaker, on the basis of past performance which is so evident from the information in the breakdown of loans, that the lending institutions are destroying the initiative of small business in the deprived regions of Canada absolutely and intentionally. Unless a new appraisal of the situation is made in good faith, this bill will not benefit all Canadians as it is supposed to do.

Mr. Frank Howard (Skeena): Mr. Speaker, it was very interesting, and disconcerting too, to listen to the remarks of the hon. gentleman who just preceded me and to understand from them that the great benevolent banking system in this country is not really that interested in some parts of Canada. Obviously, the government of the day and its predecessors who have made occasional changes to the Small Businesses Loans Act are not that interested either.

We all know that the intention and the purpose of the Act was, in theory anyway, to provide an opportunity for small businesses to acquire the capital that had previously been denied them. We know, too, that the presumption of the law when it was initially introduced was that the forces of the Canadian government and the Canadian Parliament, not only in an underwriting sense so far as loans were concerned but in a moral sense as well, were to underpin the position of the small businessman all across the nation. According to the remarks of the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall) that has not been the case in Newfoundland. I think it probably shows that the banking fraternity in Canada, as is the case with institutions in other fields, is interested in making a buck, making a profit. The factor of service and availability of facilities to areas on a moralistic or economic basis is purely incidental.

One would think, Mr. Speaker, that this government, which is purported to have some concept of the just society, would take cognizance of this reluctance on the part of banking and lending institutions to involve themselves more intimately in the areas of Canada most in need of assistance. To that extent, and in the light of the proposal before us, I consider this government to be derelict and delinquent in its duty to Canadians interested in developing, promoting or establishing a small business.

When it comes to reading the fine print and putting the law into force, some of the reasons for the legislation seem to have gone by the board. One of these reasons was to put the small businessman in a relatively competitive economic position with regard to big business, the corporate entities. We all know that larger corporations have more financial resources which make it easier for them to engage in research, etc. We know that it is easier for a large corporation, vis-à-vis a small business or company, to engage in the sales and advertising techniques necessary to promote the product which it produces or distributes. It is easier for them to find their finances internally or to borrow money by debenture or raise it by the sale of additional shares or the issue of warrants. Small businesses cannot take such measures, however. The large corporations can carry a large inventory. As witnessed in the last day or two by the announcement of Shell Oil and Gulf Oil, who will not be the only two companies to increase prices, it is easier for large corporations to control prices.

The presumption of the law when it was first introduced in the Canadian Parliament was that it should be used to place the small businessman in a better position with respect to his total activities in the fields of production, advertising, sales, creation of money, capital and the like. Mr. Speaker, this does not seem to be the case. It seems that the Act is more for propaganda purposes than to render aid. Mind you, it is true that some businesses have acquired loans from banks under the Act and no doubt some will in future. I think the minister said that the loans ranged somewhere between $20 million and $26 million a year, but the chances are that many of the businesses concerned could have acquired a loan from the bank even had it not been guaranteed under the Small Businesses Loans Act, so the full force and value of the legislation is not really reflected in these figures.

One of the prime costs of doing business today is the interest rate. The Small Businesses Loans Act deals with this and at the moment the rate is pegged at 8½ per cent. By April 1st, next, it is likely that this will have increased because interest rates on government bonds will probably increase. This is partly due, I think, to the publication of the White Paper on Taxation and the issuance of the current Canada Savings Bonds series. To

draw an analogy with the Canada Savings Bonds, the government has said to the Canadian people that for the next five years they can expect interest rates to be as high if not higher than they are at the moment. The Government has taken the course of borrowing money through the issuance of Canada Savings Bonds and has guaranteed to pay interest rates averaging 8 per cent over a nine year period and ranging upward of 8¼ per cent in the latter years of the life of the Canada Savings Bonds. The government would not presume to do that if it expected interest rates to decline. The White Paper on Taxation which was issued a week ago indicates that there is a likelihood of interest rates increasing.

• (4:30 p.m.)

It seems, from the way the stock market reacted last week to the white paper, that much money in this country is to be invested in the stocks of Canadian corporations. If that is the case, then part of that investment money will be re-invested; it will be taken out of bonds and put into the common shares of companies. Clearly, if the attractiveness of bonds is to remain, then the interest rates of government, municipal, provincial bonds and the like will have to be increased in order that investors will want to invest money in bonds. If that is to happen, as seems to be the case, it simply means that interest rates are likely to increase further. The prospective figure of 8½ per cent interest or thereabouts that is to apply to small business loans may increase to heaven knows what; we do not know to what extent rates will have increased by next April. I submit that this sort of thing is certainly not helpful to the total economy of the nation. It reflects a mismanagement of the entire monetary system in Canada. Also, it does not help the small businessmen of this country, those who are supposed in theory to benefit from the Act we are amending.

The amendment, I submit, is relatively insignificant. It simply seeks to extend the group which may lend money, to extend the time during which the Act will be in force and to make an extension with respect to amounts. But the amendment does not get to the core of the problem. It does not, in the true sense, place those small businessmen who are the backbone of the rural part of the country in a position that is different from the one they are in now.

One would think that with the so-called concern expressed by the Prime Minister (Mr. Trudeau) and members of the government about the position we are in, it would have been possible to develop legislation that is more attractive, worth-while and valuable to the small businessman than is the bill we are currently considering.

[Mr. Howard (Skeena).]

[*Translation*]

Mr. Bernard Dumont (Frontenac): Mr. Speaker, we have been advised that the government would introduce Bill C-9 entitled "An Act to amend the Small Businesses Loans Act", which reads in part:

Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. Paragraph (a) of section 2 of the Small Businesses Loans Act is repealed and the following substituted therefor:

"(a) "bank" means

(i) a bank to which the Bank Act applies,

(ii) a credit union, caisse populaire or other cooperative credit society that is designated by the Minister on the application of that society as a bank for the purposes of this Act, or

However, when we get in touch with the officials of credit unions or caisses populaires in the province of Quebec, we realize that they have not even been consulted before the bill was amended. The officials of those organizations, which have provincial juridiction and are provincially-chartered, fail to understand why they were not even consulted before the Small Businesses Loans Act was amended. They see the federal government intervene in the preparation of legislation about which they expect to be consulted.

In view of such intransigence on the part of the federal government, which does not even bother to consult provincially-chartered organizations, we of the Ralliement Creditiste cannot understand why a meeting was not held in order to avoid friction between the federal and the provincial governments.

Our responsibility as members is always to consider first the orderly conduct of the nation's business. I think I should point out that there may be disagreements, but they are not always due to the provinces; bent on centralization, the federal government often forgets that certain areas come under provincial jurisdiction. That is why we ask that what belongs to Caesar be given to Caesar and that some effort be made to reach prior agreement with credit unions.

I would like to remind the House that we, of the Ralliement Creditiste, have been asking for many years that the Bank of Canada be put at the service of small businesses by

granting them low interest loans, or merely on the basis of the administration costs, because several small businessmen are compelled today for all practical purposes to pay up to 10 per cent of interest.

In my opinion, the request made by our organization for over 50 years has certainly not been put into practice, and this interferes with the operation of some small businesses which, because they belong to the private sector, should be helped in co-operation with the Bank of Canada granting loans at interest rates of 1½ or 2 per cent.

Quite often, our opponents tell us: "Yes, but if the Bank of Canada provides interest-free loans to small businesses, that would be senseless. I will now take the liberty of referring to a statement as reported in *Hansard* for April 28, 1959. It is a statement of Mr. Cardin which I will textually quote, in order that we may note that in 1959, under a Progressive Conservative government, the opposition criticized. With a reversal of the situation, criticism sometimes comes from the other side of the House.

Therefore, one realizes we are not the only ones who ask that the Bank of Canada, and not the caisses populaires and credit unions, make loans to small businesses. The claims of others are sometimes more convincing, specially when those others belong to the opposition.

Here is what Mr. Cardin said, and I quote:

As I say, I think it is clear that the Conservative government has in fact decided to monetize its defiicit. I admit that I had to look into the matter of monetization and in my research, I came across an article in the *Commercial and Financial Chronicle* of April 23—

I will now quote from that article, signed by Mr. Robert B. Anderson, Secretary of the United States Treasury:

"There is little understanding of fiscal matters, even among those who are eminent and on the whole otherwise well informed. I realized this one day when a visitor to my office told me: 'Mr. Secretary, you refer to the dangers involved in monetization. Do you know, I just don't believe any danger is involved, probably because I don't quite understand what monetization means'." Here is the Hon. Robert Anderson's explanation:

"I replied: "Let us suppose I want to issue 100 million dollars worth of cheques by tomorrow morning, but the Treasury has no more funds. If I called a bank and said: "Would you lend me $100 million at 3½ per cent payable in six months if I sent you a promissory note?", the banker would probably reply: "Yes, sure."

Where would he find the $100 million to credit to the U.S. Treasury? Would he take them from someone else's account? Surely not. He would simply create this sum of money on condition that he would not encroach on the prescribed reserves—in crediting it to our account and in accepting the government's note as an asset. When $100 millions worth of cheques had been issued, the operation would have added this amount to the aggregate currency in circulation. This is monetization to about the same degree as if I had called the Mint and had asked them: "Coin me $100 million of bank notes and send them to me before tomorrow."

Mr. Speaker, if the Secretary of the Treasury of the United States was able, in 1959, to make such a statement and if, last week, in the Finance, Trade and Economic Affairs Committee, a German expert in "indebtedness" was able to tell us that the real cause of the disappearance of some industries lies in the increase of interest rates up to 10 per cent, it might be a good idea to take into consideration the proposals made by the Créditistes.

In the United States and in Germany, small businesses succeed because the money they need to survive is printed by hundreds of million dollars.

The Americans can afford to purchase the product of the Canadian economy. We have seen this, especially in the province of Quebec, with regard to the Ski-Doo industry which has developed in the last few years.

Ski-roule, a Canadian company, has just been sold to Americans for an amount of $28 millions. No wonder since they print money, $100 millions at a time. They come and buy Canadian industries while we hurl accusations at each other and refuse to accept the suggestions that the Créditistes have been proposing for 50 years.

The German professor who visited us last week demonstrated that everything was just fine in Germany and that his country, as well as the United States, has taken a leaf from the Social Credit's book without saying so, and allowed State banks to lend money to small industries, sometimes at low rates or by means of other clearing devices, which enables them to buy some Canadian industries.

It is time, I think, that all Canadians join forces because if, as the Secretary of the U.S. Treasury stated, Americans can print $100 millions in order to buy Canadian small industries, it is time, I say, that we should join forces and print money against production guarantee, so as to help small businesses and lend them money at interest rates much lower than those now in force.

As a young student working in credit unions, I was taking courses where I was told

that co-operation was a marvellous thing to prevent the exploitation of man by man.

We had composed a very popular song against the exorbitant interest rates of 10 per cent imposed by some finance companies while credit unions required only 3 per cent The song was entitled: "un jour les voleurs confus s'en iront". (Some day, the confused thieves will go away).

Well, Mr. Speaker, since we are paying 10 per cent interest at the present time, I say that this is legalized robbery, and that many industries will disappear unless we follow the example of other countries which print money according to their needs, without telling us about it. Besides Mr. Cardin added, and I quote:

Then, it is quite difficult to understand how, according to the Minister of Finance—

—a Progressive Conservative then—

—the highest bank rates in Canada's history can be helpful to the provinces and the municipalities. We recall all the speeches that were made by members of the government and all the crocodile tears that were shed about the financial plight of the provinces and the municipalities and the fact that they were so greatly in debt it was very difficult for them to get out. We also remember the promises that were made that the provinces and the municipalities would have a greater share of the tax dollar and that borrowings would be made far more easy.

If such statements were made in 1959 about the municipalities and provinces, I submit that today, for the benefit of the smaller industries, we must accept the proposed amendment to the act, subject to the reservations I made at the beginning, because the caisses populaires and the credit unions have not even been consulted. As I said, it is high time we joined hands to grant low interest loans, because at the present time, even with Bill C-202 designed to help small businesses, if these are unable to borrow even at low interest rates to go into business, we fail to see the purpose served by this bill.

It seems that money is scarce almost everywhere, as evidenced by an obvious increase in the interest rate. We have to borrow on the New York market, and also in Germany, because the German people pursue the policy of issuing paper money.

Therefore, I urge the government to amend the act so as to enable the Bank of Canada to grant loans to those small businesses, in order to bring prosperity back to Canada.

[Mr. Dumont.]

• (4:40 p.m.)

Mr. André Fortin (Lotbinière): Mr. Speaker, I should like to make a few brief remarks on Bill C-9, entitled an Act to amend the Small Businesses Loans Act, tabled and sponsored by the Minister of Finance (Mr. Benson).

Needless to say, I support the remarks just made by the previous speaker, the hon. member for Frontenac (Mr. Dumont). Indeed, he dealt with the fundamental problem now facing private enterprise, the small businesses in particular, that is the exorbitantly high interest rates over which the federal government has no control, which it uses to favour big finance instead of private enterprise. There lies the fundamental problem: should we continue to encourage private enterprise or, through all kinds of measures, under the pretext of helping it, should we "sink" it, as the saying goes?

In the last five or ten years, private enterprise in Quebec is in a very precarious situation. In fact, from one year to the next the number of bankruptcies keeps increasing.

The federal government will say that it is aware of the problem, of the increase in unemployment, and of the ensuing economic and social problems. The minister will say that Bill C-202 is intended precisely to remedy those problems.

I feel that Bill C-202 really tackles the problem of economic and regional disparities, but I also believe we should pass a measure to protect small businesses, to enable small plant owner to modernize their operations, to improve and increase their production and services and also to provide work for the unemployed family men with four, five and six children.

I have in mind—that is why I am taking part in this debate—six small industries in the municipalities of Victoriaville and Princeville—both in my constituency—that got in touch with me to get federal assistance for they were in such a serious situation that failing immediate help, they were doomed to disappear from the business world.

In fact, three of those six businesses have failed already with the resulting lay-offs. Now, the government has to pay those people unemployment insurance and welfare benefits.

With the present system, it seems that we would rather pay people for doing nothing than pay them for producing something.

I now come to the matter I want to deal with, namely that the small enterprise owners

and people as a whole are badly informed about the legislation entitled "An act to amend the Small Businesses Loans Act".

If the owners of small Canadian businesses were the subject of a survey and were asked what advantages they can draw from the legislation, one would be surprised to discover their ignorance, and this, not because they want this state of affairs, but because the government agencies do not convey to them this information.

Last year, for example, I requested precise information from the officials responsible for administering this legislation in order to communicate it to my constituents, rather than simply giving them a copy of the text of the legislation.

It took a month and a half to get an answer and when it came, it was too late for the owner had lost interest in carrying on his business and was about to close.

Every time my colleagues or myself have tried to get information as to the application of the act, the number of concerns that were able to avail themselves of its provisions, nature of such concerns or the location of the regional offices, we have repeatedly been disappointed.

Valuable as the legislation may be, information is always shown in coming. We could pass every day a number of excellent measures but if they cannot reach the people through every channel available, they might make the legislators happy but from the point of view of economics, they are just nil.

It so happens that the law is not all that good for it results in putting the small businesses into a very difficult position. Without help, they are bound to disappear. And even if they do get that help, they will still disappear, sooner or later because of the increasing interest rates and because of the doings of big business which is trying to get hold of them, particularly if they are located in Quebec.

I do not want to put the blame on the federal government only but also on the provincial government; both fail to assume their responsibilities, thus causing the majority of French Canadian businesses in Quebec to fall into the hands of Americans.

I could mention the case of the Gâteaux Vachon Company from Beauce. What is happening to that business? If my memory serves me right, it has been taken over by Americans. If it has not happened yet, it is a matter of days or hours perhaps.

Not far from home, there is another very flourishing French Canadian business, established at Wickham in the riding of the Minister of Industry, Trade and Commerce (Mr. Pepin). It is called Ski-roule. It has been sold to American interests and French Canadians will have to keep on working for them.

I do not object to the fact that other countries come to our assistance nor do I have any objection to Canada helping other countries. But our provincial and federal governments should assume their responsibilities and prevent these businesses from collapsing under the weight of big finance which prescribes its own interest rates to the government, which pays into the election fund of the governments in power, in Quebec as well as in Ottawa, so that, little by little nearly all our businesses disappear. It is the responsibility of our members to put this matter before the House.

It is not a matter of creating a scandal or a storm in a tea-pot nor of blaming unnecessarily the government for that situation but we must simply raise the matter in the hope that we will stir up the interest of government members to the extent that they will espouse the cause of our citizens and private enterprises.

As I was saying earlier, people are misinformed. Let us assume for a moment that this legislation under consideration is perfect. If people are not adequately informed as to the advantages of such legislation if they do not understand its terms, or its implications, how can we expect our small businesses to benefit from it?

In my riding, I know that six firms were trying by every means to obtain long awaited information that was quite incomplete. I wonder whether it would not be appropriate to conduct an investigation throughout Canada in order to determine if this act is actually enforced or if it does not serve only a few privileged people.

I have been wondering about this. If this legislation were truly serving all Canadians, no one would be afraid to give it publicity accordingly, no one would be reluctant to speak about it, to provide government services to small businesses, in an attempt to make private enterprise truly progressive.

Mr. Speaker, I conclude my remarks with the hope that the minister will not consider them completely derogatory. I would like to tell him that we cannot accept his policy on interest rates, which keeps increasing inflation and unemployment, and tends to destroy the small business.

Furthermore, I would urge him to promote increasingly the establishment of a complete information system between the government and the people, the legislators and those who may benefit from the act, otherwise we shall be led to believe that it is intended for friendly supporters of the government, and not for businesses which really need it.

I would suggest to the minister that if he has any money left and if he really is interested in helping small businesses, the Lotbinière constituency would need some help. He might empty his coffers there.

• (4:50 p.m.)

[*English*]

Mr. Speaker: Is the House ready for the question?

[*Translation*]

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I raise a point of order.

Several members of the Creditiste party have not been able to take part in the debate on this bill because they were attending and are still attending committee meetings. They would like to make some comments this evening, if they were allowed to do so.

Mr. Knowles: It is five o'clock.

[*English*]

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Winnipeg North Centre (Mr. Knowles)—Pensions—retired C.N.R. employees—inquiry as to increase; the hon. member for Surrey (Mr. Mather)—Public Service—alleged lack of equal employment opportunities for women; the hon. member for Frontenanc (Mr. Dumont)—Language schools.

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, Private Bills, Notices of Motions or Papers and Public Bills.

[Mr. Fortin.]

PRIVATE MEMBERS' MOTIONS FOR PAPERS

INDIAN AFFAIRS

DOCUMENT RELATING TO INDIANS ON EXECUTIVE COMMITTEE

Mr. Frank Howard (Skeena) moved:

That an Order of the House do issue for a copy of the document, entitled "Report of Working Group I —Indians to the Executive Committee" which working group had its terms of reference set out in February, 1968 and which was formed to examine and outline the problems relating to Indians and to make recommendations concerning strategy, policy and programming.

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

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: Is the House ready for the question?

Some hon. Members: Question.

The House divided on the motion (Mr. Howard) which was negatived on the following division:

• (5:00 p.m.)

YEAS

Messrs:

Aiken	Laprise
Alexander	La Salle
Alkenbrack	Latulippe
Baldwin	MacEwan
Bell	MacInnis (Mrs.)
Benjamin	Macquarrie
Burton	MacRae
Caouette	McGrath
Coates	McIntosh
Code	McKinley
Crouse	Marshall
Danforth	Mather
Dinsdale	Monteith
Dionne	Moore
Downey	Nesbitt
Dumont	Nystrom
Flemming	Orlikow
Fortin	Paproski
Gleave	Peters
Grills	Ricard
Harkness	Ritchie
Hees	Saltsman
Horner	Simpson
Howard (Skeena)	Southam
Knowles (Winnipeg North Centre)	Stanfield
Knowles (Norfolk-Haldimand)	Tétrault
Lambert (Bellechasse)	Thomson
	Valade
	Winch—56.

NAYS

Messrs:

Badanai	Macdonald (Rosedale)
Basford	MacEachen
Béchard	MacGuigan
Beer	Mackasey
Boulanger	McBride
Brown	McNulty
Cantin	Mahoney
Chappell	Marchand (Langelier)
Clermont	Marchand (Kamloops-Cariboo)
Cobbe	Morison
Comtois	Murphy
Côté (Longueuil)	Noël
Cyr	O'Connell
Danson	Olson
Davis	Orange
Deakon	Osler
De Bané	Otto
Drury	Pelletier
Dubé	Penner
Émard	Pilon
Forget	Portelance
Francis	Pringle
Gendron	Prud'homme
Gervais	Richard
Gibson	Rochon
Gillespie	Rock
Givens	Roy (Laval)
Gray	Ryan
Greene	Serré
Guay (St. Boniface)	Smerchanski
Guilbault	Smith (Saint-Jean)
Harries	Stafford
Honey	Stanbury
Kaplan	Stewart (Cochrane)
Kierans	Sullivan
Lachance	Tolmie
Laing	Trudeau
Langlois	Trudel
Laniel	Turner (London East)
Lefebvre	Turner (Ottawa-Carleton)
Legault	Wahn
Lessard (LaSalle)	Walker
Lind	Whelan
Loiselle	Whicher
Lessard (Lac-Saint-Jean)	Whiting—90.

• (5:20 p.m.)

QUEEN ELIZABETH II TELESCOPE

REQUEST FOR REPORT BY DR. ROSE

Mr. David Orlikow (Winnipeg North) moved:

That an Order of the House do issue for a copy of the Committee Report, headed by Dr. D. C. Rose, on the Queen Elizabeth II telescope, presented to the government in August, 1968.

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

• (5:30 p.m.)

Mr. Macdonald (Rosedale): On a point of order, Mr. Speaker, may I say to the hon. member that I understand the document is now available for tabling, if he would like that.

Division

Mr. Orlikow: That is precisely what I was going to say. I was told the government was prepared to table the document, and I am quite willing to forgo a speech.

Mr. Knowles (Winnipeg North Centre): Is the motion carried, Mr. Speaker?

Mr. Speaker: Is the motion carried?

Some hon. Members: Yes.

Mr. Speaker: I gather that the motion is to be deemed to be carried.

Motion agreed to.

FISHERIES

REQUEST FOR STUDY ON RAINBOW TROUT FARMING

Mr. David Orlikow (Winnipeg North) moved:

That an Order of the House do issue for a copy of the cost-benefit study on rainbow trout farming referred to by the Minister of Fisheries and Forestry in the June 23rd press release of the Fisheries Research Board of Canada.

Mr. Speaker: Is it the pleasure of the House to adopt the said motion? Those in favour of the said motion will please say yea.

Some hon. Members: Yea.

Mr. Speaker: Those opposed will please say nay.

Some hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

And more than five members having risen:

Mr. Speaker: Is it the wish of the House that we ring the bells or that we take the vote now?

Some hon. Members: Now.

Some hon. Members: No.

Mr. Speaker: Call in the members.

The House divided on the motion (Mr. Orlikow) which was negatived on the following division:

YEAS

Messrs:

Aiken	Caouette
Alexander	Coates
Alkenbrack	Code
Baldwin	Crouse
Bell	Danforth
Benjamin	Dinsdale
Burton	Dionne

Division

Dumont	McIntosh
Flemming	McKinley
Fortin	Marshall
Gleave	Mather
Grills	Monteith
Harkness	Moore
Hees	Nesbitt
Horner	Nystrom
Howard (Skeena)	Orlikow
Knowles (Winnipeg North Centre)	Paproski
	Peters
Knowles (Norfolk-Haldimand)	Ricard
	Ritchie
Lambert (Bellechasse)	Saltsman
Laprise	Simpson
La Salle	Southam
Latulippe	Stanfield
MacEwan	Tétrault
Macquarrie	Thomson
MacRae	Valade
McGrath	Winch—54.

NAYS

Messrs:

Badanai	MacGuigan
Basford	Mackasey
Béchard	McBride
Beer	McNulty
Boulanger	Mahoney
Brown	Marchand (Langelier)
Chappell	Marchand (Kamloops-Cariboo)
Clermont	
Cobbe	Morison
Comtois	Murphy
Côté (Longueuil)	Noël
Cyr	O'Connell
Danson	Olson
Davis	Orange
Deakon	Osler
De Bané	Otto
Drury	Pelletier
Dubé	Penner
Émard	Pilon
Forget	Portelance
Francis	Pringle
Gendron	Prud'homme
Gervais	Richard
Gibson	Robinson
Gillespie	Rochon
Givens	Rock
Gray	Roy (Laval)
Greene	Ryan
Guay (St. Boniface)	Serré
	Smerchanski
Guilbault	Smith (Saint-Jean)
Harries	Stafford
Honey	Stanbury
Kaplan	Stewart (Cochrane)
Lachance	Sullivan
Laing	Tolmie
Langlois	Trudeau
Laniel	Trudel
Lefebvre	Turner (London East)
Legault	Turner (Ottawa-Carleton)
Lessard (LaSalle)	
Lessard (Lac-Saint-Jean)	Wahn
	Walker
Loiselle	Whelan
Macdonald (Rosedale)	Whicher
MacEachen	Whiting—88.

Mr. Speaker: I declare the motion lost.

[Mr. Speaker.]

Mr. Macdonald (Rosedale): Mr. Speaker, I wonder if the House might be agreeable to calling it six o'clock.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

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

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

SMALL BUSINESSES LOANS ACT

EXTENSION OF CATEGORIES OF LENDERS

The House resumed consideration of the motion of Mr. Gray that Bill C-9, to amend the Small Businesses Loans Act, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

[*Translation*]

Mr. Henry Latulippe (Compton): Mr. Speaker, I am pleased to take part in this debate on Bill C-9, because it has to do with industry and improvements to the small businesses loans program.

Some of these amendments will enable the caisses populaires to participate in this loans program.

Presently, I do not see how the problem could be solved this way.

Certainly we are facing a financial problem we will not solve by creating new debts, by granting new loans, by setting prohibitive interest rates.

As an example, I will take the Industrial Development Bank which is now making loans to industries at an 11 or 12 per cent interest rate. Is it by maintaining this practice, in the case of Caisses Populaires or other institutions lending under similar conditions, that we will solve the industrialization problem? The only thing we achieve this way is to encourage industry to incur further debts it cannot repay. In fact, its production costs will increase so much that it will be unable to distribute its production because the consumers will never have the necessary purchasing power to buy the surplus production.

Several industries would not need capital at the present time nor would they have to pay prohibitive interest rates, if they could find a market to sell their products. We can finance production as much as we want to, but if we do not finance consumption, we will only aggravate the existing uneasiness.

But industry is compelled to finance consumption and buyers because the latter have no buying power. And industry is bound to do this for five, six or twelve months and to secure repayment bit by bit or to force the debtors to pay. That is one of the reasons why industry can no longer operate: it has to pile up stocks, to enlarge premises and to support consumers.

That explains why important reserves of capital are necessary to run an industry. When capital has to be borrowed at present interest rates which are exorbitant very little progress is possible in industry.

Here is how this will come out: we are going to help industry fill its warehouses and sell on credit even more. But one of these fine days, there will be all kinds of bankruptcies. Small business in particular will go bankrupt because they will be unable to sell their products and will have to pay too much interest to keep their inventories and their buyers.

There is the rub. Many small businesses could well do without such charges if they were able to sell out their products and get paid. That is one of the reasons why I wanted to rise and speak on this bill.

Our problem is of an economic nature. It is one of distribution, rather than one of production, because, at the present time, in 1969, our gross national product amounts to $72 billion. Canada has consumed $40 billion of it, and with $40 billion we want to purchase $72 billion's worth of goods. It is impossible. Consumers should pay $40 billion for products valued at $72 billion. This is where we should intervene. This is where adjustments should be made. This overproduction costs nothing to anyone. It is a surplus of the society at large, a surplus for all Canadians who are shareholders of their country, a surplus which should be distributed under the form of compensated discount in order to reduce prices and bring them in line with the purchasing power. This is what I wanted to say. There surely are solutions.

• (8:10 p.m.)

At the present time, instead of trying to remedy the situation, we aggravate it. The more we apply the system, the more unbalanced becomes our economy. What is needed is a balanced economy which we will arrive at by adjusting prices rather than setting them. This is where we should intervene.

Production represents $72 billion and consumption is equivalent to $40 billion. Production is equal to consumption. Consumers should pay $40 billion for that production. That is the point where prices should be adjusted. Otherwise, we will no longer succeed in balancing a productive, active, mechanized and technical economy, from which would issue an automated production requiring no employer.

We shall not settle the problem by granting loans. We are not against loans. We want the small industries to carry on. We very well know that the problem will remain the same and that the burden of the debt will simply increase.

The desired goal will only be reached through the implementation of a banking policy designed to provide the necessary funds both for the production of the goods that our human and material resources make physically possible, and for the proper distribution of all our national production or the equivalent.

If there is no money to make production possible in order to meet human and normal needs, and if it becomes plentiful when production and means of production are requisitioned to pay soldiers and to make deadly weapons, it is because the present monetary system is imposing decisions instead of proudly reflecting the facts resulting from the free action of free producers and free consumers. So this is why we should get to the heart of the problem and find appropriate solutions.

The first proposal is aimed at insuring maximum purchasing power by achieving a balance between consumer prices and the total amount of money available to purchasers.

If production is to achieve its end, which is consumption, it is necessary to establish a price adjustment machinery, instead of fixing prices. It is up to the producers themselves to determine their cost prices, for they know their production costs.

During the last financial year, the country's production has reached $72 billion and consumption $44 billion, in round figures. The $72 billion production has then cost the country $44 billion. The $28 billion must be supplied by another source, not by the buyers. The monetary system should see to that.

In other words, there should be a general compensated discount which would be the contrary of a sales tax and this compensated discount should be applied to all the retail prices for the duration of the financial year which is beginning. At the end of each financial year, the general compensated discount should be calculated in the light of consumption and in relation to the production volume.

Thus we would come as close as possible to the ideal purchasing power. This operation would be called a compensated price or discount, because the money which the seller does not get from the purchaser owing to that discount, he would get later on from the national credit board. This compensation granted to the seller so that he may get his full cost price, safeguards all interests and benefits everyone through the easy flow of goods to meet the needs. Production is intended to be sold.

If industry is to be reorganized, it is impossible to do so simply with loans in the case of private industry. Here I distinguish between private industry and capital stock industry.

Private industry has to reimburse its capital, pay interest and pay its taxes, and the loans it raises result in bankruptcy for 99 per cent of the small companies.

So what is the use of creating such a situation, organizing industries in such a way that they cannot prosper. All our present efforts are useless. Share-capital industries, since they do not have to reimburse capital, can manage to scrape through, although many of them will be unable to make it.

So what we are heading for is socialism, centralization, an appalling slump, utter destruction of private enterprise. With the present tax pattern, no private industry, no merchant can manage to pay debts as well as provincial, municipal, school and other taxes.

In these conditions, it is impossible for a small industry to become prosperous and to make profits if it cannot dispose of its products. Even though we invest more in industry, we do not inject into it more purchasing power because our investments are used to pay for the machinery and the buildings. They are "dead" investments which hardly contribute to put money in circulation.

Nowadays, an industry which employs 10 people can be compared to one which employed 200 people 20 years ago, taking into consideration automation, science and progress.

I would have a lot more to say but I think that other hon. members wish to speak on this matter. As for me, I consider that I have done my share.

I am sure that the increase in the amount of these loans will not improve the economic situation of industry.

[*English*]

Mr. Gray: Mr. Speaker, I think in winding up this debate on second reading of the bill hon. members would expect me to respond briefly—

The Acting Speaker (Mr. Béchard): Order, please. I must advise the House that if the minister speaks at this time he will close the debate.

• (8:20 p.m.)

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I shall be brief. I would like to ask a question to the hon. minister.

I touched upon this subject a while ago, at the time of adjournment. However, I think that the house would be interested to hear his comments on a suggestion that might be advisable about Bill C-9.

Under the legislation, it is sought to extend by a year and a half the advantages of an act that is already in force and even to grant an additional amount of money to the chartered banks up to a maximum of $100 million and up to $50 million to the caisses populaires, credit unions, insurance companies, and so on in order to grant loans.

This is an advantage granted to the chartered banks which have the privilege, under the act, to create the necessary credits to grant loans, while the caisses populaires really lend the money of investors without being authorized to multiply it.

In any event, I should like to draw the minister's attention to the fact that in the province of Quebec, there exists another form of institution which was born a few years ago and which is developing rather quickly: I mean capital funds. What are these? It is capital recovered in a given area and collected under the authority of a legislation, administered by a provincial act and intended to be reinvested in the same area.

These capital funds are developing rather rapidly, thanks to the confidence prevailing among the people who understood the advantages which they could draw from their capital if it was reinvested in these capital funds. In fact, this money would be made available to the people as housing loans. I met recently

an administrator of a capital fund and he told me that loans would soon be granted to industry.

I know that the hon. member for Compton (Mr. Latulippe) has just made some relevant remarks about the present economic situation. Indeed, with an increased production, if industry cannot sell more, financing becomes more and more necessary. I do not want to bring up the matter again because he gave a very sensible account of a situation that everybody must acknowledge but which is rather difficult to correct, because of the present financial system.

At all events, since we should always make the best of any situation, even the worst, I would like somebody to tell us, as clearly as possible, whether under the bill now before us, the lending institutions will be limited to the very terms of the legislation or whether it will be possible, by way of new regulations, to extend its benefits to the new institutions I have just mentioned: the capital funds.

If I stress the point so strongly, Mr. Speaker, it is because I have recently attended the general meeting of one of those funds which, only three years ago, starting with savings of $1.67. Today, over $3.5 million have been entrusted to this fund by the people of the area. This initiative is an incentive and an asset for the industrial development of the area, and a means of fighting unemployment which is steadily increasing because of the farm situation which is worsening. Many farmers are compelled to quit.

That is why it is so important to do everything that can be done to provide every area with equal apportunities. If the guarantee provided by the government to the other lending institutions could be made available to those capital funds, it would, indeed, help the people. It would not totally redress the situation but it would at least induce the people to develop an interest towards the problems of their own environment, which, so far, has seldom been the case.

We have always expected other people to come and solve our problems while neglecting to make the necessary efforts in our own environment to co-operate with businessmen and industrial leaders who can prove their initiative and their experience in this field, thus enabling every citizen to benefit from this co-operation.

I hope that having hear these remarks, the responsible minister will be able to set our mind at rest on that point and to introduce in due time whatever amendments to the bill may be felt necessary.

The Acting Speaker (Mr. Béchard): Order. I would like once more to point out to the House that by taking the floor at this stage the hon. minister would close the debate.

[*English*]

Order, please. If the minister speaks at this time, he will close the debate.

Mr. Gray: Mr. Speaker, it would now appear appropriate for me to rise and finalize this debate on second reading by attempting to reply to at least some of the points raised by hon. members earlier in the day. The hon. member for Battle River (Mr. Downey) made a comment regarding the wording of the amendment which makes it possible for credit unions, caisses populaires, trust companies and other credit societies to take part in the small businesses loan program. I should stress that in spite of the form of the wording used, the act does not purport to make these institutions into banks for all purposes. The effect of the wording used is simply to enable the institutions in question to participate in this guaranteed loans program. I suggest there really is no conflict therefore with the policy of the government at the time the Bank Act was studied by Parliament. We must remember that as its name implies this is a guaranteed loans program under which the government guarantees that the institutions which make the loans shall not suffer loss. It would appear that the effect of having a more flexible interest rate formula has been to encourage banks to make more money available for loans of this type. This is implied by the most recent figures which are available.

Some hon. members have suggested that the Minister of Finance (Mr. Benson) should take some kind of action to have the banks make even more money available for the purpose of this program. However, as far as I am aware the Bank Act does not give the Minister of Finance the type of authority under which he could order banks to participate in this or any of the other guaranteed loans program to any particular extent. However, the banks may be interested in noting the view expressed by hon. members in this debate, to the effect that they have not been living up to their responsibility to the community by making sufficient funds available for loan to small businesses.

Several hon. members have used this debate as a vehicle through which to express their views regarding some of the proposals in the government's white paper on tax reform. While these views are very interesting, I think the degree of concern expressed may well be proven excessive after hon. members have experience of the impact of the proposals on small businesses. I shall not attempt to debate these proposals at this point. I am sure there will be many opportunities to do so either before the standing committee or when the government presents a bill to the House following the report of the standing committee on the proposals.

I think it is worthwhile for hon. members and the public generally to very carefully study them before reaching definite conclusions about their possible effects. As I have said, it may be that the initial reactions to the proposals which were reflected in some speeches this afternoon may not have indicated exactly what the real impact of the proposals will be on small businessmen.

Several hon. members advanced interesting suggestions regarding changes in the small businesses loans program. Therefore I would like to point out that the basic effect of having the lending period under the program terminate at the same time as the two other government guaranteed loans programs will be that the government will make a thorough review of the effectiveness of the small businesses loans program together with its two companion guaranteed loans programs. I am sure it will be possible in the course of this review to give consideration to the suggestions which have been made.

• (8:30 p.m.)

Some hon. members have argued, in effect, that the proposals before us will not really do anything to help small businessmen. However, we should recognize that if this bill is not supported by the House it will not be possible to carry on a small businesses loans program at all once the current lending period ends. If this bill is passed it will mean that the program can continue for a further lending period. As the hon. member for Wellington-Grey (Mr. Howe) has pointed out, some 20,000 loans have been made under this program to date. This is an indication that it has been playing a useful role in helping small business to exist and, hopefully, to expand and thrive. I might add that the presentation of the amendments at this time is a demonstration that the government is certainly not against small business.

The hon. member for Battleford-Kindersley (Mr. Thomson) asked me how the Department of Finance intends to supervise loans which, if this bill is adopted, would be made by trust companies and other institutions under provincial jurisdiction. The approach the department will be taking is that when an application is made by a provincially incorporated or provincially chartered institution for designation under the program, the application will be referred to the Superintendent of Insurance for his comments and consideration of the institution's financial soundness. Only after his report has been received would a decision be made as to whether the provincially incorporated institution in question should be designated for the purpose of the act. Once approval had been given, the appropriate branch of the Department of Finance would keep an eye on its work through a series of established practices with the aim of seeking to avoid the type of problem to which the hon. member referred.

Finally, I can say that the Canada Deposit Insurance Corporation can give coverage to provincial institutions and I am informed that almost all the provincially chartered trust and loan companies are in fact under the supervision of that corporation. And although Quebec-based companies are under a provincially supervised program as far as deposits in that province are concerned, their deposits outside the province fall under the federally created Deposit Insurance Corporation.

As I said earlier, I shall not attempt to comment on all the interesting suggestions which have been made; these matters can be dealt with in the course of the review of the program which the government intends to carry out, as well as in the discussions before the standing committee.

[*Translation*]

I believe I should also answer the question of the member for Portneuf (Mr. Godin). The credit unions and caisses populaires have been authorized to grant loans to students since 1964, to fishermen since 1965, and to farmers since 1968.

Bill C-9 will enable them to participate in this small businesses loans program if they so desire. I have been advised that the Department of Finance has received absolutely no complaints so far, concerning the proposals put forth by this bill.

In addition, the bill does not force provincial institutions to participate automatically in the program. It is up to them to ask that

they be designated as eligible to grant loans to small businesses. If they do not wish to be designated, they will not be, and will have nothing to do with the program. Moreover the hon. member for Lotbinière (Mr. Fortin) asked for greater advertising of that program and I think the idea should be considered. I believe some advertising is already being done. For instance, I have seen pamphlets describing the program.

I also wish to thank the hon. member for Bellechasse (Mr. Lambert) for having drawn my attention to the question of investment funds. I will answer him by pointing out to him the wording of clause 1 of bill C-9, and I quote:

Paragraph (a) of section 2 of the Small Businesses Loans Act is repealed and the following substituted therefor:

—and in subparagraph (ii), one can read:

—a credit union, caisse populaire or other co-operative credit society that is designated by the Minister on the application of that society as a bank for the purposes of this Act, or

(iii) a corporation that carries on the business of a trust company within the meaning of the Trust Companies Act, the business of a loan company within the meaning of the Loan Companies Act,—

I can therefore tell him that if the investment funds may be included in the provisions set out in clause I of the bill, I believe it will be possible for them to do something under this small businesses loans program.

We may consider that question more thoroughly as we study this bill in the committee on finance, trade and economic affairs.

[*English*]

To conclude, I should like to say again to hon. members that I hope they will feel free to bring to my attention any problems they feel their constituents are having with regard to the application of this program; I shall be happy to have them looked into. We can engage in further discussion of the bill when it reaches the standing committee. I would now ask the House to support the motion for second reading.

Motion agreed to, bill read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

CANADIAN NATIONAL RAILWAYS, AIR CANADA

PROVISION FOR CAPITAL EXPENDITURES, GUARANTEEING OF SECURITIES

Hon. Herb Gray (for the Minister of Finance) moved that Bill C-7, to authorize the provision of moneys to meet certain capital expenditures of the Canadian National Railways system and Air Canada for the period from the 1st day of January, 1969, to the 30th day of June, 1970, and to authorize the guarantee by Her Majesty of certain securities to be issued by the Canadian National Railway Company and certain debentures to be issued by Air Canada, be read the second time and referred to the Standing Committee on Transport and Communications.

He said: Mr. Speaker, this bill is similar to bills for the financing of Canadian National Railways and Air Canada which have been before Parliament in past years. These bills, including the present one, have been introduced annually with the exception of the 1963 bill which covered 1962 and 1963, and the 1966 bill which covered 1965 and 1966.

The present bill has seven main objectives, most of which have taken a similar form in previous legislation. First, it would authorize capital expenditures by Canadian National Railways not exceeding $201,700,000 during the 1969 calendar year. This level of expenditures compares with $189,400,000 authorized previously for 1968, excluding the amount required in that year for investment in Air Canada. The bill also contains technical provisions authorizing Canadian National Railways to make expenditures not exceeding $82 million between January 1 and July 1, 1970, for obligations incurred prior to January 1, 1970, and to enter into contracts before July 1, 1970, for capital expenditures not exceeding $113 million, for which payment will not come due until after 1969.

• (8:40 p.m.)

Second, the bill contains a provision authorizing Canadian National Railways to borrow $19 million for financing all branch line construction. Up till recently each special statute for construction of a branch line has included authority for financing its construction, and branch lines not requiring special legislation have been financed out of self-generated funds. In addition to covering all branch lines, the provision in the resolution and the bill based upon it are consistent with the intent of reflecting in the financing and guarantee bill all the financing authorities which Canadian National Railways require.

Third, the bill would provide for the continued purchase by the Minister of Finance (Mr. Benson) of Canadian National Railways' 4 per cent preferred stock through to the end of the calendar year 1970. This continues the practice of previous financing and guarantee

acts. The 1968 financing and guarantee act extended to December 31, 1969, the expiry date of the authority granted by Canadian National Railways Capital Revision Act of 1952 for the purchase of such stock equivalent to 3 per cent of the company's gross revenue.

Fourth, and for the same reasons, the bill would extend until the end of 1970 the moratorium on interest on the government loan of $100 million to the railway company authorized by the capital revision act of 1952.

Fifth, as in previous years the bill would provide authority for the government to make temporary loans to Canadian National Railways and Air Canada to meet deficiencies in operating revenues up to June 30, 1970. Any such loan is repaid later from revenues of Canadian National Railways and Air Canada or, if these prove insufficient, the loans are written off through parliamentary appropriation.

Sixth, the bill contains an option similar to that contained in the 1968 financing and guarantee act which would enable Air Canada to borrow $165 million either directly from Her Majesty or by means of a guaranteed public issue.

Seventh, the bill would provide for the appointment of the firm of Touche, Ross and Co. of the cities of Toronto and Montreal, chartered accountants, as auditor of Canadian National Railways for the calendar year 1970.

Finally, I would point out that the present bill makes no provisions for enlargement of Canadian National Railways' authority to refinance, which at present stands at $680 million and is considered adequate for the period covered by the bill. I would commend to members of this House second reading of this bill.

Mr. J. H. Horner (Crowfoot): Mr. Speaker, in debating Bill C-7 we are adopting in essence, as the Minister without Portfolio (Mr. Gray) has stated, what to many is a customary and standard procedure. The opportunity to discuss this bill in the House is timely in view of the confused state of railroading and transportation in Canada. It gives us the chance to examine the financial budget and expenditure both of Canadian National Railways and Air Canada.

I note at the very beginning of my remarks that money for these companies has already been appropriated for the year 1969 and most of the $201 million being appropriated by this bill has already been spent. I think it is poor

administration from the legislative point of view to examine a bill appropriating money that has already been spent. But this being the case, all we can do is to ask whether the money has been spent well. It is from this point of view that I propose to examine the bill. I want to determine whether the money has been spent wisely, and whether or not Air Canada and the CNR have met the obligation imposed upon them of satisfying the transportation needs of all Canadians.

Canada today finds herself involved in the great emotional question of whether she can survive as a nation. Is Canada a viable entity? What part does transportation play in holding the country together? To my mind, transportation without doubt is still the key to the economic survival of Canada, particularly in that part of Canada in the proximity of the 49th parallel. I see in Canada today great concern and unhappiness with our transportation complex. The costing system that has been approved by the Canadian Transport Commission is being appealed to the Supreme Court. Passenger traffic is in a state of complete chaos and so is air passenger traffic, with which I will deal later in my remarks. The three major components of our transportation industry—freight and passenger rail traffic and air traffic—are in confusion. For the moment I exclude trucking and pipelines.

I have with me this evening a poem that was written some time ago by a well known resident of Alberta. I think it correctly spells out the difficulty in which we find ourselves in Canada today. If the House will bide with me for a moment or two I should like to read this poem, because I think it puts rather clearly before Canadians the picture of our railroads today. The poem was written by a person called "Ferg" James and is called "Farewell to the Old Iron Horse". It reads as follows:

They opened up a continent,
They brought the settlers in
They colonized a nation,
With every kith and kin.
They did a yeoman service,
Their laurels they have won,
Now the giants of the frontier
Have made their final run.

We miss their belching smokestacks,
And their whistle's moan and scream
We miss the throbbing pistons,
And the hissing clouds of steam.
But their days were surely numbered,
They have vanished one by one,
And the grand old railroad steamers
Have made their final run.

The water tanks stand empty,
Along the right of way
The round house is foresaken,
Where the monsters used to stay.
The coal docks are a memory,
Their days of service done,
Since the big steam locomotives
Have made their final run.

A sleek new shining diesel,
Came down the line today
And it makes you kind of wonder
Are these units here to stay?
With progress pressing onward,
And their era just begun
As history keeps repeating
Will they make their final run?

As we gaze into the future,
Of a hundred years or more
What scientific marvels
This old world may have in store.
A weird fantastic monster,
Getting power from the sun
With ten million pounds of payload
May be on their daily run.

I feel that that poem spells out the problems facing Canada today in the railroading and transportation field. If Canada were a small, compact country, transportation might not be a problem; but Canada is a great country stretching from the Atlantic to the Pacific and, as I said at the beginning of my remarks, transportation is the key to our economic survival. If Canada is to maintain a sound and viable economy, we must pay great attention to our transportation problems. If we take transportation for granted and allow our railroad companies to become conglomerates, paying no heed to the obligations they undertook in return for certain privileges granted to them when we started to build this country, we as legislators are failing in our duty.

• (8:50 p.m.)

We see a host of expenditures here and, as I mentioned, the money has already been spent. Let us examine how it was spent so we may know whether it was spent wisely. Is the CNR to remain a "next year" railroad? Will we forever have to examine deficits of $29 million in 1968 and an estimated $25 million for 1969? This bill is a measure to cover that deficit. Will the railroad forever be coming back asking this government to pick up its deficits? During my speech I intended to ask the government to have this whole question referred to the transport committee. It should study costing, the question of branch line abandonment and freight rates, all of which are tied together. It should decide whether we need passenger service, and what is our air policy. All these things should be subject to a comprehensive study by the transport committee.

It may well be suggested that the committee studied these matters a number of years ago. I know that it studied them, but if Canada is to remain economically solvent we must be on guard in respect of expenditures by our transportation systems. We must decide whether they are directed in the right way or whether they will make the CNR a "next year" railroad and Air Canada a "next year" air line.

What is our air policy? This question has been puzzling many people recently. We notice in this legislation a number of expenditures. Last year $79 million was spent by the CNR for passenger travel alone. In its application before the Canadian Transport Commission the CNR claimed it lost $11,600,000. How great a role has the Canadian Transport Commission played in respect of transportation in the last two years? One cannot say it has played a magnificent role, because it has not changed things. It has adopted a costing formula which has not satisfied the railways; they are appealing it to the Supreme Court. In other words, the Supreme Court must analyse the situation on the basis of research carried out by somebody; it must decide whether the railroad's costing system is better than the system proposed by the Transport Commission.

The Canadian transportation bill which this House passed a few years ago provides in principle that if a loss can be proved, the government will grant up to 80 per cent of that loss. If one is a shrewd businessman, as I know the CPR and CNR managers are, it is good business to appeal to the Canadian Transport Commission in an attempt to prove a gigantic loss. I have questioned this principle and I will continue to question it in my remarks tonight.

Let me re-emphasize the importance of this whole question being referred to the transport committee. I point out that the whole costing procedure is in question today. We must decide whether passenger train service is necessary and whether this was spelled out in the old Act of Parliament of 1881 which established the CPR. I have it before me and could read it. I may do so before I am through.

Is passenger service still necessary, and should the government pay 80 per cent of these fictitious losses which the railways present to the commission? We must also consider the whole question of our air policy. This

question was considered at a recent meeting in Ottawa of the Air Transport Association of Canada. At that meeting the Minister of Transport (Mr. Jamieson)—that very amiable fellow—tried his best to spread oil on troubled waters. What has taken place? Let me quote from the *Globe and Mail* of November 6 of this year. This is a report of what took place at that meeting of the Air Transport Association attended by people involved in all aspects of air traffic in Canada, including regional carriers and I suppose Canadian Pacific. The article states:

> The Air Transport Association of Canada in an unprecedented action yesterday moved a vote of no confidence in the air transport committee of the Canadian Transport Commission.

The Air Transport Committee is a body set up by this Parliament, yet the Transport Association says it has no confidence whatsoever in that body. We as members of parliament ought to be the watch-dogs of Canadian legislation. We should immediately have brought the members of the Air Transport Committee before the transportation committee of this House so that we as elected representatives could properly decide whether what is said in the article in the *Globe and Mail* is accurate. It suggests that directives have been made which cannot be carried out and are incapable of enforcement. Let me read further from this article:

> The membership was told at that meeting the transport committee's general orders were considered unenforceable by the Transport Commission because of a Supreme Court of Canada decision last year that ruled that the Air Transport Committee did not have the power under the Aeronautics Act to issue orders.

Even the transport committee is making no attempt to enforce these directives. I spoke to the minister privately about this matter and suggested this was a deplorable situation in one of the fastest means of transportation in the country. He said he had been made aware of the situation and thought he had it covered. Where has he been? Where has the government been? I quote from the 1968 34th Annual Report of the Air Transport Association of Canada. This is what the chairman said over a year ago:

> I would be remiss if I did not record the disappointment and frustration of this industry resulting from the confusion existing regarding government policy. Not only has there been no implementation of previously enunciated policy governing the mainline and regional carriers, but no extension of policy governing other segments of the industry has been developed. Virtually all Canadian air carriers are suffering under a tremendous handicap in the development of plans, acquisition of new aircraft, and the continued operation of their companies on a profitable basis as action is delayed in providing effective air policy.

One could go on and read the whole 1968 annual report, but that is what was said in 1968 about the Air Transport Committee. I read from the *Globe and Mail* and what it said about this matter in 1969. One could also read from the 1967 and 1966 annual reports. Air passenger traffic and air freight have increased very rapidly in the last three or four years, but the air transport aspect of the Canadian Transport Commission has not kept up to date. The evidence of this is there for anyone to see. The bill now before us provides for another $165 million. We note that Air Canada is attempting to lower fares from Canada to Europe. If this is justified, where is all the money going? Certainly the people in the air transportation business do not know the answer to that question. They suggest that we do not have an air policy and that the policy we used to have is not enforced. Surely we should do better than this as elected representatives of the people of our great country.

Let us take a brief look at the passenger situation. As I mentioned, this bill covers the budget for 1968-69. The CNR has budgeted $79 million for passenger services in 1969. In 1968 it budgeted $81 million for passenger service. That is a lot of money. How does this compare with the situation in the CPR? Both the CNR and the CPR have submitted a long list of applications in respect of passenger services. They have asked the Board of Transport Commissioners to allow them to abandon these services, or if not to pay them the losses they incur. As I mentioned before, they have tremendously increased these losses. It is provided in the act under which they operate that if they can prove their losses the government may grant them a subsidy in the amount of 80 per cent of those losses. The theory is that if they suffer the other 20 per cent of the loss it will help to keep them competitive and desirous of providing additional services. Is that really the case? We have an act which encourages the railways to go out of business. How does it do that? The railways must lose money on their passenger services because then they can collect a subsidy. If they get a subsidy, then that is their bread and butter.

• (9:00 p.m.)

An hon. Member: Eighty per cent is a lot of bread.

Mr. Horner: Yes, 80 per cent is a lot of bread. As I have said before, I believe the railways deliberately downgrade their services. We heard evidence before the committee to suggest this is the case, that is, that they do it deliberately in order to create a deficit so that they can ask for a subsidy. This is a deplorable situation. This is what the Transport Act suggests they do. When the Transport Act was passed by this House it said in effect that $110 million worth of subsidies would be cut out, but if the railways could prove they were losing business on any particular line they could come back to Parliament and would be granted 80 per cent of that loss. Since the end of centennial year, the year in which passenger services were profitable, the railways have attempted to prove that they are losing money on all their major passenger lines.

Let us study the two railways briefly. The CNR has four times as many passenger miles as the CPR. Revenue passenger miles are calculated by multiplying the number of paying passengers by the mileage they travel. The CNR has something like 2,246 million passenger miles; the CPR has something like 500 million passenger miles. It is obvious that the CNR carries over four times as many passengers over four times as much mileage. One would therefore think that if the passenger business was losing money, the losses of the CNR—according to their figures—would be four times greater than the losses of the CPR. The CPR has some very profitable lines and some short lines which are paying well. The CNR appears before the Canadian Transport Commission and files applications to discontinue some regional services on which they say they are losing $11.6 million. The CPR appears before the same board—and bear in mind it is travelling one quarter the distance—and says it is losing $30 million.

An hon. Member: Shame.

Mr. Horner: Now, from a quick look at these figures one will realize that the CPR is quickly building up a case for a huge subsidy. There is in the *Financial Post* dated November 15, 1969, a very interesting article on transportation and railways. I should like to read one paragraph:

> CN President N. J. MacMillan told a House of Commons committee this spring that the two railroads and the Canadian Transport Commission have a study under way toward the development of a "coherent" national rail passenger system.

With this vividly on the record it is obvious that we can hardly study CNR passenger traffic without studying CPR passenger traffic because the two, whether or not they admit it openly, as more or less in cahoots in an effort to create an atmosphere that they are losing huge amounts of money on their passenger services. I do not doubt that they may well be losing money on some lines. But should we as representatives from every region in Canada say that if they are losing money in one region they can discontinue the service? We are running a national, government-owned railway. Can we say that one region should not have passenger service and that all other regions should? I do not think we can do that.

We might ask ourselves what is the situation in respect of the CPR, what it was granted in 1881 and what obligation was placed upon it. When Mr. Sinclair appeared before the committee in 1966 he said that they accept their obligation, but in order to meet the obligation here must be an effective demand for the service. He said there is no point in living up to an obligation when people do not travel on the trains. I made the point earlier that the CPR have deliberately downgraded their services in order to create the fictitious figure of $30 million. What has really happened? What obligation is there upon the railways to create effective demand? If we are in business we must advertise in order to create an effective demand. So I say there is an obligation on the CPR and the CNR in this regard. I commend the CNR for its past action in respect of lowering fares and improving passenger services. From 1962 on a really good effort was made to encourage more passenger traffic on their trains. The CPR, however, has done exactly the opposite.

Back in 1881 when the government of the day was attempting to tie this great nation together, it started to build a railway line. It was given to the CPR. At that time the railroad that had been built was worth something in the order of $37 million. The CPR officials were told that they would be given a lot of right-of-way and a lot of money if they would complete the railroad. I shall not go into all the detail; it is to be found at page 1198 of the proceedings of the transport committee for the year 1966-67. What happened? The railway was completed by the CPR. The total amount of government money the CPR received, both direct and indirect, was $228 million. This was a lot of hay, particularly in those days when a dollar was a dollar.

• (9:10 p.m.)

However, the inflated egos of the present government have inflated the value of money so that a dollar is not what it used to be. We are all aware of that. The point I am making is that the CPR continued to sell townsites all along the railway line. Prior to June, 1916, it sold land for townsites through the southern prairies and into British Columbia worth $123 million. This was land we gave the CPR. We encouraged the CPR to build and to develop Canada. I am not condemning that. It did a pretty good job. But now it comes along and says, "We have no further obligation. We sold the land for those townsites, but we have no obligation to continue passenger service for the people in those towns." I say they are reneging on the moral concept of the 1881 agreement, and I hope that the CTC, Parliament and the government will look into the whole question of the CPR.

I could go on and tell the House of the mineral wealth of the CPR and of the tremendous acreage granted to it. I do not need to tell you what the CPR has done with it. It now has Canadian Pacific Investments and Cominco, founded on the mineral wealth it was given under the original agreement. The CPR would like us to consider passenger service as a separate entity. I point out that railroads today are becoming conglomerates throughout the United States and Canada. It is good business sense that they should do so. I am not objecting to the CPR becoming a conglomerate, but I say it does not have the right to renege on the moral concept of the original agreement.

Can you imagine the whole southern half of the prairies being left without railway passenger service? It might be said that air service would fill the gap. But is there really air service for the little towns, with airplanes now getting larger to the point where the runways at some of the major prairie centres are not big enough to handle them? In this respect I think of the town from which the Minister of Agriculture (Mr. Olson) comes, Medicine Hat, a thriving community, an old community in the province of Alberta; yet it is having a difficult time maintaining any kind of regional air transport service.

Mr. Southam: And it is a designated area.

Mr. Horner: It is a designated area, and perhaps it should be. As airplanes become bigger and faster they will make fewer and fewer stops. The major concern in the future will be the location of airports. Even now there is a fairly large body of opinion that Toronto and Montreal should share an airport located somewhere between them. But how will people get to such an airport? This was a project thought of a couple of years ago by a former minister of transport. Passenger service by the CNR and CPR is still necessary in many regions. Since 1962 the CNR has done a commendable job to attract passengers, but as I read present-day signs it is going to attempt to discontinue its drive toward that end and has now applied for a $11.6 million subsidy.

I say that the CNR should be something like the Post Office Department. It should not necessarily pay its way. It should provide service for Canadians in Newfoundland, Alberta, the Peace River country and in every part of our land. This is also the obligation that the CPR has to accept. It has a duty to provide a service because it was built under a special agreement; it was built with the money of Canadian people and it has a moral obligation to them. As I say, I see signs that the CNR is discontinuing its drive to attract passengers. Just look at the great province of Newfoundland and what is happening to its rail service. We have to examine the whole problem, Mr. Speaker.

The Minister of Transport (Mr. Jamieson) is sponsoring legislation to provide for standardization of safety in automobiles. Why are we concerned about automobile safety? It is because of the overloaded traffic on our highways? If the railroads modernized their services they can and will provide very effective commuter service and cut down on the number of automobiles on our highways. They can do so if, to use the common expression, they get with it.

What about the question of pollution? The Economic Council has dealt with it at length, particularly pollution in major population centres caused by automobiles. This is one of the major problems in areas of dense population. A fast, economical railroad commuter service would relieve the congestion on our highways and cut down the pollution caused in major centres throughout Canada such as Toronto, Montreal, Winnipeg and Vancouver. These cities are already examining the problem of pollution caused by carbon monoxide being emitted from automobiles.

Let us look at the cost of branch line services. Under this bill provision is made for the building of 140 miles of branch lines, at a cost of $19 million. Some $2½ million are to be spent on building a railroad out to Robert's Bank. I suppose this is a good expenditure,

but it is a pretty narrow one in the sense that the Robert's Bank port will handle only coal while on occasion the port of Vancouver is congested with grain ships. We are spending $2½ million to build a railroad to Robert's Bank on behalf of the Kaiser Corporation so that it may sell coal to Japan. If Burrard Inlet were able to handle all our other traffic, this would be good, but it is not able to do so. We have had plenty of evidence over the years that it is not.

• (9:20 p.m.)

Surely we should attempt sooner or later to do a little for ourselves. I believe that Canada is a great nation and will someday acquire that stature in the nations of the world. The whole question of branch line abandonment deals specifically with costing. To me it is a matter of regret that when the Canadian transportation legislation was passed a few years ago we did not realize that these regulations would allow an appeal from that body to the Supreme Court. I know there is provision for appeal to the minister but I do not believe that the original intention was for appeal to the Supreme Court. This procedure could be detrimental in setting precedents which may not be wise in regard to transportation and costing. Railroad costing is a most complicated subject. The railroads have perfected a system which the Canadian Transport Commission did not accept completely.

Mr. Speaker, I hope the railroads lose their case in the Supreme Court. Having said that, I believe we must examine the whole question of rail line abandonment from the point of view of need and subsidies and whether we can abandon rail lines holus-bolus without any regard for the necessity of the service even if it is losing money. It may be that there is provision for them to obtain a subsidy for loss incurred on a branch line. I believe, Mr. Speaker, that this whole question should receive exhaustive study and witnesses should be called, particularly from the CPR, before the transportation committee of this House.

Some hon. Members: Hear, hear.

Mr. Horner: Then the elected representatives of the people of Canada could decide whether these two railroads are living up to the moral commitments they have made over the years. Another question that must be gone into thoroughly is the enforcement of the rulings and directives of the Air Transport Committee. In the case of air passenger service and charter flights there is plenty of evidence to suggest that air travel agencies as well as sub-agencies have been booking charter flights; then suddenly the Air Transport Committee wiped out the effectiveness of the sub-agencies. A travel agency was allowed to charge 5 per cent of the fare as commission and the sub-agency was allowed to charge 7½ per cent. It then gave 5 per cent back to the agency under which it worked. But suddenly the Air Transport Committee ruling suggested that the sub-agencies would have to cancel their bookings. This was after they had gone out and earned the 2½ per cent commission on their own initiative. We should be encouraging Canadians to do this sort of thing; there are in our society too many things which tend to discourage initiative.

Mr. Baldwin: Like Benson's white paper.

Mr. Horner: That is a very good example. I have a file here which I think suggests that Air Canada is making an honest effort to put charter flights out of business. Whether or not they should be in business is not the question we have to decide tonight, but I think Air Canada should be called before a committee and the whole question of charter flights, travel bureaux and sub-agencies of travel bureaux should be thoroughly explored. If Bill C-7 initiates a debate across the country and in this House which decides that the whole question of transportation should be examined by the transport committee, I shall be very pleased indeed.

I urge everybody in this House, Mr. Speaker, to examine the question fully, because in a country as broad and as wide as Canada transportation is the key to future economic survival. I believe it is the duty of every member of this House to watch and examine carefully the direction taken by this industry.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, when the Minister without Portfolio (Mr. Gray) who has this bill in his charge introduced it, he said it was like other bills that we have had year after year. I believe there are one or two differences, particularly in that part of the bill which relates to the financing of Air Canada, but the point I should like to make at the outset is that I think we should resist this business of being asked year after year to vote this money without being given any clear picture as to where we are going in this country in terms of a transportation policy.

I know, Mr. Speaker, that some of us have been rather critical of the number of reviews launched by this government. There seem to be many issues where we think action should be taken but instead we are getting reviews, studies, consideration and so on. But here is an area which does call for an over-all review before our whole transportation picture winds up in one awful mess. The fact that we are in danger of moving in the direction of an awful mess has been highlighted by the recent applications made by Canadian National Railways and Canadian Pacific Railway for the abandonment of most of their passenger services in this country.

May I say that few of us think that it would actually come to pass that passenger trains would cease to run in Canada. There is no sign that they will cease to run in the United States or Europe and other parts of the world, and it is terribly true that we do need passenger train services to help hold this country together.

I think it is clear what is taking place when an organization like Canadian Pacific Railway, parallelled by the Canadian National Railways, applies for permission to abandon passenger service. They are trying to get out of that part of the transportation business which is unprofitable in order to devote all their energies to those portions of the transportation business where they can make money.

• (9:30 p.m.)

Some day the Government of Canada, and I do not know whether this government will do it, must look into the question of public versus private ownership in many fields, and in particular in the field of transportation. This government, in common with past Conservative governments, often pays tribute to the idea of public ownership up to a certain extent. They support public ownership where it is needed, but the record is clear that they do not really believe in it. They only bring it in when private enterprise is not able to fill the bill.

Here we have a proposition that transportation, which has many aspects including passenger service and freight service, air line service and all other related services that are tied into it can, in certain areas of our market economy, make money. So private enterprise wants to be in that part of the transportation business to make all the money it can out of freight traffic and those areas of transport that are profitable, and agrees to take on the passenger services. Hon. members will remember the famous wording in the agreements of 1881 and in the Canadian Pacific Railway Act of 1881, which talked of that company providing railway service in Canada thereafter and for ever, which talked about perpetual operation and about service being provided in perpetuity. That is what organizations like the Canadian Pacific Railway Company and the other railways that eventually failed and had to be taken over as part of Canadian National Railways agreed to do in order to obtain a corner of our economy in which profits were to be made. Now, as the years have gone on, it turns out that no railway company in the world operating over any extended area makes a profit out of its passenger business; but there are profits to be made in freight and other portions of the transportation industry. So these organizations, these conglomerations that were prepared initially to promise service forever, want to get out of that part which is unprofitable but enjoy the gravy that is to be made in other sections of industry.

One can hardly blame these people too much for taking that view. That is the view private enterprisers take generally. But we of this party blame the government for not realizing that transportation is so basic and essential to the life of this country. We must resolve this issue. I think the government should change its stance, because it seems to be saying, "All right; we will subsidize private enterprisers in the unprofitable part of the operation. If necessary, we will take over the unprofitable part of the operation, but we will bend over backwards to make sure that private enterprisers are given every opportunity to make all the money they can out of the profitable sections of the industry."

In the case of Canadian National Railways, huge batches of figures and tables are thrust at us. My friend and colleague, the hon. member for Timiskaming (Mr. Peters), has been reading some of the tables he obtained from the library. He asked me to explain them. I cannot explain them to him, nor can he explain them to me. Sometimes people say that we own Canadian National, but when I look at all the figures and the way the railway's debts are mounting, I think Canadian National owns us. The amount of our wealth we have to apportion to pay the interest on this ever-growing debt portends ill for the future. It is getting us nowhere.

Why is this done, Mr. Speaker? The reason is that this government wants to maintain a

régime under which the profitable parts of the transportation industry are left to private enterprise. Transportation must be looked at as a whole industry, and if our private enterprisers are not prepared to operate the industry as a whole in the spirit of the 1881 agreements entered into by the Canadian Pacific Railway and others, then the public should take the industry over as a whole.

As a result of pressures that the Canadian Pacific Railway and the Canadian National are exerting, the day will come—and it may not be far off—when a real threat to close down passenger lines will tie this country up far more than any industrial strike has ever tied it up. That will result in the government saying, "We must have passenger service, so we will take over that unprofitable part of the business and run it but we will let you fellows go on and retain the freight service; we will let private enterprise acquire more and more of the air line business and all those other services, the hotel, financial and other services that are part of the conglomerate known as the Canadian Pacific Company. Then we the government, we the people, we the taxpayers will pay the shot for that part which happens to be unprofitable."

Either these people are in the transportation business, or they are not. If they are in it, they should be obligated to run the whole of it. If they are not prepared to run the whole of it and give us the kind of service that has been promised over the years, then they should get out of it and let the Canadian people, through the well tried medium of public ownership, take it over and run it in their own interests.

Some people who do not like this kind of reasoning will say, "Are not we going to run ourselves into debt if we run the unprofitable part of the services?" Please note, I am saying that we should have the profitable parts as well as the unprofitable parts. Of course, some members of Parliament may say, "Maybe we should not run the part that is unprofitable." The truth is that all this is a piece of bookkeeping fiction, if I may call it that.

The running of passenger train services in the market place economy seems to produce a loss. But the country does not lose because we have passenger train services; the country does not lose because we are all tied together with these bands of steel. And now, of course, we have air line services and all the rest of it. The country does not lose because it costs money to maintain a postal service, and because we have docks and wharves and roads and all sorts of services that we must provide socially because they cannot be provided either individually or on a profit-making basis. If, as no doubt we all agree, Canada needs and will continue to need a whole transportation industry, which includes railway passenger service, for a long time to come, I submit that this should be the responsibility of the government itself. I would not be doctrinaire and insist that we are not prepared to let our private enterprisers have their share of the industry if they want to take it over. But, no; they do not want it all. They want only the profitable parts and are prepared to let the rest of it be owned by the public. As the previous speaker pointed out, and I think we are all aware of this, both the major railways of this country have a record of downgrading their passenger services—particularly the Canadian Pacific Railway—so that people will not use them and rely on them. The railways then turn around and say it is costing them money, and that they need to be bailed out.

• (9:40 p.m.)

Something should be said about the bill of goods that was put over on us a few years ago when this arrangement was made for the 80 per cent subsidy on a loss. The railways can get this by applying for the right to discontinue passenger service. It seems now that we just built into the legislation an open challenge to these railways. It is strange how the one we do not own and the one we do own seem to work together. When one applies for abandonment, the other applies for abandonment, and so on. We seem to have built into our legislation a challenge to the railways to come along a few years later and apply for an 80 per cent subsidy, thereby putting us on the spot. They know the people of Canada, the Parliament and the government of this country realize we must have passenger service and if they threaten, as they do, to abandon it the government will pick up the tab or take over that service.

I speak as strongly as I can, Mr. Speaker, against moving in that direction. I refer not only to the direction of paying 80 per cent of the losses that these companies may designate but in the direction of taking over only the passenger operation and allowing this private enterprise outfit to carry on with the profit making part of the whole business. I submit if there is an area of our national life that calls for a review and an in-depth survey, it is this

one to which no attention seems to have been given. I think I know the reason for this. It is because those in power today do not want to disturb this situation in which profits can be made on part of the industry. As for passenger service, it will not be allowed to drop because the country needs it. This is no way to run things. This is no way to talk of giving leadership or of accepting responsibility for the life of this country. I call upon this government not to just come along year after year with this bill and stand up and tell us in a seven minute speech that it is the same bill we had last year, the year before that, the year before that and the same bill we will probably have next year and the year after.

Surely transportation is important enough to the life of this country that we should analyse, review and resolve it in rational and sensible terms. I thought that was what we were going to get a few years ago when Mr. Pickersgill introduced that bill of his. He gave us a long preamble to the national transportation policy. It was a great speech. He made it clear that he was such an expert in the field that he was able to take the job provided by the bill, but of course that is all water under the bridge. I remember when he spoke I had the feeling that maybe the time had come when we were going to get a critical examination of the whole subject of transportation in our country. However, we did not get that. All we got was a reshuffling of the financial arrangements without changing the basic concept under which transportation is still operating, namely, let the private enterprise people have all the profit they can get from the profitable phases, and let them come to us crying poverty as far as the essential services are concerned and we will pay the deficit or take over the service. That, Mr. Speaker, is not good government.

When the Minister without Portfolio was proposing this bill I had the feeling it would be good if we had a Parliament with enough people in it with the guts to refuse to pass the bill.

Some hon. Members: Hear, hear.

Mr. Knowles (Winnipeg North Centre): Some people say we cannot deny the CNR this money because the trains would stop running tomorrow morning if we did not pass this bill.

An hon. Member: Some have.

Mr. Knowles (Winnipeg North Centre): As my hon. friend points out, trains have stopped running in an important part of Canada. Not too long ago, Mr. Speaker, there was a real crisis in this House because the CPR was going to discontinue the "Dominion". It was going to reduce train service across Canada to one train a day instead of two. This matter was referred to committee and we had a great discussion on the matter. The CPR kept the "Dominion" running because it was centennial year. Some members said this showed the way the wind was blowing. We said it would not be long until they would want to discontinue the "Canadian" as well. Now we see this happening.

We should not worry that the effect of any action we might take will result in the stopping of train service. The railways themselves are doing this. If we had a Parliament with enough people in it with the guts to say no to this kind of legislation and refuse to pass it, it might bring home to the government the realization that it has not examined transportation policy. The government does not have a policy that is good for the sixties, which are almost over, no policy for the seventies and certainly no policy for the final decades of this century. We go on year after year with the same bill.

There is only one thing we have not had tonight which we usually have when this bill is presented, namely, a little homily about it just being a financial bill respecting the CNR and the fact that we should not get into speeches about CNR policy. No one tried to impose that stricture at this time because the threats to cut out passenger service have brought the whole thing to a head in the minds of hon. members and the public. If we had a Parliament that would not pass this bill, the government might realize the jig is up and that they cannot go on perpetuating this mess. This is a completely unsatisfactory situation. We must resolve the whole transportation picture.

I want to say a word about the effect of this policy on the workers of the transportation industry. I come from a city which is a major centre for employees of Canadian National Railways and Canadian Pacific Railway. These employees have been going through a good deal of agony for the last decade or more, wondering what is happening as services are being cut one after the other. They are also wondering what is happening now. I submit that this is part of the responsibility of an industry such as the transportation industry. This industry has no moral right to talk about discontinuing these services without realizing what it can mean to those who

are working in the industry and who have helped to build it up to the strong, effective industry which it has been over the years. The government has no concern for these people.

When it gets to be ten o'clock, I believe we will have a late show. I may have a surprise for some hon. members tonight. I will be on the late show to speak on the subject of pensions. I will be speaking on the pensions of CNR employees. There, again, is an example of the failure of these outfits. Both the privately-owned CPR and the might-as-well-be privately-owned CNR ought to be concerned about the services this country needs, the condition under which their employees work and the pensions of those who have retired.

I do not know what we are going to do to get the government to realize that a crisis point is being reached. The workers, the country and the people who depend on train service know this. Most of us as private members in this House know it. I think that goes as much for private members on the government side as those on this side. But what does the cabinet do? It brings in the same old financing bill, gives us a seven minute speech telling us it is the same except for a couple of years when we had two years instead of one and with no indication at all of their awareness of the seriousness of this whole problem.

• (9:50 p.m.)

Another aspect of this which matters has been brought out in the bill before us, and which shows the failure of the government to realize the seriousness of this whole problem, relates to air transport. This bill provides for the interim financing of Canadian National Railways and for loans to Air Canada. I believe there are some differences in the bill as compared with similar bills of a few years ago. Those differences seem to me to portend the direction in which the government is moving, namely, that of farming out all the profitable aspects of air travel to Canadian Pacific and other private air lines while cutting down the amount of business available to the public utility.

We heard a speech the other day from a backbencher on the Liberal side who argued that this should be done. Why, he asked, should the people of Canada be shareholders in Air Canada compulsorily as taxpayers; why not put the shares on the market and let those Canadians who want to be shareholders in Air Canada become shareholders by buying shares in the company? It is very plausible, put that way, but it is the same old story. When air transport was new, and needed to be built up—

Mr. Mather: Where was private enterprise then?

Mr. Knowles (Winnipeg North Centre): That is a good question. I was here. I will tell you where private enterprise was then. It was not interested. But now there are phases of the air transport industry which are starting to show a profit. And the government line is: let us give these to private enterprise and we will keep up the essential services; we shall probably go into the red doing so, but we shall get away with it. This has been government policy with regard to transportation for a hundred years—to pay the shot wherever there are losses but to let private enterprise take the profit where there is profit. This is what has bedevilled the whole of our transportation picture as far as the railways are concerned, and it will bedevil it in the air in just the same way unless we can do something to bring these people to their senses.

My hon. friend and colleague asked where private enterprise was when Air Canada was starting out. I was here in 1944, I think it was, when the Right Hon. C. D. Howe brought in a measure having to do with air policy which resulted in the setting up of Air Canada as a completely publicly-owned corporation. I said 1944, but perhaps it was in 1945 or 1946—it was around there somewhere. Mr. Howe was asked why it had to be a completely publicly-owned proposition; why the others had not been let in. And he, the apostle of private enterprise, organizer, entrepreneur, pragmatist as he was, stood in his place and said he had tried his best to get the CPR to come in along with the CNR in joint ownership, but failed. This was in the middle forties at a time when there was nothing to be made out of it; the others did not want any part of it, so this great public set-up was the result.

Mr. Howe said, when some of us supported his move, that he intended to make the corporation so strong that nothing could be done by either its enemies or its friends—that was a crack at us—to upset it. But we all know what has happened since then. I realize I am rambling, I am reminiscing, but I think I am not far from the truth about this whole transportation system and its history in Canada for a full hundred years. We have never been able to sit down and look at transportation as being an essential service which the country needs and which should therefore be provided

by the people, preferably through public ownership, but if not, through a system of joint ownership. Anyway, it should be regarded as an essential service, not as an area in which huge profits should be made.

We have all made our street corner speeches—others call them that. We have our wild-eyed opinions. We have declared many times that this is the direction which greedy, private-enterprise capitalism takes. We do not have to say it in street corner terms. It is happening. The Canadian people today are faced with the prospect of losing something which is essential to the life of this country, that is, passenger train services, simply because the principle to which I have referred has been followed for a hundred years. When are we going to put a stop to it? When will we get a government which instead of bringing in this bill year after year decides to face up to the need for change in the whole policy?

I hope this debate will be one in which many hon. members will take part and express their views. I shall not mind if my views about public ownership are criticized from the right or from across the way, but for heaven's sake let us have some policy for coping with our transportation problem founded on the basis that transportation is a service, instead of patching things up for a year at a time. Let us, instead, come out with a policy which will see us through the years and the decades which lie ahead.

I believe it is ten o'clock, Mr. Speaker.

BUSINESS OF THE HOUSE

Mr. Baldwin: Might I ask the President of the Privy Council (Mr. Macdonald) whether he has consulted the ouija board, and if so, whether he can tell us the business for tomorrow?

Mr. Macdonald (Rosedale): The business for tomorrow will be a continuation, very briefly, I hope, of the bill we have been discussing, to be followed by the completion of the bill to amend the Canada Corporations Act. Then I would think we might change the order of business to the extent of calling as the third item the Elections Act resolution. As for the business for next week, one of the aspects of the ouija board was speaking while I was engaged in consultation, so I had better make an announcement tomorrow or at a better opportunity.

[Mr. Knowles (Winnipeg North Centre).]

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

PENSIONS—FEDERAL SUPERANNUATES, RETIRED CNR EMPLOYEES—INQUIRY AS TO INCREASE

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, on Friday, November 7, as reported in *Hansard* at page 646, I asked the following question:

Now that Christmas is only 48 days away, may I put a question to the President of the Treasury Board. Is the minister hopeful that a decision regarding pension increases for federal superannuates will be made in time so that these people might enjoy a happier Christmas than is in prospect for some of them?

The following exchange then took place:

Hon. C. M. Drury (President of the Treasury Board): I think the hon. gentleman knows I am always full of hope.

Mr. Bell: Like Scrooge.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a supplementary question to the Minister of Transport? I should like to ask him whether he is hopeful that something might be done to increase the pensions of retired employees of the CNR, also before Christmas.

An hon. Member: Are you full of hope, too?

Hon. Donald C. Jamieson (Minister of Transport): Yes, and more of it.

That was a double-barrelled question directed at two ministers, so I suppose it gave me a choice as to which of them I might summon to a late show. Well, anyone would make the choice I have made: when one minister tells us he is full of hope and another says he has even more of it, we call on the one who has more of it.

• (10:00 p.m.)

Therefore, Mr. Speaker, I thought I would engage tonight a minister who is more full of hope than anybody else, the Minister of Transport (Mr. Jamieson). Apparently it is not possible for him to be here this evening, but I see his genial parliamentary secretary. The Minister of Transport is a big man. His parliamentary secretary is, I think, even bigger, so perhaps he has more hope in his system than the minister himself. In any event, I hope that confidence will be expressed this evening.

As the House well knows, I have been pressing this question of increased pensions for retired CNR employees for many years. I have had expressions of hope and confidence from a long string of ministers. Without going back into ancient history, there was the present Solicitor General (Mr. McIlraith) when he was Minister of Transport; there was Jack Pickersgill when he was Minister of Transport; and there was the present hon. member for Trinity (Mr. Hellyer). Then for a while the present Minister of Supply and Services (Mr. Richardson) had the responsibility. We now have the hon. member for Newfoundland as Minister of Transport.

Quite frankly, I have felt that this minister is more concerned about this question than were some of the others. I think it bothers him that time goes on without this question being resolved. I like the things he said to me on the "late show" some months ago—on Thursday, June 19, 1969, to be precise. We were discussing this issue on that occasion and he expressed sympathy and concern. He said he knew what poverty was because he had only to think about the fishermen along the coast of Newfoundland. He went on to say that some of the CNR pensioners were at least better off than Newfoundland fishermen. I interrupted him at that point with the words, "It is still poverty", to which he replied:

> I cannot agree more with the hon. member that is far from adequate. But I am sure he also realizes that while this group has had a good deal of attention in terms of increases in the old age pension, we do wish to do more; and I believe that we will do more.

Those are the words of the Minister of Transport when addressing this House on the night of Thursday, June 19, 1969, as recorded in *Hansard* at page 10451. He said:

> —we wish to do more; and I believe that we will do more.

I know that this problem is linked to the problem of pensions of retired civil servants and all the other people on federal pensions; the whole question is tied together. But surely somebody in the government has to make a break somewhere, and I can think of no one better to make that break than the Minister of Transport. I hope he has deputized his parliamentary secretary tonight to say that this break will be made, that these pensions will be increased, and that this will be done before Christmas.

[*Translation*]

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): Mr. Speaker, first I must congratulate the hon. member for Winnipeg North Centre (Mr. Knowles) for his tenacity and his perseverance regarding the pensions of old people, retired civil servants or retired C.N.R. employees.

As a matter of fact, while going through the records, we see that in 1964, when Mr. Pickersgill was Minister of Transport, the hon. member for Winnipeg North Centre asked a question similar to this one tonight, as well as to the question he raised last May and to which the Minister of Transport (Mr. Jamieson) replied on June 19. The hon. member has just read part of the minister's reply.

The Minister of Transport is quite worried, as I am myself, about the present situation of the C.N.R. pensioners. We sympathize with them, we share the fears of the hon. member for Winnipeg North Centre who worries and who is sorry for those people with Christmas coming. Unfortunately I do not have the favourable reply he was hoping to hear tonight, even if the C.N.R. authorities were to hold consultations and meetings with the pensioners. I was told this afternoon that talks are held now and then in an attempt to find some form of agreement formula which has yet to be achieved.

It must also be recognized that the government, in increasing the old age pension a few years ago, in granting it to persons of 65, has enabled many C.N.R. pensioners to avail themselves of these advantages and also of a supplement of $30 a month. This supplement is granted, as a general rule, to all retired employees, to all Canadian citizens of 65 and over who are in need of it and who can prove that their financial means are limited and that they are eligible. A few of these pensioners are getting part of this supplement of $30 and I think some must receive the greater part of it, because, in some cases, certain C.N.R. employees receive a meager pension. Unfortunately, that pension was paid for thirty or forty years ago, and then money did not have the same value as today. One readily admits that the amount is insufficient.

The government would like to please everybody. For my part, I represent a working-class constituency in Montreal. Already, I have received requests for Christmas parcels. I wish I could fill them.

The government would like to be able to say yes to all the requests made by citizens

from the various social levels and even to requests from hon. members of the opposition. It would be much more agreeable to say yes and to accept suggestions than to say no and refuse—

Mr. Speaker: I regret to have to interrupt the hon. member who had scarcely entered his peroration.

[*English*]

Mr. Knowles (Winnipeg North Centre): Just say "oui".

Mr. Loiselle: Just say "oui"! Where do we get the money? Do you want to bankrupt the government?

PUBLIC SERVICE—ALLEGED LACK OF EQUAL EMPLOYMENT OPPORTUNITIES FOR WOMEN

Mr. Barry Mather (Surrey): Mr. Speaker, the other day during the question period I raised a question about the inequalities of salaries and employment advancement opportunities for the women of Canada who are employed in the federal public service. This question was inspired, if I might use that word, by a recent and excellent speech by Mr. Carson, chairman of the Public Service Commission of Canada. I addressed my question to the President of the Treasury Board (Mr. Drury), who I am delighted to see with us this evening. Possibly I did not phrase my question accurately enough to convey my real interest because the minister replied that he would be glad to send me a copy of Mr. Carson's speech. I did not consider that this was an adequate reply and I asked the minister whether he would consider taking a really serious look at the situation which is one that affects a great many women in Canada both in the public and private sector. This has been well outlined as far as our federal women employees are concerned by Mr. Carson.

I want to take advantage of the adjournment debate tonight to put a few more facts forward in illustration of what seems to be a need for a stepped-up effort on the part of our government to rid the employment service of this old and outworn prejudice against women in executive or foremost positions in the public service. Let me quote from the speech last week by Mr. Carson, the chairman of the Public Service Commission of Canada, in which he said:

> In 1967 for example, almost 60 per cent of all men in the public service made less than $6,000 a year, but no less than 90 per cent of all women ... so employed were under that level.

[Mr. Loiselle.]

He also states, as a result of a study undertaken on a comprehensive basis of men and women employed in the public service:

> Our study has computed that a male has 100 times the chance of reaching an annual salary of $14,000 than does a female in the public service.

• (10:10 p.m.)

I suggest these two quotations indicate that economic discrimination exists throughout the public service in respect of female employees. I am sure many people would agree with me when I suggest a similar prejudice exists in the private sector. I know, and I am sure the minister or whoever speaks tonight will say, that efforts are being made to meet the situation in the federal public service field and that the prejudice which involves women and retards their advancement to a higher salary or position is an intangible one. It is also said that this hangover from past ages has nothing to do with legislation. I agree, but I am sure the women across the country would agree with me when I say the federal authority in this field, representing the public of Canada, should be expected to give a lead in this regard and speed up efforts to correct the situation which prevails. If this is done, then I think the federal government will set an example for the rest of the country in accelerating the progress of women toward economic equality in our country at least so far as salary and employment are concerned.

In concluding my remarks I should like to remind hon. members that in reply to a question I asked in 1966 on a similar subject, the former prime minister, Mr. Pearson, at that time said unequivocally yes to me when I asked whether appointments to bodies such as the Atlantic Development Board, other boards, the Economic Council of Canada, the judiciary, the diplomatic corps and the CBC would be made by the government on the basis of a due proportion being filled by qualified women. Three years ago Mr. Pearson said yes on that particular point. We have yet to see any real action to back up that undertaking. I wish to say to the minister and others that we do appreciate that the chairman of the Public Service Commission is aware of the situation in the public service. I ask the minister to do everything possible in supporting the chairman of that commission and expediting equality for women in the employment service.

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, like the hon. gentleman who has just spoken we subscribe both

to the analysis and views expressed by the chairman of the Public Service Commission. I think this is an excellent analysis. As the hon. member suggests, we will do all that is reasonable to see that these hopes and aspirations are furthered. In quoting from one passage the hon. gentleman suggested, perhaps inadvertently, that there was inequality of salary between men and women, inequality in the sense that men on a quantitative basis draw higher salaries than women in the public service. Perhaps this carries the implication that women might be paid less than men for equivalent qualifications or equivalent jobs. I am sure he will appreciate this is not so. The law is quite explicit on this point. There is equal pay for equal work as between both sexes in the public service. There is no complaint on that score.

Apart from this I would be glad to say that, like Mr. Pearson, we want to see a greater participation by those of the fairer sex in the public service, and as the chairman of the Public Service Commission has indicated, he is conscious of the problems to be faced and is putting forth his best efforts to see that this proportion is increased.

[*Translation*]

OFFICIAL LANGUAGES—INCLUSION OF COST OF SCHOOL IN GRANT FOR BILINGUAL PROGRAMS

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I asked the Secretary of State (Mr. Pelletier) today if the amount of $3 million earmarked for the building of the Civil Service School of Languages was included in the $50 million grant promised by the Federal Government for the bilingual programs.

I suggest this is an urgent question, because a great many Canadians are worried about the manner in which this amount of $50 million is going to be spent.

In view of the amount of money involved in learning a second language in Canada, this allocation of $3 million makes us wonder if the expenditures made in view of turning Canada into a bilingual country have been provided for or if the grant of $50 millions to bilingualism programs will be used also for the construction of language schools.

Speaking about Canadians' concern, a British Columbia citizen stated, and I shall quote an article published in *Le Soleil* of November 11th which was entitled: "The $50 millions from Ottawa should be used to improve the condition of the French-speaking minorities in this country", and I quote:

> We will have to see to it that the $50 millions Ottawa will contribute in order to promote bilingualism are not used by English-speaking provinces to help English-speaking Canadians to become bilingual but to improve the condition of their French-speaking minorities.
>
> This is the view expressed last week-end by a British Columbia French-speaking visitor to Lévis—
>
> Mr. Roméo Paquette, secretary of the British Columbia French-Canadian Association, was speaking especially of his province—

• (10:20 p.m.)

> At the present time there is no adequate machinery to ensure that the French Canadians will be properly represented on the school boards.
>
> Mr. Paquette wonders how the French-speaking people in his province will be able to work towards self-determination if the institutions are English and if English-speaking people decide on the solutions to the problems of the French-speaking people.

If western citizens are concerned about the disposal of the $50 million made available to Canadians, Quebecers are also justified in being worried and in asking questions which urgently require answers.

According to Quebec Minister of Cultural Affairs, Quebec had told Ottawa that if it intended to provide technical and financial assistance, it would naturally have to consider the whole situation, namely the efforts Quebec had made to set up an educational system favourable both to the French and the English people.

He added, and I quote:

> As for the premier, he concluded: In Toronto, the Education Minister (Mr. Davis) stated the government policy, at least some principles of the Ontario government, and he asked for retroactivity. If this has a retroactive effect, in Quebec, it will have to be for more than a hundred years.

All this, Mr. Speaker, to tell you that there is much to be done in the field of linguistic research, in order to do justice to everyone, because, in my opinion, individuals and peoples should not be judged according to how well they speak or write.

However, language remains, in my opinion, a privileged instrument for the moulding of the mind and character. A cripple or a sick person can be endowed with very lofty qualities. We must not conclude that physical disability is unimportant and that the spread of illness should be encouraged. To speak incorrectly and to write poorly is not only a discourtesy towards others, but a sin against oneself, according to Plato, who had nothing in common with a silly bluestocking or of a

man for whom hair styling and whiteness of teeth are more important than friendship and courage.

As for that specific inquiry directed to the minister concerning the manner in which the amount of $50 million will be spent, I would like to quote what a professor of Matane—a town located east of Quebec City—Mr. Viateur Beaupré said, and I quote:

> The quality of the language is closely connected with a people's economic and political life. It is certain that our present federalism seriously threatens our culture and our language because, as an increasingly centralizing magnet, despite our protests, it strives consciously and unconsciously to establish unity and uniformity. The English-speaking majority cannot but work to build the country in its image and transcendence. The melody is sung by English tenors; French Canadians, Eskimos and others are asked not to spoil the concert or to learn the right lyrics. If we want to sing our own song, they will tell us that we cannot carry a tune and must have faith in them because, they say, we are fond of your "Alouette, gentille alouette" and we promise it will be respected from coast to coast. On a single condition: that you shall not sing another song while we are teaching "Alouette" in the Prairies and Baffin Land.
>
> But I will not insist on this aspect of the question, although it is of utmost importance. Whatever the political status of the province of Quebec, we will always have to make a gigantic effort to save the French language in North America. It will be saved or irreparably lost in a few years hence. And let there be firmly believed that if Ottawa proffers its hand, it is to grasp it later with both hands and compel us to follow its own dance. If we dance well, to the English rhythm, the French-Canadians outside the province of Quebec will be allowed to keep their folklore—

Mr. Speaker: Order, please. I am sorry to interrupt the hon. member, but his time has expired.

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, the answer to the first part of the question of the hon. member is no. The cost of the Language Center of the Civil Service Commission located on Carson Road is paid from the budget of the Public Works Department.

The Department of Public Works bought the Saint-Jean Marie Vianney seminary last summer for $2,700,000. Renovations will bring the total cost to roughly $3 million by the end of the 1969-70 fiscal year.

The budget of the Public Service Commission provides for expenditures of $5,777,000 for language training in the year 1969-70. Operating expenses for the Centre are included in that amount.

With regard to the $50 million I mentioned here on November 6, that amount will be used to set up federal-provincial programs for the teaching of the minority language, that is the mother tongue of English minorities in Quebec, and of French minorities in the other provinces, and, as an adjunct to this, for the teaching of English and French as second tongue.

The hon. member may rest assured that the amount used for the purchase and the amount to be used for the operation of that new Public Service Commission Center were not taken out of the money voted towards the federal-provincial programs for the teaching of languages.

Mr. Speaker: The time has now come for the House to adjourn, and hon. members are invited to take up arms again tomorrow, at eleven o'clock in the morning.

[*English*]

Motion agreed to and the House adjourned at 10.26 p.m.

HOUSE OF COMMONS

Friday, November 14, 1969

The House met at 11 a.m.

ROUTINE PROCEEDINGS

VETERANS AFFAIRS

First report of Standing Committee on Veterans Affairs—Mr. Francis.

[*Editor's Note: Text of foregoing report appears in today's Votes and Proceedings.*]

HEALTH, WELFARE AND SOCIAL AFFAIRS

ORDER OF REFERENCE TO STANDING COMMITTEE

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, there have been discussions among representatives of the parties with regard to an order to reconstitute the order of reference for the Standing Committee on Health, Welfare and Social Affairs with regard to the subject matter of tobacco advertising. If the House is prepared to give unanimous consent I would present a motion on this subject.

Mr. Speaker: Has the minister leave to present this motion?

Some hon. Members: Agreed.

Mr. Macdonald (Rosedale) I move:

That the Standing Committee on Health, Welfare and Social Affairs be empowered to study the subject matter of tobacco advertising;

That the orders for second reading of Bills C-34, C-69, and C-70 be discharged, and the subject matter thereof be referred to the committee;

And that the evidence adduced by the committee in its study of the subject matter of Bills C-39, C-45, C-53, C-134, C-137, and C-147 in the first session of the twenty-eighth Parliament be referred to the committee.

Motion agreed to.

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, perhaps I might announce the business projected for next week. The business on Monday will be order No. 5, second reading and reference to the standing committee of Bill C-3, to amend the Criminal Code. This is the hate literature bill. Tuesday will be an opposition day under the supply procedures. The business on Wednesday will be order No. 29, second reading of Bill C-152, to amend the National Parks Act. The business on Thursday will be order No. 28, Bill C-144, to provide for the management of the water resources of Canada, the Canada water bill. Friday will be another opposition day pursuant to the supply procedures.

• (11:10 a.m.)

TRADE

PROPOSED TARIFF PREFERENCES FOR EXPORTS FROM DEVELOPING COUNTRIES

Hon. C. M. Drury (Acting Secretary of State for External Affairs): Mr. Speaker, in my capacity as Acting Secretary of State for External Affairs I wish to advise the House that there is a growing realization that to bridge the gap that separates the rich and poor countries the export earnings of the latter must increase substantially. One of the means that could facilitate achieving this objective is to provide the exports of these countries preferential access to world markets. I wish to inform this House of recent progress that has been made toward the elaboration of a scheme of tariff preferences that could achieve this purpose.

At the United Nations Conference on Trade and Development in New Delhi last year there was unanimous agreement to attempt to establish a system of special tariff reductions that the industrialized countries would offer the developing countries. Since then, we have been approaching the proposed system in two stages, initially, discussion within the OECD among prospective donor countries and, subsequently, discussion within UNCTAD between prospective donors and beneficiaries. We are about to move to the second stage.

The Secretary General of the OECD is today transmitting to the Secretary General of UNCTAD a report which summarizes the results of the extensive meetings that prospective donor countries have held during the past year. Attached to this report are the

provisional proposals that the various governments which are prepared to consider extending preferences, that is, all developed countries of western Europe, North America, Australia, New Zealand and Japan, exchanged within the OECD in order to indicate the nature of the tariff preferences they were prepared to consider granting to developing countries.

Although the Canadian proposal that is being transmitted to UNCTAD, along with those of other donors, is no more than indicative hon. members will wish to be aware of its substance. In essence we have told our partners within the OECD, and now within the UNCTAD, that we are prepared to consider reducing the Canadian tariff on imports from developing countries of most manufactured and semi-manufactured goods either by one-third off the post-Kennedy round most-favoured-nation rate, or to the level of the present British preferential rate, whichever is lower. In addition, we would consider certain tariff reductions for imports from developing countries of a selected list of agricultural products that are of particular interest to developing countries. We envisage extending these preferential rates to imports from those developing countries that are entitled to MFN or British preferential treatment.

In order to assure that the scheme will not be disruptive to the Canadian economy, we have made it clear that we would not extend these reduced rates to products which we judge to be sensitive and for which we have negotiated or are asking for a quantitative restraint on exports to Canada from any country. Moreover, we, like other prospective donors, would insist on a safeguards procedure which would permit donors to alter at any time the nature of the preferences they are offering, to withhold the grant of a preference from the beginning or to withdraw a preferential rate which had been in effect.

We are confident that our indicative proposal contains the elements which will provide substantial new opportunities for developing country exporters. We would assure developing countries a preference of at least one-third off the MFN rate. However, since the present British preferential rate is in many instances less than two-thirds of the MFN rate, for those items we would be offering a preference considerably in excess of one-third of the MFN rate. In fact, for an extensive number of items we would be offering to remove the duty entirely on imports from developing countries. It will be realized that our purpose in offering to harmonize the proposed new preferences with our present British preferential rate is to equalize the treatment accorded by Canada to exports from all developing countries.

There is a great variety in the various indicative proposals of our OECD partners. Some of our OECD partners have said they are willing to offer a greater tariff reduction than we are proposing. However, unlike several other donor countries the linear cut in our tariff for imports from developing countries that we are proposing is not qualified by restrictions on the quantities to be imported, nor is it our intention to exclude whole sectors of trade from the scheme.

We wish to stress that our proposal is tentative and subject to revision following further discussion abroad and in Canada. One of the basic principles of the proposed scheme, accepted by all the industrialized countries that have stated a willingness to participate in it, is that the burden will be shared equitably amongst all donors. We have not yet completed our assessment of the various indicative proposals of our OECD partners. The details of the United States and Japanese proposals only became known to us last week. It is possible that the system of tariff preferences we hope in due course to put before the House for consideration and approval will differ from that which I just outlined.

However, in spite of the tentative nature of this proposal we believed that members would wish to be aware of its substance and the state of play of the efforts to elaborate an international scheme of tariff preferences for the exports of developing countries.

When the OECD document I referred to earlier in this statement becomes available in Ottawa I would be pleased to make it available for tabling.

Mr. G. W. Baldwin (Peace River): I am glad to note, Mr. Speaker, that the government is consistent when it describes its proposals as being indicative and hypothetical. This is an apt description of most of its proposals.

Mr. Drury: On a question of privilege, Mr. Speaker, the word "hypothetical" was not used by me.

Mr. Baldwin: I can only say, in response to that non-question of privilege, that if the minister did not like the word he should not have used it.

Mr. Drury: I did not.

Mr. Baldwin: I followed very closely what the minister had to say. I usually listen to what he has to say, but I was handed this document just as I came into the House so today I did so with even greater interest.

Mr. Drury: Obviously not.

Mr. Baldwin: What the minister is saying, in a timid way, amounts to this: We must do something; we are not sure what we shall do, but if we do it we reserve the right to take back what we have given at any time.

I can understand the minister's position. This is a difficult and complex situation dealing, as it does, with a variety of tariff rates and structures. But in connection with questions of this kind, Canada has surely indicated in the past that it is dedicated to the principle of enlightened self-interest. A few years ago it was estimated that between $10 billion and $15 billion would be required in supplementation of the gifts already being made to these emerging countries if they were to be in a position to set up a capital structure upon which to base an entry into the world's trading markets.

I am glad to see that the government is interested to the extent of enlightened self-interest. We take the position that we should do all we can, consistent with our obligations to our own people in Canada and to our other international commitments, to ensure that the countries to which the hon. gentleman referred do develop to a point at which they will be beyond the type of violence in evidence in developing countries in so many parts of the world, in the hope that in due course they will become Canada's partners in trade and on the international scene. A further and more definite examination of what the government is suggesting will have to await the disclosure of more specific proposals.

• (11:20 a.m.)

Mr. David Lewis (York South): Mr. Speaker, I noticed that the minister, when reading the statement, dropped the word "hypothetical", but whether that changes the nature of the statement is another matter. Everyone who has studied international aid has recognized for many years that trade is one of the most important problems that developing countries have to face. This is repeated and emphasized in the recent report of the international committee of which the Right Hon. Lester B. Pearson was chairman. Therefore, without any reservation I greet not only the government statement but also the statement that work is progressing on the part of the Organization for Economic Co-operation and Development to deal with this problem in some effective way.

I have but three comments to make. It is characteristic of the relationship between the developed and the developing countries and of the paternalistic attitude that we in the developed countries take that in all of the discussions that are taking place it is the developed countries that decide what they are going to present to the poor developing countries. We take unto ourselves the right unilaterally to withdraw, to withhold or to change any tariff arrangements that are made, and in all of these discussions the developing countries are treated like mendicants sitting at our feet as we hand out some largesse. This approach is evident throughout the statement that the minister made, and I object in the strongest possible language to this attitude that is taken by the rich countries of the world.

The developing countries have a right to participate in these discussions, to discuss with the donor countries what they would like to have done and to have some influence on the decisions that the donor countries make, instead of this club of the rich deciding what the poor are going to get, with the poor people given no opportunity to participate. It is particularly reprehensible to me that this attitude should come from a government that talks so much about participatory democracy at home. I suggest the same holds true on the international plan as it does within any one of our societies.

My second point is that not only are tariff reductions and preferential tariffs important to trade with the developing countries but equally important are the prices of some of the primary products that these countries may be able to export. The fact is that the rich countries of the world have taken the usual selfish advantage of the market situation and have depressed the price of many of these primary products to the level where their export would not do the developing countries much good.

Finally, I urge the minister that the House be given more information when he or the Secretary of State for External Affairs next makes a statement on this subject. I ask that we be told what products are being discussed, the countries that are involved and what general range of tariff reductions is being considered so that, instead of a general blurb such as the minister was handed by some officer to

present to this House, Members of Parliament will have information that has some content and meaning.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, before I speak on the subject with which the minister dealt this morning, I would like to draw his attention to the most important fact that, in the opinion of the government, our federal institutions must be bilingual. I thank the minister for having relayed to me the text of his statement, but it was in English, and I would rather have had it in French. At any rate, I think that the departments should make sure that we are forwarded the French and English texts of the statements made by the ministers.

To come back to the matter discussed by the minister, namely the aid that developed countries can give to developing countries, I would like to recall some of the things he said in his statement, and I quote:

[*English*]

—we are prepared to consider reducing the Canadian tariff on imports from developing countries of most manufactured and semi-manufactured goods either by one-third off the post-Kennedy round ... or to the level of the present British preferential rate—

[*Translation*]

And later on, he said that we will import from developing countries.

[*English*]

—a selected list of agricultural products that are of particular interest to developing countries.

[*Translation*]

Of course, we support the government when it decides to help developing countries. But the minister should consider the situation and realize that, at the very moment when we are preparing to help developing countries, the government adopts legislation aimed at curtailing domestic assistance as much as possible, and this is a paradox.

In fact, we could help those countries while ensuring the normal growth of our own economy. For instance, we should examine the factors which prompt us to cut down our economic activities while we help developing countries by importing their products. The hon. member for York South (Mr. Lewis) said earlier that the rich decide what the poor have to take, to accept from us, that the decision rests with us, all of which is not so very democratic, etc.

[Mr. Lewis.]

There I disagree with the hon. member for York South because it is clear that the prices of agricultural products and manufactured and semi-manifactured goods we import from those countries are much lower than those prevailing here in Canada. If we import them duty-free, we will be competing with our own economy, which is not logical.

I believe that in the circumstances it is not a matter of deciding what products developing countries should be forced to take from us. As a matter of fact, as the minister himself has said, we are ready to import goods from those countries if this is likely to help them. Nevertheless, I maintain my point, that in so doing we should beware of hampering our own economic development and we must see to improving our production and bringing our costs down through increased production.

We should not neglect our own economy while devising a foreign policy that would bring about unemployment and would confront our producers with rather unfair competition.

I suggest we should wait for the minister to draw up a list of farm products and manufactured or semi-manufactured goods to be purchased from those countries.

In any case, the statement holds that assistance should be extended to developing countries, and we agree to that as long as it is not at the expense of our own economic development.

[*English*]

NORTHERN AFFAIRS

NORTHWEST TERRITORIES AND YUKON—REQUEST FOR STATEMENT ON GOVERNMENT

Mr. Frank Howard (Skeena): Mr. Speaker, perhaps I might obtain the floor for the purpose of ascertaining whether or not the Minister of Indian Affairs and Northern Development intends to make a statement on motions regarding self-government or proposed self-government for the north, about which he is reported to have made some public statements outside the House?

• (11:30 a.m.)

Mr. Speaker: Perhaps the hon. member has raised this matter on a point of order, but of course it is not regular to do so in the form of a question asked at this time. That should be reserved for the question period. The question having been asked, however, perhaps the minister might be allowed to reply.

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I do not intend to make a statement to the House, but I am prepared to submit copies of the two speeches I made in Yellowknife and Whitehorse for the information of the House.

I think, however, that copies of these speeches have already been distributed to all hon. members.

[*English*]

Mr. Howard (Skeena): Mr. Speaker—

Mr. Speaker: Order, please. The hon. member might raise the matter during the question period.

Mr. Nesbitt: I rise on a question of privilege, Mr. Speaker. Yesterday afternoon, as reported at page 768 of *Hansard*, the Prime Minister gave every indication to the House that the minister would today, when he had returned to the House, make some comments on his recent visit to the Yukon. The Prime Minister said this in reply to a question by the hon. member for Skeena who has just spoken. It seems very strange to me and to many hon. members that the minister would not make a statement so that members of the opposition would have a proper opportunity to comment, which we will not have during the question period.

Mr. Trudeau: Mr. Speaker, on the same question, I must take issue with the statement just made. I was asked yesterday whether I would convey a request to the minister. I said I would be very glad to convey that request. I discussed the matter with the minister and he told me what his position would be. I think it is a reasonable position. I do not think the hon. member is justified in alleging that I would ask the minister to make a statement.

Mr. Nesbitt: On a point of order, Mr. Speaker, the Prime Minister indicated that the minister—

Mr. Speaker: Order, please. There is no question of privilege and I doubt whether there is a point of order. In normal circumstances the hon. member would wait until the end of the question period, at which time he would ask whether the minister proposed to ask leave to return to motions for the purpose of making a statement. I think that would be the regular way to bring up the matter.

Mr. Howard (Skeena): Mr. Speaker, in the light of the refusal of the minister and the government to reply to a legitimate request for information, might I ask the unanimous consent of the House to table later this day a document relating to our policy on self-government for the Northwest Territories, which is a little more valuable than the one we read about?

Mr. Baldwin: Is it under your own hand, Frank?

Mr. Speaker: Order, please.

ORAL QUESTION PERIOD

INDUSTRY

AUTOMOBILE PACT—REQUEST FOR STATEMENT ON CHANGES

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Acting Minister of Industry, Trade and Commerce based on reports that early changes are expected in the Canada-U.S. automotive trade pact. Will the minister make a statement in the House as soon as possible and advise of the government's position with regard to any changes in the pact and whether it is the intention of the government to object to including in the new pact complete free trade in automobiles between the two countries?

An hon. Member: Nobody home.

Another hon. Member: Where is the government of this country?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, in the absence of the Minister of Industry, Trade and Commerce I am prepared to answer for him. I regret to say I was not paying the attention I should have to the hon. member's question. I would ask him to reread it.

Some hon. Members: Oh, oh!

Mr. Baldwin: Mr. Speaker, I would be delighted to assist the wandering minister. Will the minister make a statement in the House as soon as possible and advise of the government's position with regard to any changes in the Canada-U.S. automotive trade pact and whether it is the intention of the government to object to including in the renewed pact complete free trade in automobiles between the two countries? I said that my question is based on reports that early changes are expected in this agreement.

Inquiries of the Ministry

Mr. Drury: On November 12 and 13 there were consultations in Washington regarding the auto pact. These are now concluded. In these discussions the United States' position in essence was that the time had now come to move to a rather freer trade position than had been the case up to the present. The Canadian position was that while great progress had been made under the automobile agreement in the establishment of an efficient and expanded Canadian automobile industry we could not feel assured yet that in the complete absence of any safeguards the progress could be continued. The discussions themselves came to no conclusion other than a statement of the positions. They will be renewed, we hope, in the new year.

Mr. Baldwin: I wonder whether the minister, on behalf of the government, can answer whether the government will undertake that no further protection will be given to the manufacturers without some basic assurance from them that the price differential will be eliminated?

Mr. Drury: Mr. Speaker, I think I can assure the House that no further protection beyond that already accorded will be granted to the motor car manufacturers in the absence of the kind of assurances the hon. gentleman mentioned.

VIOLENT DISTURBANCES

MONTREAL BYLAW—REQUEST FOR TEST OF CONSTITUTIONAL VALIDITY

Mr. David Lewis (York South): Mr. Speaker, I should like to address a question to the Prime Minister. In view of the Prime Minister's deserved reputation in the past as a defender of civil liberties and in view of the fact that the first use of the Montreal bylaw was to ban a proposed peaceful march in connection with the moratorium against the war in Viet Nam is the government considering appropriate ways in which the validity of the bylaw may be challenged in the courts or referred to the Supreme Court of Canada for an opinion on its validity as provided in the Supreme Court Act?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Minister of Justice and I have discussed this matter on at least two occasions. His department is looking into procedures and precedents whereby the federal government might challenge on its own a municipal bylaw. It is my understanding that this is not a customary procedure, but nevertheless we are in the process of searching for

[Mr. Baldwin.]

precedents. Of course the bylaw can always be challenged by any individual and if a constitutional issue is involved the Attorney General would, of course, be free to exercise his usual right of being present at the proceedings and pleading the constitutionality or otherwise of that bylaw.

Mr. Lewis: In view of the Prime Minister's important proposal to include in the constitution of Canada certain fundamental rights which clearly, in my submission, are breached by this bylaw, would the Prime Minister not consider it appropriate for him as the leader of the country to state his distaste for this kind of bylaw in the hope that the city council of Montreal would not use it in the way it has been used?

Mr. Speaker: Order, please. I doubt whether the question as asked is in the proper form. I believe the hon. member is asking whether the Prime Minister would consider it appropriate to do something or other. A question asked in those terms is not acceptable.

Mr. Lewis: Mr. Speaker, may I rephrase it without repeating the first part. Would the Prime Minister consider favourably expressing his distaste for this bylaw in view of the circumstances I have suggested?

Mr. Trudeau: Mr. Speaker, perhaps you might allow me to answer the first part of the question relating to the proposal that the federal government has put forward for a bill of rights to be entrenched in the constitution. I would agree with the hon. member that perhaps the country should now be more aware than ever of the need for wholehearted support by all parties and all provinces for the federal proposal.

Some hon. Members: Hear, hear.

Mr. Trudeau: The matter is again on the agenda for the December federal-provincial conference on the constitution. I repeat that I hope we will have the support of all parties in making a further advance with this idea.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, in view of the fact that freedom of speech comes exclusively within the authority of the federal parliament and that there is a bill of rights providing for freedom of speech and no constitutional amendment is required in order to establish that right—

Some hon. Members: Hear, hear.

Mr. Diefenbaker: —what stand does the Prime Minister take regarding this very clear case of the invasion of the right of free speech and free assembly?

Mr. Trudeau: Mr. Speaker, the right hon. member may recall that the courts had occasion to look at the Canadian Bill of Rights which was introduced into Parliament and passed under the leadership of the right hon. member and that this bill has been judged in a specific case not to apply to municipal bylaws concerning certain cases of the right to assembly.

Mr. Diefenbaker: Mr. Speaker, I would like to know what case that is. I have read all the cases and there is no case in which the Bill of Rights was determined not to have power over freedom of speech. The Prime Minister cannot get away with that here. This is just plain evasion.

[*Translation*]

NATIONAL SECURITY

REPORTED INQUIRY INTO SUBVERSIVE ACTIVITIES

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I should like to put a question to the Right Honourable Prime Minister.

In my opinion individual freedom should not encroach upon the freedom of others. Therefore, would the Prime Minister tell me whether he has held, say, since yesterday, consultations with Mr. Saulnier of Montreal, who said he had every reason to believe that the central government would soon launch an inquiry on subversive activities. Is the Prime Minister in a position to say, today, whether such an inquiry will take place, because I think it is high time that revolutionaries be prevented from infringing upon other people's freedom in Quebec?

Mr. Speaker: Order.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, if I understood well the question, my answer will be no. I did not meet Mr. Saulnier yesterday. Nevertheless I had a talk with him about ten days ago. Afterwards a short statement was released to the press, indicating that we had discussed certain matters, but not that the federal government was about to launch an inquiry, as suggested by the hon. member.

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I would like to ask a supplementary question.

Since a parliamentary committee was established to inquire into the activities of the Company of Young Canadians, following the statements made by the chairman of the executive committee of the city of Montreal, does the Prime Minister intend to have Mr. Saulnier appear before the committee to substantiate his charges?

Mr. Speaker: Order. The hon. member will recognize that the committee itself should deal with this matter.

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

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

Mr. Fortin: Mr. Speaker, with your permission, I should like to rephrase the hon. member's question—

Mr. Speaker: There is no point of order. The hon. member cannot rephrase a question by raising a point of order.

I will recognize the hon. member in few moments and he may then ask another question.

[*English*]

TRANSPORT

TRUCKING—INCREASE IN RATES

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I have a question for the Prime Minister. What action does the government plan to take with respect to the outrageous proposal of a 10 per cent increase in trucking costs in Ontario, Quebec and across the country?

Mr. Speaker: Order, please. As an experienced parliamentarian I am sure the hon. member recognizes that the question as asked is not in order. Perhaps he can formulate it in other words.

Mr. Bell: In the absence of the Minister of Transport, who should be here today, will the Prime Minister get his pal, the dictator of transportation, Mr. Pickersgill, on the telephone and tell him to hold back this increase?

Mr. Speaker: May I say to the hon. member that his second question is not a procedural improvement.

EXTERNAL AFFAIRS

BIAFRA—AID FOR STARVING CHILDREN

Right Hon. J. G. Diefenbaker (Prince Albert): I should like to direct a question to

the Prime Minister in connection with the revelations that have been made in the last two days over CBC television regarding the hideous increase in inhumanity in Biafra and the potential starvation that faces tens of thousands of children. Would the Prime Minister make a special effort, in view of the vast amount of wheat and flour we have on hand, to bring succour to those youngsters who, in the name of humanity, call upon people everywhere to preserve their lives?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the right hon. gentleman should know that the difficulty with the relief flights is based on the fact that the Biafran authorities do not permit daylight flights, that they are using the night flights of relief supplies in order to screen shipments of arms. The Biafran authorities apparently have followed a course directed at making sure that they receive arms rather than food or other medical supplies for the starving people through the air space controlled by them. In these circumstances we can only continue to make our appeals, such as those made by the Red Cross and which I believe the opposition should also make, to Colonel Ojukwu to be a little more humane and to think of the starving people to whom the right hon. gentleman properly made reference.

Mr. Diefenbaker: In view of the fact that the Secretary of State for External Affairs is at present in that general area, would it be possible for him to divert a little from the accustomed track and make direct representations in the name of Canada? It would not take him much out of the way because he is close by.

Mr. David Lewis (York South): I have a supplementary question, Mr. Speaker. May I ask the Prime Minister whether he considers that his extremely partisan and narrow statement a minute ago is fair to the leaders of Biafra, and is there not something that should also be said about Nigeria's interference with these flights?

Mr. Speaker: Order, please.

[*Translation*]

BROADCASTING, FILMS AND ASSISTANCE TO THE ARTS

COMPANY OF YOUNG CANADIANS—CALLING OF MR. SAULNIER

Mr. Fortin: I apologize, Mr. Speaker, but the hon. member for Shefford will put the question.

[Mr. Diefenbaker.]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I have another question for the Prime Minister.

Could he tell the house whether a recommendation was made by the federal government to the chairman of the committee investigating the Company of Young Canadians to the effect that the chairman of the executive committee of the city of Montreal, Mr. Lucien Saulnier, should not be asked to appear.

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker.

[*English*]

NORTHERN AFFAIRS

NORTHWEST TERRITORIES AND YUKON—RECOMMENDATIONS OF CARRUTHERS COMMISSION

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the bashful and uncommunicative Minister of Indian Affairs and Northern Development. Would the minister give immediate consideration to instituting at least some of the major recommendations of the Carruthers Commission made in 1966 with respect to procedures leading to self-government in the Yukon and the Northwest Territories? To date these recommendations appear to have been almost completely ignored.

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I think the hon. member should seek information before asking questions.

Up to now, we have implemented 19 of the recommendations of the Carruthers Commission. Besides, we have partially implemented five other such recommendations and only 4 have not been followed up by the government.

[*English*]

Mr. Nesbitt: I have a supplementary question, Mr. Speaker. When I put my question to the minister perhaps he did not quite hear all of it. I asked him about the major recommendations of the Carruthers Commission.

Mr. Frank Howard (Skeena): Mr. Speaker, I have a supplementary question but I might preface it by saying that I have never known the minister to be so shy and bashful, just uncommunicative sometimes.

Mr. Baldwin: In the House.

Mr. Howard (Skeena): Would the minister be prepared to use his authority or good offices to effect a meeting between the elected members of the territorial council of the Northwest Territories and the Standing Committee on Indian Affairs and Northern Development in the hope that by such a meeting something worth while might be accomplished in the field of northern development?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I have had myself the opportunity to meet, after my speeches, the council members of the two territories, and I discussed the whole problem with them.

Of course I said that the government feels that the Yukon and the Northwest Territories are not ready to accede at this time to the status of provinces and that if we were to give them executive powers within the territories, we would in fact be creating provinces, which is not desirable at present, because the population is small and the income from provincial taxes would be too low.

[*English*]

Mr. Howard (Skeena): Either as a supplementary, Mr. Speaker, or in any event to obtain the floor, may I say that is not what I asked the minister and he knows it. He is distorting the facts of the situation by continuing—

Some hon. Members: Order, order.

Mr. Speaker: Order, please. I believe the hon. member for Brandon-Souris has a supplementary.

Hon. W. G. Dinsdale (Brandon-Souris): Thank you, Mr. Speaker. My supplementary question is for the Minister of Indian Affairs and Northern Development. In view of the strong protest from the elected council of the Yukon arising from the minister's announcement and in the interests of peace, order and good government in Canada, would the minister now assure the House that the reasonable resolutions of the Yukon council requesting greater responsibility and autonomy in that territory will be given priority over the recommendations of the bureaucracy?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I went myself to the Yukon. I met the council members there and I invited them to dinner. When we parted, they said that even though we sincerely disagreed on some points, we could still be very good friends and we parted amicably.

[*English*]

Mr. Howard (Skeena): Mr. Speaker, I wonder if I could ask the minister a supplementary question. Would he agree that his statement in Yellowknife indicates that the great white father from Ottawa has once more struck a blow for the continued colonial status of the territories?

Mr. Speaker: Order.

THE CANADIAN ECONOMY

POSSIBLE NICKEL AND COPPER PRICE INCREASES—ACTION BY GOVERNMENT

Mr. Gaétan-J. Serré (Nickel Belt): Mr. Speaker, my question was for the Minister of Consumer and Corporate Affairs but because of the urgency of the matter I shall direct it to the Prime Minister. Due to the fact that the prolonged strike at the International Nickel Company in Sudbury could be settled today, since the union membership is voting on whether to accept or reject the proposed new contract which could result in a substantial increase in wages for the workers, would the Prime Minister advise the House what action the government contemplates to prevent a similar increase in the prices of nickel and copper, which would have a serious effect on the cost of living not only in that area but across the country?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the department will be answering questions on Monday, but in the meantime I shall ensure that the question is brought to the attention of the minister.

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I do not know whether the Prime Minister has read of the whopping increase that the city of Hamilton council has given itself retroactive to January 1, 1969. I wonder whether the Prime Minister could make a comment on whether this is in keeping with responsible people exercising restraint in a time of inflation?

Mr. Speaker: Order, please. I do not think the hon. member's question is in order.

Inquiries of the Ministry

CANADIAN SOVEREIGNTY

STATUS OF WATERS BETWEEN ST. PIERRE-MIQUELON AND CANADA

Mr. Lloyd R. Crouse (South Shore): I wish to direct a question to the Minister of Fisheries and Forestry, Mr. Speaker. Have the minister or members of his department held any talks with French officials concerning the status of the waters lying between St. Pierre and Miquelon and Canada? If so, will fishing activities be permitted in this area within the traditional three-mile limit or will the 12-mile limit apply?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, my department has not been in direct contact with French officials in regard to this matter but the Department of External Affairs has been actively concerned with the subject.

PESTICIDES

DDT—DISPOSAL OF STOCKS ON HAND

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, I should like to direct my question to the Minister of Agriculture. In view of the real public concern, can the government indicate what plans it has, following the ban on general use of DDT in Canada, for the safe disposal of stocks on hand?

Hon. H. A. Olson (Minister of Agriculture): No, Mr. Speaker, but I know there is some concern in the industry and even more widespread than that, in the public interest, as to what disposal will be made of these products. I should like to obtain advice from my department as a result of their conversations with the industry and then make a report to the House.

Mr. Danforth: I have a supplementary question, Mr. Speaker. Is the government giving consideration to the payment of compensation to holders of large stocks of this material in view of the fact that it was assembled under licence from the government?

Mr. Olson: I shall take that question as notice, Mr. Speaker.

GRAIN

INQUIRY AS TO ESTABLISHMENT OF SECRETARIAT

Mr. John Burton (Regina East): My question is for the right hon. Prime Minister, Mr. Speaker. Is it the intention of the government to establish a grains secretariat and is it expected that such a step will put an end to the reported intense wrangling between government departments on matters of grain policy?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, the story which appeared in the *Globe and Mail* this morning is, of course, merely speculation, without foundation in fact.

Mr. Burton: Mr. Speaker, I directed my question to the Prime Minister in view of the fact that the subject involves at least three ministers and three government agencies. However, I am happy to hear answers from the Minister of Agriculture as well. But my supplementary question, Mr. Speaker, is to the Prime Minister. In view of the analysis of the Saskatchewan Wheat Pool that the past crop year was one of the most difficult ever experienced in the history of agriculture in Saskatchewan and in view of reported fears of a worse crisis—

Mr. Speaker: Order, please. I have to caution hon. members that again we are running out of time. It seems to me that the question period is being taken up more by statements than by questions. I suggest that perhaps hon. members should make an effort to reduce the length of questions. The purpose of the question period is to seek information, not to give information to the House.

Mr. Burton: Thank you, Mr. Speaker. I shall certainly abide by your ruling. My question to the Prime Minister is whether he would consider placing all matters affecting grain and grain policy under the jurisdiction of one minister?

Mr. Baldwin: He could not handle it.

Mr. Burton: A further supplementary question—

Mr. Speaker: I regret having to suggest to the hon. member that perhaps we should go on to another subject at this time.

[*Translation*]

BROADCASTING, FILMS AND ASSISTANCE TO THE ARTS

REQUEST THAT MR. SAULNIER APPEAR BEFORE COMMITTEE

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I would like to address a question to the Prime Minister. It seems that the parliamentary committee responsible for inquiring

into the activities of the Company of Young Canadians refuses to call in Mr. Saulnier as a witness whereas many committee members would like to hear him, not for the purpose of putting him on trial, but in order to find out more details—

Mr. Speaker: Would the hon. member like to put his question?

Mr. Caouette: Willingly, Mr. Speaker. Could the Prime Minister suggest to the committee to take the necessary steps which will enable members sitting on this committee to hear Mr. Saulnier's testimony?

Mr. Speaker: I must suggest to the hon. member, or rather remind him, that this is a question which must be examined by the committee. It is not normal to discuss in the House the proceedings of a committee which is sitting at the present time.

Mr. Caouette: Mr. Speaker, on a point of order. Could the Prime Minister or the government extend the terms of reference of this committee to enable it to call in the witnesses whom the members wish to hear?

[*English*]

OIL

PROPOSED DRILLING IN GULF OF GEORGIA—RIGHTS OF PERMIT HOLDERS

Mr. P. M. Mahoney (Calgary South): Mr. Speaker, I am tempted to allow the Minister of Finance to display some of the knowledge acquired in his recent immersion course in the petroleum industry. However, I shall direct this question to the Minister of Energy, Mines and Resources. In view of the opinion expressed in Vancouver on Wednesday by the Minister of Fisheries and Forestry that drilling for gas and oil in the Gulf of Georgia ought not to be permitted, could the minister advise the House whether there has been any change in the policy of his department which would alter the rights that holders of permits from the Department of Energy, Mines and Resources have heretofore enjoyed?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): No, Mr. Speaker.

FISHERIES

INQUIRY AS TO ESTABLISHMENT OF SALT FISH MARKETING CORPORATION

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I direct a question to the Minister of Fisheries and Forestry. Is he considering bringing in legislation before the Christmas recess to set up a salt fish development corporation so that this important marketing agency can be operative in the next season?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, I would agree that this legislation should have a high priority.

Mr. McGrath: May I ask a supplementary question, Mr. Speaker, or perhaps it ought to be a point of order. On a number of occasions I have tried to elicit this information from the minister. A few days ago in St. John's the minister said that this legislation would not be brought in until the spring. I submit the minister's answer is completely misleading. I asked whether he would consider bringing in the legislation before the Christmas recess so that we would not have to wait until the spring. In the statement made in St. John's the minister said the legislation would be brought in at that time.

Mr. Speaker: Order, please.

Mr. McGrath: I have almost concluded, Mr. Speaker. Could this legislation not be brought in soon so that this important marketing agency could be operative by next spring?

[*Later:*]

Mr. McGrath: Mr. Speaker, may I direct a supplementary question to the Minister of Fisheries and Forestry. Will he make a statement in the House outlining the government's policy vis-à-vis a salt fish development corporation? At the same time will he tell the House when the government expects to introduce this legislation?

Mr. Davis: Mr. Speaker, I will be glad to do this at the earliest opportunity.

[*Translation*]

LABOUR CONDITIONS

UNEMPLOYMENT—INQUIRY AS TO PROGRAMS TO ALLEVIATE INCREASE

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, the Minister of Manpower and Immigration being absent, I should like to direct to the Prime Minister an urgent question of national interest.

Considering the alarmingly high level of unemployment now prevailing in the province of Quebec, to wit 135,000 unemployed out of 330,000 in the whole country, could the Prime Minister tell us what immediate action his government intends to take to eliminate that evil which might well get worse this winter?

Inquiries of the Ministry

Mr. Speaker: I already pointed out to hon. members that such questions call for information usually passed on to the House by a minister through a statement on motions.

I suggest the hon. member might ask his question by following that procedure.

Mr. Valade: May I ask the Prime Minister whether he would be prepared to make a statement on motions concerning a very serious situation in Canada, especially in Quebec, or does the government intend to do nothing about it?

[*English*]

Mr. G. W. Baldwin (Peace River): A supplementary question, Mr. Speaker. Would the Prime Minister, if he makes this statement, indicate if the government has any weapon other than unemployment to deal with the question of inflation?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the question is hypothetical.

TRADE

WHEAT—ARGENTINE CROP SHORTAGE—ACTION TO SUPPLY MARKETS

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, my question was to have been directed to the Minister of Industry, Trade and Commerce. In his absence may I direct it to the acting minister. In view of the report that the wheat crop in the Argentine this year is 17 per cent short of requirements, what steps if any is the government taking to fill any market vacuum in this area or to supply wheat to any of the regular or potential wheat customers of the Argentine?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, as the hon. member knows, the Canadian Wheat Board and the minister of the responsible department attempt to maximize sales of Canadian wheat all the time.

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, may I direct a supplementary question to the Minister of Agriculture. Will the hon. gentleman inform the House when he will be setting up the grain sales agency that has been strongly advocated by western farmers for the past several years?

Mr. Olson: Mr. Speaker, when and if such an agency is set up, and if the federal government is involved in it, an announcement will be made in due course.

[Mr. Valade.]

Mr. Knowles (Winnipeg North Centre): I wonder if we have a government at all.

Mr. Howard (Skeena): I don't wonder. I know we have not.

OIL

GULF OF GEORGIA—STATEMENTS BY MINISTER OF FISHERIES AND PARLIAMENTARY SECRETARY

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, may I direct a question to the Minister of Fisheries and Forestry. Following the issuance of permits for seismic testing for oil in the Strait of Georgia by the government of British Columbia, has the minister made any public statement on this subject subsequent to the announcement made by the Parliamentary Secretary on November 6 in the House? If so, under what auspices was the statement made? Also, did it expand or differ in any way from the position taken by the parliamentary secretary?

Mr. Speaker: Order, please. I should think that the question as asked would be a good question for the Order Paper. The hon. member is asking whether statements were made by a minister subsequent to a certain date. I doubt very much whether that question would qualify as one to be asked during the oral question period.

Mr. Barnett: Mr. Speaker, I was not asking the minister to repeat any statement that was made. I should like to know, and I think there is urgent need for the information, whether the minister's statement if he made one, and there is some indication that he did, was on all fours with the position stated in the House by his Parliamentary Secretary. That is the gist of my question, and I hope you will permit an answer to be given.

Mr. Speaker: Order, please.

INQUIRY OF THE MINISTRY

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, my question is for the Minister of Agriculture. Will he please stop fiddling with grains policy while the prairie farmer burns?

[*Translation*]

FINANCE

TYPE OF AID TO WEST INDIES UNIVERSITIES

Mr. Bernard Dumont (Frontenac): Mr. Speaker, would the Minister of Finance tell

the house if the $1,731,000 in assistance granted to the West Indian universities are an interest-free loan or a gift from the government?

Mr. Speaker: In my opinion, this question could well be placed on the order paper.

[*English*]

RESEARCH

DISCONTINUANCE BY NASA OF PROGRAM AT FORT CHURCHILL

Mr. Robert Simpson (Churchill): Mr. Speaker, I have a question for the President of the Treasury Board. Subsequent to the announcement by NASA about the curtailment of their research program at Fort Churchill, was there any further consultation between federal government authorities or NRC authorities and NASA in an effort to have NASA reconsider this decision?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, endeavours have not been made because they are not regarded as likely to be productive in having NASA reconsider its decision not to participate in administration and operating costs on an annual basis at Churchill. However, the National Research Council, and other departments of government, have been endeavouring to persuade NASA of the advantages of conducting individual experiments on their own account at Churchill.

Mr. Simpson: A supplementary question, Mr. Speaker. Is consideration being given to increasing financial grants to NRC so as to allow that body to make a significant contribution financially, with NASA, as in the past?

Mr. Drury: Mr. Speaker, I am not quite sure that I understand the significance of the question. NASA will, we hope, in future be conducting experiments either at its own expense or on a shared-cost basis with Canada at Fort Churchill. The nature of these will be determined by budgetary considerations and scientific needs. I am afraid I cannot be more specific than that.

[*Later:*]

Mr. Simpson: Mr. Speaker, I wish to direct a further supplementary question to the President of the Treasury Board in order to remove the impression left by the minister that he did not understand my first supplementary. In view of the fact it appears quite evident that the initial approach by NRC to NASA seeking a greater financial contribution to the program than they had hitherto been making sparked off NASA's decision—

Mr. Speaker: Order, please. I suggest to the hon. member his supplementary is a form of participation in debate. I do not think it is acceptable.

AGRICULTURE

BEEF—ASSURANCE OF FAIR RETURN TO PRODUCERS

Mr. R. E. McKinley (Huron): Mr. Speaker, my question is for the Minister of Agriculture. According to the report prepared by the Ontario Food Council, the processing mark-up on beef is now 2 cents more than it was previous to the beef price rise last spring. Formerly it was 17 cents and now it is 19 cents. My question is: Is the minister contemplating any action to ensure that beef producers get their fair share of the consumer beef dollar?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, on a number of occasions we have expressed our concern and the Minister of Consumer and Corporate Affairs has also expressed his concern over the difference between the price to the producer and the final retail price.

HOUSING

BUILDING SOCIETIES—REQUEST FOR FAVOURABLE TAX TREATMENT

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, may I direct my question to the Minister of Finance. Just over a week ago I asked the minister a question relating to building societies. At that time he did not have the answer to my question. Since he has now had an opportunity to meet representatives from the province of Ontario, I wonder if he would care to make a statement about the government's intentions in this matter?

Mr. Speaker: Order, please. I should think that the statement ought to be made on motions, unless the minister has a short answer.

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I can answer the question very briefly. I met Mr. Randall, told him to submit further details to the government through the minister in charge of housing and said that we would, of course, consider any specific proposals he might bring forward.

Mr. Alexander: A supplementary question, Mr. Speaker. Are we to infer that the minister is bending a sympathetic ear to the request of the province?

Mr. Benson: Mr. Speaker, there has been no specific request.

EXTERNAL AFFAIRS

WASHINGTON DEMONSTRATION—CANCELLATION BY MURRAY HILL OF ARRANGEMENTS TO SUPPLY BUSES

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister following my question of yesterday. Is he in a position to say anything further about the circumstances under which Murray Hill Limousine Service Limited cancelled certain arrangements it had made to supply buses for trips from points in the United States to Washington?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker. The question was conveyed to departments and I understand inquiries are still being made. I have received no information yet by way of reply.

• (12:20 p.m.)

GOVERNMENT ORDERS

CANADIAN NATIONAL RAILWAYS, AIR CANADA

PROVISION FOR CAPITAL EXPENDITURES, GUARANTEEING OF SECURITIES

The House resumed from Thursday, November 13, consideration of the motion of Mr. Gray: that Bill C-7, to authorize the provision of moneys to meet certain capital expenditures of the Canadian National Railways system and Air Canada for the period from the 1st day of January, 1969, to the 30th day of June, 1970, and to authorize the guarantee by Her Majesty of certain securities to be issued by the Canadian National Railway Company and certain debentures to be issued by Air Canada, be read the second time and referred to the Standing Committee on Transport and Communications.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, although I believe there are approximately ten minutes of my time left, I believe in my remarks last night I made the main points I wanted to express with regard to this country's transportation policy. Therefore, I will not launch into a further speech at this point. I just want to make one statement in order to urge something that I feel is very important.

We have before us legislation respecting the financing of the Canadian National Railways. We have this before us at a time when the Canadian National Railways and the

Canadian Pacific Railway have made applications to abandon most, if not all, of their passenger services. The point I want to make is related to a question I asked a few days ago, namely that the hearings before the Canadian Transport Commission on this issue should be public. This request has already been made by unions representing some of the employees who work for the railways. Surely we all agree that this issue is one that concerns the workers, communities and citizens of this country generally. I urge the government to use its good offices to see to it that the hearings on this very important question are held in public.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, we have to day before us another railway bill. This has become somewhat routine in the last few years since a similar bill has been introduced every session.

In fact, for several years now, the Canadian National Railways have been facing the same problems and every year, the government introduces almost similar bills which do not bring any answer to the problems facing this Crown Corporation.

Recently the CNR and the CPR have made representations in order to be granted permission to abandon a number of passenger services. The people of my area which I represent are particularly concerned with this application.

Among the services to be abandoned are those of the Abitibi and Lake St. John regions which are serviced by the CNR.

Among the other services which would fall victim to this measure are those between Montreal and Vancouver.

The justification for such applications lies in the losses incurred which are due to the fact that passengers are gradually discarding that means of transportation.

When we start considering how the CNR is run, we discover that there are far too many officials in this company and too few executives.

I have here before me an application which was made two or three years ago by agencies operating in the small northwestern town of Quebec where I live, I mean La Sarre. This application was made in the light of the fact that some other towns in this area such as Amos, Rouyn-Noranda, Val d'Or, Malartic and Senneterre enjoy free parcel delivery service, provided by the CNR, while La Sarre is

excluded. The people of La Sarre were entitled to the same service provided in other communities, since this is a profitable service.

Therefore, I made representations to the CNR in order to get the same service for La Sarre. Here is the answer I received in a letter from Quebec, dated April 16, 1968 and signed by Mr. L. M. Poitevin, director of the Quebec area. I quote:

> In our answer dated September 26, 1967, we pointed out that according to a check of the volume of small shipments, there had been a fairly substantial decrease compared to the 1965 volume and also a decrease in comparison with 1966. We also said we wished to see the effect that the new rates coming into force at the beginning of September 1967 would have on volume. We added that a fairly substantial increase in shipments in La Sarre would be desirable in order to prove that the collecting and distributing service free of charge, but which would entail great expenditures, would still be profitable.

The ridiculous side of it all is that the CNR insist upon the patrons being sufficient in number before granting them services, while in private enterprise, it is quite the opposite. Good service is provided to people so that they will become customers.

While private enterprise gets good results through this method, public enterprise will not use it. It would like to be sure to have customers before offering them services. It is not surprising that the Canadian public, as much in Abitibi as elsewhere, should shun the services of the CNR which is thus pursuing a cheese-paring policy.

We find again the same situation in the passenger service on the line to Abitibi. To save money, the Montreal-Abitibi and Montreal-Lac Saint-Jean services have been merged through a transfer point at Hervey-Jonction. Then, there is complete disregard for the people who want to go to Abitibi or to the Lac Saint-Jean and come back.

And when the travelling public uses other means of transportation the company claims a deficit or a lack of users to abandon the service.

I think that any petition aimed at abandoning a service is really an application for subsidies. I ask the government to consider carefully the CNR application.

The annual report of the CNR for 1968 is full of interesting comments and figures.

In Bill C-7, the minister asks for the provision of moneys to meet certain capital expenditures of the CNR system in Canada and Air Canada.

If the CN shows a deficit in some of its services, would it not be appropriate to investigate a little its financing methods?

The report emphasizes the fact that the operating revenues—rail operations, hotels and telecommunications operations and so on for the year 1968—showed a surplus of $41.2 million but because of the way it is run the CN had to pay $70.4 million in interest for that same year which turned a $41 million surplus into a $29.2 million deficit.

When we, of the Ralliement créditiste, ask as we have been doing for a long time, that publicly-owned companies at the federal, provincial and municipal levels, be financed interest-free by the Bank of Canada, some government members find our contention ridiculous.

However, such an approach would make it possible for the Crown corporations to show operating surpluses, instead of constantly operating in the red as they do now, because of the orthodox way in which the government finances its own Crown corporations.

We know that when the government bought the bonds of the CNR—its own company—it did so with borrowed money. The CNR pays 4 per cent interest on the bonds bought by the government of Canada. The revenue from the recent sale of bonds—the amount mentioned in the bill is $82 million—will be used to redeem bonds that have reached maturity. What are we to think then of the publicity in the newspapers and over the radio—which costs thousands of dollars—according to which the government is offering the "best ever" bonds? Those bonds bear an interest of 8¼. Money is borrowed from the public to grant a loan of $82 million to the C.N.R., at 4 per cent interest. Talk about a deal!

This is standard management practice: no wonder the government is always in the red.

On the last page of the CNR report, there is a complete list of statistics for the last 25 years which indicate that the CNR had profits for 6 years and losses for 19 due to the interest payments. Over the last 25 year-period, the CNR paid $1,240,990,000 in interest on its debt.

Mr. Speaker, we know that interest, through the federal government, was channelled back, not to the government, but to those who lend money to the government, which in turn lends it to the CNR.

I say, Mr. Speaker, that that procedure is not only ridiculous but criminal. Some find the Créditistes proposals ridiculous, but I claim that this orthodox way of financing public

services is criminal, because money is taken from the individuals and given to the various loan companies.

If the government financed the expenditures of the Canadian National Railways, Air Canada and the St. Lawrence Seaway—all three are in the same situation—through interest-free loans from the Bank of Canada, it would be possible to reduce passenger or freight rates or increase the wages of the employees of those companies. Thus, everyone would be satisfied, which is not the case today.

One provision of Bill C-7 provides for a sum of $19 million to be used for the construction of branch lines by the CNR Therefore, I would ask the Minister without portfolio who sponsors the bill, where the CNR intends to build branch lines.

• (12:30 p.m.)

I have been told that the CNR intends to build a branch line from Matagami to James Bay. I would like to ask the minister whether it is true and when the construction of that branch line is anticipated?

This is why I say that the bill should be referred to the committee, in order to be thoroughly studied.

The management of the Crown Corporations is not satisfactory and should be improved. I ask the government to take as soon as possible the necessary measures and not to introduce such bills every year—since that does not solve the problems of Crown Corporations—but a legislation to enable the Crown Corporations to serve the public in the best interests of the nation.

Mr. Marcel Lessard (Lac-Saint-Jean): Mr. Speaker, I must avail myself of this opportunity today to refer briefly to railway companies, and especially to the CN in the Saguenay-Lac-Saint-Jean region.

I know that this bill deals with the annual financing of CN operations and that it is not necessarily the right time to discuss all the policies of this company.

As it was announced recently that passenger services were to be dropped in our region and in other parts of Canada, I must add my voice to that of my hon. friend, the member for Abitibi (Mr. Laprise), since both our regions have already been affected by a recent decision of the CN.

The region of Saguenay-Lac-Saint-Jean, with its population of some 300,000 inhabitants, has only one railway service. In our

region, there is no competition between the CN and the CP. The CN cannot therefore claim that competition prevented it from making any profit in the past.

If now the CN sees fit to reduce its passenger service because it is no longer patronized to the same extent as before, it is the first to blame, because in the past 15 years, the service has been getting worse all the time.

At present, to travel from the Saguenay region to Montreal, a distance of 300 miles, one has to spend more than 12 hours in CN trains.

How can you expect the public to support such a service? In short, if there is any competition in the area, it is within the CN. The company is striving by every means to make its service as unattractive as possible, as though some genius in their administration were trying to plan the service in such a way that people will give it up as soon as possible.

Let us, for instance, look at the sleeping-car service. The train only has one sleeping-car. Can it be used? Hardly, because during the past three years, the price of single roomettes has increased from $5 to $10, a double roomette now costs $20, just to spend a few hours in a bed. Moreover passengers are jostled from side to side which makes it difficult to sleep, because the line is in such a poor condition. How then can the public be expected to make use of the CN passenger service?

Mr. Speaker, my area is served by Quebecair and Air Canada. There are also bus services and we have good roads, but nevertheless, some people still travel by train and will do so as long as possible.

If this company treated its customers better, I am sure things would turn out differently. As a matter of fact, the experience has already been made. A few years ago, a Mr. Delagrave had been appointed vice president in charge of CN passenger service. He had taken it upon himself to increase the number of passengers travelling on the CN, and he actually achieved his goal. But in view of this man's achievement, the authorities make life impossible for him in order to force him to seek employment elsewhere. So he left the CN and now works for another company, because he realized that his policy was totally at variance with that of CN authorities who obviously wanted to do away with the passenger service.

We can only oppose the policy of the Canadian National Railways designed to curtail the passenger service. I do not object to

my hon. friend from Abitibi or any citizen of that part of western Quebec travelling aboard the train I am on, because I believe that is how one meets very interesting people. I am sure that the merger of services in our two areas is quite possible. However, I do not think it was necessary to lengthen the trip by an hour and a half, as is the case since both services were merged.

As far as the Lac-Saint-Jean people are concerned, we have to wait an hour and a half on the train. Such an arrangement simply indicates poor planning of the time table for the trains from Abitibi. There are no reasons for both trains, the Saguenay-Lac-St-Jean line and the Abitibi line, not to arrive at the same time at Hervey-Jonction. It is a simple question of planning, but they have made it so that they shall not meet, in order that one or the other be forced to wait for an hour and a half.

In view of this, I personally object to the Canadian National Railways being granted the right to reduce or completely discontinue its services in the Saguenay-Lac-St-Jean region and the Abitibi region as well.

I object to that for many reasons. Both our regions are designated areas under the government policy. They need additional assistance. If I understand the assistance policy scheme to designated areas, assistance is needed in the establishment of a substructure, in order that these regions may prove more attractive to industries interested in settling there.

Now, it is certainly not by reducing the services that exist now or by simply eliminating them as the Canadian National Railways intends to do that we are going to improve the substructure in the Saguenay-Lac-St-Jean and Abitibi regions which are designated areas, parts of which will be considered special. Then, why reduce service while other departments are trying through millions of dollars in subsidies to improve the situation and raise the employment level in these regions?

In addition to the passenger service, there is in the Saguenay, a transportation service for first class goods which must be delivered quickly. The elimination of this service will deprive certain enterprises in our region of these goods. They will have to find other ways of getting them at, of course, a higher cost.

I do not intend to delay further second reading of this bill so that it may be referred to the Committee on Transport and Communications, but I join those who spoke before me in asking the government to pay close attention to the proceedings of the Canadian Transportation Commission to avoid that at this level of administration a unilateral decision be made, which would deprive Canadians of the services they are entitled to.

[*English*]

Mr. James A. McGrath (St. John's East): Mr. Speaker, it is almost one year ago that the last measure similar in nature and design to Bill C-7 was before the House. As the hon. member for Winnipeg North Centre (Mr. Knowles) remarked last night, this bill rarely changes in form or concept. It is what could be termed an annual bill, a perfunctory measure which unfortunately in too many cases has received automatic and often swift passage through the House.

However, that does not apply this year—at least, I hope not. If my few words delay its passage a little, then I will feel I have succeeded; and I shall proceed to tell the House why I would not want the bill to go through without my having made some observations about it.

We had considerable discussion on this measure last year because at that time the people of my province were confronted with an accomplished fact, namely the abandonment by the Canadian National Railways of its rail passenger services in that province. I well recall saying at the time—my colleagues voiced similar sentiments—that there but for the grace of God go other provinces. Today, we see that other provinces are indeed going to lose all, or certainly part, of their railway passenger services. In this connection, I need only refer to the comments of the hon. member for Winnipeg North Centre and the very impressive remarks of the hon. member for Crowfoot (Mr. Horner).

• (12:40 p.m.)

When the legislation goes to the committee, Mr. Speaker, I hope the members of the committee will exercise the right that is theirs to examine the reasons for the decisions that have been made, and to exercise that control over the operations of railways in this country, especially the operations of the Canadian National Railways, that should be ours but which in actual fact is not. During the Committee hearings I intend to press for those reasons underlying the applications now before the Canadian Transport Commission to abandon rail passenger service in certain

parts of the country. We are especially interested in my part of the country because we were the reluctant guinea pigs. They tried out this idea on us first. Perhaps the House might be interested in knowing what the position is in Newfoundland at the present time.

In accordance with the directives of the Canadian Transport Commission, the rolling stock of our rail passenger service is being held in reserve, supposedly to meet an emergency or to cope with adverse conditions brought on by weather or some other act of God which the bus services cannot handle. It is rather interesting that the old "Bullet" is not dead yet. During the recent Liberal leadership convention in Newfoundland, the Liberal party, which did so little to prevent this injustice to my province, suddenly discovered that the old "Bullet" still had one more useful function to perform. They dusted off the Pullman cars, took the boards off the windows, and used them to accommodate 200 or 300 delegates to that convention.

The premier himself, acting like the proletarian he likes to think he is, insisted that he should have an upper berth. I bet it is the first time he has had the privilege of sleeping in an upper berth, albeit a stationary one. Those who slept on the "Bullet" during the convention were boasting that they had slept on the "Bullet" with Joey. That is what became of our rail passenger service. It is being held in reserve for an act of God, and certainly the Liberal leadership convention should qualify. It could only be by Divine Providence that the Liberal party in Newfoundland finds itself in the mess it is today.

There are other aspects of the service about which we are concerned. We are concerned, for example, about the operation of the buses in Newfoundland. We want to be reassured that the bus service will be able to cope with weather conditions. We should like to know what complaints the railway is receiving from people who have to use this service. We want to know what their plans are to improve the service. We should like also to know what the intentions are regarding the coastal service in Newfoundland.

In my province, the CNR has the responsibility of providing mail and passenger service around the coast of Newfoundland and Labrador which is inaccessible by road or other modes of transportation. There are ominous signs that the railway company would like to discontinue this service as well; in fact, the wheels have already been set in motion. Two of the ships that were providing this service to the constituency represented by the Minister of Transport (Mr. Jamieson) have been sold, with the result that today the people using the service, the only means by which one can travel along that south coast of Newfoundland, have to be piled in like cattle. There is no berth accommodation and there is no seating accommodation. Last summer I saw women and children literally sitting on the floor because the two vessels now are inadequate. The railway company knows this, as does the Minister of Transport and the Canadian Transport Commission, yet nobody seems inclined to do anything about it. I serve notice on the CNR that I want answers to some of these questions.

I should like to know what the future is, if any, of the East Coast ferry service which was provided in accordance with the terms of union. It is now operating between eastern Newfoundland and Nova Scotia. There have been suggestions, indeed charges have been made, that this service is purposely being downgraded by the railway company. This complaint does not relate to the services offered, because this vessel provides excellent services. The service is being downgraded in respect of promotion and advertising. It seems to be the best kept secret in this country that there is a 10,000 ton vessel operating between Argentia, Newfoundland and Sydney, Nova Scotia, and that this vessel does in fact save at least 500 miles of driving. There is no evidence that this excellent service is promoted and there is no evidence of advertising. There have actually been cases of people applying in Sydney for passage over to Newfoundland who have been told the only way to get there was by crossing over from Sydney to Port-Aux-Basques and that there was no way of avoiding the long drive across Newfoundland. We should like to know why the railway company is not promoting or advertising this service.

More particularly, we should like to know why the rates are so high for this service. It costs $50 to put your car on this boat. By the time you pay for your own ticket, berth accommodation and meals it costs you about $100. Who can afford to use this service which is provided for tourists? No tourist is going to spend $100 when he knows he can save perhaps $50 by taking that long drive across Newfoundland. The railway company has made no move toward reducing the rates. I maintain the rates should be reduced by at least 25 per cent. There is very strong evidence that the company intends to remove this vessel from this service and place it in

service elsewhere. We should like to know why this service is not promoted and why the railway company has not accepted recommendations from many people and organizations such as boards of trade, members of parliament and the travelling public to reduce the rates. A 25 per cent reduction would certainly have the effect of increasing the traffic and consequently would offset any loss of revenue. We want to know what the future of this service is and we want to be assured that this undertaking by the government of Canada, cemented as it is in the terms of union, will be carried out.

There is another matter of tremendous importance to Newfoundland and the Atlantic provinces. It is so important and has such a tremendous effect on the cost of living and the inflationary trend that I am surprised it has not been alluded to by the Minister of Consumer and Corporate Affairs (Mr. Basford). I refer to the lifting of the freeze on freight rates in the Atlantic provinces, in eastern Quebec or that area covered by the Maritime Freight Rates Act. I refer also to the consequential 11 per cent increase in rates announced the day after the freeze was lifted. Perhaps the record should note that this lifting of the freeze and the consequential increase in rates by the railway company—in other words this action on the part of the government—was contrary to the recommendations of the Atlantic premiers, contrary to the recommendations of the Maritime Transportation Commission, and contrary to the recommendations of boards of trade, shippers and almost everyone in the Atlantic provinces.

What did the Atlantic premiers have to say about this action in a statement released by the four premiers of the Atlantic provinces in March of this year? On page 23 of their statement, we read this:

• (12:50 p.m.)

> The reasons for the establishment of the freeze in the first instance are just as valid today as when the National Transportation Act was passed by Parliament. The Atlantic Provinces recommend, therefore, that the Federal Government take the necessary steps either by legislation or by agreement to maintain the freeze on Atlantic Provinces rail rates until such time as the new regional transportation policy is effected.

Of course, they are referring to the long awaited, many times promised, new policy on Atlantic transportation. That is what the four premiers recommended just a few months ago, yet the decision of the government, effective in September, was completely contrary to their recommendations. How did the premiers react when they learned that their recommendations to the federal government were totally and completely disregarded by the Minister of Transport (Mr. Jamieson), and by his colleagues in the federal government? Their reaction was one of dismay, incredulity and shock. I shall quote now from the *Globe and Mail* of September 26:

> Premiers protest rate freeze
>
> The Atlantic Premiers Conference meeting here yesterday termed the federal government's decision to lift the Atlantic Provinces freight rate freeze as being "in conflict with the underlying philosophy of the federal Government's announced policy toward the alleviation of regional disparity."
>
> A strongly worded statement released at the end of the day-long meeting said the conference "vigorously protests the unilateral decision," which was made "without prior consultation with the governments of the Atlantic Provinces."

The story goes on to say that the premiers, to put it mildly, were surprised. They saw this action for what it was and were not hesitant in saying that this was a unilateral decision, without consultation with the Atlantic provinces, notwithstanding the fact that this government, the Minister of Transport and the other ministers from the Atlantic provinces knew full well the effect that a lifting of the freeze would have. They knew it would have a consequential effect in the form of a boost in the rates charged by the railways. These freight rate increases contribute greatly to the increased cost of living and the inflation which is already taking such a toll on the people who live in the regionally depressed areas of this country. What does the *Evening Telegram* say about it? In an editorial dated September 23 it termed this decision as a last straw. The lead editorial had this to say:

> Just in case things weren't bad enough in Newfoundland's cost of living another jolt is on the way. The freight rate for goods moving to this province is to be increased by 11 per cent beginning today.

Now we are told the freeze was lifted and the railways were permitted to increase the rates because the subsidies under the MFRA would be applied to the trucking industry under the new legislation. That is fine except for the fact—and the Minister of Transport knows this better than anyone—that there is no trucking into Newfoundland because the truckers cannot afford to pay the exorbitant freight rates across the gulf or on the east coast ferry, rates which were set to prevent the trucking industry from providing competition for the railways. So, there is no truck transportation of any consequence going into Newfoundland such as in the other three

maritime provinces. Therefore, when the Minister of Transport tells the truckers to cut their freight rates, this has no meaning at all for us. It makes no difference whether they reduce their rates or increase them; we are still dependent to a very large extent on rail transportation.

In speaking of the trucking industry, my colleague the hon. member for Saint John-Lancaster (Mr. Bell) referred earlier today to the recently announced increase in trucking rates right across the country. This is the answer to the Minister of Transport from the trucking industry in the Atlantic provinces. He tells them the freeze has been taken off so that the railways will be happy. He tells them they have been given a subsidy to keep them happy, and then says to them that now they should play ball so that competition will be more properly distributed. He tells them to play ball with us and reduce the rates. Now, however, the rates are going up all across the country, and particularly in the Atlantic provinces because the truckers have their cake and can eat it too. They are receiving a subsidy under the Maritime Freight Rates Act and, in addition, are increasing their rates. The railways are happy because the freeze is lifted and they are permitted to raise their rates. Today, their rates are 11 per cent higher than they were before the freeze took place.

Every report I can find, and all the editorials by senior editors who have commented on this situation, contain the same opinion. Perhaps this opinion can best be summed up by reading a brief quotation from the Saint John *Daily News* of September 26:

> All this must be intimately related to the problem of regional economic disparity.

We have enough problems already in the Atlantic provinces. We also suffer the consequences of our geographical and regional disparity. These include the high cost of living, the excessively high unemployment and the continuing problem of excessively high freight rates. Now, we look to the government for some succour, for some relief. We look to the Minister of Transport who presents himself as the great spokesman for the Atlantic provinces. We look to the Minister of Manpower and Immigration (Mr. MacEachen) and all the ministers from the Atlantic provinces. We look to the Minister without Portfolio and we look to the Prime Minister and his just society for some relief.

[Mr. McGrath.]

What do we get? We get a unilateral decision made by this government without consultation with either the Atlantic provinces, the Maritime Transportation Commission or anybody. They unilaterally break faith with the people of the Atlantic provinces by announcing a lifting of the freeze and by permitting the railways to increase their rates by 11 per cent, thereby adding to the already unbearable burden the people of the Atlantic provinces must carry because of the consequences of excessively high transportation rates.

May I call it one o'clock, Mr. Speaker.

Mr. Deputy Speaker: It being one o'clock I now leave the chair until 2 p.m.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. McGrath: Mr. Speaker, before the adjournment for lunch I was outlining to the House the disastrous effects on the economy and on the people of the Atlantic provinces of the government's decision to lift the freeze on freight rates and the consequential 11 per cent increase in the freight rates by the railways. During my remarks I referred to the brief entitled "The Basic Elements of an Atlantic Provinces Transportation Policy" which was presented in March to the Minister of Transport (Mr. Jamieson) by the four premiers of the Atlantic provinces, in which certain specific recommendations were made to which the government arbitrarily refused to adhere. I referred to the government's attitude toward this brief and the reaction of the four premiers following the lifting of the freeze and the increase in the rates.

Now, I would like to refer to the reaction of the Maritime Transportation Commission and I should like to quote the Canadian Press dispatch of September 23, part of which reads as follows:

> Craig Dickson, chairman of the Atlantic Provinces Transportation Commission, said in Moncton August 22 that shippers throughout the Atlantic provinces will face rail freight increases of between 9 and 18 per cent.
>
> Mr. Dickson said the federal government should not have lifted the freeze until a comprehensive regional transportation policy for the Atlantic area had been implemented.

This is the reaction of the Atlantic Provinces Transportation Commission, which is very similar to the recommendations of the four Atlantic premiers and similar indeed to all the recommendations and briefs of various groups in the Atlantic regions, such as boards of trade and chambers of commerce, with regard to the lifting of the freeze and the increase in the rates.

The board of trade in my own province of Newfoundland reacted very adversely. As a matter of fact, they suggested that the government had broken faith. I should like to quote from the dispatch in the St. John's *Daily News* of October 8, 1969, part of which reads as follows:

> The executive of the Newfoundland Board of Trade, A. G. Ayre said the Board was given to understand that the "freeze" would remain in effect until March 23 of next year—

That is 1970.

> —unless a more suitable rate formula for this area was forthcoming.
>
> Mr. Ayre pointed out that the Board of Trade is still waiting replies to its request to the Federal Minister of Transport, Hon. Don Jamieson. Apart from seeking information as to what action was taken to retain the freight rate "freeze," the reason for its removal was also requested.

• (2:10 p.m.)

Feelings in the Atlantic provinces on this matter are unanimous. These feelings are shared by responsible bodies in the Atlantic provinces, including the premiers and therefore the government of the four provinces, the Atlantic Transportation Commission, the Atlantic Provinces Economic Council, boards of trade, chambers of commerce, interested citizens and members of parliament with, of course, the notable exceptions of the Minister of Transport (Mr. Jamieson) and the Minister of Manpower and Immigration (Mr. MacEachen). The feeling is unanimous, yet the government elects to ignore it.

We were given to believe, and it was reasonable for us to expect, that with the appointment of the former minister of Transport, Mr. Pickersgill, as Chairman of the Canadian Transport Commission and with the appointment of the member for Burin-Burgeo (Mr. Jamieson) as his successor as Minister of Transport, that at long last the importance of our plight would be understood. Arrangements must be made to hold the line on freight rates in the Atlantic region until the government announces its long-awaited and much heralded promise of a policy on Atlantic transportation.

The freeze has been lifted and the rates have been increased. Since Mr. Pickersgill became Chairman of the Canadian Transport Commission, Newfoundland has lost its rail passenger service and is losing its coastal service. The maritime provinces are going to lose their rail passenger service into St. John's if the CPR has its way. The Minister of Transport, who is the new spokesman in the cabinet for the Atlantic provinces, instead of having some feeling and understanding of the problem, goes contrary to every responsible position taken by the governments of the four Atlantic provinces, and the Transportation Commission as well as all other interested bodies in the area. It seems evident, Mr. Speaker, that the Atlantic area of Canada would be much better off today if somebody other than Mr. Pickersgill were Chairman of the Canadian Transport Commission and if somebody other than the member for Burin-Burgeo were Minister of Transport.

I like the suggestion made by the hon. member for Winnipeg North Centre (Mr. Knowles) that perhaps this House should refuse to vote this money until there is some pronouncement from the government respecting the future of rail passenger service in this country and, in particular, the transportation policy for the Atlantic provinces. I, for one, would be prepared to exercise that right under the proper circumstances or at least reduce the vote to $1. Perhaps then Canadian National Railways would not approach this House every year with their usual cavalier attitude, and perhaps the government would not take it for granted that the House would, in the usual perfunctory way, approve and pass the bill. Mr. Speaker, if the opportunity is given me I shall, at an appropriate time, move to refuse the grant.

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, we are being asked to allocate funds for the Canadian National Railways and Air Canada, but I suggest that if the example set last winter by the Canadian National Railways and the Canadian Pacific Railway in connection with the movement of grain from the prairies to Vancouver is typical, instead of increasing the grant we should fire the management for doing such a poor job of running their business.

In Saskatchewan, and on the prairies, we still have a mountain of wheat. Surely, only the present Liberal government with its extraordinary ability to organize could arrange things so that there would not be any grain in Vancouver when ships were there to

move it. It is time this government realized they are short on organizing talent. If we complain, the Minister of Industry, Trade and Commerce (Mr. Pepin), the Minister of Agriculture (Mr. Olson) or even the Minister without Portfolio from Saskatoon-Humboldt (Mr. Lang) can give 20 reasons for failure. This is just not good enough.

If the railways want more money, they must operate more efficiently. For instance, let us look at the set-up here. The bill is introduced by the Minister without Portfolio from Windsor, (Mr. Gray), acting for the Department of Finance. The Department of Transport looks after railways and in so far as grain is concerned, a subminister was appointed to look after this particular item. So, we have three different government departments supervising one function, the movement of grain. In addition the Wheat Board, the Winnipeg grain exchange and elevator companies and the railroads are involved in this movement. Now surely, Mr. Speaker, the involvement of all these departments and agencies, without sufficient coordination, is enough to ensure that farmers get the run-around.

Recently, I received a letter from a housewife about an item which appeared in the Winnipeg *Free Press*, and I shall read it:

> In today's issue of the Winnipeg *Free Press* an article stated that a large order of flax had been diverted to the States because there was none on hand at the Lakehead. An importer of flax said our transportation system was scandalous.
>
> This is an unbelievable situation, one that makes you want to sit down and cry! We're combining flax today and wondering where to put it. We haven't been able to haul in a single bushel of flax as the elevators have been plugged, of course, since spring.

This was dry flax which could have been moved by the railway but was not. What is the government doing to ensure that the railway system is properly organized? Is anyone in charge of this particular responsibility of government, Mr. Speaker? I know that the Minister without Portfolio from Windsor prides himself on being a businessman and knowing something about organization, but if he is going to handle this area of the government's responsibility I hope he manages to do something specific.

I should like to read one more paragraph from this letter, Mr. Speaker, and it is in the form of a direct question of the minister:

> Who on earth is responsible for directing traffic and what is it with these box cars?

The letter is from a Mrs. Coulter of Stranraer, Saskatchewan. Now, Mr. Speaker, I should like to commend the hon. member for Assiniboia (Mr. Douglas) for his intiative in at least trying to do something about box car distribution on the prairies. He is the only one on the other side of the House who seems to have any real idea of what this is all about. However, if a meeting is to be called I am not so sure that it should be a private meeting with the Minister of Transport leaning on railway officials, thereby ensuring that it is really a Liberal meeting. I believe that a committee composed of members from all parties in the House or an agricultural committee meeting would be a little more fair. However, I do give the hon. member for Assiniboia credit for realizing that there are problems in this area and that something must be done. If the minister in charge were half as interested, perhaps we would have had a little action by now.

• (2:20 p.m.)

A new system has been inaugurated with regard to shipping grain, the block system. Hopefully, this system will be an improvement and will ensure a more efficient distribution of box cars and a more efficient movement of grain. I have talked with several people who are involved at the local level with this particular system for the allocation of box cars. Since it is new, they are not prepared to comment on it one way or another. They say, "We are very optimistic about it; it will solve problems in certain areas but, apart from that, we prefer to reserve judgment." That is my position, Mr. Speaker, also. I commend responsible officials for this new idea. It is a new approach and may be successful in solving problems. At any rate, we see here evidence of initiative and energy on the part of our officials.

I suggest that the operation of our present facilities could be better managed and coordinated. A great many box cars are allocated to the movement of grain, yet there are indications that these box cars are not being adequatedly used. Many stay at sidings much longer than necessary and, as a result, cannot deliver grain at the lakehead or the west coast when that grain is needed. If some of these new ideas work, if we introduce unit trains and bigger box cars, then other commodities as well as grain will benefit. We shall move them more readily.

May I say something more in connection with the movement of grain? Surely to goodness, it is possible for our responsible people to be more farsighted about possible grain sales and have requisite grades of grain in

forward positions, ready for sale. We should have in forward positions flax, requisite grades of grain, and so on. Last spring the committee, while on a tour of agriculture in western Canada, stopped at a grain terminal in Vancouver. Please remember, Mr. Speaker, this was after the winter during which we had so much trouble in agriculture. What did we find? We found that even in April the terminal was short of a particular variety of grain for which there was a demand. This is intolerable, especially when there are still so many varieties of grain for sale on the prairies. I hope the minister applies himself to solving this problem. I hope that activities in this area will be better managed and co-ordinated than they are today.

May I now comment on the subject of rail line abandonment? There are several lines which may be abandoned in my area. In particular, I am thinking of one area where there is a main railway line along one side of a river and on the other side a branch line. The authorities are proposing to abandon the branch line. Whoever built the branch line in the first place showed poor judgment—but that was not your fault, Mr. Speaker, nor mine. The question is, what are we to do about this? I suggest that instead of paying subsidies forever to the railway to enable them to run branch lines, the more practical approach would be for us to build a bridge across the river at a point where the bridge could best serve those who would be hurt most by the removal of the branch line. Then the branch line could be removed without anyone being hurt too much. Instead of paying subsidies to the railways to operate branch lines, I suggest the federal government might consider providing alternative methods of transportation. In the example I cited just now, a new bridge might provide a good way out of an awkward situation.

In other circumstances, perhaps a federal grant for a grid road system would solve the problem created by the abandonment of a branch line. Instead of continuing subsidies, perhaps the government might consider granting provincial authorities funds for the building of highways. Construction of highways would permit grain to be moved and the branch line would no longer be needed. Some of these alternatives would be acceptable in solving the problems created by rail line abandonment. Nevertheless, before significant numbers of branch lines are abandoned, I think an over-all plan should be worked out so that we can determine which lines will remain useful in the long run and which ones ought to be abandoned. I do not think the authorities should merely come to us and say, "Your branch line is to be abandoned." I would not agree to anything like that unless specific alternative means of transportation could be introduced to take the place of the branch line. As I said, the government ought to look at some of the alternatives open to it and do a little horse-trading. It could say, "We will help the railway remove this particular line, but we will offer you something specific in exchange for the abandoned line." That help might take the form of assistance to municipalities or provincial governments in the building of roads; or, the railway itself might be assisted in some way.

I have cited a number of areas in the transportation field that need particular attention. Now, I should like to deal briefly with something else that relates to box cars and grain handling. This morning's *Globe and Mail* referred to arguments between two departments of the government. In case anyone argues that the article in my hand is not related in any way to the question of railways, may I make the humble suggestion that it is. If the two departments of government mentioned cannot evolve an over-all policy for shipping grain, how on earth are we to expect the railways to evolve a consistent, organized and ideal method of moving it? The article in question refers to the Department of Industry and the Department of Agriculture, and reads in part:

> Rivalry between the grains divisions of these two departments has retarded development of an over-all grains policy—

I suggest that the Minister of Finance (Mr. Benson) or the Minister without Portfolio might lean on their colleagues to ensure that something specific is done towards solving this awkward problem facing western Canada. I do not know whether either minister is aware of how awkward the problem of handling prairie grain is, but I am sure they are both interested in making sure that the government operates efficiently and in an organized way. I am sure both ministers will consider the matter in this light.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, this legislation for the financing of the Canadian National immediately raises the question of a railway company's behaviour and how that squares with its obligation to the public. The implications of the recent request by both of Canada's major railways for wholesale abandonment of passenger service across the country are of tremendous

national importance. They expose the very core of one of the greatest challenges our modern society faces, the challenge of providing transportation that is swift, economical and adequate.

At this time, I am more interested in the implications for the province of Manitoba arising from specific requests for abandonment of passenger services by both railroads—requests which, if granted, could deal a heavy social and economic blow to central and northern Manitoba. We have the Canadian Pacific Railway's request to abandon all passenger service, including the transcontinental service. Winnipeg is a vital point on the route. I am more particularly concerned about the Canadian National's request to suspend passenger service on the Winnipeg-Dauphin-The Pas-Gillam-Churchill run and on the Wabowden-Gillam-Churchill line. I agree that it is unfair and unrealistic for us to compel a system such as the Canadian National to operate at a deficit of more than $3 million a year, which is the loss claimed on the Winnipeg-Churchill service. The Canadian National, after all, is a publicly owned system that came into existence in the public interest after an amalgamation of a group of bankrupt railway companies. It is true that it has been a charge on the public purse ever since, and has received assistance from the public purse.

• (2:30 p.m.)

But the Canadian National Railway is in a very different position from the privately owned Canadian Pacific Railway which received many great concessions from the people of Canada that enabled it to make tremendous profits over the years in lines of endeavour other than railway passenger service. For this reason, I believe the two groups of applications must be considered entirely separate. In my opinion, the CNR is using its applications to abandon passenger service on 13 runs across the country more as a signal for help than with the serious intent of dropping service.

The CPR, on the other hand, obviously wants out of the whole passenger carrying chore because it is no longer profitable. This railway wants the public that gave it the concessions which led to tremendous corporate development and handsome profits over the years to now allow it to get out of the obligations that were the reason for the concessions in the first place. These concessions included $25 million in cash before the turn of the century, plus 25 million acres of land. It was these concessions, given in return for a transcontinental rail line, that permitted the CPR to build hotels, get into land deals, mining and smelting and airlines, not to mention the very lucrative freight haulage business.

There is an excellent editorial in the Winnipeg *Tribune* of November 11 that deals with specific concessions given the CPR by Manitoba and the city of Winnipeg. In the matter of real property taxes, the CPR was given a perpetual exemption. Lawyers and management for the CPR have always argued that this original bargain should be kept. They are meticulous in making what payments they choose to make as an act of grace, not as a legal obligation. The CPR part of the bargain that led to these generous tax concessions was to supply rail service. What is sauce of the goose must be sauce for the gander. If the CPR expects the Canadian people and their various governments to abide strictly by the original bargain, then surely the CPR should be willing to abide by it.

Both railways have over the years been subsidized for losses incurred in supplying what are deemed to be necessary public services. This system is in the process of change, but the principle is still recognized and will be continued. In the light of this principle and the original bargain struck, I think the barefaced proposal of the CPR to pull out of all passenger service is farcical and insulting.

To return to my immediate concern which is Manitoba, and particularly the social and economic life of central and northern Manitoba, I believe the CNR should not be allowed to simply drop all passenger service to places such as Thompson, The Pas and Churchill, not to mention Dauphin and other centres. Although advances have been made in bus and air travel, the fact remains that there are many people who still prefer rail travel or, indeed, cannot use any other mode. They may not exist in sufficient numbers to make the service economically sound, but that is not a valid excuse for dropping that service. It is a necessary public service and should be regarded as such. If money is needed to sustain it, this should be forthcoming from the public purse. I have often suspected that to strengthen the economic argument the railways, the CPR at least, have deliberately discouraged passengers through poor and awkward service. This sort of thing is really not good enough when we consider the vital

importance of transportation to national development and to meeting some of the tremendous problems of our modern urbanized and far-flung society.

In my opinion, the Canadian Transport Commission cannot possibly consent to these applications in their present form and still pretend to be protecting the public interest. I would rather see the CTC admit that there is little likelihood of necessary passenger service ever being economically profitable and start examining the problem, not negatively by allowing cancellations, but positively by looking for ways to make them economically sound. If both railways realized that they were in the passenger carrying business to stay, they might assist in positive research.

I have in mind such things as pioneering more modern, smaller passenger units. This has been done to a limited extent in the Toronto and Montreal areas where commuter business is the only paying passenger business the railways have. There are the Montreal commuter runs, the Rapido between Toronto and Montreal and the provincial government's commuter trains in and around metro Toronto. Something of this spirit should be carried into provincial, interprovincial and transcontinental travel.

In Britain, the government and British Railways are spending some $30 million in developing a high-speed, modern passenger train. When we consider that it takes an estimated $20 million to develop a new automobile and approximately $32 million to build a mile or so of elevated expressway, surely this amount of money spent on development and use of existing rail lines might well be a better investment of public money. We are going to have to transport more and more people every year, not fewer. We are going to have to pour more and more public money into providing assistance to provinces and communities to help to meet this problem of passenger transportation. It might be wise to look at what facilities already exist and what use may be made of them by adaption and improvement before we pour out money to construct new facilities that too often only add to the tangle, and complicate and aggravate the problem.

In conclusion, Mr. Speaker, I would like simply to make the strongest protest, first, against the blanket proposal of the CPR to abandon all passenger service and, second, against the application of the CNR to isolate central and northern Manitoba from the mainstream of provincial and national life by dropping passenger service on the Winnipeg-Churchill line and its subsidiaries. Financing the CNR is an annual necessity, but it should be done with a clear restatement of the company's obligation to the Canadian public.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I wish to take this opportunity to make a few comments on the bill before us. Before doing so, I wish to endorse the comments made generally by the hon. member for Battleford-Kindersley (Mr. Thomson) when he was talking about the Canadian Pacific Railway.

At the outset, I wish to say I am quite disturbed by the recent activities of the CPR in attempting to drop as much passenger service as possible. We must look back to 1881 when the Canadian Pacific Railway Act was passed in this House. In that Act, we find many of the concessions that were given to the company at that time. Among these concessions were $25 million in money, which I remind hon. members was worth much more then than now. They were given a huge parcel of land and certain mineral concessions as well. In return for these, Canadian Pacific promised the people of Canada they would provide passenger service on an everlasting basis. We must ensure that this company continues to keep that promise to the people of Canada.

I am somewhat disturbed by recent indications that the Canadian National Railways wants to abandon some of its passenger services as well. The citizens all across Canada will need these services for many years to come.

The bill before us is similar to bills which have been presented to this House for many years to finance the operations of Canadian National Railways and Air Canada. Instead of just presenting this bill every year, Mr. Speaker, I would like to hear the government talk about transportation policy, a policy which needs to be changed and needs to be flexible in our vast and ever-changing world.

There is one difference in the bill presented this year. If I understand correctly, the CNR is no longer handling money for Air Canada. I ask the minister, when he makes his remarks later this afternoon, to clarify this point. What does this actually mean? Why is the CNR no longer the middle man for Air Canada? Does this mean that Air Canada is going to be moving more and more toward decreasing public control of its operations? We have noticed suggestions to this effect in the press already.

I wish to quote from an article which appeared in the *Financial Post* of November 1, 1969. The headline reads, "Air Canada Wants to Win Confidence of Investors". I quote:

The exact shape of Air Canada's corporate financial future remains to be thrashed out between the airline and the government.

But in the meantime, as Air Canada's chairman and chief executive officer Yves Pratt puts it, Canada's largest airline is moving steadily toward becoming more profit-oriented.

The target is to get the company's earning picture up to the point where investors and lending institutions would consider it an attractive investment proposition. And that, it is generally held, means a return on investment of perhaps 10 per cent. Last year, a good one for Air Canada with a profit of $8.2 million turned up a return of 6.3 per cent.

• (2:40 p.m.)

When the minister replies I should like him to clarify this portion of the bill, because I think it is most important. The railways talk about getting out of their obligation to provide passenger service, and one of the reasons they give is that it is a losing proposition. Air Canada is making a profit. Let us make sure it continues to be publicly owned and that it is not sold to private interests.

At this point, I should like to quote from another article which I believe helps to emphasize the point I am trying to make. This is taken from the *Gazette*, of April 2, 1969, and the headline reads: "Air Canada Doubles Profit, Raises Rate of Return."

Air Canada had a net income of $8,184,000 in 1968, the sixth year in which it has shown a profit and double that reported in 1967, Transport Minister Paul Hellyer announced Tuesday.

The Crown-owned airline will need more than $300,000,000 in outside financing, however, to buy new equipment and property in the next five years, it was stated in the company's report tabled by Mr. Hellyer in the Commons.

The 1968 profit was the 15th for the airline in the last 18 years. It represented a return on investment of 6.3 per cent—up from 5.2 per cent the previous year.

A profit of $3,547,000 was reported during Canada's centennial year.

It is obvious that the airline is more than paying its way.

I should like to make one or two further brief comments before I close. First of all, I believe we must look at the transport situation generally and outline some of the basic objectives we wish to achieve. Above all, transportation in this country ought to be regarded as a service at all times. It must be run with social awareness and responsibility; it must be responsive to the needs of people

[Mr. Nystrom.]

in whatever part of Canada they live, whether the maritimes or on the prairies or in some industrial city. In addition, the transport system must be run as cheaply as possible, and in terms not of making a profit but of providing a service to the country. It must be highly efficient, and this means schedules which allow people to move as fast and as cheaply as possible.

One might ask how it would be possible to provide such a system in this country. First, it should, in my view, be publicly owned by the people of this country because only in this way would it be possible to draft a detailed and realistic plan for transportation in Canada. In the case of a publicly owned system, we could have some say as to the manner in which it should be set up, the rates which are charged, and so on. I believe that under public ownership the operation would be more efficient. Arrangements could be made for flights to smaller communities on a more regular basis, and schedules would correspond to the needs of the people much more closely than they do at present.

I wish to say a few words, now, about regional carriers; perhaps the minister could comment on this aspect when he replies. Let me say at the outset that I should like to see the regional carriers integrated as closely as possible with Air Canada and the domestic nation wide airline already in existence. If this were done, greater service to our people would result and I hope it is the intention of the government to encourage action on these lines. Regional carriers should be approved only when it is absolutely necessary to do so; if Air Canada can fly into the areas concerned it should provide the service there.

In conclusion, let me say this: to me, it appears the government is seeking to decrease public ownership in the transportation field by using the back door, and I would ask the minister to comment on this aspect of the legislation before us when he replies.

Mr. Thomas M. Bell (Saint John-Lancaster): I wish to take the opportunity offered by this debate to put on record a few remarks about transportation matters in general, though I shall address myself in particular, of course, to the bill for second reading and reference to the committee with which we are now dealing.

Last night the hon. member for Crowfoot (Mr. Horner) dealt very ably with the overall transportation picture. He dealt, also, with this request for increased funds for Air Canada, and I was pleased to note that he

made extensive reference to the efforts which have lately been made to make the corporation independent of the government. As we know, there is provision here for a method by which the corporation can obtain its own funds through the issuance of bonds. Many of us on this side have advocated for years, both in the House and in committee, that the company should be given an opportunity to stand on its own two feet, separate from the government, and compete with CPA and the other airlines of the world.

We believe this is a good corporation. We believe there are some disadvantages in its being tied to the government, and we hope that the measure of independence for which provision is made in these proposals will be expended further and that the day will come when Air Canada can become a separately-owned company with stock available to the public in some way.

A few months ago there was considerable talk about various reports which were to be made to the government. I recall that the present Minister of Supply and Services (Mr. Richardson) was commissioned to deal with some sort of study concerning the question of Air Canada financing and the possibility of making the company a separate entity. I hope the minister, when he replies, will tell us about these reports: are they available, and what exactly did they say about Air Canada and its future? I am referring to the report which the Minister of Supply and Services was dealing with and to another interdepartmental report involving financing—I think the committee included among its members some people from financial circles in Montreal and Toronto. It is important that we should know exactly what the government has in mind when we are being asked once again for money for Air Canada.

The hon. member for Winnipeg North Centre (Mr. Knowles) dealt extensively with the subject of transportation during his speech last night. It was a good review. I do not agree with his philosophy about public ownership, but as an old Conservative I am beginning to wonder just where the Canadian Pacific Railway fits into this picture nowadays. I have said before in this House, and I say again, that it is difficult to know where the responsibility of the Canadian Pacific Railway to maintain passenger services begins and ends. According to recent information from press releases we gather that applications are being made in the proper form by both the Canadian Pacific and the Canadian National railway companies to abandon 31 passenger routes across the country. I do not know how sincere these applications are intended to be. It has been suggested in my home city of Saint John, and I am sure the thought has arisen elsewhere, that these may be applications put forward merely in the hope that an 80 per cent subsidy will be made available for allocation by the Transport Commission, as was mentioned last night by the hon. member for Crowfoot. On the other hand, I should like to know whether the two major railways seriously intend to do away with passenger service.

• (2:50 p.m.)

The last time such an application was made extensive hearings were held, and I thought it was then understood that within the foreseeable future, say 10 to 20 years, there would be no further applications made for passenger service discontinuance. The present proposal threatens a port city such as Saint John, dependent as it is on transportation. There is only one Canadian Pacific service to Saint John, from Montreal; the CN provides the other passenger link to Saint John from Moncton. Discontinuance of both these services is now being requested.

If the railways are serious about this, then it is a serious matter and something must be done about it. As I recall the recent legislation, provision is made for the Canadian Transport Commission to hold public hearings into such matters, and I for one make the request now that the transport commission be told to hold full hearings into the proposed application. I do not think this is a mandatory provision; nevertheless, I contend there should be full public hearings into the application to which I have referred in view of the serious economic cutbacks that would have to be made not only in Saint John but in the entire maritime region.

I am not simply talking about the abandonment of one extra railway line, Mr. Speaker; I am referring to something that is the lifeblood of the entire maritime community, the two remaining railway links between Saint John and the outside world which are now threatened with abandonment.

Reference was also made last night to the previous hearings held by our transportation committee. Two or three years ago the committee travelled west to conduct extensive hearings into the need for the service offered by "The Dominion". On this committee were members who were very interested in transportation matters. The committee's enquiry

was also the forerunner of other committee studies. None of the recommendations made by this committee were pre-empted by the government, as has been the case with many other hearings recently. I give the government credit that they held back their decision until the committee were given a full opportunity to look into the future in the west of "The Dominion".

After considerable study the committee made some recommendations, one of which was that the service be continued. I think one of the reasons was that Expo '67 was approaching, but in any event the committee did not take a hard line. Although the CNR and CPR were offering another service in the area, the committee felt there was still a need for a transportation connection between various communities, though a full transcontinental connection of this nature was not required.

To a certain extent the railways took note of our recommendations. Railway representatives appeared before the committee and made a good impression. As we now begin to consider this new application during the next few months, I hope an opportunity will be given to the transportation committee to investigate fully, and that the government will not "jump the gun" by announcing its decision prematurely.

The Canadian Transport Commission also has a responsibility in such matters, though I am not quite sure where they fit into the picture. We all know the connection the present chairman of the transport commission has with this government. I do not know whether there is contact between the two, and I am not saying that there should not be; but I think practically everyone in Canada knows that the present chairman of the commission has been a supporter of the government for a long while.

I would think that the commission has some responsibility with regard to future policy. This morning I asked the Prime Minister (Mr. Trudeau) about the recent increase in trucking rates in Ontario and Quebec. As I understand it, the truckers rate association has just approved increases that might total as much as 10 per cent in both provinces, and application is going to be made to the respective provincial boards for authority to make these increases. I should like to know where the Canadian Transport Commission fits in, and what action this government is taking. Is the government approaching the transport commission on this matter? In view of the inflationary nature of these increases I would think the board certainly has some responsibility in this connection.

Legislation was recently passed in the maritimes to give trucking companies some of the benefits conferred upon the railways under maritimes rates legislation. It was thought that the truckers would then be able to compete with the railways, and that the maritimes would be better off as a result. This seemed to make sense. But if the news I heard this morning is correct, it means that the maritimes will now be faced with a further increase in trucking costs. It seems the minute we give the truckers authority to compete with the railways, they apply for increases in their own rates. When is the price spiral going to end? This sort of thing does not make sense to me.

Although the Canadian Pacific Railway is going to apply for discontinuance of the only passenger service from Montreal to Saint John, it is ironic that at this very moment a new passenger station costing $500,000 is under construction in Saint John. When questioned about this the CPR officials were straightforward, and I give them credit for that. They said they did not know whether discontinuance would be granted, so they had to go ahead and build the new passenger terminal anyway. Perhaps they are really hoping for a subsidy if they continue to provide service, and they will then use this new passenger terminal.

I have been unable to determine exactly where the responsibilities of the CPR begin and end. I do not complain about the CPR as much as I used to because they are making a $20 million investment for the Bay of Fundy at the moment. Nevertheless, I should like to know whether a subsidy is going to be paid, for which provision is made, I think, in the regulations of the transport commission.

As I have said, the Canadian Transport Commission must take its full responsibility in these applications and conduct public hearings. A study is presently being conducted in the maritimes, and there have been numerous studies of sundry transportation matters.

• (3:00 p.m.)

We have had dozens of studies covering all field of transportation. We had a study last year when the government wanted us to accept temporary legislation in this area. The Atlantic region transport study committee was set up to deal with all future problems of

transportation in the Atlantic region. We thought this was a good idea even though we knew it would result in a postponement of a solution to the major problem. That committee has had one meeting of not much importance. The members thought they should allocate selective assistance and they used many high-sounding words, some of which we have heard for a long time. In the meantime the increases have continued.

We had the surcharge increase in September, which has been mentioned in this House, and there is the possible increase in respect of Ontario and Quebec to which I referred a moment ago. We must face the fact that this increase may spread to the Maritimes. Still the studies continue. How do they all fit into the entire picture? I suggest very sincerely that we must know once and for all what the story is from the standpoint of Maritimes transportation.

We have been giving blanket approval each year of this type of legislation and have referred these matters to the appropriate committee. This is a desirable thing and there will be no effort on my part to hold up this legislation. The minister said it is similar to legislation passed in other years. I suppose that should satisfy us, but in view of the continuing increases and the indefiniteness of the transportation picture, particularly in the Maritimes, I take the opportunity to ask these questions with the hope that the minister will answer them.

We should have a statement in respect of the Air Canada picture and how it will be related to the many reports we have received. What are the possibilities of Air Canada becoming a privately-owned company? I am not talking about bond financing, as I realize that question has been dealt with, but what are the possibilities that Air Canada might become a privately-owned company with common stock available to the public?

I hope there will be an undertaking by the government about action to be taken in respect of increased transportation rates throughout the country. What does the government think about this situation? Is it going to take some action? I asked the minister the other day whether he would make a statement on wrapping up the complete problem in the Maritime provinces. I realize this legislation is usually handled by the Minister of Finance (Mr. Benson), but I think we have in the Minister of Transport (Mr. Jamieson) a minister from the Maritimes who should be sincerely interested in transportation. God only knows, transportation is our major problem. The minister comes from a province which is begging for consideration in respect of transportation. We have faith in him and will go along with his suggestions provided he keeps us up to date on what is happening.

The transport committee should have an opportunity to study the foreboding transportation problems which exist today, as evidenced by rate increases and the startling news of rail service discontinuance. That is a good committee of this House which has done excellent work in the past under the direction of good chairmen and with interested members. I hope it will be given full authority to deal with these matters. It should go into them intensively, travelling across the country by air, rail and ship to find out at first hand what the people require.

There is still a crying need for our elder citizens and people who do not like to travel by air, to have available other passenger services of their choice. The government has a responsibility through the Minister of Finance and the Minister of Transport, as well as others on the treasury benches, to forget about the costs involved and to see that service is given to the public. We have all heard about effective demand, wherever that phrase came from. Another phrase I do not like is "if it is viable". These phrases do not mean anything to me. In any event, the people of this country should have an opportunity to travel by rail and meet each other. We gave the CPR land in order that this country could be developed. What is the situation now? Is the CPR going to give us this land back and get out of its obligations? Somebody has to tell us how these things fit into the over-all picture. After we pass this legislation and send the matter to the committee, one of the challenges we should accept as members is that of finding out what is happening in respect of the over-all transportation situation in Canada.

Like other members, I often take constituents on tours through the House of Commons. Many hon. members take their guests to the memorial chamber, into the Senate, and so on. I always stop in the railway committee room and point out that this is one of the great rooms of this House of Commons. I tell them that in the old days it was here that the hearings took place when we were building the railways and developing Canada. I inform them that these meetings were exciting and often heated, but that this is where we decided how to lay out the railroads in order that

this country might grow and bring us together. It is apparent that we are now trying to undo this good work. Regardless of my personal feelings, I think the transport committee should be put to work again in the railway committee room in order that we may find out where we are going with transportation and how we can get out of this mess.

[*Translation*]

Mr. Gustave Blouin (Manicouagan): Mr. Speaker, I should also like to comment briefly on Bill C-7, authorizing the provision of moneys to meet the CNR's and Air Canada's deficits.

It may seem strange for a representative of a district which is not on the CNR line to take the floor this afternoon but first of all I want to say that I do so in the interest of the people of my constituency and in the light of the gigantic developments now under way there.

• (3:10 p.m.)

This matter of transportation on the North Shore and of railroad connections has often been brought up in this House and in the Standing Committee on Transport and Communications.

Not so long ago, the committee members paid a visit to my constituency. They were able to see the tremendous developments taking place in my riding, but were also quite disappointed with the lack of direct communication lines with other areas. There are a road and a number of harbors. We have access to the ocean through deep water ports, but we have no railway link with the rest of the continent.

I do not see why the CN, instead of thinking of abandoning some branch lines, should not try instead to improve, in certain areas, the quality of the service and especially to look into development opportunities in a riding such as mine.

When the committee visited the North Shore in September, the question of using ferryboats to travel between the North and the South Shores of the St. Lawrence was brought up.

In the small industrial town of Baie-Comeau, work is nearing completion on the construction of a fourth paper mill worth some $54 million. When this mill begins operations, production of newsprint will exceed 600,000 tons per year.

The management of this firm does not see why it should be necessary to look into the possibility of establishing a ferry service between the South Shore and the North Shore so that this production may be brought to the large urban centres, to the American cities, by the regular CN railway lines.

On November 5, 1969, some representatives of the Quebec North Shore Paper Co. at Baie-Comeau handed me a brief entitled "Transportation needs on the North Shore of the Lower St. Lawrence". It reads as follows:

The availability of cheaper means of transportation is, today as in the past, an important factor of industrial development and expansion. Water transportation is now available year round in the Lower St. Lawrence region. But other and cheaper means of transportation—by water or by land—remain non-existent during the long winter months to move goods between localities on the North Shore and other points in Canada and North America.

This problem could be solved by establishing a train ferry service between Baie-Comeau and an economic railhead, and other points in Canada and North America.

In support of this proposal and on the assumption that composite shipments now carried on boats could be moved by rail, we respectfully ask you to consider the following facts.

In 1967, the shipping of composite shipments alone from Montreal and Quebec City to industrial communities on the North Shore amounted to 159,000 tons, which could be sent from Montreal and Quebec City by rail and then transferred to a train ferry as far as the North Shore. Bulk goods from Montreal and Quebec City to various points on the North Shore are generally forwarded by boat.

The combined volume of composite shipments from three ports on the North Shore to Quebec City and Montreal reached 14,000 tons in 1967. If to that westward trafic were added the 90,000 tons of newsprint which must now be shipped westward each year from Baie-Comeau through the St. Lawrence Seaway, it would create a balanced trafic of more than 100,000 composite cargo tons in both directions between localities on the North Shore and other western points.

We are presently studying the economic advantages of shipping our newsprint for places west of Baie-Comeau by rail—using train ferry operating all year round—in comparison with our present transportation system through the Seaway during the navigation season. Although the studies are not yet completed, we feel we should let you know the conclusions, since the possible establishment of a train ferry service would undoubtedly help you in your assessment of the transportation needs in the whole lower St. Lawrence area.

More than twenty years ago, one could still accept that the North Shore of the St. Lawrence had been forgotten in the construction of a system connecting the main centres essential to the development of Canada. Over the last two decades, however, the North Shore has become one of the regions of Canada which, per capita, contribute the most to the gross national product and this why it is no longer possible to ignore our area. In fact,

the North Shore is an "island" without any rail connection east of the Saguenay River. This "insularity" is still emphasized by the St. Lawrence River which prevents the establishment of any rail connection with South Shore railways.

Considering that during the winter months, Canadian and North American markets remain inaccessible to the North Shore by more economical means of transportation, we suggest that the committee might consider the possibility of including the North Shore among the "select territories" under the Atlantic Region Freight Assistance Act (17-18 Elizabeth II Chap. 52).

That is what was said in a brief I received recently. I do not raise this question for the first time. I think that we should give some attention to the problem. Once again, CN authorities might consider the potential development on the North Shore. When reference is made to rail service and connections between the North and the South Shores, the CN system serving the Maritimes is also involved. Instead of abandoning services, as is so often said, I do not see why the CNR management could not consider the possibility of buying the railroad connecting Mont-Joli with Matane, a distance of 40 miles, and add it to its system. A ferry service could then be operated from Matane to Baie-Comeau for the shipment of newsprint produced in the mill at Baie-Comeau.

• (3:20 p.m.)

It is only 28 miles from Matane to Baie-Comeau. A rail-boat could easily operate between the two cities and thus encourage considerable development in that region.

In 1964, here in the House, I raised the question and the newspapers suggested the establishment of a railway link between the South Shore and the North Shore, resorting almost to the same arguments as I have just used.

Yet, I do not know whether the studies were carried out further by the management of the Canadian National Railways; however, I am aware that on the other side of the river, that is in my constituency, on the North Shore, very serious profitability studies have been made in that respect by private companies on behalf of the Canadian National Railways.

When the Committee on Transport and Communications went to the North Shore to study transportation problems there, a Canadian National Railway representative appeared before us in almost all the towns visited by the committee. I do not know what has been done since then, but I know that some interest has been shown about the subject.

I should like to take this opportunity to deal with this problem because I know it will be referred to the Committee on Transport and Communications. We should look into it. As a matter of fact, the rail transport problem has become so serious in our area that the briefs, studies and requests addressed to the government should be taken into consideration.

A few days ago, not far from my riding, in Labrador City to be more precise, a disastrous airplane crash took eight lives. It was not possible to reach the scene for two days, because flying was the only way to get there. They finally had to use the Quebec North Shore Labrador Railway, a private railway, to reach the scene of the accident.

I deplore such facts and I would like to say that a population of 128,000 and a region developing at a fantastic pace, bringing an extraordinary contribution at the national level, must not be left without permanent railway lines. This responsibility is the government's own.

This is a rather reasonable attitude from the CNR authorities who are at least prepared to consider the rail-boat system which could be established as a link between the South Shore and the North Shore and which could, as studies and reports have shown, be profitable.

I wanted to make these comments and I hope that, when this bill is submitted to the Standing Committee on Transport and Communications, it can be studied as a whole and more information can be obtained.

If CNR officers hear my plea, I hope they will make the effort of examining briefs already submitted and that they will try and do something to have both sides of the river connected by rail.

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I shall not take too much of the time of the House in voicing my opinion on Bill C-7 entitled:

An Act to authorize the provision of moneys to meet certain capital expenditures of the Canadian National Railways System and Air Canada for the period from the 1st day of January, 1969, to the 30th day of June, 1970, and to authorize the guarantee by Her Majesty of certain securities to be issued by the Canadian National Railway Company and certain debentures to be issued by Air Canada.

Mr. Speaker, it should be noted that this bill is a replica of a similar bill introduced in

the fall of 1968 for the purpose of assisting the Canadian National Railways.

Now this morning, my colleague from Abitibi (Mr. Laprise) pointed out that last year, the Canadian National Railways made profits of $40 million, which were converted into deficits due to the payment of interest charges of $70 million, thus showing a deficit of some $30 million. If we compute the amount paid in interests in the last 25 years, we get the astronomical figure of $1,200 million paid in interest only on the C.N.R. debt.

From the way that Crown Corporation is administered, and at the rate finance is used in this particular case, it is clear that in about 10 years hence, the Canadian National Railways will ask us to authorize the abandon of all its lines throughout Canada.

The C.P.R. is asking to abandon its Montreal-Toronto-Vancouver service, and now the C.N.R. is preparing to ask for permission to abandon its service to Lake St. John and from Abitibi to Montreal.

As for our region of Abitibi, it was born directly from the construction of what was then called the transcontinental railway.

• (3:30 p.m.)

People left the areas north of Quebec or Montreal, to come and settle in Abitibi, along the railroad that was being built through Barraute, Senneterre, Amos, La Reine, La Sarre and Cochrane. It was the only railway from Montreal to western Canada which was an important area then. Cities like Toronto were less important in 1912, in 1913, at the time when the C.N.R., the transcontinental railway, was being built.

Today, we are asked to abandon that line, under the pretext that last year there was a deficit of $2 million in the operation of passenger trains between Abitibi and Montreal.

Mr. Speaker, no one talks, however, of the profits accrued to the Canadian National Railways through the transportation of freight and wood.

If the passenger service is abandoned in that area, how will we transport our lumberjacks, for instance, who come from Kamouraska, Quebec, Cochrane, Hearst, and take them to Clova, Parent, Paradis, Bic, Senneterre, where there are still huge lumber operations.

Mr. Speaker, if the lumberjacks are unable to get to the operations, it will be pointless to continue the freight service since there will no longer be any wood to transport.

[Mr. Caouette.]

This morning, the hon. member for Lac-Saint-Jean (Mr. Lessard) spoke of the poor service given by the C.N.R. in his area, in our area, and he certainly was right. However, I was led to think, some seven or eight years ago, that if we had such bad service at home, if the prices were so frightfully high, if people did not care a bit for Abitibi or for Lac-Saint-Jean, it was because there were too many créditiste members in that area, and because we were not on the right side of the fence. I can recall the hon. member for Lac-Saint-Jean who was then a good Créditiste member, sitting on this side, with us; today, however he has turned Liberal.

In the Lac-Saint-Jean-Saguenay area, there are three Liberal members out of four, and instead of improving, services are deteriorating day after day, so that consideration is now being given to simply abandonning the line. It is worse than poor service: it is a total lack of it. However, the hon. member for Lac-Saint-Jean was right this morning, when he referred to the poor service provided on the Abitibi and Saguenay lines. Service between Lac-Saint-Jean and Québec is so slow that it takes 12 hours to cover the distance. As for us, it takes us 17 hours because the distance is longer still.

Some lines have practically never been adjusted to the present needs allegedly, because it was too expensive. On the other hand, on the southern lines of the province and on some other lines there have been some improvements. Nothing is done for us. Quite recently, the passenger service between Rouyn-Noranda and Taschereau was abandoned, allegedly because it was unprofitable. Workers who had been with the C.N.R. 25 to 30 years were laid off; they were told the service had become uneconomic. And now it is going to be the turn of the Montreal-Abitibi-Rouyn-Noranda-Montreal-Lac - Saint-Jean-Saguenay line.

As for the cars, used in those areas, they are outdated equipment discarded by the Toronto-Montreal lines. Quite often, they use what we commonly call cattle cars in our area.

In days gone by, they used those cars for carrying oxen or cattle from the southern part of the province. We were given an old car, with separate seats, that was used 25 years ago in Montreal. Seats were repaired somehow or other. They finally got rid, about two years ago, of the little coal stove that was in a corner of the car.

That was the consideration given to our area. No wonder people do not travel by train any more. As for us, members of parliament, when we have to travel, we think it over twice before taking the train, because it is a 17-hour journey to Montreal.

We have to pay $22 now for a double bed. One can get accommodations at the Queen Elizabeth in Montreal for $18, and it is much more comfortable than the C.N.R. beds, especially in our area. It does not shake quite as much in the Queen Elizabeth unless you want it.

But aboard the train there is nothing you can do about it.

So I agree with what the hon. member for Lac-Saint-Jean said this morning and I hope that it is more than talk on his part.

A decision have to be made at one time or another as regards the Canadian National Railways. For instance, we must stand with all our might against the abandonment of those branch lines and, as I said a while ago, the C.N.R. was not established in order to make profits but to provide services. That was the reason for creating the Canadian National Railways, a public corporation.

We need those services in our area. As for the freight service, as I said earlier, the C.N.R. is making profits in our areas, but because they lose money in the passenger service, they think they should eliminate those lines. Is that the right thing to do? I ask the question. Some C.N.R. officials will read what I have just said.

What will happen to the lumberjacks who settled in that area? Are we going to transport them by helicopter as was the Prime Minister (Mr. Trudeau) during the last election campaign or will we find another means of transportation? Shall we transport them on the old wooden roads, in horse-drawn carriages because the motor car cannot be used? What shall we do with the lumberjacks since there are thousands of them in that area?

If there are no lumberjacks, the C.N.R. will have no wood to carry. This means that by suppressing at once the passenger service the day will come when they will suppress the freight cars and then the wood will not be moved to the large centres, such as Toronto, Montreal or Quebec.

Mr. Blouin: There will be no newsprint either.

Mr. Caouette: There will be no newsprint either. At home we have all that. We are a little short on paper mills. We are not as spoiled as the Saguenay riding. In fact, the Saguenay area has a lot of paper to be moved. I thought earlier that the hon. member would ask for a railway line just above the St. Lawrence river, about 30 miles long, a floating highway, so that the C.N.R. could engage in transport operations there. However, one problem remains and I endorse his request to the effect that ferries should be used in order to equip these areas with means of transportation necessary to the development of their economy.

This is what I had to say with regard to the bill which deals once more, as always, with the financing of the deficits caused by interests paid to financiers and not by losses incurred in our areas.

If we could manage to establish a railroad between the financiers and the C.N.R. by eliminating taxes and interests, I think that there would be no more problems for the Canadian National Railways. There would be no more problems with Air Canada either.

• (3:40 p.m.)

The government is borrowing funds and then lending them to the C.N.R. As my colleague from Abitibi (Mr. Laprise) said it so well this morning they borrow at a rate of interest of 8⅛, 8¼ or 8⅜ per cent, and they lend to the CN at a rate of 4½ or 4 per cent.

Then, the government is surprised that the CN is faced with financial difficulties. The CN is not the only one to have difficulties. The government has some also and has no solution whatsoever. Even if the Prime Minister says that we are repeating ourselves, we are not any more than the system under which we rub along, because for at least 15 years, we have been passing the same act every year asking parliament to appropriate funds in order to help the "poor" CN.

If we had a sound financial system, not a stupid one, but a sensible one. But no. We are told: you keep saying that the monetary question will solve everything. But what is wrong, if not the financial system? That is what is wrong.

Our operations yield a $40 million profit, but the interest swallows up $70 million, so there is a deficit of $30 million. Let us pass Bill C-7 to make up this deficit and safeguard financial interests. The people who need railway service can always walk. Such is the present system: it moves backwards instead of progressing and creating something positive, because the financial problem will always hold us back.

The minister can only say: Let us help the C.N.R. and Air Canada which are essential services. Yes, but at the same time let us stop financing those services through such ineffective and backward methods as those now used by the government.

This is our suggestion. The hon. member for Abitibi was quite right this morning; he quoted very accurate figures. Let us not forget that in 25 years from now, we will have to pay $1,200 million in interest only on the debt and no portion of the capital has been paid off. This reminds me of the notorious case of the Jacques Cartier bridge in Montreal, which cost $18 million, of which we have to date paid $21 million, in interest alone, and on which we still owe $14 million. When will the Jacques Cartier bridge be fully paid? If God does not know, our financial system can tell us!

As far as the railways are concerned, it is the same thing. The debt is never paid off, we cannot pay anything on it because our financial situation is bad. Inquiries of the president of the CN or of the president of Air Canada bring the answer that they cannot afford it, that they have no money. So, each year, a bill is introduced in the House and the members are told: Come to our help, we find ourselves in a dilemma, we are in debt, we must make up the deficit resulting from the interest on our debt! So, pass this bill, they tell us, in order that high finance may be protected and that the Canadian people be required to pay more taxes. That is exactly what it all comes to.

So, Mr. Speaker, we insist that the CN and Air Canada should be able to meet their obligations. But we hope that, at a given time, the government will come up with concrete proposals based on the system of monetary creation instead of superficial solutions based on the tax yield.

Let us go a little beyond this unscalable wall of human understanding which cannot see beyond taxation. The monetary system existed before taxes. Nowadays all our economic structure, including the structures of the CN and of Air Canada, is based on taxation instead of going to the root of matters and of relying on the creation scheme.

Then we say: Let us revert to the principle of creation. Why should we not call the Governor of the Bank of Canada, Mr. Louis Rasminsky, who is an expert on financial questions, before the committee on transport and communications? We could ask him if, with the permission of the Canadian government and all members, he would not advance the necessary funds to make up the deficit of Air Canada.

Then, the Governor of the Bank of Canada, will reply: If parliament tells me to do so, I certainly will.

Preventing the chartered banks from multiplying that creation fourteenfold would solve the problem. The losses of the CN and Air Canada would be paid off. Let us stop paying interest on a nominal debt. Let us start by becoming the masters of our own financial system; then we can say that our national undertakings, our Crown corporations belong to the Canadian people and not to those who stole from them by exacting interests of $1,200 million in the last 25 years.

Mr. Speaker, the minister who is listening to me is not mentally retarded; he is an intelligent man. He knows full well what I mean. He knows that I am right, but he cannot say so. He knows also that if the sovereign parliament asks the Governor of the Bank of Canada to create the necessary credits, the Governor will say that he is entitled to do so. If parliament instructs him to do so, he can do it. However, no one dares ask him. Mr. Rasminsky is allowed to welcome, in his office, the top representatives of the big financial institutions, of the chartered banks; transactions, plots, follow, to maintain the financial system which is making slaves of us.

Mr. Speaker, these are the few observations I wanted to make on the gaps created by a stupid system and on the means of correcting them, that is, by levying additional taxes. That is what it will come to: The Canadian people will have to pay more taxes to make up deficits.

Mr. Speaker, we do not object to everything. Far from it. We are opposed however to the CNR ceasing to provide service in the North, to the Lake St. John and Saguenay region. I ask that the CNR increase its services to attract customers, that its trains move a little faster and bring people from Rouyn, Amos, La Sarre or Chicoutimi to Montreal. In fact it should provide good service and make available to the public comfortable cars, attractive ones, with even television aboard as on planes nowadays. It should pay attention to the people. If the passenger service is good it might become more profitable and it could thus be possible to keep on assuring transportation to workers and lumbermen in a still very important region with regard to lumber operations. The CNR will continue to do business as long as

these services are attractive and run for the benefit of the population.

[*English*]

Mr. Robert C. Coates (Cumberland-Colchester-Hants): Mr. Speaker, no subject will arouse in a Maritimes Member of Parliament more passion or justifiable outrage than the subject of transportation. Not 102 years ago but two years ago, on the 100th anniversary of the founding of this nation, we witnessed an event that sounded the death-knell for many industries in the Atlantic region. Notwithstanding all its talk about the just society and the elimination of regional disparities, this government did nothing to rectify what took place in the Atlantic region. Almost every month the Atlantic community hears more bad news about transportation. It is difficult, indeed almost impossible, for me to suggest how much longer the economy of our area can withstand the repercussions of freight rate increases, railway lay-offs and the elimination of services which industry in the Atlantic region needs in order to survive.

In August, 1967, the railways were given the right to increase non-carload tariffs within the Atlantic region. The increases took effect in September of that year and we objected to them as strongly as we could. Every area of the community lodged its objection with the government, but it was all without avail and the increases took effect. As a result, many businesses and jobs have been eliminated in the Atlantic provinces.

• (3:50 p.m.)

In time—and it took a lot of time—the government amended the Maritime Freight Rates Act to allow trucking firms in the Atlantic area certain subsidies which up until that time had been available only to the railways. This step was of major assistance to industry in the area because for the first time it was not a captive customer of the railways. I have not noticed any significant reduction in freight rates as a result of the extension of subsidies to the trucking industry. In fact, I do not believe that industry in our area is receiving the full benefit of the extension of these freight subsidies. Shippers in the Atlantic provinces should make their justifiable grievances known so that they receive a full measure of benefit from the extension of the freight rates subsidies. The Minister of Transport (Mr. Jamieson) should watch closely what the trucking industry does with regard to freight rates in the region as a result of the extension of subsidies.

The shippers of the region should know there are teeth in the legislation which was passed, and that the trucking industry has a right to react in a favourable manner to those shippers. After all, the objective of the extension of the subsidies was to create a system of freight rates which would be more helpful for the survival of industry in the area. Soon after the government undertook to extend the freight rate subsidies to the trucking industry, it allowed the railways to remove the freeze on carload lot shipments. As a result, a still greater burden was placed on shippers in the Atlantic region. Recently, Canadian National Railways decided to take a further step. Without consultation with the Minister of Transport, I understand they decided to eliminate all less than carload lot traffic coming into the Atlantic region from the rest of Canada. When I learned of this action, I immediately contacted the Minister of Transport. The minister was quick to take action and as a result these freight rate changes were not allowed to take effect and the CNR was forced to continue providing an l.c.l. service to the Atlantic region. It would have been an additional blow to the industry in the region if the shippers who depend upon l.c.l. traffic to bring supplies in with which to manufacture goods, which often have to be shipped out of the region, had been forced to pay higher express rates. This would have happened had the CNR been allowed to continue with its objective of putting the new rates into effect on November 3 of this year.

I believe the Minister of Transport endeavours to do his best to protect the region. It is not his fault that we are without a transportation policy which would give protection and hope for the future of industry in the area. I think he is doing his best, but the cabinet is doing little to assist him. While all this is going on, employees of the railways in the region are suffering one cutback after another. We are told this is for the sake of efficiency. It is a shocking way to achieve efficiency. After 25 years of service, employees are suddenly finding themselves unemployed.

I have before me a communication which I received from Mr. Carl H. Hiltz, the educational chairman of local No. 9 of the Canadian Brotherhood of Railway, Transport and General Workers. He informed me that men with as long as 30 years' service were

released from their employment without more than two weeks' notice. I wrote the vice-president of the Atlantic region regarding this matter. He accepted the fact there may be problems in relation to the unemployment being created by the railway for the sake of efficiency and stated he would look into the matter. At the same time he informed me that the Atlantic region express operations of the CNR would be reduced from 50 locations to 17 or 18. That is more very bad news for the employees of that region.

This is just the beginning, Mr. Speaker, of the issues I wish to bring to the attention of the House with regard to this bill. I would now like to call it four o'clock.

PRIVATE MEMBERS' PUBLIC BILLS

Mr. Speaker: Order, please. It being four o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, public bills, notices of motions and private bills.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I see the government whip has just entered the chamber. I believe I can say that there is an understanding that the first seven orders might be allowed to stand and that we proceed with order No. 8, Bill C-20.

Mr. Speaker: Is it agreed that the first seven orders will be stood at the request of the government, and the Chair will put No. 8, Bill C-20?

Some hon. Members: Agreed

GOVERNMENT ADMINISTRATION

PROVISION TO ASSURE PUBLIC RIGHT OF ACCESS TO GOVERNMENT DOCUMENTS AND INFORMATION

Mr. Barry Mather (Surrey) moved that Bill C-20, to better assure the public's rights to freedom of access to public documents and information about government administration, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

He said: Mr. Speaker, in rising to speak in support of Bill C-20, an act to better assure the public's right to freedom of access to public documents and information about government administration, it seems that I could hardly do so at a more timely juncture. It is just over a year ago that the same bill was talked out in this chamber by government members. At that time one or two government members, when adding their voices to the debate, pointed out that the Prime Minister (Mr. Trudeau) was no doubt concerned about participatory democrary and in his enthusiasm for a well-informed public had set up a task force on government information.

• (4:00 p.m.)

As we all know, Mr. Speaker, the task force has reported and its report, from pages 25 to 34, contain a detailed examination and criticism of the hush-hush secrecy now observed by the government together with some excellent comparisons between Canada's outmoded procedures in this area and those of other countries, notably Sweden. So my hopes soar high today that hon. members opposite will be heartened by these events, and disposed to allow this bill to go to an appropriate committee where it may be treated as raw material useful in helping to bring Canada up-to-date by opening the windows and unbarring the doors of official reticence.

As the bill states in its explanatory note, it is being presented in aid of the public right to know in what manner the government is administering the public duties entrusted to it by the people. The key clause states:

> Every administrative or ministerial commission, power and authority shall make its records and information concerning its doings available to any person at his request in reasonable manner and time.

The measure provides for certain specific exemptions to this provision where these would be in the public interest. In brief, it puts into words—words which I hope will become law—the basic parliamentary, democratic principle that public affairs must be conducted publicly. Is it not incongruous that though, according to the task force on government information, close to $150 million is expended annually on circulating the type of information which the government wants to put out, many motions placed on the order paper of this House by private members call in vain for the production of the type of information which the public wants and which apparently the government denies? My hon. friend the hon. member for Moose Jaw (Mr. Skoberg) stated recently:

> It is ironic that the Prime Minister co-authored a manifesto in 1964 entitled an Appeal for Realism in Politics which said that democratic progress requires the ready availability of true and complete information".

Further, I would remind the House that within the last two months the Minister of Justice (Mr. Turner) himself stated:

> Government secrecy is sometimes legitimized as the state's right to privacy but it may well be a denial of the public right to know.

A great deal has been published on this general subject by the press of Canada. To quote but one opinion, the Toronto *Globe and Mail* in an editorial entitled "It *is* the public's business" had this to say:

> One bad side effect of the prodigious growth of government in this century is that it has become exceedingly difficult to keep track of. Not only are governments themselves much more deeply and widely involved in the life of the people, but their tasks have become so numerous that they have had to delegate much of their authority to boards and commissions. Accompanying this governmental growth has been a disinclination on the part of governments and their creatures to keep the public informed about what they are doing.
>
> A private bill has been presented to the House of Commons which could do much to open these many closed doors and keep the public informed about what is, after all, its own business. The bill would require that "every administrative or ministerial commission, power and authority shall make its records and information available to any person at his request in reasonable manner and time".
>
> Exceptions would be made for matters of national security, matters exempted by statute from disclosure, trade secrets, commercial information obtained from private persons and subjects of private interest "to the degree that the right to personal privacy excludes the public interest".

It is my idea, Mr. Speaker, that if this bill becomes law the enforcing agency should be the Exchequer Court of Canada. In urging that the House allow the subject matter of the bill to go to a committee, I feel this is in line with the expressed sentiments of government leaders, as well as with the findings of the task force on government information, and that what it proposes could be a potent ingredient of improved parliamentary democracy in Canada.

Mr. Murray McBride (Lanark and Renfrew): Mr. Speaker, it is always a pleasure to listen to the hon. member for Surrey (Mr. Mather). He frequently introduces a philosophical note into our debates in this House, and if I might be permitted to be personal about an hon. member for a moment, he possesses another characteristic, that of a great tenacity. He has chosen certain areas of special concern, for example, the field of auto safety and items such as the one he has brought before us today. I have had the pleasure of serving on committees at which he was present and I know of his concern about the effects of smoking on health. It seems logical that today he should introduce Bill C-20 to better assure the public's rights to freedom of access to public documents and information about government administration.

As the hon. member has told us, this bill is concerned with opening windows and unbarring doors. It is based on the idea that public affairs must be conducted publicly, to use the words which are to be found in the explanatory notes of the measure we are considering. I am forced immediately to consider what would be the results for the government, for the House of Commons, and indeed for the citizens of this country, if we were to follow generally such practices as are now followed when the government presents documents called, somewhat oddly it appears to me, white papers. In recent weeks two important white papers have been published, one on veterans affairs and another on taxation. These documents, both of which are likely to become famous if they are not so already, represent attempts by the government to carry on its business in the open. It seems to me that they are genuine attempts—indeed, the attempt has become an accomplished fact—to place before the people of the country the issues as the government sees them and then to wait for response and reaction.

• (4:10 p.m.)

This morning I happened to listen to a radio program on this very subject, and I want to refer to it briefly. The program is entitled "Dialogue", and on the program this morning there were two individuals well known to the Canadian public, especially those who listen to the media, Pierre Berton and Charles Templeton. They were discussing not so much the white paper on taxation but what this bill is all about, namely whether or not a government ought to carry on its business openly before the public.

They were using the white paper on taxation as a kick-off for the discussion, and an interesting thesis was put forward, one that sort of surprised me at first, as I am sure it will surprise many hon. members of this House. This thesis was that government should not be guided by the public's reaction to its statements of intention.

I must interject that Bill C-20 does not say that all the business of government should be made known to the public, but that most things should, with some exceptions listed in the bill.

When the business of government is done before the public, it was the contention of

these two gentlemen that it is those who are wealthy and powerful who raise the loudest protests and are best able to finance and mount campaigns against a certain aspect of a government program or other programs that will work to their own detriment or to the detriment of their vested interests. In other words, by virtue of the fact that government makes a statement of intention or opens its books to the public, it is giving the wealthy an advantage over the poor.

These two gentlemen also suggested that if government should happen to listen to the response that it gets—and there was a real argument that it ought not listen to the response it gets for the reason I have just put forward—it will always receive an impression that is heavily weighted in favour of the strong, in favour of the established and the wealthy. Equally this results in creating an impression that is to the disfavour of the voiceless poor, those who are disestablished in society at any given point in time but constitute a very important segment of society, one that ought to be getting priority from government if total social justice is to be done.

This point seems to me to be exactly on the subject that is before the House for debate this afternoon. I would have to draw some conclusions about this question, and my conclusions are as follows: First, it would seem to me that government should make its actions and its statements of intention public. It would seem to me that the policy that is being carried out by the present government of issuing white papers, for example, is a very good one. Second, the response of the public to such statements of intention must always be treated with a healthy degree of skepticism. Third, it would seem to me that good government does not simply depend on open government; rather, it depends on responsible actions on the part of those who are entrusted to do the nation's business in the people's name.

As I suggested at the outset, this bill raises, for me at least two very basic philosophical and psychological questions. The first is: Is it true that all power corrupts? And to finish that off: Is it true that absolute power corrupts absolutely?

An hon. Member: Like the Liberals.

Mr. McBride: Well, we will not have to test that. If it is the case that all power does tend to corrupt, then it is incumbent upon people in positions of authority, if there is to be any sort of justice done, that there be some kind of built-in system of checks and balances; that there be a system in our nation—since we are talking about the government of the country—whereby the persons in whose hands power lies can be called to account for their administration and their action.

Surely we who make up government in Canada are called to account. No one can go through an election campaign and not be intimately, bitterly, personally and joyfully aware of how we are called to account. On the same point of power corrupting, and so on, may I elaborate further and point out that we live in a society where people pride themselves very much on being open-minded. Similarly, this bill suggests that we ought to have open government for open-minded people. There is a kind of "put down" for people who keep pushing the open-minded idea which goes as follows, that you can be so open-minded that all your brains fall out. The point here is that to tolerate everything and to object to nothing is a good pushed to its logical extreme. If you push a good to its logical extreme, it comes out as an evil.

Similarly, as far as Bill C-20 is concerned, although open government is a good thing, I submit that it is possible to be so "open-governed" that action on any issue could become almost impossible. Some segments of society would be displeased by it. If this idea were enshrined in law, it would be possible to be so open-governed that all the power would fall out of government. Government stripped of the power to govern must surely be a contradiction in terms.

This bill also underscores something near and dear to the hearts of all those who deal with people. It seems to me that no one has more to do with all varieties of human nature than the politician, those of us who represent the people of Canada in this House.

The big cry today—it is also the underlying idea in this bill—is that we should all be for participatory democracy. Participatory democracy has become a kind of sacred cow and no one "knocks" or questions it. However, I wonder whether it ought not to be held up to a little ridicule once in a while. It seems to me that participatory democracy is based on the assumption that everybody ought to have a share in running everything all the time. It is very fortunate—or unfortunate, depending on your point of view—that most people have neither the time nor the competence to run everything all the time. Therefore, if one is to be realistic, as long as human nature is human nature and societies

are societies, power will inevitably tend gradually to migrate into the hands of a few.

This small group into whose hands the power to govern passes consists of those who are believed to be the most capable and meritorious by their benefactors and supporters; or, on the other side of the coin, those who are considered to be the shrewdest charlatans by their detractors and opponents. So it depends what side of the fence you are on whether you think those into whose hands the power has fallen are the worst people in the world or the best. Let me read a quotation from John Stuart Mill. I want to read this into the record because I think it has a direct bearing on the bill before us. He said:

• (4:20 p.m.)

We owe our capacity to bear with the passing errors of society to man's faculty of rectifying his own mistakes, not by experience alone. There must be discussion to show how experience is to be interpreted.

By way of interjection here let me say that that surely would be a useful definition of what Parliament or the House of Commons is all about.

Mill goes on to say:

The whole strength and value of human judgment depends upon one property, that it can be set right when it is wrong, reliance can be placed upon it only when the means to set it right are kept constantly at hand.

I would draw the attention of the chamber this afternoon to the final words, "only when the means to set it right are kept constantly at hand." Surely, some of the means which are available to us in Canada to set things right are the ballot-boxes and the education of our citizens. Surely, we also agree that to educate the people of Canada, for example to make my constituents or the constituents of any other member of this House fully aware of the intricacies of the issues before Parliament at any time, would be and is a full-time job. If I were to do a proper job of educating my constituents about what is going on here I would not have time to do anything else; indeed, I would not have time to appear here or carry on the work expected of a member.

Therefore, I am pleased that the report of the task force on government information states that governments themselves, indeed this government in particular, must spend more of its resources educating the people. In this sense I am sure the hon. member for Surrey is pleased with the task force report. Indeed, he made reference to it. Knowing the hon. member personally, to some extent, I am sure he is aware that we have two things to consider. The first is, what is is not necessarily what seems to be. Every one who is in public life is aware that these things do not always coincide; what actually is, is not always what seems to be.

One of the things that most impressed me when I became a member of this House in 1968 was that in regard to the members that Canadians hold in very high regard in the mythology of our country we find when we come into this House as backbenchers—I was going to say humble backbenchers, and you have to be humble if you are a backbencher—

Some hon. Members: Oh, oh.

Mr. McBride: One ought to be, in any event. We find that they are not always the same people who in this House deserve the impression that has been created in the mythology of this country. One is well aware that certain members work very hard and obviously do excellent work. However, through the news media, which is a kind of "bitch" goddess of our times, we never hear of them; they are never seen or complimented. Other members of Parliament who in some ways do far less seem always to be before the public. This in itself seems to be a powerful argument for conveying more and better information to the citizens of Canada. It is important that our people should be better informed. Simply giving access to the documents of government, as Bill C-20 suggests, will not do this. We need to adopt some of the recommendations contained in the report of the task force. I should like to read one section and its principal recommendation, which appears in volume 1 at page 61. The recommendation is as follows:

We recommend that:

1. The right of Canadians to full, objective and timely information and the obligation of the state to provide such information about its programs and policies be publicly declared and stand as the foundation for the development of new government policies in this field. This right and obligation might be comprehended within a new constitution in the context of freedom of expression.

I agree with this entirely. However, at the moment, lacking full and efficient means of spreading government information—you can call it propaganda if you will, or information as to what government is all about—we are thrown to the mercies of the news media as it now exists. Let me conclude by giving one

illustration which demonstrates to me at least that we are in very fickle hands. The government's white paper on taxation came out just a week ago. Headlines in some papers said essentially, "Higher taxes" and then in fine print, "for the well to do". One might just as well say, "lower taxes for those on lower incomes". Which is right? The truth is that both are right. I hesitate to name newspapers so I shall not do so, but the two newspapers which I read followed this pattern. One essentially ran a headline which could be summarized in two words, "Tax increases". Thousands of readers of that paper are not in government and do not really know what is going on.

The Acting Speaker (Mr. Béchard): Order, please. I regret to interrupt the hon. member but his time has expired.

Mr. Knowles (Winnipeg North Centre): Let's hear about the other paper.

Mr. McBride: The other newspaper ran a headline pointing out that taxation for those on lower incomes would be lowered and therefore lower taxes would be paid. I appreciate the graciousness of the House in allowing me a moment or two to complete my remarks. As I said a moment ago, unless someone spent the time to read all the fine print he would see an absolute contradiction. If an agency which disseminated information put forward the full story, namely, that those on lower incomes will pay less taxes and those on higher incomes will pay more taxes, we would give the whole picture. This would create a better balance and would be much more worth while.

I do not wish to abuse the courtesy of the House by taking up more time. I will terminate my speech on that point.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I was delighted to be here this afternoon to hear the very interesting speech by the hon. member for Lanark and Renfrew (Mr. McBride). We are now beginning to understand what the government intends to do about the task force report. The hon. member—who I am quite convinced is not an humble backbencher, having listened to him this afternoon—quoted with some degree of exuberance the remarks of a distinguished Liberal pundit and former aspirant to leadership in the province of Ontario, Charles Templeton. We find from two different spheres an indication that this government will extract and squeeze from the report of the task force those things it likes and put to one side those it rejects. I need no further proof than the example—

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

Mr. Knowles (Winnipeg North Centre): He is a bumble backbencher.

• (4:30 p.m.)

Mr. McBride: I am greatly honoured that the hon. member for Peace River (Mr. Baldwin) would imply that I speak for the government. Surely, however, he will realize that I am not a member of the treasury benches and speak only for myself.

Mr. Baldwin: I accept the fact that the hon. member is now on his way. Certainly I would suggest there are a great many places where he could sit with more honour and distinction than is merited by some of the present occupants of the treasury benches. As reported at page 550 of *Hansard*, my distinguished colleague the hon. member for Saint John-Lancaster (Mr. Bell) asked the Prime Minister (Mr. Trudeau) this question:

> Mr. Speaker, have the Prime Minister and his colleagues taken note of the recommendations of the task force on government information which state there is a specific need for the government to provide more informative replies to questions raised in Parliament than has been the tradition and, if so, what does he plan to do about it?

Of course, we found the usual movement toward secrecy on the part of the Prime Minister, who wiggled and evaded the question. The hon. member used the word "educate" or "lead". The government is to lead this country into adopting that part of the task force report which will enable the government, having erected this slick, glossy apparatus, to give hand-outs of the kind it sees fit in its inimitable desire to educate the public. Educate the public for what? For those things that the government thinks the people ought to know. What the government intends to do with this task force is as plain as the hand I see before me. God help this unfortunate country when that comes about. Any government should be an open government, particularly this government which slinks and crawls on its devious, sly and crooked path among the shady nooks of concealment.

An hon. Member: Beautiful! You are a poet.

Mr. Baldwin: The hon. member who introduced the bill spoke about the state having a right to privacy. The state has no right to privacy. It is in no better nor worse position than the people who place the government in power and give it a limited opportunity to govern. Any taxpayer is entitled to say to the government, "This is my money that you are spending to secure this information. Why should you hide it from me?" I recognize there are exceptions. The hon. member has placed some of these exceptions in the second clause of his bill. I could think of others, but think particularly of the exemption provided under subparagraph (b) concerning matters that are exempted by statute from disclosure.

If this government, which has the onus of justifying to Parliament that there are special reasons, can say there are special reasons—and places those reasons before us—why matters to which it may become privy should not be made public, I am sure the exception would be granted by Parliament. But I believe the fundamental rule is that the state has no inherent right to privacy. I take that position with all the strength at my command. Unfortunately, many governments are moving not in the direction of a greater degree of openness but more in the direction of secrecy.

I had the honour to be a member of a committee which on the last day of the last session filed a report dealing with statutory instruments. It was a remarkable experience to be a part of that committee. We listened to distinguished members of the civil service who appeared before us and gave evidence concerning the measure of secrecy which prevails in respect of the origin and actual promulgation of many orders in council and ministerial decrees which affect to a large extent the lives and fortunes of very many citizens of this country. I was amazed, as I think anyone would be who read the record, at the inherent and implied criticism of the processes of government which were laid open as a result of the deliberations and the report of that committee.

Finally, as a member of the bar who has spent a great many years engaged in the art of advocacy, while there are many ways in which the administration of justice and the practice before the courts could be improved I wonder just how far we would have gone in the settlement of disputes between citizen and citizen or between citizen and the state if the old practices of the Star Chamber at the time of Strafford and Laud were still in effect. There is a rule that unless one of the parties to a trial is able to convince the court that a matter should be held in camera, all judicial proceedings are open. The participants, the accused person if it should be a criminal trial, and the witnesses are exposed to the full light of publicity before their fellow citizens in the community. The evidence is given under oath in the pitiless glare of publicity in open court. If that practice did not prevail, Mr. Speaker, the cases of injustice perpetrated on the people of our country would be magnified greatly.

It is because justice is open that justice generally is good. There is great room for improvement and I believe we are moving in this direction, but if that provision of openness, which I think is the fundamental one were not present, I wonder where we would be in respect of the administration of justice in this or any country.

I have one final point which concerns our good friends who look down upon us and tell the public what happens in this chamber. One reason they are not here in great numbers when they should be, particularly to hear this debate, is that they are compelled to wander from building to building and from minister to minister seeking scraps of information. If everything were made public as it should be, the members of the press gallery would be here and our proceedings would be more widely and elaborately reported. That is one reason I am glad, on behalf of gentlemen of the press gallery, to support this bill. I am sure from the smiles opposite that the government will support the bill, that it will receive second reading and go on to be duly dealt with in the other place.

• (4:40 p.m.)

Mr. P. M. Mahoney (Calgary South): First, Mr. Speaker, I should like to congratulate the hon. member for Surrey (Mr. Mather) who, incidentally, is a journalist and therefore brings to the subject matter of this bill a particular knowledge which I think merits considerable respect from all parts of the House.

I am sure it is no coincidence that this bill comes before us almost contemporaneously with the tabling of the recent task force report on government information entitled

"To Know and Be Known". I think that possibly this bill proffers some solutions and recommendations in an area where the report of the task force did a very find job of identifying and recognizing problems without coming forward with specific recommendations.

The subject matter of this bill covers an area of direct concern which is not perhaps the major item covered by the task force report but is one major item in it. I confess that I have not read the entire report of the task force because I found that in an effort to be "with it" and to be "now", the literary style of the task force report in effect made it rather tedious reading; before I had read many chapters I found it rather heavy going. I think they have adopted a rather strange literary style so as to attract attention. While it may be rather effective for several paragraphs or even a couple of chapters, it tends to be boring as one goes through a book-length document. Not having completed it, I would not pretend to suggest that the same fault lies with the conclusions reached, but I certainly find it hard going and I am sure this was not what the drafters intended.

The task force report, in an area particularly relevant to this bill, pointed out that governments, like people, are very much subject to their heredity and their environment. Although we are living in a day where participatory democracy is a prominent phrase—hopefully, considerably more than a slogan and certainly something which many people and institutions in this country are attempting to achieve—we are also living with a tradition or an heredity of administrative secrecy which is not compatible with the concept of participatory democracy.

The report of the task force goes on to cite the United States experience. It points out that of necessity the congressional system has caused a breakdown of secrecy because in fact the administration must, in justifying its programs and conclusions to the legislative branch, disclose the processes by which it has arrived at those recommendations and conclusions. The democratic system and functions of government in the United States do not appear to have suffered tremendously from their ability to get along without this type of secrecy which we have inherited probably from the days of absolute monarchy.

We have probably also inherited this type of secrecy from the closed-family governing classes of Great Britain which were prominent in the early part of the last century.

[Mr. Mahoney.]

Fortunately, I think my friends in the New Democratic Party can cite the Swedish tradition with considerably more validity so far as I am concerned, and I accept it as having more validity than many of the other parallels in Sweden which they cite. The right of access by the citizen to public information is a matter of constitutional right in Sweden and one which the government agency choosing to deny access to public documents can only exercise after having proved that the interest of the country is better served by not making the disclosure.

The task force report also reviews the experience in Great Britain on this matter. I think this, again, is an experience parallel to the one which our task force presents to us; it is one where the problem is well identified and recognized but to which no solution is offered. Following the original report to the British government, a government white paper was filed in which, again, great difficulty was encountered when it came to finding practical solutions to this very real problem.

As I said before, the task force report offers no recommendations in this area. Perhaps, considered concurrently with the hon. member's bill, we may have the start of a substantial recommendation in the solution of this problem. I hope sincerely that together with the task force report this bill will receive second reading and be referred to the committee.

[*Translation*]

Mr. Georges-C. Lachance (Lafontaine): Mr. Speaker, it is an interesting coincidence, that this bill introduced by the hon. member for Surrey (Mr. Mather) should come before the House just about two weeks after the task force on government information tabled its report.

Still, I believe that there are few distinctions to be made. The hon. member for Surrey (Mr. Mather)—and I congratulate him for his initiative and for his interest in this question—has introduced Bill C-20, an Act to better assure the Public's Rights to Freedom of Access to Public Documents and Information about Government Administration (Administrative Disclosure).

We read, in the explanatory note, and I quote:

> This bill is in aid of the public's right to know in what manner a government is administering the public duties entrusted and delegated to it by the people: save for exceptions that are in the public interest, the bill enacts Bentham's basic parliamentary Rule that public affairs must be conducted publicly.

I understand that the task force's report on government information services advocates an information policy.

There is nothing concerning an information policy in the bill presented today by the hon. member for Surrey, but the bill deals with the rights to freedom of access to public documents and information. I do not quarrel with the rights to freedom of access to public documents and information, when need arises, for that was also pointed out in the task force's report.

I believe I can tell the hon. member for Peace River (Mr. Baldwin) what the government is going to do with the task force's report on information services.

And I think I am in a position to do it by quoting comments that the Prime Minister (Mr. Trudeau) is reported as having made in 1964 when he was not yet a member of parliament.

In an article published in an issue of *Cité Libre* in 1964, under the title: "Pour une politique fonctionnelle", he stated:

Progress in democracy requires the availability of accurate and complete information so as to enable the people to assess government policies with full knowledge of the facts. Otherwise, obscurantist autocracy prevails. Yet in many sectors, it is very difficult, if not impossible, for citizens to make sound political judgments.

You will tell me that the Prime Minister is not alone in the cabinet! No, I agree, although he may give an impetus to the policy that he intends to pursue. But shortly before the report of the task force on information was published, the Minister of Justice (Mr. Turner) told the Canadian Bar Association, about two months ago:

• (4:50 p.m.)

[*English*]

If individual privacy is a foundation of democracy the citizen's right to know is fundamental to any participatory democracy.

The public cannot be expected to dialogue meaningfully—still less decide—if it is refused the very information which would make such a dialogue and decision-making possible.

[*Translation*]

Another member of the cabinet, the Postmaster General and Minister of Communications (Mr. Kierans), stated not so long ago, and I quote:

[*English*]

I'm willing to publish any and all documents that show gaps in our organization except those which contain critical comments about specific people.

[*Translation*]

Another minister of this government, the Minister of Fisheries and Forestry (Mr. Davis) said not so long ago, and I quote:

[*English*]

I don't see why we shouldn't be able to quote public servants any less than we quote consultants. These people are professionals.

[*Translation*]

And the Minister of Fisheries and Forestry added:

[*English*]

You don't suppress something because you don't want it exposed to counter argument. This is lethal in the long-term. You don't suppress reports drawn up by competent people at the public expense.

[*Translation*]

I could go on quoting several other statements made by ministers of this government. This shows that this government had and still has the intention of promoting a policy on information. I am sure, in the light of what the ministers have already said, that the task force report will be used as a basis for the establishment of a policy on information.

I do not intend, Mr. Speaker, to give you a summary of the task force report, since the previous speakers did so, but it must be known that the right to information is not the sole prerogative of newspapermen. I am not saying that this is what the hon. member for Surrey had in mind. I am just expressing a personal opinion. The right to information does not only belong to newspapermen or mass media, but to the public at large.

What about the interpretation of information? This is a very important element. The general public receives its information through the large media which often colour it somehow. Can we then say that it is information? I do not think so.

Who will therefore decide which type of information should be available to the public? Should we divide citizens into categories? Should we give different information to the members of parliament and to the newspapermen? Should we give another type of information to other news, media, and still another type to the general public?

This report leads the way. It contains advice and proposals and I am sure these will be given serious consideration by the government when it tables legislation in this field.

Should Canada leave it to a minister of Information to decide what information should be given? Should such decisions be left to a minister, to a committee of ministers, or, as is done in Sweden, to administrative commissions quite distinct from the legislative power? The question is a vital one and I know that the hon. member of the New Democratic Party was right to raise it. Anyway, we are not prepared to make this decision specially since, as I am practically sure, most if not all members either have not read the whole report or have not assimilated it.

Therefore, I am not prepared to make a decision. Mr. Speaker, may I call it five o'clock?

The Acting Speaker (Mr. Béchard): Order. The hour appointed for the consideration of private members' business has now expired.

[*English*]

ROUTINE PROCEEDINGS

WAYS AND MEANS

TABLING OF NOTICE OF MOTION TO AMEND EXCISE TAX ACT

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, pursuant to Standing Order 60, I should like to lay on the table notice of a Ways and Means motion to amend the Excise Tax Act and request designation of an order of the day for consideration of this motion.

The Acting Speaker (Mr. Béchard): It being five o'clock this House stands adjourned until Monday next at two o'clock p.m. pursuant to Standing Order 2 (1).

At five o'clock the House adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Monday, November 17, 1969

The House met at 2 p.m.

ROUTINE PROCEEDINGS

ELECTORAL BOUNDARIES READJUSTMENT ACT

CHANGE OF NAME OF CONSTITUENCY

[*Translation*]

Mr. Viateur Éthier (Glengarry-Prescott) asked for leave to introduce Bill C-153 entitled "An Act respecting the Electoral Boundaries Readjustment Act".

Motion agreed to, bill read the first time and ordered to be printed.

[*English*]

FINANCE, TRADE AND ECONOMIC AFFAIRS

REFERENCE TO STANDING COMMITTEE OF WHITE PAPER ON TAX REFORM

On the order:

Government Notices of Motions—November 13, 1969—The President of the Privy Council:

That the White Paper entitled Proposals for Tax Reform, tabled in the House on November 7, 1969, be referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Speaker: Pursuant to Standing Order 21(2) this notice of motion is transferred to and ordered for consideration under government orders at the next sitting of the House.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

CMHC CAPITAL BUDGET

Question No. 3—**Mr. Gilbert:**

1. Has the Government of Canada imposed a five-year freeze on the capital budget of Central Mortgage and Housing Corporation?

2. If not, is any type of freeze on CMHC's capital budget contemplated?

Hon. Robert K. Andras (Minister without Portfolio): 1. No.

2. No. Each year the government determines the funds that it can reasonably allocate to CMHC to finance its various programs.

ONTARIO MEDICARE PLAN—DESIGNATION OF PRIVATE COMPANIES AS CARRIERS

Question No. 8—**Mr. Gilbert:**

Has the federal government agreed to the provisions in the Ontario medicare plan regarding (a) the designation of the private insurance companies as the public carriers for the plan and (b) the financial arrangement between the Ontario Government and the private insurance companies on administrative costs of the plan?

Hon. John C. Munro (Minister of National Health and Welfare): (a) Private insurance companies do not function as agents of the Ontario provincial authority. Healthco, a non-profit corporation made up of private insurance companies and other bodies, acts as the agent of the provincial authority. (b) A contract between the Ontario authority and its non-profit agent, Healthco meets the requirements of the Medical Care Act.

D. FULLERTON—POSITIONS AND SALARY

Question No. 16—**Mr. Skoberg:**

1. When did Mr. D. Fullerton submit his resignation as Chairman of the Board of DEVCO?

2. What was Mr. Fullerton's annual salary as Chairman of DEVCO?

3. When did the Government of Canada indicate to Mr. Fullerton that it wished to appoint him as Chairman of the National Capital Commission?

4. What is Mr. Fullerton's annual salary as Chairman of the National Capital Commission?

Hon. Jean Marchand (Minister of Regional Economic Expansion): 1. July 2, 1969.

2. Mr. Fullerton was not paid a salary as Chairman of DEVCO. However, he received an honorarium of $5,000 per annum plus a fee of $100 a day while attending meetings.

3. Toward the end of July, 1969.

4. The Government's arrangement with Mr. Fullerton provides that he devote 75 percent of his time to the function of Chairman of the National Capital Commission. His salary based on an annual rate of $30,000, is $22,500.

CBC—ADVERTISING POLICY

Question No. 25—**Mr. Broadbent:**

1. Is the CBC changing its commercial advertising policy with four rather than three minutes of commercial time per half-hour on television now being available?

2. If so, what are the reasons for this change in policy?

Questions

Hon. Gérard Pelletier (Secretary of State): I am informed by the CBC as follows: 1. Prior to the present programming year, the allowable commercial content for all sponsored programs on the French Television Network and English Metro-Net (CBC-owned stations) and for selectively sponsored programs on both English and French CBC-owned television stations was four minutes per half-hour. Full English network sponsors were limited to three minutes plus billboards after 6:00 p.m. With the beginning of the 1969/70 program season the "four-minute format" was extended to all sponsored half-hour programs on the full English Television Network, as has been the case on the French TV Network.

2. The increase in allowable commercial content on the full English network not only brings all phases of the Corporation's commercial operations into line but it also puts the CBC in step with all private segments of the television industry in Canada, both on a network and selective basis. Since the four-minute format is now the rule, rather than the exception, Canadian advertisers have oriented their sales and marketing strategy accordingly. The extra minute results in both the major and minor sponsor on alternate weeks receiving an equal amount of advertising time in each program, i.e., two minutes for each half hour of programming. This provides the kind of continuous program identification that advertisers have come to expect from alternate week sponsorship.

NATO COMMUNICATIONS RESEARCH PROGRAM

Question No. 26—**Mr. Broadbent:**

1. What countries are participating in the NATO communications research program established in 1967?

2. What have been the total expenditures for this program for the years 1967, 1968, 1969 and the estimated expenditures for 1970, 1971 and 1972?

3. For each of the above past years, what has been the respective expenditure contribution by Canada and the other seven countries?

Hon. Léo Cadieux (Minister of National Defence): 1. Belgium, Canada, Germany, Great Britain, Italy, The Netherlands, Norway and the United States of America.

2. Total expenditures are not known as this is not a commonly funded program. Participating countries provide their own ground equipment for testing purposes using a satellite made available by the United States.

3. Expenditures by Canada for ground equipment are as follows: 1967-68, $50,000.00; 1968-69, $438,754.46; 1969-70, $147,000.00.

[Mr. Broadbent.]

AGRICULTURE——FINAL REPORT OF TASK FORCE

Question No. 36—**Mr. Gleave:**

When is it anticipated that the federal Task Force on Agriculture will submit its final report to the federal government?

Hon. H. A. Olson (Minister of Agriculture): The Task Force is expected to submit its report to the Minister by December 1969.

STANDARDS FOR SALE AND PURCHASE OF MEAT PRODUCTS

Question No. 49—**Mrs. MacInnis:**

What standards have been established by the Government of Canada regarding the sale and purchase of meat products in Canada?

Hon. H. A. Olson (Minister of Agriculture): In so far as the Department of Agriculture is concerned: Established standards for the carcasses of beef, veal, lamb and mutton, hogs and poultry are set out in regulations under the Canada Agricultural Products Standards Act, Order-in-Council P.C. 1958-991, 1958-1058, 1968-2279 and 1959-1211. Under the Meat Inspection Act, prescribed standards are established to ensure wholesomeness of imported meat products and domestic meat or meat food products moved into interprovincial or export trade.

USE OF SPACE SATELLITES, ALOUETTE I, ALOUETTE II

Question No. 64—**Mr. Orlikow:**

1. Which countries have submitted requests to the Government of Canada to share in the use of Canada's space satellites Alouette I and Alouette II?

2. Which countries presently have working agreements with Canada regarding the use of Canada's space satellites?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): 1. As a result of the offer by the Government of Canada to share in the use of the Canada's Alouette I and II satellites, representatives of nine countries have expressed a definite interest. They are: Peru, Spain, Nigeria, Denmark, Israel, Taiwan, South Africa, Poland and Finland.

2. The countries which presently have a formal working agreement with Canada regarding the use of Canada's space satellites Alouette and ISIS are: USA, UK, France, Norway, Japan, Australia and India.

DRUG INFORMATION BULLETIN

Question No. 72—**Mr. Saltsman:**

When is it anticipated that the Food and Drug Directorate of the Department of Health and Welfare will commence issuing a monthly information bulletin on drugs to doctors, pharmacists, hospitals and dentists?

Hon. John C. Munro (Minister of National Health and Welfare): Plans are well advanced for the publication of the Drug Information Bulletin by the Food and Drug Directorate of the Department of National Health and Welfare. The target date for the first issue is January, 1970.

CBC TELEVISION EXPENDITURES

Question No. 79—**Mr. Broadbent:**

1. For the fiscal years 1955-56, 1960-61, 1961-62, 1962-63, 1963-64, 1964-65, 1965-66, 1966-67, 1967-68, 1968-69, what was the total expenditure of the Canadian Broadcasting Corporation (Television) and of that amount, what percentage was publicly funded and what percentage was due to commercial advertising revenues?

2. Is the Government of Canada presently giving favourable consideration to the elimination of commercial advertising over the CBC TV network?

Hon. Gérard Pelletier (Secretary of State): 1. I am informed by the Canadian Broadcasting Corporation that the following table summarizes the total expenditure of the Canadian Broadcasting Corporation (Television), the percentage provided by Parliamentary Grants and the percentage due to commercial advertising revenue for the years indicated. The remaining percentage of revenue was due to miscellaneous income. Expenditure totals do not include depreciation, capital expenditure, loan principal repayment, and International Service expenditure.

	Expenditure in $000's	% Provided by Parliamentary Grants	% Provided by Commercial Advert'g Revenue
1955-56	34,012	52	47
1960-61	78,360	53	45
1961-62	82,613	62	37
1962-63	83,257	64	34
1963-64	89,411	65	33
1964-65	95,112	67	32
1965-66	101,552	67	31
1966-67	115,853	70	28
1967-68	141,319	71	26
1968-69	146,312	71	26

2. No.

PANARCTIC OILS LTD.—LOSS OF BARGES

Question No. 94—**Mr. Thomson (Battleford-Kindersley):**

1. What is the estimated financial cost to Panarctic Oils Ltd. resulting from the loss, in Arctic waters, of two unmanned conventional barges in August due to ice conditions?

2. Was there any oil pollution due to this damage and, if so (a) what was its type and (b) what precautions have been taken to ensure no such further oil pollution occurs?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. Net loss to Panarctic Oils Ltd. attributed to the loss of two barges, named the Learmonth and Johnny Norberg and their contained cargoes was $898,000.

2. (a) Pollution resulted from release of diesel oil and JP 4 (airplane turbine fuel) which was confined to a small area by a natural boom of ice flows. (b) The Norberg, the fuel carrying barge, was flooded so as to restore it on an even keel. The cargo vents were adjusted to allow the barge to gradually sink on an even keel. Thereby most of the fuel cargo remains within the hull of the barge sunk in almost 600 feet of water.

NEW GOVERNMENT BUILDINGS, HULL

Question No. 101—**Mr. Mather:**

Which federal government buildings are anticipated to be built in Hull, starting construction in the calendar years 1969 and 1970?

Hon. Arthur Laing (Minister of Public Works): The Headquarters Building for the Department of Consumer and Corporate Affairs.

CBC AND CKLW-TV, WINDSOR—CBC AND TELESAT CANADA

Question No. 123—**Mr. Orlikow:**

1. What were the reasons for the CBC rejecting the opportunity to purchase CKLW-T.V. Windsor?

2. What was the indicated purchase price for CKLW-T.V. Windsor?

3. What was the anticipated annual operating cost of operations under CBC ownership?

4. What is the arrangement agreed to between the CBC and Telesat Canada?

5. Is the CBC presently committed to taking three T.V. channels on satellite through Telesat?

6. What are the estimated expenditures for the CBC under any arrangement agreed to between the CBC and Telesat Canada?

Hon. Gérard Pelletier (Secretary of State): I am informed by the CBC as follows: 1. The Corporation, after making a special examination of the position of CKLW-TV, in order to determine the capital and operating costs which would result from acquisition of the

station, concluded that it did not have the resources available within its capital and operating budget for the current or the coming fiscal year to enable it to purchase and operate the station.

2. The only information the CBC has is that obtained from newspaper reports that the purchase price was in the neighbourhood of $5 million.

3. The study made by the CBC indicated the probability of an annual operating deficit of several hundred thousand dollars in each of the first three years following a takeover by the Corporation.

4, 5 and 6. Discussions have not been concluded; consequently no final decisions have been reached as to the number of TV channels to be taken by the CBC on the satellite, nor as to the costs which would be involved for the CBC in respect of such channels as may be taken.

REDUCTIONS IN GRANTS FOR EMERGENCY HEALTH AND WELFARE SERVICES

Question No. 130—**Mr. Knowles (Winnipeg North Centre):**

1. On what date did the Minister of National Health and Welfare announce reductions for 1970-1971 with respect to Emergency Health Services Emergency Welfare Services, and general and national health grants?

2. On what date were the provincial governments informed of the above cuts insofar as they affect federal-provincial agreements?

Hon. John C. Munro (Minister of National Health and Welfare): 1. (a) Emergency Health Services on September 25, 1969; (b) Emergency Welfare Services on September 25, 1969; (c) General and National Health Grants, at the Federal-Provincial Conference of Ministers of Health held in Ottawa on November 4, 1968, it was announced that certain of the Health Grants would be phased out over a three year period, beginning April 1, 1969.

2. (a) Emergency Health Services, on October 3, 1969, by letter mailed on that date. (b) Emergency Welfare Services, at the Federal-Provincial Emergency Welfare Services Directors' Conference on October 15-16, 1969. (c) General and Health Grants, See answer (Part 1-c) above.

CBC TELEVISION ADVERTISING REGULATIONS

Question No. 153—**Mr. Mather:**

1. What are the present CBC regulations regarding T.V. commercial advertising?

2. Are any changes in the present rules contemplated?

[Mr. Pelletier.]

Hon. Gérard Pelletier (Secretary of State): I am informed by the CBC as follows: 1. CBC regulations regarding T.V. commercial advertising are made up of detailed internal directives governing the commercial policies of the Corporation in such areas as commercial acceptance, procedures, sales rates and discounts and general sales policies. These run to several volumes.

2. Yes. The commercial policies of the Corporation are under continual review and are changed when considered advisable.

LLOYD AXWORTHY—CRITERIA FOR APPOINTMENT

Question No. 178—**Mr. Nystrom:**

What special criteria was used by the Department of Secretary of State in the appointment of Mr. Lloyd Axworthy as a member of the Council of the Company of Young Canadians?

Hon Gérard Pelletier (Secretary of State): One of the main objects of the Company of Young Canadians being to "engage in community development work in urban and rural areas in Canada" (Section 15(a) of the Company of Young Canadians Act), there was a need for expert opinion on that subject. Mr. Axworthy is presently Director of the Institute of Urban Studies at the University of Winnipeg for Housing and Development, and thus should be in a position to make valuable contributions to the undertakings of the Company of Young Canadians in that field.

ECONOMIC COUNCIL RECOMMENDATION CONCERNING POVERTY

Question No. 179—**Mr. Nystrom:**

Is the Government of Canada giving favourable consideration to the recommendation of the Economic Council of Canada in its latest annual report that (a) there be established a federal-provincial organization charged with looking at poverty in Canada and (b) the federal government should establish an office to provide information and to co-ordinate research on poverty?

Hon. John C. Munro (Minister of National Health and Welfare): (a) and (b) The Government of Canada is presently conducting an assessment of federal social development programs. Any decisions arising from that assessment will be announced by the Government in the usual manner.

EVERDALE PLACE SCHOOL—CYC FINANCIAL SUPPORT

Question No. 185—**Mr. Orlikow:**

1. What financial support did the Company of Young Canadians give to the Everdale Place School in each year since the Company of Young Canadians has supported the school?

2. How many staff members and how many Company of Young Canadians volunteers were supported in each year at the Everdale Place School?

3. How many students are attending the school?

4. What fees are charged to the parents of each student?

5. What methods have been developed to channel successful new educational theories into the existing Ontario school system?

Hon. Gérard Pelletier (Secretary of State): I am informed by the Company of Young Canadians as follows: 1. Year ending March 31, 1968, $33,490; Year ending March 31, 1969, $46,407.

2. Six volunteers and one staff person per year from June 1967 to September 1969. From September 30, 1969, the Company of Young Canadians has supported two volunteers and will continue this support until June 1970, when CYC support will be phased out.

3. Forty full time students.

4. The standard fee at Everdale Place is $1,350. Of the students presently attending Everdale, 9 students are on scholarship; two students pay the standard fee; 29 students pay from $0 to $2,600. Parents of two students have paid double the standard fee required in order to ensure support for Everdale Place.

5. Everdale Place has developed contacts with various education bodies such as the Ontario Institute of Studies in Education, Ontario College of Education and York University. Members of Everdale Place respond to numerous speaking invitations from teachers' groups, high school and public school students, social agencies, as well as from the media. Everdale also publishes the widely circulated magazine—"This Magazine is About Schools".

Questions

CYC STAFF

Question No. 186—**Mr. Orlikow:**

1. How many staff members did the Company of Young Canadians have in the year ending March 31, 1969?

2. What salaries and benefits were paid to staff members in this period?

Hon. Gérard Pelletier (Secretary of State): I am informed by the Company of Young Canadians as follows: 1. In the year ending March 31, 1969, the Company had an average of 54 staff members.

2. During this period, salaries paid to staff members totalled $448,230.53. Benefits paid on behalf of staff members which included medical insurance, Ontario Hospital, Death Benefits, Unemployment Insurance, Superannuation, Quebec Pension Plan and Canada Pension Plan totalled $29,387.55.

OLD AGE SECURITY PENSION

Question No. 198—**Mr. Knowles (Winnipeg North Centre):**

1. How many persons in Canada, by provinces, are in receipt of the Old Age Security pension?

2. Of the recipients of the Old Age Security pension, how many persons in Canada, by provinces, are in receipt of the Guaranteed Income Supplement?

3. Of those receiving the Guaranteed Income Supplement, how many persons in Canada, by provinces, are receiving the full amount?

4. What is the average amount, in Canada, and by provinces, being received as a Guaranteed Income Supplement by recipients of the Old Age Security Pension?

5. Do the answers to the above questions take into consideration persons living outside of Canada who are in receipt of the Old Age Security pension and, if so, how many of such persons are there, and if they are considered as belonging to the various provinces what is the number for each province?

Hon. John C. Munro (Minister of National Health and Welfare): The figures given below are as of September 30, 1969:

	Part 1	Part 2	Part 3	Part 4
Newfoundland	28,974	23,297	18,581	$29.78
Prince Edward Island	11,483	8,273	5,576	27.78
Nova Scotia	64,895	40,402	26,366	27.68
New Brunswick	49,093	30,879	21,498	28.00
Quebec	356,170	212,951	144,473	28.33
Ontario	564,126	241,975	125,144	25.22
Manitoba	86,273	46,557	26,248	27.96
Saskatchewan	85,196	42,679	24,738	27.06
Alberta	102,610	54,730	32,405	31.05
British Columbia	179,791	83,270	47,561	26.50
Northwest Territories	738	625	569	31.20
Yukon	419	235	199	31.20
Canada	1,529,768	785,873	473,358	$27.11

Questions

5. Yes. The following are the numbers of persons receiving the Old Age Security pension outside of Canada. No information is available on the numbers among those persons who are receiving a Guaranteed Income Supplement, which is payable outside of Canada for up to six months of absence.

Newfoundland	93
Prince Edward Island	50
Nova Scotia	335
New Brunswick	373
Quebec	2,465
Ontario	4,777
Manitoba	585
Saskatchewan	535
Alberta	641
British Columbia	2,837
Northwest Territories	1
Yukon	6
	12,698

PENSIONS OF RETIRED R.C.M.P. PERSONNEL

Question No. 202—**Mr. Knowles (Winnipeg North Centre):**

1. How many retired Royal Canadian Mounted Police personnel are receiving pensions of amounts within each of the following brackets: (a) less than $20.00 per month (b) $20.00 to $29.99 per month (c) $30.00 to $39.99 per month (d) $40.00 to $49.99 per month (e) $50.00 to $59.99 per month (f) $60.00 to $69.99 per month (g) $70.00 to $79.99 per month (h) $80.00 to $89.99 per month (i) $90.00 to $99.99 per month (j) $100.00 to 149.99 per month (k) 150.00 to 199.99 per month (l) $200.00 to $249.99 per month (m) $250.00 to $299.99 per month (n) $300.00 per month and over?

2. How many widows of R.C.M.P. personnel or of retired R.C.M.P. personnel are receiving pensions of amounts within each of the brackets indicated in the above question?

3. What is the number of retired R.C.M.P. personnel and also the number of widows of R.C.M.P. personnel or of retired R.C.M.P. personnel presently residing in each province?

4. In respect of how many orphans of R.C.M.P. personnel are pensions being paid and what is the average amount thereof?

Hon. G. J. McIlraith (Solicitor General): 1. (a) Nil, (b) nil, (c) 4, (d) 4, (e) 13, (f) 31, (g) 41, (h) 41, (i) 46, (j) 396, (k) 392, (l) 359, (m) 280 and (n) 705.

2. (a) 12, (b) 10, (c) 10, (d) 21, (e) 21, (f) 24, (g) 14, (h) 8, (i) 11, (j) 51, (k) 30, (l) 10, (m) 5 and (n) 4.

[Mr. Munro.]

3.

Province	Retired Personnel	Widows
Newfoundland	36	2
Prince Edward Island	20	Nil
Nova Scotia	178	13
New Brunswick	66	7
Quebec	178	7
Ontario	498	63
Manitoba	117	9
Saskatchewan	145	6
Alberta	323	27
British Columbia	649	86
Northwest Territories	24	Nil
Outside Canada	78	11

4. 101—Average $27.07.

DESIGNATED AREAS—EXCLUSION OF COUNTY OF RENFREW, ONTARIO

Question No. 232—**Mr. Peters:**

1. What are the reasons for the exclusion of Eastern Ontario and particularly the county of Renfrew, from the incentives area designation program?

2. Did the Ontario Government agree to these exclusions?

Hon. Jean Marchand (Minister of Regional Economic Expansion): 1. While eastern Ontario has enjoyed less rapid growth than southern Ontario, its growth rates are close to the national average. This is true of employment growth even in Renfrew county individually.

2. No provincial government was asked to agree formally to exclusions. The Ontario government recognized the reasons for giving priority, in designation for the industrial incentive program, to northern Ontario.

NATIONAL PAROLE BOARD

Question No. 237—**Mr. Winch:**

1. Did the National Parole Board curtail plans to hire additional parole officers this year?

2. If so, what are the reasons for the postponement of hiring additional officers?

3. Is there a backlog of parole applications building up across Canada and, if so, how many?

4. What is the estimated cost to the Federal Treasury of keeping a man in jail each year?

5. Presently, how many parole officers are employed by the National Parole Board?

6. At present, how many prisoners are on parole in Canada?

7. What is the present total salary cost of parole officers employed by the National Parole Board?

Hon. G. J. McIlraith (Solicitor General): 1. Partially.

2. Because the establishment was fixed at the number of officers on strength as of July 31, 1969. Subsequently these limitations were lifted in part.

3. No. There are some 300 cases which might be described as a backlog but this figure actually represents a decrease in the backlog over the past few months.

4. $6,654. is the average annual cost per inmate in a federal penal institution for the fiscal year 1968-69. This is exclusive of the capital cost for construction of the institutions.

5. 109 as at October 23, 1969.

6. 3,306 as at September 30, 1969.

7. $1,128,270. per annum.

IMMIGRATION OF UNITED STATES DOCTORS AND MALE NURSES

Question No. 242—**Mr. Mather:**

How many U.S. doctors and male nurses have come to Canada because of, or since the institution of the American draft legislation?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): During the last ten-year period, from 1959 to 1968, there were 7,487 Physicians and Surgeons admitted to Canada from the United States. No figures are available to indicate the number of male nurses who were admitted. The Department is unable to state what may have motivated these people to migrate to Canada.

CMHC—DEVELOPMENT OF CITÉ DU HAVRE

Question No. 245—**Mr. Gilbert:**

1. Did Community Development Consultants Limited prepare a master plan for Central Mortgage and Housing Corporation on the development of Cité du Havre in Montreal?

2. Was this plan discussed and studied at a meeting in May between Central Mortgage and Housing Corporation, Montreal and the National Harbours Board?

3. What were the results of this meeting?

4. What action is now being proposed by the Government of Canada regarding the development of Cité du Havre?

Hon. Robert K. Andras (Minister without Portfolio): 1. Community Development Consultants Limited were retained jointly by Central Mortgage and Housing Corporation and the National Harbours Board to prepare a development plan for the lands owned by the federal government at Cité du Havre in Montreal.

2. A preliminary plan prepared by the consultants was discussed with officials of the City of Montreal to acquaint them with the progress of the study. Officials of Central Mortgage and Housing Corporation and the National Harbours Board were present.

3. As the purpose of the meeting was to clarify matters of mutual concern between the city and the consultants, it assisted the consultants in making their recommendations.

4. No immediate action is proposed. The future use of these lands is still under study.

COST OF ESTABLISHMENT OF CANADIAN EMBASSY AT THE VATICAN

Question No. 255—**Mr. Howard (Skeena):**

For the fiscal year 1969-70, what are the estimated government expenditures for the establishment of a Canadian embassy at the Vatican?

Hon. Mitchell Sharp (Secretary of State for External Affairs): $62,000.

REGIONAL ECONOMIC EXPANSION—INCENTIVE GRANTS

Question No. 257—**Mr. Burton:**

1. Does the Department of Regional Economic Expansion in the application for an incentive grant under Bill C-202, include the criteria of whether the applicant has received any form of provincial assistance?

2. What other specific criteria are considered in the application for an incentive grant under Bill C-202?

Hon. Jean Marchand (Minister of Regional Economic Expansion): 1. Yes (see section 6(c) of the Act).

2. The other criteria laid down in section 6.

QUEBEC—TRANSFER OF RESIDENTS TO LARGER COMMUNITIES

Question No. 266—**Mr. Burton:**

Was the Department of Regional Economic Expansion informed by the Quebec Government on plans to wipe out about a dozen settlements in the eastern part of the Province of Quebec and transfer their residents to larger communities and, if so, when was the Department informed?

Hon. Jean Marchand (Minister of Regional Economic Expansion): If the plans referred to are those to assist people who wish to move from certain marginal settlements, yes, on December 15, 1968.

NEWFOUNDLAND—TRAINING OF INDUSTRIAL DEVELOPMENT OFFICERS

Question No. 267—**Mr. Marshall:**

Has the Province of Newfoundland applied for training courses for Industrial Development Officers under the Industrial Intelligence and Promotion Branch of the Department of Regional Economic Expansion?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Yes. One course has already been held and two more will be held shortly.

Questions

HOUSE OF COMMONS—REPLACEMENT OF WINDOWS

Question No. 269—**Mr. Diefenbaker:**

1. How many windows in the Centre Block have been replaced during the last six months?
2. What was the price of each unit that was installed?
3. What disposal was made of the old units?
4. What was the total cost of the replacement?

Hon. Arthur Laing (Minister of Public Works): 1. 698 windows.

2. Average cost $115.

3. Disposal by contractor as part of contract.

4. $80,500.

FISHERIES AND FARM IMPROVEMENT, SMALL BUSINESS LOANS

Question No. 270—**Mr. Marshall:**

1. How many applications were received for (a) Fisheries Improvement Loans (b) Farm Improvement Loans (c) Small Business Loans?
2. How many were approved and how many were denied?

Hon. E. J. Benson (Minister of Finance): 1. Applications for loans under all these programs are submitted to a bank and not to the Government. We are not informed of applications received but only of those approved for loans since the bank is responsible under the legislation for determining whether or not a loan shall be granted.

2. Following numbers of loans have been granted under the various programs since inception to December 31, 1968:

	No.	Value $
Fisheries Improvement Loans	2,788	7,272,291
Farm Improvement Loans	1,433,297	2,186,221,728
Small Businesses Loans	19,411	179,063,241

*NATIONAL ARTS CENTRE POSTERS

Question No. 290—**Mr. Dinsdale:**

Is there a policy discouraging information officers of the National Arts Centre from putting up posters in federal government buildings and, if so, what is the reason for the policy?

Hon. Arthur Laing (Minister of Public Works): As far as the Department of Public Works is concerned there is no such policy. I might add that a check with Arts Centre officials revealed no complaints of this nature. Indeed, to the contrary, we have been advised that the Arts Centre's publicity staff have been receiving full co-operation from all government departments.

[Mr. Marchand (Langelier).]

TRANS-CANADA HIGHWAY

Question No. 298—**Mr. Danson:**

1. What has been the total of grants to each province for the Trans-Canada Highway?
2. How many miles of Trans-Canada Highway are there in each province?
3. What is the volume of traffic per mile in each province?

Hon. Arthur Laing (Minister of Public Works) 1. The contributions to the provinces to September 30, 1969, under the Trans-Canada Highway program are as follows:

	million
Newfoundland	$112.0
Prince Edward Island	10.7
Nova Scotia	72.5
New Brunswick	89.5
Quebec	159.5
Ontario	134.9
Manitoba	21.0
Saskatchewan	17.7
Alberta	23.4
British Columbia	121.2

2. The mileage of the Trans-Canada Highway in each province is as follows:

	miles
Newfoundland	565*
Prince Edward Island	71
Nova Scotia	278
New Brunswick	376
Quebec	388
Ontario	1453
Manitoba	310
Saskatchewan	406
Alberta	333†
British Columbia	616‡

*Includes 25 miles through Terra Nova National Park

†Includes 51 miles through Banff National Park

‡Includes 64 miles through Yoho, Glacier and Revelstoke National Parks

3. Since the operation of the Trans-Canada Highway is under the jurisdiction of the provinces, traffic volume figures are not compiled by the Government of Canada.

CORNWALLIS NAVAL BASE

Question No. 304—**Mr. Comeau:**

1. Is it the intention of the government to terminate the operations of the Armed Forces at Cornwallis Naval Base?
2. Does the Department of National Defence have plans to reduce personnel at Cornwallis and, if so, by how many?

Hon. Léo Cadieux (Minister of National Defence): 1. No.

2. All establishments are being reviewed with a view to economies in the cost of operation so that the Department can live within its current and projected budget. Therefore, it is possible that there may be reductions in personnel at CFB Cornwallis.

CLOSING OF POST OFFICES

Question No. 305—**Mr. Comeau:**

1. How many post offices have been closed in Canada during the past year?

2. What is the number per province?

3. How many are scheduled to be closed?

4. How many are scheduled to be closed in the Province of Nova Scotia, and where is each situated.

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): 1. 478.

2. Newfoundland, 23; Nova Scotia, 61; Prince Edward Island, 16; New Brunswick, 44; Quebec, 86; Ontario, 117; Manitoba, 23; Saskatchewan, 42; Alberta, 52; British Columbia, 12; Northwest Territories, 1; and the Yukon, 1.

3. 303.

4. (a) 42. (b) Argyle Head, Aspy Bay, Athol, Bay St. Lawrence, Bramer, Cambridge, Capstick, Dalhousie West, East Dover, East Ferry, Ecum Secum, Ecum Secum Bridge, Glenholme, Grand Anse, Gypsum Mines, Harbourville, Indian Point, Latties Brook, Little Bass River, Londonderry Station, Meat Cove, Melanson, Middle Stewiacke, Mink Cove, Morden, Mushaboom, Nappan, Oban, Pembroke, River Phillip, Seaview, Somerset, South West Mabou, South River Lake, Spry Bay, Sugar Loaf, Sweets Corners, Tidville, Upper Wedgeport, Wentworth Centre, West Brook, and West La Have.

WESTERN CANADA—DIVERSIFIED AGRICULTURAL PROGRAM

Question No. 314—**Mr. Robinson:**

Is it the intention of the federal government to implement a program of diversified agriculture in Western Canada?

Hon. H. A. Olson (Minister of Agriculture): The government will continue to provide information and implement programs which will assist farmers in reaching their own decisions as to the type of production in which to engage.

REGIONAL DEVELOPMENT INCENTIVES APPLICATIONS

Question No. 341—**Mr. Marshall:**

1. Of the 131 applications received under the Regional Development Incentives Act, what is the breakdown of the number of applications by province?

2. Were any applicants rejected and, if so, what are their names?

3. What are the names of the applicants to whom offers were made?

Hon. Jean Marchand (Minister of Regional Economic Expansion): 1, 2 and 3. Details of all cases will be reported when an offer has been made and the applicant has started the project. Until that time, it is essential to the operation of the Act that business confidence be maintained. Statistical analyses of applications, offers, rejections, etc., distributed by provinces, will not be published monthly, because in some circumstances this could lead to deductions about particular projects; such analyses will be published annually.

TROOP WITHDRAWALS FROM BASES—SAVINGS VIS-À-VIS LOSSES

Question No. 351—**Mr. MacLean:**

Would the Minister of National Defence advise the House how long it will be before the savings on current expenditures gained from the withdrawal of Canadian troops from certain bases will equal the possible capital losses entailed?

Hon. Léo Cadieux (Minister of National Defence): Savings on operations and maintenance costs will accrue progressively to the Department as the Base Consolidation Program proceeds, with maximum savings realized after the bases are closed and transferred to new ownership. It is not possible to estimate proceeds from the sale or transfer of the facilities.

EMERGENCY MEASURES ORGANIZATION

Question No. 352—**Mr. Comeau:**

1. Will funds designated for the Emergency Measures Organization cease and, if so, when, and for what reasons?

2. What is the present cost of this program?

3. Will the EMO college at Arnprior remain open?

4. What is the cost of operating this college?

5. How many persons are on the permanent payroll for this organization and what is the level of their salaries?

6. How many part-time employees work for this organization and what is the level of their salaries?

Hon. Léo Cadieux (Minister of National Defence): 1. There are no plans for the cessation of the activities of the Canada Emergency Measures Organization.

Questions

2. $5,000,000.

3. Yes.

4. During the current fiscal year $404,980.

5. The present establishment of the Canada Emergency Measures Organization is 92 positions. Salaries range from approximately $4,400 to approximately $27,000 per annum, with an average salary of approximately $11,000.

6. None.

RCMP SUPERANNUATION FUND

Question No. 360—**Mr. Barnett:**

1. What, for each of the last five years, is the total amount contributed by members of the R.C.M.P. to the R.C.M.P. Superannuation Fund/

2. What, for each of the last five years, has been the income from investments to the Fund?

3. What, for each of the last five years, has been the amount paid out in pensions from the Fund?

4. What, at the close of the fiscal year for each of the last five years, has been the balance on hand in the Fund?

Hon. G. J. McIlraith (Solicitor General): 1. 1964-65, $2,100,821.99; 1965-66, $2,252,-196.56; 1966-67, $2,155,858.34; 1967-68, $2,732,-507.42; 1968-69, $3,385,623.96.

2. Interest is credited to the R.C.M.P. Superannuation Account on the last day of each quarter in each fiscal year, namely, on June 30, on September 30, on December 31 and on March 31, respectively, calculated at the rate of one per cent of the balance to the credit of the Account on the last day of the preceding quarter.

	Year	Interest
	1964-65	$1,929,488.33
	1965-66	$2,420,759.75
	1966-67	$2,841,067.52
	1967-68	$3,534,722.02
	1968-69	$4,494,764.86
3.	1964-65	$ 419,929.17
	1965-66	$ 509,394.31
	1966-67	$ 637,898.76
	1967-68	$ 778,415.27
	1968-69	$ 880,981.63
4.	1964-65	$ 57,706,948.59
	1965-66	$ 65,411,253.45
	1966-67	$ 85,081,315.27
	1967-68	$104,724,111.76
	1968-69	$130,811,253.12

[Mr. Cadieux (Labelle).]

REPLACEMENT OF ARGUS BY LOCKHEED P-3C ORION

Question No. 366—**Mr. Lambert (Edmonton West):**

1. Has any firm decision been taken to replace the Argus aircraft with the Lockheed P-3C Orion and, if so, what is the date of the decision?

2. How many aircraft is it proposed to acquire?

3. What is the estimated cost per aircraft, with spares, etc.?

4. When is it proposed to start the replacement and when should it be completed?

5. What is proposed to be done with Argus aircraft?

Hon. Léo Cadieux (Minister of National Defence): 1, 2, 3, 4, 5. Attention is directed to *Hansard,* page 8419, dated May 7, 1969. It is anticipated the studies referred to will be completed in mid 1970.

QUESTIONS PASSED AS ORDERS FOR RETURNS

DEFENCE INDUSTRIAL RESEARCH—GRANTS TO FIRMS

Question No. 164—**Mr. Broadbent:**

1. For the years 1965, 1966, 1967, 1968 and 1969 (a) which and how many non-resident owned or controlled firms have been awarded financial grants or incentives under the Defence Industrial Research Board and (b) in each case, what was the total financial grant or incentive allotted?

2. For the same years (a) which and how many Canadian owned or controlled firms have been awarded financial grants under the Defence Industrial Research Program, and (b) in each case, what was the total financial grant or incentive allotted?

Return tabled.

CANADA COUNCIL GRANTS TO PUBLICATIONS

Question No. 181—**Mr. Nystrom:**

1. What is the Canada Council's policy in providing grants for Canadian publications which publish both literary (or arts) and political material?

2. Does the Canada Council provide grants for only purely literary or arts journals?

3. For the years 1960, 1961, 1962, 1963, 1964, 1965, 1966, 1967, 1968 and 1969, which Canadian publications received grants from the Canada Council and what was the amount of each grant?

4. For what reasons has the Canada Council rejected grants for the publication "Canadian Dimension"?

5. For what reasons has the Canada Council rejected grants for the publication "Edge" magazine?

6. For what reasons did the Canada Council agree to grants for the Quebec publication "Liberté"?

7. Does "Liberté" publish political material in its publication?

8. Is Mr. Naim Kotton the Arts officer of the Canada Council?

9. Does Mr. Kotton submit material for publication in "Liberté"?

10. If so, when was this material published in "Liberté"?

Return tabled.

• (2:10 p.m.)

MOTION TO ADJOURN UNDER S.O. 26

EXTERNAL AFFAIRS

BIAFRA—AID FOR STARVING—STATEMENT BY PRIME MINISTER

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, under the provisions of Standing Order 26 I move, seconded by the hon. member for Greenwood, the adjournment of the House for the purpose of discussing a specific and important matter requiring urgent consideration, namely, the Prime Minister's answer to a question on Friday, reported at page 824 of *Hansard,* stating that the Biafran authorities do not permit daylight flights and are using night flights of relief supplies in order to screen shipments of arms. I might say that the concluding words have been changed from the words actually used by the Prime Minister, which were "bring in shipments of arms".

In view of the fact that this statement may seriously prejudice the longstanding Canadian tradition of neutrality, as well as endanger the extensive relief operation upon which the lives of millions of civilians depend, I ask Your Honour to give consideration to allowing this motion to be put.

Mr. Speaker: The hon. member for Fundy-Royal has proposed to move the adjournment of the House under the provisions of Standing Order 26 for the purpose of discussing a statement made by the Prime Minister on Friday last. As the hon. member for Fundy-Royal knows, and as all hon. members know, what the Chair has to determine is not whether the matter itself is one of importance but whether the House should be adjourned for an emergency debate under the terms of Standing Order 26.

The Standing Order cannot be invoked to initiate a debate about an issue which is of a continuing nature. It would appear that even when one takes into full account the observation by the Prime Minister to which the hon. member alluded, the essence of the problem is one which hon. members have had in mind for many months and, indeed, have debated in this House on several occasions. Even if it were argued that a new dimension has been added, the substance of the matter remains the same and, unfortunately, is likely to remain the same for a while yet.

The Standing Order also requires the Chair to pay regard to the probability of the matter being brought before the House within a reasonable time by other means. I should think there will be a number of such opportunities. For these reasons I must rule, with some regrets, that the hon. member's proposed motion cannot be submitted to the House at this time.

ORAL QUESTION PERIOD

EXTERNAL AFFAIRS

NIGERIA-BIAFRA—POSITION ON CIVIL WAR, RELIEF AND ARMS SHIPMENTS

Hon. Robert L. Stanfield (Leader of the Opposition): My question is directed to the Prime Minister, Mr. Speaker. It concerns the right hon. gentleman's comment on Friday accusing the Biafran authorities of using relief agencies to bring in arms shipments, or to screen arms shipments. Can the Prime Minister tell the House whether this extremely partisan denunciation of Colonel Ojukwu indicates that Canada has abandoned its posture of non-involvement or neutrality in connection with the civil war and that the government is now committed to full support of the position of General Gowon and the federal Nigerian authorities?

Right Hon. P. E. Trudeau (Prime Minister): We have always taken the position, Mr. Speaker, that General Gowon headed the legitimate government in Nigeria and that Colonel Ojukwu was the leader of a secessionist group. The Canadian government has always managed to stay out of this civil war despite the proddings of both opposition parties to become involved, through the use of our aircraft and so on, on the secessionist side. Our position has not changed, but as observers of this civil war we feel that we have reached the stage at which it is obvious to this government and, perhaps, to more Canadians than previously, that Colonel Ojukwu is really not interested in allowing daylight flights.

The suggestion regarding daylight flights has been put to him in a variety of ways by this government, by the United States govern-

ment and by other governments, not directly but by making available to him ways in which the Red Cross could commence daylight flights. Colonel Ojukwu has never seen his way clear to receive such flights, and that is why we regretfully draw the conclusion that Colonel Ojukwu is less concerned with starving children in Biafra than he is with receiving arms and perhaps scoring political propaganda victories across the world.

Mr. Stanfield: A supplementary question, Mr. Speaker. The Prime Minister stated that the Biafran authorities are using night flights for the purpose of bringing in arms. I should like to know whether this statement is based on surmise or upon information provided by relief agencies working in the area. Would the Prime Minister indicate from where he gets his information, in view of the fact that our observer teams seem only to have visited that part of Nigeria controlled by the federal authorities. Would the Prime Minister indicate on what source of information he bases these very serious charges?

Mr. Trudeau: The source is Colonel Ojukwu himself and the Biafran authorities, who seem to be intent on cooking up reasons for not accepting daylight flights. The I.C.R.C.—the International Committee of the Red Cross—the Canadian Red Cross, the Canadian government, the United States government and other governments, have been proposing ways in which supplies of food, drugs and other medicines can be brought into Biafra if only the Biafran authorities would allow the airstrip to be used during daytime.

The I.C.R.C. have been negotiating with the Nigerian authorities an agreement whereby the forces of Nigeria would let daylight flights take place for the purpose of bringing in relief supplies. The Canadian government has discussed the possibility of supplying observers on the I.C.R.C. flights to make sure that these flights bring in food and medical supplies only, thereby guaranteeing to the Nigerians that the daylight flights would not be used to bring in arms. Always, for one reason or another, the Biafran authorities have refused these daylight flights. I suggest that if the members of the opposition and other people in this country who are sympathetic to the plight of the Biafran civilian population would only look at the situation objectively they might cease swallowing Biafran propaganda and make it easier for the I.C.R.C. to bring in daylight flights with relief supplies.

[Mr. Trudeau.]

Mr. Stanfield: A further supplementary question, Mr. Speaker. The Prime Minister has indicated that his charge against Colonel Ojukwu is based simply upon surmise, not upon information that in fact the Biafran authorities are using night flights for the purpose in bringing in arms. Am I correct in thinking that the Prime Minister's statement is surmise?

Mr. Trudeau: It is not a question of surmise, Mr. Speaker. It is known that night flights do bring in arms to Biafra. There is no surmise involved here.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, may I put this question to the Prime Minister. Leaving General Ojukwu out of the picture and without assessing blame either on the part of Nigeria or Biafra, does the Prime Minister's statement mean that the government has ceased to consider or has turned down requests by Canairelief for assistance in saving the starving people of Biafra, or is he using his view regarding General Ojukwu's propaganda as an excuse for not doing anything about it?

Mr. Trudeau: Not at all, Mr. Speaker. We are prepared to consider other ways of getting supplies to the starving people of Biafra. We have suggested other ways, including airdrops, use of helicopters, river crossings and so on. It always happens that the Biafran authorities do not see their way clear to accepting these alternative ways. As I said the other day, the question is not the availability of supplies. It is not as though there is nothing available to send in the way of food and other supplies to Biafra. It is the way of getting them in which poses the problem. The hon. member should not draw the conclusion that we are not interested in making supplies available. We have not yet come up with any more sensible way of doing this than by bringing supplies in by day, and I am surprised that the opposition does not support us on this.

Mr. Brewin: Will the government not consider using the available means now being used, namely, Canairelief and joint churchaid which are actually doing the job now but need the help of this government?

Mr. Trudeau: Mr. Speaker, we have always taken the position that we were supporting the International Red Cross. The International Red Cross did bring in supplies for a long period of time. It is now their judgment that the best way of bringing them in would be by

day. We do not want to stand in their way in finding ways of bringing supplies in by day. It is recognized that the amount of supplies which could be brought in would be multiplied manyfold if Colonel Ojukwu would allow daylight flights to take place. If in any event the Red Cross throws up its hands and says nothing else can be done, then we will consider alternate ways of helping the starving population. I repeat that the easiest way of doing so would be to permit daylight flights, and we can see no sensible argument beyond the propaganda one for refusing such daylight flights.

[*Translation*]

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

A few months ago the Prime Minister mentioned that children from Biafra could emigrate to Canada. I would like to ask him whether he has had a favourable response from Canadian families or institutions willing to receive these children and whether his invitation still stands.

Mr. Trudeau: To place my reply within the proper context, Mr. Speaker, I will say that the question had been whether Hercules aircraft transporting foodstuffs to Biafra could also be used to bring children out of that country. I replied that I had no objection to this if accommodation could be found for the children and I suggested that there might possibly be offers of hospitality from volunteer homes.

I must say that I received no offer, nor did I hear of Canadians having volunteered in significant number to keep Biafran children. But on the contrary I heard arguments to the effect that this would not help Biafra, our climate being adverse, and so on.

[*English*]

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, would the Prime Minister be good enough to indicate what relief agencies now supported by the Canadian people and organizations are being used, to use his expression, to bring arms into Biafra?

Mr. Trudeau: Mr. Speaker, it is known that air flights during the night are bringing in arms, and it is known that Colonel Ojukwu is refusing daylight flights. It is obvious, and it has also been reported by pilots flying on these runs, that the arms flights and the food flights are intermingled. Therefore I have no identification of the particular planes where arms have been intermingled. We do know this is the way arms get in, under cover of the relief supply flights.

Mr. David MacDonald (Egmont): Mr. Speaker, in response to questions by the Leader of the Opposition earlier I wonder whether the Prime Minister was not overstating the case a bit when he indicated that Biafra had come to no agreement on daylight flights? In the course of the many negotiations which have taken place with both Biafra and Nigeria in the last few months there have been times of agreement by one side or the other but never by both sides at once. Perhaps the Prime Minister would agree with that.

Coming to the important part of my question, during the Prime Minister's speech in the debate in reply to the Throne Speech a few weeks ago he indicated that if the objections now stopping flights into Biafra were not removed the government would be prepared to take further measures. Can he qualify this statement and indicate whether he has received any specific suggestions or how long the government plans to wait before—

Mr. Speaker: Order, please.

Mr. Trudeau: On the second part of the question, I have been discussing with the Secretary of State for External Affairs these future possible steps. He is returning from his trip tonight and I will ask him if he has in mind announcing any further steps within the next little while. The steps have been discussed by the minister and myself. It is a matter of deciding when we can usefully take them.

On the first part of the question, I suppose the best answer would be to refer the House to the White House statement issued on November 12 which disclosed the various steps that the United States government has taken in order to ensure that daylight flights would come into being. They sought and obtained the assurance of the government of Nigeria that no hostile military action would be taken against the I.C.R.C. relief flights. Additionally, and in consultation with other governments including the Canadian government, they were prepared to discuss the supply of impartial observers to accompany such I.C.R.C. aircraft. Third, Ambassador Ferguson was sent by President Nixon to give the Biafrans the specific pledge of the federal government of Nigeria as to the inviolability of the I.C.R.C. daylight relief flights.

So, this is not only the Canadian government's view. The United States government's experience as well has been that they have gone to the Biafran authorities with reasonable propositions for bringing in daylight flights to Uli airport and the Biafrans have said no. They have given military reasons for this. They give the reason that they do not want other countries to know where Uli airstrip is situated because it would harm the military effort, the effort they are making to bring in arms by night, so—

An hon. Member: This is a war.

Mr. Trudeau: Of course it is a war. But the question is, do Colonel Ojukwu and the opposition think that arms are more important than food for starving children?

An hon. Member: What do you think?

Mr. Trudeau: The point has been reached where we have to make up our minds; otherwise we are using the starving children to—

Mr. Speaker: Order. I wonder at this point whether the purpose envisioned by the proposed motion of the hon. member for Fundy-Royal has not been at least partly served. In any event, before going to another subject I understand the hon. member for Nanaimo-Cowichan-The Islands has a further supplementary. Perhaps this supplementary might be allowed and then we will go on to another subject.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I wish to ask the Prime Minister whether the Canadian government has been asked for financial assistance by Canairelief in order to fly medical and food supplies into Biafra and whether that request for financial assistance has been refused? If so, has it been refused because the government insists that these flights be daylight flights or is the government refusing it because it considers the Red Cross to be the only agency that can do this work despite the fact that the Red Cross has given up this project since last June?

Mr. Trudeau: Mr. Speaker, I cannot speak of any recent request. There may have been some; I do not know. But if there have been any recent requests I would venture to say we have not refused them flatly. It is true that earlier in past months we did take the position that the International Red Cross was the proper vehicle for bringing in the supplies because the International Red Cross was recognized as a non-partisan body, the Nigerian government had authorized such supplies and that it was therefore natural for the Canadian government to use this vehicle. Now, since it appears as though the International Red Cross itself is in difficulty in bringing in supplies, I repeat that we are looking at alternate means.

I do want to make it clear that there is no suspicion on our part that Canairelief or the churches are effectively bringing in arms. That is perhaps why the blues were changed without my knowledge—

An hon. Member: Ah ha!

Mr. Trudeau: Yes, ah ha—to replace the words "under the cover of" by "screening". There was no intention on my part—and I hope the House understood that—to indicate that the night flights of Canairelief were actually bringing in arms. What I did indicate was that the night flights of food supplies were serving as a cover for arms supplies, and I still stand by this statement.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I have a further supplementary question—

Mr. Speaker: Order, please. There are other hon. members who have supplementary questions. I suggest to the House that the time has come to move on to another subject. Hopefully we might return to this subject matter if there is time at the end of the question period. Perhaps the hon. member for Nanaimo-Cowichan-The Islands has a question on another subject.

THE CANADIAN ECONOMY

STEEL AND AUTOMOBILE PRICE INCREASES—INQUIRY AS TO REPORT

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): I should like to direct a question to the Minister of Consumer and Corporate Affairs but I see he has left the chamber. Therefore I will direct it to the Prime Minister. I see the minister coming in now; he must be emerging from his cocoon. May I ask the minister when he expects to report to the House on his department's investigation into the recent increases in the price of steel and automobiles, or report on the results of the investigation by the Prices and Incomes Commission?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): My understanding of the inquiry being conducted by the Prices

and Incomes Commission is that they are now engaged in it and hope to report as quickly as possible.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I have a supplementary question, Mr. Speaker. Does the minister anticipate that this report will be made fairly soon, and will the report of the commission be made public or will the minister himself report to the House on the basis of the information he receives from the commission?

Mr. Basford: There is no doubt that the report will be made public.

Mr. Lloyd R. Crouse (South Shore): I have a supplementary question for the Minister of Consumer and Corporate Affairs. In view of the fact that the consumer price index rose again in October and is now 4.4 per cent higher than in October, 1968, the rise having been brought about by recent increases in the prices of gasoline, refrigerators, hydro, housing, clothing and health care in the three provinces without medicare—

Mr. Speaker: Order, please. The hon. member will recognize that this is not a question but a statement. Last week I took the liberty of bringing to the attention of hon. members the fact that questions being posed by them sounded more like statements than questions. Perhaps hon. members may like to bear this in mind.

Mr. Crouse: I should like to ask whether the minister or any of his officials had consultations with the 25 manufacturing industries in Canada that signed contracts in the third quarter involving wage gains averaging 9.3 per cent before they did so?

Mr. Basford: No, Mr. Speaker, but, as I pointed out to the House before, the Prices and Incomes Commission is endeavouring to work out a package of restraint with employers, trade unions, landlords and all the economic interests in the country to pledge themselves to a certain program of restraint.

Mr. James A. McGrath (St. John's East): I have a supplementary question, Mr. Speaker. Can the minister tell us if he has had consultations with provincial authorities in this regard and is he able to report on such consultations?

Mr. Basford: I have not but the Prices and Incomes Commission has.

Mr. J. P. Nowlan (Annapolis Valley): My supplementary question is with regard to the general policy of restraint. In view of the minister's statement in the House last week about a specific increase in Shell Oil prices, is the minister prepared now to give his views about the reported increase in nickel prices in the world market as a result of the settlement at Inco which was confirmed over the weekend, as he indicated on November 12 he might be prepared to do?

Mr. Basford: The latest report I have—this was why I was out of the House a moment ago—is that under the Ontario labour law some voting is still taking place, and I think any comment from me at this time would be inappropriate.

Mr. Nowlan: I have a supplementary question, Mr. Speaker. When the voting is concluded can we expect the minister to make a statement in the House in the same vein, depending on how he wants to state the case, about both the Inco problem and the Shell Oil problem?

Mr. A. P. Gleave (Saskatoon-Biggar): I have a supplementary question, Mr. Speaker. I should like to ask the minister whether he will instruct the Prices and Incomes Commission to investigate the effect that these increases in oil and steel are going to have on costs in the farming sector which has been unable to increase its prices to consumers?

Mr. Basford: The Prices and Incomes Commission is examining the whole question of increases in steel prices and, I am sure, will take into account any effect they may have on the tremendously important farming community in Canada. With regard to oil, all the companies have not implemented price increases.

INFLATION—INQUIRY AS TO REPORT ON ACTIVITIES OF PRICES AND INCOMES COMMISSION

Hon. George Hees (Prince Edward-Hastings): I have a supplementary question which I should like to address to the minister. Last week, in answer to an inquiry, the minister stated that he would confer with the chairman of the Prices and Incomes Commission as to the desirability of the minister making a statement in the House on motions about the progress which the commission has made in persuading management to keep down prices and labour leaders to keep down wage

demands. As a result of those conversations with the chairman, is the minister now prepared to make such a statement on motions?

Mr. Basford: Yes, Mr. Speaker. As a result of the hon. member's question I discussed the idea of making an additional statement in the House with the chairman of the commission who felt that at the moment such a statement would not add to the situation, but the chairman did hope to be able to make further statements as time went on as to the progress that he and the commission will be making.

Mr. Hees: I have a further supplementary question for the Prime Minister. As voluntary methods now appear not to be effective in preventing prices and wages from rising, is the Prime Minister planning to introduce the other measures which he indicated the government would be prepared to introduce if voluntary methods proved to be ineffective?

Right Hon. P. E. Trudeau (Prime Minister): Yes, we are planning in the sense that we believe in long-range planning.

Mr. Hees: I have a further supplementary question, Mr. Speaker. In view of the fact that we believe in short-range planning also, is the Prime Minister going to do what he said he was going to do—

Mr. Speaker: Order, please.

PUBLIC BUILDINGS

VANCOUVER—NEW PROJECT AND "PROJECT 200"

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, my question is directed to the Minister of Public Works. I gave him notice of the question last week and I understand that with your consent, Your Honour, he is prepared to answer it today. Can the minister state if any preparations are under way for a new federal building in Vancouver, and is consideration being given to the interests of the adjacent "Project 200" property?

Mr. Speaker: Order, please. This question should be put on the Order Paper. The hon. member will appreciate, I am sure, that an exception cannot be made with regard to this question on a very important building in his constituency because such questions would be asked every day. The question, therefore, should be placed on the Order Paper.

Mr. Winch: Ten o'clock, Mr. Speaker.

IMMIGRATION

REQUEST FOR STATEMENT ON WORK OF INTERGOVERNMENTAL COMMITTEE

Hon. Marcel Lambert (Edmonton West): I have a question for the Minister of Manpower and Immigration. In the absence of the Secretary of State for External Affairs, would the minister consult his colleague so that a statement can be made in the House concerning the progress that may have been made by the intergovernmental committee on immigration matters, particularly with regard to immigration curbs placed by United States legislation on Canadians entering that country, and also indicating what kind of representations have been made to the United States government with respect to this problem?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): I will be glad to discuss this question with my colleague and have him report on it.

GRAIN

PRODUCTION GUIDELINES FOR WESTERN FARMERS

Mr. George Muir (Lisgar): I have a question for the Minister of Agriculture. In view of the fact that western farmers are being urged to adjust their future grain production to potential markets, is the government giving consideration to issuing production guidelines before the crop is planted next spring?

Hon. H. A. Olson (Minister of Agriculture): In a few days there will be what we call an outlook conference in Ottawa involving the Department of Agriculture, all the provincial Departments of Agriculture and representatives of many farm organizations, at which time I hope some guidelines will be forthcoming from that conference along the lines suggested by the hon. member.

Mr. Muir (Lisgar): I have supplementary question, Mr. Speaker, in regard to guidelines for farm production. Is it the intention of the minister to report on the recent meeting in Rome on world food supplies and what markets we can expect will be available to agricultural producers in Canada?

Mr. Speaker: Order, please. If the minister is to make a statement it should be made on motions.

Mr. Muir (Lisgar): As a further supplementary question, Mr. Speaker, will the minister be making a statement on motions in regard to the meeting in Rome?

Mr. Olson: I will consider that, Mr. Speaker.

Mr. A. B. Douglas (Assiniboia): Mr. Speaker, I should like to direct a supplementary question to the Minister of Agriculture in connection with the forthcoming outlook conference. Will the recommendations of that conference be any more reliable than the ones made in January, 1967?

Mr. Speaker: Order, please. The question is argumentative.

OILSEEDS—MOVEMENT TO MARKET POSITION

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I would like to direct a question to the Minister of Agriculture. In view of the fact that market reports at the end of last week showed that farmers and exporters are still frustrated by lack of ability to move oilseeds into market positions, can he give the House some assurance that steps are being taken to see that flax and rapeseed can move to market outlets, particularly for export?

Hon. H. A. Olson (Minister of Agriculture): Yes, Mr. Speaker. We are doing everything we can. The Minister without Portfolio (Mr. Lang) replied a few days ago that some of the allegations made in the press respecting some of these oilseeds were not true, or at least they were not completely factual. But, Mr. Speaker, the hon. member knows that the channels also have to be kept open, at least to some extent, for the people who have wheat, oats and barley to sell.

PESTICIDES

DDT—DISPOSAL OF STOCKS ON HAND

Hon. H. A. Olson (Minister of Agriculture): While I am on my feet, Mr. Speaker, perhaps I might be permitted to reply to a question addressed to me last Friday respecting the disposal of stocks of DDT because of the restrictions placed on the use of this pesticide. I shall be very brief. The program that was announced was one of planned reduction in the use of DDT and some uses are still permitted. We expect that stocks of this material will be directed to those uses still permitted. Finally, I want to say that the preliminary survey by my department of total stocks of DDT in Canada indicates that they are much less than some of the reports in the press would indicate.

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, may I ask the Minister of Agriculture whether the survey included stocks of DDT held by government departments, and whether or not there is any intention to continue to call for tenders for the sale of these stocks to the public?

Mr. Olson: Yes, the survey of stocks included them. In reply to the second part of the question, I will have to check.

EXTERNAL AFFAIRS

INTERNATIONAL CONGRESS ON ARCTIC DEVELOPMENT—REPRESENTATION BY ESKIMOS

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I wish to direct a question to the right hon. Prime Minister. I apologize for directing it to him but in the absence of the Minister of Indian Affairs and Northern Development and of the Secretary of State for External Affairs I have no option because there is some urgency involved. Will representatives of the Eskimos of Canada be present at the meetings of the International Congress on Arctic Development and the Future of Eskimo Societies, to be held in France next week?

[*Translation*]

Mr. Jean-Pierre Goyer (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I would like to take this question as notice.

[*English*]

Mr. Nesbitt: Mr. Speaker, since the Parliamentary Secretary to the Secretary of State for External Affairs has taken the question as notice, perhaps he might also take a supplementary question as notice. If the answer to the first question is yes, can we be told who or what groups of Eskimos will be representing Canada?

[*Translation*]

VIOLENT DISTURBANCES

MONTREAL—INQUIRY AS TO MUNICIPAL LAW

Mr. René Matte (Champlain): I wish to direct a question ot the Minister of Justice.

Has he received representations from individuals or organizations asking that steps be taken by his department in connection with the bylaw adopted by the city of Montreal to ban demonstrations?

Mr. Speaker: I think that one or several similar questions were asked last week.

Inquiries of the Ministry

CRIMINAL CODE

PREVOST COMMISSION RECOMMENDATIONS RESPECTING GAMBLING

Mr. Fernand-E. Leblanc (Laurier): I should like to put a question to the Minister of Justice.

Is he acquainted with the fifth part of the final report of the Prévost Commission in the province of Quebec concerning the Criminal Code? If so, has his attention been held by some recommendations to turn gambling into a social and legal operation?

Hon. John N. Turner (Minister of Justice): I am acquainted with it, Mr. Speaker, but I have not read it yet.

[*English*]

MANPOWER

ALLEGED DISCRIMINATION AGAINST FORMER FAIREY AVIATION EMPLOYEES

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, may I direct a question to the Minister of Manpower and Immigration. Can he indicate what steps his department is taking in connection with what appears to be widespread hiring discrimination on account of age in connection with the large lay-offs which took place some weeks ago at Fairey Aviation?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, I would need more details before I could make a sensible answer. I think the subject of fair standards is under the administration of the Department of Labour. In this particular case it may be under the jurisdiction of the provincial government.

[*Later:*]

Mr. Forrestall: Mr. Speaker, I wonder if I may direct a supplementary question to the Minister of Labour. Would he, in co-operation with his colleagues and anyone else who might be involved, take a look at the practice of firms in the Halifax-Dartmouth area of rejecting for employment, simply because they happen to be over 45 or 50 years of age, long-term employees laid off by Fairey Aviation?

PUBLIC WORKS

CHURCHILL—INQUIRY AS TO DEVELOPMENT OF TOWNSITE

Mr. Robert Simpson (Churchill): Mr. Speaker, I wish to direct a question to the Minister of Public Works. Can he advise the House when he may be in a position to announce the plans of the federal government in relation to future development of the townsite of Churchill?

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, I think that would depend entirely on our relations with the province of Manitoba. Discussions are now under way with provincial officials.

Mr. Simpson: As a supplementary question, Mr. Speaker, can the minister say whether or not he has been able to present to cabinet the submission which his department hoped to have ready by November 15?

Mr. Speaker: Order, please. That question is not in order.

LABOUR CONDITIONS

UNEMPLOYMENT—INQUIRY AS TO PROGRAMS TO ALLEVIATE INCREASE

Mr. David Lewis (York South): Mr. Speaker, I wish to direct a question to the Minister of Regional Economic Expansion. It arises out of reports of the increase in the unemployment rate, particularly in the disadvantaged areas of Canada, reports which the Minister of Finance appears to have admitted on a television program last night. In view of this trend, can the minister tell the House what specific programs, if any, his department has evolved to deal with increasing unemployment in the disadvantaged areas of Canada this winter?

Mr. Speaker: Order. Again I would think this is the kind of statement which should be made on motions. The question might be asked in those terms and the minister might care to reply.

Mr. Lewis: I accept your comment, Mr. Speaker, and indeed could not criticize it. May I ask the minister whether in the next few days he will make a statement on motions to the House on plans he has, if he has any, to deal with unemployment in the disadvantaged areas this winter?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, the hon. member is aware, I believe, of the programs I administer and by the end of the month, as I did last month, I shall table in the House the list of applications received and approved by the department regarding the settlement of new industries. The hon. member will then see the improvement in that field, improvement which will certainly reduce part of the

unemployment now existing in the underprivileged regions.

[*English*]

Mr. Lewis: Do I gather from the minister's answer that there are no programs to deal specifically with growing unemployment in the disadvantaged areas?

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, that is precisely why my department exists.

[*English*]

Mr. James A. McGrath (St. John's East): A supplementary question, Mr. Speaker. Because of the importance of the growing unemployment rate to the disadvantaged areas, would the minister give consideration to discussing with his colleague, the government House leader, the possibility of referring this matter to the Standing Committee on Regional Development?

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, that is definitely something that I am ready to discuss with the House leader.

[*English*]

POST OFFICE

DECEMBER SATURDAY DELIVERY

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I wish to direct a question to that constitutional diplomat, the Postmaster General. As it has apparently been found necessary to resume Saturday mail delivery in order to move the heavy volume of Christmas mail, could the minister advise if he is giving consideration to reinstating regular Saturday mail service in order to speed up mail delivery throughout the year and possibly diminish heavy overtime costs at Christmas?

Mr. Speaker: I have to suggest to the hon. member that essentially he is repeating a question which he has already asked. I would not think that the circumstance mentioned in his question of today changes the situation. I would think that the question could be put on the order paper.

Mr. Macquarrie: Ten o'clock, Mr. Speaker.

ADMINISTRATION OF JUSTICE

HAL BANKS—POSITION OF EXTRADITION APPLICATION

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, may I address a question to the Minister of Justice. Has the minister's great desire to see justice carried out overcome his desire to avoid the disclosure of an unsavoury association with the government and as a result does he intend now to make a second application for the extradition of Hal Banks, as suggested by the United States State Department?

Mr. Speaker: Order, please. I have to suggest to the hon. member that the question as asked is not in order.

DRUGS

ALLEGED INEFFECTIVENESS OF PRESCRIPTION PRODUCT—INQUIRY AS TO STATEMENT

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. Can he say how soon he will be making his statement on the alleged ineffectiveness of certain prescription drugs, which on October 22 he said he would make on motions at the first opportunity?

Hon. John C. Munro (Minister of National Health and Welfare): Yes, Mr. Speaker. The statement is about ready; I hope to make it this week.

PUBLIC SERVICE

POLICY AS TO WORKING LANGUAGE

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, may I direct a question to the Prime Minister. Was the Secretary of State extending government policy beyond present practice when he said, as reported, at the opening of the Public Service language school that some units within the Public Service will eventually use French as the working language?

Right Hon. P. E. Trudeau (Prime Minister): I have not seen the statement, Mr. Speaker. I will look at it.

PENITENTIARIES

DORCHESTER—EXTENSION OF WORK OF JAYCEES WITH PAROLEES

Mr. David MacDonald (Egmont): Mr. Speaker, may I address a question to the Solicitor General. It relates to the outstanding work being done by the Moncton Jaycees in connection with the establishment of a Jaycee unit in Dorchester Penitentiary and their work with day parolees, of which the minister is aware, I believe, because of his own telegram of congratulations last Saturday

night. Could the minister inform the House whether this kind of excellent community involvement is to be extended to other institutions of incarceration across the country and whether assistance will be given to the Moncton Jaycees in obtaining a half-way house for more work of the kind they are doing?

Mr. Speaker: Order, please. This question should be debated at the time of adjournment.

BILINGUALISM AND BICULTURALISM

INQUIRY AS TO TABLING OF THIRD VOLUME OF COMMISSION REPORT

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I direct a question to the Prime Minister. Some time ago I asked the Prime Minister when we could expect volume 3 of the B and B Commission report. He undertook to look into the matter and report to the House.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I did make inquiries. As I recall, the third volume will be in two parts. The first part, volume 3A, is being printed now and will soon be ready for distribution, whereas volume 3B is being prepared for printing and will be presented to the government as soon as completed. Therefore the one will be available very soon and the other, soon.

HOUSE OF COMMONS

OFFICIAL REPORT—CHANGE IN ANSWER OF PRIME MINISTER

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I rise on a point of order. I wish to refer briefly to a point of order that arose during the question period. It relates to the answer given by the Prime Minister on page 824 of *Hansard* to a question on Biafra. I submit that the words actually spoken by the Prime Minister were "to bring in arms supplies." Those words were changed in *Hansard* to read: "to screen shipments of arms."

The change in *Hansard* was such that an entirely different interpretation could be taken from the answer. An entirely different view became apparent from the wording printed in *Hansard,* and the words printed were not the ones spoken by the Prime Minister.

During his reply the Prime Minister stated that there was a change but that it was not made with his authority. The point of order I raise is: Who is entitled to change *Hansard* other than the hon. member who spoke the words? If the Prime Minister himself did not make the change, I believe it should not have been made by anyone on his behalf. I think this is fundamental to our procedure. My second point is: To what extent can any change be made in *Hansard* which would alter completely the sense of an answer that has been given? I raise these questions because the Prime Minister may wish to expand upon the statement he made earlier.

I do think this question should bear some consideration. If the Prime Minister did not make this change and if he admits that it was made, it ought to be stated who made it and on what authority. If the Prime Minister would clarify this point I think it would be of some assistance for future reference. If he is unable to do so I would appreciate it if Your Honour would give consideration to this matter and decide just who, other than the hon. member who speaks the words, is authorized to make such changes.

Some hon. Members: Hear, hear!

Right Hon. P. E. Trudeau (Prime Minister): Well, Mr. Speaker, essentially the answer is that the change did not change the sense.

Some hon. Members: Oh, oh!

Mr. Trudeau: Essentially, the statement could be interpreted in two ways. The statement was that the Biafran authorities are using the night flights. I said that the difficulty with relief flights is based on the fact that the Biafran authorities do not permit daylight flights and that they are using the night flights of relief supplies in order to bring in shipments of arms, which statement I still stand by. If, as I explained earlier, they are using other night flights in order to bring in shipments of arms, then obviously they are not using Canairelief flights to bring in arms but are using the night flights for food supplies and so on in order that they may be able to bring in arms supplies.

This is a perfectly valid statement by which I stand. Obviously it could have been interpreted to mean that all night flights were being used to bring in arms. It is because of this ambiguity that someone in my office, who has authority to correct my grammar sometimes and put in commas and clarify my statements when that does not change the sense has obviously put in the words, "screen shipments—"

Mr. Lewis: But that is not the question.

Mr. Trudeau: That is the question—whether the change changes the sense of the words. I assure the House that I do not spend my nights reading the *Hansard* blues. I have better things to do.

Some hon. Members: Shame.

BUSINESS OF THE HOUSE

PROCEDURE WITH RESPECT TO BILL C-3

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, prior to Your Honour calling order No. 5 for consideration, may I raise a point of order with respect to today's procedure in dealing with the bill. There have been discussions among representatives of the parties with regard to limiting the debate on today's business under Standing Order 75A to the present days sitting. Unfortunately, unanimous agreement of the representatives of the parties could not be obtained. I wonder, nevertheless, if the House would be prepared to consider making a special order confining debate on that bill to the present day's sitting. We would limit debate on second reading of the bill to today and, as a condition thereof, suspend private members' hour for today.

If there is general agreement I would propose that the House make an order that at 10 p.m. today Mr. Speaker shall interrupt proceedings and put forthwith every question necessary to dispose of the motion for second reading and reference of Bill C-3, to amend the Criminal Code, to the Standing Committee on Justice and Legal Affairs, and that for that purpose proceedings on private members' business shall be suspended for this day. Perhaps the House might be prepared to make that order.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, we of this party are agreeable to that. We can put forward our position in that period of time.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I say that we were also prepared to agree to this under Standing Order 75A. Since that was not possible, we hope there may be general agreement in the House to do what the minister has now proposed with the understanding, of course, that we shall postpone private members' hour and thus have a full day's debate on this bill.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, on principle, we cannot accept standing order 75A or 75B, nor any such rule.

• (3:00 p.m.)

[*English*]

GOVERNMENT ORDERS

CRIMINAL CODE

AMENDMENTS RESPECTING HATE PROPAGANDA

Hon. John N. Turner (Minister of Justice) moved that Bill C-3, to amend the Criminal Code, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

He said: Mr. Speaker, this bill, which received first reading on October 27, proposes a number of significant amendments to the Criminal Code. I think hon. members on both sides of the House will concede that the bill has enjoyed the benefit of a long legislative history. As far back as January, 1965, the then Minister of Justice, the Hon. Guy Favreau, whose passing we all regret, announced the appointment of a special committee to study and report upon the problems related to the dissemination of varieties of hate propaganda and hate literature in this country.

It is a matter of record that a very distinguished committee, under the chairmanship of the then Dean of Law at McGill University, Maxwell Cohen, studied at length the questions relating to hate literature and hate propaganda. In addition to Dean Cohen the following persons comprised the committee: Dr. J. A. Corry, Principal, Queens University; l'abbé Gérard Dion, Faculty of Social Sciences, Laval University; Mr. Saul Hayes, Q.C., Executive Vice-President, Canadian Jewish Congress; Professor Mark R. MacGuigan, Association Professor of Law, University of Toronto, now the hon. member for Windsor-Walkerville; Mr. Shane MacKay, Executive Editor, Winnipeg *Free Press* and Professor Pierre Elliott Trudeau, as he then was, Associate Professor of Law, University of Montreal.

Following the committee's report in November, 1965, the bill was introduced as Bill S-49. This was during the 27th parliament, 1966-67. On November 7, that bill was given first reading and on March 20 it was read a second time on division in the other place and referred to a special joint committee of the Senate and House of Commons for consideration. The 12 members of this House nominated to serve on that joint committee were Messrs. Baldwin, Forest, Klein, Gauthier, Leboe, Lewis, Mandziuk, Mongrain,

Nasserden, Reid, Tolmie and Walker. However, the session ended on May 8, 1967 without Bill S-49 being further considered.

In the second session of the 27th parliament the provisions of Bill S-49 were introduced as Bill S-5. That bill also received first and second reading and on November 21, 1967 and was referred to a special committee of the Senate, which had already been appointed on November 2, 1967. The special committee of the Senate met and heard evidence on three occasions early in 1968. I believe the dates were February 14 and 29 and March 7. However, the 27th parliament came to an end on April 23, before the bill could be further considered.

The bill was again introduced in the same form as previous bills in the first session of the 28th parliament, as Bill S-21, was again given first and second readings and referred to the Senate Standing Committee on Legal and Constitutional Affairs. The standing committee held 11 public meetings, heard 32 witnesses and received representations from some 17 organizations. The Senate committee presented its report, which was adopted on June 17, 1969, and on the same day the Senate read the bill a third time on division and passed it. The bill was given first reading in the House of Commons on June 19, 1969.

It should perhaps be mentioned here that Bill S-21, as passed by the Senate, was amended in certain respects. By way of general comment only, and without getting into the details of the bill, by way of a trespass upon the rules of this House, the offence of advocating genocide was modified so as to include two acts and not five. In addition, that offence was made referable to an "identifiable group" which is to be tested or determined by reference to "religion" as well as by the other tests of colour, race or ethnic origin. The definition of an identifiable group was changed by the addition of the term "religion". In addition, a new definition was added to safeguard freedom of expression on a religious subject and this addition was tied in with the addition of "religion" as one of the tests of an identifiable group. The requirement of the consent of the Attorney General was added in relation to the offences of advocating or promoting genocide, of wilful promotion of hatred and contempt and also in relation to the *in rem* forfeiture provisions. I pointed out that the present Bill C-3 is in exactly the same form as Bill S-21 which received first reading in the House of Commons last June 19, as I previously mentioned.

[Mr. Turner (Ottawa-Carleton).]

At this point I would like to summarize briefly the main effects of this bill. If the bill is enacted by parliament, it will create three new offences: First, the offence of advocating or promoting genocide; second, the offence of public incitement of hatred and contempt likely to lead to a breach of the peace; third, wilful promotion of hatred or contempt. In addition, the bill provides for *in rem* proceedings that will permit the seizure and forfeiture of hate propaganda publications.

The bill defines genocide so as to include two specific acts, namely the killing of members of any identifiable group or the deliberate inflicting of conditions of life calculated to bring about the physical destruction of an identifiable group. The offences of public incitement, of hatred and contempt and wilful promotion of hatred and contempt are constituted by "communicating statements." "Communicating statements" is broadly defined so as to include all forms of audible or visual communication.

The consent of the Attorneys-General of the provinces will be required for prosecution of the offences of advocating genocide and wilful promotion of hatred. It will also be required for the institution of the *in rem* proceedings. However, prosecution of the public incitement offence, that is to say public incitement of hatred and contempt likely to lead to a breach of the public order or peace, does not require the consent of the Attorney-General. Obviously, if the probable effect would be calculated to involve the public order, then the reason for requiring the consent of the Attorney-General would not be as pertinent since the essence of the offence is the likelihood of a breach of the peace.

While no statutory defence is provided in the case of the public incitement offence, in the case of the wilful promotion offence, three statutory defences are provided. The first is related to the expression of opinion on a religious subject. The second and third can be regarded as the standard defamatory libel defences of truth or, alternatively, reasonable belief in the truth of the statement combined with public interest in the statement.

I am of course fully aware of the significant objections that have been taken against this bill by a number of very prominent persons who are as vitally concerned as the Prime Minister (Mr. Trudeau) and I are with the problem of civil rights. Some of these persons have said that the bill is not necessary and that the criminal law process should not be used for this purpose. In the alternative, they say that the provisions of the Criminal Code

are sufficient to deal with the problems as they now stand.

• (3:10 p.m.)

Mr. Woolliams: Would the hon. gentleman answer a question at this stage?

Mr. Turner (Ottawa-Carleton): I will entertain a question at the end of what I have to say; I shall not be long.

Notwithstanding the very cogent arguments which have been advanced against the bill both in the Senate and publicly, the government, after a good deal of analysis, accepts as sound the conclusions of the special committee under the chairmanship of Dean Cohen regarding the present inadequate state of the criminal law in Canada. I would mention in this regard the conclusions set out at page 49 of the report to the effect, and I quote:

> —it is evident that the Criminal Code, even on the widest interpretation, does little or nothing to protect groups from the evils of hate propaganda.

At the committee stage, if this bill is referred to a committee, we shall undoubtedly wish to consider this measure in detail as it affects civil rights and the purposes for which it is intended. In the circumstances, the bill is intended to deal with a special problem which can arise in our society because of excessive reactions to identifiable groups within our community. It is my belief that the present bill treads wisely and warily in this difficult and frequently controversial area of human relations.

Mr. Eldon M. Woolliams (Calgary North): I had intended to ask the hon. gentleman a question, Mr. Speaker, but perhaps I was a little hasty. He has, in fact, answered the question I had in mind, though I may say I do not agree with his views.

The first part of the bill, which the minister outlined so carefully, makes it a crime for anyone to advocate or promote genocide. The second part of the measure has to do with incitement of hatred or contempt against an identifiable group. I had been about to ask the minister whether he does not feel that the Criminal Code did not already cover that part.

Mr. Turner (Ottawa-Carleton): I would be prepared to meet arguments on that point in committee. Briefly, however, we feel that the provisions of the Code, as they stand, are inadequate to meet the purposes of the three clauses of this bill and that it would be appropriate to spell out Parliament's intention more specifically.

Mr. Woolliams: Thank you.

I may say at the outset that we support the principle of the bill. I do not think there will be any argument from our side as far as the first part of the bill is concerned, that is to say, the part which states that anyone who advocates or promotes genocide is guilty of an indictable offence and is liable to imprisonment for five years. Nevertheless, some questions arise with reference to the concluding clauses, and this is why their provisions will have to be studied with extreme care.

The rationale behind this bill, it seems to us, is that on the balance of public convenience and inconvenience the state should use the criminal law to curtail the right of freedom of speech and the right to privacy in order to prevent the defamation of identifiable groups on the grounds that such defamation might:

1. intimidate or cause mental anguish to a member of such a group; 2. foster a public opinion which, in a suitable combination of sociological, economic and political circumstances, might enable a State to commit genocide against such a group; and

3. in a particular instance, be likely to cause a disturbance in a public place either by inciting violence against a group or violence by the group against the defamer.

I think we need to look at history in order to understand the background of this legislation. In our own generation, in our own lifetime, we have witnessed what is probably the most brutal, barbaric and inhuman treatment of a certain race, of people belonging to a certain religion, in the course of which they were virtually wiped out in several states in Europe. With this in mind, one is bound to support those provisions of the bill which deal with the subject of genocide.

Until the establishment of the United Nations, civil libertarians concentrated their efforts on attaining and enshrining the fundamental freedoms of speech, press, religion, assembly and association. Since then, and to a large extent because of the influence through the United Nations of the newly independent countries of Africa and Asia, increasing emphasis has been placed on the establishment of the right of everyone to equal treatment, regardless of race, religion, colour, sex, national or ethnic origin.

Here in Canada, I feel, we can take some pride in having to a large extent achieved these aims. This emphasis on the right to equal treatment has been asserted not only against governments and public institutions,

but also against private individuals and organizations. The focus has been on removing the overt acts of discrimination such as the denial of civic and economic equality, and the denial of equal access to employment and accommodation. However, more recently it has been asserted that one of the major lessons we should have learned from the Hitler era was that the ideal of an egalitarian society may be impossible to achieve when the dissemination of racist ideas is permitted. The promotion of hatred against identifiable groups in our society, even if the number of hate propagandists is small, constitutes a danger to a modern democratic society. There has been advocacy of restricting such vilification, even if this is achieved only by restricting certain basic rights of expression.

I do not think there is anything in the Code which directly covers the first part of the bill, though, of course, once an overt act takes place, committed by any person or group of persons, it would, under the Code, constitute murder. Let me draw attention to section 166, which deals with the spreading of false news. This is to be found in Crankshaw's 1959 edition—the latest edition—at page 227. We read:

> Every one who wilfully publishes a statement, tale or news that he knows is false and that causes or is likely to cause injury or mischief to a public interest is guilty of an indictable offence and is liable to imprisonment for two years.

This is the old offence under common law, prosecutions for which seem to have fallen out of fashion. In 1778 there was a case of this kind in which the defendant was indicted for having unlawfully, wickedly and maliciously published false news whereby discord might grow between the King and his subjects or the great men of the realm, by publishing and placarding a printed paper or notice falsely announcing that an order-in-council had been made by the King proclaiming war with France. This is an old case, referred to as Scott's case; it is to be found in the New Newgate Calendar. It has been decided in Canada that publication of a placard stating that settlers from the United States are not wanted in Canada is an injury to the public interest and that the person wilfully and knowingly publishing such false statements was guilty of spreading false news. This is the case of R. v. Hoaglin. It has further been held that an accused who has been acquitted on a charge of publishing a seditious libel cannot afterward be prosecuted in respect of the same publication of spreading false news and that the words "whereby injury or mischief is occasioned to any public interest" in the latter section must contemplate a seditious intention, since the section is included under the general heading "Seditious Offences".

• (3.20 p.m.)

So, the subject is at least partially covered by the Code at the present time. One of the complaints which has been received is that the bill does not really follow the Cohen report. The minister himself told us that when the measure was before the Senate many people attacked it because in their view it would destroy the greatest civil right enjoyed by any democracy, namely, freedom of speech. This is something at which the committee must take a serious look.

As I pointed out at the beginning, I want to make it very clear that we agree with the principle contained in the first part of the bill without any reservation whatever, particularly in view of what happened in Europe during our generation.

However, I should like to quote from an article in the *Globe and Mail* that deals with a matter that the committee must approach with great care and study. This article deals with a position that was taken by many witnesses who appeared before the Senate committee, people from across Canada who had distinguished themselves not only as lawyers but in the field of sociology and other fields. This article reads in part:

> There is every indication that a Canadian hate bill would have the same effect.

That is a reference to what happened in Great Britain, where the legislation, instead of helping the people it was intended to serve, worked against them.

> It could become one of the most iniquitous and oppressive pieces of legislation in the books. There are several volatile issues in Canada. Language is one: religious differences between Protestants and Catholics constitute another. Walk into an urban renewal area in almost any city and you'll find residents who are trigger-tense. The greatest potential the bill has is for backfiring.

In other words, the bill may work against the group that we are trying to protect.

> The ludicrous aspect of the hate bill is that the laws of criminal libel provide the same protection against dissemination of hate while, at the same time, offering safeguards to freedom of speech and guarantees against unjust prosecution that the hate bill doesn't have.
>
> Too often the bill is characterized by its supporters as legislating against the virulent kind of hate that leads to genocide. That is a false picture. The bill contains a section making it a crime to advocate or promote genocide.

That is on all fours with what I say about the principle of this bill.

The remaining sections deal with inciting or promoting hatred or contempt of any group that can be identified by race, colour, religion or ethnic origin.

If I may just pause there. As the minister knows, the bill that was before the Senate made no provisions regarding religious groups, but this has been remedied by the new bill. I think this change resulted from the evidence given by the witnesses who appeared before the Senate committee, particularly by the Very Reverend Ernest Marshall Howse of the United Church. The *Globe and Mail* article continues:

There's a world of difference between promoting contempt and advocating genocide.

The widespread concern expressed during the three years that the bill has been contemplated should demand second thoughts from members of parliament, now that the bill has been introduced in the House.

These second thoughts are going to be shared by the committee. Let me tell the minister that we have a good standing committee. We work well together. Members of all parties generally agree with most amendments that are made to the Criminal Code. I hope that in this case the committee will be able to hear evidence, as did the Senators, regarding incitement of hate and contempt with which the second part of the bill deals.

At this point, may I bring to your attention, Mr. Speaker, a matter of concern to those on this side of the House. I refer to a particular philosophy that is becoming increasingly evident on the part of the government. In fact, the minister himself touched on this matter when he addressed the Canadian Bar Association and talked about placing control over wire tapping in the hands of the Attorney General of Canada and the Attorneys General of the various provinces.

According to the amendment contained in clause 1, no proceeding for an offence under Section 267A shall be instituted without the consent of the Attorney General. That is a proceeding connected with genocide. The same provision is made in the proposed section 267B which deals with public incitement of hatred.

My fear about this provision is this. Take the case of a group of persons who are charged under this section because the Attorney General of Canada or the Attorney General of a province thinks they are committing genocide or inciting hatred. Another group of persons may act in identical fashion, but the Attorney General, in his own good graces, for political or other reasons, does not feel they are inciting hatred or committing genocide, and thus no charges are laid.

This is a situation that could occur and I submit that these provisions establish a very dangerous precedent. If these provisions are accepted, then the Attorney General of Canada and the Attorneys General of the provinces are given too much power. After all, such appointments are made by the Prime Minister of Canada and the Premiers of the provinces. Basically, these appointees are responsible within their own jurisdictions for the administration of justice in Canada. Nevertheless, they are elected by political parties, and to that extent are partisan. They are appointed by cabinets and are political animals. They are appointed by governments to administer justice as well as they can. I also suggest that far too much power is given the Minister of Justice and the Attorneys General of the various provinces in the matter of freedom of speech, which is one of the great civil liberties of any democracy.

We are all aware of the fact that the present Minister of Justice will not always be minister, and I do not question his integrity here. But I repeat that certain groups may be charged under the first part of the bill or under the second part simply because the Attorney General of Canada or the Attorneys General of the provinces feel a charge should be laid, whereas another group performing identical acts may be let off the hook. This is one of the first problems, as far as I can see, with which the committee will have to come to grips when it begins study of the bill.

Mr. Turner (Ottawa-Carleton): Would the hon. member permit a question?

Mr. Woolliams: Certainly.

Mr. Turner (Ottawa-Carleton): Is the hon. member aware that the provision about which he is talking, namely the necessity for obtaining the consent of the Attorney General to institute a proceeding, was introduced into the bill as a result of an amendment made in the other place?

Mr. Woolliams: I do not question that at all. However, I am not making my arguments in the other place. I have not got there yet and many of us never will. I am talking about the bill that has been presented to the House of Commons. If this bill receives second reading, goes to committee and returns unchanged, then in view of the way Liberals vote it will

receive third reading and become the law of Canada.

I should like to make reference at this point to the Cohen report. The bill does not follow that report. I should like to refer to what Professor Walter Tarnopolsky had to say when writing for the University of British Columbia "Law Review".

Mr. Turner (Ottawa-Carleton): Would my friend give me the year?

Mr. Woolliams: The 1967 edition, page 55. He said:

> If the wording of the Cohen Committee had been adopted, although it would probably not change our substantive law, at least we could be more certain that the crime of genocide was an act intended to bring about physical destruction, put out of existence, take the lives of, put to death, kill, etc. the members of a specifically defined "readily identifiable group". If parliament were to adopt the wording of section 267A, would it not thereby make it a crime to advocate abortions to "destroy" the "group of persons" who could be described as "seriously deformed babies"? I do not suggest that one should advocate such destruction, but are we prepared to make advocacy of such acts an indictable offence punishable with imprisonment for up to five years? Could not Christian Scientists and Jehovah's Witnesses argue that the act of declaring their children to be wards of the court for the purpose of giving them blood transfusions is an act committed with intent to "destroy" them as a group, i.e. "forcibly transferring children of the group to another group"? Could not the Sons of Freedom Doukhobour argue that acts like transferring the Freedomite children from the control of their parents to the control of a group of public officials, is an act committed with intent to "destroy" their way of life, i.e. to "destroy in whole or in part any group of persons?"
>
> The Cohen committee stressed that the definition of genocide should be restricted to "the annihilation of identifiable groups for no other reason than they are what they are". The committee did not want to include advocacy and promotion of revolution against constituted authority because it was prepared to concede "as a philosophical argument that there may be a genuine social interest in not totally excluding advocacy and promotion of violence against state authorities—"

• (3:30 p.m.)

Of course, we see today that the protest movement has grown as never before, and States are now accepting open protests. There is no doubt about the fact that democracy is working in the streets. That is why there has been some criticism of the right to freedom of speech, to speak one's mind. There has been some criticism of what is taking place today in a city in Canada. There have been similar protests to those that took place in the United States and, whether or not you agree with those who are protesting they were quiet, orderly and peaceful. This right to protest constitutes one form of freedom of speech. Of course, freedom of speech means not only the right to speak, but also the right to be silent. That, in itself, is freedom of speech.

Let me once again emphasize that we are in favour of the first part of the bill. We are in favour of the principle of the bill because the principle is that, on a balance of public convenience and inconvenience, the State should use the criminal law to curtail the right to freedom of speech and the right to privacy in order to prevent the crime of genocide. We are on all fours in that respect.

We must examine very carefully the second part of the bill, because in a democratic State one of the most important civil liberties is the right to freedom of speech. The *Globe and Mail* states that the ludicrous aspect of the hate bill is that the laws of criminal libel provide the same protection. I should like to hear witnesses appearing before the committee set out fully the law with regard to that particular subject as it now exists in the Criminal Code. I am sure the members of this party want to be assured that this Provision is not a duplication or an extension of a Provision which is already contained in the law. If it is an extension, I should like to know that it is not really taking away freedom of speech, particularly in a democratic State such as we have.

I also hope that the committee members will study very carefully the submissions made by all the witnesses at the Senate hearings so there will be no duplication. We should have a look at what Professor Scott had to say as reported at page 202 of the proceedings of the Senate Committee on Legal and Constitutional Affairs, number 9. He was called as a witness and dealt with this particular aspect of freedom of speech as related to these sections. He said:

> There are two positions. We had crisis legislation in 1919 following the Winnipeg strike, which was a crisis. In the other case, the "Padlock Act", there was no crisis at all; just general legislation against propagating Communism, in 1938.
>
> Then we come to that great legal decade of the fifties when the Supreme Court of Canada enlarged the concept of human rights in a series of magnificent cases, of which this country should be proud. I will mention only a few. There was the Boucher case, which defined the law of sedition and eliminated precisely the factor this bill would re-introduce. That is why I say that this bill is retrograde. The law has advanced and this will take it back.

Then, there was a question asked by Senator Phillips who said:

> Would you develop that a little more, Professor Scott, for a few moments?

Then, Professor Scott stated:

> The old law, sedition, counted as an element in sedition the raising of ill-will between different classes of His Majesty's subjects, and dividing one class from another. This could be dividing a race from another. That used to be sufficient, in itself, to constitute sedition. The Supreme Court in the Boucher case said it was not sufficient in itself to constitute the crime of sedition unless it was accompanied with words or provocations or incitements which were likely to lead to a breach of the peace.

So, basically when the Supreme Court interpreted the law on sedition, it actually covered most of what is contained in this bill. Professor Scott went on to state:

> In other words, under the Boucher decision we were told in Canada that we could publish or utter statements that might have an incidental effect of making people angry and causing a certain amount of ill-will, but it was not illegal until it reached that point where the peace was threatened.

This is like civil law where there has to be a trespass before you can start an action. You just cannot say there will be a trespass, there actually has to be an overt act. The same rule applies here; the peace must be threatened or there must be a reasonable belief that the peace is threatened.

If this bill passes the state of the law will be back to what it was before the Boucher case. I will never forget how delighted all my friends were when the Supreme Court came out with what we thought was a clarification of the law regarding freedom of speech, yet still provided us in Canada with adequate protection against the real danger. In other words, Professor Scott is saying, that a retrograde step was actually taken in respect of those people who dared to stand up to management in 1919. He suggests it would be a backward step if we were to return to the Padlock Law. There must be some over act, as a result of which the peace is threatened.

Let me come back to the peaceful protests that took place in Canada. This is a form of action taken to express an opinion. One need not agree with the people in universities or the people in the streets who protest, but providing the protest is peaceful and the aim of those who protest is not to damage property or to run slipshod over the civil rights of other people, then such protests fall within the right to freedom of speech. This is a right of the people to express themselves, as the people in the United States recently expressed their opinion against the war in Viet Nam. The recent protest march in Washington was one of the largest, but it was quiet and peaceful.

The people in Canada and other democracies must have the right to this kind of protest and must have the right to freedom of speech. If you take away this right you are setting the law back several years, in fact to the last century. As the *Globe and Mail* suggested, we can go along with the first part of the bill, but the second part might erode or take away freedom of speech not only in respect of our newspapers, radio and television, but in respect of those who assemble in our streets to protest.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, this party or most of its members at least, will support this bill. We propose to suggest modifications which we hope will be given full consideration by the committee and will be considered by the minister even before we reach the committee stage. I will outline later on the modifications I propose.

In my view, this bill is directed toward a real, a very great and palpable evil, the evil of deliberate and wilful dissemination of racial hatred. In my view it is the duty of parliament, now that it has the opportunity, to declare that the purposeful incitement of hatred of racial groups is contrary to the moral sense of the Canadian community and ought to be prescribed by law. I am fully aware, as other speakers have said, that there are many staunch defenders of civil liberties who are uneasy about this legislation. My view, on balance, is that this legislation merely prescribes the reasonable limit, by any fair and sensible interpretation, of the ordinary freedom of speech and freedom of expression. There is a real problem. The problem that faces the legislature in dealing with hate propaganda is how to balance freedom of expression on the one hand against abuse by incitement of hatred and violence on the other. There are admittedly two contrary views. The first stresses the danger to freedom of critical expression which we all admit and proclaim is fundamental to our whole system.

• (3:40 p.m.)

It is said that this danger is inherent in any attempt to prohibit or penalize controversial or even offensive modes of speech or writing. According to this school of thought, the disseminators of hate propaganda are only of trifling influence. It is said that unbalanced individuals are more likely to be encouraged by martyrdom, suppression and the attendant publicity, than they are to be deterred. They simply do not deserve to be or are not worthy

to be noticed by the law. It is argued that the dangers of hate propaganda are minimal in Canada. It is said the attitudes of mind revealed by such publications and those likely to be affected by them should be dealt with by education and not by legislation. Legislation, it is argued, cannot be adequately and precisely framed in such a way as not to infringe on legitimate freedom of expression.

I want to put forward the other side of the argument which stresses the grave consequences revealed by history of racial hatred in a world compelled by technology to become a "neighbourhood". This side of the argument emphasizes the historic and necessary recognition of limitations to such concepts as freedom of speech which no more than any other concept or freedom can be interpreted as an absolute. It is said there is a widespread but generally latent tendency to hostility toward other groups which can be, and is, exploited by systematic and sometimes skilful promotion of hatred. It is argued on this side—and I accept this argument—that there is an important educative effect in positive legal pronouncements and sanctions and it is an error to keep legislation and education as mutually exclusive alternatives. Both are necessary to deal with this evil.

It is my view that there is need for remedial legislation and that this legislation does not in fact impinge upon any reasonable interpretation of freedom of speech. I do accept the broadest definition of freedom of speech. Indeed, I should like to quote to this House the words of Mr. Justice Rand in the Boucher case already referred to by the hon. member for Calgary North (Mr. Woolliams). In that case, Mr. Justice Rand said:

> Freedom in thought and speech and disagreement in ideas and beliefs, on every conceivable subject, are of the essence of our life. The clash of critical discussion on political, social and religious subjects has too deeply become the stuff of daily experience to suggest that mere ill-will as a product can strike down the latter with illegality.

If it were not disrespectful I would say to Mr. Justice Rand, "Hear, hear". I subscribe to that. What is involved in this legislation is the deliberate fomenting of hatred on the basis of races, groups and religions. That I suggest is quite a different thing from merely ill will. Some people are very exercised about infringement on freedom of speech. Surely, they must recognize that from time immemorial there have been necessary limitations upon freedom of speech. Our laws of libel and slander are the clearest exposition of that. They apply to private individuals. It is recognized that I have no right to destroy my neighbour's reputation by repeating falsehoods about him. By what reasoning then can it be said that the destruction of the reputation and good name of a group of people should not also be condemned. This is just as dangerous in its implication and just as harmful and painful to the victims or recipients as individual defamation. But this for some reason or other is said to be sacrosanct and should be preserved in the name of freedom of speech.

I suggest that our ready and proper acceptance of limitations in respect of the laws of libel apply to group libel as much as private libel. It is said that some of us, including myself, in this party have suggested that the recently passed by-law in Montreal should be submitted to the courts and that we are opposed to its as an infringement of civil liberties. The question then is asked, is it consistent with that view to come forward in this House now and support this bill? I say there is all the difference in the world between these things. In our view, the Montreal by-law is clearly criminal law which is exclusively within the powers of parliament. It is our view that the Montreal by-law clearly infringes upon the legitimate and traditional exercise of the right of demonstration and free speech which has been said by the courts to be the breath of life of parliamentary institutions. But the legislation we are discussing can hardly be said to be other than criminal law and, therefore, its constitutionality cannot be questioned.

There is no parliamentary right to defame and incite hatred against whole groups of people. The Montreal legislation is clearly unnecessary because there is already adequate legislation. I agree with the Minister of Justice (Mr. Turner) that the same cannot be said in this particular field. The question may be asked, why should we bother with legislation unless there is a real threat. I should like to read one paragraph or two from the report on hate propaganda prepared, as the minister told us, by Professor Cohen with some distinguished colleagues including the present Prime Minister (Mr. Trudeau) and the hon. member for Windsor-Walkerville (Mr. MacGuigan). I should like to read from page 12 of that report which tells about what is happening in Canada, not somewhere else:

> The current hate campaign dates from early 1963, when it began in the Toronto area. Since then it has extended to several other centres in Ontario, and to at least seven other provinces: British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia and Quebec; but the main

activities have been essentially in Ontario and to a lesser extent in Quebec and in British Columbia. From 1963 on there was and continues to be a steady dissemination of hate propaganda, mainly anti-Jewish, anti-Negro and neo-Nazi in nature. The propaganda has been plastered and displayed in conspicuous places, distributed at public gatherings, placed in apartment mailboxes, sent through the regular mails, and scattered from the upper floors of downtown buildings to the streets below.

The printed, mimeographed and other written materials seem to be obtained in large measure, although not exclusively, from American sources. In many instances it is mailed directly from Arlington, Virginia, the headquarters of the American Nazi Party and the World Union of National Socialists, and from Birmingham, Alabama—

And so on. So, there cannot be any doubt that this country has witnessed a sustained campaign to disseminate hate literature. I shall not go into the details of this, but I believe that anyone who intends to speak on this subject should take the trouble to read some of the literature appended to this report. If they do so, I think they will find that it is clearly of a poisonous nature. It is not in any sense of a political nature but contains the poison of racial hatred.

There is another aspect of this matter not yet mentioned; that is the international aspect. In passing this bill, Parliament will be giving effect to the United Nations declaration on the elimination of all forms of racial discrimination passed unanimously at the UN General Assembly on November 23, 1963. Article 9 of the declaration reads as follows:

• (3:50 p.m.)

1. All propaganda and organizations based on ideas or theories of the superiority of one race or group of persons of one colour or ethnic origin with a view to justifying or promoting racial discrimination in any form shall be severely condemned.

2. All incitement to or acts of violence, whether by individuals or organizations, against any race or group of persons of another colour or ethnic origin shall be considered an offence against society and punishable under law.

Therefore, in 1963, on the unanimous recommendation of the nations of the United Nations, Canada undertook to promote legislation of the sort that we are dealing with here. I suggest that we are merely fulfilling our international obligations by passing this legislation.

I mentioned earlier that there were some modifications in this legislation that I wanted to see adopted. I want to speak about those at the present time. The first and most important modification that I suggest to the Minister of Justice (Mr. Turner) and to the House is that instead of relying exclusively on purely penal consequences, such as imprisonment and fines, it would be perfectly proper and possible to introduce into this legislation what I call an injunctive process or a cease and desist order. This would be a far more flexible and far less penal method of dealing with this subject. If the minister has not considered such a possibility very fully so far, he might say that this is a civil remedy which is not open to us when we are dealing with the criminal law. I think the minister probably will recall—if he does not, no doubt some of his assistants will help him recall it—the Goodyear case which was dealt with under the Criminal Code and the Combines Investigation Act. In that case, the Supreme Court of Canada clearly and explicitly held that the injunctive process is a proper means of enforcing criminal law.

Mr. Turner (Ottawa-Carleton): Would the hon. member permit a question? Has he considered the difficulty that would arise, even if one were to concede that the injunctive proceeding falls clearly under criminal law, because in order to obtain an injunction one has virtually to prove the case in the same way as one would have to establish the case for a prosecution?

Mr. Brewin: I appreciate the fact that the legislation must be based on criminal law to bring it within federal jurisdiction, but I am suggesting what should be an appropriate penalty. I suggest to the minister that to say to some offender who may be relatively innocent, an ignorant and misguided fellow, "look, you have made a mistake, don't do it again" is better than putting him in jail or fining him a large sum of money. However, if he continued his actions, he would be guilty of contempt of court and a much more severe punishment would be justified. This injunctive procedure is more flexible.

Another reason for advocating the injunctive procedure is that once you have an injunction, it would apply not only to the accused but to his servants, agents and others working with him. Once you have an injunction against this criminal activity, you have the ability to enforce it and if some agent or servant continued the activity you would not require a further prosecution. I suggest to the minister quite seriously that this suggestion of mine deserves careful consideration. I offer it to him because I want to make his legislation work. I am not making the suggestion in a critical way, but I think it will reduce some of the sting of the legislation. As I said, I appreciate the necessity of dealing with hate

propaganda under the heading of criminal law, but once you have it under that heading the type of remedy you choose makes a difference. It would be possible for the courts dealing with such cases under this injunctive procedure to do so in a more gentle fashion and not feel obliged to express their disapproval of the crime in question by a jail sentence or some heavy fine. It works the other way around also. A small fine may be considered a sort of licence fee, whereas a restraining order would have the whole majesty of the law behind it and would have to be obeyed. I hope the minister will consider this suggestion.

My other suggestion to the minister is to look again at the definitions. The British race relations act, which was passed fairly recently, requires a specific intent to stir up hatred against any section of the public distinguished by colour, race or ethnic or national origins. The word "wilful" is included in section 3. It is my view that the word "wilful" and the minister knows this very well—can be interpreted in many different ways by the Courts and sometimes means one thing and sometimes another. If you have to find a specific intent, as the British act specifies, to stir up hatred against some section of the public or identifiable group then, I suggest, you have an additional safeguard to those already in the act, and perhaps a better one. However, I appreciate that this discussion is one that can take place appropriately in the committee. I want to say to the minister that I prefer the British definition.

While I am referring to the British legislation, may I mention that some people have asked me whether we should not just rely on the common law and whether this type of legislation is not really unnecessary. One point that I would like to make in that connection is that this is a viewpoint strongly held within Great Britain. They have a long tradition of dealing with matters by common law and yet they found it necessary to bring in their race relations act, which is a parallel to this bill, and almost every thoroughly democracy, would adopt legislation of this similar provisions. I ask those who are so fearful of its effect on civil liberties to inquire whether countries like the United Kingdom and the Scandinavian countries, which have had a long tradition of civil liberty and democracy, would adopt legislation of this sort if it were truly a threat to civil liberty.

There is another suggestion which I should like to make to the minister which he might consider at a later date. I think the working out of a law such as this one should be under constant review, and I hope that from time to time perhaps the parliamentary Committee on Justice and Legal Affairs would regularly review how this legislation is applied and how often the Attorneys General have been asked and have refused to act. I do not think this suggestion should necessarily be incorporated in the law but perhaps included in a statement of intent which the minister might give so as to relieve the fears of those who feel that perhaps this may be an invasion of our liberties. Indeed, if it turns out that this law is used as a cover to suppress legitimate freedom of speech or anything of that sort, I would be one of the first to say that it should be repealed right away; some such undertaking by the Minister might relieve the fears of those who are dubious about it.

Therefore, on the ground that there is here a clear and palpable evil which has reared its head in the country, on the ground that we are not in any substantial manner interfering with the freedom of speech, on the ground that the moral sense of Canadians requires this type of legislation, and on the ground of the educative effects of Parliament saying to our younger people, this racial hatred is abhorrent to Canadians, I urge this House to accept the bill.

• (4:00 p.m.)

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, once more we can see the government rushing an imperfect bill through, which seems to indicate an intention to act quickly. That is why we must say that we support this bill in principle—

[*English*]

Mr. Walker: On a point of order, Mr. Speaker. I regret I have to ask that someone turn on the translation system. The hon. member's speech is not being translated at the moment.

[*Translation*]

Mr. Matte: Naturally, we want to condemn hate literature but, in practice, an analysis of the clauses of the bill makes us realize that what it proposes to do is very good, very noble and very commendable since, for instance, the purpose of section 267A is more or less to prohibit wars.

Even if Nigeria passed legislation against genocide, the government of that country would itself be accused of this crime!

How can the present government accuse itself of genocide against Biafra? I wonder. For this reason, I feel the first part of the bill aims at forbidding wars since genocide is committed particularly, during wars and generally, the belligerents in such conflicts try to exterminate one another.

This very pious measure, at least in that regard, seeks to prevent genocides. Of course, we are in favour of it in principle. However, what would it achieve?

I would like to point out some special aspects of the bill. For example, section 267A (2) reads as follows and I quote:

(2) In this section "genocide" includes any of the following acts committed with intent to destroy in whole or in part any identifiable group, namely:
(a) killing members of the group, or

And this is the clause which I want to point out:

(b) deliberately inflicting on the group conditions of life calculated to bring about its physical destruction.

The clause would have been more practical if reference had been made to moral destruction, because when the group is physically destroyed, nothing can be done to remedy the condition, since it no longer exists.

Moral destruction could occur and, then, we would have to charge ourselves with having caused, in a large measure, the genocide of the Indians and the Eskimos, because, from a moral standpoint, these peoples have practically been destroyed by our action during a number of years. It is therefore easy to see where this can lead us.

It is distressing and unfortunate to realize that such destructions, both physical and moral, can take place even in 1969. Evidence of this can be found in the wars now being waged in Viet Nam and Biafra. In principle, we are opposed to genocide.

It seems to me, judging by such comments, that the government is expecting some catastrophes to strike Canada in the near future. Which part of the country or what group of citizens are threatened with physical destruction, I do not know, but some catastrophes appear to be expected, and this bill practically marks the beginning of the end of the world.

In principle we agree to be against genocide but, as I tried to show, we consider that it is equivalent to day-dreaming, that it is a very nice bill, but a bill which does not really get us anywhere; rather it promotes distrust among Canadians, since it does not give us the opportunity to go to Biafra to solve the conflict. What have we to do with all this?

If I consider only the bill, I tend to think that its purpose is to prevent physical annihilation of the Indians and the Eskimos who are a part of the Canadian people. At first glance I do not see anything else in it. But, as I think it over, I say to myself: why should we try to stir up the fire, to add fuel to the fire at a time when the situation is such that the Quebec Minister of Justice is taking the bit between his teeth about everything and deciding when remarks are hateful?

• (4:10 p.m.)

Mr. Speaker, the way things have been going for some time, anyone who dislikes the Quebec Minister of Justice will wind up behind bars. It is not under such circumstances that things should be stirred up even more and that such a bill should be introduced. Whom does it protect? What does it provide? In other words, what problem does it solve? Those are the questions I am asking myself.

I object to sections 267B and 267C of this bill for several reasons. I object to them because if they were strictly enforced, several among us would already have been indicted.

We have all been through election campaigns and we all know that in Quebec, particularly, they are sometimes waged in a rather unconventional way. Much hateful talking is done, depending on how this expression is interpreted. In a public meeting, it may happen that an individual's words seem insulting to someone attending that meeting to the point of causing violence.

Our Prime Minister himself (Mr. Trudeau) went through this. Is it possible for us to control the emotions, the feelings, the susceptibilities of the people attending a meeting? It is unthinkable!

Man as a free agent must assume responsibility for his actions and it is childish to let oneself be manipulated by some character trying to stir up violence.

How are we to interpret this piece of legislation? How are we to determine when a statement is of a heinous nature? Several persons will certainly have to suffer greatly from that situation, taking into account the succeeding political leaders. A statement will be considered heinous by some, and not so by others. Where will that lead us? This will create even more violence, if there is any. We must indeed agree on the meaning of that word.

There are at present great fears arising from certain things which are happening, particularly in Quebec. Such things have been happening at all times. I repeat at all times.

In my youth, I often heard political debates, during the famous contradictory meetings. They often led to lively fights. It has ever been so.

Nowadays, there are demonstrations, unplanned, but which nevertheless take place. We should not panic to the extent of opposing one of the most sacred and inviolable of rights, the right of speech, the right of the individual to express his opinion.

How many authors, even among the greatest, have promoted hate within the meaning of the law? It all depends on who hear them. When it comes to hate, it is important to make a distinction between the object and the subject of hate.

There is another matter which I would like to point out, and it is found at page 2. I quote:

(3) No person shall be convicted of an offence under subsection (2)

(a) for expressing in good faith and in decent language, or attempting to establish by argument used in good faith and conveyed in decent language, an opinion upon a religious subject;

There, the cat is out of the bag. An exception is made for a religious subject because it is expected that it is not this subject that may be the object of the enforcement of the law in Canada.

Yet if there is a subject which all through the ages has sown the seeds of hatred and engendered religious conflicts and wars, that is the one! However, the law does nothing about it.

It is not necessary to go back very far in time, since in 1969 people still come to blows for religious differences.

Here, we eliminate this, even though paragraph 3 of section 267B appears to be somewhat less rigorous than preceding ones and I say "somewhat", because it seems to mitigate what comes before, and I quote:

(a) for expressing in good faith and in decent language—

(i) that the statements communicated were true, or

(ii) that they were relevant to any subject of public interest, the discussion of which was for the public benefit, and that on reasonable grounds he believes them to be true.

How does one decide that public interest is involved? If a crowd of 4,000 or 5,000 gives a standing ovation to a speaker and that, afterwards, his words are called hate propaganda by the Attorney General, what meaning should be given to "public interest"? Will a referendum be held each time to determine whether the public interest was involved? In my opinion, this question is extremely difficult if not impossible to solve.

This bill can lead to unjustifiable abuses. I am amazed that the Prime Minister, who not so long ago defended so strongly the cause of freedom, was seen with Michel Chartrand, for instance, inciting the Asbestos workers to resist the Quebec provincial police in the Duplessis era. I am surprised to see the Prime Minister forget his principles about human freedom, individual freedom, that he always fiercely defended.

For all these reasons, we cannot accept this bill as it stands now.

I repeat once more that we are obviously against hate propaganda and that, jointly with the federal government, we would like to eliminate, if possible, this kind of propaganda. But how are we to know what such propaganda is? Several cases, if not all, are already covered by the law. Indeed, if somebody feels he is being attacked by hate remarks he may always defend himself and this is what he does ordinarily.

I fail to see then the reason for this bill. It is too dangerous to accept it, especially in the present circumstances since it seems to represent a means found by the federal government to prevent I do not know what catastrophe in this country. I feel that it has a very poor opinion of Canadians whom I believe to be quite responsible. A few remarks judged hateful will not turn the people away from the real objectives to which must tend a society which considers itself "just" as advocated during the last session.

Hate propaganda really exists and I know it. Right now, the law even provides for the imposition of penalties in that respect because if the nature of hate propaganda were to be determined here, the so-called obscene propaganda would be considered to be the worst.

Obscene propaganda exists in this country. It runs free and, at the present time, abominable things can be read in the small papers published by students in high schools and in Quebec CEGEPs. Their material really amounts to hate propaganda; yet, nobody will curb it. Why? Because that propaganda precisely strikes at this country's fundamental principles, that is the Christian principles.

It is left to run free and, in consequence, we reach a point where we have to put up

with hate propaganda of all kinds. Fortunately, the existing legislation is designed to preclude that, but nobody takes action.

The Postal service is sometimes used to dissiminate such propaganda; yet, some postal service regulations were enacted to check such occurrences. Nobody cares about that. On the other hand, if an individual dares promote a new political doctrine or question the constitution of this country, that is considered dangerous.

Mr. Speaker, if we ever witness the catastrophes that this bill seems to anticipate, they will be attributable to the excessive liberty we have allowed newspapers and writers, while the law provides penalties against such writings and the arrest of their authors.

I do not believe this bill will improve the situation any, but, it may offend a good number of people. As a matter of fact, this country will become more and more a police state and a dictatorship, something we all denounce and do not want to happen in Canada.

• (4:20 p.m.)

[*English*]

Mr. Steven Otto (York East): Mr. Speaker, I understand that it is not the purpose of this bill to abolish hatred. I do not believe man will ever get rid of hatred and vengeance. I agree with the hon. member for Greenwood (Mr. Brewin) that racial hatred has reared its ugly head in this country and should be stopped, but I do not believe the purpose of this bill is to get rid of that very human instinct called hatred. Of all creatures, man alone has the instinct of hatred and vengeance. Curiously enough it is man alone who thinks he is more than animal. Man is the only creature who has the contention he is not animal, but something more than animal.

If Messrs. Martin and Fox, the United States anthropologists, Messrs. Martin and Forest, and Mr. Tiger from Montreal are correct, we must accept that racial differentiation, or at least the identification of groups, forms part of our civilization. It is not the purpose of the bill to create racial, ethnic or religious groups because these groups will merge and disappear. Even coloured races one day will merge into one.

Surely, the purpose of the bill is to protect the individual in a group so that the smearing, hatred and all that overshadows the whole group will not hurt the individual. We recognize this situation is bad for Canada. It is bad for national unity. It is an impossible and intolerable way of life. This bill has a purpose, but that purpose is not going to change, in general terms, the nature of man.

By law, we will restrict the use of communications and the printed word when they have no other purpose than to incite people to behave in an evil manner. Some hon. members have suggested this is not possible. Of course there will be many problems. The questions have been asked: What do we do with a child who makes statements? What do we do with the printed word? How do we define these terms? We will have many problems in deciding the application of this law, nevertheless throughout the history of civilization legislation has been very effective in controlling those instincts of man which do not contribute to civilized living.

With regard to vengeance, I am sure hon. members are knowledgeable enough in history to know that prior to the Samarian culture vengeance was unlimited. If you were a member of a neighbouring tribe and someone stole your property, you were at liberty to eliminate his whole family, tribe and even nation. This condition did not change until the Samarians enacted laws based on the principle of an eye for an eye and a tooth for a tooth, which idea still prevails.

We must not consider legislation to be ineffective. It is effective. It proved effective in Ontario in the field of rental loans. At that time there were many complaints. The suggestion was made that legislation would never work because after all it was an interference with our individual liberty to rent properties as we saw fit. However, this legislation has worked. The majesty of law is very powerful if it is properly applied.

There is one issue I wish to bring to the attention of the minister. Although we have accepted the principle put forward that racial hatred and the dissemination of communications dealing with racial hatred shall not be used to the prejudice of any group, race or colour, nevertheless for some unknown reason we still accept the common law principle of truth as a defence. I am a lawyer. I have been trained in the common law. This great sanctity for the truth seems to be an excuse for everything. The minister should ask himself whether truth is an excuse for infringement of privacy.

Section 267B (3) states:

No person shall be convicted of an offence under subsection (2) . . .

(b) if he establishes

(i) that the statements communicated were true,—

How many ways are there, Mr. Speaker, in which the truth can be used for the very purpose this bill is seeking to eliminate? Truths and half-truths have always been used by demagogues. Is it not true when certain people in the United Kingdom state their jobs have been taken over by coloured men from the West Indies? Is this not true? Of course, it is. Is the statement not true that in many large Canadian cities a certain professional group, or at least the majority of it, are of a certain religious belief?

• (4:30 p.m.)

What is the purpose of that? It is true, and under this bill the making of such a statement becomes an offence. It is the use of true statements, or the misuse of true statements which will make this law to some extent ineffective. There are more problems in connection with laws which contain loopholes than arise when there are no laws at all. Can the minister explain how anyone could be found to be prejudiced when he speaks the truth when one of the subsections provides a good defence if it can be shown his statements were relevant to any subject of public interest, the discussion of which was for the public benefit?

If anyone has a defence which establishes public benefit, surely he does not need the extra defence of truth. After all, the question "What is truth?" is one which will not be settled for generations to come. This will be the cyst which holds all the illness in the body of this legislation and will make this law ineffective since so much will depend upon the judge or upon the political temper of the times.

The common law concept is that no matter what you say, or about whom you say it, if you speak the truth you are exonerated. Nobody has questioned the reason for uttering these so-called truths. I would ask the minister and the committee to examine the sanctified word "truth" as it relates to a defence under this bill or under any bill.

Mr. Melvin McQuaid (Cardigan): Mr. Speaker, while I do not agree with this bill in its entirety, I do wish to make it abundantly clear at the outset that I see no reason at all why hate propaganda should be ignored. Discrimination of any kind on grounds of race, colour, religion or ethnic origin certainly cannot be tolerated. Any thinking person would surely agree with this view.

I notice that the bill omits the phrase "national origin" though it was included in the report of the special committee as one of the areas in which discrimination should not be exercised. There is probably a reason for the omission of those words and perhaps the minister will take the opportunity to explain it when he comes to reply. I think it is agreed by all that in no circumstances must we allow the malicious abuse of any group, or person. The promotion of hatred constitutes without question a grave danger to our democratic system. Although the number of persons engaged in doing so may be relatively small, we cannot afford to ignore their activities.

I was interested and pleased to note on reading the report of the Cohen Committee that the promotion of hatred does not exist at all as a problem in my own province of Prince Edward Island. This is something of which I believe we can be justly proud; according to the committee there are only two provinces in which no such problem is encountered—the Province of Newfoundland and the Province of Prince Edward Island. I am very happy it is not a problem in my own province. Nevertheless, though it may not directly affect us, I wish to assure the House that I am vitally interested in the subject.

We all agree, I think, that we must be able to exercise maximum freedom of expression. But freedom of expression does not include the right to vilify or the right to defame. We agree with the Cohen Committee that freedom of expression is not an absolute right. The Canadian Bill of Rights guarantees freedom of expression to our people but at the same time we have laws which prohibit seditions, defamatory, libelous or obscene literature. Adequate provision is made in the Criminal Code to cover these areas.

Bearing in mind the principle that preference must always be exercised on the side of freedom of speech, I seriously suggest that when this bill gets to the committee we shall need to examine most carefully the question just how much speech is free speech. This is, in my view, the crucial question. As I mentioned before, those who advocate or promote genocide must, in my opinion, definitely fall outside the bounds of free speech; they cannot be protected by the argument that freedom of expression is allowed.

Turning to the bill itself, I note that clause 267A prohibits the advocacy and promotion of genocide. Genocide was, of course, prohibited under a convention of the United Nations ratified by Canada in 1952. This convention prohibited not only genocide but conspiracy

to commit genocide, attempts to commit genocide, and incitement to commit genocide. These things are already adequately covered. What the present bill attempts to do is to prevent the advocacy or the promotion of genocide. My chief concern is whether or not the intent of the whole measure is not already covered by the provisions of the Criminal Code as they stand.

I have examined the bill carefully, together with the corresponding sections of the Criminal Code, and I am convinced that the committee, when it comes to study this measure, will need to hear the testimony of experts as to whether or not all the things which this legislation purports to prevent are not already, with one exception, punishable under the Criminal Code.

It is interesting to note that in 1952, when Canada ratified the United Nations convention on the prevention of genocide, the then minister of justice, the Hon. Mr. Lesage, made the following statement before the Committee on External Affairs which was considering the subject in question. I quote from the report of the committee:

> The opinion of the deputy minister of justice, which is accepted by the Canadian Government, is that the provisions of the Criminal Code as they are now, cover all the possibilities and are such that any of the acts mentioned in articles II and III are punishable under our law.

• (4:40 p.m.)

I suggest that it was obviously the opinion of the Deputy Minister of Justice in 1952, concurred in by the Minister of Justice himself, that all of the things that articles II and III of the convention attempted to do were adequately covered by the Criminal Code. I suggest to this minister—and I will make this suggestion to the committee—that quite probably the very provisions the bill attempts to make are already adequately dealt with by the Criminal Code.

Let me examine the bill to see whether I can make this point. The proposed section 267A provides as follows:

> (1) Everyone who advocates or promotes genocide is guilty of an indictable offence and is liable to imprisonment—

The subsection goes on to provide a penalty of five years.

I suggest that section 407 of the Criminal Code makes the same provision. In fact, it goes further and provides for an even more severe penalty. I should like to place on the record the wording of section 407:

> Except where otherwise expressly provided by law, the following provisions apply in respect of persons who counsel, procure or incite other persons to commit offences namely,
>
> (a) every one who counsels, procures or incites another person to commit an indictable offence is, if the offence is not committed, guilty of an indictable offence and is liable to the same punishment to which a person who attempts to commit that offence is liable;—

Does that provision not cover the situation here? Section 267A provides that every one who advocates or promotes genocide is guilty of an offence and is liable to imprisonment for five years. The other section is differently worded; instead of "advocates or promotes" the wording is "counsels, procures or incites". Why cannot a man who promotes genocide be charged under section 407 of the Criminal Code?

I think the committee should look into this question, because if a man can be charged and convicted under section 407, the penalty is more severe than that provided by the proposed section 267A.

Mr. Walker: Would the hon. member permit a question?

Mr. McQuaid: Certainly.

Mr. Walker: Is there any reference to the advocacy of group genocide in that section?

Mr. McQuaid: The hon. member is anticipating me; I intend to deal with that point. I agree the section does not deal with group defamation, and so on. However, I am dealing with the case of the individual. My argument is that the proposed section 267A provides imprisonment for every one who advocates or promotes genocide. If the committee receives expert testimony that convinces the members of the committee that the words "advocates or promotes" carry a different meaning from the words "counsels, procures or incites", then it may be that section 407 would not conflict. But there seems to be very little difference between the wording. As I say, a man charged under section 407 with incitement to commit genocide can be convicted under that section regardless of the provisions of section 267A.

Let me now deal with the proposed section 267B, which provides:

> (1) Every one who, by communicating statements in any public place, incites hatred or contempt against any identifiable group where such incitement is likely to lead to a breach of the peace, is guilty of
>
> (a) an indictable offence and is liable to imprisonment for two years; or
>
> (b) an offence punishable on summary conviction.

Under that provision the choice apparently rests with the prosecution whether someone is charged with an indictable offence or with an offence punishable on summary conviction. In the latter case, the accused is not entitled to trial by jury, to be tried by his peers. I think a person charged with an offence as serious as this should be guaranteed the right to be tried and judged by a jury, rather than by a judge or magistrate alone.

I suggest that this provision in the bill is also included in the Criminal Code. Bearing in mind that the proposed section 267B provides that every one who, by communicating statements, incites hatred or contempt is guilty of an offence, section 160(a)(i) provides:

> Every one who
> (a) not being in a dwelling house causes a disturbance in or near a public place,
> (i) by fighting, screaming, shouting, swearing, singing or using insulting or obscene language . . .
> is guilty of an offence—

In essence, is this not the same provision as the proposed section 267B, which refers to persons communicating statements—in other words, speaking—in a public place that incite hatred or contempt? Section 160 uses the words "insulting or obscene language". I suggest that insulting or obscene language would in all probability lead to the inciting of hatred or contempt.

This is another point on which the committee must hear the opinion of experts. It is my firm conviction that anybody charged under the proposed section 267B could just as effectively be charged under section 160(a)(i) of the Criminal Code.

I come now to the proposed section 267B(2), which provides:

> Everyone who, by communicating statements, wilfully promotes hatred or contempt against any identifiable group is guilty of
> (a) an indictable offence and is liable to imprisonment for two years; or
> (b) an offence punishable on summary conviction.

As has been pointed out, this is a new provision. That is what is described by the Cohen committee as group defamation. We have not anything in our present law which covers group defamation. That section, as it is presently drafted, is to me a very dangerous section, and herein lies the danger. It provides:

• (4:50 p.m.)

> Everyone who, by communicating statements, wilfully promotes hatred or contempt against any identifiable group is guilty of
> (a) an indictable offence—

[Mr. McQuaid.]

Let me point out that the communicating statements do not have to be made in a public place. In other words, if I made such statements in my own home, I would be liable to a charge under this section. Surely, the minister would agree that the section is wide enough to include what I might say in my own home in the presence of my own family. Surely, that is dangerous. It has been said here many times that the law has no place in the bedrooms of the nation. Certainly, it has no place in the living rooms of the nation.

I do not think we should restrict expression of opinion so drastically that we cannot express our opinions within the confines of our own home. To be liable, as I read it and I am subject to correction by the minister, what I say does not have to be said and what I do does not have to be done, in a public place.

Even more serious is the penalty section. What may happen to me if I do say something of this nature within the confines of my own home? Subsection (4) of this proposed section reads:

> Where a person is convicted of an offence under Section 267A of subsection (1) or (2)—

It is subsection (2) of this section which makes it an offence to say these things in your own home. Let me repeat what it provides:

> Where a person is convicted of an offence under Section 267A or subsection (1) or (2) of this section, anything by means of or in relation to which the offence was committed, may, in addition to any other punishment imposed, be ordered by the presiding magistrate or judge to be forfeited to Her Majesty—

Does that mean if this offence is committed in my home that my home is liable to seizure and forfeiture to Her Majesty? It says "anything by means of or in relation to which the offence was committed". If the offence was committed in my home, then it is in relation to my home that the offence was committed and there is a possibility that my home could be seized. The minister smiled, but I am sure this is not a smiling matter. There is some reason for looking carefully into this provision.

Surely, the minister and members of the committee will agree that this section as it is worded could prevent me from free discussion in my home or free expression of my opinion to the members of my family. I suggest further, and again I am subject to correction if I am wrong, that subsection (4)

imposes a very heavy penalty when it provides that "anything by means of or in relation to which the offence was committed" may be seized and forfeited to Her Majesty. The section also indicates, and this is a very clear departure from the present law, that this type of defamation includes spoken words and gestures. What is meant by the word "gestures"? How do I offend against this law by gestures?

Another provisions of the bill with which I strongly disagree, and this has been mentioned this afternoon, is that part which leaves it to the discretion of the Attorneys General of the provinces whether or not an offence should be prosecuted. This is wrong and the discretion should not be left with the Attorneys General. Certainly if I were an Attorney General I would not want to have to shoulder that burden. I am confident that if the Minister of Justice (Mr. Turner) polled the Attorneys General of the Provinces he would find they prefer not to have that burden placed upon them, and they would make that decision for obvious reasons. The Attorneys General are subject to all the vagaries of politics and, if they can avoid it, do not like to cause ill will or discontent among those they perhaps later on will have to turn to in search of support at the polls.

The Cohen committee has indicated that this Provision is included to avoid frivolous and vexatious prosecutions. I seriously suggest there is another very effective way of preventing frivolous and vexatious prosecutions. The magistrate or justice of the peace before whom one goes to swear an information and complaint, if he fulfils his duties and does what he is required to do under the Criminal Code before signing such a document, would make inquiries as to the circumstances surrounding the alleged offence. If he felt that the charge was vexatious or frivolous he would choose not to issue that information and complaint by simply saying: No, I am sorry, but in this case the circumstances as they appear to me do not warrant the issuing of such a charge.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Béchard): Order, please. It is my duty, pursuant to Standing Order 44, to inform the House that the questions to be raised tonight are as follows: the hon. member for Moose Jaw (Mr. Skoberg)—grain, boxcar distribution, opportunity for opposition members to meet railway officials; the hon. member for Hillsborough (Mr. Macquarrie)—post office, request for reduction of rates on non-profit publications; the hon. member for Nickel Belt (Mr. Serré)—the Canadian economy, possible nickel and copper price increases, action by the government.

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely Notices of Motion and Public Bills.

PRIVATE MEMBERS' MOTIONS

CUSTOMS ACT

PROVISION OF QUALIFIED PERSONNEL AT AIRPORTS

Mr. Jerry Pringle (Fraser Valley East) moved:

That, in the opinion of this House, the government should consider the advisability of making regulations, pursuant to paragraph (r) of section 273 of the Customs Act, so as to facilitate airplane tourist traffic at Canadian airports of entry by providing for the deputizing of qualified personnel now employed as management or administrative officers to handle customs clearance to such tourist traffic.

He said: Mr. Speaker, during my submission to the House of Commons today I hopefully propose to provide sufficient information regarding Canada's general aviation industry to lay a base for the support of my motion to recruit airport managers and their assistants to act as customs officers to handle customs clearance for flying tourists at airports of entry.

I know from personal experience that the vast majority of Canadians are unaware of the volume of light plane traffic using Canada's air space today. I refer to light planes as single engine and multi-engined, propeller, turbo-prop or jets capable of carrying from 2 to 15 passengers per aircraft. Their access to air space while travelling east and west is relatively unhampered. However, southbound traffic across the border and return has been and still is seriously handicapped by lack of customs and immigration service at non-airline and non-international airports of entry.

• (5:00 p.m.)

I hasten to state categorically at the outset that under no circumstances should my statements be construed as a criticism of our Canadian customs and immigration officials. I

am confident that I can say without fear of contradiction that allowing for a few minor exceptions we receive courteous and efficient service from customs and immigration officials. I congratulate both the Minister of National Revenue (Mr. Côté) and the Minister of Manpower and Immigration (Mr. MacEachen) on their personnel officers charged with the responsibility of selecting staff who daily serve the Canadian public. Perhaps a short explanation regarding international aircraft tourist travel would serve to acquaint hon. members with some problems which could be resolved by the adoption of this motion.

Aircraft returning to Canada or United States aircraft coming to Canada are required to file flight plans at points of departure in the United States. The intended Canadian port of entry and estimated time of arrival are stipulated, plus request for customs clearance The flight plan is passed to the Department of Transport radio service office nearest to the port of entry. The Department of Transport notifies the local customs officer who endeavours to meet the aircraft on arrival. It is unnecessary for the pilot to clear with United States customs when departing from the United States. There is a similar situation the other way. This system worked well at international airports and reasonably well at airports of entry where customs offices are located nearby during the period when seven day per week clearance was available at all points of entry. This is no longer the case. The average time involved in clearing an aircraft is less that 15 minutes. However, travel to and from airports is time-consuming and inconvenient. Nevertheless, aircraft tourist traffic has steadily increased during the past number of years when customs clearance was available on a more or less sunrise to sunset basis. The nominal mileage fee paid by the pilot has been acceptable to flying tourists.

How many of us realize that more than 12,000 United States airplanes visited Expo '67? During the Abbotsford Air show, held annually in August, 1,400 aircraft from the United States visited Canada for the three day event in 1969 alone. In Canada today there are 10,000 registered aircraft. Light aircraft account for all but a few hundred. However, when we look at our tourist potential the figures are most impressive. There are 700,000 licensed pilots in the United States. Of the 130,000 registered airplanes in the United States, 98 per cent are owned by general aviation or non-airline people. The Federal Aviation Administration in the United States estimates that 50 per cent of all air passengers in the United States are carried by non-airline airplanes. Therefore, flying tourist traffic offers great potential, but lack of customs clearance assurance at Canadian ports of entry, other than international airports of entry, discourages our United States friends from travelling to Canada in light aircraft.

It is true there was a time when only the idle rich could afford private airplanes. This concept is no longer valid. Canadians and Americans in all walks of life are registered owners and pilots. The flying farmers association utilizes various types of aircraft as operational vehicles to facilitate emergency trips to centres for repair parts, fence inspections, aids to round-up of cattle, crop spraying, and so on. Since most airports are located some distance from the urban centres, the general public is unaware of the ever increasing light plane traffic. In fact, light plane traffic has been increasing so rapidly during the past few years that governments, in their wisdom, have been endeavouring to entice light airplane traffic away from major international airports in the interest of easing congestion. Governments have also been increasing aid for development of smaller airports in both urban and rural areas.

It should also be pointed out that light planes can be equipped with navigational and radio aids equal in sophistication to those on the largest jet transports. While this is most helpful on cross-country flights, approaching and landing procedures at large international airports can become congested as a result of the wide difference in speed between light aircraft and jet transports. Light plane pilots appreciate the policy of the Department of Transport to build and improve more small airports. This allows a pilot to elect to avoid high density areas. The recent reduction of customs service to smaller airports of entry must therefore be considered to be in conflict with government policy.

I am sure we all commend the government on its recent policy of taking positive steps to reduce government spending. We can readily agree to the abandonment of costly projects as commanding lower priority to essential services. It is not my intention today to suggest that revisions of regulations in respect of customs and excise to downgrade essential custom service to the Canadian public should be reinstated. On the contrary, my motion, if approved, would provide an alternative which would not only serve to upgrade customs clearance service at airports of entry, but would do so without—and I emphasize this—

additional cost to the federal treasury. Mr. Speaker, the flying public's greatest concern centres around the fact that the alternate proposal of providing service from 9 a.m. to 5 p.m. five days per week is unrealistic.

Flying tourist traffic reaches its peak between Friday afternoon and Sunday evening. During a discussion with the vice-president of American Owners and Pilots Association, I was advised that, in his opinion, American pilots will avoid trips to Canada as a result of the recent change of policy. Service on week ends is available at a few large airports but is available to most airports of tourist destination only on payment of heavy travelling fees. One airport in my constituency which has provided unlimited customs service for the past 20 years is now denied service after 5 p.m. and on holidays, Saturdays and Sundays.

If a pilot arrives a few minutes late or inadvertently files a flight plan requesting customs service after 5 p.m. he is forced to pay more than $22 for not more than 15 minutes attention. The amount represents travelling mileage cost from the closest automobile port of entry. No wonder the vice-president of AOPA, representing over 500,000 pilots in the United States, is of the opinion that Canada will be on the taboo list for American flying tourists.

On September 9, a well known executive of Smith Falls, Ontario, attempted to land at his home airport after filing a flight plan from his departure point in the United States requesting customs clearance. Radio contact informed him that the local customs official was unavoidably detained and unable to clear him even though he was arriving during the prescribed period. This situation forced him to continue his flight to Ottawa for clearance and he lost an hour of valuable time, plus the additional cost of aircraft operation.

• (5:10 p.m.)

Similar incidents are being reported daily across Canada. Aviation associations are presently appraising the damage to our flying tourist trade as well as complaints of unfair treatment resulting from the arbitrary downgrading of service by the Department of National Revenue. They are also pressing the industry to find an alternative. I submit that this motion could very well serve this purpose.

True pioneers spawned and developed aviation throughout the years. Obstruction to normal aviation has been in evidence since Orville Wright got off the ground at Kitty Hawk. The aviation industry is conditioned to opposition and has been travelling upstream for years. It is now conceded that modern aircraft are the safest, fastest and most reliable means of transportation today when calculated on a passenger mile basis. Sophisticated navigational and pilot aids have reduced the accident rate well below any other method of travel in proportion to passenger miles. The air passenger explosion has been astronomical, and governments throughout the world are endeavouring to decentralize airports and control zones to accommodate the increasing number of daily arrivals and departures. Some uninformed officials advocate elimination of light planes in the airspace. This attempt will be as successful as a similar one would be to ban automobiles from highways in favour of buses and trucks, even though the high incidence of accidents on highways would indicate more justification for a ban.

Mr. Allmand: Would the hon. member permit a question? Could he tell us how many smaller aircraft are licenced in Canada and the United States, and how many people are involved in the ownership and the licencing of these aircraft in both countries?

Mr. Pringle: I brought this out earlier in my speech. There are 10,000 registered airplanes in Canada and 130,000 registered airplanes in the United States, and 98 per cent of all the aircraft in the United States are owned by non-airline people, while 50 per cent of all the traffic in the United States is estimated by the federal aviation administration to be carried by general aviation or light airplanes.

Some hon. Members: Hear, hear.

Mr. Pringle: I previously mentioned that aviation is the offspring of pioneers—pioneers who have never been satisfied to rest on their laurels. All fliers and those associated with aviation have an inherent desire to assist development whenever and wherever possible. It is, therefore, only natural that when a problem arises seriously threatening development, the industry seeks to find a logical and practical solution. The excellent co-operation of the Department of Transport notwithstanding, there are those of us who feel that the accelerated aviation development, other than that of airlines, took place more in spite of government intervention than because of it.

I thank you, Mr. Speaker, for your indulgence in permitting me to lay the foundation in support of my motion. The industry now

stands ready to suggest to Parliament a solution which could alleviate problems relating to customs clearance at most airports of entry.

Practically all airports of entry are owned by cities or municipalities or a combination of both. Airport boards of directors employ managers and assistants to collect fees and rents, to supervize airport maintenance and safety regulations, and generally to act as policemen of administration. Their duties are usually performed between sunrise and sunset. The men and women so involved are responsible people, more than capable of handling the very limited requirements for customs clearance of non-commercial aircraft and I stress the word "non-commercial". I am referring to tourist aircraft. They are already gainfully employed at airports and are oriented to performing and enforcing disciplinary rules as set out by the Department of Transport and civic authorities. They would be ideal customs officer deputies who would faithfully perform their duties as prescribed by oath on a seven day per week basis. Travelling costs between customs offices and airports would be eliminated. These officers would be subject to periodic inspection and would be responsible to the closest customs office where regular reports could be submitted. Customs officers would be relieved of the inconvenient trips to airports during office hours, which would improve their office efficiency.

I reiterate that there would be no added cost to the federal treasury. The actual time required to clear tourist aircraft is usually less than 15 minutes.

Mr. Allmand: May I ask the hon. member another question?

Mr. Pringle: I will be glad to answer the question after I conclude my speech in a minute or two. Should costs be incurred, the existing user charge for custom officers' transportation would probably cover them.

In closing, Mr. Speaker, may I sum up my points for the consideration of this House.

First, the anomaly of forcing light aircraft to clear customs at busy international airports of entry at a time when the Department of Transport is encouraging pilots to use smaller airports is ludicrous.

Second, in view of the fact that many non-trained personnel such as university students are now being deputized as customs officers during the busy summer months, any argument that a precedent would be established is nullified.

Third, American flying tourists intent on visiting Canadian outlying areas would be able to plan their flights on a more practical direct route which would aid the economic development of small centres.

Fourth, the reduction of customs service which has recently taken place at a time when aviation activity is on the increase is a severe deterrent to Canadian tourist trade.

Fifth, a survey of airports of entry in Canada indicates that many growth centres will suffer needlessly unless this motion is adopted and implemented. The number is impressive but I list a few of the cities which will be in trouble, such as St. John, N.B., Quebec City, St. Jean, Quebec, Smiths Falls, Brandon, Regina, Saskatoon, Florenceville, Swift Current, Lethbridge, Cranbrook, Castlegar, Penticton, Chilliwack, and Pitt Meadows. Areas such as Portage La Prairie in Manitoba are now severely handicapped inasmuch as Winnipeg is the closest airport of entry.

There are many more points I would like to raise but time does not permit. I submit that the aviation industry stands ready through the many administrative officers to accept the challenge of participatory democracy. Responsible Canadians are prepared to serve this government and assist in reducing the heavy costs of governing. The practical approach suggested in this motion in no way reduces the effectiveness of customs and immigration control. On the contrary, the proposal contributes to increased air safety, now uppermost in the minds of us all.

A challenge is also presented to Canada's civil service, one of seriously placing the needs of the people of Canada in a priority position. It is my sincere opinion that the public service will rise to the occasion in the interests of essential services to Canadians at the grass roots level, and support my motion now before the house.

Mr. Allmand: May I ask the hon. member a question? Has he made a check to see whether the implementation of his proposal would conflict with any collective agreements that are now in force which would cover administrative and support personnel at the airports? In other words, he is suggesting that these people be also used as customs officers. As we know that many of our people working in transport now are unionized or under collective agreements, has he checked whether his

proposal would violate any of these collective agreements?

• (5:20 p.m.)

Mr. Pringle: I have done some checking and I would tell the hon. member that there are instances at the present time in Canada where non-customs employees are performing this service. I would also say that from my association with various flying associations and clubs, and from contact with private pilots I know, there is sufficient personnel at airports, in close proximity to customs offices, who would be quite prepared to do this work. If the hon. member is suggesting that a union matter is involved and that union spokesmen would say, "We are not going to do it, and neither are you," that may be so, but I feel that the public service would rise to the occasion and help the industry in the interests of progress in Canada.

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I rise to support the proposal put forward by the hon. member for Fraser Valley East (Mr. Pringle). I think it is an excellent one. However, I do not want to get caught in the crossfire between two government supporters. But I do wish to say that I am completely at a loss to understand the reasons behind the interruptions of the hon. member for Notre-Dame-de-Grâce (Mr. Allmand). Undoubtedly later on he will explain just what is bothering him. Perhaps he did not pay too much attention when the hon. member for Fraser Valley East began his address.

I believe that the mover of the motion has raised an important point. It is not something earthshaking, but if adopted his proposal would be beneficial at a lot of smaller airports. I go further to suggest that at airstrips in northern parts of the provinces officers of the Lands and Forests Department might very well be deputized to handle customs matters.

As the hon. member for Fraser Valley East has said, the volume of tourists coming from the United States, particularly by air, is increasing. I know this from personal experience with the Muskoka airport. At the present time, it is served by a customs officer stationed in the nearby town of Bracebridge. When an incoming small aircraft from across the border intends to land there, the pilot must notify the Canadian customs of his expected time of arrival. Then, the customs officer has to close down his small office in Bracebridge, hire a taxi to take him to the airport, and often has to keep the taxi waiting for 15 minutes to an hour until the aircraft lands and he has fulfilled his duties.

The result is that the incoming pilot has to pay a considerable amount for the transportation and waiting period of the officer in order to get customs clearance. In some cases when he has nothing to declare, the whole procedure is a waste of time. Yet he has to pay the bill for the time wasted. During this period the local customs office is closed and regular customers must wait for the return of the customs officer.

I see no reason why local people at such airports could not be deputized to handle customs matters. On a recent trip overseas I was quite amazed on landing at London, England, to find two doors in the arrivals area, one with a notice on it "Articles to Declare," and the other with a notice, "Nothing to Declare." It just happened that I had nothing to declare and so I went through the second door. I looked around for somebody to whom I could declare nothing. There was no one there but a sweeper. I asked him, "To whom do I make my declaration". He said, "You came in through the door "Nothing to Declare" and I said yes. He said, "Well, go on." To my mind this was a very strange situation, but it has an interesting parallel.

I do not know the percentage involved, but I do know that a large number of people passing through customs have nothing to declare, especially people who come into Canada in small aircraft. It is a waste of time to have a customs officer attend at an airport just to have some person say, "I have nothing to declare." At Muskoka airport the customs officer is doing his job as well as he can, but often he has to explain to irate, incoming tourists why they have to pay a bill for customs officer's transportation even though they have nothing to declare.

For some two years Hammond Transportation has been applying to have a customs warehouse for both highway and air transport authorized at Bracebridge, but for some reason or another the Department of National Revenue has been very hesitant about the matter. If anybody at all in that department happens to read the report of this debate, and I trust somebody will, I hope he will look over the file of Hammond Transportation and decide on this customs warehouse. It would be a great convenience to tourists.

There is another side to the coin, Mr. Speaker. For some time I have been hearing complaints at various conferences about

United States tourists who come to Canada in light aircraft which land on lakes in the northern parts of the province. These tourists then set up hunting and fishing camps, having brought in their own provisions and supplies. When they have completed their hunting or fishing, they head back to the United States without ever seeing a customs officer. As I say, this is not an occasional thing. It is becoming so serious that many hunting and fishing outfitters are concerned. Further, people interested in conservation are concerned at the catch which these people take out of the country.

This traffic is not all illegal because in most cases there is a Lands and Forests man in the area from whom they can get hunting and fishing licences. But having done that, these people feel no further responsibility to this country, and are of no benefit to it. We do not know what they bring in or what they take out. If a Lands and Forests officer were deputized to take customs declarations from these people, the situation would be covered. It would remove the fear of illegality or improper action with respect to hunting and fishing parties.

In the province of Ontario there is now a program to provide landing strips. In many cases these are just landing strips on a piece of level ground, with only a windsock as equipment. This program is designed exactly for that situation. In many cases lands and forests agents are present and could carry out the necessary duties in legally admitting people to the country and taking their customs declarations. They could also deal with people when they were leaving.

• (5:30 p.m.)

I support completely the hon. member's notice of motion and think there is a perfectly good case for someone on behalf of the government standing up and saying that the motion will be accepted. I for one, and I think I speak for many of my colleagues, agree with this proposal. It is not a bill, but a resolution expressing an idea. Few notices of motions are accepted. I think this is a very good one which ought to be accepted. If accepted, it would draw to the attention of the government and the Department of National Revenue a situation that ought to be attended to. Departmental officials would know that the House of Commons is interested in this matter. If departmental officials want to draft the legislation differently, I suppose no one would object. I think, Mr. Speaker, that this is a perfectly good example of a notice of motion which ought to be accepted.

[Mr. Aiken.]

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I think this notice of motion certainly deserves general support. I am glad that an hon. member on the government side of the House raised this matter. I wish to call to the attention of the House the fact that the Saskatoon Board of Trade wrote to me in September—I beg your pardon; not to me but to Mr. Sidney Oliver, Director of Operations.

Mr. Mahoney: The hon. member may have made a mistake, but I think it was he who obtained the action.

Mr. Gleave: The hon. member flatters me but I believe he is dead right. The Saskatoon Board of Trade wrote and complained about the changes to the newly adopted customs clearance schedule at Saskatoon Airport. They said that the schedule will prove to be of great inconvenience to many businessmen and private flyers alike and will also endanger the lucrative air charter business into and out of Saskatchewan. The latter goes on to say:

> In case you are not aware . . . the Saskatoon airport is the only facility in Saskatchewan capable of handling large aircraft such as DC-8s and upwards. It is the officially designated alternate terminal for Air Canada DC-8 aircraft between Winnipeg and Alberta points. Runways in Regina are not sufficient for this purpose.
>
> It is inconceivable that your office in Saskatoon would be closed at a time when a large charter or a re-routed aircraft had to land and custom clearance was unavailable.
>
> Many charter flights are now being scheduled now for 1970 to Japan and Europe. They will be hampered by the regulations now set down.
>
> Potash company aircraft and others flying into Saskatoon after 5:00 p.m. would be required to pay extra landing charges in Regina for customs clearance before continuing on to Saskatoon, and what happens if Regina is fogged in? This seems to us to be an unnecessary inconvenience and expense. The situation will worsen as the northern resource development increases.

The letter goes on to make a plea for adequate service for the city of Saskatoon. I think the government should be aware of the need for services in some of our smaller airports. The report accompanying the letter shows that in the period July to September, 1969, the total number of itinerant aircraft handled was 65 and the total number of charter aircraft was 10. The report lists the number of flights prior to 9 a.m. Monday to Friday, and the number of aircraft landings during the week end, that is on Saturday and Sunday. It also lists the number of aircraft

landings during the period when customs services are available between 9 a.m. and 5 p.m., Monday to Friday. During that period are listed 25 itinerant and 5 charter aircraft. The number of aircraft landings after 5 p.m. Monday through Friday is as follows: itinerant aircraft, 16; charter aircraft, 3. Those landing in the later period would be put to the added expense and inconvenience of finding customs officials and paying for their services so that clearance could be obtained. I fully support the hon. member in seeking to obtain adequate service at airports like this. There are not enough commissionaires at Saskatoon airport to look after it properly. There we have what is called a long-term parking place. I parked my car there last winter and someone stole the battery out of it.

An hon. Member: Hard luck.

Some hon. Members: Oh, oh.

Mr. Gleave: Is that funny? I have talked to people at the airport who say that because there is no protection for cars it is customary to have paint scratched off them, tires are slashed and because no commissionaire is on duty after midnight, gas is often stolen. I ask, what is there to prevent someone going to the landing-strip and stealing gas from an aircraft that may be parked there? Surely there ought to be round-the-clock protection for the property of the Department of Transport and for the property of those who use the services of the department in places like Saskatoon, Calgary, Edmonton, Regina, and so on. This is part of the service to which people who use the airport are entitled. We should upgrade the customer service at these airports, and not downgrade it.

I ask, Mr. Speaker, what business concern would downgrade services at the very time when its business was expanding? This is precisely what is being done. Air travel is on the increase. Airports in western Canada are being increasingly used, and when this is happening we are downgrading the services available. We are providing less protection for the customer who may for one reason or another have to leave his motor vehicle or goods at the airport. What we are really saying to the customer is, "Leave your things here at your own risk. If your motor vehicle is out of commission when you come back, if the paint has been scraped off and if the gas has been stolen out of your tank, that is just too bad for you. You may call a service truck and pay the fees necessary to get your car going again." By the same token we are saying to the man who wants to use the customs facilties at the airport, "This is too bad for you. Pay for the cost of getting an official here and pay for his time; then you can get out of the airport and go on your way." I submit that is simply ridiculous.

• (5:40 p.m.)

Mr. Barney Danson (York North): Mr. Speaker, this is a rather interesting debate. Perhaps it is not as earth-shattering as the debate that will develop with respect to the white paper on tax reform or debates wherein our foreign and defence policies are being reviewed. This debate deals with a facet of Canadian life which is of interest to many Canadian people. Perhaps it does not command the attention it deserves. The hon. member for Fraser Valley East (Mr. Pringle) is indeed a pioneer of the air age. Had he been born in another generation, I am sure that today he would be halfway to the moon. I think he has made a most imaginative proposal. The discussion that has surrounded this proposal has been most interesting and enlightening.

The hon. member for Parry Sound-Muskoka (Mr. Aiken) suggested that lands and forests officials could be used in the province of Ontario. I might tell the hon. member that in his own constituency there is a lake-landing facility with customs facilities operating from 9 a.m. to 5 p.m. As I found out to my discomfort this summer, R.C.M.P. are also stationed there. When they are available, they also could fill this role. That would be very interesting because these men are federal officials.

I do not think we realize the effect that operators of small, private aircraft are having upon our economy and society. I am particularly interested in the comments of the hon. member for Parry Sound-Muskoka with reference to small aircraft operators from other countries poaching our fish. As a fisherman, I fear these people entering Canada. There are hundreds, possibly thousands of poachers using our virgin lakes in the north and I resent the fact that they are stripping these lakes.

There is another element of this question which concerns small aircraft. I refer to the bush pilot who is part of our Canadian heritage. This facet of Canadian development was exemplified recently in a movie starring James Cagney. These small aircraft are vital to our north. I am referring to the new frontiers in our northlands where there is no other means of transportation. The motion

before us deals with the people who operate these small aircrafts which are vital to opening up the north. This is also of vital importance to our tourist industry. A facet we seem to have overlooked is that which has built a great portion of the small aircraft industry in the United States. In this respect they are perhaps a generation ahead of us. Industrial expansion in the United States has to a very large extent moved out of the northeast corridor. The New England textile mills have moved into the south, the petrol industry has moved from Texas into the mid-west and the great national and international corporations have established branch plants near their raw materials and markets. The officials of these industries must commute by small aircraft. This is part of their everyday life. It does not affect everyone. Those who are dealing with far-flung businesses and have experience with the private jet or propeller aircraft and appreciate them. The private or corporate aircraft is a very important part of our industrial complex.

Canada is embarking upon a program of regional economic expansion. We should bear in mind what the hon. member for Fraser Valley East has said because he is opening up another facet of this program which will be very important to us. There is not much point in spreading our industries into the Maritimes, remote areas of Quebec, Ontario, the western provinces and even as far as British Columbia without providing the facilities with which to make them operative in the twentieth century. This is an important fact that we should not forget. We will be spending hundreds of millions of dollars to upgrade industry in outlying areas. This is how it should be. We must recognize the fact we are living in the latter part of the twentieth century. We have to deal with the communications systems that exist, of which private and corporated aircraft are a very important part.

The hon. member for Saskatoon-Biggar (Mr. Gleave) mentioned the potash development in northern Sastatchewan. This is an indication of the way in which the world is moving. We should pay attention to the proposals suggested by my colleague the hon. member for Fraser Valley East and this matter should be seriously considered. It is with pleasure I support his motion.

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, I also support this motion. I do so for a number of reasons. First, I believe in the underlying principle of the suggestion made by my colleague, the hon. member for Fraser Valley East (Mr. Pringle), that we should by all practical means facilitate the visits of border-crossing aircraft to Canadian airports. I also believe we should plan on removing as best we can the numerous light aircraft from the vicinity of our high-density traffic, international airports. This was cogently pointed out by the hon. member.

I also believe in the practicality of the hon. member's suggestion that the government of Canada should deputize qualified personnel who are working in the vicinity of these airports to handle customs clearance. I go further and say I believe this principle, namely that of allowing government officials to double in brass or wear two hats, is one to which we should give more expression in the days ahead. It is not a new principle, Mr. Speaker. Customs and excise officers are already handling immigration checks at border-crossing points. I also have knowledge that there are part-time customs clearance officials handling customs clearance at some British Columbia ports. Your Honour may recall that I have on one or two occasions in this chamber suggested that this principle should be extended to lighthouse keepers in the vicinity of sports fishing grounds. They should be given the power and provided with the means and equipment to make searches of sports fishing craft and, if necessary, to arrest persons contravening our sports fishery regulations. By following this principle we can extend in a quick and comparatively inexpensive way the federal presence and provide services which the federal government ought to provide over the wide areas of Canada wherein they are required.

I do not want to leave hon. members with the impression that by asking properly qualified personnel to undertake additional tasks within their competency I am recommending they do so without proper compensation. Surely, the extra compensation required by this dual-tasking would be considerably less than a complete duplication of personnel. I must be brief because time is running out, Mr. Speaker. I close by reiterating that I subscribe to the thought behind the hon. member's motion. I believe in the principle of dual-tasking of properly qualified personnel. We should think of using this principle more in the future. I hope hon. members will see fit to vote on and pass this significant notice of motion.

• (5:50 p.m.)

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I had not intended to participate in this debate. Earlier today I asked two questions of the hon. member for Fraser Valley East (Mr. Pringle). The hon. member for Parry Sound-Muskoka (Mr. Aiken) wondered out loud why I was asking those questions. He intimated that I opposed the motion of the hon. member for Fraser Valley East. The exact opposite is true. I support the hon. member for Fraser Valley East, and I asked my questions in order to emphasize some of the points which I thought he had not stressed sufficiently in his argument. I know that the hon. member for Fraser Valley East is one of the most experienced pilots in this House and that he has done more flying than most other members of Parliament; I did not want him to sit down without answering some important point relating to his motion. Under the rules of the House he has no right to reply in this debate and I wanted to make sure he had advanced what I thought to be two important considerations. I feel the hon. member for Fraser Valley East is looking forward in presenting his motion. Unfortunately, I believe the Department of National Revenue in introducing the policy it did last September was looking backward.

As the hon. member told us, the volume of flying in Canada is increasing in a phenomenal way. He gave the exact figures and told us that private flying will probably double or triple in the years ahead. If there is evidence that the government is adopting a policy which looks backward instead of forward, it is up to us to encourage the motion put forward by the hon. member for Fraser Valley East. I am not supporting him for any parochial reasons. I have examined the statement put out by the Department of National Revenue when the policy was changed. I understand that in only one private airport were the hours of attendance increased, namely, at St. Hubert in Montreal; the hours there had been from 8 a.m. to 4 p.m. but under the new policy a 24-hour service was instituted. I do not know whether this was due to the fact that the St. Hubert airport is in the minister's constituency, but I would support the extension of hours anyway. What was done at this airport should have been done at many airports in the vicinity of Montreal.

Mr. Mahoney: Mr. Speaker, I rise on a point of order. The change may be accounted for by the fact that in this respect the Department of Transport took over from the Department of National Defence last year.

Mr. Allmand: That may be the case. Anyhow, I would support the Minister of National Revenue (Mr. Côté) if he had also extended the hours at the other airports. I think it was a wrong policy to restrict the hours of customs service at Lachute, St. Jerome, St. Jean, Shawinigan, Trois-Rivières, Sherbrooke and Cowansville. These airports are essential in meeting the needs of the tourist industry and of those who come to Canada on vacation. Other hon. members have pointed out that recreational facilities in Canada ought to be used to a greater extent for hunting and fishing than they are at present. The policy adopted by the department in restricting the customs service on week ends is really, as I say, a backward-looking policy. As the hon. member has pointed out, most of the private flying is done between 5 p.m. Friday night and Monday morning. If a man has a private aircraft and wants to go fishing or hunting, of if he is making a visit to Sherbrooke or Trois Rivières from the United States or from Toronto, he would likely choose a weekend—

Mr. Danson: On a point of order, Mr. Speaker, those of us who live in Toronto do not consider crossing an international border in order to go to Trois-Rivières or Sherbrooke.

Mr. Allmand: If the department continues this policy maybe we shall have to cross an international border when we go from Toronto to Montreal. The point put forward by the hon. member for Fraser Valley East, by others in the Conservative Party and the New Democratic Party, and by my hon. friend to the right—

An hon. Member: To the rear.

Mr. Allmand: The hon. member who spoke on behalf of the NDP—I forget his constituency—

An hon. Member: Saskatoon.

Mr. Allmand: —said that the hon. member for Calgary South (Mr. Mahoney) was dead right about something. I say it is better to be dead right than dead left. In all seriousness, I want to say that some of the arguments used by the department in favour of closing service at these airports are not valid. They said the decision was made because administrative officers had to be trained before they could be deputized as customs officials. However,

during the summer, students and others are brought in to work as customs officers on a part-time basis and they do not need long or arduous training.

An hon. Member: Question.

Mr. Allmand: The argument is not a good one. The department also stated that it has carried out a cost analysis and come to the conclusion that expenditure on these customs services was not warranted.

Mr. Deputy Speaker: The hour for private members' business has expired and I do now leave the chair. The House will resume at 8 p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

CRIMINAL CODE

AMENDMENT RESPECTING HATE PROPAGANDA

The House resumed consideration of the motion of Mr. Turner (Ottawa-Carleton) that Bill C-3, to amend the Criminal Code, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. McQuaid: Mr. Speaker, when the debate was adjourned at five o'clock I was relating what I conceived to be some of the dangers inherent in the bill, particularly in proposed section 267B. I pointed out that according to my interpretation of this provision its terms were wide enough to prohibit me as a private citizen, within the confines of my own home, from inciting even the members of my immediate family to hatred or contempt of any kind. I feel that this would be a very serious infringement of my privilege of free expression. I would agree that statements inciting hatred of any kind should certainly not be allowed to be expressed in public. On the other hand, I submit, and I propose so to argue very strenuously before the committee, that this provision should be restricted to statements made in public, and that I should be allowed to speak as I like within the confines of my own home.

I am supported in this contention by a statement made before the Senate committee that was studying the precursor of this bill on April 22, 1969, as reported in report No. 7 of the Standing Committee on Legal and Constitutional Affairs of the Senate at page 148, in a brief presented by Professor H. W. Arthurs, who was at that time, and I presume still is, Associate Dean at Osgoode Hall Law School of York University. This man is very learned in the law; he made a very complete study of this matter prior to appearing before the Senate Committee, and I suggest his opinion should be given some weight. This is what his brief says regarding proposed section 267B of the Criminal Code:

> Subsection (2) is also open to serious objection. There is no limitation as to the time, place, or circumstance of the communications which are forbidden. Surely we do not wish to come to the point where casual conversation, or even formal communication, within the confines of a self-restricted group becomes a matter for regulation ... The section, as drafted, invites snooping, an informer system, and ultimately an awareness by each citizen that words spoken by him may be reported to "Big Brother".

This is the danger I see in regard to this provision. I quite agree that a restriction of this kind has no place in casual conversation within the confines of a self-restricted group. I suggest to the Minister of Justice (Mr. Turner), and I will so suggest to the committee, that this section as drafted would be a very dangerous provision for Parliament to enact. Furthermore, as now drafted the bill is open to the interpretation that as soon as a police officer thought that a speaker at a public meeting was saying something that could possibly be considered as incitement, he would have authority under the bill to intervene and force the speaker to withdraw. I think that is a reasonable interpretation of this particular provision, and I contend that conferring such power would be very dangerous.

I have every respect for police officers. In many cases they are doing their best to carry out what is a very difficult job. But let me warn the House of the danger of giving police officers too much power. Despite the fact that most police officers are sincere, human nature being what it is there is a danger that they may not exercise with discretion the power conferred upon them. The Criminal Code provides that any person who, by speech or otherwise, incites a disturbance of any kind is subject to the penalties provided by the Code. But the big difference is this: under the Code a person must incite a disturbance, whereas under the terms of this bill a police officer in attendance at a public meeting has it entirely within his discretion

to stop a speaker proceeding if he thinks that such continuance might incite the audience.

I do not have anything more to say about the bill, Mr. Speaker, other than this. While we on this side of the House agree for the most part with the principle of the bill and are prepared to give it very close scrutiny in committee, I am not at all convinced that the present provisions of the Criminal Code do not already adequately cover the ground this bill is attempting to cover. Some may ask: "Well, what if it does? What harm is done if we also pass this bill?" To that argument I would reply that we must not clutter up the statute books of Canada with duplicate legislation.

• (8:10 p.m.)

Heaven knows, the Criminal Code is already in bad enough shape in many respects; it is archaic, outmoded and outdated. I even venture to recommend to the Minister of Justice that he get to work as quickly as possible on revising the Code so that these outmoded, archaic and outdated provisions are removed. They are a source of confusion, and any lawyer practising today will confirm that our Code is cluttered by things that have absolutely no significance in present day circumstances. It would be a very serious mistake to enact another law covering something that the present Code covers; things this bill purports to cover. For that reason we propose to give the bill very close scrutiny in the committee. We will insist that expert evidence be presented to us in order that we may be convinced there is no duplication.

Mr. Mark MacGuigan (Windsor-Walkerville): Mr. Speaker, five years ago this month I was invited by the late Hon. Guy Favreau, then Minister of Justice, to become a member of what was formally appointed in the following January as the Committee on Hate Propaganda. At that time I was appointed to the committee. I was of the opinion that hate propaganda was not a very serious matter, if only because no reasonable person could take it seriously. I think it worthy of note that at that point I had never seen a piece of hate propaganda.

Subsequently, as a result of the work of the committee, along with other members I closely examined hate materials of a great many different kinds and variations that had been distributed in Canada. We studied the data of social psychology which made us aware of the effect which abusive and hateful material of this kind could have on society. In the course of our studies we naturally also reviewed the law. As a result the committee unanimously recommended to the Minister of Justice that certain changes be made in the Criminal Code of Canada. These changes are reflected almost exactly in the bill now before this House.

There are a few changes from the recommendations of the Cohen committee in the bill now before the House, but they are not matters of great importance except where they improve the bill, such as the additional requirement for the approval of the attorney general before a prosecution can be brought. In all major respects the bill and the recommendations of the Cohen committee are the same.

It is not a good idea to confuse political and legal truths with eternal verities, and I am hesitant to say anything which may sound that way. However, as a result of my experience, I believe that any person who approaches this subject with an open mind, and sees the material to which the committee was exposed, and holds the same basic value position, that is, that civil liberties are not absolutes but are to some extent modified by the rights of others in societies—I believe anyone who approaches the subject in this way will come to the same conclusion that we as members of the Cohen committee came to some five years ago.

The thrust of this bill is the creation of a legal concept of group defamation. All the clauses of the bill fit in, in some way or other, with this concept. In its purity, if I may put it that way, it is found in the definition which is described as the wilful promotion of hatred to be found in the proposed section 267B(2) of the Criminal Code. It is also found with some modifications in the offence described as public incitement of hatred. Group defamation as described by that definition must take place in public and must be such as is likely to lead to a breach of the peace.

This principle is also found in the offence which is described as advocating genocide. This section does not prohibit that which is prohibited in the Criminal Code, that is, murder; it does not prohibit the killing of an individual or members of a group. It prohibits a certain kind of advocacy or promotion of an idea which is intrinsically vicious, an idea that is often identifiable with the hypothesis that a possible solution to our social problems is the killing of members of a social group in whole or in part. It is the advocacy or promotion of this idea which the government

proposes to make illegal by the Criminal Code of Canada.

This is also within the concept of group defamation. It goes beyond our normal understanding of that concept because it not only defames the group—there is defamation because the promoters of genocide would say a group was so unworthy and hateful it did not deserve to live any longer. It goes beyond the notion of group defamation to include the idea of killing, but it reflects the basic purpose of the whole amendment by incorporating the concept of group defamation.

It is interesting to note that the common law does not contain a concept of group defamation. Traditionally, of course, we have had an offence of defamation. It has been a matter for civil action. Defamation has, also, throughout the history of the common law involved a criminal action, one which could be brought by the state against those who defame others. I include both libel and slander when I use the term "defamation". Traditionally, the common law did not in this respect apply to a group. Those whose minds the common law reflected did not believe that it hurt a man when you said something about his group. Individually he could be hurt and his reputation could be ruined; therefore, he could be seriously affected by something which was said against him as a person. That is, if it were said that an individual was a liar or a dishonest man, this was something that could reflect on him. But if he was a member of group "X", and the statement was made that all the members of group "X" were liars, thieves, prostitutes or whatever, in the view of the common law this did not touch the individual.

It is now clear, in light of the new discipline of social psychology, that this is simply not true. We now know from our studies of society, and of individuals who have been adversely affected by a denigration of their group, that what is said against a group is something that is said about a man himself. It may not affect him directly, and its effect may depend on how directly he associates himself with his group, but what is said about his group affects him as well.

Our group associations are deep-seated and, naturally, as far as the individual is concerned, depend upon his tradition and upbringing. Social psychology can no longer, as the common law suggested, support the view that group defamation does not matter. We thus know from recent science that group defamation is a very serious thing indeed.

[Mr. MacGuigan.]

The interest, one might even say the right—although it does not yet exist legally—of a group, quite possibly a minority group, not to be defamed or to have their persons affected by what might be said about them as members of a group, should be protected.

• (8:20 p.m.)

There is a real deficiency in the law. It simply does not take account, except in very tangential ways, of the members of a group. Some authorities believe that if a group is as large as 20 people the law might go that far, but when it becomes a multitude or a significant group in our society it is not protected. Therefore it is no exaggeration to say that our law, as it is now, really is not aware of group defamation.

We have an interest to be protected which is not now protected in our legal system. This would suggest that some protection should be put into the law. Before we can come to that conclusion with any certainty we must, as the Cohen committee did, look at the other side. We must see what adverse effects could result from inserting a concept of group defamation into our law, because any change made in our legal traditions could have a considerable effect on many aspects of our life. It would be foolish to assert that such legislation as this would not in some sense infringe on free speech. This is obvious, and was fully accepted by the members of the Cohen committee. Then the present offence of criminal defamation has the effect of limiting the free speech of an individual. Of course, all such offences have only a subsequent effect in that the act is committed before the penalty is attached. In other words, there are not prior restraints nor should there be. Yet it is quite reasonable to say there are limitations on free speech, because if there is anything men cannot say in social or individual dialogue without a legal consequence, then their liberty is infringed.

Is it wise to have this type of legislation which infringes on our existing freedom of speech? We cannot answer that question, I submit, unless we consider the other side of the question as well. We have a situation in which, while a man cannot slander another as an individual, he can do so as a member of a group. It is only by looking at the two interests which are to be protected together that we can hope to come to a reasonable solution.

I admit that if we introduce the concept of group defamation into our law, this would represent a greater curtailment of freedom of

speech than exist in the present law of criminal defamation. I would admit this because it appears to me that when one speaks in a more general or universal sense, which is the way normally one would speak about a group—the very notion of a group suggests that one must make a generalization about it and not just refer to a particular incident involving a particular individual—you get close to the area of philosophical thought, political generalization or religious opinion and argument. One then has gone further into generalization, so that there is a greater danger to free speech from a concept of group defamation than from a concept of individual or criminal defamation.

The fact, however, is that the legislation proposed to this House contains safeguards of a kind which have never been found in the common law. It was because of the greater danger to freedom of expression which occurs with the concept of group defamation that the Cohen committee recommended these safeguards. For example, the common law never had a defence of truth per se to a concept of defamation. It was never a defence to excuse yourself by saying something was true—civilly it was, but not criminally. This bill proposes that a person who can prove to the satisfaction of a court that his statements were true is exempt from any legal liability.

This legislation which would offer more than the traditional protection of the common law reads as follows:

(i) that the statements communicated were true, or

(ii) that they were relevant to any subject of public interest, the discussion of which was for the public benefit, and that on reasonable grounds he believes them to be true.

I would be the first to admit of subsection (ii) that it is not crystal clear, and undoubtedly the members of the committee in their consideration will look at all such details of this bill. It is, however, the traditional statement of the common law in statutory form in our present Criminal Code. It is the one which in respect of criminal defamation has been found to give more or less adequate protection to the interests of freedom of speech.

In addition, this bill provides—and this is new provision over and above the recommendations of the Cohen committee—a further exemption for a person who expresses in good faith and in decent language, or who attempts to establish by argument used in good faith and conveyed in decent language, an opinion upon a religious subject. The whole realm of religious opinions, provided they are held in good faith and expressed in decent language, is exempt from the effect of this bill.

These are very considerable limitations upon the possible scope of the bill, but in my opinion they are limitations which are fully justified and which indeed are made necessary by the very desire to protect to the widest feasible extent the freedom of expression which truly is a very important part of our democratic heritage. Similarly, in respect of the offence of public incitement of hatred there are protections. These protections have not been noticed, I might add, in all of the discussion which has revolved around this bill. Recently, for example, we had a newspaper editorial—I do not seem to have the editorial but I can refer to it from memory—to the effect that if at a recent hearing of the Gendron commission someone had uttered a word of English, because the audience was composed of French-speaking people who were in a very hostile mood toward the English the speaking of the word of English and the consequent uproar would make the utterer of the word of English guilty of an offence. This is the sheerest nonsense.

• (8:30 p.m.)

First of all, it is rather unlikely that this type of group will be protected. The type of group which is under the protection of this legislation is distinguished by colour, race, religion or ethnic origin. The government has dropped the notion of "linguistic group" which the Cohen committee suggested should also be given protection. It has also dropped the notion of "national origin" which was recommended by the Cohen committee for inclusion in the definition of the protected group. But much more important, any utterance which would lead to liability has to be one which would objectively, that is to the mind of the reasonable man, be considered to be one inciting hate or contempt, one which is viciously abusive of the opposing group.

It is true that in England in the Burgoyne case the court, interpreting similar legislation, held that you have to take the crowd as you find it and that the crowd is not subject to the test of a reasonable man, so that if you say something which will disturb one crowd and not another you will be guilty if you say it before the more volatile crowd. But that applies only if what you have said is itself objectively abusive. If it is not objectively abusive, if it would not be abusive to the

mind of a reasonable man, no liability is possible. That is why so much of the interpretation which has been given to this section and so much of the argument which has surrounded it has been wide of the mark. As a matter of fact, if I may draw the attention of the Minister of Justice to this, there is a section in the Criminal Code which does not have the same protections. It is section 160 which reads as follows:

> Every one who . . . causes a disturbance in or near a public place, by . . . using insulting or obscene language, . . . is guilty of an offence punishable on a summary conviction.

It does not apparently have the same type of protections with which we have surrounded this bill. The section on genocide also well protects the interests of any who are concerned that their freedom of expression will be reduced by this bill, because here we see the operation of the broad section of the bill defining the group which is protected, which as I have mentioned is any section of the public distinguished by colour, race, religion or ethnic origin.

It must be a Canadian group, "a section of the public"—that is the Canadian public —and only such a section of the public which is distinguished by one of those four qualifiers. The definition of genocide is also extremely limited. Of the five-part international definition, three parts of which were retained by the Cohen committee in their recommendations, only two parts now remain in the bill which is before us. They include an act of killing members of the group or one of deliberately inflicting on the group conditions of life calculated to bring about its physical destruction. Much of the argumentation which has revolved around this proposal related to the earlier version of this bill which was introduced in the Senate, but the bill was amended there and is now presented in its revised form to the House.

There are those who feel that a government which is as dedicated as was this government last year to keeping the law out of the household, out of the domestic community, is being inconsistent if it proposes in another bill to make illegal something such as the distribution of hate propaganda which would conceivably occur in private circumstances—not of course under the public incitement of hatred charge, but under the wilful promotion of hatred section. It is argued that the state should have no role therein. I do not believe that anyone has ever contended that there is any area of human conduct which is completely exempt from the reach of the law. It is pretty obvious that if there were a murder in a house this act would fall under the present criminal law of Canada.

The question to which we must address ourselves is, what is the public interest even in a situation which may be a relatively private one: is this a matter in which there should be a continuing public interest or is it a matter which is better left to the disposition of the parties involved? I believe that there is such a public interest in the matter of hate propaganda. I believe this because it is indeed a serious matter.

Some critics of the Cohen report have said that the distribution of these materials across Canada has not been so very wide after all, only some 20 or 30 communities have been affected. They have been among our largest cities, but only a limited number of cities have been affected and only a limited number of people have even seen hate propaganda. One of the special techniques of the purveyors of this horrible material is to send it to the members of the group which is being attacked—not to distribute it to the public at large but to seek out deliberately members of the Jewish or Negro community and to send the material to them.

Some have thus argued that because of the limited distribution of these materials and because of the limited number of years over which distribution has occurred—although it is continuing and we have no reason to think it is going to stop—because of the limited number of people who have been involved in its distribution, and because indeed of the limited number of different hate publications, this is a matter which is not serious. I dispute that view.

This is a serious matter, not perhaps quantitatively but certainly qualitatively. It is a serious matter because of what it may do to brutalize the sensitivities of the majority group to the feelings of the minority. Over a period of time, as a result of the constant distribution of this kind of material, it may make the majority unaware of the feelings of the minority. In some cases it may indeed be sufficient further to inflame an already prejudiced majority against a particular minority, at least in a particular community.

• (8:40 p.m.)

But it is not the effect on the majority of the public which is the most serious. What makes hate literature so intrinsically awful is the effect which it can have on the minority group, the fact that as a result of a constant series of encounters which involve hate

propaganda—and indeed which come as well from other sources in a society—a group can be made to feel completely unworthy, completely inhuman. We know, from what we now see in the United States, that when a group is thus affected its reaction may turn into aggression. When this happens, obviously the problem is brought very forcibly to our attention. When the negroes, a group which has been subject to so much of this vilification in the United States, rather than turn the other cheek turn to violence, this is when our society sits up and takes notice. At this point the majority can no longer ignore the feelings which the minority have.

But, Mr. Speaker, instead of turning to aggression, which makes the matter clear to all of us, the minority can turn within itself; it can retreat upon itself; it can be affected internally; it can be affected in such a way that it is unable to function properly in society. I would not want to build up a case which suggests that these hate materials are the only cause of this kind of effect in our society. Obviously this is part of a larger problem which the institutions of law cannot deal with completely. Hate propaganda is not the whole problem of hating. Law is not the only solution to hate in our society. But hate propaganda is an important part of the problem and law is one of the most effective ways in which our society can deal with it.

This is not only because of the effect of law itself through proscribing a particular offence, through making it go underground if you will, though if the law does this it achieves its purpose in part because if hate material goes underground and ceases to be circulated the law has achieved what it is trying to do. But it is not only the punitive effect of law which is important; there is also the educational effect. If the punitive effect is not justified, the law would not be justified for its educational effect alone. But given the validity of the punitive effect of the law, which I believe is here amply justified, the educational effect must not be ignored.

In this law we have an appeal to the conscience of the Canadian people, an appeal to all of us to put our convictions in writing, in the Criminal Code of Canada, to make them part of the moral code of our society and to display them in a way which will be plain not only to ourselves but also to those of the minority group who may be attacked by less well informed and less well intentioned members of society.

I submit in conclusion that in this age we can no longer ignore psychological effects. We can no longer think that the law has to deal only with the obvious things. This is an age which is becoming increasingly more subtle, and the means both punitive and educational by which the law deals with social problems must also grow in subtlety. This bill, I submit, is an example of a new subtlety in the law.

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I must say that I most certainly agree with the statement made this afternoon by my colleague from Greenwood that Bill C-3 is entering into a very sensitive area of legislation. I believe that I fully understand and appreciate the motive behind the introduction of this bill. I feel absolutely safe in saying that every member of this House despises the dissemination of hate whether it is by voice or by writing. However, sir, having said that I have some doubts about the application of the bill should it become law.

I believe there are some questions that need to be answered, some problems upon which we need more information. I am one of those who think that you cannot legislate hate from the minds and the hearts of mankind. I am one of those who believe that in order to completely eliminate hate from mankind we will require in our country a change in environment, in atmosphere, and indeed in the form of society itself.

I believe this is similar to the fact that you cannot legislate out of the minds of some people a desire to gamble, a desire to smoke cigarettes or to enjoy alcoholic drink. Admittedly, we do have legislation that tries to control certain aspects of gambling and the use of hard liquor, so I assume that the purport of this legislation is to try to control the dissemination of hate attitudes and literature. But there is a difference between trying to legislate control in the sensitive field that we are now discussing and trying to do it in the field of gambling, etc.

Some of the questions which I think have not been answered are: just what is the line of demarcation between liberty and licence? What would be the line of demarcation as to what would be permissible and what would not be permissible in the individual or collective expression of a strongly held point of view, whether by voice or by demonstration?

I imagine the answer would be, "The decision will be made by the attorneys general of our country, and by the judiciary." That would not satisfy me, Mr. Speaker, because in the past we have known attorneys general to give different interpretations of the same law. Just prior to the amendments we made to the

Criminal Code last session I do not believe there were two attorneys general in Canada who made the same interpretation or took the same action with respect to such a simple matter as the law dealing with bingos and raffles. Of course, when it comes to the judiciary there are examples galore of how different judges interpret the law. On the one hand you may find a man who has stolen millions being fined—that being nothing more than a licence to steal—being given a few months in jail or two or three years in the penitentiary. On the other hand you may find a hungry man who has stolen a loaf of bread receiving a suspended sentence or being punished with the full weight of the law. These differences arise from differences in interpretation and application of the law. Often we find that judges in different parts of the country hand down different sentences for similar crimes committed in similar circumstances. I hope, and I believe others share my hope, that sentences will be meted out and decisions handed down according to an accepted principle, and that these sentences and decisions will not vary from coast to coast.

• (8:50 p.m.)

It is important for us to consider the question of hate. Hate is not new in our society; it arises from antagonisms and to some extent from policies of governments. Those policies engender the antagonisms which sometimes develop into hate. Indeed, how can one forget that a quarter of a century ago the Japanese in our country were uprooted, interned and not treated as good citizens. Their assets were sold at give-away prices. Nevertheless, in this country at that time not one Japanese was found to be a spy or saboteur. But the government's policy engendered antagonism and hate.

I see the Minister of Justice (Mr. Turner) looking at me. I remind him that not too long ago we had in force a quota system governing the entrance to Canada of immigrants from many countries. Many who lived here were unable to bring in their loved ones, even though they came from some part of the famed British Commonwealth of Nations. Need I remind hon. members that until a few years ago the Chinese, East Indians and native Indians of democratic Canada did not have a vote. The government has a responsibility in this field, because antagonism and discrimination are the forerunners of hate Luckily the circumstances I have alluded to have now changed. Government policy has changed; there is no longer a quota system, and citizens of various countries desiring to be admitted to Canada have the right to apply for admission and to be considered. Under our federal law all people except those who are under 21 years old or who are state wards in insane asylums and penitentiaries have the right to vote. Having lived in Canada since I was three years old, I have become convinced that with the change in government policies and the removal of prejudice and discrimination, a new attitude has dawned among our people. By removing discrimination we have removed those antagonisms that lead to hate. Those words apply particularly to ethnic groups as well as individuals.

During my childhood, and indeed up until a few years ago, one could note the existence of antagonisms and hate on Canada's Pacific coast. For instance, an Italian was a Dago, a Chinese a Chink, a Japanese a Jap, a Scandinavian a Bohunk and a Catholic a Dogan. Such terminology applied to human beings brought about an atmosphere of antagonism and hate.

In the last few years the use of these terms, in my area of the country at least, has died out. Very rarely do you hear now such terms used. The result is that we live in a better atmosphere. A better environment has brought with it a lessening of hate. I feel certain that these great advances have been made through education and understanding, and that greater advances will be made in the future. Eighteen months ago hardly a week went by when I did not receive despicable and vicious hate communications. By invoking a section of the Post Office Act dealing with scrurrilous literature I was able to stop the flow of some of this literature. Now I can say that I have not had a letter of this type for the last year—not one. That leads me to believe that in our country we are experiencing a greater degree of human feeling, understanding and brotherhood. For that reason I think we ought not to tackle this matter so much by legislation as by education.

An hon. Member: Right.

Mr. Winch: We will solve this problem by improving the national environment and atmosphere. I believe that education is as important as legislation in this field. Instead of asking our attorneys general and our judges to make decisions in these areas, we would be better employed in trying to bring about greater intermingling between the various ethnic groups in this country. Let us try to avoid isolating ethnic communities, even in

our urban areas. I believe most strongly that you cannot do those things by legislation alone. If we want to counteract the effects of antagonism and hate in this country, let us stop calling ourselves English Canadians, French Canadians, Italian Canadians, Chinese Canadians or Japanese Canadians. Let us call ourselves Canadians.

Some hon. Members: Hear, hear.

Mr. Winch: In that way we can do more good in this country than we can by any legislation.

It is because of my feelings in this matter and because I have the honour of representing a riding which contains the largest number of ethnic Canadians west of Toronto —a riding which contains thousands of Italians, Chinese, Ukrainians, Scandinavians and people of Germanic origin—that I find myself in a somewhat difficult position this evening. Because of the views I have tried to express, I hesitate to support second reading of this bill. At the same time I recognize that there still exists a problem. I recognize and appreciate the motive which is activating the Minister of Justice. Because of this I do not feel I can vote against the bill.

• (9:00 p.m.)

Hon. members will understand how great my interest will be in the hearings, discussions and deliberations of the standing committee of this House of Commons to which this bill will be referred. I hope the committee will not only consider this bill but all aspects of hate and the dissemination of hate. I hope as a result of its deliberations a recommendation will be made to this House which will include the two suggestions of the hon. member for Greenwood (Mr. Brewin), namely, the injunction policy and a policy of committee review if this bill becomes law so that judgments can be made on the experience gained from its application. We will then learn whether the bill has provided the right approach to the problem.

I do not have a closed mind on the issue before us. It is one of great concern to us all. I hope the minister and the government will be amenable to the suggestion of a full study by the committee. I hope some thought will be given to policies of greater education, integration and achieving more understanding among our people. Some hon. members might feel I am indulging in wishful thinking and idealism, maybe clichés, platitudes, generalities or whatever term they like to use but, Mr. Speaker, I feel most intensely that the solution to this violent, vicious problem will only be achieved by a changed environment, atmosphere and society. Each and every one of us should do our part in expressing two main points of view. First, a wonderful way to abolish the attitude of hate by an individual or a group is to place less emphasis on preaching the principles of Christianity and to start putting them into practice; second—and this is a repetition of what I said—in the final analysis the solution to the problem is a recognition that irrespective of where we were born, our colour, race or religion, the future of Canada relies upon our being proud that we are Canadians.

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, as the representative of the federal constituency of Parkdale, within whose boundaries live many people who suffered persecution because of their race, religion, ethnic or national origin, and whose relatives and friends were victims of genocide, I consider it my duty to participate in this debate.

During this discussion on Bill C-3, amending the Criminal Code and indeed strengthening it to deal with the dissemination of varieties of hate propaganda, I wish to commend the government, the Minister of Justice (Mr. Turner) and his predecessors for proposing this legislation. We also owe our deep gratitude to those of our colleagues who have served in this House and the other place, to all organizations, churches, writers and individuals in our country who have clamoured for and supported the principles of this legislation.

For those who have survived the Nazi concentration camps and for those of us who have visited these camps or who have first-hand contact with people who have suffered racial, ethnic or religious persecution, this legislation has not come too soon. After visiting the Nazi concentration camp of Auschwitz with some of my colleagues from this House, I cannot understand the indifference of so many people, especially those who have tried to delay this legislation and those who are indifferent to the victims of Nazi persecution.

There are still many people in our country who suffer the effects of the tortures, persecution and the memories of an evil society that failed to exercise its conscience in the face of moral perversion. While many have suffered because of anti-semitism, I wish to emphasize that hate propaganda affects Canadians of all origins. If anything, recent

history has taught us that racial hatred and inter-group hostility cannot be confined within tight limits, but appears to be frequently seeking new targets.

The terrible risks of anti-racial incitement, while at present directed only against a few groups are a threat to all Canadians. It is no exaggeration to say, Mr. Speaker, that however confident we are of the strength of our democracy, any hate movement, if it is not stopped, bears within itself a potential threat to our society. While we may feel certain that the healthy fabric of our democratic society will be able to withstand the assault of hate propaganda, surely our citizens have the right to protection against this affront to basic human dignity. Canadian citizens should be able to live in this country without being submitted to vicious baiting and incitement which is degrading to the whole concept of the human personality. A just society must be able, through law, to offer its citizens at least this minimal protection and safeguard.

• (9:10 p.m.)

Every law is in some way an encroachment on certain freedoms but I believe Canadians as a whole have been ever conscious of the need to preserve their precious heritage of liberty, freedom of speech and freedom of expression. Only in the context of such freedom shall we be able to preserve our society from the disease of hatred and prejudice which can destroy our nation.

Bill C-3 follows several pieces of legislation introduced by Canadian governments and enacted by the Canadian Parliament to protect human rights and the dignity of the individual. I believe this bill discharges Canada's obligation to the United Nations convention on the crime of genocide which was tabled in this House on March 2, 1950, and approved by resolution of both Houses in 1952. This law and others like it will not eliminate those whose twisted minds lead them to sow hatred and spew the venom of racial prejudice and hatred. Such despicable behaviour and thought are symptoms of racial tension. I consider this lunatic behaviour to be a dangerous poison which must be eliminated.

We should seek out the causes of such behaviour and eliminate them as soon as possible. In this task, education in good citizenship and devotion to the principles of justice, tolerance, mutual understanding and respect are necessary. Every Canadian must look into his conscience and be ever vigilant against the subtle infection of prejudice; our happiness and survival as a nation demand it. That is why this evening I should like to appeal to all in the chamber to support the legislation now before us, to make sure it gets a good hearing in committee and, finally, to approve its passage in this House.

[Mr. Haidasz.]

Mr. David Lewis (York South): I want to say a few words on this bill, Mr. Speaker, because of the importance which it obviously has, and because, like so many others in this House, I have studied for some years the problem with which it deals. I want to begin by saying that I greet with pleasure the concern evident all around this chamber about the infringement of freedom of speech and freedom of assembly. I think I can say that the members of the party to which I belong, those who will sit on the committee which is to consider this bill, will enter into the discussion with open minds and a determination to support any reasonable additional safeguards, if such are proposed, to make certain that the bill cannot be abused in such a way as to abridge freedom of speech or freedom of assembly, provided this does not hurt the objectives which this measure seeks to realize.

To all hon. members who have spoken along this line, and whose judgment I respect, and to all those who gave evidence before the Senate committee on this bill, whose judgment I respect, I want to say we should not allow ourselves to be blinded by generalizations in such a way as not to deal with abuses of freedom which threaten civilized behaviour and the social fabric of a civilized society. There is a danger—and certain episodes in recent history have shown this to be the case—that genuine democrats become so complacent about freedom and democracy that they permit those who are determined to destroy freedom to abuse the democratic rights and eventually to cast down democratic society itself.

There is a great deal of talk about whether or not the present criminal law is adequate. I am not an expert in criminal law, Mr. Speaker, and I do not pretend to be; my legal practice has been in another field. Nevertheless, I have read carefully the report of the Cohen committee and the appendices to that report, and I have had occasion over the last number of years to read the opinions of eminent lawyers in the criminal field all of whom are agreed, as the report puts it at page 40:

> In sum it is evident that the Criminal Code even on the widest interpretation does little or nothing to protect groups from the evils of hate propaganda.

I suggest that these studies and this conclusion are sufficient at least to cast doubt on the assumption that the present law covers the situation. Since there is doubt about it, surely one cannot oppose an attempt to clarify the situation and remove that doubt by enacting specific legislation to deal with the particular subject with which we are concerned.

The other point I wish to make is that as a matter of fact, and this is surely important, a great many civilized democracies in the world have enacted this kind of law—LAW—countries and societies which respect freedom of expression and freedom of assembly just as much as we do, and which have found it necessary, particularly since the end of the second world war, to take action along these lines. I have in mind the Netherlands, Sweden, Denmark, France, Norway, Switzerland and the United Kingdom, to mention only a few, all of which have introduced legislation to deal with group defamation and the spreading of hatred based on race or religion or ethnic origin.

My fourth point is that we have an international obligation to pass a law similar to the bill which is before us. As the hon. friend for Greenwood (Mr. Brewin) pointed out, on November 21, 1963, a United Nations declaration against discrimination was adopted unanimously. Canada was there, and voted for it. Article IX of that declaration—my hon. friend read part of it—required member nations to take immediate and effective measures, including legislative and other measures, to prosecute and/or outlaw organizations which promote or incite racial discrimination or incite or use violence for reasons based on race, colour or ethnic origin. We voted for this declaration. We gave an undertaking that in our own country we would make laws along these lines. If I remember correctly, the convention concerning genocide, adopted in 1949, was ratified in both Houses of Parliament in 1952. In that convention on genocide, articles IV and V require the contracting parties to undertake to enact in accordance with their respective constitutions legislation to give effect to the provisions of the convention and in particular to provide effective penalties against persons guilty of genocide or any of the other acts enumerated in article III.

• (9:20 p.m.)

I do not say this is conclusive, but it seems to me that one of the things we suffer from in this world is this: Members of the United Nations vote for international conventions and for international undertakings; this implies that member states should do something to implement such undertakings. Nevertheless, when the representatives at the United Nations return home, nothing is done in this regard. This is one of the evils of the present situation that we ought to rectify. Having undertaken these international obligations, I would suggest to hon. members that we have a duty to carry them out.

I wish that this kind of law were not necessary. I wish I could share entirely the optimism of my hon. friend and colleague from Vancouver East (Mr. Winch). However, it has been my experience, perhaps because I am a member of one of the minority groups affected by hate propaganda, that racial and religious prejudice is present in most people just beneath the skin and that it does not take very much to evoke some active expression of racial or religious prejudice.

I forget exactly when, but some months ago one of the Toronto papers took a survey of school children at high schools and public schools in Toronto and found there was a disturbing and widespread form of racial prejudice against Negroes, Jews and other minority groups. So I suggest it is a mistake to assume that this kind of prejudice cannot exist in Canada. I am confident that under present circumstances in the world today—I say this without reservation—Canada is one of the freest of communities and societies. Its society is less cursed with the kind of active and overt racial and religious prejudice that is existent in other societies. But it is a mistake to be complacent about this. It is a mistake not to realize that it is there none the less. This curse of racial and religious prejudice is present in our society today. The hon. member for Vancouver East indicated in his speech that the expressions "Dagos", "Japs", "Chinks", "Sheenys" and "frogs" have now disappeared. With all respect to the hon. member, I wish what he said were true, but it is not.

Too often one finds it is possible for the best of people with the broadest of outlook to give expression to the sort of thing that feeds racial prejudice and religious antagonism, and this sometimes unconsciously. I have been in the company of people who were aware of my origin, and some of the "best" people in the gathering made jokes about the Jews, or about the "niggers", or somebody else, which shocked me because I was sensitive to this sort of thing. No doubt they would not raise anything to hit me on the head; I have no fear of that. Nevertheless it is a fact—every

member of the House who is objective about this knows it to be a fact—that our society is not yet clear of this sort of prejudice. Our society is still full of the sort of antagonism that is based on racial, ethnic and religious grounds, and these antagonisms are transmitted to our children. There are teachers still in our schools who are guilty of this sort of thing; it has not been eradicated.

My thinking on this subject has always been affected by personal experience in the early 1930s. At that time I was studying in England and had occasion to visit Germany as a student. At that time I spoke German fairly fluently. I visited various parts of Germany and saw what was happening there, particularly in the summer of 1934. When I returned to Oxford and made some speeches about what I had seen, people in the audience would frequently come up to me and say: "Oh, come on, David! Don't exaggerate. The Germans are cultured people, highly educated. They are a scientific race. Sure, this crazy guy Hitler has been promoting these ideas, but the majority of the German people cannot possibly accept them. How can a cultured people that nourished Goethe and Beethoven accept this kind of nonsense?"

An hon. Member: The great, silent majority.

Mr. Lewis: The great, silent majority, as someone at the back suggests. All this is history now. I think no country can boast greater tolerance than Great Britain, but even in that country it did not require much immigration of coloured people to have a minister of the Crown defeated on that very issue, as was Patrick Gordon Walker. There have also been near-riots as a result of this kind of racial discrimination.

When I returned from England in 1935 and made the same kind of statements to people in Canada, I got the same reaction. Such a suggestion was incredible. The fact is that decent people have not the evil imagination that can conceive of the kind of terrible things that happened in Germany, or that happen in South Africa or Rhodesia. Although we read about them and understand the situation, it is very difficult for us to conceive, in our feelings and in our emotions, of people acting in this way. However, history has shown that people do act in this way.

Some 30 or more years ago a book was written by a great theologian and teacher of ethics in a Christian seminary in the United States, and I am sure the name is familiar to all members of this House, Reinhold Niebur. The title of his book is "Moral Man and Immoral Society". The thesis proposed by the book, which has been proven sociologically time and again by history, relates to what an individual in his own home and in his private behaviour may not be prepared to do but who, if he is a member of a mob in a certain sociological and economic situation, will do such things. The evil that is in him will come to the forefront as a member of the mob in a way that would never happen when he is merely a private citizen. Social conditions which produce that kind of expression can occur in any country, including this great country.

I ask hon. members to take every precaution possible to defend freedom of speech and freedom of assembly. Let us take every precaution possible to prevent the abuse of legislation so as to abridge such freedom unnecessarily and unjustifiably. But I beseech hon. members not to sit complacently in their seats and think that in this great Canadian society we do not need to worry about this problem, because we do. If we are to build a genuine, even better civilized society than we have now, we must deal with this matter. I make no apology for saying that I know of no greater social evil than racial and religious prejudice and intolerance. There is no greater evil.

• (9:30 p.m.)

I can and do criticize the social evils in our society that are derived from economic inequality, from social inequality, from inadequate treatment of the poor and from the great, and I consider unnecessary, concentration of economic and with it of political power in the hands of a group that is not responsible to the people. All these are evils against which, with or without the approval of the majority of the people in Canada, some of us have fought all our lives and will continue to fight. These are evils derived from society as a whole. They are not equal to the vicious evil which is racial prejudice, racial antagonism, religious prejudice and religious antagonism. I say this as dramatically as I know how, Mr. Speaker.

No society can ever be quite civilized so long as there is in it that kind of prejudice and intolerance. Who could disagree with the eloquent and relevant language of my colleague, the hon. member for Vancouver East, who said that education is more important

than this law? I do not disagree with that and I do not think anyone could. Obviously you cannot legislate hatred out of people. You might be able to legislate other things, including some of the things he mentioned, but you certainly cannot legislate hatred out of people. You can do that only as society improves its environment and its administration and as our educational system does its job more adequately for our children. This situation will continue a couple of generations before that end can be accomplished, and I hope it will be accomplished in years to come. There is value in legislation, none the less.

I would be surprised if the Minister of Justice (Mr. Turner) claims for his bill the attribute that it will solve the problem of racial discrimination or the spread of hatred. I am sure he does not claim that. I am sure he is as aware as the rest of us that much more will have to be done in society. But there is value in legislation, particularly in legislation which takes the necessary safeguards against abuse. I should like to mention three obvious results of good legislation along this line. The first relates to those people who follow the leadership of hatred peddlers. Among them are a good many people who are innocent and decent but have been sold an idea. I have met many of them at my doorstep in the religious sphere. I have met some of them who are anti-Semitic and I have met some who have talked about the negro in a manner in which it is uncivilized to speak. Many of those I have met are not really vicious people; they have been sold a bill of goods and have accepted it.

I suggest that legislation on the statute books will tell those otherwise decent and law-abiding citizens who have been sold a bill of goods that what they have been doing is contrary to the moral sense of the society in which they live, and is against the law. Many of these people will simply quit because it is against the law, and that is what the law is for. That is the first obvious consequence which is desirable in any society.

The second thing is that those who have no regard for the law, and those who will not be influenced by an appeal to morals in our society, will have the dissemination of this literature stopped by law. The third and equally important result of legislation like this is what several members, and most eloquently if I may say so, the hon. member for Greenwood pointed out, namely, the educative value of the presence of the law on the statute books of the country. If we enable the teachers of the country to point to this law in the classrooms, there will be great educational value to it. The hon. member for Windsor-Walkerville (Mr. MacGuigan) also stressed and emphasized this important point.

Finally, I say that every law can be and has been abused. I know of no good law that has not known abuse in the past, and I imagine none in the future will ever know the lack of abuse. We have the Unemployment Insurance Act, a piece of social legislation obviously of importance to people who are unemployed, but it has been abused. It has been abused by people who take advantage of the law and by those who administer it whose hearts were often in the wastebasket and whose heads were somewhere else than on their shoulders. One can think of no law, no matter how good, which has not been abused by administrators, by the judiciary, by lawyers and by citizens of the community.

However, the possibility of abuse should not stand in the way of a law which is socially necessary and desirable. This should make us do everything we can to provide all possible safeguards against the likelihood of abuse. Having done the best we can, we ought to pass the legislation and make it the law of the land. I wish this kind of law were not necessary in Canada or anywhere else in the world, but I am afraid I am pessimistic enough to think it will be needed for some years to come.

Mr. Hyl Chappell (Peel South): Mr. Speaker, I shall be brief.

[*Translation*]

Mr. Fortin: Mr. Speaker, on a question of privilege.

Mr. Speaker: The hon. member for Lotbinière on a question of privilege.

Mr. Fortin: Mr. Speaker, I would like that together we take the count of those who have taken part in the debate on Bill C-3. I wish to point out that only one Créditiste member has spoken on the subject and that many others would like to do so before the debate comes to a close. To maintain proportions, it might now be in order to let the hon. member for Abitibi (Mr. Laprise) speak.

Mr. Speaker: The hon. member knows that, according to Standing Orders, the Chair has the exclusive right to recognize the speaker who will take part in the debate. The hon.

member who has risen on a question of privilege must take into account, not only the number of members in each political group, but other considerations as well which have prompted the Chair to recognize the hon. member for Peel South (Mr. Chappell).

[*English*]

Mr. Chappell: Mr. Speaker, I shall be quite brief. Many fine arguments have been advanced in favour of the bill. I shall not repeat those but will add one more. I have been pleased to study the bill, and I have read a number of letters from various groups. Some of those letters expressed the fear of an invasion of private rights; others contained imagined reasons for fear, and still others showed or contained sheer emotional nonsense. I think all these people are entitled to be reassured, and for that reason I now speak.

I cannot see anything to be concerned about. The bill intends to curb the intended activity of an individual by making it a crime to make a vicious attack on a group. This bill is an attempt to prevent a criminal act which is about as anti-social as any activity could be, and I have noticed that those who oppose the bill do not come from any minority group.

• (9:40 p.m.)

Let us hope it will never be necessary to use this new legislation or the power provided by it; or if this does become necessary, let us hope that very seldom shall we have to use this power. Surely in a nation as advanced as Canada the time has come to state in the form of a statute that we stand very firmly against such behaviour. If we do this we may lead the way for other nations.

I support the bill. My only regret is that it does not go further and supply some restraint against those who recklessly, and often with venom perhaps because of their own distorted thoughts, attack individuals. The bill covers certain groups. The individual is not covered. At times an individual is unable to defend himself, perhaps because of his position in society or because he cannot afford the expense of fighting a libel action, if that should be a sufficient means of fighting back.

When a man's reputation has been destroyed, is it good enough to say to him that he can institute a libel action and perhaps receive a judgment in the amount of $5,000? We must realize that many of those who would attack someone in this way usually are judgment-proof; in other words, the judgment or assessment cannot be recovered.

[Mr. Speaker.]

I suggest that today the libel action is obsolete in respect of protecting a man's reputation. There was a time when if a person committed slander or libel he was faced with paying a lawyer and proving his statements or paying damages. Today the situation probably is that the man who is libelled pays a lawyer and commences an action, while the man who was responsible for the libel is carried by legal aid and thereby does not pay. If he does not have any money, he is unable to pay a judgment against him. The person who has been libelled has been involved in a great deal of time and expense in defending himself.

This is one step, but I believe we must take the next step. Bills have been presented in this House to the effect that we should compensate victims of crime. Is it any worse to lose an arm or have your reputation destroyed by one of these hate dispensers who distributes libellous publications? I suggest to the Minister of Justice (Mr. Turner) that 1969 is not too early to draft legislation with sufficient sophistication that it will protect people who are attacked in this manner and at the same time not take away the civil liberties of honest people.

[*Translation*]

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I had no intention of taking part in this debate, but certain remarks made in the house prompted me to give my opinion on Bill C-3.

To begin with, I must tell the house that I am not a lawyer. I feel that our laws would sometimes be better if we took into account some of the comments made by the public at large.

I would like to say something about certain remarks made by the previous speaker. He discussed an aspect which is not covered by this bill, namely the protection that the law must provide for the individual who is a victim of libel, slander or statements which affect his reputation. This bill is incomplete because it does not mention the kind of libel and slander that can be made against an individual.

In his speech, the previous speaker said, and I quote from memory:

[*English*]

If the character of the person is destroyed, the judgment passed by the accuser is not correct, or something of this sort.

[*Translation*]

I readily accept the hon. member's statement, because it reminds me of the misfortune which beset a whole family. The reputation of a prominent Canadian was affected, and the result was to ruin him as a public figure. Also, the reputation of a family highly regarded in the province of Quebec and throughout Canada was greatly prejudiced. It is with regret that I recall here the unfortunate Munsinger affair. It offers an excellent opportunity to show how little legislation takes into account the individual and the protection it should vouchsafe him against libel and defamation of that kind.

As we all remember, documents of public interest were involved. We all know the name of the citizen whose political and personal reputation was attacked and destroyed, I am afraid, for the rest of his life.

That was one of the most painful things we have experienced in the history of Canadian politics. What is intolerable is the reason for which use was made of this man, with a world-wide reputation in the military field, who had earned the world's most valued decorations during the last war. The man was painfully and cruelly wronged in his reputation. His family suffered greatly and his life, both social and private, was unjustly affected.

In my opinion, this bill should have been the opportunity for the minister and the government—allegedly seeking the just society and the protection of the citizen's basic rights—to provide adequate protection not only to the groups defined in the bill but also to the individual.

Hon. members will recall that when the Munsinger affair broke out, the desired objective was not only to tarnish a man's reputation but also and above all to destroy a political party.

While I refer to that matter, I do so with much restraint. I do not intend to attack anyone, but this incident shows that if the minister had readily wished to respect the basic rights of the individual and to protect him against defamation, he could have provided in Bill C-3 some protection against that kind of abuse.

By the way, I should like also to refer to defamation which is often in the form of cartoons. During his political career the Minister of Justice (Mr. Turner) as well as other people may have been the victims of cartoonists working for newspapers or magazines who very often use their talents to circumvent the law relating to defamation or even the bill which is now before the House.

I have seen in newspapers cartoons directly attacking the reputation of some people. And since the law is made in this way, the authors of such cartoons could not be prosecuted because it could not have been proven that there had been dishonest intent.

The minister should really take note of these remarks that are not made in a legalistic spirit, since I am not a lawyer. But my experience in political life has perhaps taught me a few things, and I think the minister should certainly amend his bill or else make some recommendations to the Committee on Justice and Legal Affairs, in order that this aspect of the problem of libel and defamation be thoroughly examined.

It is quite easy to kill a political man, an opponent or a personal enemy through the use of cartoons and, in this way, get around the law and avoid the penalties provided in this bill or in any other provision of the Criminal Code which deals with libel and defamation.

I had not intended to speak for any length of time, but I owed it to myself to make these comments. And I think it is unfortunate that the minister has restricted the application of Bill C-3 to some groups, when, in my view, it should be extended to a number of others.

• (9:50 p.m.)

In my opinion, this bill on hate literature should also apply to political parties.

I remember another example too. During the last election campaign, a member of this government—and I am sorry that he is not sitting here today because I would have liked him to correct me if need be—the Minister of Regional Economic Expansion (Mr. Marchand) said in a speech at the Colisée in Quebec City these words that I quote from memory. The substance of his remarks could be summed up thus: The time is past when an English-speaking Prime Minister would come and talk to us in broken French to put forward political arguments.

In my opinion, the effect of such a statement will be to incite a collectivity or a group of individuals to hate. One individual will be hated because others do not share his ideas. Maybe that was the type of example the minister had in mind when he prepared Bill C-3. I hope my remarks will have the result of alleviating the minister's omissions when drawing up his bill.

Proceedings on Adjournment Motion

Organized groups often have legal and financial means to fight their cases in court. Unfortunately, the isolated individual who must appear in court must pay for the proceedings. This is a somewhat heavy burden for individuals and the law which seeks to establish a just society could protect not only integrated and organized groups but also the individual who might be the victim of injustice as in the cases I mentioned earlier.

[*English*]

Motion agreed to, bill read the second time and referred to the Standing Committee on Justice and Legal Affairs.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

GRAIN—BOX CAR DISTRIBUTION—OPPORTUNITY FOR OPPOSITION MEMBERS TO MEET RAILWAY OFFICIALS

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, on November 4 I posed a question to the Minister of Transport (Mr. Jamieson) with regard to the opportunity of holding a meeting with the Canadian National and Canadian Pacific managements to discuss the distribution of box cars in the prairies. The question was as follows:

I have a question for the Minister of Transport. In view of the meeting called by the Minister of Transport with Canadian Pacific and Canadian National management concerning distribution of box cars to grain shipping points in southern Saskatchewan, to which only Liberal Members of Parliament and Senators from Alberta, Saskatchewan and Manitoba were invited, would the minister now arrange a similar meeting for opposition M.P.'s and Senators in order that we may tell railroad management the problems in our constituencies as well?

Since the question was not allowed at the time, I asked that it be put on the late-night show. In an article of October 30, 1969, the Moose Jaw *Times Herald* reported the following:

Canada's two major railways came under criticism here Wednesday at a private meeting called to discuss the distribution of box cars to grain shipping points in southern Saskatchewan.

The meeting was called by Transport Minister Donald Jamieson . . . Besides Mr. Jamieson, Agriculture Minister H. A. Olson and the minister responsible for the Wheat Board, Otto Lang, attended, together with Liberal M.P.'s and senators from Alberta, Saskatchewan and Manitoba.

[Mr. Valade.]

The Canadian National Railway was represented by its president, N. J. McMillan and a vice-president, Eric Stevenson and the C.P.R. by S. Gossage and M. W. Malcolm.

During the two hour discussion, which Mr. Douglas described as a frank exchange of opinions, Mr. Douglas read a five page brief which he had prepared. He outlined the general problem of box car distribution and cited a number of specific cases where there had been very few box cars available at certain shipping points in the present crop year. These cases had been brought to his attention by farmers in his own riding—

I should like to suggest that if it is the responsibility of M.P.s and the rest of Canada to be considered, why was not an open meeting held at that time? I suggest that the Minister of Transport had ample opportunity to refer the specific item to the Standing Committee on Transport and Communications, at which there could have been a frank discussion of the whole situation regarding the distribution of box cars. Instead of that, a meeting was held to discuss this problem—a secluded, private, invitational, furtive meeting at which only closed-mind Liberals were present. This is a further indication of the fear of this government to face problems with which we are confronted today. Further, it is contempt of the elected representatives of this nation, and it is outright discrimination by the Minister of Transport and the Minister of Agriculture (Mr. Olson) against this democratic institution of the people of Canada.

It has always been my opinion that once the election is over we should unite together in this House, face problems as a group and try to do something about them. In this particular situation all we had was an invitation sent only to Liberal M.P.s from the prairies, plus some Senators, and no invitation extended to anyone else. Surely the Minister of Transport must know better than that. Surely the release issued at the end of this secluded meeting proves that the government is to blame for the disposition of box cars.

• (10:00 p.m.)

Mr. Douglas (Assiniboia): On a point of order—

Mr. Speaker: Order, please. The hon. member for Moose Jaw (Mr. Skoberg) has the floor, and the hon. member for Assiniboia (Mr. Douglas) should know that it is unusual to raise points of order, except in extreme circumstances, at this time during the adjournment proceedings. The hon. member for Moose Jaw has the floor.

Mr. Skoberg: Mr. Speaker, I hope I may be allowed the one minute of my time which was used up when the hon. member interrupted me. I was just saying that in my opinion the government has a responsibility to co-ordinate the movement of box cars.

If at any time the top management of the CPR and CNR appear before a committee of this House, or any other meeting in this House, the people we represent are entitled to a fair representation at that meeting. I quote further from the newspaper article to which I referred:

He—

Meaning the hon. member for Assiniboia (Mr. Douglas).

—said the railways pointed out that there were many organizations involved in the problem and that there was often not enough information passed along. They denied that the fault could be laid at the door of the train crews themselves.

This was an inquisition with respect to the train crews who were not able to defend themselves, but the railway management corrected the record when they said that the blame could not be laid at the door of the train crews. It is highly disorganized government when a situation like this is allowed to exist, when the people of Canada are not given adequate representation.

I ask the minister in all sincerity to make sure that in a similar situation in the future, fair representation is given to all of us. Further, I ask him to bring in terms of reference that will allow this House to call the management of the CPR and CNR before the Standing Committee on Transport and Communications, where we can have a thorough and open-minded discussion about the entire situation.

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I want to begin where my hon. friend left off by saying to him that of course he can have full and complete representation at any discussions of this kind that occur. However, I have a slight problem and I would be grateful for his advice regarding it. When I am asked by a member or members of Parliament to interview or to meet with various people in order to help them with their problems, with their constituencies or the areas they represent, I am not quite sure if in all such cases it is necessary for me to make certain that there is all-party representation at such meetings.

Mr. Lewis: Even if the president of the railway is there?

Mr. Jamieson: May I say that in many other cases I have included members of the hon. member's party and have brought together all people that I could get hold of, anyone who would be involved in the matter, to discuss it with them. For instance, I recall that in the matter of the tugboat problem in the city of Vancouver I arranged meetings for representatives of the hon. member's party, and may I say there have been many other cases where at the request of members I have gone into their constituencies. In fact, I see one hon. member present, a member of the Progressive Conservative Party, with whom I met a very large delegation.

All I am saying is that in this particular case I followed what has been my custom ever since I have had these responsibilities, and that has been to do the best I could to answer the request of a specific member. I want to commend the hon. member for Assiniboia (Mr. Douglas) for having had the initiative to ask if such a meeting could be arranged in this case. It was arranged at his instigation.

So far as members of parties opposite are concerned, if the hon. member would like the same kind of consideration, and if indeed he had asked me for it I think the record reveals he would have obtained it. There was nothing in this particular incident that was any different from the half dozen or more I have already mentioned, and in fact from many more which do not come readily to my mind at the moment.

The simple truth of the matter is that the hon. member for Assiniboia (Mr. Douglas) asked for this; I was able to arrange it for him and was glad to do so. I remind the hon. member that if he wants the same kind of discussion on this or any other subject, I shall do my best to do as much for him. Of course, I cannot command. Perhaps I might be able to use more persuasion with the CNR than with the CPR, but certainly I will be happy to help the hon. member.

If my hon. friend feels that is not an honest representation of the facts, I can only ask him to go back to the record and talk to the members of his party. If at any time a request has been made to me, to any official of any government agency or to any private organization, which directly relates to transportation and I have turned him down or tried in any way to evade that request, I will be glad to apologize to him or any other member in this House.

I repeat this, because it is all I can say: if any request comes from the hon. member or any other hon. member opposite which is of legitimate concern to his constituents, he will get fair treatment from this department.

Mr. Speaker: Order, please. I apologize for having to interrupt the minister's eloquent remarks, but I must now call on the hon. member for Hillsborough.

Mr. Knowles (Winnipeg North Centre): The Speaker is always right.

POST OFFICE—REQUEST FOR REDUCTION OF RATES ON NON-PROFIT PUBLICATIONS

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I regret that I have to keep my hon. friend the Postmaster General (Mr. Kierans) up late, as I did on more than one occasion in the previous session. The questions discussed and matters raised were of importance, and for me it was an education to be called the many names that I was called in the previous session by the minister. I was designated as a Cassandra, as Falstaff and as the Merry Monk of Hillsborough. As I heard this and my education broadened, I declared that even members of the opposition should have at their disposal large cadres of speech writers and public relations men that they, too, could find such charming names for other people. I am wrong, perhaps, in not indulging in name calling but I feel that by pointing to the administration of the minister's department I have said enough. I know the minister grows impatient and wishes to express his displeasure at hearing the same problems aired time and again. May I say that the only solution is for him to cure the ills of which we speak.

One of the consistent themes which I and others in this House have stressed has been the danger to the free flow of ideas resulting from severe restrictions on many publications in this country. Indeed, the minister was consistent, too—I give him credit for that—because he shrugged off our warnings and declared that for a few cents more this or that publication could meet the new impositions. But while he was going about reassuring the House and country, important organs of thought and opinion were dying, as we said would be the case and as the publishers told him would be the case. But the minister knew better; he knew more than the publishers, more than the people and more than the opposition. And what happened?

May I read a few excerpts from the press which tell the unhappy tale. The *Gazette* of July 9, 1969, carries this headline over an article: "Mail purge killed 2,500 publications". An earlier report indicates that *Montreal*, that most interesting magazine, has gone out of business because of cost. Another headline of October 21, 1969, reads: "Death of 30 publications blamed on mail rate rise". In the body of the article is found the following:

> A Cross-Canada Survey by The Canadian Press shows at least 30 publications of this type ceased publication this year, their deaths attributed to the higher rates.

Another headline carried in the Toronto *Telegram* of October 2, 1969, reads: "Postal rate jump lethal for some trade magazines". So the story goes; so we see the diminution in the number of these very important organs of thought and opinion, and so the unhappy tale grows more and more unhappy.

Only last week, Mr. Speaker, a concerned and well informed group of Canadians, the Committee for Fair Postal Rates, came to Ottawa. They argued cogently and well. They were well received by many members, but when they presented their case to the Postmaster General they received not encouragement but rejection. The minister became the rejector general of publications, so to speak. In addition to that they were given a little lecture on, of all things, the perils of exaggeration. The minister said, as reported by Donald Newman of the *Globe and Mail*:

• (10:10 p.m.)

> "You would do your case much more justice if you didn't exaggerate . . . this kind of exaggeration makes us doubt anything you say."

This warning against exaggeration, believe it or not, was delivered on the day following the Postmaster General's Toronto dissertation where he raised those unhelpful and unwarranted problems about the work of the provinces in the field of constitutional reform. That speech will not go down in history as an example of measured appraisal or balanced judgment. The warning came from the man who in the last session used to tell us how well things were working out in his new department, how the new sorting procedures were so happily received by the workers, how well everything was going in terms of administration. We were told at length of all the improved techniques and management, but there was a pause in these rosy declamations after the blistering report of chief adjudicator Martin.

In fact, all is not well in the non-profit publications field. There is great danger that

this continuing rigidity of attitude will diminish still further the flow of informed thought and opinion so essential to a true and enlightened democracy. While orders of government still are disseminated freely and easily—and on occasion I understand some organs of the national Liberal party have the same blessing—opinions of private groups are diminished in their effectiveness as they seek to stimulate public opinion and to provide background information.

I think instead of lecturing, the minister would have been well advised to listen. Despite the glamour of other esoteric means of communication—and we hear a lot about those fascinating and delightful objects of exultation—there is still a place for the written word in our society. Old-fashioned mail is still important and Canadians still like to receive it.

A man in Toronto heard so much about the mail delays that he sent a letter to himself with a six cent stamp on it. He got it back in Toronto in ten days. He now has some means of measuring the delays. Opinion magazines and publications—

Mr. Speaker: Order, please. The hon. member's time has expired.

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): Mr. Speaker, I object to the hyperbole, rhetoric and coarse exaggeration within which the hon. member for Hillsborough (Mr. Macquarrie) shrouds his questions. I wish to give two examples of the kind of statements the hon. member makes. At page 687 of *Hansard* the hon. member made the statement that when he returned to Parliament this fall he found that about one-quarter of the floor space in the foyer, that is the wash room, had been pre-empted. When he asked about this he was told that it was to be the new domain of the Minister of Communications, so he said the expansion was indeed physical as well as intellectual and jurisdictional. I was in the House at the time. These words would have remained in *Hansard* had I not risen to my feet and said, "Mr. Speaker, on a point of order, the information is false." I was not only shocked by that statement but deeply shocked by his reply. The reply was:

> I have been corrected, Mr. Speaker, and I stand corrected. As I stand crowded in the future I will remember that it is not this minister . . . who is responsible.

At page 769 of *Hansard* the hon. member made another statement which is equally false. It reads in part:

> —not a free rate, like the National Liberal Federation, but a much better rate than they are now paying?

The hon. member said the *Montreal* magazine had gone out of existence because of the increase in postal rates. But as I have said before, the decision affecting that magazine had been taken months earlier. He quoted two headlines, one saying that 2,500 publications had gone out of existence and another, over a CP article of a later date, stating that 30 publications had gone out of existence. Which is true? One of them is exaggerated. Are these equivocal statements meant to be misleading and inaccurate? Is this a deliberate attempt to deceive?

The hon. member relies on the group which came to see me. They, too, exaggerated, but they could only bring forward the cases of four periodicals which they said had ceased publication, including *La Tere de Chez Nous*. But it has not ceased publication, Mr. Speaker, and the mere statement that it had done so caused *La Terre de Chez Nous* to take advertizing space at great expense to say: All is going well with us, thank you.

The hon. member mentioned a British Columbia trade union publication. All that was necessary in that case was to increase the subscription rate from $1.00 a year to $1.43. Mr. Speaker, we were carrying 770,000 issues of that publication in a year for $1,000. I ask you, is there anyone in this House who would undertake similar work on those terms?

In conclusion, may I say this: It is easy for certain publishers and hon. members to bring pressure against increases in postage rates and lead the public to believe that the Post Office is crushing Canadian publications. It is most difficult to get over to them the fact that it costs money to carry newspapers and periodicals in the mails, and that if they do not pay for it the taxpayers generally must do so.

Mr. Speaker: Order, please. The minister's time has expired.

[*Translation*]

THE CANADIAN ECONOMY—POSSIBLE NICKEL AND COPPER PRICE INCREASES—ACTION BY GOVERNMENT

Mr. Gaétan-J. Serré (Nickel Belt): Mr. Speaker, Friday last while the union membership was voting in favour of a new contract providing for a substantial wage increase, I

asked the Prime Minister (Mr. Trudeau) what action the government was contemplating to prevent a subsequent increase in the cost of nickel and copper. The Prime Minister told me that he would make sure that the question would be brought to the attention of the minister concerned.

I am pleased to have the opportunity to discuss this matter in the house this evening and to set forth during the few minutes at my disposal the baneful consequences that such a price increase would have on the cost of living not only in the Sudbury area but also throughout the country.

Mr. Speaker, the precedent is well established throughout the country. Indeed, when a company grants a salary increase to its employees, an increase in the prices for consumer products follows almost automatically. I suggest that this vicious circle must be broken at all costs if there is to be an end to inflation.

The problem is getting more and more serious in the Sudbury area. Lately, many groups of organized workers have obtained fairly large increases in salary and I am happy about it for their sake. However, such increases become meaningless as a consequential increase in prices immediately follows. And to make the situation more abnormal still, a large number of unorganized workers do not get equal increases in salary but have to pay the same prices as the others for products and services, and as a result the number poor people increases considerably.

• (10:20 p.m.)

Mr. Speaker, following this new contract at the International Nickel Company, in Sudbury, one may expect an imminent increase in nickel and copper prices. Moreover, it is well known that such an increase will automatically bring about a similar increase in consumer prices in the Sudbury area. One fears, and not without cause, that companies, distributors, tradesmen, realtors, contractors, professionals, will take advantage of that rise in the workers' income to increase their prices sharply.

That is a most alarming situation if one takes into account that the cost of living in the Sudbury area is already higher than in the most areas of Ontario. Therefore I insist firstly that the Prices and Incomes Commission investigate the matter and determine immediately whether at present an increase in the price of nickel is warranted, so that the increase does not threaten the economic stability of the country; and secondly, that the Department of Consumer and Corporate Affairs bring every necessary pressure to bear on companies, distributors, dealers, etc., so that they do not take advantage of the situation by increasing their prices.

Mr. Speaker, it is my opinion that government leaders will have to take a firmer stand and exercise more control if they are to break up the vicious circle of the wage-price spiral and thus bring to an end this frenzied rush towards inflation.

According to recent statements by the Prime Minister, the Minister of Finance (Mr. Benson) had the Minister of Consumer and Corporate Affairs (Mr. Basford), we have every reason to believe that the government is more willing than ever before to take whatever steps are necessary and I dare hope that my representations will be followed up.

Mr. Paul Langlois (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, I am well aware of the interest the hon. member for Nickel Belt takes in the consumers of Canada, and particularly in those of his constituency.

He gives a clear and detailed account of a situation, and he also proves all the consideration he has for his fellow citizens.

[*English*]

We all, of course, deplore unnecessary price increases, and I am sure that the House is well aware of the need for restraint at this time. The comments of the hon. member will be drawn to the attention of the minister and they will receive every attention.

Motion agreed to and the House adjourned at 10.25 p.m.

HOUSE OF COMMONS

Tuesday, November 18, 1969

The House met at 2 p.m.

ROUTINE PROCEEDINGS

AGRICULTURE

CHANGES IN DEPARTMENTAL PROGRAMS

Hon. H. A. Olson (Minister of Agriculture): In the forthcoming year a number of changes will be made in programs of the Department of Agriculture so that the maximum assistance can be given to producers with the money which has been allocated to the department under the government's policy of budgetary restraint. These will include program adjustments, curtailment of travel, construction and acquisition of equipment, controlled expenditure on some cost-sharing programs, and increased fees for certain services performed by the department. Changes are aimed at increasing efficiency of operation and at terminating or reducing longstanding programs which have tended to reach their objectives or the applicability of which has become less appropriate in the context of current departmental and governmental objectives.

Adjustments in programs will, of course, cause adjustments in staff, particularly since there will be staff expansion for programs providing essential services to the public and, as indicated above, for those of high priority. Thus, while staff reductions in most cases will be met through normal staff turnover and staff transfer within the department or government service, there will be some lay-offs of staff employed on lower priority programs.

A start on farm adjustment programs is planned as well as the rapid expansion of CANFARM, the national farm management program.

In order to implement and expand these programs, adjustments will be made in the support provided to dairy and sheep producers. For 1970-71, $115 million is being budgeted for dairy support. These changes in price support will provide between $10 and $11 million.

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I should note that the wool support level will be continued during the current year at 60 cents per pound.

In the research program there will be a continuing policy of work realignment. The following specific actions will be taken: experimental farms at Mile 1019, Alaska Highway, Yukon Territory; Fort Simpson, Northwest Territories, and Caplan, Quebec, will cease to function as research farms of the department.

In the production program there will be the elimination of grants to a few organizations and less funds available for the loaning of beef sires. The specific associations will be advised where grants are being eliminated. Another step will be taken in the new year toward the previously announced phasing-out of hog premiums. The premium of $3 will continue to be available but only on higher index hogs effective January 5, 1970.

Two open-end, cost-sharing programs are under review and for the new year a ceiling will be placed on these expenditures. These are the assistance programs to fairs and exhibitions and the federal-provincial 4-H programs. Discussions are being, or will be, held with the appropriate representatives so that the action to be taken can be as satisfactory as possible to all concerned.

Fees will be increased for certain services to bring them more in line with the benefits that accrue to the individual obtaining these services. The ones to be adjusted in the new year are: record of performance (dairy cattle), seed potato inspection, ship inspection, field inspection of certain crops, shipping-point inspection of fruits and vegetables, the registration of certain products and facilities, and the inspection and quarantine of animals.

The nature of the actual change in the programs for those items where I have indicated only a reduction in expenditures will be announced at an appropriate time as well as the details concerning the changes in the costs of services, etc. In the meantime consultations will be undertaken with applicable groups in order that their views may be obtained as to the most appropriate use, in keeping with the objectives of the program, which can be made of the funds that are to be provided in the forthcoming year.

In conclusion, may I say this is the first time the department has announced well in advance—several months in advance—the changes which it is intended to make in these programs. We hope this early notice will be useful not only to members of the House but to the public who are affected, enabling them to make their views known to us before the date on which the changes are actually made.

• (2:10 p.m.)

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, this announcement by the minister amounts to nothing more than a statement couched in flowery departmental language saying, in effect, that for the sake of political expediency the department is sharply curtailing its expenditures during the coming year. It means that at a time when agriculture is facing its worst problems of development, the government is withdrawing from research, withdrawing services to the farming communities, and withdrawing from subsidization programs indiscriminately. We find it is even shutting down some experimental farms.

The government has indicated that there is going to be some shifting of staffs and perhaps some lay-offs. Experience has taught us that this will disrupt the entire department. It is unfortunate indeed that at a time when agriculture most needs help the government is withdrawing from its responsibilities and obligations. May I also point out that this announcement today is in direct violation of all the advice sought by the government at the congress that they said was so successful last spring.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, if we had more days for opposition motions perhaps we might receive more statements of policy. This statement is notable in that it provides no hope for positive action for an industry that is in trouble. The adjustments proposed are negative. It is not a forward-looking statement. It will not give the farmers confidence that the government has a grasp of the problems facing agriculture and is determined to do something about them.

The statement indicates that a start is to be made on adjustment programs, but we will have to wait to see just what these adjustments are since the statement itself does not give any details. Adjustments are going to be made in the support for dairy and sheep producers, but all we know is that cuts are going to be made somewhere.

The whole tenor of the statement is that cutbacks are going to be made in the department and in the services to people who depend on the department. In other words, the document simply is an innocuous one which gives no hope to agriculture and farmers for the immediate future.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, unfortunately I cannot congratulate the minister on the statement he has just made.

Right now, in eastern, central or western Canada agriculture is in trouble. The minister's long statement will bring us another deception since it tends to provide maximum assistance to producers with the credits allocated to the department under the government policy of restraint. In fact, the minister seems to say that we will grant more subsidies with less money.

Mr. Speaker, it is too bad that in 1969, a Minister of Agriculture as competent as the present one could not turn aside from the beaten path and suggest a financial policy in accordance with the overabundance of products our farmers are able to offer the population.

In the field of dairy products, for instance, we are not facing a production surplus, as indicated in the statistical data of the federal government, but rather a problem of under consumption.

The minister has also announced a curtailment of travel expenses. We could understand that but, on the other hand, he said that subsidies of $115 million will be granted to the dairy industry to support the price of milk, which will result in savings of $10 or $11 million for 1970. This means that in April 1970 our deception will be more bitter on account of the quotas on manufacturing milk.

I regret that in 1969-70 we have no better announcement to make to farmers than this unfortunate statement which bears no relation to the progress and problems of agriculture in 1969.

[*English*]

SUPPLEMENTARY ESTIMATES (A), 1969-70

A message from His Excellency the Governor General transmitting Supplementary Estimates (A) for the financial year ending March 31, 1970, was presented by Hon. C. M. Drury (President of the Treasury Board) and read by Mr. Speaker to the House.

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, these supplementary estimates contain budgetary items in the amount of $66 million, which brings the total of estimates tabled to date for the fiscal year 1969-70 to $11,924 million. They also contain loans, investments and advances amounting to $25 million.

Last February when I tabled the main estimates for this fiscal year in the House of Commons I indicated that there might be a need for supplementary estimates in the course of the year and spoke of the government's determination that such supplementary estimates would be held to a figure consistent with the declared objective of a balanced budget. I may say now that the total estimates to date of $11,924 million, plus additions that may be made in final supplementary estimates, will be consistent with the government's determination to achieve a budgetary surplus for the year.

Some hon. Members: Hear, hear.

Mr. Drury: I would be pleased to supply any additional information that may be required when I appear before the appropriate Parliamentary committee.

Mr. Stanfield: I rise on a point of order, Mr. Speaker. I understand that the motion to table and refer the supplementary estimates is not debatable, and I am puzzled that the minister should be permitted to make a statement when there is no provision in the rules for discussion or debate. Your Honour should settle the matter so that either the minister is not permitted to make a statement of this sort or—

Mr. Speaker: Order, please. The matter is easily settled. The minister has made a statement and according to the rules hon. members of the opposition may also make statements.

• (2:20 p.m.)

Mr. Macdonald (Rosedale): On the same point of order, Mr. Speaker, I am not sure whether the Leader of the Opposition wishes to make a statement. It was my understanding that when each of the opposition representatives has made his statement I would move the motion, which by the rules is not debatable. If the Leader of the Opposition is going to make a statement I will not move the motion at this time; otherwise it is my intention to move the motion.

Mr. Speaker: The procedure suggested by the President of the Privy Council might be followed.

Mr. Woolliams: Mr. Speaker, under the new system whereby estimates and supplementary estimates go to a committee and Parliament has lost control of the pursestrings, it seems to me that when the minister makes this type of statement representatives of the opposition parties should have the opportunity to comment.

Mr. Speaker: The hon. member's point is redundant. The point has been made by his leader and I have agreed with him.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I am not quite as accustomed as are some members on the other side of the House to making a speech without having full information—

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Stanfield: —or to comment on something I have not yet seen. However, as a matter of courtesy, if a minister is to make a statement in the House in regard to supplementary estimates, or a statement such as was made by the Minister of Agriculture, copies of such statements should be sent to the Leader of the Opposition or the official opposition spokesman on this side of the House so that the matter can be discussed. I do not wish, sir, to take the time of the House to discuss something I have not yet seen.

Some hon. Members: Hear, hear.

REFERENCE TO STANDING COMMITTEE ON MISCELLANEOUS ESTIMATES

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I move, pursuant to Standing Order 59:

That the Supplementary Estimates tabled this day be referred to the Standing Committee on Miscellaneous Estimates.

Motion agreed to.

NORTHERN AFFAIRS

NORTHWEST TERRITORIES AND YUKON— DEVELOPMENT OF GOVERNMENT

Mr. Frank Howard (Skeena): Mr. Speaker, because this is the first day this week that the Minister of Indian Affairs and Northern Development is scheduled to be in the House, at this time I should like to table two copies

of the New Democratic Party statement regarding self-government in the Northwest Territories.

Mr. Speaker: Order, please. The hon. member may wish to distribute this in an unofficial way, but I doubt that the rules permit him to make an official tabling of the document to which he referred. If he did, I am afraid the table would not be large enough to receive all the papers members would place on it.

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

INFLATION—FORECAST PRICE INCREASES—DEFINITION OF ACCEPTABLE RESTRAINT

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I had hoped we would have present in the House today either the Minister of Finance back from his pilgrimage or the Minister without Portfolio whose day it is to be in the House. However, I shall direct my question to the Prime Minister. In view of the forecast by more than 250 manufacturing firms that the prices of their products will increase from 1 per cent to 25 per cent in 1970, what is the position of the government? Specifically, will the government, in co-operation with the Prices and Incomes Commission, undertake to define what constitutes acceptable restraint so that those concerned will know what is consistent with public policy in the view of the government?

Right Hon. P. E. Trudeau (Prime Minister): I will take the question as notice, Mr. Speaker.

Mr. Stanfield: Mr. Speaker, it is interesting that the Prime Minister has to take as notice a question on a policy concerning which he has been saying so much. Specifically, will the Prime Minister also take this question as notice? Is he prepared to advise the House whether the government has supported or is prepared to support the suggestion made earlier today in a speech by the chairman of the Prices and Incomes Commission, and put forward by the commission, of a 5 per cent limitation on wage and salary increases and a 2½ per cent ceiling on price increases for a limited period of time?

Mr. Trudeau: Yes, Mr. Speaker.

[Mr. Howard (Skeena).]

NATIONAL DEFENCE

SAC BOMBER BASES—POSSIBLE LOCATION IN CANADA

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of National Defence. Last July he indicated that the United States government had requested permission to locate a number of dispersal bases in Canada for the use of Strategic Air Command bombers. At that time the minister indicated that no decision had been reached by the Canadian government. Has any decision been reached, what is the nature of that decision, and has any agreement been signed between the two governments in question?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, first of all I must inform my hon. friend that no decision has yet been taken. I should also correct the impression he left by saying that the request was not for SAC bomber bases but for refuelling facilities.

Mr. Douglas (Nanaimo-Cowichan-The Islands): May I ask the minister a supplementary question. Does the request from the U.S. government envisage the stationing of U.S. troops on Canadian soil to man these dispersal bases or are they to be operated in some other manner?

Mr. Cadieux (Labelle): The request was to provide facilities for refuelling only in emergencies and also for exercises. The stipulation was that whatever U.S. personnel would be needed for such operations would be flown in for the operations, and therefore there was no requirement for stationing U.S. personnel on our bases for refuelling aircraft.

[*Translation*]

FAMILY ALLOWANCES

TRANSFER OF FEDERAL PROGRAM TO QUEBEC

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

Has he been consulted by the Quebec Minister of Family Affairs and Social Welfare or the officials of his department about the transfer of the federal allowance plan to Quebec?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker.

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I should like to put a supplementary question.

Could the Prime Minister tell us whether the government intends to give effect to a recommendation contained in the white paper submitted to the government about the transfer of powers for family allowances to the provincial government?

Mr. Trudeau: Mr. Speaker, two questions arise in that connection.

The first, which is a constitutional one, will be answered in the document which the federal government intends to make public when the federal-provincial conference meets in December. The hon. member knows that one of the items on the agenda is precisely the question of social legislation. Consequently, the House of Commons will then get acquainted with the government position.

As for the general intention of the government with regard to social security, the hon. member also knows, since the Minister of National Health and Welfare has announced it, that we are now preparing a white paper on the federal position in the social security field.

Mr. André Fortin (Lotbinière): Mr. Speaker, I have a supplementary question.

With regard to the further request made by the Quebec government for the transfer to the province of the family allowance program, would the Prime Minister tell us whether the Canadian government is of the opinion that it is not advisable to discuss the matter until all the provinces have submitted their proposals concerning the distribution of powers between the two levels of government, as stated in a booklet published at the time of the federal-provincial conference last June?

Mr. Trudeau: The answer is contained in the question, Mr. Speaker. In fact, the federal government wishes to discuss with all the provinces the question of the distribution of powers between the federal government and the provincial governments when the constitution comes under discussion.

But since the hon. member referred to a booklet published by the federal government, I could tell him about another one that was published in February 1968, in which we show that in order to ensure the existence of a healthy federalism, it is necessary for the central government to keep the power to distribute the wealth between rich and poor, between rich and poor areas, in such a way as to give all Canadians a greater degree of equality.

Mr. Fortin: Mr. Speaker, may I ask another supplementary question. Considering that the authorities of the province of Quebec claim that the transfer of the family allowance program is the main spring of the social insurance system in Quebec, does the Prime Minister think that the thousands of people on social welfare in Quebec can wait without suffering for the result of this endless constitutional wrangle between experts?

Mr. Speaker: Order, please. I do not think that this question, as asked, is admissible.

[*English*]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, my supplementary question arises from the reference the Prime Minister made a moment ago to the government's proposed white paper on social legislation. May I ask whether a decision has been reached concerning the tabling of the Willard Report, upon which I believe that white paper will be based, in the same way that both the Woods Report and the government's white paper on veterans pensions were tabled?

Mr. Trudeau: There has been no decision to table this report, Mr. Speaker, nor do I currently expect any such decision to be made. But, as I replied to the previous question, the House will know the federal government's constitutional position on these matters by the presentation of documents to the constitutional conference in December, and we would gladly table these in the House.

TRANSPORT

ALLEGED LACK OF ENFORCEMENT OF REGULATIONS, ETC. BY AIR TRANSPORT COMMITTEE

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I welcome the Minister of Transport back from his rovings and direct this question to him. In light of the very recent unanimous adoption of a resolution by the Air Transport Association of Canada expressing loss of confidence in the Air Transport Committee of the Canadian Transport Commission, what specific steps has he or his department taken to overcome this very grievous situation in the Canadian aviation industry?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I answered a similar

question the week before last. I have met with the President of the Air Transport Association and requested him to come to Ottawa at his convenience to discuss the matter with my officials and the CTC. In the meantime, and perhaps more important, the gap in the legislation which caused some of the difficulties to which they referred has been rectified, and we hope the position will be better for the ATC and, indeed, for the commission in the future.

Mr. Forrestall: A supplementary question, Mr. Speaker. May I ask the minister whether or not it was implicit in his reply that directions were issued by his office to the Air Transport Committee, through the Canadian Transport Commission, to do something about tightening up existing rules and regulations and to enforce them rigidly, because it was on that ground that the unrest arose in the industry?

Mr. Jamieson: Mr. Speaker, I am not sure it would be appropriate for me to instruct the CTC on this matter, but even before the ATA complaint was received the necessary changes were being made and I will make every effort to have them speeded up.

TRADE

NICKEL—PROTECTION OF EXPORT POSITION

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce. I gave notice earlier today and was advised an acting minister would be in the House to answer it. In the light of the imminent rise in the price of Canadian nickel and new developments in Australia and elsewhere that threaten our export situation, what action is the government taking to protect the Canadian position in the world market?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, to the best of my knowledge there has been no increase in nickel prices in Canada, so the question is speculative at worst. I would have thought that the developments in Australia to which the hon. member refers would have a tendency, if anything, to moderate prices for nickel in the world market.

Mr. Aiken: A supplementary question, Mr. Speaker. Has the minister or his department had consultations on the matter with the Minister of Finance and the Minister of Consumer and Corporate Affairs to establish a Canadian approach in order to maintain our position in the world market?

Mr. Speaker: I suggest to the hon. member that it is not in order to put a question in that way. The hon. member is asking whether there has been consultation between ministers. I doubt whether the question is acceptable in those terms.

HARBOURS

VANCOUVER—REPORTED LEASING OF PIERS TO PRIVATE OPERATORS

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, my question is directed to the Minister of Transport. Is he in a position to answer at this time and, if not, would he agree to make a statement on motions at an early date regarding the report that the government intends to introduce a new system of leasing the major publicly-owned piers in Vancouver to private operators, the wharves affected being Lapointe and Ballantyne piers and berths one to three at the Centennial pier?

Mr. Speaker: I think this is a question that could be debated at the time of adjournment if there is urgency.

Mr. Winch: Ten o'clock.

[*Translation*]

CANADIAN NATIONAL RAILWAYS

OPERATION OF TURBOTRAIN

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I wish to direct a question to the Minister of Transport.

Can he tell the House what has become of the CNR's Turbotrain that was to operate between Montreal and Toronto?

Mr. Speaker: I think this question could also be put on the order paper.

[*English*]

INDUSTRY

LOWER PRODUCTION INDEX—INQUIRY AS TO ACTION

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce who is supposed to be in the House today, but in his absence I will address it to the Prime Minister. As the index of industrial production has fallen for the second quarter in a row, the first time this has happened in the past ten years, and as this is an important

factor in the increasing unemployment that has been taking place over the last four months, would the Prime Minister have the Minister of Industry, Trade and Commerce take the first opportunity on motions to outline to the House what steps the government is planning in the near future to overcome this very serious trend?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, I am sure the minister will be very glad to do everything to keep the hon. member informed about the many things being done by the department in regard to industrial production in this country.

Mr. Hees: A supplementary question, Mr. Speaker. As it is not particularly important to keep the hon. member informed but very important to keep the country's economy rolling at a high rate, and not to laugh and pay no attention to this problem like the Minister without Portfolio from Saskatoon-Humboldt does, will he please get on with the job and see that something is done?

EXTERNAL AFFAIRS

VISIT BY PROFESSOR LIN TO PEOPLE'S REPUBLIC OF CHINA

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Prime Minister. Has the government of Canada received any report from Professor Paul Lin, professor of Asian problems at McGill University, following his recent visit to Communist China?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I know of no such report having been made to the government of Canada.

Mr. Diefenbaker: Mr. Speaker, he reported the last time he was over there to the great Tiger, to the Prime Minister—

Mr. Trudeau: To you?

Mr. Diefenbaker: —and I thought possibly he would do so again. I ask the Prime Minister this question: Is there any foundation for the generally accredited story that Professor Lin, as a result of his visit to Mao, or at least to Communist China, is to be appointed the first ambassador from Canada to Communist China?

Mr. Speaker: Order, please. The right hon. gentleman to my left knows that the question cannot be asked in those terms.

Inquiries of the Ministry

BIAFRA—CANAIRELIEF REQUEST FOR GOVERNMENT SUPPORT

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I wish to direct a question to the Prime Minister. In view of the fact that the International Red Cross, the agency preferred by the government for conveying aid to the people of Biafra, has not operated since June, has the government come to any decision on the request of Canairelief, which was made, I understand, about three weeks ago, for support in carrying on its mercy flights into Biafra?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker.

Mr. Brewin: I have a supplementary question, Mr. Speaker. In coming to a decision on the request of Canairelief, has the government taken into account that the United States government is supporting similar American agencies that are carrying on relief operations in Biafra?

Mr. Trudeau: No, Mr. Speaker.

Mr. David MacDonald (Egmont): My supplementary question is also for the Prime Minister, Mr. Speaker. In view of recent reports that difficulties have arisen with regard to the relief program in territory held by federal Nigeria, has the government made any plans to reactivate its relief program to that part of the war-torn area?

Mr. Trudeau: I would have to discuss this with the department, Mr. Speaker. I know of no recent action.

Mr. David Lewis (York South): Mr. Speaker, I have a supplementary question on this matter. At page 872 of *Hansard* the Prime Minister told the House yesterday that the government of Canada had made certain suggestions for bringing help to Biafra in other ways, such as the use of helicopters, river crossing, and so on. I should like to ask the Prime Minister whether these suggestions were made in writing and if so, whether he would consider tabling any relevant documents. If they were not made in writing, would the Prime Minister inform the House how and by whom these suggestions were made to the Biafran authorities and if they were also made to the Nigerian authorities?

Mr. Trudeau: Mr. Speaker, they were not made in writing that I know of but they did arise in discussions between officials of the

federal government and other governments, notably that of the United States. Various measures such as those mentioned were discussed.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a supplementary question for the right hon. Prime Minister arising out of the announcement by the appropriate British ministry yesterday that the government of Great Britain proposes to increase substantially the shipment of arms to Nigeria. Is the government of Canada making any representations to Great Britain in this connection?

Mr. Trudeau: We have no such plans, Mr. Speaker.

Mr. Lewis: Mr. Speaker, arising directly out of the answer by the right hon. gentleman to my question, if I heard his answer correctly he said that these suggestions arose in discussions between the United States government and the Nigerian government, whereas his answer of yesterday suggested that they were conveyed to the Biafran authorities. What I should like to know, Mr. Speaker, is whether these suggestions were made to the Biafran authorities and, if they were, how and by whom were they made?

Mr. Trudeau: Mr. Speaker, what I said was that the discussions arose in meetings between Canadian and United States officials and that some of the United States officials made us aware of certain propositions. We discussed others as well. Various plans have been looked at practically on a continuing basis by several governments, including ours. Some of these plans have been discussed with the Biafran authorities. One that comes to mind is a proposal for the Cross River. I cannot give specific dates and details of such representations made to the Biafran authorities by other governments, but I do know that our government has not had direct contact with them. I believe the exception is the occasion when the Secretary of State for External Affairs spoke with these representatives in New York city.

Mr. Lewis: I have a further supplementary. I apologize to Your Honour and to the House for pursuing this matter, but I think it has very great relevance. In the statement the Prime Minister made yesterday he referred to these alternatives and then added that "it always happens that the Biafran authorities do not see their way clear to accept these alternative ways." Does the Prime Minister's answer today mean that he made a general statement which was far wider than the facts warranted and that his mind is completely closed on this important humanitarian matter?

[Mr. Trudeau.]

Mr. Speaker: Order, please. The hon. member for St. John's East.

POLLUTION

HIGH SEAS—CANADIAN POSITION AT BRUSSELS INTERNATIONAL CONFERENCE

Mr. James A. McGrath (St. John's East): I have a question for the Minister of Transport, Mr. Speaker. Is the minister in a position to report to the House on the stand taken by Canada at the Brussels conference on oil pollution of the high seas at which he represented Canada? If not, would he be inclined to give consideration to making a statement on motions?

Mr. Speaker: I feel that if the minister is to make a statement in reply to the question it should be made on motions, and the minister might wish to reply in those terms.

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, a copy of the statement is available. I shall consider whether anything would be gained by making a statement on motions when the conference is concluded and the various countries involved have stated their positions.

TAXATION

TAX REFORM—VALUATION DAY—DISCLOSURE OF MINISTERS' HOLDINGS

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I have a question for the Prime Minister. As the Minister of Finance is having a tough, rough time selling some parts of his white paper, would the Prime Minister be prepared to suggest and direct that all his cabinet ministers be prepared to publish their equities and holdings prior to valuation day so that no individual may benefit from prior knowledge of the date?

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

Mr. Woolliams: Mr. Speaker, I wonder if I might ask a supplementary question. Would the Prime Minister not reconsider his silence and give an answer? The fact is that this information would likely be fully known to the cabinet but not to the taxpayers. Therefore would he suggest to his cabinet that their holdings be published prior to valuation day?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, valuation day will not necessarily be set as a result of cabinet discussion. It is more likely to be announced in the usual manner by the Minister of Finance in a budgetary statement or some other way.

Regarding the previous question, if the minister is having trouble selling some parts of the white paper perhaps the hon. member could talk to some of his friends about whether progressive measures are a good thing for Canada.

Mr. Woolliams: Mr. Speaker, may I ask a supplementary? It was not my friends who objected, it was the Prime Minister's Liberal friends in Calgary.

Mr. Speaker: The hon. member for Winnipeg North Centre.

Mr. Woolliams: Mr. Speaker, may I rephrase my question?

Mr. Speaker: The Chair has recognized the hon. member for Winnipeg North Centre.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, as a supplementary question may I ask the Prime Minister whether the government has yet received the report of Professor Jeremy Williams on the subject of conflict of interest legislation and whether the government would be prepared to table that report?

Hon. Donald S. Macdonald (President of the Privy Council): The report has been received, Mr. Speaker, and we will be considering the hon. member's notice of motion for production of papers on this subject and perhaps be able to respond to it tomorrow.

Mr. Woolliams: I wonder if I might ask one supplementary, Mr. Speaker. Will the Prime Minister inform us in clear terms as to who in the government or outside it will set valuation day?

NORTHERN AFFAIRS

NORTHWEST TERRITORIES AND YUKON—INQUIRY AS TO INTRODUCTION OF LEGISLATION

Mr. Erik Nielsen (Yukon): My question is for the Minister of Indian Affairs and Northern Development, Mr. Speaker. Now that the minister has made his statement in Yellowknife and in the Yukon to the legislative councils to both territories with respect to self-government and the advance of self-government in those territories, when does he intend to introduce for first reading the two pieces of legislation mentioned in the Speech from the Throne, the bill to amend the Northwest Territories Act and the bill to amend the Yukon Act?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): As soon as possible, Mr. Speaker.

Mr. Nielsen: A supplementary question for the Prime Minister, Mr. Speaker. Has he received a telegram or other communication from the Yukon Council or its members requesting a personal interview and reconsideration of the policy enunciated by the Minister of Indian Affairs and Northern Development? If so, has he replied and to what effect?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, as I entered the House I was told that such a telegram had arrived in my office. However, I did not see it and have not replied to it yet but I shall consider it and reply.

Mr. Speaker: Before the hon. member puts his supplementary, we have reached the point where I take the liberty of reminding hon. members that we will soon have used up all our available time and I know many members still have questions to ask.

Mr. Nielsen: Just one supplementary question, Mr. Speaker. Since in that communication the council requested a personal interview with the Prime Minister in order to express their regret as to the policy and discuss its reconsideration, is he able to inform the House whether the request will be granted?

Mr. Trudeau: Mr. Speaker, if the interview is merely for the purpose of expressing their regret, it is not necessary that I meet them. I shall accept their regret and discuss the matter with the minister.

Mr. Hees: Is that the Prime Minister's idea of participatory democracy?

POLLUTION

REGULATIONS RESPECTING AUTOMOBILES—INQUIRY AS TO ACTION

Mr. Barry Mather (Surrey): I wish to direct a question to the Minister of Transport. It arises out of the action taken in the last day or two by the United States government to bring an automobile manufacturing company to court in order to make it live up to anti-pollution regulations. What is being done or

considered in that field in the Department of Transport?

Mr. Speaker: I doubt whether the question as asked is acceptable at this time. Perhaps the hon. member might give notice for consideration at the time of adjournment.

TRANSPORT

CARIBOU-WOOD ISLANDS FERRY SERVICE—IMPROVEMENT OF FACILITIES

Mr. Heath Macquarrie (Hillsborough): I wish to direct a question to the Minister of Transport regarding a matter to which he recently indicated he and his departmental officials have been giving attention, namely, the upgrading of the Wood Islands-Caribou ferry service so heavily used last summer. Can the minister advise if a decision has been made to augment and improve this important transportation link and, if so, can he indicate the extent of the Canadian government's participation in this good work?

Mr. Speaker: I suggest to the hon. member that this question could also be placed on the Order Paper. There may be some urgency that is not readily apparent. If there is, perhaps the minister might be allowed to reply at this time.

FISHERIES

SUPPLYING OF WATER TO RUSSIAN FLEET BY HARBOURS BOARD

Mr. Lloyd R. Crouse (South Shore): My question is directed to the Minister of Transport. Has the National Harbours Board been supplying fresh water to the huge Russian fishing fleet on the west coast at a price lower than that at which British Columbia fishermen can obtain fresh water?

Hon. Donald C. Jamieson (Minister of Transport): I am afraid I cannot answer that, Mr. Speaker. It may be heavy water from Glace Bay. I will be glad to look into the matter and provide an answer for the hon. member.

OIL

STRAIT OF GEORGIA—ISSUANCE OF DRILLING PERMITS

Mr. Randolph Harding (Kootenay West): As the Minister of Energy, Mines and Resources is absent today I will direct my question to his Parliamentary Secretary. In view of the reported statement by the Minister of Fisheries and Forestry in Vancouver on November 13 that his department will not allow oil drilling permits in Georgia Strait, are the required drilling permits in such areas still issued by the Department of Energy, Mines and Resources?

Mr. R. J. Orange (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I think the minister stated in the House last week there had been no change of policy in the department.

Mr. Harding: A supplementary question, Mr. Speaker. Does the department require clearance from the Department of Fisheries and Forestry before pemits are issued for drilling in our continental shelf areas?

Mr. Speaker: This question could be placed on the Order Paper.

GRAIN

BOXCAR UTILIZATION—REQUEST FOR REVIEW

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, this must be the Minister of Transport's day in the House. I also wish to direct a question to him. In light of current reports that there is heavier than usual utilization of Canadian boxcars in the United States, will the minister take immediate steps to review this matter with officials of the United States with a view to establishing a more equitable formula for the use of Canadian rolling stock?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker, I will be glad to look into it.

Right Hon. J. G. Diefenbaker (Prince Albert): A supplementary question, Mr. Speaker. Is the suggestion I made a year ago regarding the appointment of a transport controller to direct the allocation of boxcars receiving the attention of the government?

Mr. Jamieson: I think that question might be more properly answered by the Minister without Portfolio from Saskatchewan.

Hon. Otto E. Lang (Minister without Portfolio): This question, of course, has frequently been put. It has been and still is our position that the appointment of a transport controller would not add anything to the movement of grain at the present time.

Mr. Diefenbaker: In view of the fact the minister represents Saskatchewan and is a member of the same party as the Premier of Saskatchewan, does he think that government was not intelligent in making that recommendation?

Mr. Speaker: Order, please.

POST OFFICE

NON-DELIVERY OF MAIL TO BROCHET, MANITOBA

Mr. Robert Simpson (Churchill): My question, Mr. Speaker, is directed to the Postmaster General and Minister of Communications. I have just received a telegram which I would like to send to the minister. I ask him to look into the fact that the community of Brochet, Manitoba, has not received mail since October 17 despite the fact that aircraft are landing daily and taking passengers and freight in and out of this community.

Mr. Speaker: Order, please. The hon. member may have a grievance, but I would not think his point is acceptable as a question. In any event, he has made a representation and has to assume it will be taken into account by the minister.

Mr. Simpson: A supplementary question, Mr. Speaker.

Mr. Speaker: Order, please.

[*Later:*]

Mr. Simpson: Mr. Speaker, I have a supplementary question to the Minister of Communications. Is the minister aware of the fact that there has been no mail service to the community of Brochet since October 17?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): I will certainly find out about it in a few minutes, Mr. Speaker.

EXTERNAL AFFAIRS

ST. PIERRE—REPORTED DEVELOPMENT PROGRAM

Mr. James A. McGrath (St. John's East): In the absence of the Secretary of State for External Affairs I address my question to the Prime Minister. Has the government been officially made aware of an agreement entered into between the government of France and an international cartel for a $400 million promotional program for St. Pierre which will include the building of a gambling casino, a free port, an international airport, motels, hotels and nightclubs?

Some hon. Members: Hear, hear.

THE CANADIAN ECONOMY

INFLATION—POLICY ON SPECIFIC RESTRAINTS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I wish to direct a question to the Prime Minister to which I would like to receive a serious answer.

Some hon. Members: Oh, oh.

Mr. Hees: That will be hard to get. He will just laugh it off.

Mr. Stanfield: Mr. Speaker, I ask this question in view of the statement by Mr. Young that in the event of the failure of a policy of restraint the authorities may have to resort to a degree of unemployment which will be unacceptable to all concerned. Will the Prime Minister accept his responsibility to the House and to the country and, in view of his emphasis upon restraints, make a statement in the House tomorrow or the day following as to what the policy of the government is with regard to specific restraints so that this policy may have some chance of succeeding and the degree of unemployment indicated by the chairman may be avoided in the fight against inflation?

Right Hon. P. E. Trudeau (Prime Minister): In due course and if necessary, Mr. Speaker.

PUBLIC SERVICE

DELAY IN ISSUING RETROACTIVE PAY CHEQUES

Mr. Mark Rose (Fraser Valley West): My question is directed to the Minister of Supply and Services. In view of the assurances previously given in the House, how much longer do civil servants have to wait for their retroactive pay increases?

Mr. Speaker: The question as asked is in an argumentative form. Perhaps the hon. member might like to ask it in the usual unargumentative way.

Mr. Rose: Mr. Speaker, I am pleased to speak more softly. I will try to bury the big stick in the question. In view of the fact that some of these cheques are now three months late, will the minister please specify what steps the department is taking to end this problem?

Mr. Speaker: The hon. member is asking for a statement which normally ought to be made on motions.

[*Translation*]

CANADIAN SOVEREIGNTY

ARCTIC EXTRATERRITORIAL WATERS

Mr. Roch La Salle (Joliette): I should like to address a question to the Prime Minister.

Inquiries of the Ministry

Following his recent meeting with the Secretary General of the United Nations, could the Prime Minister tell us whether the Secretary General agrees to the principle recently stated by the Canadian government of Canada's sovereignty over the so-called extraterritorial waters of the Arctic Ocean?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, we never asserted our sovereignty over Canada's extraterritorial waters.

[*English*]

THE CANADIAN CONSTITUTION

STATEMENT BY MINISTER OF COMMUNICATIONS RESPECTING CONFEDERATION FOR TOMORROW CONFERENCE

Mr. Mac T. McCutcheon (Lambton-Kent): My question is to the Minister of Communications. It concerns the minister's Toronto speech of last Wednesday in which he described the Confederation for Tomorrow Conference as a grandstand performance. Will the minister be good enough to table the text of that address so that we all may peruse his latest contribution to co-operative federalism?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): I must explain the context in which the remark was made. I can do so briefly.

Mr. Speaker: Order, please. The minister says he can answer briefly, but even in those circumstances I do not think he can make a statement at this time explaining a speech. It would not be in accordance with the rules of the House.

INDIAN AFFAIRS

INUVIK—PROVISION OF ELECTRIC, SEWER AND WATER SERVICES

Hon. George Hees (Prince Edward-Hastings): I have a question for the Minister of Indian Affairs and Northern Development. During his recent trip did he ensure that the Indian and Eskimo population of Inuvik will in future be supplied with hydro, water and sewage facilities in the same way as civil servants living in the town so that they do not remain second-class citizens?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, Indians, Eskimos and white people are treated the same way at Inuvik. A problem arose which did not only involve the Indians and the Eskimos but also a certain portion of the white population and it is now about to be solved.

[Mr. La Salle.]

[*English*]

Mr. Hees: Is the minister not aware that in the northern half of the town the Indians and the Eskimos are the only people without these facilities?

Mr. Speaker: Order, please.

TRANSPORT

INADEQUACY OF PASSENGER TRAIN SPACE

Mr. John L. Skoberg (Moose Jaw): I have a question for the Minister of Transport, Mr. Speaker. In view of the impossibility of obtaining space on CNR trains as far ahead as December 21 and later, will the minister move positively to require the Canadian National and the Canadian Pacific to put more cars on their passenger trains to handle the demands of the travelling public?

Hon. Donald C. Jamieson (Minister of Transport): I shall be glad to make representations to the railways as I did at the end of the summer vacation with some success, I think.

NATIONAL DEFENCE

REQUEST FOR STATEMENT ON CONSOLIDATION OF BASES

Mr. J. M. Forrestall (Halifax East): I have a question for the Minister of National Defence, Mr. Speaker. Can the minister indicate when he will be in a position to read the next chapter of the base consolidation program to us?

Hon. Léo Cadieux (Minister of National Defence): I am still writing it, Mr. Speaker.

Some hon. Members: Oh, oh!

PESTICIDES

DISPOSAL BY CROWN ASSETS DISPOSAL CORPORATION

Mr. Les Benjamin (Regina-Lake Centre): May I direct a question to the Minister of Supply and Services arising out of a question I addressed to the Prime Minister several days ago concerning the government's policy of restricting the use of DDT? Can the minister tell the House whether or not Crown Assets Disposal Corporation is still calling for public tenders to purchase government stocks of DDT at Prince Albert National Park or anywhere else in Canada or whether the government will cease to call for such tenders?

Hon. James Richardson (Minister of Supply and Services): The call for tenders for pesticides containing DDT has been withdrawn.

• (3:10 p.m.)

GOVERNMENT ORDERS

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 58—NON-CONFIDENCE MOTION—LACK OF EFFECTIVE AGRICULTURAL POLICIES

Mr. H. W. Danforth (Kent-Essex) moved:

That in the opinion of this House the government has failed in its duty to the Canadian farmer by its neglect to initiate and promote adequate marketing and distribution of food and agricultural products and the adoption of effective international policies with respect to agricultural commodity arrangements.

He said: In the light of events which have taken place since 1963 with regard to the agriculture industry, events which have accelerated drastically in the past few months, I consider it a real privilege to be in a position on behalf of that industry to move a motion of non-confidence in this government.

Some hon. Members: Hear, hear.

Mr. Danforth: The hon. member for Qu'Appelle-Moose Mountain (Mr. Southam) has done me the honour of seconding my motion.

If there had been any doubt whatever in my mind about the wisdom of making such a motion it was completely dispelled by the statement the minister made this afternoon on behalf of this so-called government, a statement which amounted to nothing less than a declaration that the government has closed the doors on attempts to solve the major problems facing agriculture today and is resorting to an undignified retreat from its responsibilities and obligations. It is my considered opinion, an opinion shared by all my hon. friends on this side of the House, that these decisions were taken solely for reasons of political expediency in a desperate attempt to balance the federal budget without giving consideration to the implications as they affect the agricultural industry.

Some hon. Members: Hear, hear.

Mr. Danforth: During the past six years we on this side of the House have tried desperately to bring what is happening in agriculture to the attention of the government. We have pointed out that the industry is in a flux of evolution. We have pointed out that measures which might have met some of the problems to a certain extent prior to 1963 are no longer sufficient to meet the demands of 1969 and 1970. We have tried to make it clear to members of the government that the problems which bear on agriculture today affect every field of Canadian life—that the consumers are directly affected by price changes and food costs, that health and welfare measures are directly concerned when farmers are forced to leave the so-called poorer farms of this country and migrate to the urban centres to become, for the most part, welfare cases; that the Department of Labour is concerned when it is called upon to find employment for these people or retrain them because they can no longer make their own living on the farms.

Especially during the past months we have sought to bring home to the government the fact that agriculture as a whole is in dire financial straits, and whenever we have done so government spokesmen have attempted to prove that the gross income of the farming community was much greater than ever before and that the net income is growing every year. I contend this is just a method of book-keeping which is used by government supporters to conceal from the Canadian public as a whole exactly what is happening in the agriculture industry. It makes not one bit of difference if a farmer receives 5 per cent more gross income during a year if his expenditures rise by 10 per cent and if his interest charges have increased from 6 per cent to 11 per cent in a single year; his "take-home" pay is far less than it was a year earlier. It is hard to convince such a man that he has never had it so good.

Isn't it strange that when we point to one of the greatest industries in Canada, the industry which exports more goods than any other, the industry which employs more people than any other, we should find that the increase in the inventory value of the holdings in that industry has, over the last ten years, been almost identical with the increase in borrowings by the industry from government sources? Speaking from memory, I think the figure is around $1,800 million.

Through the years the government has indicated to leaders in agriculture that it is aware of the problems and is attempting to do something about them. The fact is that today leaders of farm commodity groups and farm marketing organizations are no longer coming to Ottawa to present the facts, make their requests and offer advice and suggestions to the government. They have found from bitter experience that all they get is a pleasant hearing and absolutely nothing else.

Most of us concerned with agriculture were invited to attend the agricultural congress,

and for this we thank the minister for his courtesy. In his opening address, which was excellent indeed, the minister stated that the three main objectives of the congress were, first of all, to deal with matters realistically; second, to approach the problems in a practical manner, and third, to look at agricultural needs not in the short term but in the long term. This is very commendable.

The minister also indicated to the assembly that he was not interested in political expediency but in the long term approach to agriculture that he, as minister, wished to adopt. In other words, he left the impression—and I admire him for this—that he was not interested in extending his own political career or the political life of his party; he was acting solely for the good of agriculture.

Within three weeks, contrary to every indication in the congress report, the minister took it upon himself, without consultation with the industry, to reduce the subsidy on the hog program, one which he had said 90 days previously had been formulated after consultation with the industry. The minister reduced this subsidy unilaterally, without consultation even with the members of the agricultural committee in whom he said he had greatest confidence. The minister took it upon himself to reduce this subsidy in order to cut expenditure in the Department of Agriculture.

This is the man who said we must speak with realism, in a practical manner, and deal with the long time good of agriculture. If this sort of action is repeated, there will be no farmers and no need for a long term policy. The Canadian agricultural industry as such will be finished.

There is no doubt that this congress, to which all leaders of agriculture and allied industries were invited, reflected the desire of the government progressively to withdraw from the financial support of agricultural institutions and to drop, as I think the Prime Minister (Mr. Trudeau) put it, the paternalistic approach to the industry. Otherwise, how could the government, which has been supporting the agricultural industry in Canada for 100 years, now tell that industry it is no longer interested and is going to withdraw its support? I say the government cannot withdraw and will not withdraw.

An indication of the government's intentions was given the other day when the President of the Privy Council (Mr. Macdonald) stated in this House that preferential tariffs were going to be applied by Canada and developing nations to the mutual benefit of both. Those who have engaged in agriculture or any of the allied industries know that the prime exports of developing countries in the world are agricultural products. In other words, the government has issued an invitation to these countries to export agricultural products to Canada. This is a direct intervention by the government over which the industry has little control.

First of all, the government said it would not intervene in this way. Then, the government said it would withdraw from its responsibilities. The government is also attempting to establish a new price for potash, one of the prime products used by farmers. It is proposed to increase the price $6 a ton for farmers in eastern Canada, and in my province alone the average quantity used per year is 150,000 tons. In other words, production expenses of farmers in Ontario next year will be increased by $1 million as a result of direct government intervention. I ask the government how it can even think of withdrawing assistance from agriculture.

The Liberal party has been in office for about six years, and I should like to know what they have in store for agriculture. It was indicated yesterday that there would be another federal-provincial conference of agricultural ministers this week, something that is an annual occurrence. As I say, we attended this great agricultural congress that was going to discuss agricultural problems and find solutions thereto. The Standing Committee on Agriculture has travelled the country from coast to coast. The government has set up a task force to study agricultural problems, but this body has failed to report since it started work three years ago. The government also set up a royal commission to study the high price of farm machinery, and the only report during its life span of two years has been an interim one. This interim report consists of about 640 pages, and what does it indicate? In short, it is an indication to the government that there are problems facing Canadian agriculture that should be investigated. The commission recommends that an investigating body be set up. Perhaps we should set up another royal commission and also concentrate research upon the marketing field.

Today, the minister stated that all financing of agricultural research and farm subsidies is going to be curtailed. Changes will be made. There will be further cut-backs, even to the

extent that staff will be dismissed and personnel will be deployed within the department.

Mr. Olson: Read the statement again.

Mr. Danforth: Some experimental farms might even have to shut down at a time when agriculture needs every bit of scientific research that we can afford in order to introduce new packaging methods, new varieties of crops, additional sales promotion on the domestic market, while at the same time emphasizing new competitive methods for securing international markets.

This government seems to think that we are still in the 1950's or 1960's. We are talking about the 1970's, about a brand new ball game. We are talking not about free trade but about managed markets. We are talking about the buying and selling of food by international food chains. We are talking about sales not by individual farmers and marketing groups, but by countries. We are talking about international distribution. But the government is running to its little corner, holding up and umbrella and hoping that the rain will go away. This is why this House should have absolutely no confidence in government policy. Frankly, I do not understand how hon. members on the government side who come from rural areas can any longer support this type of approach to agricultural problems. They are knowledgeable men and know, or should know, what is going on in the industry in their ridings, but we do not hear from them in the house. They are not actively promoting methods which will save this great farm industry from actual annihilation.

• (3:20 p.m.)

What has this government finally decided after years of investigation, procrastination and alibis? It has come to the conclusion that what we need is perhaps national marketing schemes and supply management. This approach could possibly provide some help, but I gravely suspect that when the government talks about national marketing schemes and supply management what it means is that we are going to curtail production to meet demand. When the government talks about demand it is not talking about national markets, as we learned from bitter experience, it is talking about domestic demand which is becoming increasingly smaller each year because of pressure from imports into this country under the impetus of international food chains buying cheap food everywhere in the world. This is what agriculture is faced with today.

I should like to quote two sentences from publication No. 12 by the Agricultural Economics Research Council of Canada. It is entitled "Evaluation of Objective for Agriculture" by J. C. Gilson. In it he quotes from Professor Cochrane's recent book "A City Man's Guide to the Farm Problem". This quotation sets forth the problem very simply and eloquently and indicates where this proud agricultural industry stands today. These are the sentences:

> Farmers stand hopelessly divided and badly confused before their problems; their political power is dissipated and their understanding is muddied.

To my mind this is the position in which this government has put this once proud industry. So, it is with pride that today I propose a motion of non-confidence in a government which has regimented the agricultural industry to such an extent it has been put not just in the position of second class citizens but on the road to destruction.

This government talks about the movement of small farm operators into the city, and encourages this movement. It talks about those small farm operators making $2,500 a year, as though they have no right to be on the farm any more. We are facing a new age. There are going to be far more farmers living on farms making under $2,500 a year than there were in the past. This is the type of farmer who will accept full or part time employment in an adjacent city. He will, because of the high cost of living and inflation, be forced to do both jobs. This type of existence is not the exception, it is rapidly becoming a way of life.

In the interests of farmers as a whole, the government must reach the decision that we cannot have any over-all legislation for farmers. It must recognize that there are three distinct types of farmers in this nation for whom something must be done. First, there is the large commercial entity composed of a number of groups of farmers banding together for the purpose of operating a common feed plant, a food processing plant or a cattle feeding operation. That is one type.

We then have the family type farms. My definition of a family farm perhaps differs from that of other hon. members in the House. Under today's circumstances, a family farm is a farm that utilizes to the "nth" degree every possible mechanical and technical advantage but where the labour input exceeds that of purchased labour.

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Finally, we have the small farmer who lives on the fringe of suburbia or an urban centre in which there are commercial and industrial enterprises. He augments his income by working in the factories or in industry. He might even drive a school bus in order to provide, in his own fashion, for his family.

The government cannot adopt one policy in respect of these three types of farmers. These people have various problems, both agricultural and social. This government must make a decision. Perhaps during its term of office it can make one decision. It must decide to put farmers in training programs and provide adequate employment so they can furnish their families with the necessities to which they are entitled. The government must evaluate the cost of such a program and decide whether it would be cheaper for the taxpayer and better for the welfare of small communities to introduce programs which would keep the small farmer and his family on the farm. It is very easy to say we are going to retrain this group of farmers in order to move them into the cities where unemployment is increasing even for those who are specialists, and where we have not got adequate housing. Under this program we would put farmers out of their homes, which would fall into disrepair very quickly, and put them into other areas which also have problems. The result will be to increase the problems of the small municipalites which will lose their tax base and thus be unable to support community life.

We have a Liberal government today which, after nearly seven years in office is still trying to ascertain the problems. This is the same Liberal party that assured the people in 1963 it knew all the answers. Seven years later we are staggering blindly along unable to reach concrete decisions, even after months and months of deliberation. The policy the government has evolved amounts to a withdrawal of financial support from the agricultural industry, and a withdrawal of its responsibilities and obligations. It proceeds with blind faith that perhaps tomorrow will be a better day.

I have no confidence in this government. I have no confidence in the plans it has put forward for the future of agriculture. When I note that the very knowledgeable leaders of this agricultural industry in Canada refuse to come to Ottawa because they feel that would be of little value, I am sure that standing in my place here I speak for the Canadian farmer.

[Mr. Danforth.]

• (3:30 p.m.)

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I rise to support the motion and in due course will move an amendment. I am amazed that within the year, or better than a year now, that this government has been in office it has not brought before this House a clear enunciation of a policy to meet agricultural problems as members of the government see them. A year ago members of the Standing Committee on Agriculture looked at the agricultural scene in Canada. During that study members of the Standing Committee, not only of the opposition but also of the government, agreed there was a necessity to take a look at what was happening to the farming industry in Canada. So, we travelled to western Canada and to eastern Canada. Some areas still remain to be visited. The committee has not even yet made its final report. Members were ready to comment on some of the things they saw. I am sure there were some things upon which members of the committee, in their extended tour, could have agreed to make recommendations to the government of the day. As a result of their tour, the members of the committee did recommend some things to the government, very few of which have been implemented.

When we met here on September 23, I thought one of the top priorities for the government would have been to have this committee meet, bring in a final report on eastern Canada and cover some of the very important issues on which the committee has not yet reported. One of these issues, notably the feed grain situation, was left until the committee made its final report. The government, however, apparently feels there is no urgency for action in this particular field, otherwise it would have acted. Yet, I do not suppose there is any facet of agriculture in which there is a greater disarray or a worse situation than that which exists in respect of feed grains in western Canada today. One hears of farmers selling feed grain, wheat, oats and barley, at prices that are simply give-away prices, such as 50 cents and 60 cents a bushel for wheat. One wonders how those who buy this feed grain have the gall to go into the yard, load it up and haul it away. But I guess there is no limit.

One hears complaints, some of which were also heard by members of the standing committee. It was obvious from our discussions with the officials of the Board of Grain Commissioners that feed grain was bypassing the regular trade channels and

appearing in eastern Canada where it offered competition to those manufacturers who made their purchases through the Wheat Board. In view of this situation one would have thought the government would have considered it urgent to ask the members of the committee for advice on how to deal effectively with the problem. But no, that was not done. If the government did not want the advice of the members of the committee, then one would be led to believe the government itself would make a proposal for dealing with the situation. But, no. So, like Mohammed's coffin, the problem hangs half way between heaven and hell, waiting for someone to bring it down to earth.

As members of the committee travelled about the country there were other things they saw which required attention. One of these was the abattoir in Nova Scotia which is seeking to deal with the problem of marketing livestock in Nova Scotia and perhaps part of New Brunswick. This abattoir is in need of some aid for its effort to serve that area. But I suppose this problem also has been lost in limbo. One could go on and mention other things we saw on that tour, such as the change that is taking place in agriculture. After looking at the big processing plant in New Brunswick, we could see the close tie-in there is now between marketing and production. Policies are needed to deal with this situation. Only this morning representatives of the National Farmers Union appeared before the Standing Committee on Finance, Trade and Economic Affairs to ask for consideration of the high interest rates which now prevail and with which farmers are trying to deal and live. Some farmers will not be able to cope. I do not know the number of farmers who will be in extreme difficulty because of the interest rates which now prevail in Canada.

Some sectors of Canadian business and Canadian industry probably will be able to live with this type of interest rate structure without too much difficulty. I would not venture to pass an opinion on that, but I will venture to pass the opinion that agriculture will not survive and be healthy with the interest rate structure which it now faces. That same interest rate structure will prove to be one of the factors that will prevent the adjustment to other forms of production which some farmers are having to make in Canada today, and more particularly in western Canada. A farmer is a pretty flexible individual. He can adjust to a great many different conditions. He is pretty resourceful, but the one thing he cannot adjust to is a zero income. That is what many farmers in Canada are trying to do today; they are trying to adjust to a zero income. This is impossible.

I could provide figures, but why bother. They have all been quoted in this House before, and, indeed, many times during the last year. Is it necessary to put more on the record? I doubt it. Perhaps a brief example might be sufficient. Last spring the price of beef was $35 per hundredweight. When it reached that point the head of one of the great chain stores in Canada advised that there should be a boycott. One minister said he thought this would be a good idea. Well, it was effective within six weeks. The price went down to the neighbourhood of $29 and now is down to $28. Some farmers who put cattle in their feed lots last spring will be lucky when they bring them out this fall if they are able to repay their loan. These are the men who are attempting to adjust to a new set of circumstances.

• (3:40 p.m.)

In wheat and coarse grains, there is a marketing crisis which has existed for almost two years and which is getting worse rather than better. We have had recurring crises in transportation and grain handling, and every once in a while one hears that this or that grain is not in position for this or that market. I will not take the time now to say who was right and who was wrong in the last crisis with regard to flax because what we really need to do is to look at the grain marketing and transportation facilities and make them into an effective working mechanism. Flax rye and rapeseed should be handled by the Canadian Wheat Board. How can the program work well when, on the one hand, there is the Canadian Wheat Board administering quotas allowing one to put so much into the pipeline and giving permission to move it here and there while, on the other hand, there is another agency doing the selling and pricing and governing itself, strictly according to the profit on the day's operations? That is their only concern. If something goes wrong with their operation, the Canadian Wheat Board gets the blame. It is the biggest thing in sight and it is always a handy whipping boy.

I say to the government that if they continue their present policies they will invite this sort of circumstance. We need a clear statement of policy from the government. The

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Globe and Mail carries a story under a byline which indicates there is going to be a big shake-up and much friction between the Department of Agriculture and the Department of Industry, Trade and Commerce. Therefore, a secretariat will have to be set up. I do not know how closely this reporter has his ear to the ground, but a little over a year ago this government set up the Canada Grain Council in Winnipeg. Perhaps some day when the Minister without Portfolio from Saskatoon-Humboldt (Mr. Lang) is in a good mood he will tell us what that council has done in the intervening time. I see occasional press reports stating that they have some money, but perhaps we should be told of their activities. Apparently they are not doing the job because, according to the *Globe and Mail* press report, there has been too much friction and another secretariat will have to be set up.

The news release of the Saskatchewan Wheat Pool of November 7 stated that Mr. John W. Channon advocated a change in the selling policy of the Canadian Wheat Board. According to that report:

> In its place Mr. Channon suggested a bid-and-ask type of pricing. Under this system he said, the Board's average price may fall but revenue to producers would increase because more sales would be made.

I wonder who gave him a crystal ball and I wonder if he looks into it every morning on rising. How does he know that more sales will be made through that method? I would not set myself up as a judge but I suggest that the two departments should agree on the policy that should be applied and should try to be more consistent.

The main point that should be recognized in the selling of wheat and coarse grains is that we are in a new ball game in terms of trade, and that is the new circle in which the Wheat Board operates. I suppose none of us really has a crystal ball, but following the second world war we should have foreseen that markets in western Europe were not going to expand. Certainly, when the Chinese and Russian sales took place, the clear indication was that we were going to have to reorient ourselves toward new markets and their development. Unfortunately, instead of doing that we considered those sales as windfalls. I do not propose to make any criticism of that but I say that we emerged out of the Kennedy round without any advantage. The Kennedy round was essentially a continental policy and we are still going to have to live with it because it oriented us one way, but the western grain producer will have to start looking

[Mr. Gleave.]

to the east. I do not see any other alternative for us, if we want to sell grain in those markets, but to increase our trade and our willingness to do business with these eastern countries. I do not see any signs yet that we are willing to do that.

There are no news stories about the promotion of improved rapeseed, and so on, or action parallel to that undertaken by the Americans when they negotiated an agreement which gave them further chances to export their soya beans and other products. They got real concessions from the Japanese in return, I suppose, for concessions which they gave the Japanese. We have before us the alternative of expanding our trade in these areas in order to find new markets for our coarse grains, both in the east and in Europe, or else to cut back production in western Canada. If the latter course is followed the economy of that part of Canada will suffer great damage and, not only will farming operations be eliminated but business people and whole communities will go out of business. At this time of crisis it does not make sense to cut back on research and development in the Department of Agriculture or to cut back the subsidies and aids to agriculture. We need all the brains and all the effort that we can muster to pull our farmers through in a rapidly changing agricultural economy.

Even without that crisis, agriculture would have had enough troubles because of the pressure of technology and of the industrial society, of which farming is now only starting to become a part. Agriculture is ill-equipped to become part of a highly technical and highly organized industrial society. If the government were aware of this fact and acted on it, then I think the farmers in this country would have more confidence in the future and in this government. But the farmers have yet to be shown that the government is aware of these circumstances.

• (3:50 p.m.)

Having said this, Mr. Speaker, I would like to move an amendment to the motion, seconded by the hon. member for Timiskaming (Mr. Peters) as follows:

> That the motion be amended by changing the period at the end thereof to a comma, and by adding immediately thereafter the following words:
>
> "and by its failure to take adequate steps to provide the additional cash income urgently required by the farmers of this country."

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, this motion and the amendment relate to a serious matter of deep concern to the people of Canada and in particular to the farmers of Canada. It is a striking circumstance that at a time like this, with agriculture in the doldrums to an extent we have not seen in many, many years, the House of Commons by its attendance gives little indication that there is any realization of the serious situation in which the farmers find themselves. When one looks across at the government side and finds there is one minister in the House, the Minister without Portfolio, the hon. member for Saskatoon-Humboldt (Mr. Lang), one is given an indication of the attitude of the government towards the serious situation faced by farmers everywhere in the country, and in particular in western Canada, of which I intend to speak.

The hon. member for Kent-Essex (Mr. Danforth) seconded by the hon. member for Qu'Appelle-Moose Mountain (Mr. Southam) moved the motion to which an amendment has been moved. The hon. member who moved the motion made a striking contribution to the problem. Now, Mr. Speaker, I have to correct myself. The Minister of Agriculture (Mr. Olson) is back on the scene.

Mr. Olson: I have been here all the time.

Mr. Diefenbaker: So, they have doubled their representation in a few moments.

Mr. Stanfield: You cannot tell whether he is here or not.

Mr. Diefenbaker: This is the best record the government has had so far. I know the Minister of Agriculture is here today because earlier he made a statement, more vacuous than any produced by any minister of agriculture in the last 35 years. Indeed, it was a mimicry of Parliament to produce a statement as vacuous and vapid as was that statement and expect it to bring any hope to the farmer. It cannot bring anything else but a deep and abiding feeling of frustration.

Mr. Olson: Come now!

Mr. Diefenbaker: I would be glad to hear the minister. I would like to hear him defend the indefensible because that is what he will be doing if he rises to speak in support of what he said this afternoon. So far as western Canada is concerned, it is all in keeping with the immortal words of the Prime Minister (Mr. Trudeau) at Winnipeg when he asked, "Why should I sell wheat?" That was the attitude of the government. When asked what he intended to do about selling Canadian wheat he replied, "Why should I sell wheat?" I quote:

> According to press reports Mr. Trudeau added that although selling wheat was a national problem, first and foremost it was the farmers' concern.

The farmer has nothing to do with the selling of his wheat. It is done through the instrumentality of the Wheat Board, but the Prime Minister is apparently unaware of this. Again, I quote:

> He said that selling wheat was the farmers' problem, because the only case in which it would be the government's responsibility would be if the state owned the land, the wheat, and hired the farmer to produce it.

That ejaculation of his is indicative of the complete indifference the government has to the problems of the western farmer.

Mr. Lang: You left out something.

Mr. Diefenbaker: There are two ministers present and I will welcome any interruptions from either of them because then I can always clarify and deal with matters that otherwise would not receive attention. There they sit. I think they are men of deep concern.

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

Mr. Diefenbaker: Oh yes, welcome.

Mr. Lang: I would just like to ask, Mr. Speaker, if he would care to read the other sentence of the Prime Minister (Mr. Trudeau) in which he referred to the Wheat Board on that occasion?

Mr. Diefenbaker: Oh, the Wheat Board. I am reading from the report by Canadian Press.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: Apparently, I am reading the entire report, and the hon. gentleman knows that what the Prime Minister said rankles in the hearts of western farmers so he produces that little alibi, "What did the Prime Minister say about the Wheat Board?" I will refer to the Wheat Board a little later on.

Mr. Olson: Please do.

Mr. Lang: Yes.

Alleged Lack of Agricultural Policies

Mr. Diefenbaker: I would like to hear from the minister. I have a high regard for him in an intellectual way. He went from Dean of Law at the university to a high position. I sometimes wonder whether the Prime Minister gave him the wheat problem so that he would be suffocated in endeavouring to solve it.

It is an interesting situation in which the minister finds himself. Well, I shall now deal with some of his recent observations. He issued a Press release the other day, November 5, in which he—

—defended the work of the Canadian Wheat Board, called on farmers to adjust their production to market forecasts, urged pooling of terminal resources and suggested that the wheat situation calls for the use of computers, unit trains and very large country elevators.

There is the solution: more computers, larger country elevators and unit trains. That will put money into the farmers' hands! That is the solution of an intellectual wandering into the fields of practical politics in agriculture. He gave advice. He said that farmers must adjust production to meet market needs.

The farmers must be completely aware of the probable sales opportunity for the crop to be produced and a means will be sought to provide this information in advance of the critical time for farmers to make their decisions.

What was the hon. gentleman's advice in 1968, during the election campaign? He told the farmers, as did all of the Liberal members from western Canada, "Produce your wheat and we will sell it." The difference is that when we got that pile of wheat in 1957, we sold it. We did away with that tremendous avalanche of wheat.

Mr. Olson: Do you want to compare the figures?

Mr. Diefenbaker: May I hear the ejaculations of the minister? I do not want to miss any of his words. They have been very costly to the western farmer. I have listened to him, and I have also listened to his confrere, the solver of the farm problems in my own province and in all of Canada. They are now faced with this wheat situation and they give the farmers explanations that have no basis in fact. They say, "If you only wait long enough we are going to act". When? I will deal with the declaration made today by the minister.

I don't often give quotations, but here is one from the *Western Producer*. I think the Minister of Agriculture is a consistent reader

of the *Western Producer*. I recall that in the past, as he sat here in the darknesses of opposition, he often quoted the *Western Producer*. It was his Bible until he changed his location. The article is headed, "No Help for Farmers", and reads in part:

• (4:00 p.m.)

Have these cabinet ministers who have been assuring us that help will be forthcoming for farmers at the new session of Parliament been deliberately misleading us?

That is dated November 13. "Have these cabinet ministers who have been assuring us help will be forthcoming"—one of whom was the Hon. Mr. Pepin. When Pepin found he could not put any pep in the Wheat Board to sell wheat the responsibility for that Board was transferred to the hon. member for Saskatoon-Humboldt (Mr. Lang) and ever since then he has been producing alibis—alibis for inaction. I feel sorry for him because I have a fondness for him which is the result of non-bias and the propinquity of our adjacent constituencies. However, I find he is an automaton; he gets pushed around. For the past several weeks the farmers producing rapeseed have been endeavouring to get action from him and he has told them they should be able to deliver their quota, providing it would not be using up space. After weeks of telling the farmers he agreed with them, that he was sympathetic—

Mr. Lang: On a question of privilege, Mr. Speaker, I should like the record to show that I did not make those statements.

Mr. Diefenbaker: I will have the letter in a moment. Did the hon. gentleman say that he was sympathetic to them? He did. What did he mean by sympathy—inaction? Oh, I am glad to hear that.

An hon. Member: He is all heart.

Mr. Diefenbaker: Action was circumscribed by his political position. I have the letter here you know. When I read it I could just see the lachrymose words that he uttered—"I am sympathetic to you but I can do nothing. If I do anything I will get in trouble."

What about the rapeseed farmers in Saskatoon-Humboldt who have tens of thousands of bushels that will not be sold unless action is taken to look after the damp rapeseed at the present time? Action? He said to them, "I am sympathetic". These are farmers in his

own constituency as well as all over Saskatchewan who have this damp and wet rapeseed. Is that all they will get from this government? Sympathy? It is not sympathy they want. Why does he not give the order? Is he afraid he is going to antagonize somebody? He knows it is right. He told them he knew that. He said, "I am all for you but come around tomorrow."

Now, let me read on:

Mr. Peters: I am all heart, to the last drop of your blood.

Mr. Diefenbaker: It reads:

Delivery quotas are almost non-existent; country elevators are plugged; desperate farmers are selling good wheat, according to reports, for 30 cents a bushel, some barley for 20 cents. Business in country stores has slowed to a mere trickle. Many merchants have gone bankrupt and many others are facing bankruptcy in a matter of a few months.

We are told what the government is going to do. We are going to have the Canada Grain Act changed to suit the times. Mr. Speaker, the minister is representing the province of Saskatchewan and also the province of Alberta in this matter, but when the hon. member for Assiniboia (Mr. Douglas), is outside this House he rides the white horse of action against this government. Let him speak up today. Let him tell this government exactly what he says outside this House.

Mr. Douglas (Assiniboia): Do you mean what I said in the House the other day?

Mr. Speaker: Order, please.

Mr. Diefenbaker: I did not hear from the hon. member—

Mr. Douglas (Assiniboia): Where the hell were you?

Mr. Speaker: Order, please.

Mr. Peters: You did not like that, Douglas. You just cannot take it.

Mr. Douglas (Assiniboia): Where the hell were you?

Mr. Speaker: Order, please. I invite hon. members to kindly remember that only one member at a time has the floor. The right hon. member for Prince Albert has the right to speak now.

Mr. Diefenbaker: The hon. member for Assiniboia makes his best contribution when he is sitting down.

I proceed to read from an editorial which says:

The thing that bothers us is this: the present farm income situation is such that government failure to introduce sound and effective policies immediately will be disastrous. We may assume that Mr. Trudeau's farm policy statement was in line with his concept of a "just society". Farmers in this case can scarcely be blamed for being totally disillusioned.

That is the feeling out in western Canada. This government could not elect a member on the prairies today if there were an election, and in that I include the Minister of Agriculture who crept in by 400 votes the last time. They know that and still they will not act.

Here is what the Winnipeg *Free Press* says:

The problems of the Canadian farmer today are usually associated with a slumping market for wheat. Certainly this is the number one problem, but it is by no means the only one. The whole agricultural economy is in bad shape and it has not been improved by the policies of government or the advice of the experts.

There has been no guidance to the farmer, and may I read the exact words? "...he received no guidance on these matters." The reference is to the question of what he should or should not produce or what alterations he should make.

He continued to produce high quality wheat and, as recently as two years ago, was advised to increase his production.

And so it goes, down the line. Western Canada's dairy market has been destroyed by this government and by the tinkering of the Minister of Agriculture. Here is what the article says about that:

Even dairy production has its problems. When Canada had a huge butter surplus, farmers were urged to reduce their production of milk for manufacturing purposes. Western farmers did this; those in the east did not. Now with fixed quotas the order of the day, all the large quotas are in eastern Canada; the prairies caught in a straitjacket, are no longer allowed to produce enough butter for prairie needs.

No longer allowed to produce sufficient butter! That newspaper, the Winnipeg *Free Press*, can never have ascribed to it the heresy of Conservatism.

Every year Manitoba is forced to import millions of pounds of butter from Quebec—butter on which the western consumer has to help pay the subsidy as well as the freight. In the meantime, unable to get quotas, thousands of milk and cream producers in the prairies are being forced out of business every year.

That is true. What is the government doing about it? In effect, the minister says, "That is the rule and we cannot change it." But they can change it, so why don't they?

Mr. Olson: You describe it.

Mr. Diefenbaker: Does the minister not receive hundreds and hundreds of letters from dairy farmers in western Canada protesting this injustice to them?

Mr. Olson: And from eastern Canada.

Mr. Diefenbaker: I know, and from eastern Canada too. That proves exactly the point made by the hon. member for Kent-Essex (Mr. Danforth). Things are bad in eastern Canada, too. I thank the minister for that interpolation. Out of the mouth of babes comes wisdom. The minister has again proved that aphorism.

Mr. Lewis: Don't exaggerate the situation.

Mr. Diefenbaker: What about the wheat situation? The hon. member for Saskatoon-Humboldt is apparently satisfied, but I intend to refer to the position in which we now find ourselves. Canada, in the last year and a half, has lost its reasonable and fair share of the world wheat market. It has fallen by approximately 9 per cent or 10 per cent. At the same time the United States is increasing its share. I have before me an extract from the *Southwestern Miller* of Kansas City dated September 23, 1969 which reads:

• (4:10 p.m.)

Bookings of flour and wheat for export last week were largest in some time, and additional sizeable volume is pending. Major business in flour was purchase by A.S.C.F. of 1,318,000 cwts of bread and all-purpose flour for October export relief. Bookings by Brazil and Japanese Food Agency comprised major portion of export wheat business.

The article goes on to tell of the increases. The United States sold to Saudi Arabia, Bahrein, Congo, Dominica, by barter as a matter of fact, to Colombo, the Netherlands, Surinam, Honduras and a tremendous amount to Brazil. While all this was happening the government of Canada stood back and did not give to the Wheat Board the support that it should in order to assure that Canada got its fair and proper share.

There are those who criticize the Wheat Board. I am not one of those because if it had not been for the Conservative party, there would not be a Wheat Board. The Board was established by the Bennett government in July of 1935. The Liberal party did everything they could to throw monkey wrenches in the way to prevent the implementation of that act. Then, for a period of years—

[Mr. Diefenbaker.]

Mr. Olson: Which one was that?

Mr. Diefenbaker: The hon. Minister of Agriculture was not a member of the Liberal party at that time. I recall he was one of the directors along the line and I am now referring to when he sat in a more accustomed place.

There have been nine months of waiting with regard to Communist China. I am not going to discuss the cowering attitude of the government of Canada as it goes before Mao and asks for the right to recognize the government of Communist China. I ask, what are they going to get? What is a quid pro quo? Are they going to sell extra amounts of wheat to Communist China? Do they know? We were able to bring about sales as a result of extending credit at a time when recognition was not even regarded as being within the realm of possibility.

The same is true of Australia. Australia is getting the orders, but they wait. I asked the Secretary of State for External Affairs (Mr. Sharp) if during these deliberations in Stockholm, either on the street or in some building in Stockholm, he were discussing the possibility of Communist China buying wheat. Do we get any trade out of it? Not a bit! Those countries that have recognized Communist China have not increased their trade. What was the reply of the Secretary of State for External Affairs at a time when we have over a billion bushels of wheat piled up? He said, we have not talked about wheat. I suggest these two ministers should get together with the Secretary of State for External Affairs and point out to him that there is a market that might be secured.

Mr. Speaker: Order, please. I have to interrupt the right hon. gentleman at this point to remind him and the House that his time has expired. Unless he has the unanimous agreement of the House—

Some hon. Members: Agreed.

Mr. Diefenbaker: I always appreciate acts like that, but they always have the result of making it impossible from then on to be in any way seriously critical.

I feel that something has happened in connection with the Wheat Board. I think the ministers of this government sit in the shadows and are not giving support to the Wheat Board. They are playing around and giving lip service. The whole problem of wheat marketing must be reviewed. There can be no delay.

The other day I asked the hon. Minister without Portfolio from Saskatoon-Humboldt whether consideration was being given to setting up a royal commission. He swept that aside by saying, no, we do not go in for that. Well, there were more royal commissions under the Pearson government and since the present government came into office than in any similar period of time. The minister said that today we have task forces. What is needed today is a royal commission to investigate the whole marketing problem and to place the responsibility for the loss of Canadian markets abroad where it deserves to be.

One of the reasons the government is opposed to setting up a royal commission, a commission which should be able to report within a period of three months, is the fact that they realize such an action would be a condemnation of this government. The statement of the Prime Minister (Mr. Trudeau) "If you expect me to sell wheat..." was an obvious and clear indication of the attitude of this government.

I mentioned something about the problem of sales. Imagine the advertising Canada received through an article which appeared in the *Wall Street Journal* headed "Bartering with grain helps Saskatchewan weather wheat glut". The article states the only way prairie merchants can keep alive today is by bartering wheat. It mentions one merchant in the city of Regina, a furniture dealer who, because of the serious shortage of cash was unable to sell his merchandise. Having learned either to swim or drown, he now barters furniture for wheat. This is happening all over the province. While this happens government members simply smile and smirk.

Why doesn't the government do something? Members of the government have been out west. They have left with the farmers the hope that something is going to be done. When the Prime Minister returned to Ottawa his words became clear and definite, "Do you expect me to sell wheat?" The situation on the Prairies is critical beyond words. There has been nothing to equal the fear and frustration that exists with these people today. When they look to tomorrow, they wonder what is next. They have a right to expect action.

Now then, what is the reason for this situation? Is it the Wheat Board? The Agricultural Economic Research Council of Canada brought the Canadian Wheat Board under fire for alleged timidity in the struggle for world grain markets. It emphasized the serious situation that is resulting through the failure of the Wheat Board, as I understand it, to get out of the tentacles that have held it back in the last two or three years and to start to sell wheat.

What about the possibility of persons or organizations outside of Canada selling our wheat? Why should there be organizations from every country but Canada endeavouring to get orders for wheat? There is a list of five or six of these international traders. Let us give private industry the opportunity to go and look for markets. Other nations have these corporations in various other countries. It is time we in Canada did something similar.

I will conclude by simply summarizing what I have endeavoured to suggest to the House should be done. First, we should have aggressive policies for sale and not just the evasive answers we receive in this House for failure to act. Second, there should be an acreage payment of $2 an acre—something the wheat farmer has a right to expect under present conditions, third, the implementation of a system of farm storage involving accelerated depreciation of multiple-use farm buildings in addition to that already in existence. Next, we should give to the farmer market outlines and guidelines in co-operation with the provinces which would enable him to know the direction in which the industry is moving and to make the most effective use of his land, farm resources and labour. Fifth, the government should improve road and port facilities—and use Fort Churchill, extending the period during which Fort Churchill can be used. By putting modern technology into effect, the port could be open for at least six or eight weeks longer during each season. Let the government do this. It would mean a saving to the western farmer. It would also mean the use of the installations we have there, facilities which are virtually not being used at present. Twenty million bushels or so a year does not begin to cover the situation.

• (4:20 p.m.)

I think the time has come when sales of all wheat for domestic human consumption by the Wheat Board should be fixed at a price of $2.95½ per bushel. I remember that when the hon. member for Medicine Hat was sitting in the Social Credit party this was something he advocated. He wanted a two-price system and he advocated a responsible price for the wheat which was used in Canada.

Alleged Lack of Agricultural Policies

Finally, there should be on the part of this government a four year commitment of more than $100 million to be used for assistance, development and adjustment of the prairie farm economy. Some have asked for more. I believe this amount, if used properly and appropriately would bring about a rejuvenation of agriculture in western Canada. I say to this government: if you do not act you will encounter a revulsion of feeling in western Canada on the part of responsible people, people who follow the law, such as I fear to mention; you will add to the fires of that group which today throughout western Canada is preaching secession. It is becoming a subject of discussion. It must be met. It would be met if this government would take off the shackles which have prevented some of its members, however estimable they might be, and however desirous of action, from doing that which in their own hearts they realize should be done.

Some hon. Members: Hear, hear.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, during the course of my contribution to this debate I want to say something by way of rebuttal, if that is the right word, of the charges which have been made by those who have taken part in the debate so far. In addition, I want to make a statement respecting the condition of agriculture in Canada today and to make some comparisons related to the contents of the motion and of the amendment to that motion which are before us.

What is more, I have been invited by the hon. member for Kent-Essex (Mr. Danforth) and by the right hon. gentleman from Prince Albert (Mr. Diefenbaker) to make some comparisons as between the five years immediately past and the five years preceding them. Each of those hon. gentlemen repeatedly referred to the fact that this government had been in office for five years. Then they went on, I suppose, to deprecate the record during those five years. Perhaps it would be as well if I were to make some of the comparisons they suggested, focusing them on the particular periods to which hon. members opposite referred.

Before doing so I think I ought to say a word or two about the statement I made on motions earlier today because, as usual, it has been interpreted in a completely contradictory manner by hon. members opposite. Just for the record, and, perhaps, for their information, I should like to ask them to read some of the observations I made a little more carefully. Obviously, they have not done so. The right hon. member for Prince Albert said just now that there should be farm adjustment programs and that money should be put into the setting up of programs of that kind by the federal government. If he would look at the statement I made—

Mr. Diefenbaker: Oh, I read that vacuous document. There is not a figure in it.

Mr. Olson: It says that a start on farm adjustment programs is planned—

Mr. Diefenbaker: Planned!

Mr. Olson: —as well as a rapid expansion of CANFARM, the national farm program. The right hon. gentleman knows it is not proper to go into a great amount of detail in statements on motions, but I have said on many occasions that we intend to ask Parliament this year for authority to embark on a program which would be of assistance to small farmers so that they can withdraw resources including, indeed, human resources, from agriculture in a dignified way.

An hon. Member: A burial service.

Mr. Olson: The statement I made earlier today has been distorted further by charges that there is a great cut-back in funds for agriculture.

Mr. Danforth: There is.

Mr. Olson: The hon. member says there is, which again illustrates his inability to read and comprehend the statement. I hope that when he sees the blue book in February the hon. member will do as he has done in the past, that is, apologize for having misunderstood and misinterpreted me.

What I said was that there were some changes in staff requirements. Staff increases will be needed for such things as meat inspection in various parts of Canada. This is an essential public service—

Mr. Diefenbaker: Where are the decreases going to be?

Mr. Olson: All the decreases were spelled out in that statement. The right hon. gentleman, when he was prime minister, never did that; it was always government by surprise. As I said, we have chosen to make these program changes known well in advance so that members of this House and members of the public who are affected might have the

opportunity to make representations and express their views as to the best way of making the adjustments. This needs to be done so that the position does not become so hard and fast that it cannot be changed. The alternative would be for an announcement to be made to the effect that these changes would be made effective at a certain date—

Mr. Diefenbaker: When will this become effective?

Mr. Olson: Most of it will become effective in the new year, 1970-71.

Now, I should like to turn to some of the matters which were discussed by hon. members opposite. Since hon. gentlemen opposite have this uppermost in their minds, I will have to spend some time on it.

• (4:30 p.m.)

The hon. member for Kent-Essex (Mr. Danforth) repeatedly suggested that since the government took office in 1963 allegedly terrible things had been taking place. In response to that statement made by the mover of the motion I think the appropriate thing to do is to make some comparisons on either side of the year 1963, say five years before and five years after.

The average cash income from sales of wheat in the years 1958-62 amounted to $464,378,000. The average between the years 1964-68 was $715,255,000, an increase of 54 per cent. The average cash income from the sale of oats in the period 1958-62 was $26,334,000. Between the years 1964-68 this cash income rose to $30,226,000, an increase of 14.8 per cent. Cash income from barley during the first period was $70,595,000, and this rose during the second period to $84,570,000, an average increase of 19.8 per cent.

Mr. Danforth: What about net income?

Mr. Olson: The hon. member wants me to talk about something else now, yet a few minutes ago it was he who was making comparisons. Since he has not had time to do his homework, perhaps I can help him. The average income from sales of rye between 1958 and 1962 was $5,663,000; in the period 1964-68 it rose to $9,305,000, an increase of 64.3 per cent.

Hon. members opposite also mentioned rapeseed, and I should like to put on the record the average cash income from rapeseed sales during these periods.

Mr. Yewchuk: A point of order, Mr. Speaker.

The Acting Speaker (Mr. Béchard): Order. The hon. member for Athabasca is rising on a point of order.

Mr. Olson: He might as well sit down, Mr. Speaker, because I know what he is going to say. Every time I get up in this House the hon. member asks me questions.

The Acting Speaker (Mr. Béchard): Order, please. Does the hon. member wish to ask a question?

Mr. Yewchuk: I would like to ask the minister a question, Mr. Speaker.

Mr. Olson: I do not have the time, Mr. Speaker.

The Acting Speaker (Mr. Béchard): At this point may I refer hon. members to Standing Order 12 (3), which reads:

> When a member is speaking, no member shall pass between him and the Chair, nor interrupt him, except to raise a point of order.

I ask hon. members to abide by this rule.

Mr. Olson: Mr. Speaker, this happens every time I speak on agriculture. Hon. members opposite make a lot of complaints but they have not done their homework. As soon as a member on this side presents them with the facts, they adopt this kind of diversionary tactic. It is an old practice very familiar to me; in fact, I used to participate in the practice myself.

Hon. members opposite also complained about rapeseed sales, but I would ask them to look at the facts. The average cash income from sales of rapeseed during the years 1958-62 amounted to $11,180,000. The average for the period 1964-68 was $35,632,000 an increase of 218.7 per cent.

I do not have time to put all the figures on the record, although I should do so. I will have to content myself by making a quick reference to the relative increases.

Mr. Yewchuk: A point of order, Mr. Speaker.

The Acting Speaker (Mr. Béchard): Order. The hon. member for Athabasca on a point of order.

Mr. Yewchuk: I suggest the minister is deliberately trying to mislead both the House and the country by refusing to give the net

income received by farmers for the same years to which he referred.

Mr. Olson: Mr. Speaker, I have a note dealing with that and I will come to it. The hon. member will have an opportunity later in the debate to deal with this, that is, if he has done his homework. I hope that somebody on this side will be able to follow him and straighten out some of his twisted statistics.

With regard to soybeans, the average cash value showed an increase between the two groups of years I referred to of 54.7 per cent. The increase in the cash value of corn between the two periods was 139.2 per cent, and for potatoes, 38.8 per cent. Fruits showed an increase of 48.8 per cent. These figures do not represent tonnage but cash value to farmers from the sale of these products.

Let me put on the record some other statistics in which hon. members might be interested. The increase in the cash value received by farmers from the sale of cattle and calves between the two periods I have referred to has been 46.2 per cent. Income received from hogs has increased by 24.9 per cent, dairy products by 20.1 per cent and poultry by 46.3 per cent.

I now come to another matter with regard to which hon. members have not done their homework, the federal government deficiency payments. The average annual deficiency payment made by the government during the period 1958-62 was $2,692,000, compared with $6,421,000 for the period 1964-68, an increase of 138.5 per cent. In addition, of course, there was the dairy program, a program that was non-existent when hon. gentlemen opposite were in office. I am sure that any reasonable person, looking at the facts, would agree it is obvious that the comparisons between the years either side of the year 1963 invalidate the arguments that have been raised. I am not saying that things are going well in all sectors of agriculture.

Mr. Danforth: You said that the farmers had never had it so good.

Mr. Olson: No, I did not say that at all. I have heard the hon. gentleman attempt once in a while to put those words into my mouth, but without success.

Mr. Danforth: That is what you are saying right now.

Mr. Olson: I am not. What I am saying is that there has been an increase in the cash flow received by farmers from the sale of their products, and the hon. gentleman knows that is a fact.

Let me just restate the motion that has been moved:

> That, in the opinion of this House the government has failed in its duty to the Canadian farmer by its neglect to initiate and promote adequate marketing and distribution of food and agricultural products and the adoption of effective international policies with respect to agricultural commodity arrangements.

Total Canadian exports and exports of agricultural products to all countries, by major groupings, are as follows. Again I am using the year 1963 as the pivot. Between 1958 and 1962 average exports of all commodities amounted to $5.4 billion. The average between 1964-68 went up to $10.2 billion, representing an increase of 89 per cent in Canada's exports of all commodities. With regard to agricultural products, average exports between the year 1958-62 amounted to $1.052 billion; the average between 1964-68 increased to $1.607 billion, or by 52.7 per cent. The argument is not valid that there has not been a very significant increase in the export value of Canadian agricultural products.

• (4:40 p.m.)

After putting those facts on the record, I want to comment on some of the other matters we are also dealing with, and which urgently need some intensive attention because they relate to these problems. There is orderly marketing, for example of farm products. There have been many serious attempts, I suggest, in the past by both individuals getting together and through their groups—co-ops, or whatever they call them—as well as by governments both provincial and federal to introduce more orderly marketing of farm products in this country as well as exports. There has been an attempt to rationalize production with consumption.

I can understand a lot of the difficulties that people have been confronted with in the past in trying to resolve these problems. The division of powers under the constitution is one of them. I do not believe that we in agriculture should wait, however long it may be—a matter of a few months or a few years—in order to obtain complete agreement among the 11 governments on the constitutional changes necessary to accomplish a new division of powers which would enable us to overcome these problems. We can continue the negotiations which we have been carrying on in a more active way, I am told, in the

last year and a half than has ever been the case before. Indeed, I have had five meetings with all the Ministers of Agriculture across Canada or their representatives in order to work out the problems we will have to meet in respect of these constitutional difficulties.

I say that because it will not be good enough to attempt to pass legislation, regulations or an administrative authority based on the present division of powers if someone can successfully take us to the courts and have such legislation ruled *ultra vires* of the federal jurisdiction. Such action has been tried in the past. We want to do this in co-operation with the provinces. As I have said many times, we think the best course to follow is to ask this house for enabling legislation under which we can set up a marketing council and, subsequently, particular marketing groups, agencies commissions or boards, whatever they may be called. We can then set them up under that legislation in such a way that these specific commodity groups can receive delegation of power from both levels of government. We could then get around the Constitutional problems and attempt to bring in legislation that exceeds the authority in this area.

Mr. Stanfield: That is an amazingly new idea.

Mr. Olson: It is not all that new, as the Leader of the Opposition (Mr. Stanfield) has indicated. Let me say to him that I think this time it is going to work, maybe because co-operative federalism is now at its best. Perhaps one of the reasons for the earlier failure was the former position of the hon. member, I do not know. That is what we are attempting to do.

I do not think there is validity to the argument that this government has failed. This government has gone a lot further in attempting to set up a satisfactory and orderly marketing arrangement than any government in history. By the way, I hope hon. gentlemen opposite will support us when we come to this House asking authority to do these things, since they have made a complaint about them in this motion.

We have also made changes under the Agricultural Products Marketing Act now in existence. For example, at the present time there is in force a delegation of authority under this Act to 56 provincial boards and commissions which gives these agencies power to exercise some control over interprovincial export marketing boards. This authority is similar to that which they can exercise in respect of products while they are within the jurisdiction of their own provinces.

We have also been helping through the Agricultural Products Co-operative Marketing Act. This Act provides a guarantee by the government of initial payments to producers. It has been used regularly by this government to support producers in improving their marketing programs. An agreement was undertaken during the current marketing year relating to white beans in Ontario as well as such things as apples, maple syrup and a number of other commodities which have received guarantees by the government in respect of initial payments through the marketing agency to the producer.

In addition to that, we recently amended the Farm Machinery Syndicates Credit Act so that farmers who want to get together to process will have an opportunity to do so. That was not provided for before and I think it has been useful to some farmers. I have not enough time today to go into all the details in relation to some of these groups who have taken advantage of this act, but certainly improvements have resulted.

In addition we brought in a new system of hog carcass evaluation. This was done about a year ago, in fact last December. At this point I want to challenge the statement made by the honourable member for Kent-Essex who said we had a great agricultural congress. I agree it was great. He said a few weeks later I announced a reduction in premiums on hogs. That is not right because we made the announcement before April 1. As a matter of fact, we made it when the congress was taking place here. I suggest that hon. members must do their homework because they are getting all fouled up in their arguments.

We announced at that time, and I announced again today, that under the new marketing system there is a built-in incentive right at the market place to produce high quality hogs. Indeed, that is what is happening under the new grading system. This premium was introduced a long while ago for the purpose of encouraging Canadian farmers to produce higher quality hogs. Now, we have the premium included in the marketing structure, and this is why I referred to it as one of those programs which had achieved its purpose. Hogs are at a very satisfactory price now and we hope this will continue. Whether hogs stay at this very high level, slip some or even increase in relation to demand, the

fact remains that there will still be a very significant incentive to produce a high quality product in order that the rates will go up on back fat measurements.

We have also announced that we intend to bring in amendments to the Canada Grain Act. Again, I have not got sufficient time to go into the details, but these are designed to help farmers achieve adequate marketing in both domestic and international trade. What is more, the right hon. gentleman, the right hon. member for Prince Albert (Mr. Diefenbaker) as well as others referred to the matter of giving some advance notice of what ought to be grown at any given time. We have changed the format of the "Outlook Conference" on agriculture to be held in Ottawa next week. We feel that this will in fact be more meaningful and useful to producers in planning production. The 1969 conference format and content has been revised to provide producers in agri-business and other policy makers with more timely and complete information about the situation. There were three conferences or regional meetings held with officials of the provincial governments, farm organizations, field staffs and so on.

• (4:50 p.m.)

As a matter of fact, a total of 144 officials attended these meetings. As hon. members know the conference is scheduled for November 24 and 25. This will be followed by outlook meetings in the various provinces across Canada. The Canadian Department of Agriculture will participate in most of these meetings by aiding the agricultural sector to improve decisions wherein commodities would be produced for the market patterns, national and international. So, we want to be helpful and will be substantially more helpful. One of the problems faced by a minister of agriculture or any minister who makes predictions that there will be a more brisk market for any particular commodity is that if too many farmers take this advice then of course there is a difficulty.

Mr. Stanfield: Therefore, you do not tell them anything.

Mr. Olson: That is not so. We have tried to tell them more than any government in history has. Indeed, the advance information we have given not only today, but today was a good example, is far more than any government in history has given, particularly the government of members across the way when it was in office which, thank goodness, was only for a short while.

I should like to conclude by saying that we are also substantially increasing the economics branch of the Department of Agriculture. This is the branch which does most of the work in so far as marketing research is concerned. That information was also contained in the statement that was made, but perhaps it was not spelled out well enough for hon. members. There will be a reorganization and expansion of this branch, not only for market research but also so that it will be of greater assistance to farm producers in reaching management decisions based on a wider selection of information.

A great deal should be said to members of the House and the people about the particular needs of the grain economy, wheat and other grains. I have not done this in the few minutes at my disposal because the hon. member for Saskatoon-Humboldt (Mr. Lang) will enter the debate later and will deal particularly with that subject. In his amendment the hon. member for Saskatoon-Biggar (Mr. Gleave) states:

> and by its failure to take adequate steps to provide the additional cash income urgently required by the farmers of this country.

That may be true; there may be an element of truth in it. I do not deny that. However, in many parts of western Canada, and some other parts of Canada, although there is a critical shortage of cash I can say that no other government, under any other program any time in Canadian history, has come anywhere near providing the amount of cash that this government has made available to the wheat economy.

Some hon. Members: Hear, hear.

Mr. Olson: I am not sure of the exact figure because it keeps changing from day to day, but there has been well over $200 million in cash advances since August 1. There is no interest on that money because it is not in the form of loans.

The Acting Speaker (Mr. Béchard): Order, please. I regret to interrupt the minister but his time has expired.

Mr. Stanfield: Go on.

Some hon. Members: Continue.

Mr. Gleave: I rise on a point of order, Mr. Speaker. I am sure the minister does not wish to mislead the House.

Mr. Stanfield: Sure, he does.

Mr. Gleave: These advances are payments which the farmers have to repay if they deliver grain. Would the minister agree to that?

Mr. Olson: Mr. Speaker, the minister knows just as much, and perhaps a little more than the hon. member, about the way these cash advances are made. The fact of the matter is that the amendment of the hon. member contains the words, "additional cash income urgently required by the farmers of this country". I am saying there has been a greater volume of cash made available to the grain, particularly the wheat, economy in the last five months than in any time in history by any government. It is also a fact that these cash advances are interest-free.

Mr. Muir (Lisgar): May I rise on the same point of order, Mr. Speaker. The minister may know what he is talking about, but what he is doing now is confusing and frustrating the public.

The Acting Speaker (Mr. Béchard): Order, please.

Mr. Olson: The only people I am confusing or frustrating are those people who want to distort our program.

There are a number of other matters with which we have not dealt. We have some harvesting problems in parts of western Canada. A week ago Friday I announced a program which we think will be helpful in this situation. I think it is generally recognized that the cost-price squeeze on the farmers of Canada today is very severe. There is no question about that. But when hon. members say this government has failed to come forward with programs that are helpful, they are wrong. We might look at the record of this government over the past year. There have been such things as the change in cash advances. I do not have time to repeat the record. Last winter things were done for several commodity groups. Then, there was the action taken this fall by the government which, while it has not solved all the problems, has received a sympathetic response. This government has taken more action than any other government of which I know.

• (5:00 p.m.)

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I should like to open my remarks on the no-confidence motion made by the Progressive Conservative party not only by blaming the government for not having taken the necessary action to assure the farmers of a fair share of the national income, but also by making suggestions for the building of a truly just society for every social class and for every category of workers, including farmers.

It is disappointing to realize that from year to year the farmer's share keeps on decreasing.

The Minister of Agriculture (Mr. Olson) has quoted meaningful figures and I think he has proved his honesty by refuting the charge that the government did not take the required steps to solve that problem.

Undeniably, attempts have been made, but without succeeding in making the farmer derive more profit from his work, from his efforts to participate in the national activity, producing the foodstuffs required by the population.

I would like to give an example of concern to both housewives and meat producers. The steadiness of retail prices of beef over the past three months reminds us of the gradual rise in the marketing costs of foodstuffs. Among these costs, a difference must be made between the price to the consumer and the price paid to the farmer.

It is common knowledge that a 1000-lb. steer on the hoof cannot supply 1000 pounds of prime steak. The ratio is in the vicinity of 125 pounds, or 10 per cent of the total weight of the animal. But nobody understands that the retail price of a very good roast is kept at the supermarket at the level of June last, namely $1.59 per pound, while from mid-June to the beginning of October, the price of steer on the hoof decreased by some $10 per 100 pounds.

The middlemen, and in particular retailers, submit that none of their customers has to buy beef at $1.59 per pound; there is a wide variety of cuts, less expensive from which they can choose. To that one could retort that no customer has to believe either that a grocery store is right to keep the price of its beef at the same level while the price of a steer decreases by $10, at least on the hoof.

Yet, all those people in the trade: commission salesman, slaughter house operator, wholesaler, retailer, in short all of them dismiss that responsibility.

The fact is evident: grocery stores quickly and often boost prices whenever farm prices go up ever so slightly. Conversely, retailers

seldom pass reductions on to customers when farm prices go down. This trend does not apply to beef only; it goes for all foodstuffs and is more prevalent as years go by.

It is logical and normal for processors and bank agents—the intermediaries, in other words—to receive more today than yesterday because they have more expenses, wages are higher, packaging has improved, processing is more elaborate, the food is pre-cooked, etc. However they have taken the necessary steps to increase their profits by raising their prices to consumers.

In fact, all increases in retail prices are absorbed by the intermediaries. None of them reach the farmer. Yet, God knows how much production costs have climbed. Interest rates are also higher. You will recall that during the last session bills were introduced in the House for the purpose of modifying interest rates on farm loans. Ceilings were lifted in order to allow financial institutions to get better returns on their money.

But these higher interest rates are a contributing factor in the increased production costs of farmers, and as the latter are unable to recuperate these higher production costs when they market their commodities, they inevitably suffer a reduction in their income. This is what we are now complaining about and it is the reason why we would like to see, besides current measures, additional steps taken to guarantee to the farmer the possibility not merely of keeping body and soul together for a while, but also of enjoying a decent standard of living.

When asked why the interest rates were raised, the minister answered that the financial institutions no longer agreed to make loans at rates of 5 or 6 per cent as they brought them no profits. I remember telling the Minister of Agriculture that the government was much more anxious to please high financial circles asking for higher interest rates because of allegedly insufficient profits, than to satisfy the farm people who, for the same reasons, asked that prices be raised to provide them with a better income.

As far as we, the farmers, are concerned, we stand in a somewhat unique position. We cannot indefinitely store farm products. Indeed, we have to market them, whether the sales are profitable or not, and to suffer the losses as they come.

Farm machinery costs more also. So does mill-feed this year, especially since the subsidy for the transportation of feed grain from west to east has been reduced to $1 a ton. The minister did not mention it a few minutes ago, he did not have the time. In any event, this is one of the factors that contribute to the increase in production costs. I am asking the Minister of Agriculture if it is all possible for him to come back on his decision, in order to facilitate the transportation of feed grain that the western farmers would be quite happy to sell to the eastern farmers, but at prices that will enable the latter to produce meat, eggs, etc., at reasonable prices while still making a profit. This reduction will necessarily have disastrous effects on the Canadian economy.

From 1949 to 1967—I know it is always boring to hear statistics, but it is thanks to them that one can make fair comparisons—the volume of marketed food increased by 74 per cent but, quantity for quantity, marketing costs increased by 137 per cent according to a federal government document. In 1949, Canadian consumers bought food for a total of $2,064 million. On that amount, $1,243 million were returned to farmers. The middleman's part amounted to $821 million, that is 40 per cent. Now, in 1967, the retail value of food sold in Canada exceeded $5.9 billion on which $2.5 billion, that is approximately 43 per cent, were returned to farmers and nearly $3.4 billion, that is 57 per cent, to middlemen.

This is one of the causes that could explain why the condition of the farm workers deteriorates every year, as is clearly shown indeed by the continuing decrease in the return share that ought necessarily to go to farmers or producers.

Finally, I blame the government for doing nothing to improve the lot of farm producers, in order that they may get a fair reward. I do not say that the government does absolutely nothing, for this would not be true, but I do say that they must be guaranteed a fair reward for their work, so as to be assured of an income at least equal to that of their fellow-citizens who work in other sectors of the economy.

In the dairy industry, the curtailment of subsidies and the increase in the export premium on the 1968 equivalent production constitute by themselves a cause for the deterioration of the economic situation. The new 52 cent tax on the surplus production on the quota allowed by the Canadian Dairy Commission for 1969 because of the dairy surplus, makes the farmers' situation even

more difficult, even though they must work more.

The substitute milk products imported from abroad, as reported by the Dominion Bureau of Statistics, are also a reason for the deterioration of the farmers' financial situation.

That famous matter of substitutes for dairy products was brought up at the general convention of eastern farmers.

Here is what *La Terre de chez nous* has to say on the subject:

The influx of ersatz products that threatens both the consumers' health and the farmers' future—

Therefore, both the consumers and the consumer-producers are involved

—did not fail to move the convention members and they unanimously passed a resolution calling on the responsible governments to take whatever steps are necessary to enforce the act and the regulations governing substitutes. One of the requests was that, before any new product is marketed, checks should be made to determine its effects on the health of the consumers and that the findings of those checks be given wide publicity.

We therefore require the public, the consumer to co-operate, in order that he may be well aware of what he is buying and able to compare it with Canadian manufactured dairy products.

Several agencies, agricultural and otherwise, have put forward very valid suggestions to help the government in solving problems.

Once more, I would like to urge the Minister of Agriculture to see that the Standing Committee examines as promptly as possible all briefs submitted in order to evaluate the suggestions put forward, particularly by the C.F.U., the Quebec Federated Cooperative, whose thoughtful and well prepared briefs offer a solution for the problem of milk surpluses. In fact, those agencies ask for a distribution in the schools. This suggestion could be examined. I think it is a sensible suggestion. In the United States they do that and, as far as we know, there is no waste. What are the terms? I do not know. But, at any rate, I should like to invite the Minister of Agriculture and the officials of his department to examine that policy in order to determine whether it could not be applied in Canada. Would it not be possible to distribute these food products in homes and charitable institutions whose resources are not sufficient? Moreover many families have an insufficient income. I think it is not necessary to mention statistics as I am certain that the House knows already that studies have been made and that in the city of Montreal alone there are, for instance, more than 100,000 families which have an insufficient income and live in dire poverty according to the report submitted last year by the Economic Council of Canada.

If there are surpluses, it is because it is impossible to reach the consumer and fulfil all his needs. A wide gulf separates the consumer who is in a position to buy and who has requirements to be fulfilled and the producer who has products to sell.

One should not imagine that I am referring to the governor of the Bank of Canada who already gets a sufficient salary and is not compelled to deny himself, because he has a purchasing power which enables him to meet his needs. However, in a family with 5, 8 or 10 people to feed and an inadequate income, it is understandable that all the needs cannot be met, whereof under-consumption and over-production.

It would also be possible to make lengthy comments on the assistance to underdeveloped countries. All the inhabitants of this world are entitled to a minimum of well-being and their prime right is surely to be properly fed.

At a Commonwealth Parliamentary Conference held in Nassau last fall, and which I attended as a member of parliament and as the representative of the Canadian parliament, 30 countries were represented. For eight days, I heard the delegates talk about the problems they had in their countries in producing the goods essential to the subsistence of their people and ask better off countries to help them provide the necessities of life so they could better develop and improve their existence.

• (5:10 p.m.)

We had a work paper entitled "Aid—Its efficiency".

That paper was well prepared, and a number of sittings were devoted to determine whether the aid from Canada, the United States, Great Britain and France was effective. We found out that unfortunately, in too many cases, the aid given out was not sufficiently co-ordinated to prove effective.

I have been impressed by a letter published in the newspaper *La Terre de Chez Nous* under the heading "What Do Those People Think of It?"

Here are some excerpts:

I have the translation of an article published by *Time*, October 3, page 32. I would like you to print it in your paper.

There are 3.5 billion people in the world who go to bed hungry.

It is unbelievable and even if there were only half as many such people it would still be too many. Indeed, is there not enough food in the world to feed all humans? He goes on to say:

A survey made by the United Nations reveals that the world will no longer be able to feed itself in ten years because of the wide gap between the population increase and the food available to certain nations.

I think that at one time President Johnson said about the same thing when he pointed out that recent increases in farm production would give us a mere breathing spell before the population explosion. And I continue with the quotation:

—It is said that Latin America only produces 25 per cent of the food it requires, due to deficient crops, particularly last year, when production slumped by 2 per cent. The most developed African countries do not produce more than 2 per cent of their food requirements. In the greater part of Asia, there is food for 5 per cent of the population and it is produced by archaic methods. It is only the second year that they are practising row planting. The most progressive countries are Malaysia with 11 per cent and Thailand with 8 per cent.

What do those people feel when they hear that in Canada, the United States, Australia and Western Europe granaries are full to capacity and wheat is left to rot in the fields?

If we really want to be looked upon as a civilized nation, if we have the privilege to live in a wealthy country, we should after having read such a letter seriously consider the possibility of increasing our help to those people as well as giving them every opportunity to help themselves, because, we must not forget that the economic system in which we live everyday, without being aware of it, is capable of great things.

We can produce, thanks to science, progress, the will and brains of the individual. We are capable of doing much more. As far as production goes, we are extraordinarily efficient. In fact, we are forced to hold back our eagerness. There are 400,000 unemployed who are not producing, because our system is unbalanced where distribution is concerned.

Goods should be distributed in Canada, and elsewhere, where there are needs to be met. It is in the field of distribution that our economic system is sadly lacking. Unless we straighten things out, I am afraid that before long, others will come and try to do so, but not in the way we should hope to see.

If we are unable to share our wealth freely, peacefully and efficiently, we must of necessity some day share it against our will, and then it will be in disorder, at the cost of the freedom we cherish so, and not for the greater good of our families or Canada.

There is one obstacle to all that. It lies in the field of finance. It needs tidying up. Why accuse us of repeating the same things: as long as the doctor treats his patient without success, he must necessarily repeat the same advice and give the same medication.

To my mind there are enough intelligent people in Canadian finance who are capable of bringing in the necessary reforms, and I am convinced—

[*English*]

Mr. Deputy Speaker: Order, please. I am sorry to interrupt the hon. member but his time has expired, unless he has the unanimous consent of the House to continue.

Some hon. Members: Agreed.

[*Translation*]

Mr. Lambert (Bellechasse): Mr. Speaker, I thank my colleagues. I think that their generosity is especially attributable to the fact that we try sincerely to contribute to the solution of our problems, while helping to solve those of others.

Some people boast of having made extraordinary discoveries like the province of Quebec which can claim to be the first to conquer the moon, since it is in Quebec that the landing gear of the device which landed on the moon was manufactured.

All this is so remarkable that we are right to rejoice about it and to speak of it. But if we really want to be up to date, we must be so till the end. Let us reform our obsolete monetary system. Why? Because a few years ago, as I remember, everybody was busy producing. The salaries enabled the people to live and to buy the production.

I read this week in an American magazine, that if they used all the science that is known, only 5 per cent of the working population of the United States would be required to produce all the things that are necessary to feed the American people.

I would like to end my remarks by suggesting, as a solution, that we study seriously and as soon as possible the suggestions made in this house and to adopt immediately the motion which is being studied by the House as well as the amendment in order to increase the income of the farmers to enable them to work for their country. So, we will be really proud to say that we have reached our purpose, that our production and our distribution are well organized and that the needs of all

people are satisfied, in short, that we enjoy an efficient economic system which answers the aspirations of one and all, in peace and freedom.

• (5:20 p.m.)

[*English*]

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, first of all I must say how disappointed I was with the attitude adopted by the Minister of Agriculture (Mr. Olson), which I can only describe as flippant. I have heard him before and read speeches which he has made outside this House. I have searched them for some constructive program in connection with agriculture but have not found it. In the light of the seriousness of this situation, such flippancy seems very much out of place.

Mr. Olson: There was no flippancy at all, not even a suggestion of it.

Mr. Stanfield: I read the speech which he made at Chatham on November 7. I was seeking enlightenment but I found nothing but broad platitudes. Part of that speech reads:

This then, is the first guideline. Policy and programs must be based on a realistic assessment of the future developments in agriculture.

Now, this is a rather profound statement, Mr. Speaker.

Another group that we have to take into consideration is the consumer.

That is pretty profound, too.

Mr. Olson: Why don't you read the part in between? That is really a good speech.

Mr. Stanfield: If I read the part in between I would put the House to sleep even faster than usual, Mr. Speaker.

I also feel that farm policy must be flexible.

An hon. Member: What have you got to say?

Mr. Stanfield: I am going to say plenty in a minute. You people over there had better attend to the script.

Then we come to the final principle—I looked for the principles in between.

This leads us to the final principle which I wish to mention. That is obvious, in my view, that we need two fundamental policy directions for agriculture. One for the commercial or potentially commercial farmers and the other designed for those farmers who are non-commercial in that they could never hope to make their living solely on the returns of the marketplace.

An hon. Member: Communal farms.

Mr. Stanfield: Mr. Speaker, I am not interested in standing here bantering back and forth with the minister. This is a serious problem and I say in all earnestness that neither in that speech nor today have I heard or seen anything that sounds like a serious approach to the problems of the farmers. The minister spent a good deal of time today talking about the past, comparing four-year periods, 1958 to 1962, 1963 to 1968 or 1964 to 1968, I forget which. I am not interested, nor is the Canadian farmer, in talking about conditions in 1965, 1966, 1967, or even 1968; we are talking about conditions in 1969 and the future.

Some hon. Members: Hear, hear.

Mr. Stanfield: I have heard the minister play this record before. It is not very helpful; he seems to be looking backwards rather than forwards. He talks about the exports of grains but he talks about two or three years ago or a four-year period ending in 1968 when we are all concerned with the outlook today. That is what this is all about. Where are these two programs, one for the small farmer and one for the large farmer?

Mr. Olson: On the order paper.

Mr. Stanfield: On the order paper, Mr. Speaker? The minister says he is bringing in a program but he wants representations from the industry and he wants all kinds of discussions. Now, I do not want to be flippant, Mr. Speaker, but what has he been doing? There has been lots of time for discussions. That is a feeble excuse for this delay. When I asked if there was anything novel about the approach he admitted there was not; it had been talked about before. He suggested that it had not worked because when I was in a previous office I had made it impossible. That is the explanation given by the minister for not taking action.

An hon. Member: The reason is obvious.

Mr. Stanfield: I think the gentlemen who are calling out might at least take part in the debate.

What I am saying to the minister in all seriousness is that he has not produced a program for either of these groups of farmers. All that has happened has been that the minister has sat idly by watching the farmers being crushed by the markets and by the price squeeze which this government has failed to check.

I am not suggesting that the minister is not interested, but I do not see any sign that the government as a whole treats the problem of agriculture in this country with any high degree of priority; just the opposite, Mr. Speaker.

Some hon. Members: Hear, hear.

Mr. Stanfield: The flippancy which the minister exhibited earlier this afternoon when dealing with the subject was also shown by the Prime Minister (Mr. Trudeau). We hear a great deal of talk about restraints and trying to bring in an effective policy to deal with inflation without creating an unacceptable amount of unemployment, but all we get from the Prime Minister is a flippant attitude and a refusal to give serious answers to questions asked of him. As to forecasting, I think this is a year in which the minister and his department could be much more helpful to farmers than they have been. The minister says, give a farmer too much information and he may grow too much.

• (5:30 p.m.)

Mr. Olson: I did not say that at all.

Mr. Stanfield: The minister will not tell the farmer where there are opportunities for him, because he may grow too much.

Mr. Olson: I said if we do not want them to over-produce—

Mr. Stanfield: The minister had the floor; he might now listen for a while. The point I want to make is that the government of this country ought to give the farmer much more accurate information than it has given about prospects. This requires a much greater dissemination of information about the government's intentions. It is just not good enough for the minister to say, in effect, that information will not be of much help because too many farmers may take advantage of it and they may grow too much. If the minister would give the farmers the information they require, including information about government intentions, he would be performing a valuable service. I see no indication of the program the minister talked about bringing in to help the small farmer, and I see nothing but difficulties in connection with the larger farmer.

Let us consider the actions that have been taken with regard to the so-called two-price system that the government adopted. That, of course, is a joke. This country is involved in an international grains arrangement which it is unable to enforce. I see no sign of any effective policy to encourage diversification to the extent that is practical and appropriate in the west.

The minister talked about the price of cattle. How many people are able to move into the cattle business under current capital conditions? What program is the government suggesting that enables any diversification or any new directions to be followed by the farmer? I did not hear the minister mention one today; I did not see any mention of it in the speech he made at Chatham.

I have not seen anything to suggest that the government has any positive measures which will enable farmers to work out some of their present difficulties in terms of diversification to the extent this is helpful. I believe there are possibilities, within certain limits, in this respect. There was no indication, for example, that the government was prepared to make appropriate loans to encourage diversification. There has been no indication that the government might be prepared to make acreage payments in a manner that would be suitable not only for bridging income gaps but for the purpose of enabling farmers to diversify.

There has been no indication of any move in connection with farm storage of grain, and no indication of cash advances being made available on commercial grains in order to encourage diversification rather than the contrary. It may be the Minister without Portfolio (Mr. Lang) will say something about these matters tonight. I hope he will say something constructive because I did not find very much that was constructive in the statement made by the Minister of Agriculture this afternoon.

Some hon. Members: Hear, hear.

Mr. Stanfield: I want to be serious because this is a very serious problem. I recognize that it is not an easy problem and that the same problem does not exist in all parts of the country or even in all parts of the same region. The problem requires serious consideration by Parliament.

Inflation has a part to play in this problem, as well as the effect of fighting inflation. I have not seen any proposal of constructive programs of marketing, in terms of both eastern and western agriculture, which will enable farmers to diversify to the extent which is feasible. I did not see any of these things, Mr. Speaker. I have sat in this House during the last year and a half and heard the

Minister of Agriculture bring forward proposals relating mainly to loans. The only result has been to increase the cost of money to the farmers concerned. The ministers responsible have a duty to explain the government's policy to the House, not just to talk about conditions between 1964 and 1968 in comparison with previous conditions.

I do not mind if the ministers spend a good deal of their time talking about the difficulties that exist in working out some of these problems but they are duty bound to come to this House, particularly at this time of great difficulty in agriculture, not with an attitude of flippancy but to explain, after five years in office and a year and a half for the Minister of Agriculture, precisely how they propose to tackle the problems that exist. They should not give excuses about having to hear representations from everybody. Many representations have been made over the years. It is high time the Minister of Agriculture told us what his program is with relation to the smaller farmer and the commercial farmer.

Some hon. Members: Hear, hear.

Mr. Stanfield: I mentioned, Mr. Speaker, that the farmer is caught in the cost-price squeeze brought on by inflation. That poor fellow is not only caught in the cost-price squeeze, but the government is using as an excuse to cut back on its programs the necessity to reduce its expenditures in order to fight inflation. The farmer is not only caught directly by inflation, but also indirectly in the sense that agricultural programs are being cut back. If the minister tries to interrupt, I still say they are being cut back. The amount of assistance on feed grain moving east is being reduced. The minister cannot deny that this is so. That is only one example of the way in which the farmer is being caught directly in the price-cost squeeze, but he also catches it in the neck because of the implementation of the austerity program to fight inflation. At the same time, the minister refuses to discuss the program of restraints in this country. This is not good enough. It is not acceptable to this House and it is not acceptable to the country.

The motion put forward is well justified. I certainly support it and I hope the House will support it. I hope a minister or a spokesman for the government will today give the farmers of this country some encouragement which does not consist of a lot of palaver, jocularity and talk about the past. The government should indicate it is really prepared to face the difficulties and the House should be told of its program. I cannot condemn the Minister of Agriculture too strongly for his failure to do this. I hope that when the other minister concerned enters this debate he will not only talk about his immediate responsibility but will try to rectify some of the damage done here today by the Minister of Agriculture. Under the circumstances I hope not too many farmers in the country read what the minister has said today. I ask someone on the government side to put forward a constructive program indicating what is intended so that the farmers of this country, even with their present difficulties which are not easy to correct, can look forward to having something intelligent, interesting and sympathetic to work with.

• (5:40 p.m.)

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, I have listened this afternoon, as have other hon. members, to a variety of speeches on the motion and the amendment before the House. I was glad to hear at last the words of the Leader of the Opposition (Mr. Stanfield) who asked that we face reality and examine the problems affecting agriculture.

I must say he did not sound like members of his own party earlier today; this was not the tone used in the past by far too many politicians in his own party and others. In recent times, far too many people were interested in speaking about the agricultural situation in tones of complete optimism or in terms of unmitigated, unavoidable disaster. It was as bad and as wrong to talk about the situation in language of unrealistic optimism, to overlook information, already available, about the changing situation, persuading farmers to ill-advised courses of conduct with regard to their equipment, land assembly, and so on, as it is today to speak as though the situation has no possible solution and disaster is inevitable.

The truth lies between these extremes. The situation is indeed serious; in the eyes of some of the farmers facing it, it is overwhelming. It is important for the government and for all associated with the agricultural industry to look at the situation realistically and to give both leadership and hope to the farmers who face these difficulties most directly.

The gloom expressed by the right hon. member for Prince Albert (Mr. Diefenbaker) is not helpful. Nor would it be helpful to

pretend that there was no information available to counter some of the optimistic statements which were made in the past. I would refer hon. members to the outlook papers of 1967 and 1968; in each case the experts indicated that the production of grain would probably continue to outstrip sales and that increases in stocks would take place accordingly. There were some who were interested in taking an optimistic view and whose urgings of different courses overshadowed these forecasts. This in itself contributed to the surplus, the presence of which is so direct and so overwhelming to the farmer who faces it.

We in this government are firmly confident that there is a significant and happy place for the farmer and his farm in our society. We are satisfied that the problems which confront him can be attacked and dealt with when they are examined realistically. I should also like to say that this government stands four square behind the Canadian Wheat Board. We do not hesitate to say this flatly. We shall not use the weasel words of some hon. gentlemen opposite who say they support the Wheat Board and then point the finger of dark suspicion at something which seems, they infer, to be influencing it. Those may be proper tones for people who intend to destroy the Wheat Board, but not for those who are determined to support it.

There is no doubt about the seriousness of the situation facing the farmer. This has been recognized by the government. The government has been on record on this issue for many months past; we are on record as recognizing the problem created by the surplus, by low prices and by high costs as these seriously affect the industry in the area of grain production and, more particularly, of wheat.

I would refer hon. members to the statement made in August by my colleagues the Minister of Agriculture (Mr. Olson) and the Minister of Industry, Trade and Commerce (Mr. Pepin) which referred to the cash position of western farmers, indicating at the same time that the government would hold the price of wheat on the domestic market to that fixed under the International Grains Arrangement. This is the one price which we can, in fact, control. This statement also recognized that the government must keep a constant watch on the cash position of farmers. We were aware that though the cash advance program would provide immediate cash assistance, it would not solve the cash shortage over the period of a whole year. I refer hon. gentlemen to the portion of the statement in which this is recognized.

I should like you to know, Mr. Speaker, the way in which the flow of cash advances is moving. According to the latest report I have, on November 14 the figure stood at $227 million, or slightly more, an increase of some $2.5 million over the previous week which itself represented a rise of some $5 million over the preceding week, and that was a rise of $8 million compared with the week before that. This indicates the nature of the cash flow under the cash advance arrangement.

It is important to remember that in these circumstances the farmer is facing difficulties arising from many factors around the world including the total world production situation. We should bear in mind that in the past four years world production exceeded ten billion bushels each year: It had not done so before and, indeed, it increased to that figure from an average of 8.6 billion bushels in the previous four years, a production which itself represented a new plateau.

• (5:50 p.m.)

It is important to remember that world trading in wheat decreased last year compared with the previous year as a result of the increase in production of wheat by exporting countries, but more particularly by countries that might normally have purchased wheat from the wheat exporters. Canada's share of the world wheat market held up amazingly well under these strains. It is true that our total sales of wheat, for instance, dropped from 335 million to 305 million bushels. At the same time, total United States exports were dropping from 760 million to 543 million bushels, and Australia's exports dropped from 256 million to 195 million bushels. I do not suggest that these figures solve the farmers' problems, but they do recognize the magnitude of the task of accurately calculating sales prospects, dependent as they are on conditions all over the world.

May I repeat what the Minister of Agriculture said and which the Leader of the Opposition treated so lightly. We must do the best possible job of ascertaining market prospects and keeping the farmers informed. We must look realistically at the very fundamental question of how large a grain inventory we should carry in this country. We should also look at the results of our examination rather

than, as has happened far too often in the past, simply ignoring them.

Both the government and the Wheat Board have been working very hard to expand our sales internationally and to bolster prices. I should like to remind hon. members again that we have had a trying time in regard to world wheat prices. But this country has faith in international grain agreements. We believe they make economic sense, and that we exercised very significant restraint in the face of breaches of the agreement by some of our competitors. Eventually, when we could not persuade them to return to the minimums, on March 14 we indicated with reluctance that we had to meet their prices even though this meant going below the IGA minimums.

The result has been that the exporters of the world have seemed to learn the lesson that no one gains from that particular game. I am happy to be able to report that as a result of very hard work, and following a period when we might have been quite pessimistic, progress is now being made toward the stabilization of world wheat prices. I am confident that any future movements in price will more likely be in an upward direction.

I would also mention a few other things that have been done in the cause of improving both wheat sales and the lot of the grain producer. For example, there is now a regular form of credit such as that used in sales to Poland and China, and under which government liability now stands at $200 million. An additional credit facility has been made available for sales by the Canadian Wheat Board. The sum of $6 million is included in the estimates of the Department of Industry, Trade and Commerce to enable lower interest rates to be used in areas where commercial sales cannot be made at regular rates. By using this facility recently a sale of 5.5 million bushels was made to the Philippines, which was a re-entry by Canada into an important market. Even more recently there was a sale of 7.5 million bushels to Peru.

May I call it six o'clock, Mr. Speaker?

Mr. Lundrigan: Mr. Speaker, before you call it six o'clock, so that the minister does not mislead the House would he indicate in his remarks this evening whether it is the disclosed or undisclosed policy of the government to re-introduce the poverty-box?

Mr. Deputy Speaker: Order. It being six o'clock I do now leave the Chair until 8 p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

Mr. Lang: Mr. Speaker, I have been looking at some of the specific things which the government has done for the grains industry. I have not done so with the view of suggesting that they have solved the problem, but rather to make the very clear statement that there is in this area a large problem to be examined and dealt with and we must rebut the claim which some people, particularly those opposite, will spread about the problem itself when they suggest that the government does not care. Nothing could be further from the truth. That the government does care has been demonstrated by these first steps. It will continue to demonstrate this attitude. It is important that the farmers understand and appreciate this fact, and that they have the appropriate amount of hope.

Included in the things the government has done of importance are the food aid programs which this year will be in excess of $85 million with the bulk of that amendment being in wheat and flour. This part of the program is conducted in this way for reasons that have to do with the grain problem rather than for reasons directly related to the interests of the recipients. I could also mention the payments which are made to the Wheat Board under the Temporary Wheat Reserves Act, which it is estimated this year will amount to $72 million. This is a direct transfer from the treasury to the grain operation. It has gone on quietly for many years but the program is now being stepped-up.

I could refer to the transportation system which has taken up so much of our time in the past year or so, and the development of the block system—that imaginative forward step in the movement of grain from the local elevator to the terminal. Where the block system has been put into effect, it has worked extremely well and gives every indication of living up to its promise in allowing the expedition of the movement of much more grain than was possible under the previous helter-skelter system. The block system is now in effect in over half the prairie region and will be in full effect before the opening of the navigation season.

I could refer to the creation of the Canada Grains Council which itself is directly related to the examination of the serious problems facing agriculture, and the hope that it can bring together the whole of the grain industry

to examine these problems. I could refer to such lesser items, yet important to individual farmers, as deferred delivery payments which were allowed those farmers who did not make their full five-bushel delivery last year. This program represents an important equity matter to them.

This question of equity leads me to recall for hon. members the fact that the quota system requires a thorough examination. I should like to remind hon. members, particularly the Conservatives, that when the Bracken commission was sitting in 1957-58 the commissioner indicated that the quota system, which was designed to do certain social things, failed almost intentionally to do certain economic things. If you look at his report you will find that he said a quota system such as this could not be in existence and could not be used over a protracted period of time without causing intolerable distortion.

After he had said that there was a period when the quota system was not a crucial matter because of the movement of grain. We now have to again face up to those words and examine the system to see how it can in fact be revised in order to avoid economic distortions. It is in that context—

Mr. Deputy Speaker: Order, please. I am sorry to interrupt the hon. minister but his time has expired.

Some hon. Members: Continue.

Mr. Deputy Speaker: Is there unanimous consent that the minister shall continue?

Some hon. Members: Agreed.

Mr. Lang: Thank you, Mr. Speaker, and I thank hon. members for the opportunity to conclude my remarks. It is in that context that we will have to look at the question of oats and barley and the extent to which they should be fully on quota and fully controlled as Wheat Board grains. I would remind hon. members that when they refer to distress selling of these grains under the Wheat Board, it is by and large, a transfer of benefit from one type of agricultural producer to another and is itself reflected in certain distortions in the cattle industry. For instance, the price of feeder cattle, which is high compared with the price of finished animals, is perhaps a distortion; but it indicates that the producer of meat does indeed benefit from these distressed prices. No one says the prices are tolerable at their low level; they are in themselves a sign of the serious situation which faces the farmer.

It is important for us to create conditions which will not lead the grains producer to dispose of his inventory of feed grains at prices at which he could not possibly replace that inventory. It is in this context of quotas and these fundamental questions that we will have to look at the question of how best to handle rapeseed, flax, and so on. We will also have to look at these questions from the point of view of enforcement problems in regard to quotas. We all know that the quota system has been badly breached in the prairie region in terms of producers complying with it. It seems to me that in the immediate future we must encourage farmers to follow the rules such as they are, even while they are being re-examined. A breach of the rules leads without doubt to unfair distortions in favour of those who break them, and at the expense of those who do not. It is, therefore, a very important matter economically to many farmers.

In conclusion I should like to say just a few words about prospects. We will hear more about this matter before the month is out. Present indications are that this year's sales of grains will meet or exceed last year's totals. Barley sales abroad will surely go above last year's total, and wheat sales could and should, indeed, be somewhat higher depending on certain specific developments. But this—I wish to emphasize this point—does not mean that the problem of the surplus is a quickly vanishing one, because we are all aware of and must remember the size of the surplus on the farms and in the elevator system.

• (8:10 p.m.)

This means—and I return to where I began—that we will continue to do everything we possibly can in our sales effort. I believe the Wheat Board has been doing a good job, indeed a very good job, but they will join with me in agreeing that we must make an effort to do even better. I believe the trade commissioners within the Department of Industry, Trade and Commerce who are posted all over the world have been serving very well indeed the cause of the Wheat Board and the farmer in selling grain, but they will join with me in agreeing that they should do even better. When this has all been done and when we have looked at our prospects for sales, we must realistically examine the consequences in terms of future production because surely no one will challenge the logic of the statement that over any period of years production and sales must be brought

into equilibrium. When you have done everything you can in respect of sales, you must look at the production in that light.

This examination of production possibilities will lead to other consequences. It will help the agricultural community, and that great community which is dependent upon the agricultural community, to see the problem in proper perspective. I do not think anyone will have any doubt that in examining the problems facing the grain industry we must not hide from the facts. We must be prepared to look at every inefficiency in the handling and transportation systems and we must work to remove those inefficiencies. Then removal is more vital now because of the economic situation in which the grain industry finds itself.

Mr. Benjamin: Mr. Speaker, may I ask a question of the minister? I do not wish to misunderstand him. I believe he said that the matter of barley and oats under quotas must be looked at, and the question of barley and oats being Wheat Board grains. Does he mean they should be taken from the jurisdiction of the Wheat Board, or does he mean they should be turned over to the feed grains trade? I think he should clarify that statement.

Mr. Lang: I believe I should repeat what I think I said. In relation to barley and oats we must look at the extent to which the quota regulations should be varied. With regard to flax and rapeseed we must look at serious questions such as whether they should be dealt with in another fashion.

Mr. Yewchuk: Mr. Speaker, I should also like to ask a question of the minister. In view of the fact that the Minister of Agriculture (Mr. Olson) welched on his promise to give us some figures on the net income, I wonder whether the minister from Saskatoon-Humboldt would be willing to do that.

Mr. Lang: I have many figures here, but I do not have the time to go through them. I am sure the hon. member for Athabasca (Mr. Yewchuk) will be responding to the challenge of the Minister of Agriculture to do his homework himself and we will have some comment on his figures.

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I was sorry to hear the Minister without Portfolio (Mr. Lang) in concluding his remarks say that he would return to where he began, because he started from nowhere and returned to nowhere. The remarks on this subject from both the Minister of Agriculture (Mr. Olson) and the Minister without Portfolio from Saskatoon-Humboldt have been repeated ad nauseam in the past. Not one iota of real evidence of a policy to promote adequate marketing, the distribution of food and agricultural products and the adoption of effective international policies with respect to agricultural commodity arrangements has been brought forward.

If the Minister of Agriculture wishes to ask me a question I will try to answer it, but if he does not stand up and catch the Speaker's eye I will not pay any attention to him. Frankly, there was nothing to pay attention to this afternoon when he was on his feet; therefore I do not intend to pay any attention to him when he is in his seat.

Coming from the east and having been associated with the west, I have no hesitation in supporting wholeheartedly the motion of the hon. member for Kent-Essex (Mr. Danforth), seconded by the hon. member for Qu'Appelle-Moose Mountain (Mr. Southam), that this House has lost confidence in the Minister of Agriculture and that the government has failed and neglected to initiate and promote adequate marketing and distribution of food and agricultural products and the adoption of effective international policies.

This is not the old game of musical chairs when one could quote figures of what happened in 1955, 1963, 1965 or 1968. Those elections have been fought and the people have made their judgment. We are now in the year 1969. This government has been in power five years. We on this side of the House, Canadians across the country and especially the farming community are still awaiting declarations of policy from the government which instituted the great task force which investigated almost every segment of the agricultural industry, and which called the agricultural conference which met in Ottawa not too long ago. There has been time for even this government to adopt policies so that the average Canadian from coast to coast would know what is going to happen to the farmer.

In fact, the subject of the motion put forward by the hon. member for Kent-Essex is the concern of many people not only in this House but all across the nation. Notwithstanding the empty seats and spaces across the way, it surely involves all of us. Whether a man lives in the city or in the country he has to be concerned with the whole framework of the nation, which starts with the farming community from coast to coast.

Alleged Lack of Agricultural Policies

When the Minister of Agriculture started, because of his interest in agriculture and the fact that he comes from the west I almost started to have some sympathy for him, because like Job and the afflictions of Job it is very difficult for a minister of agriculture in this land with conflicting policies from coast to coast to administer his department. I thought perhaps we should not be too hard on the minister, but I was saddened when he spoke not one iota about this problem, apart from trying to rebut my colleague the right hon. member for Prince Albert (Mr. Diefenbaker). Really, the minister should try to leave that to somebody else.

Instead of telling us what is in the future, the minister quoted the same old stories I have heard for four or five years. The basic question is not the gross income of farmers. I do not care about my gross income and I do not think the Minister of Agriculture concerns himself about his gross income. The figure which must be considered is that of gross expense. The Minister of Finance (Mr. Benson) realizes that the relevant figure is the net income, the money a person has in his pocketbook. If you do not have any money in your pocketbook, what is the use of talking about gross sales? I suggest it is a gross insult to this House to suggest this is an answer that makes up for the vacuum of ideas in the head of the Minister of Agriculture.

• (8:20 p.m.)

Therefore, I lost my sympathy for the minister because instead of being like Job with the afflictions of many, he is more like Moses in the bullrushes—and not even Moses in the bullrushes, but rather "Bud" in the bullrushes, caught in the weeds and experiencing the rare and transitory applause of the few members who stayed to listen to him. This is what he does instead of giving us policies and programs that will make the agricultural community, which is the backbone of Canada, move ahead.

There are opposite members from farming areas whom I think secretly in their heart of hearts would agree with me, if they were not afraid of being caught by their party whip, that the farmer in Canada is forgotten by the cabinet which is preoccupied and dominated by constitutions of all sorts, civil rights, no matter how good or bad, and camouflage. Frankly, I suggest to the Canadian people that the farmers are getting mighty restless while the government is still thinking of theories of federalism and is afraid to practise some of them. It is preoccupied with bluff and bluster before television, but when its members come to the House they are silent with regard to policy. That is not the type of government that the people of Canada elected in June of 1968 to lead us on to new plateaus and vistas. Instead of that, "Bud" in the bullrushes is staying in the background, inactive and with no policy.

Ever since I have been here, whenever we have had a debate on agriculture it has been a patchwork one. I suggest that even the Minister without Portfolio, who at least tried to come to grips with a few basic issues, gave us facts and statistics of what the government has tried to do on an ad hoc basis, putting its thumb in the dyke like the little Dutch boy. The government is trying to cure this problem by giving a little advance here and helping out the farmer there. But these are only reaction policies, reflex actions. There has not been any positive policy to begin with; that is where the real problem lies. The government has not stopped to ask itself some basic questions and to set out some basic objectives of an agricultural policy for this country.

The government has not even posed the question: What is the place of the family farm in this country? It has not asked itself what should be done with the surplus wheat and the blossoming and expanding production of soft cereals in markets where former importers are now exporters of grain. Is there going to be freedom for the farms, or shall we let the government control and dictate policies? What are the trends of farm production for the future? What do we do with export excess? What international policies do we have, if any? Can we produce without subsidies? This is a very urgent problem in the east.

Do we have production in some areas that is to the detriment of other areas? Do we produce for and distribute to the developing nations sometimes to the detriment of their own production? These are some of the questions that should be asked by the government, which should develop policies in answer to them. But no, those questions have not even been put.

We all agree that the country is changing, indeed the world is changing. Hopefully, men will land on the moon at one o'clock this morning, and yet we are still talking about the policies and fighting the election battles of 1962, 1963, and 1965. We are not talking about future policies with a view to helping us elevate our sights—not as high as the moon: we do not want to get to the moon; the cow

jumped over the moon years ago and people may have gone over the moon in expectation of what this government would produce after June, 1968. As the leader of our party said today, all we want is the Minister of Agriculture to at least come to the House and be candid with us and with all Canadians from coast to coast, as was the Minister without Portfolio who started to tell us about the problems and the difficulties of agriculture.

Men on this side of the House know as well as the minister does and as their geographical mates do, even though they may be political enemies, that there are problems in agriculture which may not be insurmountable but which are difficult to solve at this time of change and transition. There is a movement from the farms to the urban areas; there is consolidation of little units into big units; there is an advancing technology which has developed production beyond our dreams of 20 years ago. But even allowing for this transition and change, agricultural policies cannot be turned on and off, as was said in the pathetic statement made by the minister today with regard to further changes.

I could make a whole speech about the minister's sentence in which he said there will be cut-backs in agriculture because of the present policy of austerity. I suggest that it is penny wise and pound foolish to strike at such a basic industry as agriculture and make cut-backs in this area when it takes many years to develop a milk herd, production facilities for grain, drying facilities or any other element of agriculture. One does not start a program one year because there is a surplus or a deficit in the national budget and then change the whole program next year because, owing to the munificence of the Minister of Finance there is a little extra money available with which to help the farmers.

The two announcements made recently have caused confusion and concern in the agricultural community. I refer to the turning on and turning off of policies and to the two most recent statements on agriculture made by this government. One statement was with regard to the dairy policy which was to become effective on April 1, 1969, and the second was with regard to the hog premium policy which was to become effective on March 31, 1969. In the case of the dairy policy, farmers across this country were given one day in which to readjust to the new policy. So far as the hog premium policy was concerned, they were given the grand total of six days before the policy became effective.

I am not arguing the right or wrong of either of these policy changes. What I am saying is that even if you are a Member of Parliament trying to organize your mixed-up life between the House of Commons and your constituency, between being here, in your constituency, in your office and attending committee meetings, you have to plan a little. If you are a business man, you also have to plan, so why expect something else from the farmer? He has to plan also. He has to plan a longer time ahead than just season to season. But in two basic elements of agriculture, the dairy industry and the hog industry, the farmer was given one day to adjust to the new policy with regard to the former and six days to adjust to the latter. I suggest that this does not show the concern that we have heard professed by members opposite, and we cannot believe them when they say they have a sense of reality about the agricultural situation in Canada.

In the few minutes I have remaining to me I should like to direct my remarks, not to the over-all situation in the west because there will be others more familiar with the intimate details concerning the west, but to the problems confronting farmers in the east, be it Ontario, Quebec or the four Atlantic provinces. There are in these areas farmers who are going through the same transitional period and the same changes. The figures here and there may differ greatly; they may involve a few acres to a few hundred acres as compared with a few hundred acres to a few thousand acres in the west, but the relative problem remains the same. It is the same for the man who is trying to work the land. These men are not afraid of the challenge of change. They are prepared to meet it. But they do not want that challenge of change compounded by confusion within the Department of Agriculture, by constant reviews by either the task force on agriculture, committees or all the other study groups, let alone by the retreats in policy which we heard announced today or the two changes in policy to which I referred a moment ago.

• (8:30 p.m.)

But because of these elements there is very deep concern in the east, and in the far east, with respect to three particular matters. One of these is the feed grains policy about which the minister made an announcement a few weeks ago. The second is the question of export markets, which is one of the basic areas to which the motion is directed, and the third is the question of imports into Canada

which affects farmers in the east, in the central parts of Canada and elsewhere. We would like to know just what the future will be for the farmer on P.E.I. growing potatoes, for the farmer in the Saint John valley, and the farmer in the Annapolis valley, which I have the honour to represent. Where do we go with respect to poultry, eggs, and potatoes, not to mention apples?

Dealing first with feed grains, I do not suppose there is any other policy in agriculture that involves as many political cross-currents as the feed freight assistance act whereby the eastern producer gets feed grain from the west so that he can develop an industry in the east. In the 28 years since that policy was developed in 1941, a viable livestock industry with all the products inherent therein has been developed in the east, and so much so in the province of Nova Scotia that livestock and products, including poultry, make up 80 per cent of the total farm income and form the basis for any further expansion.

There are conflicting problems involved. You have the western producer to consider, the Ontario corn producer and the eastern farmer who must have transportation help known as feed freight assistance. A viable policy has been developed, and even though it has involved political cross-currents it is fundamental to the east. If we are to have any meaning behind the purpose of regional development—which is one of the two things a certain gentleman parroted around the country in June, 1968—we must realize we have to walk carefully before change is made in any fundamental policy such as that respecting eastern feed grains. Unfortunately, confusion has developed in the Department of Agriculture, and among certain farmers, between the question of feed freight assistance and a viable land use development policy.

The result is that some people in Ottawa think that since eastern farmers are arguing about a land use development policy, designed to utilize the land in more progressive ways, they may discontinue or discard the eastern feed grains policy. If that ever happens, and if some of the inklings recently dropped by the minister bear fruit, there would be a backward, negative reaction in the eastern farming community, so great that a whole new department of regional economic expansion would be required to take care of that problem alone.

However, it appears that we will not have any viable land use development policy for some time, because everything is being cut back by the government. But let us not confuse that issue—particularly when we consider that we have so much land use in the west that the result is that grain is piled up sky-high—with feed freight assistance for viable industries that are producing such a large amount of farm income in the east, particularly in Nova Scotia.

There is another area I know something about, Mr. Speaker. It concerns export markets, and here I have particular reference to the apple industry in the east. It covers other commodities but I am more acquainted with the apple situation. Here I refer to national marketing policies. Again the minister has dropped a few tidbits to the effect that some time some statements may be made on national marketing policies.

We need some direction, not only on national marketing policies within the country designed to control cut-throat competition between one part of the country and another but also on external marketing wherein this country must face the subsidized products of other nations. Make no mistake, Mr. Speaker, the Canadian producer is meeting subsidized products from France, Germany, Italy—you name the country and it has its subsidized products. I want to know what policies the government has to encourage and develop export assistance for our producers in meeting competition in outside markets. Another element which causes concern in the east is the importation of concentrates, either in the form of apple-paste or tomato-paste—

Mr. Deputy Speaker: I am sorry to interrupt the hon. member but his time has expired, unless he has consent to continue. Is there unanimous consent to allow the hon. member to continue?

Some hon. Members: Agreed.

Mr. Nowlan: Mr. Speaker, I want to thank the House for allowing me this consideration, and I will not trespass too long on it. Instead of addressing the House on the large apple and poultry industries in my riding, and the effect which imports have on them, I wish to conclude by suggesting that when we come to engage in an agricultural debate in this House we should stop playing musical chairs with old figures.

This House awaits with interest the definition of new policies. If the Minister of Agriculture will stop playing musical chairs with old figures and past battles, and instead develop new policies to meet some of the

problems that have been increasing in perplexity over the years, he may be pleasantly surprised at the reaction from this side of the House. There is not a member on this side, or in fact in any part of the House, who does not appreciate that we are talking about a basic industry, agriculture, and that it is no good seeking short-term partisan political gain when talking about something so fundamental to our country. All Canadians, whether they live in the cities or on the farms, have a vital interest in the agricultural policies that the government should be announcing and which we are awaiting.

Mr. A. B. Douglas (Assiniboia): Mr. Speaker, I welcome this opportunity to discuss agricultural problems and policy, as I have done at every opportunity since I became a Member of Parliament in June, 1968. I can agree with many things that have been said by the mover of the motion, the mover of the amendment, and by some other opposition speakers. But I must take strenuous exception to a statement made by the hon. member for Kent-Essex (Mr. Danforth) who early in his remarks said he was moving his motion "on behalf of the farmers of Canada." What an unmitigated presumption! He cannot produce any mandate from the farmers of Canada.

Some hon. Members: Hear, hear.

Mr. Douglas (Assiniboia): He certainly is not speaking for me, and I am one of the farmers of Canada; and he is not speaking for a great many other farmers whom I know. I was also surprised to hear the right hon. member for Prince Albert (Mr. Diefenbaker) speak so disparagingly of myself, a backbencher on the government side. At other times, when it suits him, he poses as the protector and champion of the backbencher. He sought to give the impression that I never got on my feet in this House. As some hon. members know, I have spoken out in this chamber on numerous occasions on behalf of my fellow farmers. However, I am not surprised that he is not aware of this, because I do not recall his presence in the House at any time when I was speaking. In fact he is not here tonight, and about the only time he is present nowadays is when he has something to say himself.

The right hon. member for Prince Albert wept crocodile tears because some farmers were selling their wheat at reduced prices. I believe he used the figure of 50 cents per bushel. Mr. Speaker, I was farming in the early thirties when the Conservatives were in power both in Ottawa and Regina. Nobody came to my yard to pick up my wheat at 50 cents per bushel I hauled many loads of wheat, with horses, five miles to the elevator and received less than 30 cents per bushel.

• (8:40 p.m.)

An hon. Member: You are pretty old.

Mr. Douglas (Assiniboia): I am. It is true that the Bennett government established the Wheat Board on its deathbed in 1935. But it was set up on an ineffectual, voluntary basis, on a renewable five-year term. It remained for succeeding Liberal governments to make the Wheat Board effective by requiring all wheat to be marketed through it, and later giving it responsibility for barley and oats. In recent years, too, a Liberal government put the Wheat Board on a permanent basis. Mr. Speaker, the farmers of western Canada recognize that these are the actions of a government and a party that is fully committed to the Wheat Board system of orderly marketing. I was pleased to hear the Minister of Agriculture (Mr. Olson) this afternoon reaffirm that stand.

The opposition further damages its credibility as a possible alternative government by condemning this Government in such sweeping generalities in the motion we are discussing today. The mover of the motion had no alternatives to present. It is the easiest thing in the world to court popularity with those people who are in difficulty, by loudly criticizing the government. This is one of the favourite indoor sports of many people. It is quite another thing to propose workable and practical solutions. These were notably absent so far today from opposition speakers.

My remaining remarks will be directed to the grain producing sector of the agricultural economy. It is the area of agriculture that has the greatest problems. The situation is not good, but to say that it is worse than ever before, or worse than it was in the thirties, is completely absurd. In 1967-68 we exported 336 million bushels of wheat. In the 13-year period, 1950-51 to 1962-63, this total was exceeded in only four of those years, 1951, 1952, 1960 and 1961, two years under a Liberal government and two years under a Conservative government. In 1968-69 our exports dropped to an estimated 306 million bushels, which is about 26 or 27 per cent of the total exported by the four main world wheat exporters that year. That is about the same percentage of the world wheat trade which we experienced from 1959 to 1963.

Alleged Lack of Agricultural Policies

Most farmers are encouraged because of the appointment of the Minister without Portfolio from Saskatoon-Humboldt (Mr. Lang) as minister with exclusive responsibility for the Wheat Board—the first time a minister has been given exclusive responsibility for the Wheat Board. This was the immediate action of the government in response to the statement made in the Speech from the Throne that steps would be taken to maximize sales of grain. The Wheat Board says it is doing everything possible to sell grain, and I know the new minister will give it his undivided assistance and encouragement.

The government has taken the advice of farmers and farm organizations and appointed a farmer, Mr. Charles Gibbings, to the Wheat Board as of last July 1. If there was any need to have a farmer's viewpoint heard within the councils of the Wheat Board, we certainly have it now. This was an extremely commendable appointment and it demonstrates the government's concern about the needs and wishes of farmers.

As on previous occasions, I am going to take this opportunity not only to praise the government for some of the many positive things it has done, and is doing, such as doubling cash advances, making them available on unharvested grain, making interim payments under the Prairie Farm Assistance Act, crop insurance programs and stimulating credit sales of grain, but also to offer what I believe to be constructive criticism of various policies.

I should like to refer to the deferred delivery plan, under which farmers who were prevented from delivering the promised five-bushel quota last year were to be given permits to deliver the balance during this crop year. When the plan was first announced it provided that no farmer could deliver more than one bushel per specified acre, no matter how far short of the five-bushels he might have been. That unjustifiable and unfair restriction was removed and I learned just this morning that the limit has been set at two bushels. Let this be the opening shot in my campaign to have this arbitrary restriction removed.

In many remote areas on out-of-the-way branch lines, the elevators were almost constantly plugged throughout the year. Farmers who were at some distance from their elevator, who had no phone or who happened to be ill on the wrong day, had great difficulty getting their grain in. Remember that at many of those points the quotas were still at one, two and three bushels in June and even into July. I find it completely understandable and believable that many farmers had grain on hand but were unable to deliver even three bushels per acre. Now these same farmers are being arbitrarily cut off at a maximum of two bushels.

They had already been three-time losers, in comparison with the majority of farmers who were able to sell the five-bushel quota before the end of July because (1) they lost the use of the money they should have received for several months; (2) they now take over 20 cents a bushel less on their initial payment, and (3) they had a much larger storage problem than their more fortunate neighbours. I think that the last that should be done is to allow them to deliver the full amount they were short of five bushels on July 31, and to assure them that they will ultimately get at least as good a price for wheat delivered in 1969-70 as they would have had they been able to deliver it in 1968-69.

An hon. Member: What does the minister say to that?

Mr. Douglas (Assiniboia): Another point I wish to mention has to do with the current supplementary quotas on durum and barley, and any new supplementary quotas which may be announced. Last year such quotas were unceremoniously cut off at a predetermined date, even though many farmers did not have an opportunity to deliver their grain because of the lack of space at their delivery point. They were understandably incensed at losing this eagerly anticipated income opportunity because of the vagaries of boxcar distribution.

I protested this insensitive attitude most vigorously last year, and I was afraid there might be a repetition this year. However, I am pleased to note that the Wheat Board has now agreed to extend the durum quota to the end of July and has decided to suspend, perhaps temporarily, the special quota on feed barley, which may be reinstated later this year when barley stocks become depleted. I like to think that my representations in this matter have had some effect, possibly through the new minister in charge of the Wheat Board.

I would like to revert to the deferred delivery plan for a moment and register my objection to deductions from the cheques for these deferred deliveries, to be applied on cash advances, when there was no liability existing on account of cash advances as of July 31,

1969. These deductions are a further discrimination against those who were prevented from delivering their five-bushel quota last July. It might take a slight amendment to the Prairie Grain Advance Payments Act, but I understand it is to be opened up very shortly anyway for amendments having to do with advances on unharvested grain; therefore, this small amendment should cause little difficulty.

I should now like to make a few remarks about box car allocation. I think the authorities responsible, mainly the railways, did a terribly poor job in this regard last year. There was the excuse last year that the tough and damp grain upset their procedures, but so far this year there is no such excuse. When I am critical of the railways in this regard I am not alone. When the agricultural committee interviewed the Canadian Wheat Board in Winnipeg on April 18, 1968, I asked the chief commissioner if he thought the railways should take some blame for the poor distribution of box cars last year. He said, and I quote from page 1257 of Report No. 32 of the Proceedings of the Standing Committee on Agriculture:

> Mr. McNamara: I certainly do. We cannot direct the railways on where to put their cars. We have no power. We can direct the distribution of the cars between the elevator companies and the stations and I certainly want to go on record that I am not congratulating the railways on their distribution of cars between stations but, in the over-all, we cannot direct them on this.

• (8:50 p.m.)

In my opinion, confusion and discrimination still exist in the distribution of box cars. As some hon. members know, I asked for and received a meeting with top railroad officials. This was discussed last evening during the adjournment debate on a question raised by the hon. member for Moose Jaw (Mr. Skoberg). I attempted, unsuccessfully, to correct the quotation the hon. member used. The quotation listed some of the people who were present at that meeting. It mentioned the Minister of Transport (Mr. Jamieson), the Minister of Agriculture and the Minister without Portfolio in charge of the Wheat Board. It mentioned members of parliament from the prairies, including myself, and some prairie Senators. The omission I wished to correct was the fact that one Member of Parliament, the hon. member for London East (Mr. Turner) was also at the meeting. The railways were represented by four of their top executives, including Mr. McMillan, president of Canadian National Railways and Mr. Gossage, vice-president of Canadian Pacific Railway, in charge of rail operations.

It is true that no opposition members were there. I believe we had a very frank and beneficial exchange of opinions and ideas, probably much more so than would have been the case if opposition members had been present. I think there have been indications in the past two weeks that some improvements are now in prospect, and indeed may already be evident in some areas.

The block system which will soon cover the prairies may be an improvement, but I think we farmers should not be under any delusion that the block system is designed to allocate box cars more fairly between points and between farmers. It may do what it is meant to do, namely, make better use of our rail system and our country and terminal elevator systems. I hope it does, because this will benefit farmers generally. However, farmers are individuals and require, deserve and expect fair treatment. I intend to do my best to see they receive that kind of treatment. If discrimination and hardship continue to be visited upon individual farmers and individual communities, even under the block system, I will renew my request for a transport controller.

We need a national policy for Canadian agriculture. It is long overdue. The report of the task force on agriculture is due within a few weeks. The government would be subject to justifiable criticism if it proclaimed a comprehensive farm policy before this task force makes its report and before the new Canada Grains Council has a chance to make any recommendations. I am sure the opposition would be foremost in such criticism. I look forward to some significant policy announcements by the government in the next few months.

Also needed are more reliable forecasts of production goals and some realistic programs to assist farmers to diversify in order to meet these goals. I was pleased to hear today from the ministers that steps are being taken to provide this guidance and assistance. I renew my plea to the government to support the price of wheat at $1.95½ for export as well as domestic consumption. Agriculture is in great difficulty, mostly because of world conditions, but I do not think it is quite as bad as this exaggerated motion tries to indicate. I will not support the motion, Mr. Speaker, or the amendment.

Mr. Ricard: We knew that before you started.

Alleged Lack of Agricultural Policies

Mr. Arnold Peters (Timiskaming): Mr. Speaker, citation 144 of Beauchesne's Fourth Edition states:

> It is a rule in both Houses of Parliament that a member must address the House orally, and not read from a written, previously prepared speech, for the reason that, "if the practice of reading speeches should prevail, members might read speeches that were written by other people, and the time of the House be taken up in considering the arguments of persons who were not deserving of their attention."

We have listened, Mr. Speaker, to a paper-tiger.

Some hon. Members: Hear, hear.

Mr. Deputy Speaker: Order, please. The hon. member for Assiniboia (Mr. Douglas) is rising on a point of order.

Mr. Douglas (Assiniboia): Mr. Speaker, I was referring to my notes fairly closely, but I would challenge anyone else to read them. I wrote them myself; no one else wrote them.

Mr. Peters: Mr. Speaker, I have heard the hon. member for Assiniboia (Mr. Douglas) on a number of occasions state what in my opinion is probably a fairly good assessment of the problems of agriculture. I have never seen the particular hon. member put his vote where his mouth is.

Some hon. Members: Hear, hear.

Mr. Peters: If the hon. member knows these things are wrong, obviously he should not stand as he has tonight and whitewash the department. I have no objection to the Minister of Agriculture (Mr. Olson) doing that, Mr. Speaker. I remember when he was a colleague of mine. We were both opposition members and both spokesmen for agriculture. I always listened carefully to the Minister of Agriculture as he understood many of the problems of agriculture in Canada. His difficulty now is that he is taking instructions from a department. He is not really facing the problems of agriculture in Canada today; he is selling policies that have been developed in the department for which he is responsible.

The Minister of Agriculture could do a great service to this country if he made a break with tradition and decided to raise in this House a number of problems which he knows exist. If he honestly listened to the arguments surrounding the problems he raised, he could formulate a new program. The last speaker stated there is a problem in the world today, especially in western Canada, of having more produce than we can sell.

It has often been suggested that the problem in Canada is not producing wheat, but selling it. This has been a fact since the 1920s. I am sure the minister and the hon. member for Assiniboia know this. What is being done about it? I have listened to these problems being discussed for 10 or 11 years. I have often heard the silly remark used by the previous speaker, that if we cannot solve the problem any other way, we will appoint a transport controller. Why have we not appointed one? Every time we had a problem with boxcars in the past we appointed a transport controller, and when the problem was solved he was dismissed. If this has always solved the problem, why the hell do we not have a permanent one?

This is a small problem, but I am sure the Minister of Agriculture and the former member for Assiniboia talked a great deal about box cars. I am sure there have been more discussion in this House on the subject of box cars and the inequality to western farmers caused by the inability of the railroads to have the box cars at the right place at the right time than there has been on any other subject. The hon. member represents a riding in western Canada. He says that if the problem cannot be solved in any other way, he will agree to the appointment of a transport controller. What kind of representation is that for western Canada?

An hon. Member: Just a big bubble.

Mr. Peters: It is obvious the hon. member will vote with the government. Why? I am not sure why. I really would like to know why. There are many problems in agriculture, Mr. Speaker. The problem we are faced with today is that we have a surplus. We have often had a surplus. I was surprised to learn that Ireland has a surplus of agricultural commodities. I understand they are selling butter to Chile at 11.8 cents a pound. The problems of agriculture are not the same as those in industry and other fields. The problems in agriculture are over-production and inability to sell.

The Minister of Agriculture has known about these problems for a long time. I am sure the minister responsible for the Wheat Board also knows of them. If he does not know of them, he need only turn to his deskmate who for years has been connected with the selling of grain. These are the people who make their total fortunes from selling grain.

It is a complicated problem. Obviously there will be trouble attempting to sell grain at a given price in a glutted market. However, the Department of Agriculture, the Department of Industry, Trade and Commerce and the new department, whatever it is called, have been coasting in this respect.

• (9:00 p.m.)

I think everyone would agree that we should put some money into our efforts to sell agricultural commodities. We should be honest about what we do with wheat. The Wheat Board does not sell wheat; James Richardson & Sons sells wheat. The brokers sell it, but the Wheat Board does not sell it. In my opinion, McNamara never sold a bushel of wheat in his life, though he has sold other things. The Minister of Trade and Commerce (Mr. Pepin) is a good salesman. It seems to me he might well do as other ministers have done, including a former minister of trade and commerce now sitting to my right, the hon. member for Prince Edward-Hastings (Mr. Hees), and call together the people responsible across the world for the operation of our trade. When it was last decided to put on such a campaign, sales were made. It is true there was a lot of mumbo-jumbo about who actually made the sales, but we did embark upon a policy of salesmanship and it was successful.

We shall always have bumper crops periodically in Canada, and the more plentiful harvests will probably fail to coincide with years in which the largest sales are made. We must therefore find some way of equalizing the returns.

An hon. Member: Both the ministers have gone out.

Mr. Peters: They can go out and have a conference. Their way of solving this problem was to pay the farmer a cash advance. The hon. member for Assiniboia said he would recommend that they go back to last year's quotas, and that he would press for this. He is not being honest. He has already done so, and the Wheat Board has told him to go to hell. I got this information from his own paper, the Assiniboia *Times*. We are now dealing with dilemmas which face all governments, not only the government in office. I suggest the minister would do well to turn his attention to solving some of the long-term difficulties. His department will give him all kinds of reasons why nothing can be changed, but I put it to him that he should examine some completely new propositions.

One of these would involve the provincial governments. If hon. members believe that agriculture is in trouble only in western Canada, they are wrong. The same difficulties arise from coast to coast, stemming from our ability to over-produce and our failure to sell. The agriculture committee travelled from one part of Canada to another, and during these journeys, I, as a member, learned of the great change which has taken place in eastern agriculture from the individual farm unit to the agro-industrial complex.

The family farm was in trouble because the farmer could not get enough for his produce to pay the cost of producing it. When the cream cheque is not providing enough to pay for the farm, or when the cheque for fluid milk is not large enough to enable a farmer to keep going, the whole industry is in desperate straits. There are, I suppose, some farmers who can carry a certain proportion of the burden of a low income by cutting their standard of living still further, but the big businesses are geared to producing at a high level of efficiency for markets which offer them a certain price—and if this price changes, the industry is in an extremely difficult situation.

Take the broiler industry and consider its relationship to egg production. Quebec controls the production of broilers and Ontario controls the production of eggs. The interests of egg producers in one province can be played against those of the broiler producers in the other, to the point at which the agencies which have been set up can no longer make a reasonable profit. I was surprised to learn that in Quebec they are not interested in establishing marketing boards for the various commodity groups. The provincial minister of agriculture said he was not interested in establishing a marketing board but that he would support any proposition which the federal government might have to put forward in this field.

Surely, the minister has heard similar stories from the conferences which have been held. Surely he is aware that this bugaboo about the constitution is not the barrier it used to be. We have learned that this is the case, and we shall tell him so if he allows the committee to make a report. If he is willing to bring in marketing legislation on a national scale, the provinces will accept it. This is the only way in which we shall be able to operate effectively.

We, the people of Canada, should be responsible for the orderly marketing of our

agricultural produce. Today, the Minister without Portfolio (Mr. Lang) indicated we should cut back production if a market did not appear to exist. But how in hell do we cut back? Suppose a wheat farmer has a thousand acres lying idle: the minister says he should plant only 100 acres because a good market does not appear to be likely. So far no provision has been made for a guaranteed annual wage, and unless he puts in a crop, this farmer will be on welfare.

Already the Wheat Board is selling wheat at prices which will not pay for the gasoline and the costs of putting the crop in and taking it off. Meanwhile, much of the grain remains on the farms. It may be cash in the bank, but the farmer would like to spend some of it; he is not getting enough cash to carry on. The minister is advising him to take land out of production. But is he telling us, at the same time, that he intends to announce a greenbank program? Almost every country in circumstances similar to ours has decided to embark on programs designed to take certain agricultural land out of production with provision for its use later if that should be in the national interest.

No such program has been announced here. In the meantime, who will keep our farmers if they do not plant grain? Who will pay back the cash advances we made available this year on top of the cash advances which were extended last year, advances which in many cases have yet to be repaid? The government would have us believe that these cash advances are a wonderful thing. I suppose it is a wonderful thing I should be able to go to Household Finance and borrow money, but I would do that only if it were really necessary. In the long run there is nothing particularly beneficial about getting cash advances if one has no way of paying back the money.

The only reason farmers get these cash advances is that they would be unable to keep going at all without them. The minister knows these things. I listened to him talk about them for years when he was on this side of the House. Now, apparently, he finds it easier to have the deputy minister and the departmental officials give him advice as to how he should run his department than for him to determine what is really in the interest of Canadian agriculture and make policies accordingly.

The Prime Minister (Mr. Trudeau) decided there should be an austerity program and that some programs should be cut. One of the first things to suffer will be the agricultural fairs throughout the rural communities, which are the show places of agriculture. The minister is also going to suspend grants to the 4-H clubs, which are junior farmers' clubs. These clubs teach our farmers of tomorrow the skills and crafts to enable them to operate farms. If the minister beheads all the farmers, he will certainly solve their problems for them, though the nation would hardly be a contented one. However, every few years the public have an opportunity to make their decision. Revolutionary ideas of this nature would produce counter-revolutionary ideas, and the result would not be as anticipated.

• (9:10 p.m.)

Let us not talk about what this person did or that person did, about the lean years and the fat years. As far as farmers are concerned, every year is a lean year. I have not heard one farmer admit that times were good. Even if times were good, the farmers would not admit it because they know that the next year will not be good. Looking back over the past 50 years our farmers have not been wrong yet.

I suggest to the minister that long-range programs are required. The minister's policy in regard to the cream producers and farm separated milk has resulted in half of the small farms in Canada going out of operation. In my own area even a farmer on an unproductive piece of land cannot be driven off his farm. You cannot help him, neither can you hurt him very much. You just cannot get rid of him.

Almost $2 billion has been lent to the farmers for the purpose of developing economic farm units. I suggest we have an obligation to ensure that the products the farmers produce are sold at a reasonable profit, and that farmers are able to operate viable units. Let us talk not about yesterday but about tomorrow. One of the worth-while things that the minister did was to organize the agricultural congress. At this congress the minister heard about the problems of the farmers and how they could be solved. In spite of this, not one solution has been presented to the members of the House for their support. I suggest this is what the minister should be doing in the very near future.

Mr. Jerry Pringle (Fraser Valley East): Mr. Speaker, now that we are debating agriculture I observe it is opposition day again. I have been engaged in agriculture all my life, and having listened to this debate it seems to me that the abilities of an organized group of

individuals who through the years have been the backbone of Canada are being downgraded. Hon. members suggest that since the farmers do not know what to do, we should tell them. They suggest that the farmers overproduce because we tell them to; that they are unable to appraise a given situation and have to come to us for guidance.

What the Minister of Agriculture (Mr. Olson) has been trying to do for a year or so now is to give the farmers an opportunity to express their problems. He invited them to the agricultural congress. He has visited agricultural communities. The agricultural committee has traipsed around Saskatchewan walking in the fields and talking to farmers. We have seen financial statements of farmers and we are aware of their problems. The Prime Minister (Mr. Trudeau) has visited the west, where he was pelted with wheat and shown obscene signs. I was talking to a young man from Saskatchewan the other day who told me that those involved are still apologizing to Canada for some of the actions that took place during the Prime Minister's visit. These people were not necessarily farmers. In fact, I would be prepared to say that they were not farmers but agitators who claimed they supported the farmers.

Agriculture today is experiencing a revolution; indeed, it has been for the last five or six years. The farmers have realized that technological advances have made over-production possible. They also realize external aid has meant that the underdeveloped, needy countries have been enabled to produce the agricultural products they need. The farmers know there is a world wheat problem and that something must be done about it.

Certain sectors of the agricultural industry have done something about this problem. I should like to inform the hon. member for Timiskaming (Mr. Peters) that the broiler industry in Quebec is not controlled as it is in Ontario. Every province but Quebec has a marketing system for broilers. The price of these broilers is higher in the rest of Canada than in Quebec simply because there is no Quebec marketing board and broilers are being over-produced. Broiler growers in the rest of Canada are operating viable farm units. This means that banks are prepared to lend them money. No longer are they so dependent on farm improvement loans or the Farm Credit Corporation. In consultation with government officials they have evolved a broiler industry that pays. The same can be said of the egg producers. A few years ago there was over-production and the price was low. Today eggs fetch a good price, and this is because the egg producers got together and solved their particular problems.

I recognize that hon. members of the opposition are sincere and dedicated to the agricultural industry of Canada. I refer particularly to the hon. member for Kent-Essex (Mr. Danforth). I say this, not because he is bigger than I but because I meet him in the agricultural committee and I went to Saskatchewan with him, along with the hon. member for Timiskaming.

The Minister of Agriculture cannot be expected to shoulder all of the problems of the agricultural industry. But he does want to talk over his policies with the farmers to see whether they are appropriate. As hon. members know, the government is proposing to introduce some national marketing legislation, and it has been criticized for not bringing it in sooner. I wonder whether hon. members realize why this legislation has not yet been presented to the House. The reason is that the plan is still being discussed throughout the length and breadth of the land among the farmers themselves. How many members of the opposition can show me a copy of the draft of the national chicken marketing commission act which has been presented to Department of Agriculture officials for their consideration?

• (9:20 p.m.)

Some hon. Members: Hear, hear.

Mr. Pringle: How many hon. members have investigated that aspect? This matter will be considered by the government in a very short time. How many hon. members have visited these people?

Let us consider the situation facing the hog industry. I have heard talk about cutting off hog subsidies. This was never considered a hog subsidy. Very good breeders in my riding have told me they never considered it to be a subsidy; it was an incentive or bonus to breeders who improved the quality of their hogs. That is all it was. If you produce a better hog, you get more money. The idea of subsidizing a hog grower for producing a poor product is simply outdated. You do not subsidize a chicken grower who produces eggs at a loss but makes a profit because the government picks up the tab. That idea has gone by the board. The same argument applies to the turkey industry.

Let us now consider the problem facing the grain industry. I realize it is a tough one. I

intend to refer to the supply-management program. We should try to produce for a market. It was stated earlier that we lacked the ability to sell our product, that we over-produce and undersell. That is the phrase used by the hon. friends. There is another phrase we can use: we over-produce and under-consume. There is just no way you can shove food down the throats of people. We keep referring to the fact that a great percentage of the population of the world is starving and hungry. We realize this. Members on this side of the House are just as responsible for this situation as anyone else. You are members of a political party, Members of Parliament, and when and if you come up with a really bright idea and turn on a 500-watt light which lights the way to a proper distribution of world food, without wrecking the economy of underdeveloped and other countries, you will be surprised at the reception you will get.

Some hon. Members: Hear, hear.

Mr. Pringle: I received a letter just the other day from an old colleague of mine who is in the chicken business in Spain. One of the first things he said was: Jerry, I am in Spain and we have a problem here regarding the over-production of broilers and eggs. Would you get a hold of some of your marketing board acts and the natural produce marketing acts and send them to me so that we can find out if we can do something about this?

Only a couple of weeks ago I received a reply to my letter, saying that in Spain they had invoked a marketing act and a marketing board in order to handle this surplus. I was told today that there was a surplus, believe it or not, of chickens in India. Of course, these chickens are perhaps not too good by our standards. I am not sure they are particularly edible, but there is a surplus. There are surpluses everywhere because we over-produce and under-consume. The main problem is created by an under-consumption of the products we produce. We should produce to a market.

We have a peculiar situation in the House of Commons today. I do not intend to take up much more time because I know there are others who want to speak, but let me liken this situation to what takes place on a football field. On an opposition day hon. members on this side seem to pick on agriculture, and there is no greater political football than the situation in which our agricultural industry finds itself. This bothers me because I am a great friend of many of those who do a great job to produce food for people here. Unfortunately, you sit here and tell them they are doing everything wrong. There are problems, but as long as you insist on telling them they do everything wrong the problems will continue.

It is surprising that a number of members in the opposition who represent grain farmers keep telling them they do not know what they are doing. They insist that the government should be telling these people what they must do in order to operate their businesses successfully. This whole business reminds me of a Grey Cup game; we have interceptions, we have piling-on and we have interference. The only thing we do not have is a scoreboard, and we will probably get that before the evening is over.

Let me refer to an article published in the *Western Producer*. It states in part, under the heading "Favourable report for UFA despite farm income problem", that their financial position was reported by the United Farmers board of directors at the opening session as having been assisted by sales of $24 million, which is $2,635,000 more than the year before. Let me refer to another article which appeared in the *Western Producer* which refers to what Mr. Turner, president of the Wheat Pool, had to say, as follows:

> To those who say the board should have sold more last year he pointed to the high world production and lower world trade in wheat and said that in the face of these adverse conditions Canada's exports actually represented an increased percentage of the total in 1968-69 over the year before.

Again I should like to commend the hon. member for Kent-Essex for bringing this subject to the attention of the House. I could not possibly agree with the wording of his motion. I would not except him to commend the government; although I am new here, I do not think that is done by anyone in the opposition. As a member of the agriculture committee I know we have a big job ahead of us this year. We must do what we can. When we are planning our program of work I hope we will not do it in this chamber. We should go to the farmers and have the farmers come to us. In this way I think we will be able to work out a program to make the agricultural industry viable again. Perhaps we can elevate this industry to an advanced position through technology. In this way perhaps we can increase the income of those who participate in agriculture.

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, I am happy to participate, in a very modest way, in this debate. I heard a number of speeches this afternoon, some of which were more brilliant than others. As in any other debate, many things were said, and we always hope that, by the end of the day, solutions that may prove helpful to the Canadian farmers, will have been found.

First of all, may I say that I believe I am the second opposition member from Quebec to speak today. I deplore the fact that a large number of government members from that province have not seen fit to take part in this debate.

• (9:30 p.m.)

Several members from different regions have spoken. I would have hoped to see other government members from Quebec take part in this debate instead of implying that the situation of farmers in Quebec is far better than that of the farmers in the rest of the country.

I do not usually criticize for the sake of criticizing, but it seems to me that the people in Quebec had reason to believe at one time that Quebec members would have made every effort to make the Minister of Agriculture understand that in their province the situation is not better than in the rest of Canada.

The Acting Speaker (Mr. Béchard): Order, please. The hon. member for Laval (Mr. Roy) is rising on a question of privilege.

Mr. Marcel Roy (Laval): Mr. Speaker, I appreciate the comments of the hon. member for Joliette. I just returned from Montreal, and I have therefore not been able to participate in the debate this afternoon. Since I have not heard the speeches that have been made, I must say at any rate that I have met farmers—

The Acting Speaker (Mr. Béchard): Order, please, the hon. member for Joliette.

Mr. La Salle: Mr. Speaker, I accept the comments of my good friend, the member for Laval, but even though the absence of a government member was justified, there were 55 others here.

Some hon. Members: Hear, hear.

Mr. La Salle: I have no fault to find with the member for Laval.

In any case, I clearly have the impression that Quebec farmers will keep on worrying about their representation and questioning the commitments made during an election campaign, namely that they would be given the consideration they deserve in Canada.

I would like, for a few minutes, to go back 20 years when I was working in a slaughter house, which gave me the opportunity to meet many farmers and to talk with them. Things were not easy in those days. The difficulties were many, and we would always hope that our leaders and our governments would find solutions capable of improving the lot of farmers.

This was a time—many will remember it better than I—when many farmers, on the occasion of the Christmas and New Year's festivities—some might think it is funny, but it was nevertheless more serious for others—would slaughter one of their cows to feed their families.

And if we consider what has happened in the last 20 years, we notice that most of the farmers have not improved their lot, very much, since on account of the present policy, the farmer has to sell for instance not only one cow occasionally but must get rid of the whole herd.

This debate gives us the opportunity to express certain opinions and to ask the minister to consider more thoroughly possible solutions to the problems of the agricultural community. Some will say it is not an easy task, but one must not infer therefrom that it is an impossible one. I am not so unkind as to say that the minister is the only one responsible for the present state of affairs, but he will surely need the advice of his experts and will have to resort to the solutions that all hon. members are prepared to bring forward.

I say with pleasure to the Minister of Trade and Commerce (Mr. Pepin) that we have heard for a long time about a new dairy policy providing price support for certain products, but nothing tangible is ever done.

In the province of Quebec the situation is uncertain, but it must not be better in New Brunswick where people have to sell potatoes at 60 cents for 75 pounds. I wonder how the potato producers will be able to pull themselves out of that again this year. Try as they may to make the potato producers and other farmers believe that they will eventually adopt a price policy, I believe they will have to act as soon as possible if they want their position to improve.

May I bring to the attention of the Minister of Agriculture (Mr. Olson) the situation of the

tobacco growers. We have talked about several areas of production but the growers of cigarette tobacco, whether in Ontario or in Quebec, are facing serious difficulties which slow down the development of this very important industry and I would ask the Minister of Agriculture to discuss the matter thoroughly with the Minister of National Health and Welfare (Mr. Munro) and to make him soften his stand.

Incidentally, I would like to commend the Minister of Agriculture who last year granted additional subsidies to improve the soils and to increase the acreage devoted to growing tobacco in some areas of the country. On the other hand, I am very much concerned, and so are the tobacco growers, about the stand taken by the Minister of National Health and Welfare. It is the second time I stress the point for I believe this industry is of major importance for some areas in Canada.

In my constituency there are more than 95 per cent of the cigarette tobacco growers of the whole province of Quebec, this means that it is an area more important still than Ontario in this respect, in spite of the great number of major tobacco producers in the latter province. While it is one of the very few productions able to survive without any government assistance, the attitude displayed by the minister during this past year is bound to be of great concern to us since the future of this industry is at stake.

I hope that the Minister of National Revenue (Mr. Côté) will answer a request I made not so long ago when I asked him how much money he was getting from that industry.

• (9:40 p.m.)

Of course we are willing to help the Minister of National Health and Welfare fight against abuses which, unfortunately, are not restricted to the use of cigarettes.

All hon. members agree that abuses must be checked, but there is no conclusive proof that cigarettes cause cancer. Several other products would probably have the same effect. I dare hope that the Minister of Agriculture will see to it that tobacco growers no longer have cause for worry, that they can count not only on the government but on all hon. members to continue operating in an industry that enables many Canadian citizens to earn a living.

I would also like to say a few words on the responsibilities of the Canadian Dairy Commission. For a long time, the milk producers have asked for an emergency debate, but the government did not think it was advisable to hold it. Personally, I agree entirely with the dairy producers who asked that their government explain clearly the policy of the Commission.

It is unfortunate to note that the Canadian Dairy Commission has been entrusted with the announcement of some kind of policy that is every year a bit more harsh and drastic. It is even suggested that there are 2,000 or 2,500 milk producers too many, but the officials have not yet had the courage to say it quite clearly, for reasons of political expediency.

However, the Canadian Dairy Commission is acting as the mouthpiece of the government, and I wonder if we cannot demand that our leaders have at least the courage and the honesty to explain clearly the dairy policy and to make the producers—however small—understand that they can no longer maintain their activity.

An hon. Member: What do you think of it?

Mr. La Salle: What do I think of it? I think that the existence of a surplus was too easily admitted and that nobody thought of using it by providing all the school boys of our country with free milk.

Furthermore, why should we not attempt to process this milk to feed cattle, as was done successfully in the United States? In Canada, we talked about it a year ago but nothing was done. I wonder if the government intends to do something in that respect. If it were simply a matter for an individual member of a rural riding to make such a recommendation, I would feel privileged to suggest it. As the Minister of Industry, Trade and Commerce must be very interested in the development of the tobacco industry, I wonder what will become of that support price policy and the restrictions on imports. To talk about it is not enough, action should follow.

I am deeply convinced that one of the ways to help the producers would be to limit our imports of truck-farm products. The committee on agriculture on which sit a number of government members, recognized that fact. It was noted, for instance, that on the south side we had 50,000 acres of humus—a black dirt very good for truck gardening—of which 15,000 acres only are in cultivation. It goes without saying that a policy restricting imports of such products would enable Quebecers to till the soil to its full capacity and thus lead a more decent life.

[*English*]

The Acting Speaker (Mr. Béchard): It being 9.45 p.m., it is my duty, pursuant to Standing Order 58 (9), to interrupt these proceedings and put forthwith any questions necessary to dispose of the motion now before the House. Is the House ready for the question?

Some hon. Members: Question.

The Acting Speaker (Mr. Béchard): All those in favour of the amendment will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Béchard): All those opposed will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Béchard): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Béchard): Call in the members.

The House divided on the amendment (Mr. Gleave) which was negatived on the following division:

• (9:50 p.m.)

YEAS

Messrs:

Aiken
Baldwin
Barnett
Benjamin
Bigg
Brewin
Burton
Cadieu (Meadow Lake)
Coates
Code
Comeau
Crouse
Danforth
Dinsdale
Douglas (Nanaimo-Cowichan-The Islands)
Downey
Fairweather
Flemming
Forrestall
Fortin
Gleave
Godin
Grills
Hales
Harding
Harkness
Hees
Howard (Skeena)
Howe
Knowles (Winnipeg North Centre)
Knowles (Norfolk-Haldimand)
Lambert (Edmonton West)
Laprise
Lewis
Lundrigan
MacDonald (Egmont)
MacEwan
MacInnis
MacInnis Mrs.
MacLean
Macquarrie
McCleave
McCutcheon
McIntosh
McQuaid
Mather
Matte
Moore
Muir (Lisgar)
Nielsen
Noble
Nowlan
Orlikow
Peddle
Peters
Ricard
Ritchie
Rodrigue
Rondeau
Rose
Rynard
Saltsman
Schumacher
Scott
Simpson
Skoberg
Skoreyko
Southam
Stanfield
Stewart (Marquette)
Tétrault
Thomas (Moncton)
Thompson
Thomson
Valade
Winch
Woolliams
Yewchuk—78.

Division

NAYS

Messrs:

Allmand
Badanai
Barrett
Basford
Béchard
Benson
Blair
Borrie
Breau
Brown
Cadieux (Labelle)
Cafik
Cantin
Chappell
Chrétien
Clermont
Corbin
Crossman
Danson
Davis
Deachman
Deakon
De Bané
Douglas (Assiniboia)
Duquet
Éthier
Forget
Foster
Francis
Gendron
Gervais
Gibson
Givens
Gray
Groos
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Haidasz
Hogarth
Honey
Hopkins
Howard (Okanagan Boundary)
Hymmen
Isabelle
Laflamme
Laing
Lang
Langlois
Laniel
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Legault
Lessard (LaSalle)
Lessard (Lac-Saint-Jean)
Lind
Loiselle
Macdonald (Rosedale)
MacEachen
Mackasey
McBride
McIlraith
McNulty
Mahoney
Major
Marceau
Murphy
Noël
Olson
Orange
Osler
Otto
Ouellet
Penner
Pepin
Pilon
Pringle
Prud'homme
Reid
Richard
Richardson
Robinson
Rochon
Rock
Roy (Timmins)
Roy (Laval)
Ryan
Smerchanski
Smith (Saint-Jean)
Stafford
Stanbury
Stewart (Cochrane)
Stewart (Okanagan-Kootenay)
Sulatycky
Sullivan
Thomas (Maisonneuve)
Tolmie
Trudeau
Trudel
Turner (London East)
Walker
Watson
Weatherhead
Whicher
Yanakis—106.

Division

Mr. Speaker: I declare the amendment lost. The question is now on the main motion. All those in favour of the motion will please say yea.

Some hon. Members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

And more than five members having risen:

Mr. Speaker: Is it the wish of hon. members that we proceed with the division without the call of the bells?

Some hon. Members: Agreed.

The House divided on the main motion (Mr. Danforth) which was negatived on the following division:

YEAS

Messrs:

Aiken
Baldwin
Barnett
Benjamin
Bigg
Brewin
Burton
Cadieu (Meadow Lake)
Coates
Code
Comeau
Crouse
Danforth
Dinsdale
Douglas (Nanaimo-Cowichan-The Islands)
Downey
Fairweather
Flemming
Forrestall
Fortin
Gleave
Godin
Grills
Hales
Harding
Harkness
Hees
Howard (Skeena)
Howe
Knowles (Winnipeg North Centre)
Knowles (Norfolk-Haldimand)
Lambert (Edmonton West)
Laprise
Lewis
Lundrigan
MacDonald (Egmont)
MacEwan
MacInnis
MacInnis Mrs.
MacLean
Macquarrie
McCleave
McCutcheon
McIntosh
McQuaid
Mather
Matte
Moore
Muir (Lisgar)
Nielsen
Noble
Nowlan
Orlikow
Peddle
Peters
Ricard
Ritchie
Rodrigue
Rondeau
Rose
Rynard
Saltsman
Schumacher
Scott
Simpson
Skoberg
Skoreyko
Southam
Stanfield
Stewart (Marquette)
Tétrault
Thomas (Moncton)
Thompson
Thomson
Valade
Winch
Woolliams
Yewchuk—78.

NAYS

Messrs:

Allmand
Badanai
Barrett
Basford
Béchard
Benson
Blair
Borrie
Breau
Brown
Cadieux (Labelle)
Cafik
Cantin
Chappell
Chrétien
Clermont
Corbin
Crossman
Danson
Davis
Deachman
Deakon
De Bané
Douglas (Assiniboia)
Duquet
Éthier
Forget
Foster
Francis
Gendron
Gervais
Gibson
Givens
Gray
Groos
Guay
(St. Boniface)
Guay (Lévis)
Guilbault
Haidasz
Hogarth
Honey
Hopkins
Howard (Okanagan Boundary)
Hymmen
Isabelle
Laflamme
Laing
Lang
Langlois
Laniel
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Legault
Lessard (LaSalle)
Lessard (Lac-Saint-Jean)
Lind
Loiselle
Macdonald (Rosedale)
MacEachen
Mackasey
McBride
McIlraith
McNulty
Mahoney
Major
Marceau
Murphy
Noël
Olson
Orange
Osler
Otto
Ouellet
Penner
Pepin
Pilon
Pringle
Prud'homme
Reid
Richard
Richardson
Robinson
Rochon
Rock
Roy (Timmins)
Roy (Laval)
Ryan
Smerchanski
Smith (Saint-Jean)
Stafford
Stanbury
Stewart (Cochrane)
Stewart (Okanagan-Kootenay)
Sulatycky
Sullivan
Thomas (Maisonneuve)
Tolmie
Trudeau
Trudel
Turner (London East)
Walker
Watson
Weatherhead
Whicher
Yanakis—106.

Mr. Speaker: I declare the motion lost.

[The Acting Speaker (Mr. Béchard).]

BUSINESS OF THE HOUSE

Mr. Macdonald (Rosedale): Mr. Speaker, before we adjourn could I just confirm the order of business for tomorrow. As the first item we would call the Ways and Means motion, item No. 2, to be followed by the resolution standing in my name, item No. 30, in regard to the Canada Elections Act. As the third item of business we would call item No. 29, with respect to the National Parks Act.

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, I paired off with the hon. member for Terrebonne (Mr. Comtois); had I voted, I would have supported the motion.

[*English*]

Mr. Speaker: It being after ten o'clock this House stands adjourned until two o'clock tomorrow afternoon.

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

HOUSE OF COMMONS

Wednesday, November 19, 1969

The House met at 2 p.m.

PRIVILEGE

MR. DIEFENBAKER, MR. STANFIELD—CLARIFICATION OF QUESTIONS TO PRIME MINISTER

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I rise on a question of privilege. Yesterday I put some questions to the Prime Minister, and one word that makes all the difference in the world to the statement I made has been omitted on page 931 of *Hansard*. In the U.S.S.R. Mao is known as "the great tiger". Yesterday I said, referring to Professor Lin, that the last time he visited Communist China "he reported on the great tiger to the Prime Minister." The words in *Hansard* carry a meaning that was never intended. I was referring to the last time he went there to visit the great tiger. I want to make that clear.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I rise on a point of order to point out that in asking the question yesterday the right hon. member conveyed to the House false information. Because Your Honour ruled the question out of order I was not able to correct this information. This sort of thing happens all the time, of course.

Some hon. Members: Oh, oh!

Mr. Diefenbaker: We get it from the Prime Minister every day.

Mr. Trudeau: When members of the opposition ask loaded questions and convey false information, Your Honour rules them out of order. Again, this is a perfect example of the right hon. member having stated a falsehood in his question and I was not—

Mr. Speaker: Order, please.

Mr. Diefenbaker: Mr. Speaker, I now rise on a question of privilege.

Mr. Speaker: Order. The right hon. gentleman had risen on a question of privilege and the Prime Minister rose on a point of order. I hope we are not going to get involved too much in this sort of thing, but the right hon. gentleman is now seeking the floor on a question of privilege.

Mr. Diefenbaker: I rise on a question of privilege, Mr. Speaker. I am not going to enter into an argument with the Prime Minister as to the making of false statements. We have had that experience with him, and regularly. I was simply pointing out that Mr. Lin was a close friend of the Prime Minister and had reported to him the last time on his visit to Communist China.

Mr. Trudeau: Mr. Speaker—

Mr. Speaker: Order, please. At some point I must intervene to suggest to hon. members that I do not believe there is a question of privilege or a point of order here. We are having a discussion regarding an interpretation of what was and what was not said. This type of discussion should really not give rise to questions of privilege. I suggest to hon. members that perhaps not much will be gained by pursuing the matter further.

Mr. Trudeau: Mr. Speaker, I must rise on a question of privilege. The right hon. member has just stated two new falsehoods. First of all, he said that I was a friend of Professor Lin.

An hon. Member: We don't want excuses.

Mr. Trudeau: You are not interested in the truth? Then I will tell it to somebody else. The right hon. member said that I was a friend of Professor Lin, a person I have never met and whom I do not know. Second, the right hon. member stated that he had reported to me. That is another falsehood. I have never met him nor read any of his papers. Therefore this is falsehood compounded on the part of the right hon. member.

Mr. Diefenbaker: Mr. Speaker, that statement—

Mr. Speaker: Order, please. I will recognize the right hon. gentleman to my left in a moment; he is rising on another question of privilege. I certainly do not think we are going to achieve very much by a succession of alleged questions of privilege. In my view they are not questions of privilege at all. The right hon. gentleman is seeking to rise on

another question of privilege. I will hear him and determine whether he does have a question of privilege.

Mr. Diefenbaker: Mr. Speaker, the statement that a report was made by Mr. Lin to the government appeared in the press months ago.

Mr. Trudeau: In the press! So what's new?

Mr. Diefenbaker: And the Prime Minister never denied it. Now he does deny it because he knows the implication.

Some hon. Members: Oh, oh!

Mr. Trudeau: Mr. Speaker, if I were to spend my time denying statements that appear in the press, or saying whether what is said in the press is false or not, I would have time for nothing else.

Some hon. Members: Hear, hear!

• (2:10 p.m.)

Mr. Speaker: Order, please. I have to maintain my suggestion that there was no question of privilege. Once again this is a dispute between the two right hon. members as to alleged facts. There is therefore no privilege and I have to so rule. I hope no member will want to raise a question of privilege on behalf of the Press Gallery.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I assure you I do not rise to attack the press or anybody else.

Mr. Trudeau: That's nice.

Mr. Stanfield: There is an inaccuracy in *Hansard.* Unfortunately I do not have a copy in front of me and cannot refer to the page number. In a question addressed to the Prime Minister I referred to a statement made by Dr. Young, the chairman of the Prices and Incomes Commission, with regard to an unacceptable rate of employment. I now have a copy of *Hansard,* and at page 935 I am reported as follows:

> —in view of the statement by Mr. Young that in the event of the failure of a policy of restraint the authorities may have to resort to a degree of unemployment which will be acceptable to all concerned.

I believe I said "unacceptable". This is clear from the question. It only makes sense that way; otherwise it does not make sense.

Mr. Trudeau: They don't always, though.

Mr. Stanfield: I am sorry, Mr. Speaker, if I am offending the Prime Minister. I request that *Hansard* be changed to read "a degree of unemployment which will be unacceptable", rather than "acceptable."

[Mr. Speaker.]

[*Translation*]

ROUTINE PROCEEDINGS

COMMITTEES OF THE HOUSE

First report of Standing Committee on Transport and Communications, in English and in French—Mr. H.-Pit Lessard.

First report of Standing Committee on Justice and Legal Affairs—Mr. Paul-M. Gervais.

[*Editor's Note: Text of foregoing reports appears in today's Votes and Proceedings.*]

[*English*]

TRANSPORT AND COMMUNICATIONS

AIRPORT GROUND TRANSPORTATION—
PROPOSED REFERENCE TO
STANDING COMMITTEE

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, the House will recall an announcement by the Minister of Transport some days ago proposing that the question of ground transportation at airports in Canada should be the subject matter of a committee study. There has now been consultation with the representatives of the various parties and I believe there might be unanimous consent to an order in the following terms:

> That the Standing Committee on Transport and Communications be directed to examine the subject matter of ground transportation at airports in Canada;
>
> And that during its consideration of the aforementioned matter the committee be empowered to adjourn from place to place within Canada.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I am afraid I have to apologize to the minister in this regard. I was not present at the House leaders' meeting that took place yesterday. The order is in fact acceptable except for the clause with regard to adjourning from place to place. I regret having to tell the minister this because he did consult with me immediately before the House sat.

I must say that the latter part of the order which provides for adjourning from place to place in Canada is not acceptable. I do not

need to say why. If an application is made by the chairman to concur in a report of the committee which so suggests, we will deal with it at that time.

Mr. Speaker: I appreciate the point being made by the hon. member for Peace River. The motion is not before the House. The President of the Privy Council sought unanimous consent of the House to put the motion. There does not appear to be unanimity on the motion. I assume it is not being put.

EXTERNAL AFFAIRS

STATEMENT BY MINISTER ON VISIT TO MIDDLE EAST

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I wish to make a brief report upon my visit to the Middle East which took place last week.

Canada has been closely concerned in Middle Eastern affairs since we participated in the activities of the United Nations Special Commission on Palestine, which drew up the Palestine partition plan of 1947. We voted for the United Nations resolution setting up the State of Israel in 1948. Recognition of the right of the State of Israel to exist remains an essential feature of our Middle Eastern policy. At the same time, we try to maintain an objective approach to the current problems of the area. Our essential objective is that all states there should be enabled to live in peace and security, free from threats of war or territorial encroachment.

For two decades, Canada has had military personnel in United Nations peacekeeping operations in the area. Canada is also the third largest contributor to the United Nations agency working for the relief of the Arab refugees.

Our Middle Eastern policy has largely found expression through the United Nations in New York. It was there that we took part in the steps which led to the birth of the State of Israel; it was there that the United Nations Emergency Force was established. More recently, as a member of the Security Council, it was there that we took part in drafting Resolution 242 of November 1967, the resolution that we feel offers the best available framework for progress toward peace in the area.

My visits were a reflection of our long involvement in the affairs of the Middle East, in response to invitations from the foreign ministers of Iran, Israel and the United Arab Republic, and in return for visits paid to Canada by the Shah of Iran, the President, the late Prime Minister and Foreign Minister of Israel, and the Foreign Minister of the United Arab Republic. More particularly, I wished to learn at first hand the attitudes and policies of the governments concerned with regard to the Arab-Israeli conflict.

I return from my visit both saddened and discouraged. Prime Minister Meir and President Nasser both told me that they seek a peaceful solution to the Arab-Israeli conflict. It is very hard to see how useful negotiations can begin when the preoccupations of the parties are in direct confrontation. Israel is preoccupied with the security of her boundaries and her insistence upon direct negotiations with her neighbours. The United Arab Republic is preoccupied with the withdrawal of Israel to its pre-1967 boundaries and the fate of the Arab refugees. I can see no immediate resolution of this confrontation.

When I went to the Middle East I had no solution to offer and no proposals to make; I went to inform myself on the situation as seen, first, by Iran, a nation which does not take sides, and by the two main protagonists. In every country visited we were received with great courtesy by the head of state, the principal minister and the foreign minister. In each country the heads of state and their ministers devoted many hours to concentrated conversations. The views I expressed in outlining Canadian policy were given thoughtful consideration and the questions I asked answered fully and forthrightly. Wherever I went I found a manifest wish to have Canada understand the positions taken. This reminds us of Canada's special standing as a peaceseeking and peacemaking nation and is evidence, perhaps, of the need for understanding on the part of the nations in conflict.

My first visit was to Iran, where I saw a nation preoccupied with the advancement of its economy and the improvement of the conditions of life of its people. Its geographical location requires Iran to be intimately involved in the problems of the Middle East. I found a nation some 6,000 miles from Canada, in the heart of the Middle East, pursuing a Middle Eastern policy closely parallel to our own. In my subsequent visits I found my discussions in Tehran most useful both for the information I drew from them and for the political attitudes expressed.

In Israel I was moved, as anyone must be, by the sense of pride in nationhood that characterizes that country, and deeply impressed by what has been achieved in

nationbuilding in 20 years. In Egypt I saw a nation where the evidences of ancient glory are very much present, contrasting cruelly with the present-day struggle to evolve a better standard of living for its people.

The situation in the Middle East today is tragic. There is so much to be done in that part of the world and the will and technology are there. The tragedy is that in so many of the countries the resources needed for development are tied up in an arid confrontation which threatens to burst into violent conflict.

I left the Middle East with a profound sense of disquiet. Effective negotiation is not an immediate prospect. Escalation of the conflict is an immediate danger. In these circumstances, perhaps the best role for Canada to play in the foreseeable future is that of an understanding, compassionate, and objective observer, ready to assist if and when there is a specific task for us to undertake at the instance of both sides.

• (2:20 p.m.)

Let us hope that notwithstanding the present difficulties, counsels of moderation will prevail, and that some day, somehow, peace will come to the Middle East.

It would not be appropriate in a statement on motions to review in detail the bilateral discussions we had in each capital. There are great trading opportunities, particularly with Iran and Israel, and some important possibilities with the United Arab Republic. All three countries are eager for increasing contact with us. Perhaps one of the ways in which we can help is to be more of a presence in the Middle East, a part of the world that needs friends and cherishes friendship.

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker—

Some hon. Members: Hear, hear.

Mr. Fairweather: There is no need for applause; I have not been away anywhere.

We welcome the minister back to Canada and to Parliament. I am sure he would agree that most Canadians expect two things in the pursuit of our policy toward the Middle East. The first is the right of the state of Israel to exist in the community of the world. The second is the solution of the refugee problem which has plagued the ingenuity of statesmen but, more important, has caused severe hardship and privation to the people concerned. One author stated that the symbol of the twentieth century, he suspects, will prove to be the refugee. The people of Israel have more reason than most to know that this is true.

The minister speaks of his profound sense of pessimism. We can only hope that this will prove not to be justified because we recognize that war is no longer an acceptable way to solve conflicts between men.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, we also would like to welcome the minister back to the House. We are pleased that he was able to visit that part of the world which, as he said and as we all know, is of vital concern to world peace. The situation in the Middle East at present constitutes the greatest threat to world peace. I think the minister must feel sometimes that their internal problems seem almost insoluble, but because the peace of the world depends on it they must be solved.

I am glad to note that the minister concentrated in his statement upon the United Nations. It may well be that the agreement of the two super-powers, the United States of America and the U.S.S.R., is necessary to a solution of this problem, but the solution must be within the framework of international order.

One of the things that some members of the House, including myself, who were in New York recently at the United Nations were told when we were discussing peacekeeping was that the eventual solution of this problem would require an enlarged and enhanced peacekeeping force. We think that perhaps the greatest contribution Canada could make, as the minister's statement seems to indicate, would be to assist in the provision of such a force when and if it can be used in these countries.

I join the hon. member for Fundy-Royal in urging once again an increased effort to deal with the festering sore of the refugees, which is essential to the solution of this problem.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, like the two members who spoke previously, I shall say that we are also pleased by the return to Canada of the Secretary of State for External Affairs (Mr. Sharp). However, as he confessed that during his trip to the Middle East, he had no solution to offer nor any proposal to make, I wonder what business he had going to that part of the world. In my opinion, it would have been rather difficult, for a country that contributed to

the partition of Palestine in 1947, to go and offer reparation for what was destroyed at that time.

The spark which threatens to ignite the Middle East at any moment is a great concern to us, but if the minister made the trip to study the situation instead of finding a solution, I hope that his meetings with heads of state in those regions helped him find a fair settlement the Canadian government could bring forward.

We noticed lately that upon a suggestion of the minister, Canada was willing to offer a peace-keeping force similar to the one we sent to Cyprus. Not very long ago, in the spring of 1967, the president of the United Arab Republic himself drove the Canadians out of his country.

I ignore whether President Nasser is now ready to accept the dispatch of a peace-keeping force from Canada or elsewhere.

Anyhow, it is urgent to solve the problem raised there which is not only a problem of borders. There is also indeed a problem of refugees. This year, Canada will be paying over $12 million as assistance to Palestinian refugees. This condition has been existing since partition and it seems that the problem will never be settled.

A great number of Palestinian refugees are now suffering from hunger as a result of that partition and I feel that it rests with those who are responsible for that unfortunate situation to cope with it.

[*English*]

IDENTIFICATION OF CRIMINALS ACT

RESTRICTION OF RIGHT TO FINGERPRINT ACCUSED BEFORE CONVICTION

Mr. Douglas A. Hogarth (New Westminster) moved for leave to introduce Bill C-154, to amend the Identification of Criminals Act.

Some hon. Members: Explain.

Mr. Hogarth: Mr. Speaker, the effect of this bill generally is to amend the Identification of Criminals Act so that no person can be fingerprinted by the police without his consent until after he has been convicted of an indictable offence unless a judge under certain circumstances otherwise orders. As the law now stands he can be fingerprinted before he is convicted.

Motion agreed to, bill read the first time and ordered to be printed.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

ORDERS IN COUNCIL PASSED

Question No. 15—**Mr. Skoberg:**

How many orders-in-council were passed by the federal government for the years 1950, 1955, 1960, 1963, 1964, 1966, 1967 and 1968?

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): Total number of orders-in-council for the years indicated are:

1950	1955	1960	1963	1964	1966	1967	1968
15,121	3,963	3,674	3,757	3,994	4,827	4,056	3,582
			of which				
8,938	2,116	1,877	1,836	1,951	2,364	1,654	1,230

were Treasury Board Minutes approved by the Governor in Council.

*NATIONALIZATION OF YUKON ELECTRICAL COMPANY

Question No. 32—**Mr. Howard (Skeena):**

Is the federal government presently giving favourable consideration to the nationalization of the Yukon Electrical Company?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I can advise that nationalization of the company referred to should not be ruled out, but no decision has been taken at this time.

*NATIONALIZATION OF WHITE PASS AND YUKON CORPORATION

Question No. 33—**Mr. Howard (Skeena):**

Is the federal government presently giving favourable consideration to the nationalization of the White Pass and Yukon Corporation?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I can advise that nationalization of the company referred

to should not be ruled out, but no decision has been taken at this time.

INVESTIGATION OF DRUG ADVERTISING

Question No. 51—**Mrs. MacInnis:**

Is the Combines Investigation Branch of the Department of Consumer and Corporate Affairs, under the Criminal Code provisions regarding deceptive advertising presently investigating the drug advertising in Canada and, if so, when will the investigation be completed, and will the results of the investigation be made public?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): The Director of Investigation and Research under the Combines Investigation Act has no authority to investigate offences under the Criminal Code. However, inquiries under the misleading advertising provisions of the Act, sections 33C and 33D, the latter of which came into force on July 31, 1969, and is the successor provision to section 306 of the Criminal Code, are instituted by the Director whenever he has reason to believe that an offence against either or both of these provisions has been committed. It is the practice, however, that no information is given out as to whether inquiries are being pursued in a particular industry unless and until a report is published or proceedings are instituted in the Courts.

PRICES AND INCOMES COMMISSION INVESTIGATIONS

Question No. 54—**Mrs. MacInnis:**

1. Has the Commission on Prices and Incomes undertaken investigations or studies on any specific sectors, areas or industries in Canada and, if so, what are these areas, and on what criteria or basis were they selected?

2. Which personnel are involved in each of these areas?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): I have been informed by the Chairman of the Prices and Incomes Commission as follows: 1. and 2. On October 29, the Commission announced that it was undertaking a fact finding study of the Canadian steel industry. The purpose of this study is to investigate price, wage and other cost increases in the Canadian steel industry. This area was selected for study because it was felt that it would provide a good example of wage and price behaviour which has become very widespread in recent years. Commission personnel who are involved in this study include Mr. Leslie Reed, Mr. Donald Brazier, Mr. John Hague and Mr. Tom Houston. The study is under the supervision of the Vice-Chairman of the Commission. Personnel from government departments and private groups will be involved in this study as required. Other areas of study are now being considered.

[Mr. Honey.]

TEST CASES ON MISLEADING ADVERTISING

Question No. 57—**Mrs. MacInnis:**

1. Which test cases are presently being prepared by the Department of Consumer and Corporate Affairs regarding misleading advertising in Canada under section 306 of the Criminal Code?

2. On what basis are each of these cases being prepared?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): 1. In view of the lack of jurisprudence relating to section 33D of the Combines Investigation Act and its predecessor, section 306 of the Criminal Code, virtually every case under inquiry by the Director of Investigation and Research which reaches the Courts will be a test case. It is the practice that no information is given out as to inquiries being pursued with respect to particular companies or individuals unless and until a report is published or proceedings are instituted in the Courts.

2. Inquiries under section 33D of the Act are instituted by the Director of Investigation and Research whenever he has reason to believe that an offence against the section has been committed.

TASK FORCE RECOMMENDATIONS ON INTELSAT

Question No. 62—**Mr. Orlikow:**

1. Is the Government of Canada, through the Canadian Overseas Telecommunications Corporation, giving favourable consideration to the task force recommendations on Intelsat (a) that Intelsat should be transformed into a bigger, more comprehensive and better integrated system capable of providing total communications services for all nations (b) that no single country has the right to veto over any Intelsat decision and (c) that there be an international managerial staff for Intelsat?

2. If not, what is the position of the Government of Canada on the above three areas?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): 1 (a) (b) and (c) Three inter-governmental meetings have been held this year for the purpose of preparing definitive agreements that would supersede the interim agreements of 1964 governing the affairs of the International Telecommunications Satellite Organization (INTELSAT). Canadian delegations to these meetings have included representatives from the departments of Communications, External Affairs and the Canadian Overseas Telecommunication Corporation.

2. The positions taken by our delegations are along the general lines set forth in 1 (a), (b) and (c) of the question.

CANADIAN COMMUNICATIONS SATELLITE—DISCUSSIONS WITH U.S.S.R.

Question No. 68—**Mr. Orlikow:**

1. Have there been any discussions between the Government of Canada and the Government of the U.S.S.R. regarding the launching of the Canadian communications satellite and, if so, what were the results of these discussions?

2. If no discussions were held, when did the Government of Canada change its policy as announced to the Standing Committee on Broadcasting, Films and Assistance to the Arts on April 22, 1969, page 1,485 of the Committee's Proceedings, and for what reasons?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): 1. No.

2. The Government of Canada has not changed its policy regarding the launching of the Canadian communications satellite. Only two countries are able to place satellites in a geostationary orbit: the U.S.S.R. and the U.S.A. In fact, only the U.S.A. have achieved this objective. We have negotiated with success an agreement in principle and now Telesat is negotiating the commercial details.

DRUG PATENT LICENCES

Question No. 74—**Mr. Saltsman:**

1. What applications have been received under the revised Patent Act for licences from the Patent Commissioner to manufacture or import and sell patented drugs, up to September 30, 1969?

2. What applications have been approved or refused by the Patent Commissioner?

3. What reasons were given for those drug patent applications that have been rejected?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): 1. Up to September 30, 1969 the Patent Office has received 50 applications for the grant of licences to manufacture or import and sell patented drugs under the revision to Section 41 of the Patent Act which became effective on June 27, 1969.

Applications have been received from the following applicants: 1 application from Compagnie Pharmaceutique Vita Ltée, St. Romuald, Que.; 1 application from Frank W. Horner Limited, Montreal Que.; 4 applications from Inglis Pharmaceuticals Ltd, Rexdale, Ont.; 1 application from Laboratoire Medic Ltée, Ville de Laval, Que.; 1 application from Laboratoires PRO-DOC Ltée, Ville de Laval, Que.; 2 applications from Micro Chemicals Limited, Toronto, Ont.; 2 applications from Mowatt & Moore Limited, Pointe Claire, Que.; 1 application from Neo Drug Company, Montreal, Que.; 9 applications from Novopharm Limited, Scarborough, Ont.; 1 application from Rocke William Cie Ltée, Montreal, Que.; 25 applications from S. & U. Chemicals Limited, Toronto, Ont.; 1 application from Trans-Canada Dermapeutics Ltd., Montreal, Que.; 1 application from Verdun Pharmaceutical Laboratories, Montreal, Que.

2. No applications approved or refused up to September 30, 1969.

3. Answered by 2.

COPPER PRICE INCREASES

Question No. 76—**Mr. Saltsman:**

Is the Department of Consumer and Corporate Affairs presently investigating the recent increases in copper prices in Canada and, if so, what have been the results of this investigation and is action contemplated under the Combines Investigation Act?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): It is the policy of the Director of Investigation and Research under the Combines Investigation Act to scrutinize all significant price movements which come to his attention and he is charged with the responsibility of initiating an investigation whenever he has reason to believe there has been an offence against the Act. It is the practice, however, that no information is given out as to whether an inquiry is being pursued with respect to a particular group of companies or individuals unless and until a report is published.

ATOMIC EXPLOSION BY U.S. IN ALEUTIAN ISLANDS

Question No. 126—**Mr. Rose:**

Was the Government of Canada given any details or information by the United States Government why the Atomic Blast in the Aleutian Islands near Alaska was terribly important to the national security of the United States and, if so, what was this information?

Hon. Mitchell Sharp (Secretary of State for External Affairs): No.

FALSE ADVERTISING BY JACK ANTHONY

Question No. 155—**Mr. Saltsman:**

1. What criteria was used by the Combines Investigation Branch in charging Jack Anthony with false advertising?

2. Did Mr. Anthony claim that the "jet ignition unit with transistors" would give "better gas mileage, easier starting and better performance"?

3. Were tests undertaken by the Combines Investigation Branch to determine whether Mr. Anthony's claims were justified?

4. If so, who undertook these tests, and what were the results?

Questions

5. Is it the intention of the Combines Investigation Branch to test advertising claims made by manufacturing and other firms that "our gas gives better mileage" or that "our tires last longer", and similar advertising claims?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): 1. Jack Anthony was charged with an offence under section 33D of the Combines Investigation Act following an investigation initiated by the Director of Investigation and Research. It was considered that the information obtained in the inquiry disclosed *prima facie* evidence of an offence.

2. The advertisement published on an Ottawa television station on behalf of Mr. Anthony which gave rise to the charge claimed that a "new jet ignition unit with transistors" was "Engineered to give better gas mileage, easier starting and better performance".

3 and 4. The Office of the Director of Investigation and Research arranged for tests to be made by the National Research Council. The tests showed the performance claims advertised were not true.

5. The Director of Investigation and Research will investigate any advertising claim whenever he has reason to believe that any representation therein amounts to an offence against section 33C or 33D of the Combines Investigation Act.

COLOUR TELEVISION SET FIRES

Question No. 236—**Mr. Mather:**

1. Has the Department of National Health and Welfare investigated reports of fires caused by colour television sets in the United States to determine whether similar occurrences have happened in Canada?

2. If so, what are the results of this investigation and what action is contemplated by the Department?

Hon. John C. Munro (Minister of National Health and Welfare): 1. Yes, the Department has investigated reports about spontaneous fires in color and black-and-white TV sets in the United States.

2. Information received from U.S. government agencies and the Canadian Electronics Industries Association, indicates 700 cases of fire among about 85,000,000 TV sets in use. Comparable figures for Canada are not yet complete. Inquiries with provincial health departments and fire marshals have so far revealed at least 12 cases. No action is contemplated by the Department of National Health and Welfare at the present time. The Department has been informed that the Canadian Standards Association is actively discussing the problem with Canadian suppliers with a view to minimizing the hazard.

APPOINTMENTS TO FEDERAL POSITIONS

Question No. 241—**Mr. Mather:**

In appointments to federal bodies, including the Economic Council of Canada, the Diplomatic Corps, the Judiciary, the Canadian Radio and Television Commission, is the government giving consideration to naming a due proportion of qualified women?

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): Yes.

AGRICULTURE—TASK FORCE STUDIES

Question No. 243—**Mr. Skoberg:**

1. What special studies have been commissioned by the federal task force on agriculture?

2. Were these studies competitively tendered and, if not, for what reason?

3. What firms and/or individuals conducted the commissioned special studies?

4. What was the completion date of such studies and how many are still being carried on?

5. What is the expected completion date of all such studies presently commissioned?

Hon. H. A. Olson (Minister of Agriculture): 1, 3 and 4.

Title	Contractor	Completion Date
Structure & Productive Capacity of Canadian Agriculture	Prof. Van Vliet (Univ. of Saskatchewan, deceased)	(not completed)
Dairy Industry	Prof. Perkins (Univ. of Guelph)	18 October 1968
Livestock, Poultry and the Feed Grain Economy	Acres Research & Planning, Toronto	25 October 1968
Wheat and Oil Seeds Economy	Hedlin, Menzies Winnipeg	23 December 1968
Fruit and Vegetable Industry	Dr. Riverin (Univ. of Sherbrooke)	20 November 1968

[Mr. Saltsman.]

Questions

Title	Contractor	Completion Date
Goals of Agricultural Policy	Prof. Thair (Univ. of Saskatchewan)	22 October 1968
Federal-provincial and Interprovincial Relations in Agriculture in Canada	M. Daneau (Univ. of Laval)	18 December 1968
Rural Poverty: Origins and Consequences for Canadian Agricultural Policy	Prof. Harp (Carleton University)	18 December 1968
Position Paper No. 1—Location of Rural Poverty Groups in Canada & Implications for Rural Welfare Policies	Dr. Rogers (Univ. of Alberta)	12 August 1968
Position Paper No. 2—Socio-Cultural Dimensions of Rural poverty in Canada	Dr. Connor (Ottawa)	25 July 1968
Position Paper No. 3—Values and Ideologies of Rural French Canada: An Analysis of Social Change	Prof. Tremblay (Univ. of Laval)	6 August 1968
Position Paper No. 4—Vocational and Educational Aspirations and Achievements of Rural Youth	Prof. Kristjanson (Univ. of Manitoba)	15 October 1968
Position Paper No. 5—Poverty Sector in Agriculture	Dr. Helen Buckley (D.B.S.—Ottawa)	15 February 1969
Farm Credit in Canada	Prof. Baker (Univ. of Illinois)	8 October 1968
Trade Policy	Prof. Eastman (Univ. of Toronto)	9 April 1969
Demand and Supply	Dr. Haver (McGill Univ.)	(not completed)
Long Range Projections of Demand	Dr. Cavin (Washington, U.S.A.)	30 June 1968
Factors Affecting the Formulation and Implementaiton of Canadian Agricultural Policy	Dr. Whalen (Memorial Univ. of Newfoundland)	20 September 1968
Review and Analysis of Government Assistance to Agriculture	Dr. Hudson (Ottawa)	15 November 1968
Marketing Boards	Dr. Hiscocks (C.D.A.) and Dr. Walker	prelim. 22 Jan. 1969
Agriculture in the Western European Countries	Dr. Fischer (MacDonald College)	1 May 1969
Agribusiness	Mr. A. Patterson (Univ. of Western Ontario)	19 September 1969
Alternative Land Use Patterns for Prairie Provinces in 1980	Asst. Prof. A. Wilson (Univ. of Saskatchewan)	10 August 1969
Assessment of Current and Prospective Trade Patterns, Supply and Demand Situations for Cattle and Beef, Hogs and Pork, with Reference to Canada's Competitive Position in the North American Market	Prof. R. G. Marshall (Univ. of Guelph)	24 June 1969

2. The studies were not competitively tendered in the sense of a public invitation. In view of the urgency of the work, time limitations and the need for research expertise in specialized areas of study, the Task Force solicited study proposals from persons known to be knowledgeable in particular subjects. The proposals were examined critically for content and cost and in some cases rejected or revised and new proposals solicited from the same or other parties.

Questions

5. Only one study (Demand and Supply) is outstanding. Completion date is uncertain.

EMIGRATION OF CANADIAN DOCTORS TO THE UNITED STATES

Question No. 247—**Mr. Knowles (Winnipeg North Centre):**

1. Was the statement of the Minister of National Health and Welfare that Canada would lose doctors to the United States of the government exerted pressure to lower doctors' fees based on a study done for the government and, if so, is the government prepared to table the study?

2. Has the government discussed with the United States the possibility of joint action to lower doctors' fees and, if so, what has been the response?

Hon. John C. Munro (Minister of National Health and Welfare): 1. No.

2. No.

DAIRY INDUSTRY—SUBSIDIES PAID TO DAIRY PRODUCERS

Question No. 250—**Mr. Lambert (Bellechasse):**

1. What is the amount of the subsidy paid by the Canadian Dairy Commission to commercial milk producers between April 1, 1969 and August 31, 1969?

2. What amount was deducted from the subsidy for export duty during the same period?

3. What amount was deducted from the subsidy by virtue of the .52¢ per 100 lb. tax for production exceeding quotas?

Hon. H. A. Olson (Minister of Agriculture): 1. Net subsidy payments to milk and cream shippers, after deductions of holdbacks for export equalization costs, covering deliveries reported for the months of April to August, inclusive, totalled $44,350,000.

2. Deductions for export equalization costs on account of deliveries during the period were $13,022,000.

3. Deductions by virtue of the 52 cent holdback on milk deliveries in excess of quota are not recorded separately.

AIR POLLUTION—AUTOMOTIVE CONTROLS

Question No. 253—**Mr. Saltsman:**

1. Has the Combines Investigation Branch of the Department of Consumer and Corporate Affairs undertaken an investigation in Canada to determine whether the four leading auto manufacturers have been conspiring for over a decade to delay the development and use of devices to control automotive air pollution and, if so, what are the results of this investigation and what action is contemplated?

2. If no investigation has been undertaken, what are the reasons?

[Mr. Olson.]

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): 1. The Director of Investigation and Research under the Combines Investigation Act is aware of the proceedings in the United States. In accordance with the usual practice, any information of this nature coming to the attention of the Director is carefully considered to determine whether he has reason to believe there has been an offence against the Act so as to warrant formal inquiry. The practice is, however, that no information is given out as to whether an inquiry is being pursued with respect to a particular group of companies unless and until a report is published or proceedings are instituted in the Courts.

2. See answer to 1.

INVESTIGATION INTO PRICE FIXING BY NEWSPRINT COMPANIES

Question No. 254—**Mr. Saltsman:**

Is the Combines Investigation Branch undertaking an investigation into the recent announced identical price increases on newsprint to determine possible price fixing among the newsprint companies and, if so, what are the results of this investigation and what action is contemplated?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): It is the policy of the Director of Investigation and Research under the Combines Investigation Act to scrutinize all significant price movements which come to his attention and he is charged with the responsibility of initiating an investigation whenever he has reason to believe there has been no offence against the Act. It is the practice, however, that no information is given out as to whether an inquiry is being pursued with respect to a particular group of companies or individuals unless and until a report is published.

EQUIPMENT, DEFENCE AND COASTGUARD SHIPS AIDING FISHERIES DEPARTMENT FLEET

Question No. 271—**Mr. Crouse:**

Will the ships from National Defence and the Coast Guard to be used in aid of the Department of Fisheries and Forestry fleet be supplied with the technical equipment that Fisheries Department boats now carry?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of National Defence and Transport as follows: Consolida-

tion of the Federal Fleets is under study. It is not possible at this time, to say whether or not Canadian Forces vessels will require to be fitted with technical equipment in support of the Department of Forestry and Fisheries' fleet. Any Canadian Coastguard vessels used to assist the Department of Fisheries from time to time would be supplied with appropriate technical equipment to the extent that the Department of Fisheries require.

RENOVATION OF OLD CUSTOMS BUILDING, CALGARY

Question No. 289—**Mr. Harkness:**

1. What was the cost of the renovation of the top floor of the old Customs Building in Calgary which was carried out approximately a year ago?

2. What is the estimated cost of the renovation now taking place on the first and second floors?

3. What use is to be made of this renovated building?

4. Is a cafe or cafeteria being provided for in this building and, if so, for what reason?

Hon. Arthur Laing (Minister of Public Works): 1. $110,140.15.

2. A contract for $411,996 has been awarded for renovations on the first, second and third floors.

3. The Customs Building, located at 11th Avenue and First Street will house offices for Customs, the Food and Drug Directorate, the Department of Indian Affairs and Northern Development and the Department of Public Works.

4. An area is being provided in this building that can be used as a lunchroom or a canteen, but the level of service, if any, that will be provided is dependent on an investigation that is now underway.

PATROL OF ARCTIC WATERS

Question No. 294—**Mr. Thomson:**

With reference to a question asked of the Minister of National Defence at page 25 of *Hansard*, what are the reasons the Canadian Government does not engage in regular patrols of Canadian Arctic waters?

Hon. Léo Cadieux (Minister of National Defence): The Canadian Forces carry out a planned surveillance patrol program in the Arctic. To be effective the patrols must be carried out at irregular intervals, on ever changing geographical patrol patterns.

NEW ARMED FORCES UNIFORMS

Question No. 302—**Mr. Harkness:**

1. What is the total dollar value of clothing now on order by the Department of National Defence to convert all our armed service into green uniforms in place of khaki, navy blue and air force blue?

2. How much money has now been spent and how much more will be spent during the next twelve months to purchase green great coats for all defence personnel?

3. How many great coats in the old colours of khaki, navy blue and air force blue are presently in service and how many of these coats are in stores?

4. How many great coats for army, navy and air force have been destroyed, condemned or otherwise disposed of during the past two years; how many of these coats were actually worn out and how many of them were destroyed, condemned, sold or otherwise disposed of simply for reasons of colour?

5. On whose orders are uniforms and great coats condemned, destroyed or disposed of?

6. What inspection authority certifies that uniforms and great coats are worn out or unserviceable?

Hon. Léo Cadieux (Minister of National Defence): 1. Treasury Board has approved procurement of the new uniform at a maximum cost of $25 million. As of September 30, 1969, $17,840,317 had been committed to this program. The total estimated cash expenditure for this program is now $22.4 million. During the re-equipping period, expenditures on the old style uniforms will be sharply reduced, and partially offset the cost of the new ones by some $14 million.

2. As of September 30, 1969, $79,031 has been spent against a commitment of $1,812,500. Depending on deliveries, expenditures over the next twelve months, will probably increase to between $800,000 and $900,000.

3. All serving male members of the Armed Forces, as of July 31, 1969, are equipped with the old style service greatcoat. Current depot holdings are Navy, 3,257; Army, 199,422; Air Force, 22,876. Attention is directed to the reply given to part 5 of Mr. Marshall's question 2,654, at page 11689, in *Hansard* dated October 22, 1969. The large army holdings are a direct reflection of former policies concerning mobilization reserves.

4. The policy outlined in the above reference has been in effect for two years. Therefore, with the exception of worn out garments deemed to be unfit for future use or long term storage, no greatcoats have been disposed of, and none in any event because of colour.

Questions

5. Worn out clothing is condemned and disposed of as complete items through CADC on the direction of the local Base or Station Commander in accordance with established Canadian Forces Headquarters directives and policies. Surplus clothing at Bases, Stations, or Depots is disposed of on direction of CFHQ only.

6. The senior Supply and Technical Officer at each Base or Station is charged with the responsibility of determining whether used clothing is serviceable and suitable for further use or non-serviceable.

DESIGNATION OF LOYAL EDMONTON REGIMENT

Question No. 369—**Mr. Lambert (Edmonton West):**

If the Queen's Own Rifles of Canada are to be redesignated as the 3rd Battalion PPCLI, what is the proposed designation of the Loyal Edmonton Regiment now the 3rd Battalion of the PPCLI?

Hon. Léo Cadieux (Minister of National Defence): It is probable that the Loyal Edmonton Regiment (3rd Battalion PPCLI) will be redesignated as the 4th Battalion, but this question is now under study in consultation with the Colonel of the Regiment.

CUMBERLAND-COLCHESTER NORTH—HARBOUR AND RIVER PROJECTS

Question No. 382—**Mr. Coates:**

1. What projects have been carried out by the Harbours and Rivers Division of the Department of Public Works in the present fiscal year in Cumberland-Colchester North and what has been the cost of each project undertaken?

2. How many projects wil be undertaken in Cumberland-Colchester North before the end of the present fiscal year that have not as yet been either started or completed and what is the estimated cost of each?

Hon. Arthur Laing (Minister of Public Works): 1.

Location	Project	Cost
Parrsboro	Wharf repairs	$ 300.00
Spencer's Island	Approach repairs	50.00
Joggins	Barricade	75.00
Pugwash	Paving	28,518.85
Pugwash	Dredging	46,993.00
Wallace	Derricks	724.00
2.		
Five Island	Wharf repairs	3000.00
Pugwash	Freight Shed repairs	800.00

*LEASING OF STANLEY ISLAND

Question No. 396—**Mr. Nesbitt:**

Have leasing arrangements been made with respect to Stanley Island on the St. Lawrence River, being part of the St. Regis Indian Reserve and, if so, what measures are being undertaken by the government to ensure that the situation is remedied and that such exploitation does not take place in the future?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, yes, a lease has been in effect since 1899 for a term of 99 years. The St. Regis band council has retained a firm of solicitors to act on its behalf to inquire into the validity of the leasing arrangement. For some years the department has endeavoured to discourage long-term leases but in the final analysis the decision remains with the Indian people in keeping with the policy of encouraging them to make their own decisions.

[Mr. Cadieux (Labelle).]

SALES TAX ON AIRCRAFT PURCHASES

Question No. 402—**Mr. Lambert (Edmonton West):**

1. Did the Minister of National Revenue or any of his officials have discussions with or consult with representatives of Canadian airlines before rescinding the imposition of a 12 percent sales tax on aircraft purchases destined for international flights and, if not, what were the reasons for such non consultation?

2. Have representations since been made outlining the serious financial hardship imposed on many airlines who are committed to purchases based on the prior regulations and suggesting an extension of some months to allow the airlines time to arrange for these additional funds, not otherwise budgeted for?

3. Why was the decision made to now impose the sales tax and why by administrative action?

Hon. Jean-Pierre Côté (Minister of National Revenue): 1. The 12 percent sales tax has not been descinded on aircraft purchased for

international flights. Order in Council P.C. 1966-18/1495 was the result of a series of discussions with the airlines and was designed to exempt from sales tax aircraft used both in domestic and international services based on the percentage of total mileage logged in international service. After two years of operation in this manner, one of the airlines challenged our procedure and contended that the Order in Council completely exempted aircraft even though they were used domestically as well as internationally. We are requiring payment of sales tax at time of importation as provided in the Customs Act and the Order in Council, with subsequent refund on the basis outlined above.

2. No.

3. See answer to Question 1.

PLANS FOR POST OFFICE BUILDING, VEGREVILLE

Question No. 414—**Mr. Mazankowski:**

Have any concrete plans been considered for the construction of a federal post office building in Vegreville and, if so, when might construction commence?

Hon. Arthur Laing (Minister of Public Works): This project is now being reviewed as to economic advisability and priority. The date of commencement of construction is dependent upon the results of this review.

NATIONAL DEFENCE BUILDING CONTRACT

Question No. 458—**Mr. Simpson:**

1. Has a contract been awarded in relation to the construction of National Defence Headquarters in Ottawa and, if so (a) were tenders called in this connection (b) to whom has the contract been awarded (c) what is the amount of money involved (d) how many bids were received (e) what were the amounts of these bids?

2. If no tenders were called, what method was used to award the contract?

Hon. Arthur Laing (Minister of Public Works): 1. Yes. (a) Yes; (b) Louis Donolo Inc., Montreal, Que.; (c) $27,127,000; (d) Five; (e) Louis Donolo Inc., $27,127,000; Foundation Co. of Canada Ltd., $27,761,000; Pigott Construction Co. Ltd., $28,100,000; V. K. Mason Construction Ltd., $28,425,000; Omega Construction Co. Ltd., $28,600,000.

2. Not applicable.

QUESTION PASSED AS ORDER FOR RETURN

RESEARCH STUDIES, DEPARTMENT OF AGRICULTURE

Question No. 37—**Mr. Gleave:**

1. For the fiscal years 1968-69 and 1969-70, what specific research studies have been undertaken by the Economic Branch of the Department of Agriculture?

2. Who are the individuals involved in these studies and when is it anticipated that these studies will be completed?

Return tabled.

MOTIONS FOR PAPERS

[*Translation*]

Mr. Yves Forest (Parliamentary Secretary to President of Privy Council): Mr. Speaker, notices of motions for the production of papers Nos. 13, 40, 77 and 79 are acceptable to the government.

[*English*]

A. A. SOLOOJEE IMMIGRATION APPLICATION

Motion No. 13—**Mr. Nystrom:**

That an Order of the House do issue for copies of all correspondence between the Department of Manpower and Immigration and Dr. A. A. Soloojee of South Africa regarding his application for immigration to Canada.

Motion agreed to.

PURCHASE OF INTEREST IN COMPUTER SCIENCES CANADA LTD.

Motion No. 40—**Mr. Benjamin:**

That an Order of the House do issue for a copy of the brief presented to the Government of Canada protesting against the purchase of a 51% interest in Computer Sciences Canada Ltd. of Ottawa by Canadian National Railways and Canadian Pacific Railway.

Motion agreed to.

FEDERAL MANPOWER ADJUSTMENT GUIDELINES

Motion No. 77—**Mr. Knowles (Winnipeg North Centre):**

That an Order of the House do issue for copies of all directives issued recently by the Treasury Board to all federal government departments and agencies regarding manpower adjustment guidelines in the federal service.

Motion agreed to.

Motions for Papers

NATIONAL DESIGN COUNCIL SCHOLARSHIPS

Motion No. 79—**Mr. Barnett:**

That an Order of the House do issue for a list of the 43 National Design Council scholarships and grants referred to in the Department of Industry, Trade and Commerce press release of August 27, 1969.

Motion agreed to.

Mr. Forest: Mr. Speaker, notice of motion No. 82 is acceptable to the government subject to the usual reservations concerning confidential documents and to the authorization of the government authorities concerned.

[*English*]

Mr. Speaker: Subject to the reservations and conditions expressed by the Parliamentary Secretary, is it the pleasure of the House that Notice of Motion No. 82 be deemed to have been adopted?

Some hon. Members: Agreed.

MISTASSINI INDIAN TRIBE

Motion No. 82—**Mr. Howard (Skeena):**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House copies of all correspondence since January 1, 1966 between the Government of Canada and the Government of Quebec regarding the Mistassini Indian tribe in northern Quebec.

Motion agreed to.

[*Translation*]

Mr. Forest: Mr. Speaker, would you be so kind as to call notices of motions Nos. 6, 7, 12, 21, 33, 46, 52, 57, 65, 74, 78, 84, 91, 98, 99, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 126, 129, 148, 162, 172, 175, 203 and 204?

I ask that the remaining notices of motions be allowed to stand.

[*English*]

TELESAT CANADA—FINANCIAL PARTICIPATION OF COMMUNICATION COMMON CARRIERS

Motion No. 6—**Mr. Orlikow:**

That an Order of the House do issue for a copy of all correspondence between the Department of Communications and common communication carriers regarding financial participation in Telesat Canada Corporation.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I move this motion on behalf of the hon. member for Winnipeg North.

[Mr. Knowles (Winnipeg North Centre).]

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, on behalf of the Minister of Communications I wish to report the following: The correspondence requested relates to matters of a commercial character concerning negotiation between private companies and Telesat Canada, an independent corporation, and it would accordingly not be appropriate or in the public interest to publish it. I would, therefore, hope that the hon. member would consent to withdraw this motion.

Mr. Knowles (Winnipeg North Centre): I would rather that you put it to a vote, Mr. Speaker.

Some hon. Members: Question!

Mr. Speaker: Is it the wish that the matter be transferred for debate?

Mr. Knowles (Winnipeg North Centre): No, Mr. Speaker. I ask that it be put to a vote.

Mr. Speaker: If that is the hon. member's request, I wonder if there is a corresponding request to have it transferred to debate. All those in favour of the said motion will please say yea.

Some hon. Members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

And more than five members having risen:

Mr. Speaker: Call in the members.

The House divided on the motion (Mr. Knowles, Winnipeg North Centre, for Mr. Orlikow) which was negatived on the following division:

YEAS

Messrs:

Aiken	Crouse
Alexander	Danforth
Baldwin	Diefenbaker
Barnett	Dinsdale
Benjamin	Dionne
Bigg	Douglas (Nanaimo-Cowichan-The Islands)
Brewin	
Burton	
Cadieu (Meadow Lake)	Downey
Carter	Fairweather
Coates	Flemming
Comeau	Fortin

Gilbert
Gleave
Godin
Hales
Harding
Harkness
Horner
Howard (Skeena)
Howe
Knowles (Winnipeg North Centre)
Knowles (Norfolk-Haldimand)
Lambert (Bellechasse)
Lambert (Edmonton West)
Laprise
La Salle
Latulippe
Lewis
Lundrigan
MacDonald (Egmont)
MacEwan
MacInnis (Cape Breton-East Richmond)
MacLean
Macquarrie
McCleave
McCutcheon
McGrath
McIntosh
McQuaid
Mather
Matte
Moore
Muir (Lisgar)
Nesbitt
Nielsen
Noble
Nowlan
Peddle
Peters
Ricard
Ritchie
Rodrigue
Rondeau
Rose
Rynard
Saltsman
Schumacher
Simpson
Skoberg
Skoreyko
Southam
Stanfield
Stewart (Marquette)
Tétrault
Thomas (Moncton)
Thompson (Red Deer)
Thomson (Battleford-Kindersley)
Valade
Winch
Woolliams
Yewchuk—82.

NAYS

Messrs:

Allmand
Andras
Badanai
Barrett
Basford
Béchard
Blair
Borrie
Breau
Brown
Cadieux (Labelle)
Cafik
Cantin
Chappell
Chrétien
Clermont
Corbin
Côté (Longueuil)
Crossman
Cyr
Davis
Deachman
Deakon
Douglas (Assiniboia)
Drury
Dubé
Duquet
Émard
Forest
Foster
Francis
Gendron
Gervais
Gibson
Givens
Gray
Groos
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Hogarth
Honey
Hopkins
Howard (Okanagan Boundary)
Hymmen
Jerome
Kaplan
Lachance
Laflamme
Lang (Saskatoon-Humboldt)
Langlois
Laniel
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Legault
Lessard (LaSalle)
Lessard (Lac-Saint-Jean)
Lind
Macdonald (Rosedale)
MacEachen
McBride
McIlraith
Major
Marceau
Marchand (Langelier)
Morison
Munro
Murphy
Noël
Orange
Osler
Ouellet
Pelletier
Penner
Pepin
Pilon
Portelance
Pringle
Prud'homme
Reid
Richard
Richardson
Rock
Roy (Timmins)
Roy (Laval)
Ryan
Sharp
Smerchanski
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Stafford
Stanbury
Stewart (Cochrane)
Stewart (Okanagan-Kootenay)
St. Pierre
Sulatycky
Sullivan
Thomas (Maisonneuve)
Trudeau
Trudel
Turner (London East)
Turner (Ottawa-Carleton)
Walker
Watson
Weatherhead
Yanakis—107.

TELESAT CANADA—UNDERWRITERS' PROPOSALS REGARDING ISSUE

Motion No. 7—**Mr. Orlikow:**

That an Order of the House do issue for copies of all proposals submitted to the Government of Canada by various underwriters regarding the handling of the Telesat Canada Corporation issue.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I move the motion on the hon. member's behalf.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, on behalf of the Minister of Communications I wish to report the following. No proposals have been received by the government of Canada from underwriters regarding the handling of the Telesat Canada Corporation issue. I would, therefore, hope that the hon. member would consent to withdraw the motion.

Mr. Knowles (Winnipeg North Centre): I agree.

Mr. Speaker: Motion withdrawn.

Order discharged and motion withdrawn.

INTERNATIONAL RESEARCH INSTITUTE

Motion No. 12—**Mr. Nystrom:**

That an Order of the House do issue for a copy of the report by Ronald Ritchie on an international research institute for Canada.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I move this motion on behalf of the hon. member for Yorkton-Melville.

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): Mr. Speaker, there is no

report by Ronald Ritchie on an international research centre for Canada. Mr. Ritchie was engaged, however, by the government, as announced by the Prime Minister on November 7, 1968, to prepare a report on "the establishment of a Research Institute where long term research and thinking can be undertaken on governmental matters of all kinds". That report is not yet available, but is expected to be submitted shortly. The government will then have to consider whether it is in the public interest that it be made public. I would hope that in these circumstances the hon. member would agree to withdraw his motion at this time.

Mr. Knowles (Winnipeg North Centre): I will withdraw the motion subject to the right of the hon. member to put it on the order paper later if he feels he should.

Mr. Speaker: The motion is dropped.

Order discharged and motion withdrawn.

NATO COMMUNICATIONS RESEARCH PROGRAM

Motion No. 21—**Mr. Lewis:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of the memorandum of agreement among eight participating NATO countries, including Canada, regarding the second phase of the NATO communications research program established in 1967.

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, the document referred to in this motion is a memorandum of understanding between the governments concerned and is classified confidential. Subject to the receipt of unanimous consent of the participating governments, I have no objection to tabling this document.

Mr. Lewis: I am satisfied to allow this motion to stand until the minister has found out whether he has consent.

Mr. Speaker: Is it agreed the motion will stand?

Mr. Lewis: Agreed.

Motion stands.

MINAS BASIN POWER STUDY

Motion No. 33—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the feasibility study on Minas Basin power prepared in the Department of Energy, Mines and Resources.

[Mr. Walker.]

Mr. R. J. Orange (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I am informed that the report on Minas Basin power is now being completed by the Atlantic Tidal Power Programming Board.

This report was to have been completed within the next three or four weeks, but its completion is not now anticipated until the end of the calendar year. On completion, the report will be printed as rapidly as possible.

Once the report has been printed, the board is required to submit it to the governments of Canada, New Brunswick and Nova Scotia. The consent of all three governments will be required to have this report made public; and presumably such consent will not be given until appropriate representatives of the three governments concerned have had an opportunity to examine the report and to assess its implications. Under the circumstances, I ask the hon. member to withdraw the motion.

Mr. Skoberg: I agree, Mr. Speaker.

Order discharged and motion withdrawn.

INFORMATION

Motion No. 46—**Mr. Mather:**

That an Order of the House do issue for a copy of the special task force report on Information.

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): Mr. Speaker, as the House knows, the report of the task force on government information was tabled in the House by the Prime Minister on November 4. Perhaps, therefore, the hon. member will agree to withdraw this motion.

Mr. Barry Mather (Surrey): Mr. Speaker, in agreeing to withdraw the motion I should like to expess regret that the government is not in a position to produce as speedily the reports in the other 100 motions.

Order discharged and motion withdrawn.

SUPPLY OF NATURAL GAS TO UNITED STATES

Motion No. 52—**Mr. Harding:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House copies of recent correspondence between the Canadian Energy Board and the United States Federal Power Commission regarding the supply of natural gas from Western Canada to the United States.

Mr. R. J. Orange (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I am informed that no correspondence has passed between the National Energy Board and the United States federal power commission regarding the supply of natural gas from western Canada to the United States. Under the circumstances, I ask that the hon. member be requested to withdraw his motion.

Mr. Harding: Agreed, Mr. Speaker.

Order discharged and motion withdrawn.

FORMULATION OF NEW PETROLEUM POLICY

Motion No. 57—**Mr. Thomson:**

That an Order of the House do issue for a copy of the special task force report on the formulation of Canada's new petroleum policy.

Mr. R. J. Orange (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, the Department of Energy, Mines and Resources knows of no special task force concerned with the formulation of Canada's new petroleum policy. I therefore request that the hon. member withdraw his motion.

Mr. Thomson: Agreed, Mr. Speaker.

Order discharged and motion withdrawn.

INDIAN AFFAIRS POLICY STATEMENT

Motion No. 65—**Mr. Howard (Skeena):**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of all notes made at all meetings or conversations between the government or any agency or department thereof and any provincial government or agency or department thereof since June 25, 1969 relating to the policy statement on Indian Affairs made in the House of Commons by the Hon. Jean Chrétien, Minister of Indian Affairs and Northern Development on June 25, 1969.

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Regional Economic Expansion): The hon. member is requesting copies of notes or conversations between the federal government and the provincial government. Conversations which have taken place up to now, other than that correspondence which will be tabled in the motion for the production of papers No. 63, are considered privileged information and it would not be in the interest of the governments or indeed the Indian people to table this information at this stage of negotiations. Under the circumstances, I would ask the hon. member to withdraw the motion.

Mr. Howard (Skeena): Mr. Speaker, I oppose that request. I simply say the government has no right whatever to engage in negotiations regarding the rights of the Indian people and keep them secret. I cannot accept the request to withdraw the motion. It is too important.

Mr. Speaker: Transferred for debate.

NATIONAL HEALTH MANPOWER CONFERENCE

Motion No. 74—**Mr. Orlikow:**

That an Order of the House do issue for copies of all reports and papers presented to the National Health Manpower Conference in October, 1969 which was sponsored by the Department of National Health and Welfare.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, the Minister of National Health and Welfare has advised the hon. member for Winnipeg North that a report containing this material will be published a little later. In the light of that assurance, the member for Winnipeg North would like me to ask that the motion be withdrawn.

Order discharged and motion withdrawn.

CABINET COMMITTEES

Motion No. 91—**Mr. Orlikow:**

That an Order of the House do issue for a copy of a list of all Cabinet Committees of the Government of Canada and the federal Ministers belonging to each of these committees, as mentioned by the Prime Minister at a Press Conference on October 15, 1969 at the National Press Building.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I wish to move this motion on behalf of the hon. member for Winnipeg North.

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): Mr. Speaker, it has always been the position of this House that the arrangements made by the cabinet for the discharge of the business for which it is collectively responsible are matters for the cabinet itself and are not customarily disclosed. Perhaps, therefore, the hon. member will agree to withdraw his motion.

Mr. Knowles (Winnipeg North Centre): No, Mr. Speaker.

Mr. Speaker: Transferred for debate.

Motions for Papers

SENATE SPECIAL COMMITTEE ON NEWS MEDIA

Motion No. 98—**Mr. Orlikow:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House the amount of estimated expenditures for the Senate Special Committee on the Media for the fiscal years 1969-70, 1970-71.

Mr. Knowles (Winnipeg North Centre): I move this motion, sir, on behalf of the hon. member for Winnipeg North.

Mr. Macdonald (Rosedale): On a point of order, Mr. Speaker, which relates to this motion and motions numbered 99 and 148, the hon. member is requesting information which relates to proceedings in the Senate. I wish to refer to citation 212 at page 178 of Beauchesne's fourth edition, which reads:

If one House desires any return relating to the business or proceedings of the other, neither courtesy nor custom allows such a return to be ordered; but an arrangement is generally made, by which the return is moved for in the other House; and after it has been presented, a message is sent to request that it may be communicated.

At page 282 of Bourinot's fourth edition, there are words to the same effect. There are also words to the same effect at pages 271 and 272 of May's 17th edition. That passage refers to the courtesy and custom in this regard. I ask the hon. member for Winnipeg North Centre, on behalf of the hon. member for Winnipeg North, to agree to withdrawing motions numbered 98, 99 and 148 and I will undertake to have the Government Leader of the other place present the appropriate motions in the other place so that the information will be forthcoming.

Mr. Knowles (Winnipeg North Centre): In the light of that undertaking, I am happy to agree.

Orders discharged and motions withdrawn.

CONSULTANT STUDIES, DEPARTMENT OF CONSUMER AND CORPORATE AFFAIRS

Motion No. 104—**Mr. Skoberg:**

That an Order of the House do issue for copies of all outside consultant studies undertaken for the Department of Consumer and Corporate Affairs as mentioned in answer to Question No. 1,323, tabled on June 25, 1969, as reported in *Hansard* on page 10597.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, motion No. 104, and indeed the succeeding 19, will be recognized as motions upon which the House made a decision on the last day of the last session.

[Mr. Speaker.]

The House will recall at that time I suggested the hon. member might indicate specific reports to which he would like a response. I note that in motions 183 to 193 inclusive and 209 to 235 inclusive, the hon. member has specifically requested some of the same documents. On the basis of that I wonder if the hon. member would be agreeable to withdrawing this request in motions 104 to 123 for this great volume of material. We then would give consideration to the new requests he has made.

Mr. Skoberg: Mr. Speaker, I wonder if I could allow these motions to stand while I consider them.

Mr. Speaker: Stand.

Motions stand.

"TELECOMMISSION" REPORT

Motion No. 124—**Mr. Peters:**

That an Order of the House do issue for a copy of the report of the Department of Communications "Telecommission" regarding the relationship between common carriers and computer companies.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, on behalf of the Minister of Communications I wish to report the following: The Department of Communications Telecommission study regarding the relationship between common carriers and computer companies is still in progress. When completed it will be made available unless the authors or sources specifically withhold prmission.

I would, therefore, hope that the hon. member would consent to withdraw this motion.

Mr. Peters: Stand.

COMMON CARRIERS AND COMPUTER SERVICE COMPANIES

Motion No. 129—**Mr. Gilbert:**

That an Order of the House do issue for a copy of the special study undertaken by the Department of Communications regarding the relationship between common carriers and computer service companies.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, on behalf of the Minister of Communications I wish to report the following: would the hon. member please see the statement concerning Notice of Motion 124 of the hon. member for Timiskaming, dated October

23, 1969, which refers to the same subject. I would, therefore, hope that the hon. member would consent to withdraw this motion.

Mr. Gilbert: Stand the motion.

Motion stands.

MESSAGE TO GENERAL GOWON

Motion No. 162—**Mr. Nystrom:**

That an Order of the House do issue for a copy of the message sent by the Prime Minister to General Gowon, as reported in *Hansard* on July 2, 1969, page 10751.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I move this motion on behalf of the hon. member.

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): Mr. Speaker, communications between heads of government are normally confidential and their contents not made public. In any case, such action cannot be taken unilaterally. In the circumstances I would ask the hon. member to withdraw his motion.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, the Parliamentary Secretary has just said action cannot be taken unilaterally. Could not the Prime Minister request the consent of General Gowon to this?

Mr. Walker: That is another question.

Mr. Speaker: Is it dropped?

Mr. Knowles (Winnipeg North Centre): No. Put it to the vote, please.

Mr. Speaker: Transferred for debate.

LETTER FROM PRIME MINISTER TO CHAIRMAN OF SCIENCE COUNCIL

Motion No. 203—**Mr. Broadbent:**

That an Order of the House do issue for a copy of the November 4, 1968 letter by the Prime Minister of Canada to the Chairman of the Science Council of Canada as mentioned in the Third Annual Report of the Science Council.

Mr. Knowles (Winnipeg North Centre): I move this motion for the hon. member, Mr. Speaker.

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): Mr. Speaker, the letter from the Prime Minister to the Chairman of the Science Council of Canada is related to the internal functions of the government and not in the public interest to be released. In view of the long established principle of the House that such documents are privileged perhaps the hon. member would be agreeable to having his motion withdrawn.

Mr. Knowles (Winnipeg North Centre): Perhaps he would not be.

Mr. Speaker: Perhaps it should be transferred for debate.

CABINET DIRECTIVE ON SUMMER EMPLOYMENT FOR STUDENTS

Motion No. 204—**Mr. Broadbent:**

That an Order of the House do issue for a copy of the Cabinet Directive on summer empolyment for students referred to by the Minister of Manpower and Immigration in his Press Release of April 30, 1969.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I move this motion for the hon. member.

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): Mr. Speaker, a cabinet directive is a cabinet document. It has always been the position of this House that cabinet documents would not be included among those documents covered by motions for the production of papers. I would hope, therefore, that the hon. member would be agreeable to withdrawing the motion.

Mr. Knowles (Winnipeg North Centre): In view of the fact that this was referred to in a press release I do not think this caveat covers the situation. Perhaps you would put this to a vote, Mr. Speaker.

Mr. Speaker: Transferred for debate.

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

INFLATION—FORECAST PRICE INCREASES—DEFINITION OF ACCEPTABLE RESTRAINT

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I had hoped we would have the privilege of having the Minister of Finance in the House today. In his absence, perhaps the Prime Minister would answer the questions of which he took notice yesterday. I asked these questions: In view of the forecast of substantial price increases ranging from 1 per cent to 25 per cent in 1970, what is the position of the government and, specifically, will the government, in cooperation with the Prices and Incomes Commission, now define what restraint consists of so that corporations and others will know what is expected of them by the government?

Inquiries of the Ministry

Hon. Herb Gray (Minister without Portfolio): Mr. Speaker, the question would appear to come primarily within the responsibility of the Minister of Consumer and Corporate Affairs. He was here a moment ago. I understand he will be prepared to deal with it.

Mr. Stanfield: Mr. Speaker, I do not want to be argumentative, but how is one supposed to get an answer relating to government policy when the ministers seem to be so difficult to find?

Some hon. Members: Hear, hear.

Mr. Stanfield: Mr. Speaker, I have a supplementary question for the reappearing Minister of Consumer and Corporate Affairs. In view of the indicated intention of some 250 corporations to increase their prices substantially in 1970, what is the position of the government? Is the government now prepared to define what restraint consists of so that corporations and others will know what the government expects of them in complying with a policy of restraint?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, as I explained before in the House, the Prices and Incomes Commission is trying to negotiate with private interests or economic groups a definition of what is acceptable restraint or constraint. I am hopeful—and I am sure the Leader of the Opposition joins me in this—that the work of the commission on this project will succeed.

Mr. Stanfield: Mr. Speaker, may I ask whether the position of the government is that announced by the minister the other day, that any increase in price constitutes a violation of restraints, or does the government support the position taken by the Prices and Incomes Commission that increases up to 5 per cent in the case of wages and 2½ per cent in the case of prices would appear to be a reasonable ceiling?

Mr. Basford: Well, Mr. Speaker, I have read the speech of the chairman of the commission, which was made in Regina. The figures the Leader of the Opposition quotes were mentioned in that speech as only one proposal the commission was discussing. I think it was made clear in the speech that that was a negotiating position. My position simply is I would hope that those making price and income decisions would sit down as quickly as possible with the commission to work out what would be acceptable restraint.

[Mr. Stanfield.]

Mr. Stanfield: Mr. Speaker, I have a supplementary question in an effort to make sure there is no misunderstanding. The government, in fact, has no specific policy.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Prime Minister. In view of the speech made by the chairman of the Prices and Incomes Commission, has the government decided that under certain conditions it proposes to introduce legislation to provide that there will be a ceiling of 5 per cent on wage increases and 2½ per cent on price increases per annum? Has this decision been reached, and under what conditions does the government propose to proceed with such a program of restraint?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the government's position has not changed since a few weeks ago when I answered that the government closes no door on any procedure to combat inflation, I mentioned the defects in the approach suggested by the leader of the New Democratic Party, but I have not excluded any alternative open to the government which we will consider and use if necessary.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in view of the fact that the speech by the chairman of the Prices and Incomes Commission dealt solely with a ceiling on prices and wages, is the government directing the Commission to study, or is the government itself making a study, of the question of restraints upon other forms of income such as corporation profits, dividends, interest and rents, or is any study of restraints being restricted entirely to salaries, wages and prices?

Mr. Trudeau: Mr. Speaker, the constitutional difficulties are as great whether we are dealing with wages or with rents.

Mr. Max Saltsman (Waterloo): In view of the constitutional difficulties which always seem to arise when the question of prices or incomes control is brought up, can the Prime Minister indicate whether he is meeting with the provinces in order to bring about some changes in the constitution along this line?

Are the federal government and the provinces trying to reach agreement on this subject?

Mr. Trudeau: Yes, Mr. Speaker. The hon. member might have heard that we have been discussing the constitution with the provinces for some time.

Mr. Saltsman: Can the Prime Minister indicate specifically what progress the federal government is making with the provinces along these lines?

[*Translation*]

EXTERNAL AFFAIRS

UNITED STATES NUCLEAR TESTS

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I have a question for the Secretary of State for External Affairs.

Can he tell this House whether the United States have violated the Treaty prohibiting nuclear tests, signed in 1963, by carrying out the Schooner Project in 1968 which caused radioactive fallout in Canada?

Mr. Speaker: May I say to the hon. member that his question, as it is phrased, is out of order.

[*English*]

BIAFRA—AID FOR STARVING CHILDREN

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I have a question for the Secretary of State for External Affairs, but before asking it I should like to join in welcoming him back to the House. Can the minister say whether or not during the course of his visitations in the Middle East he communicated at any time with any representatives of Biafra or of Nigeria in order to bring about some arrangement whereby action will be taken by Canada to diminish some of the awfulness of the escalating suffering and death among children in Biafra in consequence of the shortage of food?

Hon. Mitchell Sharp (Secretary of State for External Affairs): I found myself fairly busy in looking into the problems in the Middle East when I was in that area, but before I went there I had extensive discussions with all those concerned, the Nigerians, the Biafrans, the great powers and the representatives of Africa. I probably spoke to 25 or 30 of the leading spokesmen concerned with this problem. In my absence, of course, the Prime Minister and my officials have been carrying on these discussions. Unfortunately, while there seems to be some indication of progress toward a settlement, one cannot be very sure. There have been so many disappointments in the past. But I do think it is wise, if possible, to depend upon the immediate neighbours of Nigeria to take on the prime responsibility, as has been urged upon us by the Secretary General of the United Nations.

Mr. Diefenbaker: Mr. Speaker, I have a supplementary question. Would the Secretary of State for External Affairs let the House and the country know the names of the representatives of Biafra with whom he spoke at the United Nations or before the meeting of the United Nations? To whom did he speak from Biafra?

Mr. Sharp: I have forgotten their names for the time being, Mr. Speaker, but tomorrow I will be happy to give them. There were five of them and they included the leading representatives of Biafra in New York.

Mr. David MacDonald (Egmont): Mr. Speaker, shortly before the minister left for his tour of the Middle East he indicated that he was awaiting a report from General Wrinch on the possible resumption of air operations by the International Red Cross. Now that General Wrinch and the minister have returned, I wonder whether the minister has received a report from the general and what prospects there are in that direction.

Mr. Sharp: Yes, Mr. Speaker, I met General Wrinch this morning in my office and he continued his discussions with my officials after I had to move on to another meeting. I discussed with him the possibilities of an air drop and of other forms of help which the International Red Cross might undertake in co-operation with the local authorities on both sides of the conflict.

Mr. MacDonald (Egmont): I have a supplementary question, Mr. Speaker. Did General Wrinch indicate to the minister when the Red Cross will be able to resume operations and whether or not they have obtained the necessary agreement from the combatants for such a relief operation?

Mr. Sharp: That is the subject matter about which I spoke to General Wrinch, particularly today. Needless to say I was not very hopeful because we do not seem to have been able to put enough pressure upon the Biafran régime to agree to daylight flights, which is the only way I know by which sufficient aid can be brought to those starving people.

Mr. MacDonald (Egmont): I have a further supplementary question, Mr. Speaker. Would the minister indicate whether agreement was obtained from the Red Cross according to a plan negotiated with the Biafrans in mid-August of this year?

Mr. Sharp: The only agreement that was reached by the Red Cross was a signed agreement with Nigeria.

Mr. MacDonald (Egmont): Which one?

[*Translation*]

Mr. Speaker: Does the hon. member for Lotbinière have a supplementary question?

Mr. Fortin: No, Mr. Speaker.

[*English*]

OIL

INQUIRY AS TO CONTINENTAL POLICY

Mr. Eldon M. Woolliams (Calgary North): I was going to direct a question to the Minister of Energy, Mines and Resources, but since he is absent I will put it to the Prime Minister. It relates to the government's policy for the petroleum industry. I see the minister has promised to set up an advisory committee to the government to be drawn from the Canadian Petroleum Association. Is the Canadian government now suggesting and advocating a continental oil policy and has the United States indicated that they too favour such a policy at this time?

Right Hon. P. E. Trudeau (Prime Minister): The department will be answering questions tomorrow and on Friday with regard to this matter.

Mr. Woolliams: May I put a supplementary question to the Prime Minister? This is his government. I am asking whether this is the policy of his government, and has there been any discussion with the United States with regard to a continental oil policy? Surely, that is a simple question.

Mr. Speaker: Order, please.

Mr. Max Saltsman (Waterloo): I have a supplementary question for the Minister of Consumer and Corporate Affairs. In view of the pledge of the Minister of Energy, Mines and Resources to draw the oil industry into government policy-making in a forceful and visible manner, can the Minister of Consumer and Corporate Affairs indicate whether he has any intention of ensuring that the consumers' interest is also represented?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): The consumers' interest is always represented in this government.

An hon. Member: I think the word is "misrepresented".

Mr. Saltsman: We know that the government has been making statements to this effect, but we want more specific evidence of it—

Mr. Speaker: Order, please.

Mr. Saltsman: May I rephrase my question, Mr. Speaker?

Mr. Speaker: Order, please. Will the hon. member kindly resume his seat? The Chair recognizes the hon. member for Calgary North on a supplementary question.

Mr. Woolliams: May I put this question to the Prime Minister? Can he assure us that the discussions between Canada and the United States regarding a continental oil policy are not connected directly or indirectly with the question of water export from Canada?

Mr. Trudeau: No, Mr. Speaker, I know of no such connection.

Hon. Robert L. Stanfield (Leader of the Opposition): I have a supplementary question, Mr. Speaker. Is there any effort on the part of the government or is it a matter of government policy to create a relationship between the export of natural gas from Canada on the one hand and the raising of the upper limit on imports of Canadian oil by the United States?

Mr. Trudeau: I cannot answer this question, Mr. Speaker. I think the minister may be able to do so when he is in the House.

Mr. Saltsman: I have a supplementary question for the Minister of Consumer and Corporate Affairs. In view of the reports that the price of natural gas will increase sharply, is it the minister's intention to intervene in this area to ensure that the cost of natural gas does not increase as a result of the demand in the United States?

Mr. Basford: Mr. Speaker, since the hon. member asked a similar question, I believe, in the last session there has been consultation

between my officials and those of Energy, Mines and Resources on this question.

Mr. Saltsman: As a supplementary question—

Mr. Speaker: Order, please. Perhaps we might return to the hon. member if there is time, but at this point we are running short of time for the question period.

EXTERNAL AFFAIRS

VIET NAM—FURNISHING OF INFORMATION TO CIA BY BRIGADIER KETCHESON

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. It has been reported that a Brigadier Donald Ketcheson has said that during his time of service with the International Control Commission in Viet Nam, in 1958 and 1959, he regularly furnished the American CIA with information about troop movements and that the Canadian Department of External Affairs was aware of this and looked the other way. Would the minister investigate this matter, report to the House and give an assurance that this sort of conduct will not be tolerated in the future?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Yes, Mr. Speaker. As I understand it these events related to the period 1958-59, and as far as I know the Canadian government has always acted scrupulously in this respect. Certainly, I know of no repetition. As I read the report it concerned an officer who said he had done this, not with the consent of the Canadian government but behind their backs.

[*Translation*]

BROADCASTING, FILMS AND ASSISTANCE TO THE ARTS

CYC—SUGGESTED BROADENING OF COMMITTEE'S TERMS OF REFERENCE

Mr. André Fortin (Lotbinière): Mr. Speaker, may I direct a question to the Prime Minister? Considering that the serious charges made by the chairman of the Executive Committee of Montreal against the Company of Young Canadians are of a judicial nature, and considering that the committee which is investigating this matter is concerned only with the legislative and administrative aspects, does the Prime Minister intend to extend terms of reference of the committee so that Mr. Saulnier can testify without interfering with the committee's proceedings?

Mr. Speaker: It seems to me that a similar question has been asked a few days ago. I am not sure whether it has been answered but, if an answer has not already been given, it could perhaps be given now.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not remember either whether this particular question has been answered, but the situation remains the same. Parliament has given the committee terms of reference it thought justified. We believe that it belongs to the committee to examine the organisation and operation of the Company of Young Canadians and to submit a report to the government. We believe that this parliamentary committee should not inquire into matters of subversion and other indictable offences. Of course, the administration of justice is aimed at insuring that those who might be found guilty of indictable offences are prosecuted in court. It is not the role of the parliamentary committee, as we understand it, to inquire and make sure that such prosecutions are carried on.

[*English*]

GRAIN

STATEMENT BY MINISTER TO WINNIPEG "FREE PRESS" ON SALES

Mr. A. C. Cadieu (Meadow Lake): Mr. Speaker, I have a question for the Minister without Portfolio (Mr. Lang), but in his absence possibly the Prime Minister would like to answer it. I want to ask if he was stating government policy when he told the Winnipeg *Free Press* the other day that grain sales would not help the farmers?

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

Mr. Cadieu (Meadow Lake): A supplementary question, Mr. Speaker. Does the Prime Minister think that farmers can make a living for themselves and their families running skating rinks or trout farms on their land?

Mr. Speaker: Order. Perhaps the hon. member is seeking to continue the debate we had yesterday. I suggest this cannot be done during the question period.

Inquiries of the Ministry

CANADIAN SOVEREIGNTY

STATUS OF WATERS BETWEEN ST. PIERRE-MIQUELON AND CANADA

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a question to the Secretary of State for External Affairs. Did he or any of his officials hold discussions recently with officials of the French government concerning the status of the water which lies between St. Pierre and Miquelon and Canada and, if so, will fishing be permitted in this area? Will it be within the traditional three-mile limit or will the 12-mile limit apply?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, quite obviously there is a problem related to the islands of St. Pierre and Miquelon because we have a 12-mile fishing limit around our coast. We would therefore, have to negotiate a median line between those islands and Newfoundland. We have been having some discussions with the French government, but these discussions are not yet concluded.

Mr. James A. McGrath (St. John's East): As a supplementary question, Mr. Speaker, would the minister discuss with his colleagues the possibility of resolving these problems by making an offer to the French government to buy these islands?

Some hon. Members: Oh, oh.

NATIONAL REVENUE

DELAY IN FEDERAL SALES TAX AUDITS OF COMPANIES

Mr. A. D. Hales (Wellington): Mr. Speaker, I would like to direct a question to the Minister of National Revenue. In view of the fact that federal sales tax auditors have not made annual inspections or audits of many Canadian companies, for up to as long as four or five years, and that in many cases when they do these audits they reassess the companies for thousands of dollars in taxes, what steps is the minister taking to overcome this problem and to make sure that there will be more frequent and regular inspections?

Mr. Speaker: I would like to indicate to the minister and to the hon. member who asked the question that it should be more properly answered by way of a statement on motions or, if there is urgency to it which is not apparent to the Chair, the matter might be debated at the time of adjournment.

Mr. Hales: Ten o'clock.

[Mr. Speaker.]

[*Translation*]

OFFICIAL LANGUAGES

GRANT FOR BILINGUAL PROGRAMS—CONSULTATION WITH PROVINCES

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I want to direct a question to the Secretary of State.

Can he tell the House whether the government has consulted the provinces and has been able to reach a consensus prior to announcing the grant of $50 million for the promotion of education in the official language of Canada's minorities?

Hon. Gérard Pelletier (Secretary of State): Yes, Mr. Speaker, consultations were already under way. For instance, the ministerial committee on the constitutional conference had already met on this subject at the end of last May. The provincial ministers had then asked the federal government to clarify its attitude with regard to the royal commission's recommendations and state a policy giving figures on the financial contribution it intended to make.

This was done at the last meeting held on November 6, and the department is now conducting negotiations with almost every provincial government, as requested by them.

Mr. Lambert (Edmonton West): Mr. Speaker, I have a supplementary question.

Would the Secretary of State tell the house why exchanges and agreements are so hard to come by, at the secondary level, with respect to university students of a province following university courses in another province? Universities have run into an impasse.

Mr. Pelletier: Mr. Speaker, I do not think this problem is related to the policy involved. This matter seems to come under provincial jurisdiction and I could not explain to the hon. member why they encounter such difficulties, since these have not been engendered by nor are they known to the federal government. As a matter of fact, this matter does not come under its purview.

[*English*]

FEDERAL-PROVINCIAL RELATIONS

REQUEST THAT HUMAN RESOURCE DEVELOPMENT BE PLACED ON CONFERENCE AGENDA

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I wish to direct a supplementary question to the right hon. Prime Minister. Will the Prime Minister agree—he shakes his head already, Mr. Speaker, even though I

have not asked my question—to consult with the provinces with a view to having the area of human resource development placed on the agenda for the upcoming federal-provincial conference so that Bill C-179, which has been withdrawn, and the whole matter of involvement in education of human resources will be discussed with the provinces?

Mr. Speaker: Order. I do not know what that is supplementary to, but the question having been asked I suppose we should not lose the time and should allow the question to be answered.

Right Hon. P. E. Trudeau (Prime Minister): Well, Mr. Speaker, at some point we will have discussed with the provinces all aspects of the constitution, including the one mentioned by the hon. member. The agenda which has been agreed to at this stage between the provinces and the federal government does not include this particular subject for the December conference, but of course there will be subsequent conferences.

Mr. Lundrigan: Mr. Speaker, on a point of order, Your Honour wondered what the supplementary was about. Frequently when we raise questions relating to education—

Mr. Speaker: Order, please. I did not wonder what it was about. In any event, it might be simpler if the hon. member would recognize that I have allowed the question. Now I have to give my daily admonition that we will shortly be running out of time for the question period and I have to count on the co-operation of hon. members.

BROADCASTING, FILMS AND ASSISTANCE TO THE ARTS

CYC—SUGGESTED BROADENING OF COMMITTEE'S TERMS OF REFERENCE

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I should like to ask the Prime Minister a question resulting from the answer he gave to an hon. member of the Creditiste Party in connection with the examination of the activities of the Company of Young Canadians. As I understood him, he said that it was not proper for a committee of this House to inquire into certain types of activities of the CYC and I should like to ask him why this should be so and if he feels that it is proper for him, as chief commoner in this House apart from yourself, Mr. Speaker, to give directions to any committee as to what it should or should not examine.

Right Hon. P. E. Trudeau (Prime Minister): I do not give any directions, Mr. Speaker. I said quite the contrary, that the terms of reference of the committee had been given by this House and that we do not propose to change them at this time.

[*Later:*]

[*Translation*]

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

Mr. Speaker: The hon. member for Sainte-Marie will excuse me—

[*English*]

—but the hon. member for Skeena is rising on a point of order. Order, please. We now have two points of order. I believe the hon. member for Sainte-Marie has priority since he rose first.

[*Translation*]

Mr. Valade: Mr. Speaker, here is my point of order. In his reply to a question put to him by the hon. member for Peace River (Mr. Baldwin), the Prime Minister stated that he had given no instructions to the Committee on Broadcasting, Films and Assistance to the Arts and, if I am not mistaken, when he replied to the hon. member for Lotbinière (Mr. Fortin), the Prime Minister said that it was not within the committee's terms of reference to scrutinize criminal or legal files in order to study matters deferred to it. I believe those were the very words used by the Prime Minister.

Some hon. Members: Ah, ah!

Mr. Valade: Mr. Speaker, I rose on a point of order and it is my right to express my opinion. By giving instructions in advance in this House to a committee which is in session, the Prime Minister—

Some hon. Members: Oh!

Mr. Valade: Mr. Speaker, could we have more decorum from those rude and cowardly members who are unable to observe order in the House?

Mr. Speaker: Order, please. I would invite the hon. member to indicate his point of order to us as soon as possible.

Mr. Valade: Mr. Speaker, I refer to citation 288, on page 237 of Beauchesne's Parliamentary Procedure, and since I have the English version, I will quote in that language:

[*English*]

Committees are regarded as portions of the House and are governed for the most part in their proceedings by the same rules which prevail in the

House. Every question is determined in a committee in the same manner as in the House to which it belongs.

This means that every matter is decided by the committee and not by the House or by the Prime Minister. I think that the Prime Minister, by expressing his opinion in the House on the way the committee should conduct its business, is breaching the privileges of the committees of this House.

[*Translation*]

Mr. Trudeau: Mr. Speaker, the hon. member from the Créditiste party asked me if it would not be expedient to change the terms of reference of that parliamentary committee, in order to ask it to study another matter. Your Honour nearly decided that this question had already been answered and that it was not necessary to give it an answer today. I should have relied on your instinct. I tried to explain to the hon. member the terms of reference which we had given the committee. I did not comment any further to say that we were to tell it to do something. I merely indicated that those terms of reference existed, that we did not see any reason to change them for the time being, and that we were hoping that they would be construed in the spirit in which we had given them.

[*English*]

Mr. Baldwin: On that point of order, Mr. Speaker—

Mr. Speaker: Order, please. The hon. member raised the point of order in the first instance. He made his contribution, and we have heard from a number of members on the same point, so I doubt very much if anything will be gained by pursuing the matter. It seems to me that every one is agreed on the principle enunciated originally by the hon. member for Peace River, by the hon. member for Sainte-Marie, by the Prime Minister and by the hon. member for Lotbinière, that these questions have to be decided by the committee and not by the House. This being so I think we should return to the question period, especially in view of the fact there are only six minutes left.

Mr. Baldwin: Mr. Speaker, I must rise on a question of privilege. The privileges of this House and the members of this House, and in particular members of Standing Committees, is largely founded on the respect which members pay to the Standing Orders, which establish the independence of committees. On that question of privilege, I know what the Prime Minister said and what the terms of reference are. The terms are wide enough to inquire into the operation of the Company of Young Canadians, Mr. Speaker. It is a breach of privilege for the Prime Minister or anybody in this House to attempt to influence what anybody else should do.

Mr. Speaker: I might say that is not my interpretation of what was said by hon. members. I must suggest that basically we are still all agreed on the point at issue. I would hope that we might return to the question period.

INQUIRY OF THE MINISTRY

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, may I first be permitted to express my thanks to all members for their greeting, including the Prime Minister who seems to be glad to see me back and to let bygones be bygones. My original question was not for him but since he has shown such spirit I should like to put a question to the Prime Minister. Is the federal government spending or planning to spend several million dollars on a motion picture starring Louise Marleau?

Mr. Speaker: I am afraid that is irrelevant.

STATUTES OF CANADA

COMPLETION OF WORK OF REVISION

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have a question for the Minister of Justice. When will the commission which was appointed several years ago to revise the statutes complete their work, and when is it expected that copies of the revised statutes will be available?

Mr. Stanfield: They are long since forgotten.

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I would like to have a more precise date for the hon. member than I can give him now and I hope to have this for him in the not too distant future.

[*Translation*]

ROYAL CANADIAN MOUNTED POLICE

ST. JOHN'S, NFLD.—RAIDS ON FOREIGN SHIPS —EFFECT ON TRADE

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I have a question for the Secretary of State for External Affairs.

Since his return to Ottawa, has the minister looked into the complaints made by some residents of St. John's, Newfoundland, about the searches made by the RCMP aboard foreign ships which load supplies in the harbour of that city, searches which endanger trade at St. John's?

[*English*]

SPORTS

AID TO HIGH SCHOOL HOCKEY

Mr. Robert Simpson (Churchill): Mr. Speaker, I have a question for the Minister of National Health and Welfare. In view of the statement made in Winnipeg yesterday by Mr. Charles Hay, President of Hockey Canada, to the effect that a program to improve the quality of hockey in Canada would be commenced immediately, with emphasis on high school hockey, can the minister state whether consideration is being given to additional funds for Hockey Canada for this purpose?

Hon. John C. Munro (Minister of National Health and Welfare): Yes, Mr. Speaker.

REGIONAL ECONOMIC EXPANSION

REQUEST FOR STATEMENT ON AREA DEVELOPMENT INCENTIVE PROGRAMS

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a question for the Minister of Regional Economic Expansion. In view of the growing rate of unemployment, especially in the slow growth areas, and the minister's responsibility in relation thereto, would the minister make a statement on motions regarding the area development incentive programs presently under way or planned so that the House may involve itself in this very important subject?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, the hon. member probably knows that several programs are aimed at reducing unemployment and creating jobs.

For his information, since January 1969, there have been four times as many projects approved by my department as compared with 1968. There are four times as many new jobs, nearly 18,000 a year. I think—

[*English*]

Mr. Speaker: Order, please. I believe the question asked by the hon. member was whether a statement could be made on motions. I do not think the statement should be made at this time.

Mr. McGrath: Mr. Speaker, may I repeat my question to the minister and ask whether he will make a statement on motions on this important subject?

Mr. MacInnis: Mr. Speaker, I rise on a point of order which arises from the fact the minister answered the original question. I therefore do not see why the hon. member should be denied the opportunity of asking a supplementary question.

Mr. Speaker: Order, please. If the hon. member will kindly consult the rules and precedents he will realize that, fortunately or unfortunately, supplementary questions are at the discretion of the Chair. I have indicated before that when we are running short of time we really ought to reduce the number of supplementary questions and go on with other matters.

HEALTH AND WELFARE

DELAY IN PUBLICATION OF MENTAL HEALTH STATISTICS

Mr. P. B. Rynard (Simcoe East): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. Has the minister received any complaints regarding the long delay in the publication of Mental Health Statistics, volumes 1 and 2, which were to have been used as future guidelines but which are now rapidly becoming ancient history? Can the minister give us any idea as to when these publications will appear?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, to my knowledge I have not received any complaints.

Mr. Rynard: A supplementary question, Mr. Speaker. Will the minister look into the matter and see when these volumes will appear. That information is three years old now.

EXTERNAL AFFAIRS

MIDDLE EAST—OFFER OF ASSISTANCE IN RESOLVING ARAB-ISRAELI CONFLICT

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, may I direct a question to the Secretary of State for External Affairs. In his discussions with Mrs. Meir and Mr. Nasser, did he make any direct offer of the good

offices of Canada in solving the great dispute existing between the countries these persons head?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I did not go with any proposals for peace. I think the fact that we were interested, and that we took the time to go, may make it clear to the countries concerned that we are taking an objective view and, therefore, that we stand ready, if there is any service that we can perform, to perform it.

PUBLIC ACCOUNTS

REQUEST FOR TERMS OF REFERENCE FOR COMMITTEE

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, some days ago I asked the government House Leader when we might expect terms of reference with respect to the Public Accounts Committee in order that that committee might begin its work. He indicated that he would take the matter under consideration. Could he now indicate to the House when these terms of reference will be introduced?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, when the original question was asked I indicated that I would take the matter up with the House Leaders, and I did.

Mr. Stanfield: A supplementary question, Mr. Speaker. Can the minister assure us that these terms of reference will be brought in promptly, so that this very important committee can begin its important work?

Mr. Macdonald (Rosedale): Mr. Speaker, that will be done as soon as I receive a response from the House Leaders, among whom is included the hon. gentleman's colleague, his party's House Leader.

Mr. Baldwin: That is quite all right. You can go ahead.

TRANSPORT

OIL—OFFER TO SELL INFORMATION ON "MANHATTAN" TRIP

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, may I direct my question to the minister responsible for northern development. Does the government look with favour on the offer of Humble Oil to sell to Panarctic Oils Limited information and analyses gathered on the recent Arctic trip of the tanker *Manhattan*?

[Mr. McCleave.]

Mr. Speaker: Order, please. The question as asked is hardly in order. The hon. member is inviting the minister to give an expression of opinion, so the question is not in order.

HOUSING

REQUEST FOR ASSISTANCE TO TRANSCAN CUSTOM HOMES

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, may I direct a question to the Minister of Regional Economic Expansion. In view of Transcan Custom Homes of Kenora, Ontario, having developed a new concept in prefabricated homes, as a result of which homes will be available for little as $8,000, and in view of the fact that production and distribution of these homes hinges on an industrial incentive grant from the federal government, will the minister assure the House that this application from Transcan will receive extremely sympathetic consideration and, if possible, approval, so that lower income families of Canada may experience some relief from their housing difficulties?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, all applications receive sympathetic consideration from the department.

Mr. Alexander: Mr. Speaker, may I ask a supplementary—

Mr. Speaker: Order, please.

[*Translation*]

THE CANADIAN CONSTITUTION

ESTABLISHMENT OF HOUSE COMMITTEE—AGENDA OF FORTHCOMING CONFERENCE

Mr. Roch La Salle (Joliette): I would like to address a question to the Prime Minister.

Could he state whether the creation of a committee on constitutional affairs will be discussed at the federal-provincial conference in December and when he will produce the agenda of the conference?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this matter will not be discussed at the conference itself because it obviously only concerns the federal parliament. However, as I have mentioned in this House, we hope that the discussions between the leaders of the various parties will allow us to decide the appropriate time for instituting such a committee.

I only mean to say that perhaps, as usual, after the federal-provincial conference parliament may wish to devote one or two days to

discussing such matters, and if it is the wish of the house it will be done after the December conference, as was the procedure in the past.

[*English*]

Mr. Speaker: Order, please. The question period expired some minutes ago. If there is unanimous consent of the House, perhaps the hon. member for Hamilton West might be allowed to ask a supplementary question.

HOUSING

REQUEST FOR ASSISTANCE TO TRANSCAN CUSTOM HOMES

Mr. Lincoln M. Alexander (Hamilton West): I wish to direct another question to the minister who answered the first part of my question. We all know that his department treats all applications with great sympathy, but I wish to know whether his department will approve the application being made by Transcan Custom Homes in order that the housing shortage experienced by low income families may be relieved?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I know most of the problems. The application will be processed as soon as possible.

Mr. McGrath: Mr. Speaker, may I ask a supplementary question.

Mr. Speaker: Order, please. Will the hon. member kindly resume his seat. No doubt he will have noticed that quite a few other hon. members are still anxious to ask questions. Generosity has been shown by hon. members in allowing the question period to go well beyond its allotted time. I think we should go on with the business of the House at this time.

Mr. McGrath: Mr. Speaker, I rise on a point of order. I tried today to have the Minister of Regional Economic Expansion say if he would be prepared to make a statement on motions. This question, Mr. Speaker—and that is why I am now raising my point of order—was prompted by the fact the minister released a statement to the press at three o'clock this afternoon. I think the House is entitled to have the information first, so that appropriate comment may be made here.

Some hon. Members: Hear, hear.

Mr. Peters: Mr. Speaker, I rise on a point of order. In view of the apparent interest in the question period, could I ask for unanimous consent to extend the period?

Some hon. Members: No.

Mr. Speaker: I doubt whether there would be unanimous consent. There might be opposition from the Chair. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent.

• (4:10 p.m.)

GOVERNMENT ORDERS

WAYS AND MEANS

EXCISE TAX ACT

The House proceeded to the consideration of a ways and means motion to amend the Excise Tax Act.

Hon. Herb Gray (for the Minister of Finance) moved:

That it is expedient to introduce a measure to amend the Excise Tax Act to provide

(1) that a tax of five per cent be imposed on each amount paid or payable in Canada for transportation of a person by air where such transportation

(a) begins at a point in Canada and ends at a point in the taxation area,

(b) begins at a point in the taxation area outside Canada and ends at a point in Canada, or

(c) begins at a point in the taxation area outside Canada and ends at a point in the taxation area outside Canada,

(2) that a tax of five dollars, or such lesser amount not less than two dollars, as the Governor in Council may determine, be imposed on each amount paid or payable in Canada for transportation of a person by air where such transportation begins at a point in the taxation area and ends at a point outside the taxation area,

(3) that the expression "taxation area" shall mean Canada, the United States (except Hawaii) and the islands of St. Pierre and Miquelon, and

(4) that the legislation based on this resolution shall come into force on a day to be fixed by proclamation.

Motion agreed to.

Mr. Lambert (Edmonton West): On a point of order, Mr. Speaker, I was rising to speak just as Your Honour put the motion. I was hoping to hear the Minister without Portfolio (Mr. Gray) make a statement of explanation.

Mr. Speaker: Order, please. The minister would be out of order if he attempted to do so. There is no provision for that to be done under Standing Order 60(10).

Privileges and Elections

EXCISE TAX ACT

Hon. Herb Gray (for the Minister of Finance) moved that Bill C-155, to amend the Excise Tax Act be read the first time and ordered to be printed.

Motion agreed to, bill read the first time and ordered to be printed.

PRIVILEGES AND ELECTIONS

REFERENCE OF CANADA ELECTIONS ACT AND REPORT OF REPRESENTATION COMMISSIONER TO COMMITTEE

Hon. Donald S. Macdonald (President of the Privy Council) moved:

That the Standing Committee on Privileges and Elections be empowered to study the following matters and to report to the House such proposals as the Committee may deem advisable:

1. The Canada Elections Act, exclusive of Sections 62 and 63;

2. The Report of the Representation Commissioner on Methods of Registration of Electors and Absentee Voting, 1968, made pursuant to Section 9 of the Representation Commissioner Act;

And that the evidence adduced by the Committee in its study of the aforementioned items during the First Session of the Twenty-Eighth Parliament be referred to the Committee.

He said: Mr. Speaker, it is not my intention to go into the substance of the motion since it is moved really for a procedural purpose, that of empowering the committee to study and consider all those aspects of the Canada Elections Act except the two sections which are related to the question of election expenses. As the House will recall, a previous motion in the last session empowered the committee to consider questions under the Canada Elections Act. On that basis the committee carried out hearings. The purpose of this motion really is to continue that mandate.

Some of the questions of greater significance will involve the voting age and absentee voting. At the same time, the committee will have the opportunity of hearing the recommendations of the Chief Electoral Officer on a number of changes in detail which he is proposing to the Elections Act. To review the timetable, it is the intention to refer the question of election expenses to a special committee of the House to be established when this study is completed. This particular study is important, and comes first, principally because of the nature of the changes contemplated and the time which will be needed by the Chief Electoral Officer to prepare the electoral system for an election in 1972 or 1973. Extensive changes in the electorate and in election procedures may be required, involving the electoral officer and creating a time problem; changes in the regulations would be called for, and it would be necessary to ensure that all returning officers had been advised of the new procedure. It is, therefore, important in our minds that, if possible, the committee should arrive at a determination of its deliberations before Christmas, or, at any rate, as soon as possible, in order that the amending bill founded on the committee's study can receive legislative sanction by the end of this session.

I might refer to the position of the Representation Commissioner which, under the terms of the legislation establishing his office, should be considered during the current session, and, indeed, to the Electoral Boundaries Readjustment Act in addition to a number of other electoral matters which are of interest. It would be the intention of the government after the first two studies, the current one and the study of election expenses, have been completed, to undertake an examination of these further questions to determine whether changes in legislation are necessary.

I shall conclude by saying that it is hoped the committee can proceed with all deliberate speed in its work and that in due course, later this session, we shall be able to look at a draft bill founded on its recommendations.

Mr. Heath Macquarrie (Hillsborough): This is an important matter, dealing, as it does, with electoral machinery—a vital issue in any functioning democracy. Certainly, this motion cannot be considered as in any way premature. There was a fairly well established tradition in this House that after general elections the Elections Act would be sent to the committee for review. Often this procedure allowed for the remedy of errors, omissions or inadequacies which had become apparent during the exercise of the franchise by the voters of Canada.

Not since the election of 1962 has there been a complete overhaul of the Act. The elections of 1962, 1963, 1965 and 1968 were conducted on essentially the unrevised Act of 1961. Those who have been in this chamber for some time will recall how often I and other hon. members have urged that the committee be set to work. I noted from the comments of the minister that there now seems to be a great hurry; we must function, deliberate and recommend before Christmas. But there was no hurry in the past. I had the honour of chairing the committee which, in a sense, gave birth to the present act and I have

some idea of the immensity of the work involved and the number of sittings required for a careful study to be made of this important matter.

Though I welcome the motion before us as a green light for action toward an updating of our electoral machinery, I cannot say "aye, aye" and figuratively salute the motion as it goes through. Things have happened in recent weeks and months which must be considered very carefully as the House moves toward action by one of its committees in connection with this serious matter. For this motion, and the circumstances preceding it, reveal the stark inadequacy of the committee system and the extent to which the denigration of standing committees has been fostered and furthered by the government. More than once hon. members have risen to protest about the contemptuous disregard which the government has accorded to the considered views of the committees of this House.

Hon. members may recall the lack of respect accorded the External Affairs and National Defence Committee's recommendation on this country's defence role in NATO and Europe generally. Consider the affront which the executive handed the committee on Transport and Communications! That group made a serious on-the-spot study of transportation problems in the Atlantic region. They heard many well-informed and concerned groups and citizens. Some of them were from the Province of Prince Edward Island and therefore they were particularly well-informed, possibly because they faced particularly acute problems. Among the major transportation projects studied was the Northumberland causeway, but the committee did not even have time to return to Ottawa to prepare its report before the Prime Minister (Mr. Trudeau) announced the repudiation of the government's commitment to build that much needed and much promised crossing. To ignore is bad enough. In this instance, the government has pre-empted the committee's area of study and possible recommendations.

In the weeks just prior to the opening of this session, and while the committee was studying the Elections Act under reference from the first session, the Prime Minister was quoted as declaring that the government was sympathetic to the idea of lowering the voting age in federal elections.

The Minister without Portfolio, the hon. member for Port Arthur (Mr. Andras) was reported as making a similar intimation. Later on the Liberal-Labour member from Kenora-Rainy River (Mr. Reid), who apparently attends the Liberal caucus rather than the Liberal-Labour one, went a little further and gave an interesting blessing to the Prime Minister and the minister, of which latter hon. gentleman's utterance he said: "It's a good thing he made that announcement. It has already been decided."

In the Speech from the Throne, among all the forecasts of white papers, studies and reports, appeared this item, indicating that on one matter at least, the government had made up its mind:

> The government believes that the time has come to extend the franchise in federal elections and it will therefore recommend to the Standing Committee on Privileges and Elections of the House of Commons that the voting age be lowered to eighteen.

Hon. members will note the phrase "the government will recommend". Now, when the present Act was passed, following the Speech from the Throne of 1959, the government of that day adopted a less domineering attitude. I quote from the Speech of 1959:

> It will be proposed that the Standing Committee on Privileges and Elections review the Elections Act in preparation for subsequent legislation.

The committee was not told, then, that the government would recommend what it ought to do. Mr. Speaker, if there is to be any value attached to the committee system we must be clear about its functions.

Some hon. Members: Hear, hear.

Mr. Macquarrie: A committee is an emanation of this House and not a creature of the executive. It is for a committee, within its terms of reference, to recommend, and it is up to the House to adopt or reject committee reports and recommendations. Unless this part of the exercise is made meaningful we talk in vain about revitalizing the committee system of this parliament. Here, we have a case in which the government has clearly reached down into the area of the committee's reference and has declared its policy before the committee goes to work. In these circumstances, how realistic can the committee be as it faces its deliberations on the question of the voting age and the extension of the franchise? What importance could be attached to its studies following, as they would, a declaration of government policy in that very field?

I am confident I could predict with accuracy that the committee and the House are in favour of the franchise at the age of 18, and that the committee would probably recommend that candidates, too, should be eligible

at the age of 18. Certainly, some of us would, but what if the committee should recommend 17 years of age, or 19, or 21? What if the House adopts a report containing such a recommendation, one, in other words, that would be contrary to that placed by the government in the throne speech? Would this constitute non-confidence in the government? Perhaps this is an academic question, but I say it is a fundamental one. The relationship of the executive to the legislative branch always is fundamental in any system of representative and responsible government.

• (4:20 p.m.)

We hear today much discussion about this country moving closer and closer to the presidential system. Papers are being written on the subject by some eminent scholars. There is a good deal of discussion of the question in the media, and there are developments worth reflecting upon in this very important field.

The presidential system as practised in our great neighbouring democracy has much to commend it; but the evolution that we see in this country lacks one essential ingredient, namely the recognition that the legislative arm—in the United States they call it Congress; here, we call it Parliament—must be strong, too. In this country we see a growing strength in the executive and a continuing decline in the strength of the legislative arm, and this is the danger. This is why this particular motion today, focusing as it does on this dangerous development, is worthy of the consideration and reflection of all members of this House.

This tendency is all the more serious in a country like Canada where the executive, unlike that in the United States, is not directly elected, and the legislature or a part of it is the one body that is representative of the sovereign people. So that this diminution is a matter that we ignore at our peril.

The kind of presidential systems seen in certain countries of Latin America and on other continents is not one to be cherished by any lover of democracy or any champion of popular will. Developments in this country are, I fear, far more akin to these than to any emulation of the presidential-congressional system of the United States under which freedom has survived for many generations.

If there is one aspect of the business of Parliament that should be free from partisan bitterness, it is the examination of the organs and institutions of electoral choice. We should approach the machinery of elections in the very best possible atmosphere, and this important committee, above all others, should not start its deliberations under any shadow of inhibition or executive diktat.

In session after session, members from all parts of the House have advanced private member's bills on lowering the voting age. How much more appropriate and decent it would have been to adopt one of these bills. Instead, they were with painful consistency and dogged regularity talked out by government-supporting members.

In the last session a group of these bills were referred to the committee as part of its terms of reference. In this session, in light of these terms of reference, apparently even this courtesy has been denied. These bills rest at this moment, lonely and unattended, on the Order Paper as the committee is projected into its study of the subject matter with which they deal.

The motion before us does not reflect any nice regard for the place and responsibility of the committee and of the House. It does not even show consistency for the actualities of the situation. In the face of a declared statement of government policy, again I ask how meaningful can the committee's study of the voting age really be? One might have thought that the government would find some way to deal with this situation a little more honourably. It might have included this directive in these terms of reference. Or it might have excluded section 14 (a), which deals with the voting age, as it excluded sections 62 and 63. The government might have told the committee not to bother with this section since a decision had already been made from on high, that the committee could fiddle around with other items if they wished. But the government did not do that.

One question above all concerns me, and it is this. I wonder why, after years of lassitude on the matter, there should now be such a rush to support extension of the voting age to 18. Ministers were falling over themselves during the summer to disclose what was going to happen. Private members were indicating that they knew even more than the ministers; they knew this decision had already been made in that inner Sanhedrin of power, the Liberal caucus.

Session after session and year after year members on both sides of the House have made this suggestion and introduced bills to give effect to it. But no support was forthcoming from the government. Is there some

reason why that which was so casually disregarded the summer before became a hot issue this last summer? I have searched and researched, studied and inquired, but the only answer I got was from my study of the Canadian Institute of Public Opinion poll. Last Saturday's Montreal *Star* published a poll that had been conducted recently. The heading is "Disenchantment with Trudeau" and this question was asked: "Would you say that your opinion of the Prime Minister has gone up or gone down in the last six months?" Canadians seem to indicate that there is a downward movement, and the greatest decline is shown among the younger group.

Does it mean that because there is disillusionment among the youth with their one time hero, their "swinger of yesteryear", and with the Company of Young Canadians likely to go into the limbo of disregard and discard, compensation is offered in the form of this sudden interest in the extension of the vote to the 18 year olds? I cannot be sure. I do not attend the Liberal caucus and I do not know the inside story, but I think this question would bear reflecting upon.

Some of us have been very concerned with what has been happening to the committee structure of this Parliament, about which much talk was heard some months ago. We were told that this restructuring was going to make the House more efficient, more democratic, more relevant, more meaningful. But how much reality lies behind all these proclamations? The bugles have sounded, but how much advance has taken place? I fear very little.

We apparently have a government that believes that matter is inconsequential, provided the message is widely disseminated. Dissemination of messages is not sufficiently proficient at the moment they feel, though we hear it is going to become more highly organized at some time in the future. The illusion of activity is more valuable and easier of attainment than the reality of action. So, in this Parliament today we dwell on a mound of white papers buffeted by a hurricane of press releases.

Again, I say that this is one area from which the hands of the executive should be removed as much as possible. If there is one officer in the service of Canada who should be removed from the intrusion of the government, it is the Chief Electoral Officer, who is the servant of Parliament, not of the government. He is the man most involved in what will take place in this committee, at least as far as this type of reference is concerned. He is the man whose work is most vitally affected by the committee's deliberations.

There are many things that one might say about the performance of the committee last year, and I do not intend to involve myself in this except to make one point. I was very much concerned that the committee traversed the country at great expense to see the electoral officers of the provinces. I am not an economist, but it would strike me a more rational procedure to invite the electoral officers to Ottawa. When members of the New Democratic Party and my party attempted to halt the pilgrimage, we almost won out, but lost by a nose. Surely, the electoral officers would have come. I do not take the view however that the committee must necessarily be Ottawa-bound, but it should not leave Ottawa and traverse the country at great expense to the Canadian taxpayer unless these deliberations are open to representations from the Canadian public. We want no sashaying around the country for closed sessions with one or two officials.

• (4:30 p.m.)

Some hon. Members: Hear, hear.

Mr. Macquarrie: The electors, and not just those who operate the electoral machinery, should be heard. They are often the ones who have personal knowledge of the inadequacies because often they have been disfranchised as a result of flaws in the Act or may know of others who have been similarly denied. Possibly the public might be able to tell the bureaucrat something he did not already know.

We have, basically, a splendid election Act. Indeed, in many ways it is an exemplary one. We are fortunate, too, in the quality and competence of the men who have administered it. Jules Castonguay, Nelson Castonguay and J. M. Hamel have a deservedly high repute. I think anyone involved in any way would attest to the impartiality and efficiency with which the present Chief Electoral Officer and his predecessor discharged their important duties. Heaven knows, they are difficult duties.

As the President of the Privy Council (Mr. Macdonald) mentioned, there are places where improvements can be made. We won't go into them here of course, but there is surely ground for improvement in the efforts we make to extend ever wider the opportunities for Canadians to cast their ballots.

There was a very painful experience in 1965, during that hasty and unnecessary election, when thousands of students were disfranchised. Canadians abroad, not just public servants, but many Canadians in this mobile age are alike quite often voteless. The separation of the military from the civilian is an unfortunate situation. The problem of the Canadian abroad, civil servant, external affairs officer, private citizen and military servant, could all be covered by a system of absentee voting. I am very pleased there is special reference to this matter in our term of reference.

We should move forward to a scrutiny of our elections Act. I cannot too strongly urge the House to look carefully at, and think seriously about, what governmental arrogance is doing to committees, the creatures of this House and, indeed, to this House itself. I think the work of this committee, and the place and function of committees generally, are being vitiated and circumscribed by a government led by a man who told the House, when only a part of the cabinet instead of its head, "We are your masters". This is where the problem arises. It is just another illustration of the difficulties through which the representative institution is passing in this particular age.

Since this motion calls for a House decision, I ask hon. members to reflect, consider and weigh the implications of what can happen when Parliament, the essential instrument and institution of representative government, is down-graded and its committees diminished in their effectiveness and restricted in their usefulness. What has been done and predeclared by the government just to this particular committee?

What happens to the Standing Committee on Privileges and Elections may be visited upon another committee tomorrow. A vital, properly functioning committee system could strengthen Parliament and make it a more relevant, meaningful institution. Further weakening of the system will weaken Parliament. More tokenism will mean less freedom. At a time when this historic institution is assailed sufficiently from without, let none of us be a party to undermining it from within.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, it cannot be stated too often that a piece of legislation such as the Canada Elections Act is not the property of the government or any one party, but belongs to Parliament and the people as a whole. I, therefore, welcome the very strong statement that has just been made by the hon. member for Hillsborough (Mr. Macquarrie) in support of the proposition that this committee should continue the traditions of the past and approach its problem free of partisan conflict.

I would like to suggest, Mr. Speaker, as one step that might be taken to symbolize the acceptance of that proposition that, like the public accounts committee, this is a committee of which it might be appropriate to name an opposition member as the chairman. I have looked over the list and there are a number who could qualify among those of the opposition parties. I hope it will not be the kiss of death for him if I suggest that the preceding speaker, the hon. member for Hillsborough (Mr. Macquarrie), who has had experience in the past with such a committee, would make an excellent chairman of this committee.

Some hon. Members: Hear, hear.

Mr. Macdonald (Rosedale): Why not a non-partisan person?

Mr. Knowles (Winnipeg North Centre): I heard a remark suggesting that it should be a non-partisan person. I think the hon. member for Hillsborough has demonstrated that when there is at stake a matter of party principle he can fight like any of us, but when it is a matter above party he demonstrates that he can fill that role very ably.

Some hon. Members: Hear, hear.

Mr. Knowles (Winnipeg North Centre): I should also like to support the contention made by the member for Hillsborough that the rights of committees deserve all the respect that we can muster. This should apply in a particular way with respect to this committee on the Canada Elections Act.

It so happens that my colleagues and I support the proposition that the voting age should be lowered to 18. My former colleague, the present premier of Manitoba, introduced a bill to that effect several times. My colleague the member for Yorkton-Melville (Mr. Nystrom) has a bill to that effect on the order paper on the present time. I can think of other former colleagues who have done likewise. We have taken this position for a long time. It was my leader who brought in the voting age of 18 in provincial elections in the province of Saskatchewan. We are in support of it.

But I quite agree with the position taken by the previous speaker that it is hardly in keeping with the important role of committees for the government to announce it is recommending any course of this sort. It is hardly appropriate for the government to tell the country, as has been done, that the decision has already been made. I am glad to know the government has a position. I think it would have been more appropriate for that position either to have been brought out in a government bill amending the Canada Elections Act or to have been put forward by those who speak for the government on the committee.

• (4:40 p.m.)

It is also a fact that we very strongly support the idea of legislation to permit absentee voting. Again, I wish to thank the President of the Privy Council for the favourable response he made to a question of mine during the late show a week or so ago when I raised this matter particularly on behalf of disabled persons. I think that is a better way to do it. The matter has been raised in Parliament, suggestions have been made about it and the minister has said he favours the idea. But it has been left to the committee to decide whether or not there will be such a move. I hope there will be, and that it will provide not only for disabled persons on whose behalf I spoke some nights ago but also on behalf of other people who because of absenteeism in other parts of Canada or outside Canada are unable at the present time to cast their votes in federal elections.

As I say, on these two matters which apparently will come before the committee we feel very strongly. We support the proposed motion in both cases but we think it is terribly important that the operations of the committee not be interfered with by means of directives from on high. As the hon. member has said, how Parliament operates in respect of its freedom from control by the executive is very important. We feel there are a number of instances in which this has not been recognized by the present government.

The third thing I wish to say has to do with the timing of this whole matter. I do not blame my friend from Hillsborough for having something to say about how slow the government has been acting up until this point. This is in contrast with its desire now suddenly to move fast. This happens so often. The government drags its feet and then a point comes when it wants something done and we are expected to speed up. In this particular case it is seven, eight or nine months since the President of the Privy Council made a statement to the House on the whole question of amending the Canada Elections Act.

The President of the Privy Council set out a time-table and pointed out that unless we move fast we will find ourselves up against the next election without being ready for it in terms of these legislative changes. Yet, although that plea was made many months ago, precious little has been done up until this point. I think it is in order to criticize the government for this delay. I do not think, however, this gives us the right to add to the delay. I believe we should do all we can to have this motion approved, to have it referred to the committee, and to assist the committee in getting this job done. Indeed, it must report back to parliament as soon as possible so that we can get on with one other matter in particular, to which I shall refer in a moment.

I realize that when one sets out to amend the Canada Elections Act one becomes involved in much detail. If one wants to spend time on the details, then time ad infinitum can be expended. I think it can also be said that in the main the routine technical improvements which need to be made have been drafted by previous committees and by the Chief Electoral Officer. I believe that with some sense of urgency this can be handled rather quickly. So far, there would seem to be only the two issues of policy facing us now, namely the voting age and the absentee ballot. There should be plenty of time to dispose of these issues and cope with them in a satisfactory way. For example, with regard to absentee voting there is the question of whether it is to be done by an absentee ballot, a vote by proxy, or what have you.

I believe that if the members of the committee are seized of the importance of getting this job done with reasonable expedition, and if they have the excellent guidance of the chairman I have nominated, there is no reason this job could not be done before the House rises for the Christmas recess. I urge as strongly as I can that a timetable of this kind be adopted. I do so because I think this question of what we do about election expenses is more important than any of the things we have talked about thus far today with regard to the elections Act. It is important how old people are when they vote. The details of how they mark their ballots and who places the ballot in the box are also important. All

these things are important. But one of the dangers which faces democracy particularly in this age of modern methods of advertising and the huge sums of money spent on advertising is that men's minds can be bought. In a very real and subtle way, elections can be bought and unelss we do something about election expenses real damage can be done to democracy as we know it in this country.

It is now several years since the the government of Mr. Pearson set up a committee on election expenses which made a very important and voluminous report. This report went into this whole question, dealt with the issues at stake and made some clear and precise recommendations. Year after year, Mr. Pearson promised us that once this report had been made it would be referred and that something would be done. Time went by and nothing was done. When the President of the Privy Council raised this issue during the last session, I suggested that he divide it into the two questions of general routine matters on the one hand and election expenses on the other. He graciously accepted that suggestion and has confirmed today that the proposal is that the terms of reference now before us are such that all the other matters would be dealt with by this committee and that a special committee would be set up to deal with the question of election expenses. I still support that proposal. But, unless we get the first job done, unless we get the routine things out of the way, Parliament will not get at the other job and there is a real danger it might not be completed in time for the next election.

This is the reason I urge that the committee deal with these present problems with expedition and that it get these matters out of the way so that it can get at this question of election expenses. I address this challenge, if you like, not just to the members of the committee but to the government itself. I listened very carefully to the words of the President of the Privy Council. I was not quite sure what he meant. If he wishes to interrupt and correct me he is free to do so. I see he is wide awake now. He talked about legislation by the end of the session. I take it he meant by next June. I had the impression he was referring only to legislation that would be based on this present motion. I think the government should state whether its goal is to have legislation in respect of the elections Act generally and legislation with regard to election expenses both passed through parliament by the end of this session, let us say by the summer of 1970.

[Mr. Knowles (Winnipeg North Centre).]

If we are to go into the next election, whether in 1972 or 1973, with a new approach to the question of election expenses, we must know about this not just the day before dissolution but months, perhaps a year or two, in advance. This involves the whole question of how much people are to be permitted to contribute to various parties, the whole question of disclosure, income tax deductibility, the whole question of how much out of public funds should be spent in terms of broadcasting, printing and mailing and so on, so that there may be equality among the parties.

• (4:50 p.m.)

If we are going to go in for that kind of a régime—and I think we have to if we are going to keep democracy democratic—then it is no use coming out with that kind of legislation just a month or two before the dissolution of the present parliament. The goal for a complete package of both routine matters and legislation on elections expenses should be no later than next summer. Therefore, I call upon the committee to get these routine jobs done as expeditiously as they can. I call upon the government to bring in the other motion to deal with election expenses not later than on our return after the Christmas recess, and that it set a goal for that as well, so that the total job can be done.

As people who are involved in elections, we are all very conscious of all the various details. We are particularly conscious of the people who lose their vote on election day because the lists were not made up properly, because they were ill, away, or for a dozen other reasons. Our machinery should be amended to take care of all these grievances. But over and above all of that is the big question of controlling elections expenses in such a way that elections cannot be bought. Our elections should be run in such a manner that they really reflect the democratic views of a democratic society.

Therefore, we are happy to support this motion to give the committee this important job, but we call for the other important job to be done also with the greatest possible expedition.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, I fully agree with the remarks of the previous speaker. Naturally, we cannot but approve the government's decision to review the Canada Election Act. We all know that there

are inadequacies in that act, so serious that they affect the very principle of democracy.

I pointed out in the last session, that the provisions on the military vote were more or less sound especially as the results are made known only a week after election day. To my mind, this leads to fairly serious consequences at times, since some riding change allegiance precisely because of that. Surely, that is something that must be taken care of.

There are, obviously, a whole series of solutions which the committee will study. We hope that the recommendations which are made will fill in the gaps and improve the Canada Election Act.

With regard to lowering the voting age to 18 years, we are not opposed to it in principle; still, every aspect of this new ruling should be studied.

Some way should also be found to enable every Canadian to cast his vote at election time. Perhaps the possibility of making voting compulsory, in some way or other, could be considered.

The most important aspect of all this, however, is the one on which the previous speaker dwelt, namely, the two provisions that are excluded, according to the resolution now under study.

Even if the Canada Election Act were to be a masterpiece of perfection in all its other sections, the fact remains that we will destroy their value if we do not improve the wording of sections 62 and 63, because we know full well that through election funds we can unfortunately act against democracy. It is unfair that the election of representatives of the people should depend exclusively on publicity—and to speak of publicity is to speak of expenditures—not only for the candidate who can suffer from a lack of publicity, because of a shortage of funds, but especially for the people whose judgment can be misled at election time by slanted publicity.

There is no need to give too many examples on this subject. We all know that it is very easy to get round section 62 and 63. One only has to examine the report on election expenses which has to be submitted by all candidates, to realize that this is a monumental farce. Several thousands of dollars are sometimes spent in some ridings, while only a few are declared.

If, as I said before, harm is being done to democracy, it is certainly when elections are won with election funds and misleading publicity.

This is easy to explain since with advertising we buy products for which we have absolutely no need. It happened again in 1968. Through advertising, a product was forced upon us. This is psychological: under the pressure of advertising, people finally give in.

And we end up with the following results: too often, the leaders are not necessarily those the people would like to have.

Therefore, the process of democracy is distorted by the action of election funds and election expenses. We should delay no longer in finding solutions to this problem, otherwise we will keep on making a laughing-stock of ourselves. As far as I am concerned, I have figured out certain very obvious expenses and if I compare them with those which have been declared, I cannot help laughing. Should we keep on showing the people that this is a mere sham? Let us be sensible, let us think about it carefully and take it upon ourselves to change such situations which I would term as odious.

Personally I would not want to have to admit that I have been elected thanks to an election fund. In fact, I can honestly say in this House that the amount of $1,344.50 which I have declared in my report on election expenses, is quite accurate. I have not spent an extra cent in the Champlain riding and I challenge anyone to prove the contrary. Thus, people who honestly try to make their opinions known to the people, in accordance to their means, have to struggle against an infernal machine driven by almighty financial interests.

• (5:00 p.m.)

There is a problem much more serious than to know if we must have the young vote at 18, 19, 20 or 21. Indeed, we must find means to discover what representatives the people want and this, without undue pressures, without any false publicity, without anything but sheer honesty.

On this subject, the Ralliement créditiste has always showed, for a few years, that it was possible to wage an election without money or with a minimum of money.

It would thus be advisable to start immediately to study the advisability of limiting election expenses and to think immediately of determining the means of giving everybody an equal opportunity to express his opinion and this, in an adult and equitable way.

It is possible to achieve this result. For instance, we are all required to contribute to the financing of the C.B.C. Why should we not use the services of this corporation when it is a question of an election or simply of politics so as to avoid useless expenses?

I would be very glad, for instance, if the C.B.C. put every week a free period at the disposal of all the parties, in an equitable way, in relation to the four parties represented in the House of Commons. During a quarter of an hour a week, for instance, the political parties could express their opinion on what is happening in the House of Commons, on the bills, etc., in order to inform the public and to keep in touch with it in a certain way. It could be done without any expenses involved, on either side.

The C.B.C. which is so often criticized should devote one hour every week to each and every political party. During an election campaign, extra broadcasting time could be allotted to all, thus doing away with those times when he who had the money won the day. Can you dream of anything more ridiculous? Should we not rely on the ability and honesty of the individual, when we are about to elect a member of parliament, rather than entrusting it to the electoral fund?

In my opinion, the real problem of the Elections Act lies with sections 62 and 63 for, even if we do change all the others, the problem shall not be solved for that matter.

It could happen, Mr. Speaker, that both go together. I do not quarrel with that. We know that citizens in some areas of this country are able to recognize the merits of certain political opinions, whenever they are given the opportunity to be told about them. If the various political parties had a better opportunity to express their political ideas, in a fair way, the government would be a little more balanced.

[*English*]

Mr. Lloyd Francis (Ottawa West): Mr. Speaker, six years ago, when I was first elected to this place, I served on a committee which was charged with the responsibility of reviewing the elections Act. That committee reported and made a number of recommendations. Unfortunately, because of the way in which the business of the House was conducted at that time and with the log jam on the Order Paper, the difficulties with the procedures were such that its report could not get priority translation into legislation.

I am sure the hon. member for Hillsborough (Mr. Macquarrie), to whom I listened with some interest some time ago, would be the first to admit that today we have a reasonable prospect of this legislation being enacted in the near future, thanks to the improvement in House procedures and rules, thanks to the new life which has been given to committees, and thanks to the active work of the committee in the last session of this Parliament under the distinguished chairmanship of the hon. member for Montmorency (Mr. Laflamme).

I had the privilege during the month of September and early October of serving with the committee when its members made a trip to speak to some of the electoral officers and to do some first-hand investigation of the problems, dealing particularly with the matter of lowering the voting age and of absentee ballots. I am sure that the hon. member for Hillsborough, who seems to feel such a trip was not productive, would at the very least concede we had most informative sessions with the electoral officer in the province of Quebec and, with his assistance, assessed the documents and information given to us. There was a full and frank exchange in a closed session that would have been almost impossible if the hearings had taken place in Ottawa, as some hon. members seem to think should have been the case. I am sure the hon. member for Hillsborough will agree with me that members of the committee were most conscientious in attending, with one or two exceptions. Certainly, the information and experience gained will be most valuable to the committee in bringing forward its recommendations.

• (5.10 p.m.)

There is one small point, Mr. Speaker, however, which I do not believe has received attention to any degree and which I would ask the committee to consider. During an election a candidate has the right to name an agent who may go into every polling booth to act as a scrutineer. This is provided for very conscientiously in the Act which spells out the form of the oath, the candidate's admission record to be given to every such agent, and so on. However, I have had the experience, having requested that such agent be placed in the returning officer's premises on election day—the most important single place in that riding on that day—of being told by Mr. Castonguay that the Election Act did not provide for the agent of a candidate to be

present in the office of the returning officer, although an agent could be present in the office of each deputy returning officer in the constituency. I hope the committee will recommend some modification to the Act to rectify this omission. There can be no possible objection to it.

When I was with the committee I asked the returning officers of Nova Scotia, New Brunswick and Quebec whether they could see any reason why a candidate should not have the privilege of having an agent in their offices as well as those of the deputy returning officers. They assured me they could see no objection to this. I hope that when the report of this committee comes to the House such a provision will be recommended.

I know there is a great deal of anxiety and concern felt by all members of the House that this matter should receive prompt attention. As hon. members on the other side have indicated, a substantial period of time has passed since this act was amended. It is hoped that those sections of the Act referred to in the resolution will be dealt with now, and the sections dealing with electoral expenses will be dealt with later. I hope, Mr. Speaker, that as indicated by the hon. member for Winnipeg North Centre (Mr. Knowles) this matter will be referred to the committee for immediate attention.

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I just want to say two or three words to associate myself with the remarks of the hon. member for Hillsborough (Mr. Macquarrie) who, in a most outstanding manner, has placed before the House the objections of most members to a principle which is much broader than the mere reference of the Canada Elections Act to the committee. The impression I received from his remarks was that there is danger of the committee system becoming nothing better than a joke. We hear a great deal about the downgrading of Parliament and the downgrading of the committee system. I have heard members of the various parties indicate that this is not too serious a matter. But I say right here and now, and I think this is a fairly non-partisan point, that out of the total of 264 members, at the moment there are only 25 members present. Indeed, at one point this afternoon there were only 16. This at a time when we are considering one of the most fundamental rights of the people, the right to vote. Surely, this is an example of the way Parliament has been downgraded.

There is absolutely no enthusiasm in this House, Mr. Speaker. If someone were to stand up and state that we were about to spend a billion dollars to encourage the development of the English language in St. Pierre, no one would get excited about it. The legislation would go through in a couple of hours and that would be the end of it. There is a complete lack of enthusiasm for the committee system. I get fed up to the gills with hearing about this committee system day after day. We just do not have one, Mr. Speaker. Last year I sat for weeks and weeks on the fisheries committee discussing the seal fishery. We interviewed many eminent people in the field of animal culture, the humane societies and people from all across Canada. We made a unanimous report to the House of Commons but the House, just weeks later, acted without any reference at all to that report. For goodness sake, Mr. Speaker, let us tell the people of Canada that the committee system is a farce.

When I came here last year I had already heard of participatory democracy and how there were going to be great changes in the rules. The hon. member for Rosedale (Mr. Macdonald), is it—rosebud or rose something—told us, especially the backbenchers, "Don't worry, we are going to bring in rule changes to give you a much more important function in the House; you will no longer be frustrated because under the committee system you will have a chance to voice your opinions and give direction to the legislative process." That was what we heard and what we told the Canadian people.

Today we are being asked, as the representative body of the Canadian nation, to refer the Canada Elections Act to the Committee on Privileges and Elections. Mr. Speaker, that is false. The government has stated in the Speech from the Throne that the time has come to extend the franchise in federal elections and that it will, therefore, recommend to the Standing Committee on Privileges and Elections of the House of Commons that the voting age be lowered to 18. But, Mr. Speaker, note that the government did not say it would make this recommendation to Parliament. Now, I do not come from the most democratic part of Canada, but in my province the Speech from the Throne refers matters to the legislature, the body elected to represent the people. We know that, according to the Speech from the Throne, the government intends to recommend to the Standing Committee on Privileges and Elections that the voting age be lowered to 18.

• (5:20 p.m.)

The government did not tell the House that there would be revisions to the Canada Elections Act, nor that the voting age would be lowered. We did not even know that the government intended to refer the matter of changing the elections act to the committee or that the committee was to deal with the reduction of the voting age. All we heard was that the reduction of the voting age to 18 was to be studied. How much more discreet can the government be, Mr. Speaker? In those circumstances, how is it possible for the Committee on Privileges and Elections to study the Canada Elections Act and report to Parliament? I submit that the principle under which this committee is to work is a farce. The committee cannot function effectively. Can anyone imagine the hon. member for Notre-Dame-de-Grâce (Mr. Allmand), if he were on the committee, saying, "No, no; I do not think we will go along with the government's recommendation. The voting age should be 19 years." Can you imagine the hon. member for Burnaby-Seymour (Mr. Perrault) saying, "I disagree. The voting age should be 20 years."

All this is a farce, because a decision has already been made and someone obviously is trying to play the role of God around here. No doubt if the Prime Minister were here he would blush. Perhaps his parliamentary assistant is blushing a little.

Since other hon. members wish to speak in this debate, I will limit my remarks. I say, Mr. Speaker, that our House of Commons committees, as they are now, are not useful instruments. Take, for example, the Standing Committee on External Affairs and National Defence, or on Fisheries and Forestry, or on Transport and Communications. On many occasions we have seen how those committees have failed to function as useful instruments. Approximately $25,000 or $30,000 was spent on ferrying members of the transport committee to and fro across Canada. They talked about transportation, but when they came back they found that some of the matters they had been talking about were *fait accompli*. What kind of nonsense was that?

It is our duty to tell the Canadian people that the parliamentary committee system really is a farce. I remember attending a committee meeting one day at which we spent five hours deciding the wording of a resolution. Finally, being thoroughly fed up, I said, "Gentlemen this is nonsense; you are wasting time." They thought me a pretty awful fellow because I left. We finally discovered that the question had already been decided in a manner completely opposite to the unanimous recommendation of the committee. Many of those committee members are not here but I can tell you, Mr. Speaker, that some of the members came to me and said, "We have made a mistake. We recommended something to the government but the government refused to go along with us. We are upset and, at the first chance we have, we will place our views on record." As far as I am concerned, and I speak as a representative of the people of Canada, we have a responsibility to tell our people that our committee system has failed.

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I will be brief. I wish to bring out three or four points. One of those has been touched on by the hon. member for Hillsborough (Mr. Macquarrie).

May I begin by saying that if there is one matter that is the business of everybody in Canada, that is the matter of how we conduct elections. It is the responsibility of parliament to see that our people have the maximum opportunities for casting ballots in an election.

Parliament only revises our election machinery in a major way once in every ten or twelve years. No one here will disagree, I think, that this is a big job and that when we undertake it, the members of the committee and of the House of Commons, should pay the maximum attention to it. This question ought to be dealt with in a non-partisan way. If there is one matter that needs to be dealt with in a non-partisan way by any committee, it is the matter of election reform.

The hon. member for Hillsborough spoke about lowering the voting age to 18 years, and I wish to say something about that. On October 3, 1969, I addressed a letter to the Chairman of the Standing Committee on Privileges and Elections and sent copies of it to all committee members, to the Prime Minister, to the Minister without Portfolio in charge of housing (Mr. Andras) and to the hon. member for Kenora-Rainy River (Mr. Reid). In the letter I pointed out that there are numerous private bills dealing with the matter of lowering the voting age to 18 years and that parliament has referred a number of matters to the standing committee. I said that in light of remarks made by the Prime Minister and the Minister without Portfolio, it was passing strange that those remarks should be

followed by this statement which was made by the hon. member for Kenora-Rainy River. I quote:

> It's a good thing he made that announcement. It's already been decided.

I then said in my letter that if the matter has already been decided, why should we waste the taxpayers' money and the time of committee members in dealing with it. I do not for one moment question the prerogative of the government to make decisions on any matter. Having once made its decision, it seems to me, the proper way for the government to act would be to remove that part already decided upon from the terms of reference of the committee. The committee should not be asked to deal with the matter.

In that context, sir, I agree that the committee was badly treated. The chairman of the committee, the hon. member for Montmorency (Mr. Laflamme), properly brought my letter to the attention of the committee when we were meeting under terms of reference which had been established during the previous session. We were assured that the statement of the hon. member for Kenora-Rainy River was not in accordance with the facts, and that the matter had not been decided. Actually, there were assurances that the hon. member for Kenora-Rainy River did not know what he was talking about. Then, within a matter of days, we were able to read the Speech from the Throne. Included in it was the subject matter we are now discussing. I submit that fact indicates some members of the committee did not know what they were talking about, either. That is all water under the bridge, now, Mr. Speaker. But it is not too late for us to make sure that this committee functions in the manner our committees ought to function. In reviewing something as vital as electoral reform, it is not too late for this committee to act in a non-partisan fashion.

I note that in the motion moved by the President of the Privy Council (Mr. Macdonald) nothing was said about the committee members travelling from place to place. I agree that if the committee's travelling will mean unnecessary expense, then it should not travel. My colleague, the hon. member for Skeena (Mr. Howard), made a good point when referring to a committee's trip to the Maritimes. There was terrible waste and little point in half-filling an expensive aircraft with 24 members and then flying them about the country so that in four days they could meet three people. Let me not be misunderstood on this point. I agree with the hon. member for Ottawa West (Mr. Francis), that the meetings with the chief electoral officers of those three provinces were valuable. I agree that those meetings had to be held in camera. While travelling about the country, I think the committee should also have heard briefs and submissions from members of the public on the subject of electoral reform, because that subject is the business of everyone.

Committee members are as anxious as any to avoid unnecessary jaunts which waste time and money. Nevertheless, there are sometimes good reasons for having the committee move from place to place. For example, there is the whole matter of the proxy voting system about which I know little. It has been said that the committee would be wise to meet with the committee of the Ontario government which has considered this whole matter at great length. It seems to me it would be valuable to obtain the views of that committee; it would save some time, at least. Similarly, I know of at least two organizations which have made surveys and which are now preparing briefs many hundreds of miles from here—one of them is in fact 2,000 miles from here—in the hope that they can appear before the committee and present their views. I suppose they could come to Ottawa, but again I suggest that this is the business of the people of Canada, even before it is the business of this House or of the committee. If arrangements can be made for submissions and presentations to be heard not only from electoral officers but from individuals and public groups, it seems to me the expense would be worth while. If, on the other hand, the only people we are to hear from are electoral officers I do not think it would be necessary for the entire committee to travel. It would be better to bring those persons to Ottawa.

• (5.30 p.m.)

If the leader of the House is not prepared to make changes in the terms of reference I hope the committee itself will request additional room in its terms of reference.

Mr. Francis: May I ask the hon. member a question? He said he did not think a trip to the Atlantic provinces would be making the best use of public funds. Does he feel that interviewing a committee in Ottawa on the results of its trip to Australia might be of help to our committee?

Mr. Benjamin: I said that. I said this was one instance where there would be ample justification. I doubt very much that the entire committee of the Ontario Legislature would be willing to come to Ottawa. But I do not see any justification for taking the entire committee from Ottawa into those three provinces to hear three people, though I am not questioning for a moment the value of hearing those three people.

On the question of electoral expenses, I think hon. members will agree that we have often found it difficult to keep this subject apart from our considerations of the elections Act generally. The chairman has been very lenient—

Mr. Francis: I am afraid I did not put my question well. The Ontario committee made a trip to Australia which is a substantially greater burden on the public purse than anything contemplated by this committee.

Mr. Benjamin: I never mentioned anything about Australia, Mr. Speaker. I did mention that proxy voting was a subject we might have to consider, and that this subject has already been studied in depth by another legislative body whose findings we could quickly obtain without putting the federal House to additional expense. This is an area in which a short trip to Toronto lasting a day, or two days at the most, would be justifiable.

As I was saying, the subject of election expenses kept creeping into our discussions while we were dealing with other sections of the act. It is difficult to keep the subject out of our discussion of other provisions in the legislation. This is a hazard which the poor chairman of the committee will have to live with—some aspects of this topic are bound to be discussed because of their direct relationship with other sections of the act.

I mention this as a reminder to the President of the Privy Council that it will not be easy to get through this work quickly before we deal in any manner with election expenses. I would point out that the report of the Election Expenses Commission, which has been gathering dust now for three years, will take a great deal of examination. It runs into two volumes. More than two years ago the political science department of the University of Saskatchewan held a two-day seminar to which it invited representatives of political parties, of the radio, television and newspaper media. One member of the commission was present, together with a number of the commission's staff. Mr. Speaker, we found loopholes in that report that one could drive a tank through. I am not criticizing the commission; it was impossible for them to take account of every variation involving election expenses. This work will take time. I submit it is necessary to set up a special committee now, so that we can get moving.

A while ago I used the word "bi-partisan". At this point I want to say we have a good chairman on our committee—in addition, he is a nice fellow and he is very patient. Our committee is moving in a good direction when it comes to bi-partisan activity in the field of electoral reform. When we held our first meeting, purely for organization purposes, a member of the Official Opposition, the hon. member for Edmonton Centre (Mr. Paproski) was elected vice-chairman. I want to compliment the hon. member for Sudbury (Mr. Jerome). I feel he was quite sincere when he moved that the election of the hon. member for Edmonton-Centre be made unanimous. He did not say this because he knew he could not win election; I believe he said it because he was sincerely anxious to have the best possible work done by the committee in as bi-partisan a manner as possible. In saying this, I in no way denigrate the hon. member for Hillsborough (Mr. Macquarrie) or disagree with the hon. member for Winnipeg North Centre (Mr. Knowles); I would be the last person in this House or anywhere else to question for one moment the capability of the hon. member for Hillsborough to be chairman. I just want to tell the House that the committee now has a vice-chairman at least from the Official Opposition.

I suggest that the President of the Privy Council ought to amend this motion by deleting from the committee's terms of reference the clause pertaining to the lowering of the voting age, since the government's intention has been made clear already in the Speech from the Throne. The matter has already been decided. For all the committee knows, the necessary legislation has already been drafted and is ready to be brought to the House for first reading and subsequent reference to the standing committee. In these circumstances, it is pointless for the committee to continue to deal with the subject of the lowering of the voting age. The intention of the government is perfectly clear, and I hope it is unchangeable. It has decided to bring in legislation lowering the voting age and in these circumstances this reference, too, in addition to those concerning sections 62 and

63 of the act, could be deleted from the terms of reference.

Further, it is incumbent on the President of the Privy Council to tell the House now whether there are any other matters affecting electoral reform on which the government has already made up its mind—as it has a right to do; after all, it is the government. Let us not go through all this again. If there are matters upon which the government has already reached a decision, the minister should inform us now and delete those subjects from the committee's terms of reference. Even better, he should bring in a bill dealing with those matters which have already been decided, and the committee could consider it while it is considering the other sections of the Act. The President of the Privy Council owes this to the House, if for no other reason than as a gesture of sincerity and intent. Let us not bypass the terms of reference of a standing committee. No matter how minor the decision, let the government disclose it, instead of allowing the committee to spend fruitless hours debating the subject.

• (5:40 p.m.)

I have said all I want to say for the moment on this matter. I hope the motion will pass and that the government will recognize the points made this afternoon by members on this side of the House. While there may be difficulties of a partisan nature with other committees, this is surely one committee where there should not be such difficulties. The government should feel free to be completely open and honest with the opposition. If they are, the committee will accept its proposals on those terms and will be able properly to deal with matters put before them.

Hon. Marcel Lambert (Edmonton West): Like so many others, Mr. Speaker, I want to underline what the hon. member for Hillsborough (Mr. Macquarrie) said in rather moderate terms, namely that this is a tough act to follow. I had hoped there would not be quite so wide-sweeping observations about the actions of various committees because, if one looks at the committee system as a whole, some committees are working very well. I have had a fair amount of experience with committees over the years, and while some can stand a great deal of improvement, others are operating smoothly. I, too, have some very grave reservations about some of the decisions that have been taken by committees, decisions that were more or less unilateral, taken without consulting Mr. Speaker, whose budget is thereby affected.

For those who feel that committees should remain chairbound in Ottawa, let me say there are far too many regions of this country that are a big blank map to the majority of members. Very shortly we will be considering a bill dealing with national parks. I remember a committee visiting some of our national parks, and it was just as well it did because two thirds of the members had never been in a mountain national park in their lives. Yet they were being asked to declare their views on government policy on national parks.

This also brings to mind a newspaper article I saw the other day written by a political scientist from the University of Toronto, who thought that committees were benefiting far more from actions of government members on the committees. On the broadcasting committee two years ago, 26 out of 29 amendments accepted by the committee were moved by government members. What happened was that amendments were typed out on slips of paper and handed to government members to put forward, and this is how they were accepted. This sort of thing happens all too often. Someone whose knowledge of this institution is in inverse proportion to his distance from the institution comes here to present general statements and observations, and this sort of thing does more harm than good.

In regard to the terms of reference of this committee, I, too, would have preferred to see the government move in a much more acceptable way than referring to this matter in the way it did in the Speech from the Throne. I should have liked to see the government accept certain recommendations made by the House. After all, the cabinet is responsible to the House. This House does not exist as a mere rubber stamp for the executive. If you try to get that point across, frankly you are looked at with wide open eyes by certain members of the cabinet.

I think other matters should have been included in the terms of reference. I would have thought the whole question of elections should have been examined, outside of the question of election expenses which are not relevant to this discussion at all. We might also have had the Electoral Boundaries Readjustment Act referred to the Committee for examination. I say that because this legislation has received but one test in practice. Immediately the electoral boundaries commissions made their reports, we saw how impractical was the method adopted. It left members

of this House completely defenceless in the face of independent commissions that all too often demonstrated no rhyme or reason for the decisions that were made. The burden seemed to be on us to prove that the commissions were wrong.

I have on the Order Paper a public bill which I trust will be debated later this session dealing with the Electoral Boundaries Readjustment Act. However, this is but one point in the Act that needs attention; there are others. It seems to me that the whole election machinery should be judged as a package, and this can only be done if the legislation is referred to committee. If it is impossible to do this now, then I trust the government will decide that this is the next item to be referred to the committee.

In the committee's examination of the Act I hope attention will be paid to one very difficult problem, and this concerns the broadcasting of election results on the Atlantic coast before the polls on the prairies and the Pacific coast have closed. As long as we had only radio and the CTV and CBC television systems to contend with, there was no worry because they were able to impose a news blackout. I think it is quite right that they should.

The system that prevails in the country to the south of us, is, I think, absolutely ludicrous. For example, people in California know hours before their polls close what the early trends are in the Atlantic states. In this day and age people tend to vote during the remaining three hours of election day, especially in urban centres. All they need to see how things are progressing elsewhere is to turn on the television set. This is particularly the case in summer elections. A great number of people who are trend followers are going to change their minds; that is a foregone conclusion.

One way to circumvent this dissemination of election information is to impose a similar ban on cable networks. We cannot, of course, control news services of the United States. If election results from the Atlantic provinces are broadcast by U.S. networks, are flashed to Montana or Washington and picked up by Canadian television viewers, then the whole exercise is for nought. But I do suggest that in Canada we should impose not only a news blackout by the two main broadcasting systems during polling hours, but also by cable television networks. Every effort should be made to block the news getting south to the United States networks so that they can flash it across the northern part of the United States for easy reception by Canadian television viewers whose sets can capture the United States signals.

[Mr. Lambert (Edmonton West).]

• (5:50 p.m.)

I hope, Mr. Speaker, that this resolution will pass and that in due course the committee will come up with a number of changes, including those in connection with hospital voting and service voting, particularly those overseas. Consideration should also be given to individuals travelling overseas and members of the public service who, by reason of their duties, have been posted abroad. These people should also have the right to vote. I know it would not be easy to have such a system, but surely with a little bit of ingenuity something could be done to enable these people to record their vote without being identified as a particular group.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, in a very few moments I wish to make some of the points that I believe should be of concern to the committee. There should be the widest possible franchise for the electorate.

The hon. member who preceded me mentioned the fact that our foreign service people should have an opportunity to have their say in domestic affairs, an opportunity they now do not have. Yet, it was borne in upon me, by reason of a trip just completed to India and Ceylon, that in high commission offices the military attaché has the preferred privilege of a vote in a federal election while third secretaries do not. It seems that any sensible committee of this House of Commons should be able to straighten that problem out in no time at all.

I wish to point out the poll system is not always suitable for those who are ill or not able to attend easily at a poll. There are paraplegics who find it difficult to attend most polls and impossible to attend others. There should be two approaches to this problem. First, I suggest a system similar to what we have in Nova Scotia, a transferable vote. I think the committee would do well to look at the Nova Scotia practice in that regard. It is much better than the federal practice. Second, a conveniently located special poll should be set up in each constituency for people who attend by car or ambulance. They should be able to cast their vote outside instead of being put through the torture of being carted up a narrow staircase and put into very narrow quarters to cast their vote.

On an earlier occasion when we were discussing electoral reform, I mentioned the situation which occurred in one of my early election campaigns. A lady who certainly disagreed with my points of view did everything she could to defeat me. She went to the polls in an ambulance and was carried in on a stretcher. The poor soul did vote and that was actually the last act she performed on earth. She died on the way out of the polling booth. I have never forgotten that. I do not see why the process of voting cannot be made more civilized for those who have a disability.

Finally, with regard to lowering the voting age to 18, I cheerfully, willingly and gladly support it. I suspect if anyone could be disfranchised, it is those in older age brackets. After all, our children in Nova Scotia are now going to school with history books containing the actual words of the astronauts during the first moon landing earlier this year. History books are pretty well up to date. They are bright youngsters, very bright youngsters. I have seen a model Parliament in the Queen Elizabeth High School, which is a few blocks away from my house in Halifax. I have attended these sessions at least once every year. I have been thoroughly impressed with the calibre of debate. These teenagers want to consider the problems which concern them, such as drugs and the like. They put forward sensible resolutions and make their decision in the best way possible.

With these thoughts, I endorse the resolution before us.

Mr. Macquarrie: On a point of privilege, Mr. Speaker. With reference to the flattering offer by the hon. member for Winnipeg North Centre (Mr. Knowles) I wish to assure the house in the immortal words of Calvin Coolidge, "I do not choose to run".

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

Some hon. Members: Agreed.

Motion agreed to.

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

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

HOUSE OF COMMONS

Thursday, November 20, 1969

The House met at 2 p.m.

ROUTINE PROCEEDINGS

TRANSPORT AND COMMUNICATIONS

AIRPORT GROUND TRANSPORTATION—
REFERENCE TO STANDING COMMITTEE

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, let me try a motion again in respect of airport ground transportation. If the House gives unanimous consent I should like to recommend the following order:

That the Standing Committee on Transport and Communications be directed to examine the subject matter of ground transportation at airports in Canada,

And that during its consideration of the aforementioned matter the committee be empowered to meet in Toronto and Montreal.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, in view of the changes that have been made the motion is more acceptable to us. One hon. member of this party wishes to make a comment. I recognize that this is out of order but—

Mr. Speaker: Order, please. I do not think comments should be made or that a debate should take place until there is either unanimous consent or some other disposition.

Mr. McGrath: Mr. Speaker, I rise on a point of order. We do not want to withhold unanimous consent to this motion because we realize it is important. At the same time, I want to point out to Your Honour and the House that the committee has already been given a reference but has not yet had the opportunity of considering it. This reference was put forward by the Acting House Leader on November 3.

Mr. Speaker: Order, please. I suggest to hon. members that this is a matter of debate which might be considered when the motion is put to the House. There is a very simple matter to be considered now, whether or not there is unanimous consent. If there is no unanimous consent, the motion will not be put. If there is, I will put the motion and then the hon. member for St. John's East and all other members of the House, if they wish, can take part in the debate and present arguments such as those the hon. member is now trying to make by way of a point of order, which is entirely irregular. Is there unanimous consent.

Some hon. Members: Agreed.

Mr. Macdonald (Rosedale): Mr. Speaker, I move:

That the Standing Committee on Transport and Communications be directed to examine the subject matter of ground transportation at airports in Canada,

And that during its consideration of the aforementioned matter the committee be empowered to meet in Toronto and Montreal.

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

Mr. James A. McGrath (St. John's East): Mr. Speaker, I merely wanted to ask, at the time the Government House Leader was seeking unanimous consent, for an assurance before I gave consent. I wanted him to agree that the committee would in fact take under consideration the reference it now has as set out in *Hansard* for November 3 at page 398.

This reference has to do with a study by the committee of the subject matters referred to it at the last session in relation to the Great Slave Lake Railway line and transportation problems in the Atlantic provinces. It also is to consider the evidence presented to the committee last session. Let me point out to the House that the committee has not yet considered this reference. I should like to extract from the Government House Leader an assurance that before the committee considers the new reference it will give priority to the reference now before it as set out on page 398 of *Hansard*.

Mr. Macdonald (Rosedale): Mr. Speaker, I should not like to follow the hon. member's suggestion that I should give instructions to any committee. I am sure his remarks have reached the ears of the members of the subcommittee on procedure and organization of

that committee and that they will make a decision in this regard.

• (2:10 p.m.)

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I should like to comment on this motion. I agree completely with the hon. member for St. John's East in respect of his reservations about giving unanimous consent. We have now given unanimous consent that this subject matter be referred to the Standing Committee on Transport and Communications.

In the past month this committee has had ample opportunity to sit. It has not sat to consider the matters that were put before it and has not brought down a report on its trip to Labrador and northern Quebec. Since that trip there has been an airplane crash at Labrador City which could well indicate that there is a great need for the Department of Transport to provide better services at that airport. During last year's sittings of the committee evidence was heard with regard to the Great Slave Lake Railway claims. I think these two matters particularly should be dealt with first.

I do not in any way wish to suggest that the complaints of many citizens of Montreal against the Murray Hill taxi operation from Dorval airport to downtown Montreal should be set aside for any length of time. I do suggest, however, that there are other important matters before the committee. It is a question of priority with us on this side of the House. We believe that those matters which came up first should be dealt with first. Perhaps the Government House Leader and the committee chairman will see that these matters are dealt with in that order. If they do, we will do our best to facilitate the work of the committee.

Some hon. Members: Hear, hear.

Mr. Speaker: Order, please. Perhaps the discussion on this point should not proceed further. It seems to me hon. members are attempting to debate the order of business of a committee. If I recollect correctly what occurred yesterday, it seems to me the argument put forward for consideration by the Chair was that these matters ought to be left to the committee to decide. If hon. members were correct yesterday, as I thought they were, they are equally correct today. I believe these matters should be considered by the committee and not by the House at this time.

Motion agreed to.

[Mr. Macdonald (Rosedale).]

INCOME TAX

IMPLEMENTATION OF SUPPLEMENTARY AGREEMENT BETWEEN CANADA AND SWEDEN

Hon. Donald S. Macdonald (for the Minister of Finance) moved for leave to introduce Bill No. C-156, to implement a supplementary income tax agreement between Canada and Sweden.

Motion agreed to, bill read the first time and ordered to be printed.

ORAL QUESTION PERIOD

HEALTH AND WELFARE

EFFECTIVENESS OF HOSPITAL PLANS OPERATED BY PROVINCES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I thought I saw the Minister of National Health and Welfare in the House a moment ago. Now that he has returned I should like to ask him, in view of certain remarks he made yesterday in Winnipeg, whether it is his position and the position of the government that the hospital plans operated by the provinces are generally inefficient in terms of operation and particularly in terms of cost control?

Hon. John C. Munro (Minister of National Health and Welfare): I did not say they were generally inefficient.

Mr. Stanfield: I did not say the minister said that.

Mr. Woolliams: Another misquote.

Mr. Munro: No, I do not think it was even stated in the press.

Some hon. Members: Oh, oh!

Mr. Munro: Perhaps the hon. member cannot read the press very accurately, but I did say—and I think it is acknowledged by many in the field including many representatives of the provinces—that there are very sizeable areas within the whole hospital structure in the provinces where substantial waste could be eliminated, and it is one of the purposes of the meeting next week between myself and the provincial Ministers of Health to study the reports we have and try to isolate these areas to see what can be done about them.

Mr. Stanfield: I have a supplementary question. As I interpret the minister's answer, he

is in effect saying yes, but in his own way. I should like to ask him whether, for example, in lieu of suggesting to the doctors how they should conduct their practices, the minister would consider increasing the federal government funds available to assist and encourage the construction of institutions which can be operated at a lower cost than active treatment hospitals?

Mr. Munro: Mr. Speaker, this will be one of the items that will undoubtedly be raised for consideration at the conference.

Mr. Stanfield: I am sure it will be. I asked the minister whether he and the government are considering increasing the funds available, not whether the subject will be raised at the conference.

Mr. Munro: As I endeavoured to indicate, we have just received these reports. The various provincial governments and ourselves have had them for about three or four weeks, and until we make a joint analysis of them and determine what are the appropriate remedies that can be applied the federal government can make no decision, nor can the provincial governments, with reference to the matter which the Leader of the Opposition has just raised or with reference to any other matters.

Mr. Erik Nielsen (Yukon): I have a supplementary question for the minister. Can he indicate what the government's plans are for the introduction of medicare in the northern territories?

Mr. Munro: I cannot give a definite decision on that matter at the moment.

Mr. Paul Yewchuk (Athabasca): I have a supplementary question, Mr. Speaker. Can the minister elucidate whether he implied in his remarks that he intends to establish some sort of system of policing what type of patients should be admitted to hospitals?

Mr. Speaker: Order, please. I must intervene at this point and apologize to the House, particularly to the Leader of the Opposition, for the fact that I allowed his question in the first instance. It is well known to hon. members that normally questions cannot be asked directly about statements outside the House except for questions asked of the Prime Minister inviting him to indicate whether a statement represents government policy. However, I was not quite prepared when the question period started and that is why the question was allowed. But I do not think the supplementary question should be allowed, certainly not in the way it was asked.

Mr. Stanfield: If I may say with respect, Mr. Speaker, I do not think you should apologize for making any error in allowing the question because the question I asked was directly related to what is in fact the attitude and the policy of the government. It is true I did not succeed in getting an answer.

Mr. Speaker: I thank the Leader of the Opposition. I feel much better now that I know I was in order.

TRADE

EXPORT OF ARMS TO UNITED STATES— INQUIRY AS TO SELECTIVE EMBARGO

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, my question to the Prime Minister arises out of the annual report of the Department of Industry, Trade and Commerce which indicates that Canada's exports of arms to the United States last year amounted to $320 million, bringing to a total of over $2 billion our exports of arms to the United States over the last ten years. Having in mind the growing disenchantment both in the United States and in Canada with the Viet Nam war, I want to ask the Prime Minister whether the government is giving consideration to following the example of Sweden and imposing a selective embargo upon exports of arms to the United States for the duration of the present hostilities in Viet Nam?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Then, Mr. Speaker, may I ask the Prime Minister if his answer indicates the logical fulfilment of the principle which he enunciated last year with reference to Canada's complicity—

Mr. Speaker: Order, please. The question being asked by the hon. member is surely couched in an argumentative form. Perhaps it might be asked more directly.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I want to ask the Prime Minister if his statement today means that the government's policy is summed up in his own phrase, that Canada's complicity in Viet Nam must be measured in terms that we have to choose between dirty hands or empty bellies?

Inquiries of the Ministry

[*Translation*]

WATER RESOURCES

GRAND CANAL—DISCUSSIONS WITH QUEBEC AND ONTARIO

Mr. Gérard Laprise (Abitibi): Mr. Speaker, on November 6, I asked the Minister of Energy, Mines and Resources whether officials of his department have been in touch with the governments of Quebec and Ontario regarding the diversion of the waters of the James bay basin called the Grand Canal project. I also asked him whether the federal government was carrying on the studies conducted on the subject.

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, during these past two or three years, some officials of my department have had discussions on several occasions with representatives of the governments of Ontario and Quebec about various questions regarding water resources but not about the diversion project called "Grand Canal" nor any other such project.

Mr. Laprise: Mr. Speaker, I thank the minister for his answer and I wish to ask him a supplementary question.

I would like to know whether it is a fact that the government of Canada is sharing in the cost of the studies made by the Ontario government and whether, according to the announcement made by the Minister of Natural Resources of Quebec, the government of that province can expect to receive the same assistance that was granted to Ontario?

Could the minister tell us whether the government is giving financial assistance to Ontario and Quebec concerning the diversion of waters from James bay?

Mr. Speaker: I think the supplementary question could be put on the order paper or debated at the time of adjournment.

[*English*]

ADMINISTRATION OF JUSTICE

SUPREME COURT JUDGMENT UPHOLDING EQUAL RIGHTS FOR INDIANS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Minister of Justice. It has to do with the epochal judgment rendered today by the Supreme Court of Canada in the case of an Indian, Joseph Drybones, of the Northwest Territories, in which that court upheld the authority of the Canadian Bill of Rights in providing and assuring that all Canadians shall have equal rights and that Indians shall not be placed in a lower category because of the provisions of the Indian Act. If he is not in a position at the moment to deal with this momentous decision upholding the Bill of Rights in its entirety so far as discrimination is concerned, would the minister be prepared to make a statement on motions in a day or so?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I agree with the right hon. gentleman that this is a very important decision rendered by the Supreme Court of Canada. I happen to have followed the course of that decision since it was first rendered by Mr. Justice Morrow of the Northwest Territories Court. I would like to read the judgment and consider the right hon. gentleman's suggestion.

JUDGMENT IN CASE OF HUNTING INFRACTION BY ESKIMO

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question which is so closely related as to be supplementary, dealing with a judgment of the same Mr. Justice Morrow of the Northwest Territories which held that an Eskimo was guilty of a hunting infraction under the Territorial Ordinance Act despite the fact that the offence took place on an ice floe more than three miles from the shoreline. Would the minister indicate if instructions were given to counsel to prosecute and secure conviction in spite of that fact?

Hon. John N. Turner (Minister of Justice): I had better take that one as notice, Mr. Speaker.

Mr. Baldwin: A supplementary question, Mr. Speaker. Would the minister consider the possibility of facilitating any appeal on this issue and, if such appeal is taken, is it the intention of the minister to continue to instruct counsel for the Crown to press for maintenance of the conviction despite the fact that the alleged offence took place more than three miles from the shoreline on an ice floe? It is time this government substituted some backbone instead of the wishbone it has shown on this issue.

SPORTS

ASSISTANCE TO CANADIAN SKI PATROL

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, my question is for the right hon. Prime Minister. In view of the rapid approach of winter, may I ask if reconsideration will be given to assisting the Canadian Ski Patrol financially? This organization has won acclaim all over the world and will now have to cut back on its work if it cannot get assistance.

Right Hon. P. E. Trudeau (Prime Minister): We have not heard of any request made to the government by the Canadian Ski Patrol, Mr. Speaker.

TRADE

RECOMMENDATIONS TO U.S. CONGRESS REGARDING TARIFF REDUCTIONS

Hon. D. S. Harkness (Calgary Centre): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce. Has the minister received from the United States government a detailed list of the recommendations made to Congress by the late President Kennedy in regard to tariff reductions, removal of non-tariff areas and other related matters which have a considerable effect on Canadian trade?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I do not know whether it came from the United States government or the Canadian Embassy in Washington, but I have the list of presidential suggestions here. Generally speaking we consider that they are favourable in the sense that they would lead the United States toward freer trade with the world.

Mr. Harkness: A supplementary question, Mr. Speaker. After the minister and his officials have studied these proposals, would he make a statement on motions indicating to the House what is likely to be the effect on Canadian trade?

Mr. Pepin: I shall consider that, Mr. Speaker.

DECLINE IN EXPORTS TO GREAT BRITAIN

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I have a supplementary question for the Minister of Industry, Trade and Commerce. In view of the fact that up to last August Canadian exports to Britain had declined by $35 million from a year earlier, is the minister taking any special steps to improve our export performance in this area?

Mr. Speaker: Order, please. The hon. member is inviting the minister to make a statement which should be made on motions. The minister said he would consider doing so and I assume he will include the point raised by the hon. member.

EXTERNAL AFFAIRS

RELATIONSHIP WITH COMMONWEALTH CARIBBEAN COUNTRIES

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, my question is for the Secretary of State for External Affairs and is prompted by the recent and most welcome intimation that the government is studying a report on the establishment of a free trade area with Commonwealth countries of the Caribbean. Can the minister advise if any consideration is being given, even in a preliminary way, to exploring the possibility of closer relationships, even political union, with any of the smaller Commonwealth Caribbean islands?

Hon. Mitchell Sharp (Secretary of State for External Affairs): To the final part of that question, Mr. Speaker, the answer is no.

CONSUMER AFFAIRS

CANADIAN PRICE OF FORD "MAVERICK"

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to ask the Minister of Industry, Trade and Commerce whether his department is investigating the charge made by the Canadian director of the United Auto Workers that the Ford Maverick car produced at St. Thomas and exported to the United States is sold there for $380 less than in Canada?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): This point has been raised on a number of occasions recently, Mr. Speaker. These things happen. It is quite possible that a company's general marketing policies give rise to this situation. It arises in other Canadian industries also.

Mr. Orlikow: A supplementary, Mr. Speaker. If the charge is true, will the government reconsider its position under the United States-Canada auto pact?

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

Inquiries of the Ministry

GRAIN

ACCEPTANCE OF PAYMENT IN SOFT CURRENCIES

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): I have a question for the Minister of Industry, Trade and Commerce, Mr. Speaker. In light of the serious lag in Canadian wheat sales and the resulting economic plight of western farmers, would the minister give consideration to taking so-called soft currencies in payment for wheat and other cereal grains and oilseeds?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I shall pass this question to the minister in charge of the Wheat Board.

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, of course the question of sales of grain is in the hands of the Canadian Wheat Board, as the hon. member knows. Sales have in the past been made for currencies other than dollars and will be so made in the future.

Mr. Eldon M. Woolliams (Calgary North): A supplementary question, Mr. Speaker. In light of complaints being made about the growing cost of marketing grain, would the minister recommend to the appropriate committee that it take a look at the Canadian Wheat Board and the question of marketing costs at this time in order to find out what it actually costs to market a bushel of wheat? I ask that because we are in competition with the rest of the world.

Mr. Lang: Mr. Speaker, I will be glad to give consideration to that representation.

FLAX—REPORTED LACK OF SUPPLIES FOR EXPORT

Mr. A. P. Gleave (Saskatoon-Biggar): May I direct a supplementary question to the Minister without Portfolio, Mr. Speaker. Further to the question I asked on November 7 in regard to adequate supplies of flax at the Lakehead, and in view of the fact that at present there are approximately only 1.4 million bushels of flax in position for export there, can the minister tell the House what steps have been taken to ensure that additional supplies of flax are moved into export position at that point?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, as I indicated in my answer to the previous question, the Canadian Wheat Board has been giving top priority to the movement of flax. Accordingly, any handler or owner of flax in the market can move flax into position. The actual movement of the flax then depends on the decision of that owner or handler.

Mr. Gleave: A supplementary question, Mr. Speaker. I am aware of how this grain is called forward. I asked the minister what additional steps have been taken to ensure that something happens.

[*Later:*]

Mr. John Burton (Regina East): A supplementary question, Mr. Speaker. Further to the question asked by the hon. member for Saskatoon-Biggar, may I ask the Minister without Portfolio if he has now completed his investigations and determined if flax sales were lost, as reported? Also, has the government given active consideration to placing flax and other oilseed crops under the jurisdiction of the Canadian Wheat Board?

Mr. Lang: Mr. Speaker, my investigations have gone so far as to indicate that a definitive answer to that question is not likely to be possible. With respect to the other issue involving flax and rapeseed, I have indicated previously that this is the sort of question which deserves fundamental examination.

REQUEST FOR APPEARANCE OF WHEAT BOARD BEFORE COMMITTEE

Mr. J. H. Horner (Crowfoot): May I direct another question to the minister in charge of the Wheat Board, Mr. Speaker. Since the agricultural committee did not complete its studies of the annual report of the Wheat Board, can the minister assure the House at this time that during the fall and winter months the Wheat Board will be called before that committee so that the annual report can be thoroughly studied and so that future actions of the Wheat Board can also be taken into consideration?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, I am sure that the Wheat Board will be available for the committee to question. Of course, I should like to leave the question of specific timing for discussion with the committee itself.

SASKATCHEWAN PLAN TO BARTER WHEAT FOR MACHINERY

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): I have a supplementary question, Mr. Speaker. Have the Canadian Wheat Board and the Department of Industry, Trade

and Commerce worked out any arrangement with the Saskatchewan government whereby they can facilitate its program of exchanging wheat for power generating equipment purchased outside Canada?

Hon. Otto E. Lang (Minister without Portfolio): No, Mr. Speaker.

Mr. Douglas (Nanaimo-Cowichan-The Islands): May I ask if any request has come from the Saskatchewan government to have such an arrangement facilitated by the government of Canada?

Mr. Lang: Mr. Speaker, discussions have taken place between the department and various members of the government and the government of Saskatchewan in connection with the issue of barter wheat. It was indicated to the government of Saskatchewan that no one can, of course, stop the Saskatchewan Power Corporation or any other similar body or company in Canada from buying Canadian wheat and doing whatever they like with it. But we also indicated to the government of Saskatchewan that the question of the barter of wheat was a very delicate one and that barter is not in the interests of the farmer in view of the stability now being developed in regard to the price of wheat in the world.

Mr. Diefenbaker: Stability indeed!

MOVEMENT FROM NORTHERN ALBERTA—ACCEPTANCE OF INITIAL QUOTA—AMENDMENTS TO WHEAT BOARD ACT

Mr. Paul Yewchuk (Athabasca): A supplementary question, Mr. Speaker. Since it is well known that in northern Alberta the harvest has been only 20 per cent of what was expected and that the elevators are still filled to capacity, will the minister indicate why grain has not been moving out of northern Alberta? What is he prepared to do about this matter at this time?

Hon. Otto E. Lang (Minister without Portfolio): Well, Mr. Speaker, the movement of certain grains, wheat in particular, has been somewhat slower for a part of this year, but it is now picking up with the Chinese deliveries now coming on line. Grains such as barley, rapeseed and flax have been moving more rapidly than in the previous year.

Mr. George Muir (Lisgar): A supplementary question, Mr. Speaker. Can the minister tell the House and country when the Wheat Board will be able to accept the initial quota for this crop season from the farmers?

Mr. Lang: Well, Mr. Speaker, the Wheat Board is making every effort to have shipment of sufficient grain from every point in order to allow a unit quota to be delivered by all farmers. This is a high priority item and boxcars are being allocated to this end but of course in a manner that is consistent with the demands of the market for particular types of grain.

Mr. Speaker: Order, please. Perhaps one last supplementary question might be allowed at this time. If there is time we could return to this subject in a few moments.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, the minister is reported to have stated outside the House that the government intended to bring in certain amendments to the Wheat Board Act which I understand would have the effect of restricting the general ambit of the powers now being exercised by the Wheat Board. Will the minister not say what the nature of the contemplated changes is and when the amendments will be brought before the House?

Mr. Lang: Mr. Speaker, I presume that since the right hon. gentleman reads my clippings he will have read the second clipping which indicated exactly what in fact we had in mind. It said that many questions relating to the sale and marketing of wheat would be considered. The answer to which the right hon. gentleman is now referring was an answer to the effect that the Canadian Wheat Board does a very good job indeed, in my opinion.

Mr. Speaker: Order, please.

Mr. Baldwin: And what did the third clipping say?

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. Before we go further I think I should caution both the right hon. gentleman and the hon. member that we cannot allow a debate on what was said and what was not said. Perhaps the question might be asked directly.

Mr. Diefenbaker: Mr. Speaker, I want to get this clear, because there was an original version and now there is a revised version.

Mr. Speaker: Order, please.

Mr. Diefenbaker: And now there is a revised, revised version.

Mr. Speaker: Order, please. I realize that the hon. member for Saskatoon-Biggar is anxious to ask a supplementary question. I said a moment ago that perhaps we might return to the subject in a few moments and allow other hon. members to ask questions about other subjects for a few minutes.

REGIONAL DEVELOPMENT

REQUEST FOR REFERENCE TO STANDING COMMITTEE

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I direct a question to the Government House Leader, who is in the House but not in his seat. It is a very important and urgent question, Mr. Speaker.

An hon. Member: Tally-ho! Here he comes.

Mr. McGrath: I put it to him with all the sincerity and humility I can muster, Mr. Speaker. Will he bring in appropriate terms of reference as soon as possible so that the Standing Committee on Regional Development can continue its important work of pointing the way to the groping Minister of Regional Economic Expansion?

INQUIRY OF THE MINISTRY

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs. In light of the interest being shown by district six of the United Steelworkers of America in the Prices and Incomes Commission, will the "minister of consumer affairs and high prices" inform the House if the commission has been instructed to investigate the inflationary price increases announced by Inco?

Mr. Speaker: Order, please. I cannot accept the question as asked.

PENSIONS

RECIPROCAL AGREEMENT BETWEEN CANADA AND FEDERAL REPUBLIC OF GERMANY

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I wish to direct a question to the Minister of National Health and Welfare. It relates to a matter which has been the subject of questions on the Order Paper and also the subject of correspondence. It is of great urgency to quite a few people. Can the minister say when a reciprocal agreement between Canada and the Federal Republic of Germany on the question of pensions will be concluded?

[Mr. Diefenbaker.]

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I am happy to inform the hon. member that negotiations are now going on between the West German government and Canada to this end. It is hoped that this agreement can be concluded shortly.

TRANSPORT

BORDEN-CAPE TORMENTINE SERVICE— PROVISION OF RESERVE FERRY

Hon. J. A. MacLean (Malpeque): I wish to direct a question to the Parliamentary Secretary to the Minister of Transport. Perhaps he would be kind enough to take it as notice if he does not have an immediate reply. What provision is being made to have immediately available a reserve ship on the Borden-Cape Tormentine run this winter in case of a breakdown of either of the two operating ships, in view of the fact that apparently it is the intention to have the *Confederation* and the *Lucy Maud Montgomery* tied up in Halifax for the winter months?

[*Translation*]

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): Mr. Speaker, as the hon. member knows, the Minister of Transport is not required to be in the House on Thursdays, but I will be pleased to bring the matter to his attention and he will provide an answer in the next few days.

OFFICIAL LANGUAGES

APPOINTMENT OF COMMISSIONER

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I should like to put a question to the Secretary of State.

Could the minister tell us if he has decided who will be appointed language commissioner and, if so, when can we expect that appointment?

An hon. Member: Be patient!

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, the choice has not yet been made, but I think the hon. member will not have to wait too long.

[*English*]

Mr. J. P. Nowlan (Annapolis Valley): A supplementary question, Mr. Speaker. In view of the importance and sensitivity of this appointment, does the minister plan to follow the example of the Minister of Justice and consult with the provinces before the appointment is made?

Mr. Pelletier: Mr. Speaker, all necessary consultations will take place; as a matter of fact they are already under way.

CANADA COUNCIL

INQUIRY AS TO INCREASE OF CERTAIN SUBSIDIES

Mr. Henry Latulippe (Compton): Mr. Speaker, I have a question for the Secretary of State.

The Canada Council has just increased its grants in aid of publishing and University exchanges from $119,300 to $800,000 and has announced that other grants would be increased later. Would the minister tell us whether such increases are permissible under the austerity program?

Mr. Speaker: As this question appears controversial, I do not believe it is in order at the present time.

[*English*]

ADMINISTRATION OF JUSTICE

YUKON AND NORTHWEST TERRITORIES— INQUIRY AS TO STATEMENT

Mr. Erik Nielsen (Yukon): My question is for the Minister of Justice. Can the minister tell the House whether it is his intention to make a statement with respect to the constitutional and administrative reform of the administration of justice in the Yukon and Northwest Territories?

Hon. John N. Turner (Minister of Justice): I had not anticipated doing so, but I did today issue a release simultaneously in Ottawa, Yellowknife and Whitehorse expressing the willingness of the federal government to negotiate with the territorial governments of the Yukon and Northwest Territories toward a gradual transfer of the function of administration of justice, short of the office of the Attorney General, to the territorial governments, based on the premise that the transfer of these functions would also entail negotiation under the general financial agreements between the territories and the federal government.

Mr. Nielsen: A supplementary, Mr. Speaker. Since the minister has made this release and since tomorrow we will have a debate with respect to government policies concerning northern development and constitutional development generally, would the minister please make a statement on motions tomorrow as a kick-off for that debate?

Inquiries of the Ministry

Mr. Knowles (Winnipeg North Centre): Thanks for the leak.

Mr. Nielsen: Could the minister say, Mr. Speaker, whether he would be disposed to make such a statement tomorrow morning?

Mr. Turner (Ottawa-Carleton): The hon. member for Yukon, whom I am delighted to see here, wants to involve me in a statement on motions. It might well be that the proper place would be in the debate. I want to consult with my colleague the Minister of Indian Affairs and Northern Development.

Mr. Nielsen: I just wanted to make sure the minister would not high-tail it off to Harrison Hot Springs tomorrow.

CAPE BRETON DEVELOPMENT CORPORATION

HIRING OF EMPLOYEES FROM OVERSEAS

Mr. Donald MacInnis (Cape Breton-East Richmond): I have a question for the Minister of Regional Economic Expansion. I ask the minister to look into the practice followed by Devco of hiring employees from overseas while there are qualified men in Cape Breton who can do the work and have been doing it for years.

Hon. Jean Marchand (Minister of Regional Economic Expansion): I have not looked into that, Mr. Speaker. I am not aware of it. Has the hon. member any information to supply to me?

An hon. Member: You are the minister; wake up.

OIL

INQUIRY AS TO CONTINENTAL POLICY

Mr. Eldon M. Woolliams (Calgary North): Yesterday, Mr. Speaker, I directed a question to the Prime Minister with reference to a continental oil policy. I see the Minister of Energy, Mines and Resources is in the House. Perhaps I could direct the same question to him. Is the Canadian government now suggesting and advocating a continental oil policy and has the United States indicated that they too favour such a policy at this time?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Since the initiative of the Prime Minister on March 24 and 25 in his meeting with the President of the United States, we have been having mutual discussions with our United States counterparts

with respect to our oil and energy policies. We are pursuing full negotiations with our United States counterparts in that regard. The term "continental oil policy" means different things to different people. I am not quite sure just what it means to my hon. friend, but we have been exploring the fullest possible access for Canadian oil to be exported to the United States market. That is the purpose of our discussions and the Canadian posture in this regard.

Mr. Woolliams: I thank the minister for his statement and I hope he is successful in this regard. I wish to follow through with the supplementary question I directed to the Prime Minister. I asked whether this is the policy of the government and whether the discussions with the United States with regard to the export of crude petroleum and natural gas involve the export of water from Canadian rivers and other sources?

Mr. Greene: There have been no discussions with respect to the export of water, Mr. Speaker.

Hon. Robert L. Stanfield (Leader of the Opposition): A supplementary question, Mr. Speaker. Yesterday I asked the Prime Minister a question which was referred to the minister. Therefore I ask the minister this important question. Is the export of natural gas being left entirely to the provinces for decision or is the federal government taking an interest in permits to export natural gas with a view to raising the ceiling on the amount of oil imported from Canada by the United States?

Mr. Greene: Mr. Speaker, the export of natural gas is under the authority, control and jurisdiction of the National Energy Board. We have not considered in our discussions with the United States, and I do not think it should be done, the question of using gas as a weapon in order to achieve a greater oil market. We have been discussing mutual energy policies in general, which include gas, oil, coal—the full complement of energy. We are quite prepared to discuss with our United States friends all these items in concert for the greatest benefit of the producers in Canada as well as Canadian people generally.

Mr. Max Saltsman (Waterloo): A supplementary question concerning the pricing of natural gas. In view of the indication that because of the demand from the United States the price of natural gas may rise in Canada, is the minister considering a two-price policy for natural gas to maintain a preferred price in Canada?

Mr. Greene: We have not considered such a policy, Mr. Speaker. I doubt very much whether an efficient industry able to compete in the United States market as well as our own could be conceived on a two-price system, but certainly we will take the hon. member's suggestion into consideration.

Mr. Knowles (Winnipeg North Centre): What about automobiles?

EXTERNAL AFFAIRS

INQUIRY AS TO WHITE PAPER

Mr. Andrew Brewin (Greenwood): My question is addressed to the Secretary of State for External Affairs. In the Speech from the Throne it was stated that white papers would be presented as part of a comprehensive revision of government policy on a number of subjects, including external affairs and defence. Is this comprehensive white paper on external affairs in the course of preparation, and how soon may we expect it in the House?

Hon. Mitchell Sharp (Secretary of State for External Affairs): The answer to that question is yes. The question we have not decided is whether there will be one or more papers; I expect there will be more than one.

CONSUMER AFFAIRS

PLYWOOD PRICE INCREASES—REQUEST FOR INVESTIGATION

Mr. J. G. Lind (Middlesex): My question is directed to the Minister of Consumer and Corporate Affairs. Is he aware of the situation that is developing in the plywood industry which will have the consequence of inflating the cost of shelter or housing across Canada, since manufacturers of fir plywood are increasing their prices by 5 to 10 per cent on sheathing and finished grades of plywood? Will the minister have his department investigate this exorbitant increase?

Some hon. Members: Hear, hear.

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): I have not seen the report to which my hon. friend's question refers. I appreciate his deep concern about the price of plywood, which he has expressed to me on a number of occasions, and I will see that my officials look into the matter.

Mr. Lind: A supplementary question, Mr. Speaker.

Mr. Speaker: Order, please. Would the hon. member kindly resume his seat? There are just two minutes left of the question period, and unless there is unanimous agreement that the hon. member should be allowed—

Some hon. Members: Yes.

Mr. Lind: Since all the manufacturers of fir plywood have raised their prices within a few days, would the minister investigate the possibility that some association is co-ordinating and controlling these prices?

Mr. Basford: I am not sure what is implied in the hon. member's question.

Some hon. Members: Oh, oh!

Mr. Basford: I will certainly consider it; I am anxious to consult with my hon. friend on his ideas.

Mr. Craig Stewart (Marquette): My supplementary question is for the Minister of Consumer and Corporate Affairs, and it follows an earlier question on the price of the Maverick, is the minister aware that the Ford Motor Company of Canada has increased the prices of certain 1970 models during the last month. This is in addition to the increases announced on the introduction date.

ADMINISTRATION OF JUSTICE

APPOINTMENT OF COUNTY COURT JUDGE, P.E.I.

Mr. Melvin McQuaid (Cardigan): My question is for the Minister of Justice. I would ask him whether a selection has yet been made to fill the present vacancy on the county court bench in Prince Edward Island, and how soon we can expect an announcement in this respect?

Mr. Speaker: That question should be placed on the Order Paper. Does the hon. member raise a point of order?

Mr. McQuaid: Yes, Your Honour. The urgency of the question arises from the fact that I have some personal business to attend to.

Some hon. Members: Oh, oh!

Mr. Speaker: On those very valid grounds the question might be allowed.

Inquiries of the Ministry

DRUGS

TETRACYCLINE—ALLEGED FRAUD BY U.S. COMPANIES IN OBTAINING PATENT

Mrs. Grace MacInnis (Vancouver-Kingsway): This question is directed to the Minister of Consumer and Corporate Affairs, Mr. Speaker. Earlier this year I questioned the minister concerning a United States government damage suit for $25 million against American Cyanamid and Charles Pfizer and Company for fraudulently obtaining a patent for the antibiotic drug tetracycline. I asked the minister whether his department was investigating possible similar fraudulence in Canada with respect to the same companies—

Some hon. Members: Order.

Mr. Speaker: Order. Would the hon. member kindly put her question.

Mrs. MacInnis: I hope I shall get there soon. The minister assured me that his officials would be getting in touch with United States officials to determine whether there was a basis for investigation in Canada. Now I come to the punch line.

Some hon. Members: Hear, hear.

Mrs. MacInnis: Could he now inform us of the result of this action.

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): The assurance I gave the hon. member at that time still stands but, as she knows, actions taken under the Combines Investigation Act are not made public until revealed in the director's annual report or until action is instituted in the courts.

PUBLIC SERVICE

POLICY AS TO WORKING LANGUAGE

Mr. J. P. Nowlan (Annapolis Valley): I have a question for the Prime Minister, Mr. Speaker. On Monday, November 17, I asked the Prime Minister whether the Secretary of State was extending government policy beyond the present practice when he reportedly said that French would be used as the working language in units of the Public Service. The right hon. gentleman informed me that he would look at the statement and tell the House what the Secretary of State had said and whether it amounted to an extension of government policy.

Right Hon. P. E. Trudeau (Prime Minister): After the question was put to me I immediately asked the Secretary of State about the

matter and he said he could not identify precisely the statement quoted by the hon. member. If the hon. member will try to find the source and help the Secretary of State identify it, we might be able to reply.

Mr. Nowlan: A supplementary question to the Secretary of State. At the opening of the Public Service Language School a week ago last Wednesday, was the hon. gentleman speaking from notes or from a prepared text when he was reported, in three press reports, to have said that French would be, or could be expected to be, the working language in units of the public service?

Hon. Gérard Pelletier (Secretary of State): I was speaking from a text and I will gladly refer to it to see whether I expressed myself exactly in the form quoted.

Mr. Nowlan: I do not remember receiving the text on this occasion. Could the minister send copies of that address to myself and perhaps to other hon. members, as is customary?

Mr. Pelletier: With pleasure, Mr. Speaker.

• (3:00 p.m.)

GOVERNMENT ORDERS

WATER RESOURCES

PROVISION FOR MANAGEMENT INCLUDING RESEARCH AND PLANNING AND IMPLEMENTATION OF PROGRAMS

Hon. J. J. Greene (Minister of Energy, Mines and Resources) moved that Bill C-144, to provide for the management of the water resources of Canada including research and the planning and implementation of programs relating to the conservation, development and utilization of water resources, be read the second time and referred to the Standing Committee on National Resources and Public Works.

Mr. Speaker: The hon. member for Peace River on a point of order.

Mr. G. W. Baldwin (Peace River): I feel I must rise and say to Your Honour and to the House that in my submission this question can not properly be put before the House because it is in violation of Standing Order 62 and is also in violation of the British North America Act in that it provides, within the four corners of the bill, for an imposition of taxation and the appropriation of tax moneys

[Mr. Trudeau.]

for purposes not covered in the message sent to this House by His Excellency the Governor General.

There has been no previous opportunity to raise this matter because, of course, on first reading we do not really know what are the contents of the bill; this is the first occasion upon which the measure has really been put to the House. I say, too, that unlike the somewhat similar case I raised with regard to Bill S-3 from the Senate, the defect which, I contend, does exist could be cured by an amendment to the recommendation and/or an amendment to the legislation.

So, I preface my argument by pointing out that I do not intend to suggest this debate should not proceed. If Your Honour feels there has been a substantial case made, and decides to give the matter further consideration after subsequent argument, the debate should not be held up. It should proceed, and if Your Honour and the House feels I am right, the government may then consider what amendments should be introduced. My duty is to place suitable restraints on the government when I think it is not complying with our rules.

Just so the record will show this, the pertinent authorities are contained in Section 54 of the B.N.A. Act which states:

It shall not be lawful—

I emphasize those words.

It shall not be lawful for the House of Commons to adopt or pass any Vote, Resolution, Address or Bill—

In my submission, any bill brought before this House which is not properly authorized should be identified as such. This is true not only in respect of the passage of this bill but in respect of the responsibilities that accompany its passage. It is not for Your Honour to consider the constitutionality of this measure. That may be decided as a result of people challenging the law later in the courts. The words are very pertinent. The section reads:

It shall not be lawful for the House of Commons to adopt or pass any Vote, Resolution, Address or Bill for the Appropriation of any Part of the Public Revenue, or any Tax or Impost, to any Purpose that has not been first recommended to that House by Message of the Governor General in the session in which such Vote, Resolution, Address or Bill is proposed.

In confirmation of that, Standing Order 62 reads:

This House shall not adopt or pass any vote, resolution or bill for the appropriation of any part of the public revenue, or of any tax or impost, to any purpose that has not been first recommended

to the House by a message from the Governor General in the session in which such vote, resolution, address or bill is proposed.

There is, in fact, a recommendation from His Excellency, which appears at the appropriate place in the printed form before us, and which provides—I am skipping the formal part:

—has recommended . . . the present measure to provide for the management of the water resources . . . including research and the planning and implementation of programs relating to the conservation, development and utilization of water resources—

The recommendation also indicates that this measure is:

—to provide also that all expenditures for the purposes of the Act including any expenses or allowances of any advisory committee, shall be paid out of moneys appropriated by Parliament therefor.

I think the common sense meaning of these words is in accordance with their interpretation by the late Auditor General, Watson Sellar, that there must be a vote in respect of the appropriation. It is inadequate to provide that these payments be effected without an annual vote because the recommendation also indicates:

—all expenditures for the purpose of the Act, including any expenses or allowances of any advisory committee shall be paid out of moneys appropriated by Parliament.

There cannot be any statutory appropriation, but must be an annual vote.

Let me refer directly to what I consider to be the repugnant parts of clause 16(2)(d) which reads:

The Governor in Council may make regulations prescribing with respect to each water quality management area,

(d) the effluent discharge fees, if any, to be paid by any person to the agency incorporated or named in respect thereof for the deposit of waste in the waters comprising such area and the persons by whom such fees are payable and the time or times at which and the manner in which such fees will be paid.

Clause 8 reads:

Except in quantities and under conditions prescribed with respect to waste disposal in the water quality management area in question, including the payment of any effluent discharge fee prescribed therefor, no person shall deposit or permit the deposit of any type in any waters comprising a water quality management designated—

My submission is that these clauses, when read together, suggest that under certain conditions, and on the payment of what is improperly described as a fee—it really constitutes a toll or a tax—individuals or corporations may in fact deposit polluted material, waste or effluent discharges under the conditions which are laid down. The payments or fees may be prescribed from time to time by the Governor in Council. This is like saying we give you in advance a dispensation for the sin you may be committing. At this time let me give you the closest example I can think of which resembles this situation. In some of our public washrooms, on payment of a specified amount we can make use of the facilities. One might think that the Prime Minister (Mr. Trudeau), after leading the nation out of the bedrooms, may have deposited us in a rather difficult position in the bathrooms.

Mr. Greene: Put in your dime.

Mr. Baldwin: When reading these two clauses of Bill C-144 together, they indicate that permission is given to the Governor in Council to set a tariff of tolls payable by persons designated by the Governor in Council in respect of the deposit of pollution of a stated kind and under conditions which may be set down. We are giving these persons permission to pollute our waters, and forgiving them on the payment of an appropriate toll. You may call it a fee or anything you want, but it is the character of that payment we must consider.

I suggest to you with all the sincerity I can command that these fees, as they are called, are not in fact fees. They are tolls in respect of which there is a right to commit a breach of our regulations. This permits one to legally commit a breach of the prohibition against the discharge of polluted material.

There are technical arguments I could make and I may have an opportunity to do so later. Anyone examining the definition and the use of the word "fee" knows that it simply means you pay money for a specific purpose. If I pay a fee, the State provides me with a service. These charges are not fees or service charges. Let me point out to Your Honour the very close resemblance the regulations for the use of the waters of the St. Lawrence seaway have to the principle of this measure. I am referring to the St. Lawrence Seaway Authority Act of 1951, as subsequently amended. That act provided that those waters could be used for the purposes of navigation for the benefit of the people on the payment of a tariff of tolls, and a tariff of tolls was imposed. If one examines the surrounding document one will find that the recommendation of the Governor General provided that it would be expedient for the government to establish a tariff of tolls.

If it was considered essential in 1951 that the use of these waters for one purpose required the payment of a toll and the Governor General should make a recommendation covering this, why should it not be essential that the use of water for the carriage of effluent material requires precisely the same treatment? I suggest that by calling this a fee we cannot cover the situation. The name means nothing; it is the character of the imposition that is important.

The other side of the coin must also be considered. What is going to be done with the money collected? Let me refer Your Honour to clause 16(2)(d) which provides that these fees shall be collected by an agency to be constituted under the provisions of this act. Such an agency would in fact be the agent of Her Majesty, and the fees would then be utilized by that agency or authority for such purposes as it saw fit, including the payment of salaries and other things it deemed essential.

• (3.10 p.m.)

Here we have a device whereby the government could collect fees from individuals and corporations without any appropriation, without any message from His Excellency and without any authorization to collect such fees. The fees may be then appropriated in such form as the Governor in Council may have authorized the agency to provide through proper by-laws. If that is the case, what is to stop our very genial Minister of Finance (Mr. Benson) saying that no person shall dispose of any property, real or personal, without first securing a permit from him, and that he shall not secure that permit until the property has been valued and a fee paid amounting to 50 per cent of the increase in value. Does calling the amount sought to be obtained as a condition precedent to the sale of real or personal property make it any less a tax? It is a tax; it is a toll. We had an example of this type of tax in my province some years ago when we collected an unearned increment tax. It was a tax which provided for a 10 per cent charge on the increased value of real property. That was collected by the land titles office at the same time that office collected a fee in respect of registration. A solicitor would go there on behalf of a client and give one payment to cover both.

There was a clear distinction between paying the unearned increment tax and paying the fee. I suggest the government cannot bring in this bill in this way unless it first secures from the Governor in Council an appropriate amendment to the message or amends the Act. If the bill is allowed in this form, then I point out to Your Honour that any private member would be free to bring in a bill which would provide for the imposition of what the private member considered to be a fee, without the appropriate message from His Excellency, and the officials of this House would be obliged to receive it. I ask Your Honour once more to read and reflect upon the limitations in the wording of the message:

> —including any expenses or allowances of any advisory committee, shall be paid out of moneys appropriated by Parliament therefor.

This device to raise money in the way suggested does not comply with the recommendation set out here because it cannot in any sense be considered as moneys appropriated by Parliament. I suggest Your Honour might consider these arguments and hopefully rule as I have requested you to do.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, as the hon. member for Peace River (Mr. Baldwin) has pointed out, the matters he has raised relate to a technicality which he believes can be cured and which need not stand in the way of the House proceeding today with a debate on second reading. Nevertheless, I support his contention that the technicality is an important one. It may be argued that the requirement of approval from the Governor General is antiquated and is something we should do away with in our procedures because, after all, the Governor General approves whatever the government wants him to approve. But so long as the technicality is there, it seems to me we should observe it.

It strikes me also that Your Honour would have a particular interest in this matter because we who are private members do our best to propose matters which cost money. It is amazing the number of problems which could be solved if we could just get the money for them. Your Honour has repeatedly told members of the House that that right is reserved to those in this House of Commons who can obtain a recommendation from His Excellency the Governor General. Therefore, it seems to me there is an importance about this matter that deserves the attention the hon. member for Peace River has asked you to give it.

As has been pointed out, Section 54 of the British North America Act is quite clear. It reads:

> It shall not be lawful for the House of Commons to adopt or pass any Vote, Resolution, Address, or

Bill for the Appropriation of any Part of the Public Revenue, or of any Tax or Impost, to any Purpose that has not been first recommended to that House by Message of the Governor General in the Session in which such Vote, Resolution, Address, or Bill is proposed.

Standing Order 62, I believe it is, brings forward the same language. It is on the basis of this section in the British North America Act, and our own rule, that great care is always taken with the resolution to see to it that the Governor General's recommendation does cover all the points in a proposed bill that involve the appropriation of money or the imposition of a tax, fee or what have you. As I say, that is clear. Your Honour has to rely frequently on that provision when you rule out of order amendments or bills proposed by private members.

I believe it is also clear that the Governor General's recommendation attached to Bill C-144 does not include the aspect of the bill to which the hon. member for Peace River has drawn attention. Let me read that recommendation:

His Excellency the Governor General has recommended to the House of Commons the present measure to provide for the management of the water resources of Canada, including research and the planning and implementation of programs relating to the conservation, development and utilization of water resources; to provide also that all expenditures for the purposes of the Act, including any expenses or allowances of any advisory committee, shall be paid out of moneys appropriated by Parliament therefor.

Now, that is very clear. It indicates that the Governor General has approved of a proposition under which all the moneys to be used for the purposes of this Act shall be paid for out of moneys appropriated therefor by Parliament. But the bill provides that in addition to that there is another way in which money can be raised. It can be raised by agencies set up under this bill which have the right to collect a sin licence fee in advance. We must not get too much into the substance of this bill; we can deal with that later. But an interesting question is raised when we say, in effect, that it shall be unlawful to pollute the waters of Canada but if you pay a licence fee in advance you may do so. That is a matter of substance. We can go into that later.

• (3:20 p.m.)

My professorial friend behind me says it is a matter of syntax. Syntax, or sin tax. I shall be interested in seeing how *Hansard* spells it.

Mr. Baldwin: Too much of it will be "sewer side".

Mr. Macdonald (Rosedale): There is an "effluence" of bad jokes over there.

Mr. Knowles (Winnipeg North Centre): I am enjoying it too, and I suspect that no one in the place enjoys these puns more than Your Honour. Some of us who have been with you on social occasions know your predilection for them.

However, to get back to the argument, which after all is more important than the puns, my friend the minister says the argument is not good. It seems to me that it is simple and clear. The constitution and our rules say that the Governor General's recommendation must cover all appropriations provided in the bill, all moneys to be raised under the bill. But the Governor General's recommendation provides that the only way that the money is to be obtained is through appropriating it by parliament. Then, the bill comes along and provides that a fee or a tax can be imposed on people for the right to evade certain clauses of the bill. The clauses that bring this point out into the open are clause 8, which refers to the possibility of the people who are managing our water having the right to require payment of effluent discharge fees provided under this bill; clause 14 which makes certain provisions for the same type of thing, namely fees for putting effluents into our waters; and clause 16 (2) (d) which provides for effluent discharge fees.

It seems to me that these provisions are beyond what has been spelled out in the Governor General's recommendation, and that in that sense the bill is defective. Like the hon. member for Peace River, I do not think that this fact should deter the House from going on with the debate today, but at some point the government should wait upon His Excellency the Governor General to see if he will not approve of this other aspect of the bill or perhaps an amending bill will have to be introduced. Alternatively, perhaps the government will decide that a sin tax is not really a good things to put into our laws.

Hon. Donald S. Macdonald (President of the Privy Council): It has been agreed among representatives of the parties that the debate on this bill will go beyond one sitting day. Therefore I agree that, as hon. members have suggested, we should proceed with the debate. I will have the opportunity of consulting counsel on this question and deciding whether or not it would be appropriate for the government to bring in an amended recommendation.

Mr. Baldwin: I will be available tomorrow.

Mr. Speaker: I thank hon. members for the advice given me. I may say that at first blush, and even without the benefit of the advice of the President of the Privy Council, I have serious doubts about the point raised by the hon. member for Peace River. It seems to me that there may be a misapprehension as to what is sought by this bill. Without going into the matter in great detail or at length, may I say that a recommendation was obtained from the Governor General, as is indicated in the bill itself. It covers apparently those aspects of the bill where a charge on the treasury is sought. My understanding of both the constitutional requirement and the Standing Orders and procedures of the House is that this is required only when a charge is made on the treasury. The particular aspects of the bill to which the hon. member referred do not claim to impose a tax or a charge on the treasury; they seek to indicate another way whereby money can be raised. In this sense, perhaps the prior recommendation of the Governor General was not required at all.

As I said, this is what comes to mind at first blush. It may be that the bill should be understood in this way. I feel that there is more than a technicality involved but, in any event, in view of the fact that there is agreement between hon. members, we should proceed with the debate on this bill. I will have an opportunity to look into the matter later this afternoon and perhaps bring down a ruling later on in the day. For the moment, the discussion on the bill will be allowed to proceed.

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, since this is probably the first opportunity I have had to do so, I should like to thank hon. members opposite for their great courtesy and consideration to me, personally, during some portions of the past year which in some ways has been the winter of my personal discontent. I think there is a spirit of consideration, courtesy, and kindness in this House that sometimes is not appreciated by those who are not of this House, irrespective of how often or how completely they may observe its doings. Certainly, the fact that hon. members felt that I was not ready for the fray gave to them an opportunity to show this kindness and consideration. For this I thank them very deeply. I thank in particular the hon. member for Parry Sound-Muskoka (Mr. Aiken) who is the official opposition spokesman for the particular portfolio which I have the honour to hold. The hon. member held his guns in some way, having shared some of the same troubles—the only difference being that he displayed much more good sense than I did, because at least he had the good sense only to be kicked by the horse once while I had to have two of the same before I learned any lesson at all.

As all hon. members of this House, I am here because I feel there is some purpose that I want to fulfil in being here. And certainly one of the reasons for which I am very happy to be back, and for which I was anxious to come back, is that I could play some small part in the fulfilment of the great need that exists in our country to improve the quality of our environment, of our waters, and to enable the passage of this Canada water bill, which I think will be a considerable step in that direction.

I look upon this measure as a great test of the ability of our instruments of government and legislation in Canada to deal with the real problems that affect human beings in this so-called post-industrial era. It was Carlyle who said that "the history of the world is but the biography of great men". In our reading of history to date, Carlyle's cynicism would probably be substantiated. The test of the todays and the tomorrows, I suggest, is whether or not we have moved beyond this stage of human development; whether ordinary men, such as most of us are, can move the instruments of State to meet the human problems which affect the quality of life, and will make this planet a fit, gracious and worthy place for the family of man. The quality of our environment, and our ability to control its use for mankind, is one of the great tests of the times on this issue of the adaptability of our instruments of government to improve the quality of life.

• (3:30 p.m.)

We are far from the first to see the problem, or we are certainly not the first to act upon it, though clearly not enough has been done. As early as 1876 a forward looking Tory government—and there were forward looking Tory governments in those days—by an Act of the government of prime minister Disraeli in the United Kingdom passed the Rivers Pollution Act. So, even that early the problem was seen and action was taken.

As early as 1866, John Ruskin, who has sometimes been hailed as "the most complete human being since Da Vinci"—be that as it may, there is no doubt but that this sensitive

and learned critic of the arts, economist, social philosopher and philanthropist—was one of the most perspicacious and articulate observers of the human scene. In his preface to the "Crown of Wild Olives" written in 1866 he wrote the following:

> Twenty years ago, there was no lovelier piece of lowland scenery in south England, than that immediately bordering on the sources of the Wandle, and including the lower moors of Addington and the villages of Beddington and Carshalton with all their pools and streams. No clearer or divener waters ever sang with constant lips of the hand which "Giveth Rain from Heaven . . .". I have never seen anything so ghastly as the slow stealing of aspects of reckless, indolent animal neglect over the delicate sweetness of that English scene; nor is any blasphemy or impiety, any frantic saying of godless thought more appalling to me, than the insolent defiling of those springs by the human herds that drink of them. Just where the welling of stainless water, trembling and pure like a body of light enters the pool of Carshalton—just in the very rush and murmur of the first spreading currents, the human wretches of the place cast their street and house foulness, heaps of dust and slime, and broken shreds of old metal, and rags of putrid clothes; they have neither the energy to cart it away, nor the decency to dig it into the ground, thus shed into the stream to diffuse what venom of it will float and melt, far away, in all places where God meant those waters to bring joy and health.

These words were not written about Lake Erie or the Ottawa River or St. Lawrence River last week; as indicated, they were written by Ruskin in 1866. But we, of course, have done an even better job than was accomplished by that "human herd" to which Ruskin refers. With all the advantages of industrial and technological progress we have been able to do a real job on our waters. We have accomplished this more perfect desecration in the name of the twin deities of our times, namely, "Profits" and "Standard of Living."

Now I suggest, Mr. Speaker, has come the time of reckoning. The date has arrived when the debt must be paid, the mortgage must be discharged, or foreclosure is at hand—not only foreclosure with respect to the waters themselves, but even the foreclosure of those very twin deities themselves, of profits and standard of living. Because, of course, there will be little of either profits or standard of living unless we do, in fact, reclaim our environment in general, and our waters in particular.

Yes, Mr. Speaker, it is my privilege today to move second reading of the Canada water bill, the most extensive piece of water legislation since Confederation. I begin the debate on this bill with a great sense of urgency, and with the knowledge that what we say and do here over the next few weeks will affect the lives of all Canadians for decades to come. We must act, and we must act today, to rehabilitate, to protect and to develop our priceless national heritage and our most important single natural resource, our water. The Canada water bill is put forth as the basic policy instrument for all federal water programs, and I think hon. members will agree that we must assure ourselves that by our best efforts here in this house, and in committee, we bring forth the best legislation we can conceive in this complex and often highly technical field.

[*Translation*]

Water is the medium in which life itself was spawned. It is the major constituent of the human body, an essential ingredient of the air we breathe, the principal feature of our weather, the habitat for a myriad varieties of life forms and a major factor in all of man's undertakings.

It is, on the one hand, a source of awesome violence through deluge and flood and, on the other, an object of unparalleled natural beauty and the fount of spiritual rejuvenation for people of all ages.

For millions of years, man, like the more primitive animals before him, has lived along the shoreline of waterways. It is no accident that the great citadels of every civilization are almost without exception located in the vicinity of a major water body. But, as with so many of the bounties of nature we have grown so accustomed to its presence that we fail to give it the attention and respect it deserves.

In time our indulgence, apathy, neglect and abuse have produced a resource that has sunk from being an object of beauty and utility to an unsightly and malodorous witness to the failure of man on his own planet. Far from being a source of inspiration, many of our rivers and lakes are the source of discontent and frustration and at times even a danger to our health and well being.

This is the situation with the once beautiful waterways that surround this very House. Debris, odour, dead fish, and high bacteria count are the normal summertime conditions surrounding many of the country's finest cities and even the very capital of this nation.

The time has come when every government, every industry, and every citizen must act in concert if we are to roll back pollution and thereafter manage our water resources

for the optimum benefit of those who would use this precious heritage today and who will require it in our tomorrows.

[*English*]

Yes, Mr. Speaker:

The tide of public opinion has risen sharply on this issue and we must, as Shakespeare warned us, take it "at the flood" for if we do not do so now we shall indeed, in the words of the Bard, find our lives "bound in shallows and in miseries."

How did all this happen? How has this most urgent of national problems arisen in this, as well as other, lands? At the beginning of the nineteenth century, when all of Canada was sparsely populated and none of her waters congested, there was water enough to drive logs, turn water-wheels and provide fish for our ancestors. But I have mentioned already, Mr. Speaker, our ancestors were then few, and the industries were indeed tiny. Waste, both human and industrial, was swallowed up by our rivers and quickly purified.

But as the population grew, villages expanded into cities and little saw mills became huge pulp and paper factories. However, our attitudes with respect to water and our practices did not change thereby. The new cities assumed that the nearby waterbody could still easily dispose of their waste, and they dumped in their leavings, in new abundance and untreated. Small industries, grown large, assumed that because a river could handle a few tons of sawdust and bark chips a day, it could as easily handle several hundred tons of wood fibres and sulphite effluent. More industries and more cities joined those already there. Hydro plants converted the fast flowing rapids, which rivers once used to cleanse themselves, into stagnant head-ponds, and each time another rapid was castrated bringing more hydro power, we cheered—and called it progress.

• (3:40 p.m.)

The process went on and on with few attempts to alleviate it—and few people really cared. Until one day in the late 1960's, we awoke to find parts of the great lakes choked with the algae grown on the phosphates from millions of automatic washers. Then, we paused and rubbed our eyes and looked at the Ottawa River flowing by the very windows of our own Parliament Buildings. Once the noble and mighty, roaring stream that Champlain saw had now turned into something short of a waste disposal ditch.

[Mr. Greene.]

I believe we now realize that we have all erred. We have failed to plan the use of our waters. The time has surely come to pay the piper and redeem the wrong of yesterday.

For our flowing waters have many uses. Most of our rivers and lakes are used for recreation; for drinking water; for fishing; for irrigation; for hydro power generation; and yes, quite properly also for the disposal of waste. Not all of these uses can be reconciled easily. And yet they must be. This is our task. We do not question the use of streams for recreation or drinking or irrigation or hydro power or waste disposal. Yet each one of these uses may conflict with all of the other uses.

Seeing the pollution, many people now consider waste disposal to be an illegitimate use of water. But waste is an unavoidable factor of our modern way of life. Matter cannot be created or destroyed. Whatever we build, whatever we use, must somehow be disposed of, and disposal to most of us means getting our ugly discards out of our sight. We inevitably turn to water to transport this residue to the sea.

Waste disposal is not necessarily an illegitimate use for water and it does not necessarily interfere with other uses for water because our waterways, if not overloaded, can purify themselves. It is only when the natural ability of water to cleanse itself is surpassed that we find this use of water interfering with other uses of that precious resource.

All of this makes one point very clear. Our water must be so used as to ensure the maximum stream of benefits to all of the users for all of the purposes for which water is required. This optimization can only occur if we have comprehensive planning to achieve our goal of multi-purpose use. We must look at each basin as an integrated whole. We must examine all the uses which can be made of each basin. We must plan for the future so as to achieve the greatest long-term net social benefit of our water resources. The Canada water bill will allow us to do this—to plan together with the provinces firstly the optimum utilization of our water resources, taking into account all the uses which can be made of our water; and secondly, the re-establishment of water quality to preserve the best balance among these uses.

Yes, Mr. Speaker, we are facing a costly problem and we shall not avoid it. It will cost Canadian society some billions of dollars over a period of time to deal with its water resources in a rational way, and to undo the

damage we have done in the last hundred years. But let us think of the alternate cost, that of doing nothing. To begin with, doing nothing is a threat to our entire way of life, and, yes, perhaps to life itself. Eventually, if we do not act to clean up air and water pollution, if we allow our environment to run down further we may upset the ecological and climatological balances of nature upon which life itself depends.

But even if the problem we face has not yet reached this peak, there are huge social costs involved. It is not hard to imagine the day—nor far off if we do not act—when there will be no place within easy range of our cities where a person can go to swim in a natural river or lake, or any accessible place where fish can still live, or any place to just walk beside a pleasant stream. Our society will have its two cars in every garage but there will be no fit outdoor place to which to drive them. Yes, we will have our superclean, automatically washed clothes, but will there be any place fit to walk in these snow white garments? These are staggering social costs, costs that neither we nor our children will have to pay, if we act now.

Then, too, there are the purely monetary costs. Water despoiled by man must be cleaned again for his own use. The cost of purifying the water we have first made dirty is high. How much better to clean up our effluents before we put them into our rivers. For we then have the double benefit of clean water while it is in the stream, and drastically lowered purification costs when we want to use it again.

There are other monetary costs as well. The salmon run in certain maritime rivers may be dying because of our pollution. With it would die a source of revenue as well as of pleasure. Our other fisheries are also threatened by pollution, and with them would go the livelihood and the way of life of thousands of Canadians. Our tourist industry depends in no small part on the cleanliness of our streams, rivers and lakes, and I need not remind this House of the importance of that industry. I say this, Mr. Speaker, we cannot afford not to plan for the future! For that future, without the use of our most important single resource, water, would be a bleak one indeed!

The problem has arisen from the unwise use of resources that come to us free of charge. The lesson which we can learn from the past is a vital one. It is simply this, that the unplanned and uncontrolled use of our resources, even though they come free, as does water, can lead us to disaster. The first principle of the Canada water bill, and of the thinking of experts of all persuasions across Canada, is that no longer can we afford the unplanned and uncontrolled use of our water resources. No longer can each individual, each industry, each municipality, use our water resources as each sees fit. In that absolute and laissez-faire freedom lies the mistake of the past, and the disaster of the future. Those who use our waters must pay for that use, either by cleaning up what they discharge into our river basins, or by paying others to clean it up for them. This is the very gist of the Canada Water Act and the essence of its structure, that the user must pay for cleaning the water, for putting it back into the condition in which he found it and for improving it if indeed it requires improvement. The result, it is true, may be higher direct costs for certain goods and services. But as we look at these costs, we must remember that there will be savings to other users of the water who also have a right to expect that the water they receive will be clean and in good condition when it reaches them. We must remember, too, that there is no way we can avoid these costs and still maintain the quality of life. Everyone in society must eventually pay; this is the thing we must remember, and all of society will thereby gain.

How do we plan to proceed to achieve these things to which I have referred in general under the Canada Water Act? We have been engaged for many months in developing a plan of attack on these problems. This plan is encompassed in the Canada Water Act. But before I describe the bill to you in some of its major aspects let me describe for you—because it may be helpful to hon. members of the House—how we approached our problem.

Physically or geographically, Canada represents in some ways a highly unique case in the problems of water resource management. We have a small population, yet we are endowed with huge river basins and enormous water resources. We have exploited these water resources one at a time to further our economic development. Our rivers have been transportation routes for our largest single industry, pulp and paper. They have provided the vast amounts of hydroelectric power necessary to operate the extractive industries which have helped to give us the standard of living we enjoy. Yes, in some ways our waters, and our rivers in particular, have been the very backbone of our economic development.

Water Resources

• (3:50 p.m.)

However, the magnitude of our water resources and the exceptionally heavy use we have made of them have produced problems of proportional magnitude. So, the first factor we must face is that of the enormity of the problem and the historical nature of the background which has led to it.

The second factor we must face is that, by its very nature, water admits of many uses. Not all, as I have said before, are compatible one with the other. This problem is compounded by the fact that our water resources are so large that a single river may be called upon to fulfil many uses in its journey to the sea. It may be used to transport logs, cool a thermal electric plant, generate hydroelectricity, provide water for cities, irrigate farm lands and carry industrial waste. Each of these different uses requires a different standard of quality and different controls of river flow volumes. Moreover, different river basins will have different mixes of these uses.

This suggested to us and to the planners, the key principle that must be incorporated into the act. Obviously, the key principle is that of flexibility. This we tried to build into this legislation. We cannot impose the same formula on all waters in Canada, because our diverse waters have widely divergent uses and pass through widely different areas. It would, for example, be unreasonable and impractical to expect a busy harbour surrounded by a large city to attain the same degree of purity as a mountain trout stream. Its uses are vastly different. Society would be ill served by imposing the level of quality appropriate to Lake Louise on Hamilton Harbour. Nevertheless, because of their great volume, the effluents entering Hamilton Harbour will very likely require more treatment, and to a higher standard, than will the small volume of effluents entering Lake Louise. The Canada water bill, therefore, provides that we undertake comprehensive planning on a basin-by-basin basis.

There is a second key factor in the bill as we have conceived it, Mr. Speaker. It postulates that we first establish the present and future uses of a body of water. Then, in consultation with all interested parties, we plan comprehensively to optimize its use so that we may derive the maximum benefits.

The second problem we were faced with, was a problem that is very unique to Canada. Just as Canada faces a unique physical environment, so too does it face another unique situation. When the British North America Act was written, no one could possibly have anticipated the problems we face today over water resources. Indeed, in 1867, water was so plentiful and clean that it would have been difficult to imagine that it could ever require the attention it now does. Consequently, little attention was paid to water as such in the B.N.A. Act. The right hon. gentleman opposite has sometimes suggested that the Prime Minister of that time was not much interested in water, anyway. Perhaps that had something to do with the constitutional deficiency.

Mr. Knowles (Winnipeg North Centre): He probably thought it was not pure.

Mr. Greene: In some ways, Mr. Speaker, water was a natural resource and as such came within the ambit of provincial responsibility under the B.N.A. Act. The boundary water treaty, and the realities of the situation itself, gave to the federal government many responsibilities concerning our boundary waters with the United States. International waters, in many of their aspects, came under federal jurisdiction by virtue of our constitutional responsibility for international affairs. The B.N.A. Act did, indeed, assign to the federal government specific legislative authority over certain aspects of our waters. In particular, it gave us control over navigation, fisheries, and over waters which cross from one province to another and which are subject at least to federal mediation and, for some purposes, federal control.

Thus, as with many other subject matters, the jurisdictional responsibility for water is divided between the federal and provincial governments. This is the most important single aspect of the constitutional environment within which we must work. This situation suggested another vital principle which had to be incorporated into the Canada water bill, namely, that we in the federal government must approach water problems in a co-operative spirit with the provinces. No one level of government is capable of handling all problems pertaining to a river, especially if they pertain to an inter-jurisdictional river.

The bill, accordingly, has been conceived to take clear recognition of the fact of the split responsibility. Responsibility is split between the provinces and the federal government and we must recognize that if we are really to do the job of re-establishing our waters. The bill establishes the framework for intergovernmental co-operation which is vital to its success and the management of our waters. We have invited the provinces, municipalities, the

private sector, and citizens generally to comment upon the bill and suggest changes they feel are necessary. We have had discussions and experienced excellent co-operation with the provinces. I feel very certain that this kind of co-operation will continue because they are as determined as we are to get at the source of this problem and do the job that is required.

In the past, Mr. Speaker, our constitution has been both a stumbling block and whipping post when we talked about questions of water. I am confident, in view of the urgency of the problem, that we can look forward to a sense of dedication and co-operation which will enable us to overcome any constitutional problems in this area. We have found in great measure, as I have said, in our discussions with the provinces this desire to overcome constitutional limitations in order that we can get on with the job. I firmly believe that whereas the constitution in the past may have been a barrier to action, under the aegis of the Canada Water Act it can be a bridge towards co-operative action and the solution of these problems.

We must also accept the fact that there is obsolete legislation, and that there have been obsolete ideas in the realm of government itself, especially with respect to questions concerning water. The obsolete ideas revolve around the concept of non-comprehensive or single use planning as well as the concept that one level of government can take sufficient action to remedy the defects.

Consequently, the Canada Water Act replaces and repeals the Canada Water Conservation Assistance Act which was based on single purpose planning and used largely to build small flood control works. For today's pressing need, that act is too rigid and narrow. Its basic concept, that the federal government was excluded from participating, except as a banker, limited the ability of the federal government to tackle the real problem.

• (4:00 p.m.)

It is encouraging to note that already we have commenced co-operative joint studies on the Okanagan and Fraser Rivers in British Columbia and that consultation on the Qu'Appelle River in Saskatchewan and the Saint John River in New Brunswick are under way. All around us there is reassuring evidence of the willingness of the provinces to co-operate and of moves in new legislative directions. The Canada Water Act will enable the federal government to do its share.

How do we envisage that the Canada Water Act will operate? What will be the mechanics of establishing and ensuring federal-provincial co-operation; of determining priorities, of planning and implementing our plans?

We envisage ten federal-provincial joint consultative committees, one for each province. On each of these committees there will be three federal and three provincial members from high official levels. These committees will be charged with determining priorities for research data collection, planning and implementation, and they will report directly to the provincial ministers in charge of water, and to the federal Minister of Energy, Mines and Resources. They will meet frequently enough to decide on what new projects or plans need be undertaken or to hear progress reports on those already under way. We must no longer allow conflicts in objectives and priorities to hinder co-operative action. These must be resolved by continuing discussions and negotiations.

Let us suppose, so that we will understand it better, that a joint consultative committee has decided to assign a high priority to a particular river basin. In all probability a joint planning board would then be established by formal agreement for that particular basin. The members of these boards might come from both the federal and provincial governments, and from the private sector as well if that would be beneficial. It would be the task of each board to draw up a series of detailed plans for the comprehensive management of the resources of that river basin, for the alleviation of problems which may have arisen and for capturing the full potential of each basin. A report from this board would also include recommendations as to cost benefits, an examination of alternatives and a plan for implementation.

The planning report would then be submitted to the appropriate governments for approval of any plans and a detailed agreement for implementation could then be signed by the appropriate governments, federal and provincial. Once such an agreement had been signed, implementation could begin, supervised either by the planning board or by a similar implementing board.

Even though the pervading spirit of the bill is co-operation, the federal government cannot avoid its ultimate responsibility to take decisive firm action when and where

necessary. Two such actions are provided for in the bill.

First, if a recalcitrant individual, firm, or agency persists in depositing wastes in contravention of the prohibition, specifically included in this federal statute, a fine of $5,000 per day for the initial day and each subsequent day can be levied in the courts. Furthermore, the courts are empowered to order compliance and to order cessation of activities if necessary.

Second, if a province steadfastly refuses to co-operate where the federal jurisdiction is clear, and where there is a significant national interest involved, the federal government reserves unto itself the right to move unilaterally on certain aspects of water resource management.

No other position is open to us. We must have the ultimate power to clean up international and boundary waters and major interprovincial rivers. In particular, we must be able to say to our southern neighbours soon "We are cleaning up and managing our portion of these shared waters and we expect you to do the same." I believe that under the aegis of the Canada Water Act we can in fact develop these international waters jointly with the United States and thereby gain a greater net benefit for both countries. We could not allow an unco-operative provincial government to veto such action indefinitely to the detriment of Canada as a whole. But this situation, we expect, will never occur, as the enthusiasm and co-operation we have to date found in the provinces indicates very clearly that unilateral action is not likely to be required.

These are the general provisions of the Act for comprehensive planning based upon maximizing the utilization of a water basin in the best interests of the people who live along it, and of Canada as a whole. I am sure we all agree, as I have tried to state earlier in general terms, the single gravest water problem we face today is the problem of pollution. To this end, we have included in the bill a number of special provisions for dealing with pollution.

There are only four things man can do with the vast tonnage of waste he produces daily; burn it, bury it, wash it away, or put it into orbit. He is busy doing all four but by far the greatest quantity is washed away into our lakes, rivers and groundwater, each draining eventually into the sea.

The problem before us is to devise a method compatible with our free enterprise system that efficiently and effectively yields

[Mr. Greene.]

optimal levels of water quality under a wide variety of conditions. We have also sought to leave industry a series of options and yet to distribute the cost of pollution abatement equitably throughout society. We have sought also to allow local views and opinions to be registered without permitting any region to choose the course toward gradual environmental degradation.

The essential elements of this federal model for pollution control, or as we prefer to call it, water quality management, are as follows:

1. We will designate each water body jointly after consultation with the provinces, and where necessary with the provinces, on a sequential basis so that we can concentrate on the most serious pollution problems first.

2. We will negotiate agreements establishing joint water quality management agencies for each area or collection of areas using provincial machinery as the basis whenever and wherever it is adequate and adaptable. Local participation, which is essential, will be strongly encouraged.

3. The senior levels of government will jointly establish guidelines and procedures to be used by these agencies in arriving at water quality objectives, effluent standards, effluent fees and treatment charges. This procedure is provided in lieu of rigid uniform standards, which economists and ecologists both insist are inefficient and impractical in a country as large and varied as Canada.

4. Each agency will be instructed to develop and to submit water quality management plans for the designated area recommending the optimal level of water quality for a series of target dates and taking into account the full range of future uses for the water body considered. This same plan will project future waste loads along the entire water body, the degree of treatment required, the schedule of fees for the deposit of wastes in the water body, the additional waste treatment facilities required, and charges for the use of these facilities.

5. These plans will be submitted to the federal government and the provincial government in question for approval. At this point the senior levels of government can insist upon equity, consistency, and avoid the dangers of pollution havens by insisting upon high levels of quality and treatment.

• (4:10 p.m.)

6. Once the plan is approved the agency would be instructed to implement it and enforce the standards contained therein.

Each agency will be provided with the capability for analyzing and planning its own water quality program for subsequent governmental approval, and thereafter for constructing and operating waste treatment facilities. In most instances existing provincial and municipal pollution control authorities and facilities can be utilized. Then, too, agencies will be required to enforce the regulations including the inspection of plants and the analysis of water quality. Some of these functions can be centralized. Others will be more efficient if decentralized. The precise arrangement can be worked out through negotiations with the provinces under the flexible terms of the Act. To repeat, the objective is to achieve optimal water quality levels for each water body efficiently and effectively. This new statute is the enabling framework, the vehicle for joint co-operation.

Once a water quality plan is implemented, the producer of goods and services who must dispose of wastes will have four options:

(A) to treat his wastes to such a high degree of purity that he would be permitted to discharge them freely into the receiving waters.

(B) to partially treat his wastes and pay a fee for depositing these wastes into the water body.

(C) to deliver his wastes to communal treatment facilities and pay the appropriate charges.

(D) to change the waste producing process so that the waste is eliminated or changed to a harmless form.

With these alternatives, the waste disposer can opt for that scheme or combination of schemes which best suits his own situation. No central authority dictates the selection. Indeed, it is inconceivable that the federal government could make such decisions efficiently for the thousands of waste disposers across Canada.

I think a word of explanation is required here, Mr. Speaker, in respect of these fees. One of the hon. gentlemen opposite has already expressed some fears in this regard. At first glance they may appear to those not familiar with pollution control as a licence to pollute. On the contrary, they are the device which forces the waste disposer to pay the full cost of maintaining water quality, because the fees paid are used by the agency to construct plants or to take other action to provide a better quality of water.

By carefully constructed schedules of fees, depending upon the quantity and kind of waste, and the self-purifying character of the receiving water body, the waste disposer can be forced to pay a fee sufficiently high to permit the water quality management agency either to treat the waste itself or cleanse the entire water body if necessary. We shall not dictate the method to the firm or the municipality but we shall insist, as I said earlier, on the first principle of the bill, which is that the polluter pay the full cost of cleaning up the waste. Indeed, the schedule of fees can be set prohibitively high for certain wastes to ensure that such wastes are totally excluded from water bodies, if necessary.

Because these schedules of fees can be periodically revised upward, a higher degree of treatment of wastes can be induced as needed to achieve the water quality objective even when additional industries and municipalities continue to crowd around a water-body. In this way, the entire process is self-adaptive, an essential feature for a country like Canada that has vast undeveloped areas and yet a rapidly expanding population and a dynamic industry.

Furthermore, this system of fees and charges will permit each agency to become self-supporting after an initial transitional period. In addition, this scheme forces the waste disposer, whether an individual, a firm or a municipality to pay the initial cost of pollution abatement directly. The waste disposer may transfer these costs to the consumer of the goods and services he produces either through consumer prices or local taxes. In this sense, as I said earlier, pollution will become, as it should always have been, a cost of production. The forces of the open market, so essential in a free enterprise system, will be brought to bear to bring efficiency into pollution abatement.

The statute permits regulations to be promulgated from time to time to prevent certain substances from being deposited in designated areas. I would call Your Honour's attention to a specific problem which has been highlighted in recent weeks as a result of the report on the Great Lakes by the Advisory Board to the International Joint Commission. Phosphates from detergents and fertilizers, as well as human and animal wastes, have been identified as the culprit in the aging of lakes and particularly in fostering the growth of algae. Two courses seem open to us: either to call for more extensive treatment of wastes containing phosphates or to

restrict the use of phosphates. Either of these courses is possible under the Canada Water Act in areas designated as areas of water quality management. Only in those areas can we restrict or regulate the injection of phosphates. The more general approach of a nation-wide restriction on use is not provided for under the act as it now stands; as I say, we approach this from the water basin standpoint. The committee hearing this bill may well want to explore the possible advantages of a national approach in respect to some general regulatory power. It may wish to suggest additions to the bill to cover phosphates and other chemicals which fall in future into the same category on a national basis rather than on the basis of a water basin approach affecting particular chemicals.

It will be most interesting to hear the views of the committee on this question because we must take remedial action in connection with phosphates in the immediate future.

[*Translation*]

Clearly, the federal government cannot and should not be involved in every small basin in the country. It must concentrate its human and financial resources on those areas where the federal responsibility is paramount. I think, for example, of the great lakes—St. Lawrence system where navigation, fishery, agricultural, international and interprovincial matters are of great concern.

The problems of pollution and maintenance of water levels are major issues that the province of Ontario cannot be expected to cope with alone. The very size of the problems involved, aside from the federal government's clear jurisdiction over many of these problems in boundary, international and interprovincial waters, dictates the logic of a strong federal role in the comprehensive solution of these problems.

Management of the Ottawa River cannot be divorced from that of the St. Lawrence. Pollution control problems on this river are some of the most difficult to solve in the country, as has been demonstrated by the frustrated pleas of the municipalities along its course seeking leadership from the federal government in bringing the expertise of Quebec and Ontario together with its own, to solve the problems in a comprehensive way. Again, federal jurisdiction and its responsibilities concerning many aspects are very clear.

• (4:20 p.m.)

[*English*]

The problems of the Fraser River involve major fisheries interests, an enormous hydro power potential, navigation and harbours, river and estuarial pollution, and flood control. These problems are all interrelated and can be dealt with effectively only within a comprehensive regional framework and with joint federal-provincial action. The federal government is, of course, already deeply involved in the Fraser River problem. An agreement signed a year ago with the province of British Columbia is providing some $18 million for a joint program—50 per cent of the cost—for dyking along the lower Fraser River and adjacent areas of the lower mainland.

The Saskatchewan-Nelson River system crosses three prairie provinces and is the major water source for this vast region. The federal government has legislative authority respecting navigation, fisheries, and agricultural uses of the water as well as pollution which derives from or affects these uses. A number of possible water diversion schemes involve more than one province or the Northwest Territories. Federal involvement, therefore, is required, not only because of the possible size and financial implications of the development, but also because federal jurisdictions are involved.

Several important rivers in the Atlantic region, such as the Saint John, have problems that are both national and international in character and for which federal responsibility for fisheries and navigation are important.

Mr. Speaker, we are active in other areas and on other river basins as well. I have mentioned only some of the most important and biggest projects here. It is our intention, under the Act, to concentrate the resources of the federal government on the large multidimensional problems usually found in international, interprovincial and some major intraprovincial river basins. We believe this focus will yield a greater return on the funds that will be available than would any attempt to assist in solving the multitude of minor issues that are of a more local nature and properly the responsibility of the provincial water authorities.

[*Translation*]

Mr. Speaker, from what I have said here today and from what you all already know, it is clear that the problems we are discussing

are grave and urgent. Equally, the solutions we must produce are momentous in their scope. It is impossible to make an exact estimate of what it will cost us to pay for our past sins and establish a sound program for the future, but estimates range to billions of dollars.

Nor can we complete the job overnight. The damage it took us decades to do, will, even with our best efforts, take us years to undo. The 1970's in Canada will have to be dedicated to the eradiction of pollution and the rational and comprehensive management of our resources.

Who will pay the gigantic costs involved? The answer to that is that just as everyone is responsible, so in the end everyone must pay.

[*English*]

Municipalities which deposit human and industrial waste in our waters must do their part. Here very special responsibilities for the clean-up and treatment of domestic and industrial sewage fall upon a level of government that is at the bottom of the fiscal totem pole and often finds itself in difficult financial straits. Through the provinces, which are responsible for the municipalities under our constitution, they will be consulted and must do their part. They must join the national effort, must plan for the future of theirs and our water resources. Yet we realize that the municipalities face a grave financial situation. Consequently, we are taking steps through Central Mortgage and Housing Corporation to make a large and expanding fund available from which municipalities may borrow under favourable circumstances in order to finance the construction of sewage treatment facilities. The present shortage of loan funds, which some have pointed to as a result of the present financial difficulties and the determination of the government to fight the war on inflation, is temporary and will be rectified.

And what of the individual citizen? What does he contribute to this program and to his challenge of the times? First, we must remember that it is he who makes up the totality of our body politic, and so the quality of our environment must depend ultimately upon him. Each of us has exploited our environment for too long and the cost has become evident. Dying lakes and rivers surround us and the smell of pollution is everywhere. The cost of phosphate-filled detergents is algae choked lakes. The cost of the sixty-page coloured advertising supplement in our daily paper is sulphite liquor and wood fibres in once clean rivers. The eventual cost of our way of life may be its extinction unless the individual citizen is willing to pay the price of cleaning up our environment. It is ultimately a matter of the attitude of the private citizen that will control the whole success of this venture. Public opinion must remain strong on this issue. We must all demand that the job be done and the price be paid if we are to win the struggle.

Having spoken of the responsibility of municipalities and of the individual himself in this struggle, may I now concern myself with industry, so often a whipping boy when we talk of questions of pollution. How often in recent months have I seen the ire of citizens directed at polluters in everything from letters to the editors, to the learned articles and academic publications, and inevitably industry is the villain, industry is the sinner and industry must pay, then all our troubles will be over. How easy and happy the solution would be. Yes, industry must pay its burden of the costs. We must recall that industry in fact is all of us as employers, employees and consumers of industrial products. It is all of us as recipients of the vast sums and taxes paid by industry.

Millions of Canadians work in industry and hundreds of thousands, at least, are owners of industry within the framework of the capitalistic system. Each and every one of us consume the products of industry. To indict industry as the sole culprit, is little more than indicting ourselves, as industry does little more or little less than public opinion demands. More than this, industry has surely not behaved much differently than have we, as individual citizens.

Yes, industry is bigger and will have to be cleaner, and accordingly its clean-up costs will be greater than that of individuals. This is not to defend industry but rather to point out that the corporate citizen has done little different but is only bigger than the individual citizen and must bear the cost in proportion.

Yes, industry must in fact indicate its willingness to co-operate in this great effort to improve the quality of our environment. The private enterprise system, with its inherent freedom, giving the maximum choice to the individual, rewarding initiative and industry—that very freedom and incentive which the capitalistic system has given—has provided a real reward in the highest standard of living that any system known to man up to the time of this system has given.

• (4:30 p.m.)

The system unquestionably has faults. There are those who claim the private enterprise system has lost its sense of purpose and morality. Hence, to some degree the disaffection of youth who refuse to subscribe to its purposes, and the unrest on the street and on the campus. Dissenters from Eugene Debs to the current disciple of dissent, Paul Goodman, have railed at its deficiencies; but perhaps Galbraith has put dissent in more useful terms in pointing to the deficiencies by refusing to tear down the house merely that we might repair the plumbing. He has, as I understand it, suggested reform rather than demolition. He has urged that the great corporations of the private sector who play a paramount part in the direction and purposes of our economy and society must devote a far greater proportion of their leadership, drive and productivity to the public sector as well as to private profit and the benefits to be derived from insiders of the system if the system is to survive in the tomorrows.

This surely is the great test of our times. Those of us who believe in the freedom and the individuality and the productivity of that system know full well that it must divert some of the great energies and production it unleashes to the quality of our life and our environment, as well as to the corporate profit motivation and to the financial well-being of its own. If it does not do so, the alternative will clearly be a greater control by government, more state-ism, and possibly an ultimate state control of the instruments of production which has nowhere, to my knowledge, proved either conducive to freedom or productivity. But if the system fails in these measures and in these directions to play a more useful part in the public sector then it will pass from the scene of history as did the systems of Egypt, the Byzantine empire, Rome or Greece when they failed to serve the people they purported to serve.

I suggest that here, in the Canada Water Act, we have one of the public documents which will help to determine in our time whether industry or the great corporations can in fact play their part in the public sector in helping to bring to our society a quality of life and an environment which is worthy of a great people. I believe they can and will do so. I believe that under the aegis of this bill we will find the co-operation of the corporations and the private sector and that they will play their part in this area of public demand to make this a better land and create an environment worthy of our tomorrows. I think hon. members will agree that this problem is too urgent and too important to become the playground of partisan bickering. I look for no politics in this and I doubt if anyone will derive any great political advantage from a bill as large as this and as costly as this to all Canadians. For this reason I welcome with an open mind suggestions from everyone, and particularly hon. members of this House, on how this Act may be improved and upon what further steps we can take to solve our problems.

We have no clear pattern to present. I do not think any country in the world on either side of the iron curtain has a clear, definite and perfect plan in respect of questions of environment and water control in particular. So, we have created a framework which we think is a valid one and have taken an approach after a very considerable study which we think is best for Canada, but we know we do not have all the answers. I have been in close touch with the provinces. I have received valuable suggestions from them and I expect to receive more. Indeed, it is only appropriate that the provinces have much to contribute to this bill for many of them have already taken great steps in the fight to preserve our priceless water resources. They recognize the problem as we do. Their work in the past has been vital and in the future, in co-operation with the federal government, their work will become invaluable.

I am sure hon. members of this House will also have a great contribution and input to make to the problem and to the ultimate detail of the bill. The fundamental significance of this bill precludes any dogmatic partisanship and I intend to consider all suggestions carefully. I will welcome them all. Oliver Goldsmith, two centuries ago, in bemoaning the loss of spirit and vitality of man in the face of industrialization, said:

> Ill fares the land, to hastening ills a prey,
> When wealth accumulates and men decay.

It may well be that in Canada we do have decay in our purposes and in our spirit, with our high standard of living, in respect of things as important as protecting our environment and our water. But I do believe we in Canada have the will to act, and to act in time, if our spirits have decayed and if we have permitted the despoilation of our waters. I believe the will exists and, in fact, that the Canadian people demand that we act and act now to restore and preserve our waters and the quality of our environment.

We are no longer willing to sacrifice the health and beauty of our surroundings on the altar of economic growth or so-called standard of living which serves self but takes little care of the environment and replacing things for those who come after. Here in Canada we have continued for so long to search for that elusive Canadian identity. May I have the temerity to suggest that no identifying characteristic of Canadians would be more worthy than our observable commitment to a recognizable Canadian ethic which proclaimed that henceforth we will include the quality of our environment in our calculus of progress. This, Mr. Speaker, is the essential spirit of the Canada Water Act.

Some hon. Members: Hear, hear.

Mr. Aiken: Mr. Speaker, before I begin my remarks may I ask the minister a question. I hesitate to ask him such a crass question at this time. I wonder whether he could enlighten the House concerning the sum of money the government has in mind as the federal cost of this program in its first year of operation.

Mr. Greene: The Act quite clearly provides a framework. The very gist of it is that polluters will pay for the cleaning of the water. As they dirty it, they clean it up again or pay for the cost of cleaning it up. As I said earlier we do not have all the answers. It may be that public bodies—and I am thinking in particular of municipalities—may require financial help by way of long-term loans or otherwise. I think it should be borne very clearly in mind, however, that the whole basis of the bill is that polluters must pay for the cleaning of the water and the cost they would pay is the cost of production which would be in the future.

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I wholeheartedly agree with everything the minister has said concerning the common objective of everyone in this House to maintain the best environment in which Canadians can live. The minister has given us an idea of what he sees in the Canada Water Act and an idea of what he thinks may develop as a result of this legislation. Certainly, no one in this House and no one in Canada will question the objective and the need of keeping our environment clean and our waters from becoming polluted. But whether or not this objective is being achieved in the bill before us is what we are here to discuss and what the committee, to which I assume this bill will be sent, has to determine.

• (4:40 p.m.)

In my view, the bill which we are discussing, the future Canada Water Act, does not fulfill the objectives that the minister has set for it. I believe that the Canada Water Act is a complicated, devious, vague and ineffective piece of legislation. It is complicated because it proposes to set up local water boards which will derive some authority from the federal government, some authority from the provincial governments, but no real authority from anyone. It does nothing to unwind or cut through the maze of jurisdictional division, but in fact compounds the present jurisdictional uncertainty by adding to it.

The bill is devious because it pretends to provide a federal initiative and support for pollution control in the water field, but in fact its provisions are so worded that the federal government gives no leadership and provides no effective financing. The bill is vague because the water quality management agencies which it purports to establish are given no authority or guidance. The powers to raise money are not defined, and these agencies will be left to work out for themselves solutions to problems which the federal government itself should settle for them.

The bill is ineffective because it is based in large part upon federal-provincial agreements, and lacking such agreement in any province the whole bill will falter and fail. No effective consultations with the provinces in order to ensure the success of the bill were undertaken prior to announcement of the government's intention, and the success of the bill is now a matter of pure chance. Support of this bill will be forthcoming from the Official Opposition solely because the government has apparently decided that this is the only basis on which they will proceed, and we must have some action, however feeble, in the hope that the committee hearings will convince the government to make major revisions and to take more positive action in the area of pollution control. Having made this initial description of the bill, I now turn to some more general comments.

The problems of our environment and its pollution are generally considered to be one of the major concerns of Canada and in fact of North America in the seventies. In the past we have had other major problems. In the fifties we were concerned with highways and transportation; in the sixties it is and has

been education that has drawn the minds of the people; and in the seventies it will be questions of environment and pollution control.

Control of pollution in the waters, both international and national, of the air, and of the soil, were determined at the Niagara conference of the Progressive Conservative Party very recently to be one of the highest priorities of our party, and to be urgent in the maintenance of the quality of our life. Federal involvement in matters of pollution control has been spotty and uncertain in the past. The first positive steps were taken in 1960 by the former Progressive Conservative government when grants and loans to municipalities for installation of sewage disposal facilities were authorized by legislation. There has been a tremendous advance in municipal treatment and disposal facilities since that legislation was introduced. I was pleased to hear the minister say today that this assistance will be continued and enlarged, so that the municipalities may carry on this very urgent work.

During the past few years there has been an increasing demand for the federal government to involve itself in pollution control as a national priority. There has been insistence that the federal government should take firm action toward co-ordination of its efforts to end the jurisdictional maze in which half a dozen federal departments pass the problems back and forth, and that there should be one agency with which provincial and international bodies can deal. Numerous concrete suggestions have been made, beginning with the establishment of the Council of Resource Ministers in the early 1960's and the Resource Ministers Conference on Pollution in 1966, for the exercise of the federal authority, particularly in areas of national standards, co-ordination of efforts among the provinces, research, monitoring standards, enforcement, and the provision of funds as a national priority. Whenever the subject of pollution control has been raised during the past two years, the shortly-to-appear water act has been quoted as the answer to the problem.

As against this background of desirable objectives which I have just given and which the minister himself has so ably stated today, I would like to look at the shortcomings of this bill, as I see them. While it may seem trite to mention it, the bill deals only with water and does not touch on any of the other problems of pollution which many feel are so inter-related that they cannot be dealt with separately. Even as it concerns water, the bill does nothing to improve the great problems of the Canadian constitution, particularly within the federal area, the jurisdictional maze among the Department of Energy, Mines and Resources, the Department of Fisheries, the Department of Agriculture, the Department of National Health and Welfare, the Department of External Affairs, the Department of Transport and the Central Mortgage and Housing Corporation. All these branches of the government have pollution control sections, in many cases working independently of and separately from, the other departments and without knowledge of the exact work that the other departments are doing.

The bill does not make provision for the establishment of national standards for water quality, equipment or monitoring. It does, in fact, still leave it for one province or one area of the country to encourage industry because of lower standards of pollution control. In his opening statement the minister stated that there was no provision for the national elimination of detergents, for example, and this, I feel, is one of the obvious shortcomings in the bill.

• (4:50 p.m.)

Neither the papers presented this summer on the Canada water bill nor the bill itself indicate that the federal government is going to put up any money for pollution control projects. This impression was greatly confirmed by the minister's answer to my question. I venture to say that what the provinces want, as a quid pro quo for the entry of the federal government into the pollution field, is money. They and the municipalities feel that they are presently overburdened and that they have a need for a broader tax base which will encourage them to say, "Yes, the federal government should be involved."

This may be a very crass statement, it may be very financially oriented, but I believe it to be a fact. I think that the provincial authorities, in some cases if not in all, will be very difficult to deal with unless they find some financial resource is being made available to them. The financial clauses of the bill, clauses 31 and 32, are vague in the extreme. They are meaningless in the absence of a firm commitment of funds by the federal government.

The general problems of water quality control throughout Canada are not covered by this bill. The scope of the bill is limited to

those areas in which a water quality management agency is established. Presumably, other parts of the country will have to wait until their waters are in danger of being polluted or have become polluted before they get attention under this bill. I do not see this as a desirable feature in a federal bill.

No fixed cost sharing formula is set out in the bill for the federal-provincial agreements. This leaves implementation of agreements from province to province and from area to area in a state of confusion. The whole question of financing the agencies is completely left up in the air. The federal government has not accepted any responsibility for financing water quality projects. By this I mean that the federal government has undertaken to pay the cost of incorporating these agencies, $100 or $500 at the most. It has agreed to pay their operating expenses, which I assume are the routine ones of personnel and equipment, but it has not undertaken to provide any assistance whatsoever for projects that may be required.

The provincial authorities may or may not have authority or be willing to put up a share of the projects costs. This is another thing which the bill leaves very much up in the air because the provincial contribution is purely a matter of negotiation. The local agencies are authorized to collect fees and charges, as well as effluent discharge fees, but it is not specified whether they can do this by taxation, and certainly they are given no legislative authority to tax. In fact, it would appear that if the agencies are to operate their projects by taxation on real estate such authority would have to come from the provincial legislature. It is not clear whether the cost of water quality projects is to be borne by taxpayers in general within the water quality area, by those bordering upon the waters in question, or by those who are discharging pollutants into the water.

Speaking of the effluent discharge fees, which have been mentioned several times today, under no circumstances could I approve of such fees for new industries or for any situation arising in the future. I could not agree to creating pollution problems by paying effluent discharge fees. They might be justified in some cases where existing industries or municipalities have done everything they can to eliminate pollution, where the agency can effectively undertake treatment, and where there is no other alternative except closing down and creating unemployment. But I repeat that under no circumstances should this legislation permit a new industry, a new project, to discharge pollutants into our waters simply by paying an effluent discharge fee. I feel the bill should specifically spell this out. This is certainly one of the amendments that ought to be proposed in committee.

I see it is five o'clock, Mr. Speaker, and so I will resume my remarks later.

Mr. Deputy Speaker: Before calling private members' hour, I might recognize the hon. member for Gatineau (Mr. Clermont).

[*Translation*]

ROUTINE PROCEEDINGS

FINANCE, TRADE AND ECONOMIC AFFAIRS

Mr. Gaston Clermont (Gatineau): Mr. Speaker by leave of the House, I would ask to revert to Routine Proceedings in order to present a committee report.

[*English*]

Mr. Deputy Speaker: Is it agreed.

Some hon. Members: Agreed.

[*Translation*]

Mr. Clermont: Mr. Speaker, I have the honour to present, in English and French, the second report of the Standing Committee on Finance, Trade and Economic Affairs.

[*Editor's Note: Text of foregoing report appears in today's Votes and Proceedings.*]

[*English*]

Mr. Deputy Speaker: It being five o'clock the House will now proceed to the consideration of private members' business as listed on today's Order Paper, namely, Notices of Motions for Papers.

PRIVATE MEMBERS' MOTIONS FOR PAPERS

INDIAN AFFAIRS

CORRESPONDENCE RELATING TO POLICY STATEMENT BY MINISTER

Mr. Frank Howard (Skeena) moved:

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of all notes made at all meetings or conversations between the government

or any agency or department thereof and any provincial government or agency or department thereof since June 25, 1969 relating to the policy statement on Indian Affairs made in the House of Commons by the Honourable Jean Chrétien, Minister of Indian Affairs and Northern Development on June 25, 1969.

He said: Mr. Speaker, as the motion indicates it has its origin in the policy statement on Indian affairs presented to parliament by the Minister of Indian Affairs and Northern Development (Mr. Chrétien) on June 25. I am sure that a number of government members, in anticipation of this motion being called, have on their desks copies of that policy statement since it now appears to me, in Indian Affairs activities, the gospel according to St. Jean.

In order that there appear some continuity in the context of my remarks, may I be permitted to read the motion again so that it will appear at this particular place? Disregarding the "humble Address" part, what I want laid before the House is:

—a copy of all notes made all meetings or conversations between the government or any agency or department thereof and any provincial government or agency or department thereof since June 25, 1969 relating to the policy statement on Indian Affairs made in the House of Commons by the Honourable Jean Chrétien, Minister of Indian Affairs and Northern Development on June 25, 1969.

(5:00 p.m.)

Yesterday the Parliamentary Secretary, in replying to that motion, said, and I think I should insert his exact words here:

The hon. member is requesting copies of notes or conversations between the federal government and the provincial government. Conversations which have taken place up to now, other than that correspondence which will be tabled in the motion for the production of papers No. 63, are considered privileged information and it would not be in the interest of the governments or indeed the Indian people to table this information at this stage of negotiations. Under the circumstances, I would ask the hon. member to withdraw the motion.

Might I comment in passing that, as indicated in the remarks of the Parliamentary Secretary, there had been conversations with provincial governments and presumably there are notes as a result of those conversations.

May I reiterate what I said yesterday, and underline the proposition that the government has no right whatsoever, no moral right and no ethical right, to arrogate unto itself the authority to enter into negotiations with provincial governments regarding the affairs of at least a quarter of a million Indian people, plus another quarter million who do not have Indian status as defined in the Indian Act. It is typical of the technocratic and arrogant attitude of the government that it wants to conduct negotiations with the provincial government in secret. That is the sense of the answer given yesterday, that they are not going to disclose to the Indian people any conversations the minister or any member of the government has had with the provincial governments. This information is too good, too cherished, to publish but it is something that deals with the fundamental rights of the Indian people, and is information developed as a result of the policy statement made in this House by the minister.

It is the same old story so far as this bunch of Liberals is concerned. As an example, let us look at 1943 when the federal government, a Liberal government at that time, entered into secret negotiations with the provincial government in British Columbia which was a Liberal dominated coalition in those days. These negotiations resulted in the native Indian peoples in British Columbia losing their rights over mineral resources and reserves. Today, we have the same story, another set of closed door discussions and a contradiction between what the Parliamentary Secretary said yesterday and what the minister has said on this matter. I have here a press release from the Department of Indian Affairs and Northern Development entitled "The Government Policy on Indians—What is the Debate About? A Speech by the Honourable Jean Chrétien, Minister of Indian Affairs and Northern Development to the Saskatchewan Women's Liberal Federation, Regina, Saskatchewan, October 2, 1969."

Now, if the minister was really going to tell the truth about his feelings why tell the Liberal women in Regina—why not tell his own party? I might add, Mr. Speaker, that this speech was so precious that a David A. Munro, who is presumably Dr. Munro, Assistant Deputy Minister of the Indian Consultation and Negotiations Group in the department—there is that word "negotiations" again—saw fit to send the same speech out again under a covering letter of October 30, stating that it was an extremely valuable and important speech which had not been widely reported. I should like to quote from this important speech. Right at the start the minister says:

In June I announced the government's proposals for an Indian policy. I had hoped that a vigorous debate might start over the policy proposals put forward. The debate has appeared, but much of it is not over the proposals advanced by the government. The debate has become clouded because of

misunderstandings, misinterpretation, and a lack of knowledge on the part of the Canadian public of the Indian situation.

Today I would like to try to penetrate this cloud and explain to you what was proposed by the government.

This is a speech to clarify the policy statement made on 25 June. The minister then said, "Let me explain", and in a number of short, terse statements tells what is not in the policy. Then, on page 2, there is another series of short, terse and succinct statements, mostly cliches but not beclouded by details, after which the minister asks, "What did the policy say?"

It says that the proposals contained in the policy statement are to be discussed with Indian people, provincial governments and the Canadian public before any of them are implemented.

That is the important part, Mr. Speaker. Then he goes on:

It says that representatives of the Indian people should be involved in discussions with the provinces.

But yesterday the Parliamentary Secretary told the Indian people that it was none of their business what took place during discussions with the provinces, that it was privileged information which it would not be in their interest to disclose. Here are two statements in conflict with each other which reflect on the part of the government, the Prime Minister (Mr. Trudeau), the Minister of Indian Affairs and Northern Development (Mr. Chrétien)—I regret he is not here to listen to my remarks but I would be prepared to say the same thing if he were here—and on the part of the Parliamentary Secretary, a deliberate, conscious and overt effort to mislead the Indian people and a deliberate, conscious attempt to mislead Parliament. I would not go so far as to say that the government or the minister are not telling the truth but the minister either must be very dumb or be deliberately trying to establish a course to mislead us.

At page 4 of this clarifying statement of October 2 to that great group in Regina called the Liberal Women's Federation we find this:

Indian people, because of past experiences, have a deep distrust of governments, both federal and provincial, and tend to regard the proposals with suspicion.

Well, Mr. Speaker, in contrast with the minister's statement, the statement issued yesterday is certainly not doing anything to move the native Indian people away from their suspicion and distrust.

Mr. Gibson: Why don't you read the rest of it?

Mr. Howard (Skeena): My friend asks why I don't read the rest of it—

Mr. Gibson: The next sentence.

Mr. Howard (Skeena): If my friend would not mind containing his enthusiasm I will get to the next sentence, and a few others too. I know my hon. friend is champing at the bit. He wishes to comment about this notice of motion. He can read what he wants from the statement. I say again that the statements emanating from the government are contradictory. We had one from the government to the effect that the native Indian people should be involved in the discussions with the provinces; yet nothing has been done about getting them there. The minister refused to let them come. Then, we had a statement yesterday from the Parliamentary Secretary to the effect that these negotiations are not the business of the Indian people, and that the government will not disclose what happened. I simply say that this manner of acting contributes to the deep distrust our native Indian people feel for governments, federal and provincial. In case my hon. friend cannot read for himself, the next sentence reads as follows:

• (5:10 p.m.)

In private meetings with representatives of the Indian people I have explained the policy proposals, and I have listened to their comments and criticisms.

Does the hon. member want me to read the next sentence too? It reads:

These meetings have been helpful and many more will be held.

Those statements do not detract one bit from the minister's twin suggestions. He suggested that the native Indian people should be involved in the discussions with the provinces. Neither can one deny that these negotiations touch on the rights of the Indian people and that the Prime Minister, the minister, the Parliamentary Secretary and the whole kit and caboodle of the government and Liberal party have not lifted a single, solitary finger in order to bring one native Indian person into these discussions. Our Indians have been denied that opportunity.

The minister goes on to say as follows, and I am quoting from the last paragraph:

At the root of the Indian reaction to the proposals is distrust of government and Canadian society as a whole. This must change.

What the House heard yesterday, when added to the statements the minister has made about this matter, will go a long way towards substantiating that distrust and suspicion. Is the minister really concerned about his policy statement? I really believe he wishes to bring it into effect. We must not forget that the native Indian people of Canada have generally rejected that policy statement. They say, "Do not proceed in this direction until, in conscience, you have dealt with our fundamental hereditary, treaty and land rights first." If the minister is sincere and honest in his wish to proceed with his policy on Indian affairs and see the matter come to some conclusion, and if he and the government really, honestly want to do something worth while in the field of Indian affairs so that we can adopt a posture towards the Indian people that will not lead them to distrust and suspect us more, then I ask, how can he square that desire with the declaration made to that great group, the Liberal women of Saskatchewan, yesterday? By making such declarations he is not doing a single, solitary thing to promote his cause or the cause of the Indian people. This is a disastrous situation and reflects what I consider gross dishonesty on the part of the government.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Béchard): Order, please. May I at this time announce what the business will be tonight at the time of adjournment. The questions are as follows: the hon. member for Winnipeg North Centre (Mr. Knowles)—old age security—inquiry as to amending bill; the hon. member for Vancouver East (Mr. Winch)—federal buildings—Vancouver—new project and "Project 200"; the hon. member for Surrey (Mr. Mather)—pollution—regulations respecting automobiles—inquiry as to action.

The House will now continue with private members' hour.

[Mr. Howard (Skeena).]

PRIVATE MEMBERS' MOTIONS FOR PAPERS

INDIAN AFFAIRS

CORRESPONDENCE RELATING TO POLICY STATEMENT BY MINISTER

The House resumed consideration of the motion of Mr. Howard (Skeena):

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of all notes made at all meetings or conversations between the government or any agency or department thereof and any provincial government or agency or department thereof since June 25, 1969 relating to the policy statement on Indian Affairs made in the House of Commons by the Honourable Jean Chrétien, Minister of Indian Affairs and Northern Development on June 25, 1969.

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, it might be helpful in my initial remarks if I were to attempt to deal with what seemed to be the point of the argument of the hon. member for Skeena (Mr. Howard). As I understand it, he contends that there is a contradiction as between the statement made by the Minister of Indian Affairs and Northern Development (Mr. Chrétien) and the statement I made yesterday in this House with respect to the return of his motion. I should like to deal with that. Then, I should like to deal with what I consider is the real subject matter this House must determine with respect to this motion. I might say, in an aside, that I do not think we have to determine whether there is a contradiction, as my hon. friend suggested. That was an interesting point and I shall have no difficulty in demolishing that argument.

What is the narrow point of this motion, Mr. Speaker? Is it whether or not the notes and conversations the hon. member asked for are indeed privileged, or does it turn on whether they should be produced? I shall deal with that matter in the second phase of my remarks.

To illustrate the contradiction, my friend of course went to some lengths in quoting the minister. He also quoted from the report of my remarks in yesterday's *Hansard*. What the hon. member requests in his motion, Mr. Speaker, and this is a matter of record, is a copy of all notes or conversations between any federal government agency and the agency of any provincial government. This matter, of course, is related to the white paper on Indian policy that was presented to

this House by the Minister of Indian Affairs and Northern Development.

The hon. member took some time in making the point that the Indians were not a party to these conversations or negotiations. Of course, that is not the case, and my hon. friend knows it. After all, he should know it best because of the experience of the Indian band in his own riding. He knows well that the Nishga tribal council stated publicly that they accepted the general principle of the new Indian policy. That happened after negotiation and after consultation, and I think my hon. friend knows it.

I think my hon. friend also knows that part of the white paper on Indian policy suggested that it would be desirable for us not to have separate sorts of services for Canadians, that we should consider all Canadians equal, that they are in fact equal, and that they should all have the same sorts of services. For reasons set out in the white paper and enunciated by the minister in subsequent speeches, we were told that those services could best be provided by the respective provincial governments and that if the Indian people agree, in consultation with the provincial and federal governments, there must be a three part agreement with respect to these services, so that over a period of time there may be an orderly transfer.

There has never been any suggestion that there would not be a three party negotiation. In fact, it involved three parties. In his motion, my friend asks for all notes made at meetings between officials of the federal and respective provincial governments.

There is no inconsistency in this matter because the white paper and the minister's subsequent statements have made it very clear that the negotiations would be on a three party basis and that any transfer or change of any kind would only take place with the express consent of the Indian peoples. As a matter of interest, I think the first Indian nation to say publicly that there have been consultations with respect to the new policy was the Nishga nation. The tribal council made that announcement, and that nation is located in my hon. friend's riding.

May I now deal with the other aspect of my hon. friend's argument? There have been, of course, conversations and discussions between the two levels of government and the Indian people. He raised the matter of notes and conversations and also, I believe, the question of memoranda and working papers resulting from the discussions. I suppose the hon. member is asking for conversations and memos made during conversations.

• (5:20 p.m.)

The second matter I now want to argue is whether these should be produced. Possibly I should preface my remarks by reading two paragraphs from the white paper presented by the minister. These come under the general heading of "Foreword". I will read these two paragraphs into the record:

> The government does not wish to perpetuate policies which carry with them the seeds of disharmony and disunity, policies which prevent Canadians from fulfilling themselves and contributing to their society. It seeks a partnership to achieve a better goal. The partners in this search are the Indian people, the government of the provinces, the Canadian community as a whole and the government of Canada. As all partnerships do, this will require consultation, negotiation, give and take, and co-operation if it is to succeed.

That is the end of the first paragraph I wish to read. I halt for a moment in order to underline the fact that the whole matter of negotiations is predicated on a partnership. It is referred to as a partnership between the two levels of government, federal and provincial, and the Indian people. The white paper sets out in the first page that this partnership must be achieved by consultation between those three groups. I now quote the second paragraph:

> Many years will be needed. Some efforts may fail, but learning comes from failure and from what is learned success may follow. All the partners have to learn; all will have to change many attitudes.

The white paper points out it will take some time for this process of negotiation. We all know it will take some time. We cannot change overnight attitudes of 100 years, policies, and conditions which have unfortunately lasted far too long. The white paper sets out, and the minister has said repeatedly, that this is a matter of negotiation between the three partners. During the negociations there will probably be memoranda. When I speak about negotiations between the three parties, I include the ten provincial governments. Negotiations will be carried on with innumerable Indian bands. Therefore the memoranda, working papers, telephone conversations and all the paraphernalia that accompanies modern day negotiations will pile up. The point I want to make, Mr. Speaker, is that the federal government is one of the parties to these negotiations. If we are going to enter into these negotiations with the hope there will be agreement and unity between these three parties at the conclusion of the negotia-

tions, we must not prejudice or compromise the position of any part at this time.

I know the interest of the hon. member for Skeena in the Indian people. I am aware of the interest of every member in this House. I say this as kindly as I can, and with the greatest respect, that by asking at this point in the negotiations for these documents to be produced the hon. member is not acting in the best interests of the Indian people. This sort of process is necessary in order to reach the objective for which all Canadians hope, including the Indians of Canada.

Possibly I could draw an analogy for a moment, Mr. Speaker. These are the things we do every day in our professions, our dealings between federal and provincial governments, dealings between international governments and between private individuals who may have a cause of action one against the other in a civil law suit. These things which are negotiable must be done without prejudice to the rights of another party. Successful negotiations cannot be carried on when one party runs and tattles to the judge about what another party said or did. Negotiation must be conducted in an atmosphere of good faith and mutual confidence.

Although I do not think the hon. member for Skeena intended to do so, it may be inferred from his remarks that the Indian people are not being involved and are not a part of the negotiations. That, of course, is not the case. They are parties to the negotiations. There has been no agreement to change the services provided to them, their status, ownership or title to land, the rights or privileges that they have enjoyed over the years. These will not be changed.

Discussions are being carried on with the provinces and no changes will be made without the consent of the third party because this is a tri-party arrangement. All parties have to be in agreement before any changes can be made.

The hon. member for Skeena referred to a speech made by the minister in Regina. I think it is helpful. The parts my friend quoted were helpful, but they were more helpful to his case and the argument that he advanced. I wish to quote from the same speech. I want to underline what is said in the white paper, that there would be continuing negotiations and consultation with the Indian people before any change is made or any transfer of services is made from the federal department to a provincial government. It is important that we underline this and subsequent statements made by the minister.

I will not quote the same sections as the hon. member. I made a note of what he quoted. I think we both have copies of that speech. On page 4 of the minister's speech we find this:

> What is needed now is a sensible and meaningful discussion about the steps to be taken and to separate the principal components of the problem so they can be dealt with appropriately.

How are we going to do this if, every time a suggestion is made by one party and a counter-suggestion made by another party, or a discussion is held with an Indian band or an Indian band makes a proposal to the federal department, one of the parties, on the basis of proposals which are tentative and subject to ratification and approval by the Indian people, makes them public?

Mr. Howard (Skeena): Will the hon. member permit a question? I ask this question because the copy of the speech which I have does not coincide with what the hon. member just read. I believe he read:

> What is needed now is a sensible and meaningful discussion about the steps to be taken and to separate the principal components of the problem so they can be dealt with sensibly.

• (5:30 p.m.)

The copy I have reads: "So that they can be dealt with one after another, or jointly where possible."

Mr. Honey: Well, Mr. Speaker, my copy is exactly the same as that of the hon. member, except for the last word, which is "appropriately".

Mr. Howard (Skeena): It says "one after another" here. More double talk.

Mr. Honey: Anyway, the point with which I want to close my remarks is this: we all have an interest in seeing there is meaningful discussion between the federal government, the provincial governments and the Indians. We all have an interest in making a sensible, new approach. It may well be that the agreements ultimately reached will vary from band to band, or from province to province. It may be these agreements will turn out to be different from the proposals made in the white paper. But we all have a stake in this and we must try to make it work. We must sit down with each other and work matters out, carry on conversations in confidence, respect each other and try as best we can to find a solution to old problems and improve on the old ways

of doing things. I do not believe this is possible unless we are able to negotiate on the basis of respect and mutual confidence, as is the case in all other kinds of negotiation.

Mr. Howard (Skeena): Would the hon. member mind answering another question before he ends his remarks? It relates to some words I took down; I believe I have them exactly as they were spoken by the hon. member. If he did not use these precise words, he said something very like them. Though he said it kindly, he said I was not acting in the best interests of the Indian people by asking for the notes of the conversations with the provincial governments at this stage of the negotiations, or at this point of time. May I preface my question by saying I spent a fair part of the summer talking with a large number of Indian people in my own constituency and in other areas. I talked to officers of the Nishga tribal council to which the hon. member has referred, and I also spoke to some of the chiefs of the Nass River band which is covered by the Nishga council. It was at the request of a great number of Indian people who wanted to know whether or not they could have this information—

The Acting Speaker (Mr. Béchard): Order. The hon. member knows he is not entitled to make a second speech; he has to ask a question.

Mr. Howard (Skeena): Coincidentally, I was just reaching that stage, Mr. Speaker. I ask the hon. member this question: If the native Indian people who are concerned about these negotiations were themselves to request this information, these notes about the conversations, would he provide them?

Mr. Honey: I made the comment to which the hon. member referred respectfully and kindly; I want to make that clear. We do not agree but I know the hon. member is acting in what he feels to be the best interest of the native people. To answer his question specifically, I could give no such undertaking because I feel that in negotiations of this sort it is important that the discussions be privileged.

Mr. F. J. Bigg (Athabasca): Mr. Speaker, I welcome the opportunity to say a few words about the treatment of our native people. The white paper purports to look toward a three-party agreement. As far as the hopes of the government for the future are concerned I, like the Indian people, cannot be anything but happy about the objectives set out in the white paper. However, I am quite sure that what is bothering the hon. member for Skeena (Mr. Howard) and a great many of the Indian people is not the objectives of the white paper but the methods by which we hope to achieve them.

The federal government has offered the Indian people full Canadian citizenship and participation. In this context I realize that some of the native people do not think of themselves as Canadian in the sense that we do. The hon. member for Skeena and I are concerned that in our desire to achieve this end we may in fact take steps which will delay the progress we desire to make by approaching the question strictly from the white man's point of view. If we do not enter into negotiations in the spirit of accepting Indians into the Canadian family, or milieu, as complete equals they will be the first to draw the proper conclusions. At the present time they are experiencing a deep feeling of uneasiness; indeed, this feeling has never left them since the white man set foot in this country.

If we take the attitude that this uneasiness arises from the fact that the Indian is a backward man, incapable of accepting our way of life and, therefore, incapable of becoming a fully-fledged Canadian, we shall fail as miserably as we have failed in the past. I am not here to criticize the white paper but to help put a few guidelines along the nebulous path we are treading. I know the Indian people and I have no hesitation in saying that I love them and they love me. The reason is this: from the time of my birth I have never tried to make an Indian into a poor white man. I love and admire the Indian people because they are great individuals on their own ground; they are great citizens in their own right. As displaced persons from Europe, every one of us, we have no right to tell the North American how he must behave in this country unless we can show him something better and finer. So far, our treatment of them has been far from acceptable to these people. No matter how high and mighty we talk, we are not treating them as equals, we never did, and we are not doing so today. Their distrust is, accordingly, well-founded.

We talk about consultation and we talk about co-operation; we talk about meaningful discussion, but this can begin only from one ground—that of mutual trust. I shall not throw any names around but I know certain people in this country adopt the attitude that

in a great many instances the solemn treaties which most of the Indians recognize as their bill of rights are entirely out-of-date and meaningless. If we enter into discussions with the Indian people with this attitude in mind we might as well have stayed home; it would be better to let them suffer the neglect which they have suffered for hundreds of years. We can no longer talk to them with a forked tongue, leading them along like bad children and suggesting in a condescending manner that we are bringing them up to the standards of the white man in the twentieth century. The leaders of the Indian people know they are equal, but it is very difficult to pass this feeling on to the children who are living under disgraceful conditions, in poor housing and in the most degrading circumstances of any citizens of this country.

• (5:40 p.m.)

Mr. Honey: I rise on a point of order, Mr. Speaker. I do not want to be unduly critical or seem to be putting forward a narrow interpetation in respect of this debate, but with great respect to the hon. member it seems to me he is not addressing himself to the point of the debate. The point is whether in fact the government should be required to produce the documents asked for by the hon. member for Skeena. This is not a general debate on the white paper, and I respectfully suggest that the hon. member confine his remarks to that point.

The Acting Speaker (Mr. Béchard): I think the hon. member is coming to the point.

Mr. Bigg: I do not intend to get into a technical argument as to whether I am referring to the specific point of the motion. I am here to present, in my inimitable way, several guidelines in respect of the treatment of Indians. I ask Your Honour's indulgence because this type of quibbling prevents us getting down to the meat of the matter.

I believe the hon. member for Skeena is not only trying to flay this government and put it in an embarrasing position but he is trying to get from all levels of government a complete and frank understanding of the Indians' problems. If anything is going on behind closed doors regarding Indians, you can be sure they know about it. I presume the hon. member for Skeena has been asked by the Indian people to attempt to clarify this matter. I go along with his request. As hon. members of this house well know, I do not always agree with that hon. member but I give him the same benefit of the doubt that the minister is requesting. The hon. member wants a similar co-operative attitude to be adopted, and a detailed discussion of this matter.

I am not castigating the ministers of the Crown and I am quite willing to overlook discussions behind closed doors among ministers, deputy ministers and officials of provincial governments so long as the discussions benefit the Indian people. Let me warn the government that it must be made abundantly clear to these people—not necessarily clear to me or to the hon. member for Skeena—that discussions behind closed doors or at open assemblies are taking place for the benefit of the Indian people.

I do not think for one minute that the minister intends, as the white paper suggests, that the Indian people should be allowed to remain in their present abject state. Great efforts are being made to provide them with proper housing. Up to now these people have not trusted us because they have not had the opportunity to raise their families in a way worthy of Canadian citizens. If we want them to trust us in the future, we must make every effort to assure them that we respect their treaties. The Indian people believe they have a broken treaty as far as their rights are concerned.

Mr. Gibson: On a point of order, Mr. Speaker, I submit the hon. member is not addressing himself to the issue before the House.

Mr. Bigg: If in the opinion of the hon. member for Hamilton-Wentworth (Mr. Gibson) I have not been addressing myself to the issue before the House, I suggest he must be deaf. There are 21 Indian reservations in the district of Athabasca and I assure hon. members that I have the confidence and respect of the Indian people. I am attempting to give first-hand information in respect of what these people think. They think this government and all the members of the House have little or no interest in their welfare.

Mr. Gibson: The minister has been travelling all over the county speaking to Indians. He has done more in this regard than any other minister.

Mr. Bigg: I know he has been speaking to the Indians and I know what he has said. I have read everything he has said to them. I am just giving the opinion of one of 264 representatives in this House. The minister is not on the right track.

Mr. Gibson: That is not an issue of the debate.

Mr. Bigg: You will have an opportunity to speak later. I will be about five minutes concluding my remarks.

Mr. Aiken: They are just trying to stall you.

Mr. Bigg: I understand and appreciate what they are doing, but my skin is thick. It has been toughened by the western winds and the cold of the western north, but I do not speak with a forked tongue. I do not believe this government recognizes Indian treaties. I intend to soon resume my seat, but if I did not say this the rocks of Canada would cry out in defence of the Indian. We must start with a solemn recognition of their treaties before the Indians will listen to us. I know these people very well. They sit quietly and listen; their manners are better than ours. They will sit and listen to the minister and the deputy minister, but they would listen more intently if the government assured them that their treaties would be honoured. If it is suggested that their treaties, signed by the great white mother in England, have no meaning or validity, we will get nowhere.

The Acting Speaker (Mr. Béchard): Order, please. Has the hon. member completed his remarks?

Mr. Bigg: No, Mr. Speaker.

The Acting Speaker (Mr. Béchard): Let me remind the hon. member that the debate at this time refers to the production of papers. The hon. member should confine his remarks to that specific subject.

Mr. Bigg: There would be no purpose asking for the production of papers unless the hon. member had a specific point in mind. I believe that his purpose is nothing less than an attempt to prove to the Indian people that we are of good faith. The keystone of good faith in this regard is the recognition of Indian treaties. Unless I am sadly mistaken, my words are easily understood. I refer to the rights of the Indian people.

Let me try in my own inimitable fashion to explain this situation. If there is nothing in those papers which goes against the welfare of the Indian people, they should be made public. If there is anything of this kind in them, we should know about it. Many documents which pass between government departments should not be divulged. There are certain delicate matters which if made public might be disadvantageous to the Indian people. They do not trust us now. They do not believe that when two groups of white people get together they should be trusted.

I do not intend to castigate the government for not producing these documents if someone can prove to me there is good reason for not producing them. I am easily convinced, and I would not be unhappy about such a decision because I respect secrecy in certain matters. This debate has given me a wonderful opportunity to suggest why the hon. member for Skeena moved his motion. The Indian people in Canada are alarmed, and no matter how polite they may be to ministers of the federal and provincial governments, I assure the House that they are deeply disturbed.

• (5:50 p.m.)

We speak of equality. It is not sufficient to speak of equality to these people. We must firmly and ably demonstrate to them that we believe in equality We speak of improving their status. We do this behind closed doors. Such action suggests only that they are not equal and that their status is not clearly defined. Until we demonstrate to these people that we intend to honour their treaties, they will have every reason to be suspicious of us. The key to this whole problem is the matter of the treaties. I say this after 57 years experience of these people and because I love them. I would not have bothered getting to my feet today were it not for the fact that I want to state the truth and the simple fact.

We must make the Indian people believe we intend to honour the treaties no matter how out-of-date they may be. They have lived up to their obligations under the treaties, and if we do not sit down with them and discuss these questions it will be clear to them that we have broken the treaties. We must sit down with them as our ancestors did and make a solemn agreement with them. If we do not start there, I do not think we will get anywhere.

Mr. Colin D. Gibson (Hamilton-Wentworth): Mr. Speaker, the belief in free access to government documents is based on the principle that monopolistic control of information, a policy of secrecy, is in fact truly undemocratic and reactionary. Such a policy breeds distrust and contempt for the civil service and government departments. However, I do not advocate the "open access" theory which makes virtually all government

files of any description subject to public scrutiny at any time. Such a principle is a denial of the freedom to express thoughts, and inquisitorial attitudes can only spread alarm and a rush to the fireplace with documents. Those who have responsibility for long-term and detailed working papers must be protected from unfair prying and ineffective interference.

Consider, for example, an economist who is preparing a working paper for his department. Suppose he needs the opinion of officials in other departments and in assessing his interim opinion he names certain people as expressing views pro or con on a certain position: then suppose he expresses his interim view and views which are frank but not final. Should those working papers be scrutinized before the official has had an opportunity to fully develop his research material, weigh all considerations and make a decision free from outside, public pressure? I say no, Mr. Speaker. Indeed, such a policy of premature disclosure would inhibit free thought and independent judgment; it would only discourage frankness of expression by civil servants. I respect the right of the expert to work on his projects with that freedom of thought and expression which goes with the nature of his responsibilities.

Surely we have not reached the point where a politically unpopular idea cannot in private be expressed and weighed as to its merits by the officer of a government department. Otherwise all thoughts, ideas and expression of ideas would be weapons to be used in the glare of publicity and in the public, political forum. Government officials are not to be pillaried and spied on. They must be allowed to deliberate in a democratic way as is the case in nearly all businesses and professions. I should like to quote from page 30 of the report of the Task Force on Government Information:

> The Report of the Royal Commission on Security (Abridged) acknowledged the fact of the Swedish system of open access but it did not approve of the principle behind the system.
>
> "We would view suggestions for increased publicity with some alarm. We think the knowledge that memoranda might be made public would have a seriously inhibiting effect on the transaction of public business. We believe that the process of policy-making implies a need for wide-ranging and tentative consideration of options, many of which it would be silly or undesirable to expose to the public gaze . . ."

Therefore, Mr. Speaker, I oppose this motion and suggest it is six o'clock.

[Mr. Gibson.]

GOVERNMENT ORDERS

WATER RESOURCES

PROVISION FOR MANAGEMENT INCLUDING RESEARCH AND IMPLEMENTATION OF PROGRAMS

The House resumed consideration of the motion of Mr. Greene that Bill C-144, to provide for the management of the water resources of Canada including research and the planning and implementation of programs relating to the conservation, development and utilization of water resources, be read the second time and referred to the Standing Committee on National Resources and Public Works.

Mr. Speaker: Order, please, I wonder whether the hon. member would mind my not accepting his suggestion that it is six o'clock. If hon. members would bear with me, I should like at this point to deliver words of wisdom which are the result of serious consideration of a point of order raised earlier today by the hon. member for Peace River (Mr. Baldwin) and the hon. member for Winnipeg North Centre (Mr. Knowles).

When the motion for second reading of Bill C-144, an act to provide for the management of the water resources of Canada including research and the planning and implementation of programs relating to the conservation, development and utilization of water resources, was proposed this afternoon, the hon. member for Peace River raised a point of order to the effect that certain financial provisions contained in that bill were outside the terms of the recommendation of the Crown, and that the bill should be set aside or a supplementary royal recommendation should be presented before the bill be finally passed.

The hon. member went on to say that some clauses of the bill provided for certain fees which in his view constituted an imposition of taxation. The hon. member cited Standing Order 62 which is in effect a restatement of section 54 of the British North America Act. That Standing Order reads in part as follows:

S.O. 62(1)

> This house shall not adopt or pass any vote, resolution, address or bill for the appropriation of any part of the public revenue, or of any tax or impost, to any purpose, that has not been first recommended to the House by a message from the Governor General in the session in which such vote, resolution, address or bill is proposed.

In effect the hon. member suggests that a taxation provision must be recommended to the House by His Excellency. In that regard I might read an excerpt from a ruling given by Mr. Speaker Anglin as long ago as April 24, 1878. Hon. members may think it curious that I would make use of such an ancient reference, but the matter was so clearly stated by the then Speaker that I have little hesitation in using it at this time:

> The whole question occurs to me at the present moment in this light. In the first place, I may say that the 54th Clause of the British North America Act, 1867, has no bearing whatever, in my opinion, on the case. It relates merely to appropriations. Honourable Members in reading it over rather cursorily are led into a mistake owing to the peculiar reading of it as follows: "It shall not be lawful for the House of Commons to adopt or pass any Vote, Resolution, Address or Bill for the appropriation of any part of the Public Revenue, or of any tax or impost, to any purpose that has not been first recommended to that House by Message of the Governor General, in the Session in which such Vote, Resolution, Address or Bill is proposed."
>
> This Clause does not bear on the Question of the imposition of taxes at all; it merely relates to appropriations.

The same principle is set forth in citation 263(3) of Beauchesne's Fourth Edition, which reads as follows:

• (6:00 p.m.)

> The 54th Clause of the British North America Act, 1867, merely relates to appropriations, and does not bear on the question of the imposition of taxes.

Again I might refer to Bourinot's Parliamentary Procedure, Fourth Edition, footnote (b) on page 412, which reads as follows:

> In the journals of 1873 the governor-general's recommendation is signified to a resolution relative to customs duties in the North-West, through a misapprehension of the meaning of the section which refers only to the "appropriation of a tax or impost," and not to one "imposition" of the same.

May I now deal with the question as to whether the fees proposed in the bill are, in effect, a method of imposing taxation. If we assume for a moment that the proposed fees are a taxation measure, it is my opinion that proceedings on the bill could continue since the only condition imposed on a taxation measure is that it be introduced by a minister of the Crown. Here I would observe that citation 269 of Beauchesne's Fourth Edition states:

> No augmentation of a tax or duty asked by the Crown can be proposed to the committee, nor tax imposed, save upon the motion of a Minister of the Crown; nor would an amendment to extend the imposition of a tax to persons enjoying an exemption therefrom be now permitted.

In other words, only the government or a member of the government can introduce a taxing measure and the Governor General's recommendation has no direct bearing on this procedure. On the other hand, I have given very careful consideration to the most important point raised by the hon. member for Peace River in relation to whether the proposed fees do in fact constitute taxation as understood under our practice and procedures. I must say that I am not convinced that they are taxation. May I refer to page 504, Bourinot's Fourth Edition, where it is stated:

> The correct practice, as in the English Commons, is not to require a previous committee when the bill exacts fees for services performed, and when they are not payable into the treasury or in aid of the public revenue. For instance, the "act to regulate expense and control charges of returning officers at parliamentary elections" contains a schedule of charges and expenses, which was not previously considered in committee.

In conclusion, I may say that the terms of the royal recommendation appear to be wide enough to cover any expenditures that may form a charge on the public revenue, and this is the requirement of our practice of the B.N.A. Act and of our standing orders.

Second, it is my opinion, supported by the several authorities to which I have referred, that a specific recommendation of the Crown is not required for the imposition of a tax or for the charging of fees by an agency of the Crown in relation to services rendered by such an agency. For the reasons stated, I suggest that the financial provisions of the bill have been introduced in accordance with the usages and privileges of the House. The bill, in my opinion, is properly before the House.

I thank hon. members for their forbearance. It being long after six o'clock, I do now leave the chair.

At 6.05 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

Mr. Aiken: Mr. Speaker, when we rose at five o'clock I was speaking of the difficulties in making the water quality agencies work as intended by the bill. In order for an agency to become operative in any given area there must first be a federal-provincial agreement. Next there must be an application to incorporate the proposed water quality agency, presumably followed by the appointment of

the members to the agency. The agency will then prepare its administrative structure, hire personnel and start holding meetings. It will then start to prepare plans for water quality control within its boundaries, and such plans will require a great deal of consideration, surveys and research. After plans have been promoted they must be submitted to the federal department for approval, and presumably to the provincial government. Both these governments will have to review the plans, which no doubt will require a further feasibility study within the federal and provincial departments.

I could point out many of the other problems that will be faced when getting into the business of pollution control, but the main point I am trying to make is that this bill adds to jurisdictional red tape rather than taking away from it. While the relationship between the Department of Energy, Mines and Resources and the water control agencies is fairly well spelled out in the bill, there is nothing in it which sets out the relationship of these agencies with other significant federal departments which have jurisdiction, such as fisheries, transport and health, and with the provincial and municipal agencies. In other words, the water quality management agencies will in a sense be foundlings and will not have very much assistance or support from anyone else. Their connection with other federal departments and with provincial departments is not defined.

I could point out further inadequacies in the bill, but others of my colleagues will be taking part in the debate and the bill will be studied clause by clause in the standing committee. It is fairly clear, from the preliminary reaction, that some provinces will not easily be persuaded of the federal government's good faith in this bill. I can foresee interminable negotiations with the provincial governments over many of the local agencies. There will not be just ten agreements; there will be many more than that—one for each of the local agencies.

The federal government's austerity measures at the present time, and the minister's own words, give no assurance of concrete financial support for this whole concept, without which I believe no province could reasonably be expected to make an agreement. The lack of a cost-sharing formula and the complications of the bill itself must make many provinces suspicious. But nothing effective can be done under this bill within a province except by a negotiated agreement. Where the agreement fails, the effect of the bill is diminished, and in the meantime pollution problems will mount.

Having made these very broad and severe criticisms one may properly ask whether we have a better solution or a reasonable alternative. I believe that we have. First, we would set up a national department or agency to co-ordinate pollution control efforts in all departments and to deal with water quality as part of this over-all approach. The proposed Canada Water Act is not part of any integrated plan to deal with pollution control; it is just another of the bits and pieces of pollution control legislation that we now have in Canada.

Second, we would deal with water quality as part of a national priority for pollution control, and commit the necessary funds from federal taxation. Third, there is clear and well defined federal jurisdiction over and responsibility for pollution control and water quality management within the provinces, independent of provincial jurisdiction, as well as in the territories and coastal waters. The federal Parliament should be asked to assume this jurisdiction and to act upon it directly.

To be specific, Mr. Speaker, the federal Parliament has strong powers through its jurisdiction over sea coast and inland fisheries, navigable waters, national health, transportation, agriculture, national research, international and interprovincial works and undertakings, the criminal law and law for the peace, order and good government of Canada.

• (8:10 p.m.)

The scattered and widespread federal powers in regard to pollution control—which it has been so difficult to manage—could be the strength of the federal case, not its weakness. These powers, many already exercised independently by numerous departments could, if welded together, form a strong base for a federal pollution control bill. It could assume powers concurrent with, but not superseding, provincial powers. Where provinces are acting, the federal agency could work with them to prevent duplication. Where provinces are not acting, the federal government could proceed within its own field of jurisdiction, at its own expense and on its own initiative, to deal with pollution control as a matter of federal and national concern. I cannot see any province objecting to the federal government going about its own business within a province.

For example, Ontario has an excellent Water Resources Commission which has been dealing with pollution control for about 14 years. At the same time, the federal government has under the aegis of the minister established at Burlington the Canada Centre for Inland Waters and has proceeded with its water quality research and control program without any question or hesitation. The federal government acting within its own jurisdiction set up this centre and there is no objection to it whatever; indeed, the province of Ontario has a centre right beside it. Another example is this: we did not hear the province of Newfoundland objecting when the Department of Fisheries effectively stopped the pollution of Placentia Bay. We have not heard the government of Ontario object when the federal government has taken charge in many of these areas. They recognize that there is a federal responsibility in this area, and I believe they are prepared to accept it.

The federal government is not the natural enemy of the provinces, especially when it is spending money within its own jurisdiction. Neither should the federal Parliament, acting in its own field, be subservient to or dependent upon provincial legislation. That is exactly what we are doing in this bill, because provincial refusal makes the bill useless. At the same time, provinces which are proceeding to combat pollution within their own field should not be limited by federal legislation.

Our alternative to this bill is simply this: we should have a federal pollution control act, or water act, in which the federal power is declared and acted upon. The federal government could then proceed with its own program, at its own expense and in its own way. Provinces willing to act, or which are already acting within their own field, would welcome a partnership with the federal government. A significant example was quoted by the minister himself this afternoon: there is no authority under this act to ban the use of detergents or other polluting agencies throughout Canada.

The federal government certainly has the power, and I believe it could and ought to assume that power under any bill passed by Parliament. The government has the authority to do this, and it is not too late to do so. I suggest that such a provision could very well be included in the bill and that it would be welcomed. In provinces not active in their own field, and there are undoubtedly examples, Canadians would have the benefit of the federal work and protection.

Mr. Speaker, with this clear alternative before it—it has been suggested that the authority is there—and in view of the introduction of this complicated, difficult and ineffective bill, we can only assume that the government is not prepared to spend money or to take responsibility for pollution control, but intends to pass the problem as quickly as possible to provincial and local agencies.

A start has been made. The minister has set forth on a difficult course. We hope he will have a different bill to administer when we have finished dealing with it. Whatever program we end up with, I think I can assure him that this House will wish him well and support him in carrying out the best legislation that Parliament can produce.

Mr. Randolph Harding (Kootenay West): Mr. Speaker, it is a pleasure to have an opportunity to speak in the debate now taking place in the House. Before I proceed any further I should like to say a word or two about the preceding speakers. This afternoon we heard from the minister. I must say it is good to see him becoming increasingly active in the House. We all sincerely wish him a full and complete recovery of health. While I intend to be rather critical of several aspects of the legislation which we are discussing this afternoon, I am quite certain that the minister realizes there is nothing personal in my remarks about the draft legislation before us.

In his speech this afternoon the minister was rather poetic in spots but his message came through quite clearly. It seemed to me the message was that this federal Liberal government has no real plan for solving Canada's pollution problem. It has given up any pretext of leading a vigorous fight against pollution. It is to a large extent unloading the problem of pollution and the related costs on to the provinces and the municipalities. If there are no national anti-pollution standards, there can be no enforcement under an amendment to the Criminal Code. It seems to me, Mr. Speaker, that this government has again proven itself ineffective in dealing with one of the major problems facing this nation, that of the pollution of our environment.

• (8:20 p.m.)

The preceding speaker, a spokesman for the official opposition, made a number of interesting points and I agree with most of them. I, too, feel that this bill in its present form will be ineffective in tackling the grave pollution problems our nation faces. It seems to me that the government has almost deliberately passed the pollution problem on to the

provinces. Of course, in doing this it escapes an onerous financial burden which it might not wish to assume at this time.

I listened with interest to the speeches made in this debate. I believe in co-operation with provincial and municipal authorities. We have had too little co-operation in the past. I am not opposed to our setting up groups to co-ordinate federal and provincial activities at any level. However, if we read the debates of three or four months ago we find that the government said there was considerable difficulty in establishing groups which could take joint action on pollution problems. As reported at page 10554 of *Hansard*, the Minister without Portfolio from Saskatoon-Humboldt (Mr. Lang) said:

> Two years ago the then Minister of Energy, Mines and Resources, now Minister of Industry, Trade and Commerce (Mr. Pepin), proposed to the provinces that the senior governments endorse the establishment of a national advisory committee on water pollution, with representation from the federal government, the provinces and the universities. This committee would have included in its functions studies on various aspects of water pollution, such as regional and national water quality objectives, the costs of pollution, and the benefits to be reaped through pollution control. The terms of reference of this committee have recently been expanded to include air and soil pollution as well as water.

He went on to say:

> Our proposal included an offer to finance the committee and provide it with a secretariat. Although most provinces seemed to favour the proposal, others did not. This stalemate is much regretted by us since it has blocked one avenue of joint action.

Yes, Mr. Speaker, it has blocked one avenue wherein the provinces and the federal authority could undertake joint action. This afternoon the minister told us that a committee will be set up with each province; we are to have ten separate committees. This clearly indicates that there will be many major areas of Canada wherein there will not be any pollution control at all.

Mr. Lewis: Hear, hear.

Mr. Harding: There will not be any action, nor co-operation between federal and provincial authorities.

An hon. Member: Read the bill.

Mr. Harding: I have read the bill very carefully. It seems to me that many Liberal backbenchers have not taken the time to read the bill or the speeches some of them have made inside the chamber and outside it before the legislation came down would not have been worded so optimistically.

Before dealing with the bill itself, I wish to say that members on all sides of the House have said on numerous occasions that pollution problems in this nation are growing increasingly grave, as they are in other nations of the world. Warnings are coming from any sources. A very interesting scientific report from the United Nations points out that mankind is in serious trouble as a result of pollution. We are polluting our environment to the point that our destruction is inevitable unless immediate and drastic steps are taken to protect every part of our environment. Speaking on the subject of oceanography yesterday, a Canadian scientist said that unless action is taken very, very quickly, the internal combustion engine could spell the end of mankind. He pointed out that not only Canada but the whole world is in trouble in this respect.

Also, Mr. Speaker, one can readily see that there is a problem resulting from toxic pesticides. This government has given precious little leadership in the control of those pesticides which infect our environment. About ten days ago the Prime Minister said that the use of DDT was to be cut back and that the government would consider the problem of other toxic pesticides. This has long been overdue. We should have been doing research into this subject months and months ago. We have waited for the provinces and other countries to take action on DDT and have followed lamely along in the rear. We follow after irreparable damage has been done to our environment.

It seems to me that we have acted this way in almost every field. Take, for example, the matter of air pollution. What is the government doing about air pollution? One or two committees have been set up and there has been a bit of investigation here and there; but no standards are being set. Because in our country a small portion of the population live in a vast area, we seem to think that these problems may escape, may go away for a period of time. You have only to look around to see what is happening in some areas and realize how much they are affected by air pollution. Take, for example, the United States and the pollution in the Los Angeles area. The motor vehicle, chiefly, has created the smog in that area, as has industrial waste. Air pollution has now reached the point where school children under 21 years of age are afraid to exercise for fear of damaging

their lungs. This problem is affecting every urban area of this and other continents. How long do we have to wait for some type of leadership to be given by governments in regard to this problem? This government should be giving leadership.

• (8:30 p.m.)

I shall now deal with the problem of water pollution. This bill is supposed to deal with that problem. The problem of industrial wastes, sewage and phosphates lacks any action by the federal, provincial and municipal authorities. This fact is apparent everywhere we look. For example, action must be taken with regard to phosphates; the problem must be corrected now. The detergent manufacturing companies must be approached. New products must emerge from the research which I hope is being carried on and should be carried on with increasing tempo. Reports received by the various agencies indicate that we do not have much time in which to find a solution to this problem.

I wish to point out one or two examples of what is occurring through stupidity, not only the stupidity of this government but the stupidity of people in general who have ignored the problems of pollution. The Great Lakes system is the greatest body of fresh water in the world, yet we have almost completely destroyed it. We do not have to look very far from Ottawa to be aware of the pollution problems that exist. The problem is apparent in the Rideau River and the Gatineau River. It is disgraceful to have a river in the national capital area in such a condition. Nothing has been done to clear up these problems. In my home province of British Columbia there is the great Fraser River, one of the greatest salmon rivers on the North American continent. The lower reaches of this river are nothing but a running sewer. These are the problems that worry Canadians.

I now wish to deal with the Canada Water Act which is now before us and discuss several of its sections. I wish to point out to hon. members where in my opinion the act is weak, in the hope that amendments will be suggested when it gets to the committee stage. The bill we are now debating deals with only one aspect of pollution, namely, water pollution. This is normal; we do not expect everything to be covered under the one act. It is difficult to disagree with the bill, which in my opinion is scarcely more than a new administrative framework set up by the government in the hope that it will eventually solve the grave pollution problems of this nation. No doubt it will provide better federal-provincial co-operation, and no one is opposed to this.

This bill, Mr. Speaker, is certainly not the tough, no-nonsense, no-deal legislation we expected for solving our water pollution problems. It is not the type of legislation the people of Canada were led to believe they would get in the Canada Water Act. This act must be a bitter disappointment to the Canadian people because it does nothing about pollution; it merely sets up another administrative framework to deal with our water pollution problems. As I said before, the bill sets no uniform Canadian standards, no regional standards and gives absolutely no leadership in this regard.

The bill will allow industry to pay for the right to pollute. I repeat, it will allow industry to pay for the right to pollute. This anaemic approach to our water pollution problems is being abandoned by those governments which have tried it. The bill places most of the onus for pollution control on the provinces and municipalities. There is only a vague, general outline of the federal government's position in dealing with the tremendous financial problem which will be caused by pollution control when it comes into effect. It is crystal clear from the bill and the minister's remarks this afternoon that the bulk of the cost will be borne by the provinces and municipalities. This fact alone is enough to severely restrict any major attack on pollution problems for years to come.

I now wish to go back and cover one or two points which I dealt with rather quickly. I wanted to make these points before my time expired. I indicated that I felt the act would be a bitter disappointment to the Canadian people because it does nothing about the problems of pollution; it merely sets up another administrative body. I now wish to state why we are apprehensive. This government has in the past had a bad record which leads me to believe that permissive and not direct legislation is just another stalling tactic. To date this government has had a poor showing in the pollution battle. As a result, Canadians everywhere are suffering from a reduction in the quality of their lives. I feel this permissive legislation is merely an appearance of action on the part of the government.

Time and again this government has had an opportunity to act on the problems of pollution, but it has failed the Canadian people. A number of acts already on our statute books

could have been used for pollution control. Hon. members know they have been almost totally ignored. I wish to give several examples of this: we have the Fisheries Act, the Navigable Waters Protection Act, the National Harbours Board Act, the Migratory Birds Convention Act, the National Health Act and a number of others. Each act has a set of regulations that could and should be taking care of the pollution problems facing this nation. In addition to these acts, there are about 14 government departments directly involved in the problems of pollution. However, action by them has been totally lacking. They have been ineffective because of the lack of government initiative. If we get from the Canada Water Act the same results that we have had from the enforcement of the acts already on our statute books, our pollution problems will remain unchecked. We have the power to check pollution, but that power has seldom been used.

• (8:40 p.m.)

The federal government prefers to pass the buck to the provincial and municipal authorities. The question I should like to leave with the minister is: Where do the government departments now fit into the pollution picture? Has the co-ordinating committee been set up? What about the regulations we already have and the various acts covering a variety of government departments? How do they fit into solving Canada's pollution problems?

A very interesting article appeared in the *Globe and Mail* of last August, written by the Minister of Fisheries (Mr. Davis). In his opinion there was virtually no body of water anywhere in Canada under either federal or provincial jurisdiction which did not come within the provisions of the Fisheries Act. He suggested in the article that one or two minor changes might be made, but that the Department of Fisheries was the logical department to deal with water pollution. This suggestion has been ignored. I find myself wondering how the Fisheries Act fits in with the pollution legislation now proposed.

I intend to read one or two excerpts from this article because I think they should be placed on the record. I shall not read the whole of the article because it is too lengthy. I will start with the part dealing with pulp mills, which is as follows:

> Canada's No. 1 chemical process industry is busy putting its own house in order. Let us hope that other chemical-type industries will follow suit:

[Mr. Harding.]

> But why focus on pulp and paper? The reason, in quantitative terms, is obvious. We have no less than 170 pulp mills in this country. They use up more than 80 per cent of all the water consumed by industry in Canada. Also they are responsible for dumping well over half of all the decomposable material thrown into our water courses each year. No wonder that we in the Fisheries and Forestry Department in Ottawa are concerned about the pulp and paper industry and the way it is dealing with its pollution problem.

The article continues:

> The Fisheries Act, must, of course, be applied uniformly across the country.

The minister is calling for uniform standards across Canada. The article goes on:

> New plants should be up against uniform standards wherever they locate. They must be up against the same laws and the same regulations. Otherwise they will be able to seek out the provinces which have poorer standards and exploit their pollution laws.

He is pointing out, with crystal clarity, what we should be doing—the very opposite of what this bill proposes. He goes on to say, as reported in this article:

> Pollution abatement, of course, costs money. And in order to escape these costs new industry has a tendency to go to those places where it can use our fish-bearing rivers as a dumping ground. This must be stopped and the uniform application of the Fisheries Act can be very helpful in this regard.

He then makes other points. I shall read a little further on in the article:

> Our Fisheries Act can, of course, stand improvement. It should include clauses which are anticipatory in nature. And with these amendments, we will no longer have to find dead fish in order to prove our case. We will no longer have to wait until the damage is done to our waters.

The point the minister is making very clearly is that we must insist on uniform standards Canada-wide. What do we get in this bill? Regional bodies are to be set up in the various river basins and will set their own standards. The result will be a hodgepodge of different standards from one end of Canada to the other.

Mr. Gibson: The water is not the same.

Some hon. Members: Oh, oh.

Mr. Harding: This is one of the weaknesses of the present bill.

Mr. Gibson: You will not strengthen it.

An hon. Member: Look at your own water in Hamilton.

Mr. Harding: Other things have been done by this government. A cabinet decision passed

on February 9, 1967, gave the Department of National Health and Welfare primary responsibility for abating water pollution resulting from the operation of federal government facilities. Though we had a different Prime Minister in 1967, a Liberal government was in power. Many hon. members now in the chamber were here in 1967. The decision taken then applied to the departments, the Crown corporations and the Crown agencies.

Since then, reports have been received. Time does not permit me to go into them in detail, but the crown corporations are among the worst offenders in Canada as far as pollution is concerned. There are army camps which run raw sewage into our rivers; yet here we have a cabinet decision giving a government department the right to ensure that things of this kind do not happen. If hon. members wonder why we are critical and apprehensive when we see a new administrative structure being set up, it is because the government has done nothing with the power it already possesses. These are the things that worry our party and which I know concern the general public of Canada.

An hon. Member: There is a difference.

Mr. Harding: I could deal with a whole series of acts bearing on this question. There is the National Harbours Act. What about the dumping of 150,000 tons of acid into Hamilton Bay? What was done about that? Nothing.

Mr. Gibson: You know nothing about it. We are working on it.

Some hon. Members: Oh, oh.

Mr. Harding: In 1909 the Boundary Waters Treaty was signed with our neighbour to the south. It provided for the creation of a commission. The treaty states:

• (8:50 p.m.)

—boundary waters and waters flowing across the boundary shall not be polluted on either side to the injury of health or property on the other side.

Consider what we have in the Great Lakes system. The situation in the United States is as bad or worse than it is in Canada. We have a treaty which prohibits the polluting of these waters, but it has never been enforced because we have a weak administration. This point should be made crystal clear to the people of Canada.

One thing that has worried me is that we have not had any uniformity of standards. I should like to deal with this matter before my time expires. The minister said this afternoon that this measure will lead to the controlling of pollution. That is a little different from my interpretation of the bill. Let me quote from an article which appeared in the Toronto *Telegram* of November 4 regarding a meeting held to explain the provisions of the Canada Water Act. I am now more apprehensive about the situation, having read the words of some officials of the department. These people were attending a Great Lakes conference at the education centre in Toronto. While newspaper articles can be misleading, this article states that Dr. Prince, a very fine and capable individual, said:

Dr. Prince, an expert in water resources said industries and municipalities and other sources of waterways pollution would be charged fees for the right to pollute.

The article continues:

He said, too, that pollution would not be defined by the Act, but would be determined instead by regional water quality management boards. These boards would determine how much pollution was acceptable in any of their areas of reference.

The article goes on to state:

"If people are not prepared to put any substance, any part of the gross national product into their environment, then they can wallow in their own juices until kingdom come," he said.

That is not my interpretation of the minister's remarks this afternoon. I understood this money was to be used to clean up the problem of pollution. As I read the act, it is to be left to the regional boards to decide upon the fee to be charged in respect of pollution. The article then states:

His evaluation of the act ... caused shock and disappointment among many at the conference.

The article says, further:

—as Dr. Prince explained it, polluters will be able to continue polluting by paying fees to the regional water board "commensurate with the degree of pollution".

The regional boards—whose composition has not been determined—would decide how much the levy would be and how it would be used.

He anticipated that the money would be used by the boards to fight the pollution caused by the feepayer. He suggested the fees would be high enough to make the polluter look to installing his own control.

The regional boards would also have the right to prosecute offenders—and would have the right to do so with degrees of discrimination. They could not, however, force offenders to install pollution control equipment or get out of the business.

What this means, Dr. Prince admitted, is that one regional board, going on its self-established definition of pollution, could force a firm into major expense or even out of business, while a similar firm could pollute with impunity in another region.

Those are not my words; it is the interpretation of a man in the minister's own department. Let me also refer to what Dr. Lee said. He is in the Department of Energy, Mines and Resources. He said, according to the article:

—the new Water Resources Act was, among other things, a true attempt at creating participatory democracy.

He said that in regions depending heavily on one major industry for prosperity, residents might have to choose pollution over the possibility that the industry would cease operation rather than control its effluents.

"One has to get the consensus as to what an area is prepared to back", he said. "We must sell the idea to the man in the street, who must put his taxes and behaviour toward a better environment.

Mr. Kelly, a member of a group in Toronto carrying out a pollution probe, is reported in the article as having—

—attacked the requirement for control as unequal and asked: "Should anyone have the right to pollute anything?"

Dr. Prince said they did, if they wanted to pay.

Mr. Deputy Speaker: Order, please. I am sorry to interrupt the hon. member but his time has expired.

Some hon. Members: Carry on.

Mr. Deputy Speaker: Does the House give unanimous consent to the hon. member to continue?

Some hon. Members: Agreed.

Mr. Harding: Thank you, Mr. Speaker. I will not abuse the privilege given by hon. members, but there are one or two points I wish to make. As I mentioned earlier, industry knew that a new bill was to be presented. Some people in industry felt that the idea of looking to industry is not the best arrangement of controlling pollution.

There are a number of other quotations I could present to the House this evening. I shall refrain from doing so, on the understanding that I will have an opportunity to read them later on. I should like to point out what I think is a very weak part of this measure. We are allowing effluent to flow into our rivers. Industry is to be given the opportunity to violate the law by paying a fee. The Ontario government has taken some action in pollution problems. Let me read from an article which appeared in the Toronto *Star* of August 28. It is not a direct quotation of the minister's words but I presume he gave this information to the press. The article states in part:

Ontario companies convicted of pollution offenses should be forced to clean up instead of paying fines and staying dirty, Resources Minister George Kerr said yesterday.

He said his department is considering changes in legislation to force companies to clean up pollution instead of paying up. The changes should be ready for the mid-January session of the Legislature, he said.

I endorse that position. I think it is a very good idea, and that the firms polluting our waterways should be made to clean up rather than continuing to pollute them and merely paying a fee so to do.

• (9:00 p.m.)

Very briefly, I should like to say a word or two about the financial problems, which has probably worried me most. We are passing on to the provinces and municipalities a tremendous bill in respect of pollution. They do not have sufficient money to take adequate steps in respect of pollution problems. Just last summer a number of municipalities made requests for loans to Central Mortgage and Housing Corporation. In the province of Alberta 12 municipalities had their loan applications turned down because the supply of money had run out. The minister indicated today that more money will be made available. But here we have been set back because of the lack of available financing at reasonable interest rates for municipalities. If the action on the part of the government in the inflationary period this current year is to be the same as it has been in the past few months, we will see on the part of municipalities a slowdown in the establishment of facilities for the treatment, primarily, of sewage.

In closing there is one further point I should like to make. We have a committee on national resources. That committee drafted some recommendations which were presented to this House. They were unanimous recommendations. The committee was composed of members from all parties. I shall not read all the recommendations but I should like to refer to the pertinent ones. The committee recommended that the government draft a code of standards for the cleaning up and the future protection of all Canadian waters. These are not my words; they are the words contained in the recommendation of the committee. The committee further recommended that provincial approval of such a code be sought and that the federal government provide an enforcement procedure, if necessary

by means of an amendment to the Criminal Code.

I endorse the whole of the committee report. That particular recommendation, however, runs afoul of this bill. Here a multiplicity of regions are to be established, with each setting its own standards. There is to be no national standard, no national enforcement—nothing. This is what we protest and will continue to protest through organizations all over the country which are becoming interested in fighting pollution and are demanding, regardless of jurisdictional difficulties, that the problem be solved. We shall not let the government get out from under this problem by saying it is a constitutional one which it cannot tackle and which it will pass on to the provinces, thus avoiding giving proper leadership.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, we now have before us a bill on water pollution and water resources, etc. There is no doubt that such a bill is necessary.

At the rate we are polluting our rivers, though knowing that the population in Canada and in the United States is bound to increase, we can ask ourselves what we are heading for if we persist in so doing.

I feel that the bill introduced by the Minister of Energy, Mines and Resources (Mr. Greene) will not be opposed, although it cannot by itself settle the complex problem of water pollution, since the federal government has no exclusive jurisdiction in that field. In fact, we should ask ourselves to what extent the provinces are willing to fight water pollution.

In my opinion, the provincial governments are aware of this problem. But the provinces, municipalities and industries do not always have at their disposal the necessary means to fight water pollution nor do they have the engineers or technicians required. It is those who are able to pay, those who do research work and give advice who should take the situation in hand.

• (9:10 p.m.)

I was reading recently that only 3 per cent of all the water in the world is fit to drink, of which 2 per cent is made up of ice at the poles or on high mountains. Therefore, there is very little drinkable water available and if we do not take the necessary steps to protect this element essential to life, we will soon be faced with very serious problems since water pollution already exists.

I live in a rather new and small town of northwestern Quebec through which runs a small river. At the very beginning of colonization, sewage facilities were rather primitive, as can be expected; everything went into the river. Today, if a human being or an animal falls into a river, even if it does not get drowned, it is almost condemned to death, so polluted is the water.

This water at home flows into lake Abitibi which is fairly large. It gets cleaned up there, it evaporates but if several towns were established in this region or if the population increased and kept on acting in this way, within a very short time water from lake Abitibi would no longer be usable.

Similar cases are to be found almost everywhere. What proposals are made? Municipalities are invited to build water treatment plants. The National Housing Act suggests a plan under which loans may be granted to municipalities that wish to benefit from such services. Considering that nearly all municipalities are already deep in debt, that they have to borrow money at prohibitive rates of interest, and that most of them cannot pay for the construction of water treatment plants, they must get better assistance.

According to the information the minister sent us before introducing the bill in the House, industries are requested to arrange for used water treatment. This could be the best solution. It remains that production costs will necessarily increase and finally, the consumer will be the one to pick the tab.

We should therefore invite those who are in a position to do so to contribute to that project, either by levying some new taxes in order to help the municipalities to treat their sewage or by making grants and offering tax exemptions to the industries for that purpose.

The Canadian citizen will be unable, in my opinion, to avoid the cost of treatment in spite of the steps which could be taken. There are some technical methods to treat sewage and clean up the water but such facilities can entail considerable expenses.

In my municipality, a saw-mill was set up only a few months ago and it was necessary to equip it with a garbage incinerator. Knowing that he would shortly be compelled to install an incinerator to avoid polluting the air, the owner took the necessary steps in order to ensure the immediate treatment of smoke and waste.

If the new industries at least did the same, it may be that in a few years, the problem of

air pollution would be solved. Any new industry could be prevented from locating anywhere unless it committed itself to taking the means required to avoid polluting the air and the water.

According to a summary of biological culture there are three main causes of water pollution. I quote:

First cause of pollution: degradation of the cultural balance.

Second cause: the use of chemical fertilizers which are all acidic and provoke the introduction of minerals into seepage. These minerals are almost always ammoniacs, potash, lime. Yet drinking water has to have among other things high electrical resistance and few electrolytes. Only then can it be safe to health.

Third cause: the disposal of human waste into rivers (fermented dejections from septic tanks and sewage). This practice is perhaps necessary because of the human concentration in cities.

But it is perhaps possible to avoid this latter cause by purifying the waters.

I go on:

Fourth cause, which is probably the most serious and over which we have absolutely no control at present: pollution by industrial waste.

Big industry uses enormous quantities of water for every kind of production: metal, cement, pulp and paper, leather or plastics. Food industries, be it dairy products, meat or sugar, have similar requirements and every time the plant waste water flows into the river without being treated or sufficiently treated. Industrialists find it more immediately profitable to pay fines rather than change their facilities to meet vital requirements.

• (9:20 p.m.)

So, in view of those sources of pollution, I feel that the act must be firm enough and strong enough to minimize loopholes. As far as rivers are concerned, for instance, we hear from time to time of ships' masters being fined for polluting rivers with hydrocarbon waste. And still such infractions seem to continue and be quite frequent in spite of the fines. Apparently it is cheaper to pay the fine than not to throw the waste into the river and therefore the ship masters adopt the cheapest way. I feel that the government is not being firm enough, strict enough.

In studying the legislation which is before us tonight, I wonder whether it has been made firm enough. At any rate, we will be able to go thoroughly into it in committee. We will be able then to ask for further information from the minister and the officials who will be called upon to give us a word of explanation. However, I wish to tell the minister that, as far as offences are concerned, when the act is in force, it will be absolutely necessary for us to take a very firm stand.

We must eradicate completely every cause of water pollution. The Canadian Water Pollution Control Institute moved a resolution that was agreed to on October 26, 1965, and subsequently published in the *Canadian Worker* in June 1966.

I am convinced that the minister has read that resolution, but I should like to quote it in part tonight for the information of hon. members.

Item (3) particularly, states the following, and I quote:

(3) It is for industry, regional, provincial and federal governments, individually and collectively, to ensure adequately the treatment and control of sewage in order to prevent pollution;—

—and Item (5), on which I spoke earlier, is to the effect that

(5) Pollution control has to be administered firmly, efficiently and equitably;

As to Item (8), it is worded as follows:

(8) As sewage represents an increasing proportion of water resources as a whole and since it could very well be recuperated and re-used through its restauration to a sufficient degree of quality, it is advisable to promote the perfecting of methods for the treatment of sewage and the adoption of standards so that they may be used again.

Of the 14 sections, those struck me particularly even though the others are interesting.

The City of Chicago, for example, was drawing large quantities of water from Lake Michigan to supply its municipal services, but the waters were later discharged into a river flowing south, so they did not come back into Lake Michigan. Some people submitted a project for replacing the water taken out of Lake Michigan by Chicago and other industrial cities.

As the minister said in his speech this afternoon, people are moving towards water bodies, and it has been like that since the beginning of the world. Industrial cities use up tremendous quantities of water which must be replaced.

An engineer from Sudbury, Mr. Kierans—not the Postmaster General and Minister of Communications but an engineer—put forward the so-called "Grand Canal" project. Its purpose would be to draw the water discharged in James Bay by a number of rivers, to pump it as far as Amos and from there to direct it to Lake Nipissing and Georgian Bay

in order to feed at least that body of water as well as the St. Lawrence River whose water level dropped considerably for a few years.

The problem of the drop in the water level in the St. Lawrence River and in Montreal harbour seems less acute than it was for the last two or three years, but nothing seems to indicate that it will not come up again.

If we diverted the fresh water that is presently being lost in James Bay and Hudson's Bay to the Great Lakes, that might also help control pollution.

In industry as well as in domestic work, cleaning requires frequent rinsing. The large quantity of recoverable water that discharges in James Bay could, as it were, serve to rinse the waters of lake Ontario and make them at least purer.

This project, I am told, is being studied by the government of Ontario, thanks to federal grants, according at least to a statement by the Quebec minister of Natural Resources.

It seems the study on this project has not progressed as fast at Quebec government level, because the federal government did not grant any subsidies.

In this bill, it is stated that agreements must be reached between the federal government and the provinces.

To my mind, unless there is agreement with all the provinces, the industry no longer cares about the pollution problem.

I am confident that the interest of all Canadian provinces in the fight against pollution and in the conservation of our waters is such that they will not refuse to participate in this fight.

To date, some federal-provincial conferences afforded the ministers of natural resources the opportunity of consulting with each other. Such conferences should be held more frequently so that all the knowledge might be pooled, with a view to checking that serious problem.

The Ralliement créditiste feels that this bill is necessary to complete other imperfect acts; the government can always change it to improve it.

We feel that this bill should be given second reading, and referred to the Committee on National Resources and Public Works for a study in depth. If we feel that it is necessary to amend it, we will not hesitate to do so.

• (9:30 p.m.)

[*English*]

Mr. Keith Hymmen (Kitchener): Mr. Speaker, may I take this opportunity to congratulate the minister on his excellent and detailed presentation this afternoon on the introduction of this legislation. I am sure all hon. members agree that it is very nice to see one who is genuinely respected in all corners of the House, in this portfolio as well as the one he held previously, and as a backbencher, returned to something like his old form. We certainly wish him well.

Mr. Speaker, in addressing myself to Bill C-144, which primarily concerns the conservation of our Canadian water resources, I am naturally very much aware of the mounting anxiety in regard to pollution, which problem I believe brought about this legislation. No doubt I shall be tempted, as will other hon. members, to refer to the larger, over-all field of pollution which of course includes air pollution, soil pollution, water pollution and environmental pollution generally. However, I shall try to resist this temptation.

Water pollution in itself is not merely one of local concern; it is a global problem. The continued concern for this problem, both on a national and a world-wide basis, may well mean the difference between life and death for many. Malthus might have presented his famous revelation to the world in even more startling terms by saying: "The population of the world increases geometrically while the water supply on the earth is constant."

Fresh water is, of course, a very important and precious commodity, not only to us as Canadians but to every citizen and every nation in the world. We in Canada have perhaps been fortunate in this respect, as we have been in so many other ways. It is a fact that all the available fresh water on earth is only 0.325 per cent or one-third of 1 per cent of the earth's entire water supply. The Great Lakes, that important body of water which means so much to us on the North American continent, contains 25 per cent of the total of all fresh water found in all the lakes of the world. That is 25 per cent of all the water, Mr. Speaker, for one-half of 1 per cent of the world's population. This is why the action of the government in introducing this legislation and the provisions of the bill itself are so important, if not for ourselves then for the world at large.

I mentioned that I would try to refrain from diverging from the subject matter of the

bill. However, may I make one brief reference. I have been reading a book by Dr. Paul Ehrlich, called "The Population Bomb". This is a challenging publication put out for the American public, and is in some respects rather frightening. By the author's own admission, it perhaps portrays the very worst situation which one might expect on this planet in the not-too-distant future. While the general subject matter is not for this debate, I should like to make one brief reference to this book. On page 66, Professor Ehrlich says:

> I have just scratched the surface of the problem of environmental deterioration, but I hope that I have at least convinced you that subtle ecological effects may be much more important than the obvious features of the problem. The casual chain of the deterioration is easily followed to its source. Too many cars, too many factories, too much detergent, too much pesticide, multiplying contrails, inadequate sewage treatment plants, too little water, too much carbon dioxide—all can be traced easily to too many people.

While this statement, in relation to Canada as a whole, certainly can be questioned, he is perhaps right in one respect. Our present, very serious water pollution problem, which I believe can be generally pinpointed to the Great Lakes basin for the most part, has no doubt been brought about by the presence of too many people in one place. There are, of course, secondary factors which I would like to mention later.

The deteriorating situation in regard to the Great Lakes is of course shared equally with the United States of America. We must halt this degradation. Thirty-five million people live close to the Great Lakes. This is more than half as much again as the total population of this vast country. Over 3.5 million people in the United States, and something like 150,000 in Canada, take their domestic water supply from Lake Erie which is presently the most polluted of the whole Great Lakes system.

I mentioned the population factor because, of course, the recognized primary cause of water pollution is improperly treated domestic sewage or raw sewage, which can only be found where people are. An indication of sewage pollution is expressed by coliform count and biochemical oxygen demand, called BOD; the latter expressing the resulting decrease in the normal dissolved oxygen content of the water by the decomposition of organic matter. A related pollution problem—and possibly the most difficult one to deal with in the Great Lakes—is the one of eutrophication. This is the chemical enrichment of fertilization of the water, providing a highly undesirable medium for the promotion of algae growth. In Lake Erie it has been estimated that 72 per cent of these plant nutrients have come from municipal sewage, especially detergents. Detergents have contributed about two-thirds of the phosphates in sewage and nearly one-half of the lake's total input. Another 17 per cent comes from agricultural run-off, 7 per cent from city streets and urban property and only 4 per cent from industrial waste.

The second major source of water pollution has been from industrial operations—industrial chemicals, mine drainage, pulp and paper mill effluent, plating waste, etc. While our steel mills, pulp and paper mills, packing plants and many other industrial operations have been most important to the economy of our nation and to the well-being of our workers, no industrial firm has had a God-given right to pollute our waters; neither has any municipality or any other level of government. Steps must be taken by whatever means at our disposal to bring this action to a halt. This must be done, and can be done if we have the will to do it.

I was interested to learn recently that one of our important Canadian paper mill operations—the Ontario Paper Company in Thorold, Ontario, a firm that I happened to be connected with some years ago—recently announced a $5,000,000 program to remove suspended and dissolved solids from their effluent. I should also like to mention that a new, $500,000 waste treatment plant was recently opened at the J. M. Schneider packing plant in Kitchener, one of my valued constituent firms.

These are only two examples, and I am sure there are many more, where industrial initiative and co-operation has indicated acceptance of responsibility for the proper disposal of waste. The public has allowed us to become a little careless over the years. The waste factor and the provision for disposal of waste must be of equal importance to the providing of employment and the marketing of primary and manufactured products. It must not be subservient to the profit factor which is, of course, the essential feature of our industrial economy.

The initiative must be encouraged by provincial legislation for situations beyond the purview of this bill. It no doubt has been assisted by the federal tax regulations providing for accelerated two-year depreciation on industrial waste installations. Consideration can no doubt be given to other methods.

However, the important decision which the public is now demanding must be made. No matter who pays for it, the guidelines and the goal must be set. This is, again, a question of priority. However, if we can put men on the moon with our present scientific know-how, we can do anything that we have the will to do.

Without detracting in any way from this scientific achievement and with every good wish to Messrs. Conrad, Bean and Gordon for their safe return to this planet, I am sure there are, in the United States of America, many people who wonder whether a portion of the $24 billion spent on the space program might not have been put to better use in cleaning up some of their water and other pollution problems. There are other forms of pollution, Mr. Speaker, which must continually be examined.

• (9:40 p.m.)

A progressive step in regard to the use of the latter has, of course, been taken with the recent announcement in regard to the use of DDT. I believe I can remember when DDT was first introduced. It was a great boon to the agriculture industry. However, from the very beginning we have heard warnings from wildlife people to which, in retrospect, too little attention was paid. It has taken at least ten years or longer to realize what we should have known from the beginning, namely, that the benefits from the use of any new commodity must outweigh the adverse effects.

I mentioned agriculture run-off and the problem caused by phosphate fertilizers. With all the problems existing in our agricultural sector, which we heard so much about earlier this week—and I am sympathetic for the most part toward these problems—I do not seriously recommend taking away these fertilizers. However, with tongue in cheek might I suggest doing this as a rather naive way of solving the problem of over-production and the bulging elevators on the western prairies.

If I may get back to the bill before us, it provides the mechanism and framework for a great deal of consultation and co-operation among all levels of government and is, in my opinion, a giant step forward. For the first time penalties are to be imposed in order to make sure that the job can be done. Some will say that the penalties are too high, and others that they are too low. I would hope, Mr. Speaker, that with interest already growing on the part of the general public, we can set ourselves to the necessary task without the penalties having to be imposed.

While this act will apply primarily to major interjurisdictional waters, to international, interprovincial or boundary waters, the use of which significantly affect waters outside a particular province, I would hope that in time the provisions of this act or similar legislation could with the co-operation of the province be extended to cover all Canadian waters. We are possibly in a grey constitutional area. Nevertheless, contrary to what some believe, I think that until we change or re-write our constitution we should live with the one we have. The provinces have for many years accepted responsibility for water resource management. Most of them have appropriate legislation and have designated ministerial responsibility. Some have done an outstanding job. This bill, when enacted, will complement and assist their efforts.

When a bill such as this is introduced it must, to have any hope of success, anticipate a great deal of co-operation at all levels of government. Now is not the time to poke a finger at any particular area for what has not been done. Rather, we as Canadians should gird ourselves for the important task which lies ahead, in the interest of present and future generations. I am very proud on this occasion to represent a municipality which since 1905, for almost 65 years, has accepted full responsibility for the treatment of its domestic waste. While I admit that the initial efforts may not have been too sucessful, we have progressed as a progressive community should. For some time now we have had complete secondary treatment of domestic waste for our community of over 100,000 people. I should also like to record the objection of His Worship, Mayor McLennan, to the summary omission in this connection of the city of Kitchener from the latest report of the Economic Council.

Bill C-144, when enacted, will repeal another federal statute, the Canada Water Conservation Assistance Act. It may be rather unusual to make reference to legislation on the way out. However, in the few minutes left at my disposal I should like to speak about the Grand River basin. This, of course, covers an important area in the heart of central Ontario which has played a significant part in the development of our Canadian industrial economy and has an important continuing role in this respect. We have the Golden Triangle consisting of the cities of Kitchener,

Waterloo, Guelph, Galt, the down-river industrial community of Brantford, plus a very rich agricultural area.

The Canada Water Conservation Assistance Act has been extremely important to us in the past. We in the area had hoped that this could continue to be a medium for the conservation and preservation of our inland water resource, the Grand River. The Grand River Conservation Commission was incorporated under provincial charter in 1935, well in advance of the provincial conservation act and the establishment of other provincial conservation authorities. Over the years three important dams have been constructed on the river, the Shand, the Luther, and the Conestoga. The main purpose of these dams was flood control, but other important ancillary benefits were also derived. A total of over $8 million had been invested, in capital and operating costs, up to the beginning of 1966. Five and a quarter million dollars in capital costs was provided by the two higher levels of government; over $3 million was raised by eight area municipalities for capital and operating costs. Since these dams were initially constructed and the capital funds supplied up to the end of 1965, not one cent had been provided or asked for with respect to operating costs from the two higher levels of government.

Under the existing legislation, the Canada Water Conservation Assistance Act, work had been in progress for an extended program to provide additional dams on the river. While this program had been approved by the government of the province of Ontario in January, 1967, one of the designated participants under the act, and the submission had been subsequently forwarded to the federal government, neither I nor any of my colleagues representing constituencies on the river have had any success in persuading the ministers responsible, or the government, that federal participation should be approved.

One of the problems of which I have been very much aware in regard to the existing statute and others involving shared programs is a complete lack of awareness or consultation among the three levels of government in the early stages of planning. If Bill C-144 provides for nothing more—and I am sure it will provide for a good deal more—than consultation, co-operation, research and planning at all levels of government and industry, including research establishments, the universities and the private sector, as indicated, in my opinion a great deal will have been accomplished.

[Mr. Hymmen.]

The introduction of Bill C-144 and the indicated repeal of the existing statute is not merely a summary abrogation of federal financial responsibility. It indicates a change in thinking which, perhaps, after all may be in the right direction. If the federal government through the new legislation accepts full responsibility, as indicated, for international, interprovincial or boundary waters with or without the co-operation of the provinces—which in itself is a large and expensive undertaking—perhaps the provinces will agree to retain their already accepted responsibility for purely provincial and inland waters.

All is yet not lost in regard to the Grand River valley. The Grand River Conservation Commission has been dissolved and has been replaced by a larger body representing, I believe, some 70 urban and rural municipalities, the Grand River Conservation Authority. The government of the province of Ontario has already offered to increase its share of the proposed program from 37½ per cent to 60 per cent, and I believe is presently considering the possibility of filling in the 37½ per cent gap of permissive funds by the federal government under the existing statute.

[*Translation*]

Mr. Speaker, like the other hon. members who sat on the Standing Committee on National Resources and Public Works, I am looking forward to the second reading of this bill and to its reference to the committee.

• (9:50 p.m.)

[*English*]

Mr. Aiken: Mr. Speaker, I wonder if I might rise on a point of order at this time. It is nearly ten o'clock and I understand the government house leader has an announcement on the business for next week. I wonder if it might be called ten o'clock at this time.

BUSINESS OF THE HOUSE

Mr. Macdonald (Rosedale): Mr. Speaker, I thank the hon. member. I think it was agreed among representatives of the parties that this debate would continue on another day; therefore, I concur in the hope that it might be called ten o'clock.

With regard to the business for the coming week, the first item to be called on Monday will be the Expo Winding-up Act which was reported back to the House today. This will

be called on Monday for report and third reading. In the two successive days in that week, perhaps even on Monday as well as on Tuesday and Wednesday, it is the intention to call the three budget bills resulting from the June 3 budget. These will be called in the following order: No. 27, the Customs Act amendment; No. 34, the Excise Tax Act amendment; and No. 26, the Income Tax Act amendment. As I indicated, it is hoped that business will be completed by the adjournment on Wednesday.

On Thursday and Friday of next week we intend to call the motion to refer the white paper on taxation to the Standing Committee on Finance, Trade and Economic Affairs in order to permit the House to debate in general terms the tax proposals contained in the white paper. I hope some time during the course of the week to propose to the House the making of a special order on speech time limits to permit the maximum number of members to participate. As I indicated, I concur with the hon. member for Parry Sound-Muskoka (Mr. Aiken) in calling it ten o'clock.

Mr. Speaker: If it is the desire of hon. members, we will now call it ten o'clock and proceed to the adjournment debate. I fear there may be a slight difficulty. On the basis that we would proceed at ten o'clock with the first question on the agenda, the minister who would normally reply to this question is not yet in the House. Normally the minister would be here at ten o'clock. I wonder whether the hon. member for Winnipeg North Centre (Mr. Knowles) wants to proceed at this time.

Mr. Knowles (Winnipeg North Centre): Could we not just sit for two or three minutes, Mr. Speaker, and wait for the minister to arrive? There is no law against it.

Mr. Macdonald (Rosedale): I wonder if there is more than one question. We might perhaps juggle the order.

Mr. Speaker: I believe the second question has been withdrawn. With regard to the third question, the same difficulty arises as with the first. The hon. member for Winnipeg North Centre says there is nothing in the rules which states we cannot just sit around and say nothing. It may be legal, but it certainly will be very unusual.

Mr. Knowles (Winnipeg North Centre): Maybe we could sing something.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

OLD AGE SECURITY—INQUIRY AS TO AMENDING BILL

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I think we have proven something, namely, that it does not hurt us to sit and meditate for a moment or two. I hope the result will be a favourable answer from the government side. I gather that although we were waiting for the Minister of National Health and Welfare (Mr. Munro), we will hear from his parliamentary secretary instead. My question this evening arises from a question that I asked on Wednesday, November 12, as recorded in *Hansard* at pages 738 and 739. The entry in *Hansard* is as follows:

> Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. Toward the end of last session there was a list of bills given, many of which were not reached. One of them was a bill to amend the Old Age Security Act. In view of the fact that such a bill was not included in the list of bills that the Prime Minister tabled on the first day of this session, may I ask the minister whether there will be such a bill during the course of this session?

The Minister of National Health and Welfare replied as follows:

> It is highly unlikely, Mr. Speaker.

The point of my question and my reason for raising it again tonight is surely quite clear. Toward the end of the last session we were given a list of bills that it was hoped would be dealt with before the first session prorogued. That list included a bill to amend the Old Age Security Act, but we did not reach it. Whenever I see something of that nature, I hope for the best. I hope it means a substantial increase in the pension paid under that legislation. I must say, however, that I knew that was too much to hope for last session.

I understood the purpose of that proposed bill was to deal with certain anomalies in the Old Age Security Act, and I had hoped those anomalies would have been dealt with during the last session. I was therefore quite surprised when the Prime Minister (Mr. Trudeau) on the first day of this new session in tabling a list of bills for us to deal with did

not include that piece of legislation which was tidying-up in its nature. Accordingly, I had hoped that the Minister of National Health and Welfare would have assured me when I asked this question on November 12 that we would at least get this tidying-up business before us in this session.

A number of members have asked questions from time to time which have brought out these anomalies. Of course, the one that hits us the hardest is the fact that there is in the Old Age Security Act a provision to increase the pension each year as the cost of living goes up, but never by more than 2 per cent in any one year even if the cost of living increases by 4 or 5 per cent. That is a major anomaly I wish the government would correct.

• (10:00 p.m.)

However, I wish to spend these three or four minutes on another anomaly, that is, the provision in the guaranteed income supplement part of the Old Age Security Act which declares that in most cases pensioners get their income supplement based on what their income was last year. There are two exceptions, two instances in which a pensioner can get a supplement for the current year based on his anticipated income for the current year. These are, first, if you retire from employment in the current year, and second, if you change your marital status in the current year. In all other cases it is the income from the previous year that counts.

As a result of this, some serious situations develop. There are people who have allowances of one kind or another—widows who have an allowance from the death of a husband which lasts only four or five years and ends in the middle of the year. The widow finds for that year her income drops because the allowance is stopped, and the next year, when she applies for a full supplement because she has nothing else, she is told it has to be claimed on the basis of her income for the previous year, so she has to wait for a further year before she gets the full amount.

In the same vein there are people who in the course of a year will take a little job and make $40 or $50, in the whole year, just enough to amount to more than should have been made under the terms of the income test. When a person does that, at the end of a year he is penalized twice; he has to make a back payment because he got too much and then, for the next year, he has to apply for a guaranteed income supplement on the basis of the income he got the previous year even if he does not intend to work again. No one denies the double penalty aspect of this. We have had this out on the floor of the House and with the officials of the department. The kindliest answer we have received is that this is one of those anomalies that was not intended and which will have to be straightened out. We have been told several times that some day it would be straightened out.

I was not privy to any secrets in the matter, but I certainly got the impression that this was the kind of thing which would be dealt with in the bill proposed last year to amend the Old Age Security Act. In the meantime, many are suffering because anomalies of this kind have not been straightened out. I hope that even if the government takes longer than it ought in getting around to the larger question of increasing the basic amount of the old age security pension, it will not put off any longer an amending bill to deal with these anomalies which are really quite cruel. I hope the parliamentary secretary will be able to assure us tonight that these matters will be attended to during the course of this session.

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of National Health and Welfare): First, Mr. Speaker, I should like to assure the hon. member that we all share his concern about matters affecting the welfare of the Canadian people, including our senior citizens.

I have noted his remarks, especially those anomalies which he mentioned. I wish to state that his comments tonight will be brought by myself to the attention of the Minister of National Health and Welfare (Mr. Munro). Although no bill was presented to the house on matters of social welfare at the opening of the present session of Parliament, I am sure the hon. member has noticed in the Speech from the Throne the following paragraph which I shall quote. This can be found at page 2 of *Hansard* for October 23, 1969. It states:

> Changes in the patterns of need in our society call for a more equitable social policy which will offer assistance and security to people unable to work or to provide for themselves and their families. A white paper on social security will be presented—

This white paper will deal with all matters of welfare including old age security. These measures will be made known through this white paper and, of course, all consequent legislation will be closely related to it. In view of these circumstances, Mr. Speaker, I

can only repeat tonight, on behalf of my minister, what he has already stated to the hon. member, that it is highly unlikely a bill to amend the Old Age Security Act will be presented to the House this session.

POLLUTION—REGULATIONS RESPECTING AUTOMOBILES—INQUIRY AS TO ACTION

Mr. Barry Mather (Surrey): Mr. Speaker, the other day I asked what the government was doing in respect of outlawing car exhausts which produce air pollution. I had in mind the situation in the United States where the federal authority has recently settled out of court an action against a car manufacturing company in respect of this very matter. I also had in mind tougher action by New York state, which at this moment is taking a car manufacturing company to court to enforce the New York anti-pollution car exhaust act.

The question I tried to raise was not acceptable during the question period, so I raise it again this evening. With the few moments I have available I want to remind hon. members in the House that until recent years the North American car industry has had practically a free hand in regard to the design of component parts for its products, so far as safety is concerned. To underline the significance of that fact let me state that there are three main ingredients in car accidents: the first is the car, the second is the driver and the third is the road. For years in Canada we have been killing 100 persons a week, wounding 3,000 a week and losing millions of dollars in economic tolls due to car crashes, a great many of which were avoidable. In the last four years, the period in which many of the present members came into the house, no fewer than 20,000 Canadians have been killed, 600,000 have been wounded and billions of dollars have been lost through car accidents.

Air pollution from car exhausts is part of this general problem. My question was, what is the federal government doing to give leadership and co-ordination to provincial authorities to enforce realistic anti-pollution air exhaust legislation? There are enough cars sold in Canada to have a significant effect on the total North American car market. Cars sold in Canada could be fitted with safety features even though Washington fails to act. It is disturbing to note that our new Canadian car safety standards, recently announced with a flourish of car horns, are simply extensions of the standards set in Washington, where the car industry has for many years dragged its feet in respect of public safety.

In the United States the industry's motive is still directed to eye and sales appeal rather than to safety. Car bumpers are actually decorations, a sort of cosmetic rather than a safety feature. A standard bumper height for all cars could save a great many lives and a great many millions of dollars. In conclusion let me repeat my question: What is the law of our land, and what is our federal authority doing to co-ordinate and give leadership to the provinces, which have a great deal of authority in this field, to enforce specific laws regarding air pollution and exhaust standards?

• (10:10 p.m.)

[*Translation*]

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I wish at the outset to congratulate the hon. member for Surrey (Mr. Mather) for bringing up this question, especially at this time, since there will be at the Chateau Laurier during the next three days the general annual meeting of the Ottawa district Ontario Motor League. That association concerns itself with all matters related to automobiles and I know the interest and importance the hon. member attaches to such a question.

However, I would not like him to believe that the Canadian government scorns all those good intentions and does not consider any change. As he knows, Bill C-137, entitled an "Act respecting the use of national safety marks in relation to motor vehicles and to provide for safety standards..." was given first reading on November 3.

With regard to safety and air pollution, here is what clause 2(h) of the bill says, and I quote:

> "safety standards" means standards regulating the design, construction or functioning of motor vehicles and their components for the purpose of protecting persons against personal injury, impairment of health or death.

If we talk about air pollution, this is an indication that there is an impairment of health and, under this clause of Bill C-137, the minister will have the authority to prosecute those who will not meet the required standards. I urge the hon. members of the opposition to show all their devotion, their goodwill and to offer their suggestions when this bill comes up for second reading in a week or two, and especially when it is sent to the Committee on Transport and communications.

Other countries have other standards with regard to noise, for instance. Following the passage of this bill, the minister will be able to make changes in the legislation or to deal severely with those who use motor vehicles which are too noisy because paragraph (h) which deals with the protection of people against personal injury and impairment of health or death, is broad enough to cover these cases. Therefore the minister will be in a position to deal severely with the manufacturers or the owners of exceedingly noisy vehicles.

If this bill is passed this year or early next spring, all the security standards with which it deals, will be imposed with regard to the construction of 1971 model cars.

I think this is a good answer to the question asked a while ago by the hon. member for Surrey about the legal proceedings taken in the United States against two automobile manufacturers because of air pollution. This clause covers the cases of noise because it deals with impairment of health or death. We can only hope that the hon. member and the members of his group will support the passing of this bill and will propose acceptable amendments in order to improve its contents. Thus, the government will also be in a position to claim that it has its own legislation to regulate the construction of motor vehicles in order to protect the health of our people. Indeed, it will be possible to take legal proceedings against those whose vehicles are the cause of air pollution or personal injuries if the standards set by the law have not been observed.

[*English*]

Motion agreed to and the House adjourned at 10.18 p.m.

HOUSE OF COMMONS

Friday, November 21, 1969

The House met at 11 a.m.

ROUTINE PROCEEDINGS

HOUSE OF COMMONS

PRESENCE IN THE GALLERY OF BAHAMAN MINISTER OF TOURISM AND TELECOMMUNICATIONS

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, with your indulgence may I be permitted to call the attention of hon. members to the presence in the gallery of a very distinguished visitor, the Hon. Clement Maynard, Minister of Tourism and Telecommunications for the government of the Bahamas.

Some hon. Members: Hear, hear.

TARIFF BOARD

TABLING OF REPORT ON FRACTIONS OF PETROLEUM

Hon. Herb Gray (Minister without Portfolio): Mr. Speaker, I wish to table today copies in English and in French of the report by the Tariff Board on Reference No. 141, together with a transcript of the evidence presented to the Board at its public hearings. The report covers fractions of petroleum for use as feedstocks in the manufacture of organic chemicals.

I would like to assure the House that the Tariff Board's recommendations will be carefully considered by the government. Therefore interested parties who wish to comment on this report should bring their comments to the attention of the Department of Finance as soon as possible.

PUBLIC ACCOUNTS

REFERENCE TO STANDING COMMITTEE

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I wonder if I might have unanimous consent to introduce the following motion:

That the Public Accounts Volumes I, II, and III, and the abridged version for the fiscal year ended March 31, 1968, laid before the House on January 14, 1969, and the report of the Auditor General thereon, laid before the House on March 26, 1969, be referred to the Standing Committee on Public Accounts.

Mr. Winch: At long last.

Mr. Speaker: Is there unanimous agreement?

Some hon. Members: Agreed.

Mr. Macdonald (Rosedale) moved:

That the Public Accounts Volumes I, II, and III, and the abridged version for the fiscal year ended March 31, 1968, laid before the House on January 14, 1969, and the report of the Auditor General thereon, laid before the House on March 26, 1969, be referred to the Standing Committee on Public Accounts.

Motion agreed to.

JUSTICE AND LEGAL AFFAIRS

ELECTRONIC EAVESDROPPING—REFERENCE TO STANDING COMMITTEE

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I wonder if I could have unanimous consent for the following motion:

That the Standing Committee on Justice and Legal Affairs be empowered to study the subject matter of electronic eavesdropping;

That the evidence adduced by the committee in its study of the aforementioned matter during the first session of the twenty-eighth Parliament be referred to the committee;

And that the order of second reading of Bill C-116 be discharged, and the subject matter thereof be referred to the committee.

Mr. Speaker: Has the hon. member leave to propose this motion to the House?

Some hon. Members: Agreed.

Mr. Macdonald (Rosedale) moved:

That the Standing Committee on Justice and Legal Affairs be empowered to study the subject matter of electronic eavesdropping;

That the evidence adduced by the committee in its study of the aforementioned matter during the first session of the twenty-eighth Parliament be referred to the committee;

And that the order of second reading of Bill C-116 be discharged, and the subject matter thereof be referred to the committee.

Inquiries of the Ministry

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

Some hon. Members: Agreed.

Motion agreed to.

HOUSE OF COMMONS

MEMBERS' ALLOWANCES—TABLING OF EXTRACT FROM MINUTES OF MEETING OF COMMISSIONERS OF INTERNAL ECONOMY

Mr. Speaker: I have the honour to lay on the table an extract from the minutes of a meeting of the Commissioners of Internal Economy concerning allowances of members of the House.

ORAL QUESTION PERIOD

AIRPORTS

TORONTO—CONSULTATION WITH PROVINCIAL AND MUNICIPAL GOVERNMENTS ON PROPOSED SITE

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Minister of Transport. In the light of the statement by the minister regarding the proposed new airport for Toronto, is it the position of the government that the Ontario and municipal governments involved should not be consulted as to their views or have any say concerning the location of the site of the airport?

Hon. Donald C. Jamieson (Minister of Transport): No, it is not the intention of the government that they not be consulted. We have already discussed that with the provincial government and at the request of the provincial government of Ontario we have refrained from direct involvement with the municipalities.

Mr. Andrew Brewin (Greenwood): I have a supplementary question, Mr. Speaker. Would the minister give assurances that this major airport project will not be proceeded with before representatives of the municipal governments and other affected people who live in the area are heard by him, by the government and by the Transport Committee of this House?

Mr. Jamieson: I cannot assure the hon. member that the committee will study the matter, but certainly I can give him an assurance in terms of representations to the government.

[Mr. Macdonald (Rosedale).]

Mr. Lincoln M. Alexander (Hamilton West): I should like to direct a supplementary question to the minister. In view of the minister's statement on Tuesday with regard to the location of the Toronto airport that if the Ontario and municipal governments want a say in its location they should be prepared to participate in its management and help to cover any operating deficits that are incurred, is it the minister's intention now to advise all municipalities that want to participate in such projects that they will have to take part in the management and share in the operating costs if they want to have a say in the location of such airport installations?

Mr. Jamieson: No, Mr. Speaker, that is not my intention. What I said was that if there was to be local involvement, with which I agree, there should be responsibility along with that and they would have to help in the management. However, in so far as the involvement of municipalities is concerned, I have to advise the House that it is largely up to the provincial governments to decide on the extent to which the municipalities will be involved.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Can the minister assure the House that we will not have a scenario like the James Bond series in connection with the Ste. Scholastique airport?

Mr. Speaker: Order, please.

NATIONAL DEFENCE

REPLACEMENT OF TRACKER AND ARGUS AIRCRAFT

Mr. Harold E. Winch (Vancouver East): May I direct a question to the Minister of National Defence. In order that it shall not be a *fait accompli* will the minister appear before and advise the Standing Committee on External Affairs and National Defence as to the consideration being given by his department regarding the replacement or otherwise of the Tracker and Argus aircraft?

Mr. Speaker: Order, please. I have the impression that this question should be considered by the committee rather than determined by way of question and answer at this time.

Mr. Winch: In other words it will be a *fait accompli* so far as the committee is concerned.

An hon. Member: He is bilingual.

VIOLENT DISTURBANCES

MONTREAL—BOMBING AT LOYOLA COLLEGE—INCREASED CO-OPERATION BY RCMP

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I have a question for the Solicitor General who is Acting Prime Minister today. Considering the fact that last night in Montreal one of the largest bombs yet was set off at Loyola College while 500 students were at that institution, would the Acting Prime Minister today get in touch with the premier of the province of Quebec and the mayor of Montreal to see how the RCMP can co-operate in a more complete way to crack down on the group that is carrying out these bombings and also to prevent further bombings?

Hon. G. J. McIlraith (Acting Prime Minister): Mr. Speaker, the prime responsibility under the law lies with the provincial authority. But having said that I want to emphasize very strongly that there is very close working co-operation between the Royal Canadian Mounted Police, the Quebec provincial police and the city of Montreal police in these matters, and in this particular instance there is, of course, that kind of co-operation.

I can assure the hon. member and other hon. members who must all be very concerned that there is the utmost co-operation as well in perfecting and improving ways of bringing about a satisfactory solution to these problems and the prevention of similar occurrences in the future is being pressed to the utmost.

Mr. Allmand: I have a supplementary question, Mr. Speaker. In view of the fact that within the last few weeks Michel Chartrand announced in court, I believe, that if bill 63 was passed by the Quebec legislature there would be a new round of bombings directed at the English-speaking schools in Quebec, would the Acting Prime Minister and the Minister of Justice, who is supposed to be in the House today—

Some hon. Members: Hear, hear.

An hon. Member: Disgraceful.

Another hon. Member: Shocking.

Mr. Allmand: —get in touch with the Attorney General of Quebec to see that Michel Chartrand's bail is terminated? Also, would they please get in touch with the mayor of Montreal—he did not answer my first question, Mr. Speaker.

Some hon. Members: Shame.

Mr. McIlraith: Mr. Speaker, the co-operation in matters of this kind is working extremely well—

Some hon. Members: Hear, hear.

Mr. McIlraith: —and is effected directly at the working level by the police authorities. If anything comes to my attention, or that I can ascertain from the police authorities, which requires communication by me with the Minister of Justice or Attorney General of Quebec, or the other provincial and civic authorities, that will be done. At the moment I am aware of nothing in connection with this particular bombing that would warrant that kind of communication, but I can assure the hon. member that if anything does occur to warrant it in the course of the investigation there will be such communication.

Mr. Allmand: As a further supplementary question, Mr. Speaker—

Some hon. Members: Sock it to him.

Mr. Allmand: Mr. Speaker, this is a very serious matter and I wish the opposition would take it seriously too. It is not just the Loyola College bombing that is involved. Threats have been made against all English schools in Quebec.

SUGGESTED DISCUSSION WITH MR. SAULNIER

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I would like to ask the Acting Prime Minister if next week, when Mr. Saulnier comes to Ottawa to testify before the Broadcasting Committee which is investigating the Company of Young Canadians, he will adopt the suggestion of the hon. member for Notre-Dame-de-Grâce and discuss the matter with Mr. Saulnier at that time? Further, will he pay heed to the evidence that Mr. Saulnier will be giving about such activities in Montreal so that this problem will not develop in the serious way in which it appears to be heading at the moment?

Hon. G. J. McIlraith (Acting Prime Minister): Mr. Speaker, I will be very willing to consider the hon. member's suggestion and the suggestions of other hon. members, but I must say I do not know what evidence Mr. Saulnier will be giving before the committee. I therefore cannot at this stage tell what action I will take as a result of the evidence given by him.

Inquiries of the Ministry

MONTREAL—PROTECTION FOR GREY CUP PARADE

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I wish to direct an additional question to the Acting Prime Minister. Can he say whether the federal authorities are giving extra protection, in co-operation with the Montreal law enforcement department, to the Grey Cup parade next week?

Hon. G. J. McIlraith (Acting Prime Minister): Mr. Speaker, there is always difficulty in answering questions in the House as to investigations—

Mr. Baldwin: We have noticed that.

Mr. McIlraith: It is a good thing if the hon. member has noticed. It will serve him well if he has. As I was saying, it is always difficult at any given moment to give details of investigations being carried out by police authorities and to detail what protective steps are being taken in that part of the administration of justice. I therefore regret I am not able to answer the hon. member's question as fully as I would wish to answer it, but I do want to assure him that the working co-operation between the three police forces, in connection with the problems that may be anticipated on that type of occasion, is very close indeed.

Some hon. Members: Hear, hear.

PENSIONS

RETIRED CIVIL SERVANTS—INQUIRY AS TO INCREASE

Mr. Jack McIntosh (Swift Current-Maple Creek): Mr. Speaker, my question is for the President of the Treasury Board but in his absence I will direct it to the minister representing him during the Liberal thinkers' conference. What progress is being made with respect to a possible increase in the pensions of superannuated civil servants, and does the minister expect a decision on this issue before Christmas or the end of this year?

Mr. Speaker: Order, please. It seems to me that the hon. member is asking a question which was debated at the time of adjournment just a few days ago. Perhaps the hon. member might wait until next week and ask it then when the minister in charge is in the House.

INDIAN AFFAIRS

BAND COUNCIL BORROWING REGULATIONS—PROVISION OF FUND

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development arising from the newly enacted Indian band council borrowing regulations authorizing band councils to borrow money for housing and other purposes. Has the government established a fund from which band councils may borrow at a reasonable rate of interest? If not, from what source does the minister expect band councils to borrow?

[Mr. McIlraith.]

Mr. Speaker: I would think this question should be on the Order Paper.

TRADE

FINANCING OF SALE OF LOCOMOTIVES TO YUGOSLAVIA

Hon. D. S. Harkness (Calgary Centre): Mr. Speaker, I should like to direct my question to the Minister of Industry, Trade and Commerce. Is he in a position to answer the question I asked on November 13 which the acting minister said he would refer to the minister for answer? My question was: Will the minister look into the reasons why the Export Development Corporation has failed to provide financing for a very considerable sale of diesel locomotives to Yugoslavia? In view of the fact that considerable unemployment will be caused unless this sale goes through, would the minister make sure that the matter is reconsidered by the corporation?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The Export Development Corporation has not failed. The situation is that this contract with Yugoslavia was to include American materials. We tried, and rightly I think, to get the Export-Import Bank in the United States to do the financing for that portion of it. We had some difficulty but they have now consented to do part of it, part of their part if I may say, and The Export Development Corporation will do the rest so there is no reason why the deal should not be completed.

Mr. Harkness: Mr. Speaker, I have a supplementary. Could the minister tell us if this transaction is now completed and will go ahead immediately or is there going to be considerable further delay?

Mr. Pepin: I do not think there should be any further delay, Mr. Speaker, but I am not informed on the very latest developments. I knew of the solution that was developing and I have so indicated.

TRANSPORT

SUGGESTED CURTAILMENT OF RAILWAY PASSENGER SERVICE—GOVERNMENT REPRESENTATION BY COUNSEL AT HEARINGS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, it seems to be the Minister of Transport's day. I should like to direct a question to him arising out of the virtually general objection on the part of cities, towns, people in general and the employees of the railway companies against the applications that have been made by the Canadian Pacific Railway and Canadian National Railways to the Canadian Transport Commission to permit those companies to almost wipe out passenger transportation across Canada. With a view to assuring that every objection will be taken to these applications, and in the national interest, will the minister consider having counsel appointed by the federal government to place before the Canadian Transport Commission the general objection to action which is regarded as a cavalier disregard of the responsibilities of these railway companies?

Mr. Speaker: I have the distinct impression that this very question was asked last week. If I am wrong the minister should reply.

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker, it was asked last week but perhaps the right hon. gentleman was not present so maybe you will permit me to answer again. Whether we will do this in precisely the way the right hon. gentleman has suggested I am not certain, but I can assure the House that every effort will be made to ensure that all representations are put to the commissioners in this regard. I should like to remind the House and the right hon. gentleman that there is an appeal from any judgment to the Governor in Council, and under these circumstances it would seem to me that the public interest in this matter is quite well protected. However, if there is some other course that needs to be taken I shall be more than happy to consider it.

Mr. Stanley Knowles (Winnipeg North Centre): A supplementary, Mr. Speaker, and may I direct it either to the Minister of Transport or the Acting Prime Minister. May I now have an answer to the question I asked the last time the Solicitor General was Acting Prime Minister, whether an effort will be made to have these hearings in public?

Inquiries of the Ministry

Mr. Jamieson: Mr. Speaker, I can assure the House that where there is a contentious matter of any kind it is not within my purview to instruct the CTC to do so, but I have already made representations to them to ensure that where the public interest is demonstrably present there should be public hearings.

Hon. J. A. MacLean (Malpeque): A supplementary question for the Minister of Transport, Mr. Speaker. Can the minister assure the House that it is not his ambition to extend the present rail passenger policy in Newfoundland to the whole country?

SCIENCE SERVICES

TRANSFER OF QUEEN ELIZABETH OBSERVATORY ASSETS

Mr. Bruce Howard (Okanagan Boundary): Mr. Speaker, may I direct a question to the Minister of Energy, Mines and Resources. Has the announcement that Queen's University has indicated its intention of joining the western universities' telescope consortium in any way altered the government's intention to transfer the assets of the Queen Elizabeth Observatory to the consortium? If not, when can we expect the transaction to be completed?

Mr. Speaker: Order, please. I am not sure that this is a matter of urgency. I would think this question might be debated during the adjournment proceedings.

[*Translation*]

NATIONAL REVENUE

TOBACCO—EFFECT OF POSSIBLE ELIMINATION OF ADVERTISING ON TAX COLLECTED

Mr. Roch La Salle (Joliette): Mr. Speaker, I have a question for the Minister of National Revenue.

Since the Minister of National Health and Welfare stated that it would now be possible to ban tobacco advertising on radio, does the Minister of National Revenue agree with this policy, taking into account the importance of this source of revenue for his department?

Mr. Speaker: Order, please. The way it was asked, I do not think the question should be allowed.

Inquiries of the Ministry

[*English*]

POLLUTION

BRUSSELS INTERNATIONAL CONFERENCE—INQUIRY AS TO CANADIAN POLICY

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I direct a question to the Minister of Transport. Is he in a position to tell the House what initiatives Canada is prepared to take as a result of the Brussels conference on oil pollution of the high seas?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, the conference is still proceeding. As I indicated to the hon. member a few days ago, the various countries involved are continuing to make their statements and the negotiations are continuing as well. I consider it wiser to wait until the conclusion of the conference, which I believe will be one week from today, in order to find out exactly what agreement, if any, is reached at that time. As I have indicated in previous answers, if it should turn out that no definitive agreement is reached at that conference we are prepared to consider action in regard to territorial waters along the lines proposed.

Mr. McGrath: Mr. Speaker, may I ask a supplementary question. It is very simple and direct. Will the minister make a statement to the House at the conclusion of this conference and set out Canada's policy?

Mr. Jamieson: Yes, Mr. Speaker; as soon as possible after that date.

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, may I ask a further supplementary question. The implications of my question are important. Would the Minister of Transport consent to invite Members of Parliament to his next press briefing so that we may obtain as much information about his negotiations as members of the press obtain?

Mr. Jamieson: Yes, Mr. Speaker, and if the hon. gentleman would like to have lunch with me some day I will give him the whole story any time he wants it.

Some hon. Members: Hear, hear.

Mr. Lundrigan: Mr. Speaker, may I say on a question of privilege that I can well afford to pay for my own lunch. Ignoring that point for a moment, may I say that questions were raised in the House earlier this week about the minister's trip. At that time he refused to make any statement to the House, discuss the subject or make a statement on motions. We found out, however, that on that very afternoon at a press meeting the minister disclosed the nature of his trip. Information was given to the press before members of the House were advised—

Mr. Speaker: Order, please.

VIOLENT DISTURBANCES

MONTREAL—SUGGESTED USE OF ARMED FORCES BOMB DISPOSAL EXPERTS

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, my question is for the Minister of National Defence. Would the hon. gentleman arrange to have bomb disposal experts of the Canadian Armed Forces available for instant dispatch to the city of Montreal should the situation warrant such action?

INDUSTRY

POTASH—INQUIRY AS TO MEETING WITH PRODUCERS

Mr. John Burton (Regina East): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce. Have the minister or his officials now had an opportunity to meet with the potash producers? Could he also indicate what progress has been made in resolving outstanding problems?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, the regulations will be issued today in Regina, I understand. I am informed that they are concerned mostly with matters of conservation and proration. An advance copy was apparently made available to the Department of Justice. It was studied yesterday and the study is continuing today. It has to do with the legality, the constitutionality, of the regulations. It is too early yet for me to comment on that.

With respect to the economics of the regulations, I can only observe that the governor of New Mexico said yesterday: "I think it saved the industry in Carlsbad." That worries me a little.

Mr. Burton: A supplementary question, Mr. Speaker. I take it from the minister's answer that he has not yet determined if the price guarantee arrangements which have been reached informally or semi-formally in fact apply to producers outside of Canada and whether in fact the interests of Canadian producers are adequately protected?

Mr. Pepin: There are apparently no price features in the proposed regulations. They are concerned only with conservation and proration. What effect the conservation and proration measures will have on pricing is still to be ascertained.

IMMIGRATION

ENTRY OF BLACK PANTHERS INTO CANADA

Mr. W. B. Nesbitt (Oxford): I have a question that concerns the Minister of Manpower and Immigration, the Solicitor General and the Minister of Indian Affairs and Northern Development, so I will have the opportunity of directing it to the Acting Prime Minister. Will the government take active steps to prevent or at least carefully examine the entrance into Canada of members of the Black Panther Society who are attempting to enter Canada today? I ask this question, Mr. Speaker, because of the reported strong objections of the government of Saskatchewan to the federal government in this regard. Members of this society who have long criminal records are coming into Canada for the purpose of stirring up sedition among the Indian people.

Hon. G. J. McIlraith (Acting Prime Minister): As I understand the law in this country, it is not the practice to admit persons with long criminal records, but the matter is determined on an individual basis. In any event, I will look into the whole matter raised by the hon. member as it does involve several departments.

Mr. John Burton (Regina East): A supplementary question, Mr. Speaker. When the Solicitor General is making his inquiries, will he determine if in fact any specific complaints were made against the individuals who were in Saskatchewan and Alberta and about whom the Attorney General of Sackatchewan was complaining?

Mr. McIlraith: Yes, Mr. Speaker, I will be very glad to do that. The question, of course, is whether the complaints were made before they were admitted.

POWER

MINAS BASIN—COMPLETION OF STUDY

Mr. J. M. Forrestall (Dartmouth-Halifax East): I have a question for the Minister of Energy, Mines and Resources. Can the minister now indicate when the House and the Canadian people can expect the feasibility study on Minus Basin tidal power?

Inquiries of the Ministry

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, the last information I received was that the study would not be available until the end of the year.

ATOMIC ENERGY

BRUCE NUCLEAR GENERATING PLANT—EFFECT OF FEDERAL SAFETY REGULATIONS

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. A couple of weeks ago I asked the minister a question regarding federal safety regulations and the moving of the Bruce nuclear generating plant in Ontario. He assured me he would investigate this matter. He stated he had not been aware of the matter. I wonder if he has information on it now?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I believe the question asked was whether there was any arrangement regarding the effect on the labour force by reason of moving the plant. In so far as the regulations are concerned, the Atomic Energy Control Board has very up-to-date and effective regulations for the protection of the public in these areas. The moving of the plant was as a result of the application of these longstanding regulations. I believe everything is being done according to the requirements of the Atomic Energy Control Board and the safety situation is satisfactory.

EXTERNAL AFFAIRS

INQUIRY AS TO FREEZE ON RECRUITING OF FOREIGN SERVICE OFFICERS

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct my question to the Acting Prime Minister who seems to be filling the post with deliberateness and with dignity. If he does not have the information today, I am free for lunch on Monday. In light of the closing of diplomatic missions abroad and the deployment of personnel in the Department of External Affairs, apparently for reasons of economy, can the Acting Prime Minister advise if a freeze has been put on the recruiting of foreign service officers for the current or upcoming fiscal year?

Mr. Speaker: I think the question should be discussed at lunchtime.

Inquiries of the Ministry

GRAIN

SASKATCHEWAN PLAN TO BARTER WHEAT FOR MACHINERY

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I wish to direct a question to the Minister without Portfolio in charge of the Wheat Board. I refer the minister to his statement in the House yesterday:

—no one can, of course, stop the Saskatchewan Power Corporation or any other similar body or company in Canada from buying Canadian wheat and doing whatever they like with it.

Could the minister clarify this statement in view of the role of the Canadian Wheat Board as the sole agency responsible for marketing Canadian wheat?

Hon. Otto E. Lang (Minister without Portfolio): Yes, Mr. Speaker, I am glad to do so. I was referring to the opportunity they would have of buying wheat from agents of the Canadian Wheat Board, in foreign countries, such as Japan, Germany or wherever the contractor who might be interested in the transaction is located.

Mr. Gleave: May I say, Mr. Speaker, that the answer intrigues me. I wish to ask a supplementary question. In view of the fact that according to the Dominion Bureau of Statistics exports in August of this year were at the lowest level in 20 years, can the minister inform the House if specific negotiations are now under way with the U.S.S.R. on further sales of wheat to that country?

Mr. Lang: Mr. Speaker, as I indicated previously, it is not my intention to comment upon negotiations in regard to the sale of grains which the Canadian Wheat Board may have under way until such negotiations are completed.

NATIONAL DEFENCE

FUTURE STRUCTURE OF MILITIA FORCES

Hon. J. A. MacLean (Malpeque): My question is directed to the Minister of National Defence. Is the minister yet in a position to assure the House and the country that any cuts which may be made in the strength of the reserve military forces will not be nearly as severe as those first considered?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, I expect to have a report early in December from the study group that has been concerned with this matter. I believe I am right in saying that the cuts will not be as severe as predicted.

[Mr. Speaker.]

Mr. MacLean: Ten o'clock, Mr. Speaker.

TRADE

EFFECT OF SHIPPING CONDITIONS AT VANCOUVER ON GRAIN MOVEMENT

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I wish to direct a question to the Minister without Portfolio in charge of the Wheat Board. Has uncertainty of shipping conditions in the port of Vancouver affected the movement of grain into export channels? If so, what steps are being taken to rectify this?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, it is very difficult to be concrete about the effect of strikes or threats of strikes upon sales of grain. It is quite possible, of course, that the expectation of difficulties could cause some people to hesitate about booking orders. However, the actions of the Minister of Labour in the past in seeing that wheat in fact continued to flow through Vancouver go a long way, I think, to allay those fears at the present time.

ADMINISTRATION OF JUSTICE

NORTH VANCOUVER—ALLEGED FINANCING OF DEVELOPMENTS BY GAMBLERS

Mr. Mark Rose (Fraser Valley West): In the absence of the Minister of Justice I direct my question to the Solicitor General. Is the minister aware of allegations being made that international gambling money is being used to finance real estate and recreation developments in the North Vancouver area? If not, will his office look into the matter?

Mr. Speaker: Order, please. I think this question is the type that might be discussed at the time of adjournment if there is urgency. Otherwise it should be placed on the order paper.

EXTERNAL AFFAIRS

INTERNATIONAL CONGRESS ON ARCTIC DEVELOPMENT—REPRESENTATION BY ESKIMOS

Hon. W. G. Dinsdale (Brandon-Souris): My question is to the Minister of Indian Affairs and Northern Development. Is the minister aware of the International Congress on Arctic Development and the Future of Eskimo Societies taking place in France next week?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Yes, Mr. Speaker, I agree—

[*English*]

Mr. Speaker: Order, please. A question asked in those terms cannot be accepted. The hon. member is asking whether the minister is aware of a situation. This is perhaps the same form used by the previous questioner. Questions asked in those terms are not acceptable at this time.

Mr. Dinsdale: Perhaps I could rephrase the question. Has the minister taken any steps to send official Eskimo representatives to this conference taking place in France next week?

[*Translation*]

Mr. Chrétien: Yes, Mr. Speaker, a delegation will proceed next week to Le Havre and Rouen, and one of the delegates is Mr. Michael Salomoni, an Eskimo, an elected representative of Eastern Arctic.

[*English*]

PESTICIDES

DDT—DISPOSAL OF STOCKS ON HAND

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources related to the recent announcement of a major ban on the use of DDT and the developing concern about the disposal of stocks on hand. Are any arrangements being made by the government for collection of excess stocks of DDT so that they will not be dumped into rivers or thrown out in the garbage?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, since the question of the disposal of such stocks affects several government departments that have made a practice in the past of using this chemical, there will be an investigation and review at the interdepartmental level to determine a proper course of action for all departments regarding disposal of these stocks.

Mr. Aiken: A supplementary question, Mr. Speaker. Will the minister be kind enough to make a report on this matter as soon as a decision has been reached?

Mr. Greene: I will be glad to consider that suggestion, Mr. Speaker.

TRANSPORT

BORDEN-CAPE TORMENTINE SERVICE—PROVISION OF RESERVE FERRY

Hon. J. A. MacLean (Malpeque): I rise only to ask the Minister of Transport whether he is in a position to answer the question his Parliamentary Secretary took as notice yesterday.

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker. The question had to do with provision of a standby service in regard to crossings to Prince Edward Island during the winter months. I should like to look into this matter in greater detail. I understand provisions have been made in this connection but I cannot answer fully at this time. I shall try to get a written answer to my hon. friend in a few days.

FORESTRY

VOLUNTARY BAN ON EXPORT OF LOGS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in the absence of the Minister of Fisheries and Forestry and since I do not see his Parliamentary Secretary in the chamber, may I direct my question to the Acting Prime Minister to take as notice, or perhaps the acting minister could deal with the matter. It concerns the continuation of the voluntary export ban on logs on the Pacific coast, imposed last spring, which was to have ended on September 1. It is extremely important to the forest industry to know whether or not the ban is being extended. Has the acting minister any information with regard to this question?

Hon. Jean-Pierre Côté (Acting Minister of Fisheries and Forestry): Mr. Speaker, I do not have any information but I will bring the matter to the attention of the minister.

AIRPORTS

MANITOBA—ASSISTANCE TO PROVINCE IN BUILDING STRIPS

Mr. Robert Simpson (Churchill): Mr. Speaker, I have a question for the Minister of Transport. In view of the fact that one of the many greatly needed airstrips for isolated areas in northern Manitoba has now been licensed at Norway House, is consideration being given by the federal government to making a financial contribution to assist in the cost of other airstrips being built by the provincial northern affairs department?

Mr. Speaker: Order. This question should be placed on the order paper.

Inquiries of the Ministry

SHIPBUILDING

ASSISTANCE IN FILLING EXPORT ORDERS

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I have a question for the Minister of Transport. I am sorry he is so busy in the "hot seat" today instead of lying around at Harrison Hot Springs with his colleagues. In view of the recent indication by the minister of co-operation with our shipbuilders, particularly if they are able to obtain new export markets, can the minister say what he means in terms of aid to the industry since this information is needed by the industry when it is seeking new business?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I think this question might more appropriately be answered by the Minister of Industry, Trade and Commerce. I might say all departments, my own included, are co-operating, though I think this co-operation varies depending on the kind of request that comes to us from a shipbuilder when he does get an export order or there is the potential for an export order. However, I would be glad to refer this matter to my colleague for a more specific answer.

Mr. Bell: May I take this very fine gesture by the Minister of Transport and direct my question to the Minister of Industry, Trade and Commerce since he has prime responsibility for shipbuilding. Would the minister take the opportunity now to reply to the question?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): I am sorry, Mr. Speaker, but I lost the question. I was answering mentally the question on logs addressed to the Minister of National Revenue! Would the hon. member kindly repeat his question?

Mr. Bell: I was asking about inquiries of his department by shipbuilders. Can the minister give an indication to the shipbuilding industry of what is meant by aid and co-operation in seeking new export business?

Mr. Speaker: Order. I hope the minister will reply to this question briefly because I have the impression that the question as asked is very general in nature and normally would be replied to by way of a statement on motions. The minister may give a short reply.

Mr. Pepin: Mr. Speaker, the implication of the question is that no help is given to the industry now and this, of course, is a wrong impression to give. The shipbuilding industry of Canada is subsidized at a very high level representing some tens of millions of dollars a year. The inquiry now being conducted is to find ways and means by which the subsidization program can be improved. I am working for shipyards on an almost daily basis. For example—

[Mr. Speaker.]

Mr. Speaker: Order, please. I have to interrupt the minister. If he wishes to go into the matter further he will have to do so by way of a statement on motions.

PUBLIC SERVICE

DELAY IN ISSUING RETROACTIVE PAY CHEQUES

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Supply and Services. On October 29, in response to a question of mine, he said it was the objective of the central pay office to be current by the end of November in the matter of retroactive pay cheques. Can the minister say whether that objective is being achieved?

Hon. James Richardson (Minister of Supply and Services): Yes, Mr. Speaker, we are making progress toward achieving that objective.

TRANSPORT

NEWFOUNDLAND—APPLICATION BY PACIFIC HOVERCRAFT TO SERVICE SOUTH COAST

Mr. Walter C. Carter (St. John's West): Mr. Speaker, my question is directed to the Minister of Transport. In view of the lack of proper transportation facilities on the south coast of Newfoundland, mainly as a result of indifference on the part of Canadian National Railways, would the minister undertake to get an early decision from the Canadian Transport Commission on an application submitted to that board by Pacific Hovercraft Limited to operate services in that area?

Hon. Donald C. Jamieson (Minister of Transport): Long before the hon. member was even aware that this was happening, Mr. Speaker, I had made such representations to the CTC.

DEVELOPMENT OF TRANS-SHIPMENT FACILITIES AT GANDER AIRPORT

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I have a supplementary question for my good friend and benevolent colleague, the Minister of Transport. In view of the

report that a consortium of French entrepreneurs is planning to spend $400 million in developing air trans-shipment facilities on St. Pierre and Miquelon, is the minister planning to support the concept of trans-shipment at Gander International Airport, which proposal has been investigated for several years now?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I have indicated to the very aggressive committee at work at Gander that as soon as they can provide, with our assistance, some tangible evidence that the airlines would be interested in this concept, we would be happy to go ahead as fast as we can. It is a question of finding out whether there is a firm interest on the part of the airlines. We are assisting the committee in this regard as well as undertaking some research on our own.

POLLUTION

LEGISLATION AGAINST USE OF PHOSPHATES IN DETERGENTS

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources. In view of the statement by the Ontario energy and resources management minister yesterday that legislation regarding the banning of phosphates in detergents is being considered by the Ontario government for this coming January, would the minister indicate whether the government of Canada is also giving consideration to introducing at an early stage legislation to ban the use of phosphates in all detergents used in Canada?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, as I indicated yesterday while speaking on second reading of the Canada Water Act, we are giving consideration to such action. I have asked for the views of the committee that will be studying the Canada Water Act. Whether this matter would be more effectively handled at the federal or at the provincial level is one of the questions very much in my mind at this time.

GRAIN

REQUEST FOR PAYMENT ON FARM-STORED CROPS

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I have a question for the Minister without Portfolio in charge of grain. In view of the Dominion Bureau of Statistics report that wheat stocks have risen 17 per cent, which represents a direct increase in farm-stored grain, would the minister say whether he will now recommend a payment on farm-stored grain to relieve the storage problem of the producers?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, any changes in policy with regard to existing situations will, of course, be announced by the government in due course.

• (11:50 a.m.)

GOVERNMENT ORDERS

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 58—YUKON AND NORTHWEST TERRITORIES—FAILURE OF GOVERNMENT TO GRANT CONSTITUTIONAL AND ADMINISTRATIVE REFORMS

Mr. G. W. Baldwin (for Mr. Stanfield) moved:

> This House condemns the constitutional and administrative policies of the government as enunciated by the Minister of Indian Affairs and Northern Development with respect to the Yukon and the Northwest Territories and rejects the pathological refusal of the government to end the colonial form of government which exists in the said Territories and this House adopts the desires and aspirations of the people of the Yukon and Northwest Territories as expressed unanimously by the resolutions of the Yukon Territorial Council and the Northwest Territorial Council requesting evolutionary constitutional and administrative reform.

Mr. Erik Nielsen (Yukon): Mr. Speaker, I am very glad to see the minister has foregone the pleasure of going to Harrison Hot Springs, where most of his colleagues are today, in order to participate in this debate, as well as the hon. member for Northwest Territories (Mr. Orange), whose participation is going to be rather painful, I am sure. I am just as sure he will be with us during the debate.

Mr. Orange: It won't be painful for me.

Mr. Nielsen: But it will be painful for me.

I should like to recall some of the events that have occurred before becoming critical of the policy of the government as enunciated by the minister in Yellowknife on the tenth of this month and in Whitehorse on the twelfth of this month.

It was in 1958, on September 26, that a former Prime Minister of Canada, the right hon. member for Prince Albert (Mr. Diefenbaker) said:

> This area, Yukon, will be a province surely in the fullness of time.

He said also:

It is my hope that by the time of Canada's centennial in 1967 the Yukon and Mackenzie will have gone a long way—if not all the way—toward self-government.

That was over a decade ago. In keeping with that expressed philosophy, the then government in 1958 did something positive about achieving that objective. I hear from some quarters that nothing was done. Let us examine the record for a moment.

The number of members on the council of the Yukon was increased from five to seven, and a blueprint was devised at that time which would lead to adding an additional member to the council with each progressive increase in the population. There was set up by legislation an advisory committee on finance. It was selected from among the elected representatives sitting on the council and consisted of three members.

This advisory committee on finance was to consult with the Commissioner. In fact, the legislative amendment to the Yukon Act at that time made it obligatory for the Commissioner to consult with the advisory committee on finance before he brought in a budget.

Another notable change was that the Commissioner, for the first time in history, was selected from among the people in the Yukon and was not a civil servant from Ottawa.

Then, also, there was a Court of Appeal set up for the Yukon so that we need not travel cap in hand to the province of British Columbia to take our appeals to their judiciary system. In addition, the franchise in the Northwest Territories was extended to the Keewatin and Franklin districts where hundreds of Canadians had been denied the vote for many, many years—in fact, since 1867. These are some of the reforms that were brought about and others would have followed had the government of that day continued.

What is the record since the change of government in 1963? All the amendments I can recall having seen was that sop of increased indemnities to the members of the councils of both territories. There was an increase in the number on the Council in the Northwest Territories, but it was really insignificant.

I want to make it clear from the outset that what the members of the Yukon council desire is not provincial status. There is no way their requests can be misconstrued and distorted to the extent that one can say they are seeking provincial status. In a moment I will read into the record a resolution passed by that Council, and which has been passed in successive years.

I want to make another distinction. Members of the Indian Affairs and Northern Development Committee who travelled to the Yukon last year heard the councillors themselves assure them, as members of Parliament, that this idea that there was a separate territorial government in the Yukon as distinct from the federal government was a fiction. This is wrong and a distortion of the truth. For a minister of the Crown, and for civil servants both here and in the Yukon, to deliberately attempt to create the image that there is a distinct form of territorial government is wrong; there is not, neither in the Yukon nor in the Northwest Territories.

The Commissioner in the Yukon and the Commissioner in the Northwest Territories are appointed civil servants who take their instructions from the minister and do exactly what the minister tells them to do; nothing more and nothing less. It is wrong for the minister to say that he has to abide by the decisions of the Commissioner of either territory. This is creating a false impression.

What is it that the council of the Yukon desires? As far back as ten years ago the strongest political party in the Yukon at that time, the Progressive Conservative Party, advocated a progressive evolution toward responsible government. That philosophy was embodied in a resolution which was passed by the Yukon territorial council, the last one on January 23, 1968, and it reads as follows:

Whereas the history of our nation serves as our proudest reminder of high endeavour and steadfast recognition of the great principles of Democracy; and

Whereas this Council desires to affirm its belief that the growth and full measure of the Canadian Nation cannot be achieved until the Seal of Democracy is set upon all corners of our land; and

Whereas to delay and frustrate the emergence of full partnership for any of our lands and peoples is alien to the principles which this Nation holds dear; and

Whereas this Council is desirous of accepting those principles of constitutional development that will result in the introduction of a responsible system of government to the Yukon territory; and

Whereas the wishes of the Members of the Yukon Legislative Council should be embodied in any planned constitutional changes;

Be it resolved that: The Commissioner be requested to forward to the Minister of Indian Affairs and Northern Development for his submission to the Government of Canada on behalf of the council of the Yukon territory the accompanying resolution:

And be it further resolved that the Statutes of Canada be amended wherever necessary to give effect to the constitutional changes hereafter set forth.

A) The Council of the Yukon Territory to be known as the Yukon Legislative Assembly.

Surely, there can be no objection to that kind of change. The resolution continues:

B) The number of Members of the Yukon Legislative Assembly to be increased to 15 and the term of the Assembly to be increased to four years.

The minister, in his announcement in the Yukon, said that it is his intention to increase the term of the council to four years, but I ask members of the House how there can be any real division unless there are sufficient members in a democratic legislative body within which that division might be formed? Surely, it is redundant for me to suggest to members of the House that in order for there to emerge any kind of healthy policy on the part of any government there must be a clash of opinion brought about by division.

The resolution continues:

C) The Advisory Committee on Finance to be replaced by an Executive Council of not less than five members with full executive powers in the following classes of subjects

i) Education, Health and Welfare

Surely, the minister who has the responsibility for this portfolio can appreciate the desire of the people of the Yukon, and particularly the parents in the Yukon, to be able to set the curricula through their elected representatives rather than having the State tell them what their children are going to be taught. Surely, the minister understands that principle. I shall continue:

• (12 noon)

ii) Territorial resources including land.

I wish to make another thing quite clear here. The members of the council in the Yukon are not asking for control over natural resources. They do not ask for administrative responsibility over waters, mines, minerals, oil and gas. We say "territorial resources" because the skills that must be exercised in order to manage a resource such as water in the Yukon must be attained before accepting or even asking for that kind of responsibility. But surely we are mature enough to take over the management of our game, our forests and our lands, together with their disposition, to mention a few. We say, too, we are mature enough to take over public works, and the council requests that administrative responsibility. The fourth area is "justice and corrections". In that connection, I was happy to note the cautious announcement the Minister of Justice (Mr. Turner) made yesterday, but this does not change the existing system.

The fifth subject is revenue and finance. The sixth is forestry. The seventh is fisheries. The eighth reads as follows:

All residual executive and administrative functions including industry and labour controlled or performed by the federal government, and the Legislative Assembly to have exclusive legislative jurisdiction to make laws for the government of the territory in relation to the above classes of subjects in addition to the legislative powers existing under Section 16 of the Yukon Act as amended.

Then, there is the following:

D) The number of members of the Yukon Legislative Assembly to be further increased at such time as the Yukon Legislative Assembly determines it appropriate that all necessary legislative and other changes are to be effected to constitute the Province of Yukon with the same legislative and executive powers as those which exist in the provinces of Canada.

A careful reading of that part of the resolution will disclose to members that it is not a request for provincial status at this time, although a deliberate attempt I think has been made to convey that impression. Paragraph E reads as follows:

The members to be given all necessary authority analogous to that in provincial legislative assemblies to establish their indemnities and allowances and to have all the requisite powers to establish or participate in pension plan or group health plan.

I must say that the minister, in his announced intentions, has said that he intends to give the members of the council freedom to set their own indemnities and in that respect the council will be answerable to the electorate.

F) Section 24 of the Yukon Act to be repealed.

That section provides that an elected member sitting on the council of either territory shall not introduce a money bill. There is the rub. The only individual who can place any money legislation before the council of either territory is the Commissioner, and he only acts upon the instruction of the minister. The minister, in his speech at both Yellowknife and in the Yukon, to both councils, said there are many areas in which the elected representatives are not fully accountable to the electorate. Unfortunately, he said two such areas are the Yukon Territory and the Northwest Territories. I ask the minister where else in the free or democratic world is there any other area in which people tax themselves but are not permitted to spend a penny of the tax money. That is the situation in the Yukon Territory and in the Northwest

Territories. We have a wholly elected council. All seven members are elected, but they are only rubber stamps for the policy enunciated to the commission by the minister. Then we have paragraph G:

The status of the Yukon Legislative Assembly to be enlarged so that it shall have full capacity to attend all inter-provincial and federal-provincial conferences and to participate in resulting discussions and agreements.

I ask, why not; why do not Canadians in the north, through their elected representatives, have a voice in such things as the constitutional conference? Why must the Yukon and the Northwest Territories be represented at constitutional conferences by a civil servant?

H) The Land Titles Act to be repealed in respect of the Yukon Territory and replaced by a Land Titles Ordinance.

I) All Crown land to be held in the name of the Crown in right of the Territory.

I should like to make another thing clear. In all these points I am making on behalf of the members of the council, they are not asking for the transference of all Crown land to their control. They merely ask that the land now held by the Crown in the right of Canada in the Yukon be transferred to the Crown in the right of the territory in the same way it is held in the provinces.

How different is that resolution from the official stand of the Yukon Liberal party? Let me read the resolution of the Yukon Liberal party which was held out to the electorate during the last election. It reads:

WHEREAS all indications point to a period of development in the Yukon Territory greater and more sustained than that of the Gold Rush;

I agree, as I am sure the minister does.

AND WHEREAS as a consequence of that development it is expected that the population of the Yukon will increase substantially;

It has. It is far greater than DBS has led the minister to believe it is. The DBS figure is 16,000 and the minister uses the figure 18,000. I suggest to the minister the figure is closer to 25,000 now. I suggest also that if the minister were really up-to-date in respect of the Yukon—I am sure he cannot live there—and were properly informed by the officials, he would know this. His departmental officials have no sympathy with this move because if it were adopted they would be out of a job eventually, and so far as we are concerned the quicker the better.

The minister has said that great strides have been made toward progressing to self-government in the Northwest Territories, but all that has happened has been that masses of civil servants have been moved from Ottawa to Yellowknife.

Mr. Orange: You should get your facts right.

Mr. Nielsen: The hon. member says I should get my facts right. I know that quite a number of these civil servants refused to go there because they did not want to live in that area. Otherwise, there has just been a transference of bureaucracy from Ottawa to Yellowknife. Duncan Pride, one of the members of the council—I do not know which area he represents—made a speech in Edmonton last night in which he called for the resignation of the minister. That indicates what the feeling is in the territories.

Let me read this:

AND WHEREAS it is recognized and desirable that the population of the Yukon Territory has and will continue to assume permanency and stability;

It has. The minister has been there and has seen some of our residential areas. He has also seen the growth of the business community. Another resolution reads as follows:

AND WHEREAS it is recognized that the problems of government and administration attendant upon this expansion pose special problems;

You bet they do!

AND WHEREAS it is recognized that, at present, the Yukon Territory should not assume provincial status, but that its people must be afforded a greater share of responsibility in Yukon affairs and a more effective voice in determining the destiny of Yukoners, as is the right of all free people everywhere;

That is a sentiment in which I am sure all of us concur. I shall continue to read from page 6:

NOW THEREFORE BE IT RESOLVED THAT:

1. The membership of the Council of the Yukon Territory be increased to 15.

What has the Yukon council requested? Precisely what the Liberal association recommends.

2. That the Governor in Council appoint on the recommendation of a majority of the members of the Territorial Council of the Yukon Territory, a member of the said council to be chief executive of the Territory—

We have not gone that far.

—and who will hold and discharge all the present responsibilities and duties of the Commissioner of the Yukon Territory.

The request of the council falls far short of this Liberal resolution. It goes on to read:

• (12:10 p.m.)

3. That 4 members of the Territorial Council of the Yukon Territory be elected by a majority of the said Council to assist the Chief Executive and to be responsible for the administration of various departments of Government of the Yukon Territory.

The Liberal resolution refers to all departments, but the council only wishes at this time those which they enumerated in the resolution. Then, it goes on:

4. The necessary amendments to the Yukon Act and all other effective legislation be introduced forthwith to accomplish these aims.

That is the official stand of the Yukon Liberal Association. I can well remember the statements of the present Minister of Public Works (Mr. Laing) and of the candidate who ran for the Liberal party in the Yukon in the last election. They stated the present Prime Minister (Mr. Trudeau) was in full sympathy with these objectives, and they were certain that once the Liberal government was formed these objectives would be achieved. That has been held out as reform. In the Yukon, the minister said he is prepared to set up immediately an executive committee to consist of the Commissioner and his two Assistant Commissioners, plus one elected member of the Yukon Council. You have three civil servants who take their instructions from the minister inviting one elected member of the council to sit in on the decision making process. That is like the conclave of the Mandarins in Ottawa, the deputy ministers of the various departments, asking one or two members of the House to step across to the Rideau Club or somewhere to take part in the decision making process.

What kind of topsy-turvy democracy is that? If the members of the council had bitten at that bait, they would have permitted the civil servants to be smuggled into the legislative arm of the government up there. This is, in essence, what the clever scheme was. The council rejected that idea, and quite properly so. All that would occur if they were to accede to that kind of so-called reform would be that the Commissioner and his two assistant civil servants would have an office boy to run back and forth to tell the council what decisions have been made from time to time. It is a completely backward idea of a real democratic reform.

The choice of both parties and the unanimous choice of the council is certainly for an executive committee. The council asks for an executive committee of five, and so do the Liberal and the Conservative Associations. What can be so abhorrent about that? Why is it that the government continually rejects the reasonable requests of the council to have the same powers as those which the municipality of the city of Whitehorse has?

Why is it that throughout this country, in every province, indeed throughout North America in all likelihood, every municipality that levies taxes upon its taxpayers is entitled to spend those revenues? If the municipal councils of the country and of the various cities across the land can have that power, why cannot the elected representatives sitting on the councils in the Yukon and the Northwest Territories have it? Why, indeed, can they not have the same powers as the school board? The school board in the city of Yellowknife has more power than the councils. Why should we be so backward, so pathologically reluctant to extend the same rights to individuals across Canada?

Let me quote what the Prime Minister had to say in his opening statement at the second meeting of the constitutional conference in Ottawa on February 10 of this year:

The federal government insists that a charter of human rights should be an integral part of the constitution because it believes that those rights are equally important for all Canadians. Whether he be from Churchill, Trois Rivieres, Kamloops, Medicine Hat, Richibucto or Port aux Basques, the Canadian citizen must be assured everywhere of and represent, his most essential rights?

These are noble sounding words. He went on to say:

And why should this not be so? Are those not values common to all, and in which we all believe? Of course. And so, I ask you, gentlemen, why do we hesitate? Why are we reluctant to join together in guaranteeing to the citizen, whom we all serve and represent, his most essential rights?

What right can be of more value to all Canadians than the right to govern themselves? What right could be closer to their hearts than the right to say to their elected representative what should be taught to their children, to say how the money that they give in taxes should be spent? Those are noble sounding words. If they mean anything, they mean much more than what the minister said that he was going to do and what he said was government policy in the two speeches which he gave.

I may say that the papers that have been distributed as background information on the Northwest Territories and the Yukon are grossly misleading. I will deal with the papers on the Yukon and let my colleague from the Northwest Territories (Mr. Orange) deal with

the other paper. With respect to the Yukon paper, let me point out that the population figure is stated as being 16,000—a gross misrepresentation. In that background paper, the Indian population is stated to be about 16 per cent of the total population of the Yukon. Nothing is mentioned about the fact that number includes the Indian people from Atlin, Telegraph Creek and Lower Post—all B.C. locations. The fact is that it is closer to 10 per cent or 11 per cent, and believe me I have reason to make certain of the Indian population at the time of elections.

On page 2 of the background paper, there is a statement that agriculture is an economically marginal activity because of climatic conditions. That is simply not true, and the policy of the government in closing farms is certainly a negative one in that connection. The Yukon and the Northwest Territories lost their truest friend, and one dedicated to northern agriculture, when Mr. Nowasad passed away.

Throughout the paper the false idea is put forward that there is a distinct form of government in the Yukon. This is simply not so. It is a distortion to say that over the past five years the federal government has spent some $62 million in the Yukon to assist in resource development and to compare that with direct revenues of about $4,000.

Then, the background paper indicates that, in addition to game as a resource, land in the surrounding communities and settlements is being made the responsibility of the Commissioner, as if to say that these powers are being transferred to something distinct from the Government of Canada or the minister. This is the kind of invidious distortion that is made here.

I want to deal just for a moment with the speech which was made by the minister before the council. I am sure that my colleague, the hon. member for the Northwest Territories, has noticed that the so-called white paper is headed "Speech by the Hon. Jean Chretien, P.C., M.P., Minister of Indian Affairs and Northern Development to the Council of the Northwest Territories" while his Yukon speech was "before the Territorial Council". He said, and I quote from the second page of his speech:

• (12:20 p.m.)

—I shared the confidence of my predecessor that government policy on the constitutional development of the north could be placed before you at an early date.

[Mr. Nielsen.]

I want to say this as kindly as I can, Mr. Speaker. His predecessor, now the Minister of Public Works (Mr. Laing), never had any intention of granting the smallest scintilla of reform in either territory.

The minister went on to say:

The first objective is to protect and further the legitimate interests of the Canadian people in developments in the north—in its economic development and particularly resource development and the potentially immense wealth that may result from this.

He went on to imply that because of the relatively small population in the Yukon, and because the Yukon can support itself economically, responsibility is not being passed to the elected members of the council. Indeed, in a recent press release it was said that these two factors were the ones that were preventing any kind of reform. That is the argument the Yukon councillors have been met with each time they have made their request. But now, all of a sudden, there is a burgeoning economic situation in the Yukon. In this connection I should like to quote from the Ottawa *Citizen* of November 13—

The Acting Speaker (Mr. Béchard): Order. I regret to interrupt the hon. member but his time has expired.

Some hon. Members: Continue.

The Acting Speaker (Mr. Béchard): Does the House give unanimous consent for the hon. member to continue?

Some hon. Members: Agreed.

Mr. Nielsen: I thank hon. members for their indulgence, particularly in vew of the fact that this matter is so close to the hearts of the people of the Yukon and Northwest Territories. They want a fair hearing on it, and fair participation in the debate. May I quote from the Ottawa *Citizen* of November 13 as follows:

Secondly, the potential wealth of the Yukon, particularly the discovery of Prudhoe Bay oil in Alaska, is so great that the federal government simply can't go along with the idea that they should benefit a population that constitutes less than 0.1 per cent of the total Canadian population.

So, Mr. Speaker, we are struck by the swings and the roundabouts alike. On the one hand, we have been told for many years, "I am sorry, you cannot have any form of responsible government, any reform, because you are not paying your way." On the other hand, we are now told that because of these great discoveries, and the potential revenues

from them, there is too much for us to handle, and much too much to be devoted entirely to the Yukon. But isn't that what our federal system is all about?

The minister stated in his speech or, if I may call it, his white paper:

> I am convinced that disposing of these alternatives—

These included the alternative of giving the Yukon to B.C., or extending the boundaries of the provinces northward to the Arctic Sea, or joining us with the Mackenzie or other parts of the provinces. He rejected all of these alternatives, and for that part of his policy I applaud him, as we all do the people in the Yukon. That is one nice thing I have to say about his remarks. But I continue with the quotation:

> I am convinced that disposing of these alternatives clears the way, simply and effectively, for the consideration of needed reforms that will give you a greater measure of territorial self-government—

I say that is unadulterated balderdash. The minister also says that one of the prime difficulties is bringing the executive and legislative arms of government closer together. This white paper, the minister's remarks, and the telegram which the Prime Minister (Mr. Trudeau) sent to members of the Yukon Council yesterday inviting their delegation to Ottawa to discuss these matters with him, all create the impression that the greatest difficulty we are encountering in the Yukon is getting the executive and legislative arms together. The impression is left that the executive is an elected executive. This is simply not so.

The so-called executive in the Yukon is the Commissioner and his two assistants. They are civil servants, and they are not really an executive. They are administrators, and they administer on the instructions of the minister. When the minister speaks of an executive in this white paper, let us call it what it is. Let us substitute the correct term for executive in his statement, and it then states that the difficulty is in getting the legislative arm of the government in closer tune with the civil servants. That is what is intended, and that is what is meant. That is precisely what this devious device would have accomplished if the minister's wishes had been accepted in setting up this committee.

Mr. Chrétien: Mr. Speaker, may I ask a question of the hon. member. He has just said that the civil servants act under the direction of the minister. Does he not agree that the minister is an elected representative, and has he such a low opinion of the federal representative elected in the Yukon?

Mr. Nielsen: I certainly do not. The minister will have noted that I have not said any unkind things about him in this House since he first sat on the treasury benches, nor have I done so in my riding. I will continue that course until I have cause to do otherwise. But surely this is what is preventing the minister from granting the legitimate desires of the Yukon. We think he is a great guy. We think he is rather too nice. But what is wrong with people who are elected from among themselves deciding what should be in the curricula of their schools? Why should we have the minister telling us that? The answer is abundantly clear. He would not want his children, no matter where they live, to be told by someone living in Ottawa what they were going to be taught.

It is wrong to have that power residing in the minister. This argument is very compelling and I am sure he must agree with me. He says he wants to strengthen the links between the so-called executive and the legislature. What he means is that he wants to strengthen and entrench the powers of the civil servants over the elected representatives of the people. That is what would be accomplished if this executive committee were set up. The majority of three would be civil servants.

But what is worse, the one elected member of the council invited to sit with these three civil servants would be given responsibility for a department or departments of the territorial government, but the rider is that would be subject to the control of the Commissioner. In plain words, that means subject to the control of the minister, and while we have every confidence in him we do not think that is responsible government.

There is only one body to whom an elected representative should be responsible, and that is the people who voted for him. It is not the civil service. Surely, that is the soundest principle. With great respect for the minister's abilities, capacities and integrity, it is not to him that the elected representative should be responsible. We want to have a word in deciding our own destinies. We want to play a part in making the decisions ourselves. That is our right. It is the right of free people everywhere. It is the right of every Canadian, and if we are to believe the words of the Prime Minister at the constitutional conference last February, it is a right that cannot be withheld from us any longer.

I do not intend to take up any more time, Mr. Speaker. I simply make this plea to members of the House, and in particular to members who sit on the treasury benches, that they heed the reasonable requests of the people of the Yukon and the reasonable requests of the people of the Northwest Territories. They are not asking for the impossible. They are asking for a gradual separation from civil service control.

• (12:30 p.m.)

They are asking for the gradual evolution of the decision making process from the bureaucrats to the elected representatives of the people. The people of the Yukon did not elect the minister; they elected me to come here and make this kind of plea to the minister. They elected seven members of the council and they do not want them just to be rubber stamps on federal decisions; they want to make their own decisions. They are not irresponsible people; they are not going to throw money out of the window or dump it into the Yukon River or raise their indemnities to three times what they are getting now. They are responsible, intelligent individuals with the capacity to make fiscal decisions, such as those made by municipalities or school boards or like bodies.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I will begin by saying that as I listened to the hon. member for the Yukon (Mr. Nielsen) who commenced this debate, I was struck by what I consider the very important differences between the situation in the Yukon and that in the Northwest Territories resulting from the tremendous geographical differences between the two areas and the tremendous differences in the living conditions of the indigenous Indian and Eskimo people and the white people. It seems to me that these facts must be kept in mind in discussing the problems of the Yukon and the Northwest Territories.

If I understood the speeches made by the Minister of Indian Affairs and Northern Development (Mr. Chrétien) in the Yukon and in the Northwest Territories, it seemed to me that there were two important points to be considered. One was his approach to the problems of self-government. He praised the Carrothers Commission and its recommendations but it seemed to me, as I tried to analyze how he intended to implement these recommendations, that 100 years from today the Canadian Parliament would still be discussing just when these recommendations should be implemented. That is the rate at which the minister seems to want to move.

I have to agree with the hon. member for the Yukon who said a few minutes ago that in effect the minister's policy leaves a tremendous amount of the power of decision-making and implementation to the bureaucracy, the civil servants, and not to the people of the territory nor the minister.

Mr. Nielsen: Oh, no.

Mr. Orlikow: As the Carrothers Commission recommended, a part of the administration has been transferred to Yellowknife. This has had some good and some bad effects. In some cases the decision-making process has been slowed down because Yellowknife has to consult Ottawa. The Commissioner has to get approval from the minister, the deputy minister, the assistant deputy minister and so on.

Mr. Chrétien: Mr. Speaker, I do not know whether the hon. member will allow me a question at this point, while I can see the way he is directing his remarks. I should like him to explain to the House of Commons why the people of Churchill would rather be under the federal administration of the Territories than under the N.D.P. administration of the Manitoba government?

Mr. Orlikow: Mr. Speaker, if the minister wants to participate on a very partisan basis I am prepared to do that when we have the time, but not in the 20 minutes that I have now. If the minister is seriously suggesting that the government of Manitoba, which took over on July 15 this year, could have begun to solve the most elementary problems of Churchill, then I have even less respect for the minister's common sense and judgment than I thought I had. The minister should know that if the federal government would get off its butt and do a simple thing like extending the shipping season at Churchill, a great many of that town's problems would be solved. That is something for which the present N.D.P. government nor the former Conservative government of Manitoba cannot be blamed.

It seemed to me that the most important aspect of the problem of the indigenous people of the Northwest Territories, the Eskimos and the Indians, was completely ignored by the minister in his speeches in the north, to which I have referred. The minister has spoken frequently and with pride about the tremendous increase in federal government expenditures to improve the lot of the native people in the far north. A great deal

more money is being spent on education, health services and housing than in the past. For this, the present government and the former one should be commended. However, when one compares that with what needs to be done to bring the standards of the native people up to the standards of the rest of the North American continent in 1969, one can see that there is a long way to go still. There was not a word about that in the minister's speech, Mr. Speaker.

Let me just summarize the situation and put on record some of the most recent figures. For the year 1964, the mortality rate of Eskimo children aged one to four years was 13 times the all-Canada rate. The average age for deceased persons in the Territories in 1964 was 19.3 years for Eskimos, 29.9 years for Indians and 34.3 years for whites, as compared with 61 years for all Canada. There are extreme income differentials between the native people and the white people in the Territories. The following figures are an excellent indicator of the very dangerous coincidence of social class and ethnic background. In 1963, the average income of whites in the Northwest Territories was $2,922, almost 70 per cent above the Canadian average. At the same time, the average per capita income for Indians was $510 and for Eskimos $426.

I cannot claim to be an expert like the member for the Yukon and the member for the Northwest Territories (Mr. Orange), nor have I had the opportunity to visit the north like the present minister, but anybody who has been there knows of the tremendous difference in the housing facilities available for most of the native people as compared with that for the white people in the Territories, most of whom work for the government or private industry. I am sorry the minister has left the House, but I am sure it is for reasons which are important to him. Apparently at Inuvik, the show place of the far north created by past Canadian governments, virtually all the white population live in homes connected with the utilities provided by the government and nearly all the Indian and Eskimo people live in houses not so connected. It seems to me that this is the kind of thing we must face up to before we can claim that we are beginning to face up to the problems of the north.

• (12:40 p.m.)

Now, Mr. Speaker, I want to go back to some of the important recommendations of the Carrothers Commission and look at how the minister proposes to deal with them. We commend the government and the minister for approving the position of the Carrothers Commission and rejecting the idea that the territories should be divided into two or more political units. We commend the minister for giving assurances that the Commissioner is to be more accountable to the territorial council for his executive actions than was the case in the past. The Carrothers Commission recommended the appointment of an executive council which would advise the Commissioner and administer territorial affairs. We believe that the minister's decision to add two elected members to the territorial council, one of whom must be a member of the executive, is a policy of tokenism and is not acceptable to parliament in the year 1969. We believe that the proposal of the Carrothers Commission that there be a progressive increase in the legislative and constitutional powers of the territorial council, whenever that council is desirous of so increasing its powers, is good and should be given more consideration than the minister has apparently given to it.

It is fair to say, I suppose, that in this field the minister has left us with two alternatives. One is a continuation of the present situation, and the other is the creation of provincial status for the territories. Of course, someone more important than the minister has made a pronouncement in this field. Answering some questions several days ago, the Prime Minister (Mr. Trudeau) suggested that we want provincial status for the territories now but that the government is not prepared to give it. We have, to my knowledge, never said that provincial status now or in the near future for the territories is a viable proposal. The Prime Minister, when answering that question, set up a straw man to knock down. He is very good at that technique.

What bothers me is that the government's program, as enunciated in ministerial speeches, does not provide adequately for the orderly and sensible economic and social development of the northern half of Canada. True, we are making provision for much larger expenditures in the north, and I want to deal with those. The minister proposes, as the estimates indicate, to spend more government money on roads, airports, railways if railways are a feasible idea, water services, meteorological studies and all other services which are necessary if economic development is to go forward. These expenditures, we think, are necessary.

Having agreed to undertake the tremendous expenditures necessary if northern development is to be possible, the government says, "We will give to those who are searching for oil or minerals virtually a free hand. We will give them concessions. We will provide subsidies or loans to any who can find minerals, power, oil, natural gas or anything else of value in the north country." All these people may go in and enjoy the special advantages of tax provisions which allow for fast write-offs and fast depreciation.

The government will be spending the money, Mr. Speaker, on developing the north but the private entrepreneur, speculator or businessman will reap the harvest. We think that is not good enough. We think that if the government is to spend tremendous sums in installing basic services which are necessary for development, it, representing the people of Canada, at least ought to be a partner in reaping the harvest. The government should share in the benefits of development and not just put up the money.

May I now speak again of what I consider the basic defects in the minister's approach to the Carrothers Commission's recommendations. The Carrothers Commission said that education is the touchstone to the future of the north. That is true. I will not be unfair and say the government has done nothing about education. Of course, it has done a great deal about education. We spend more money educating our young people in the north than ever before. Indian and Eskimo children are staying in school longer than ever. But I am disturbed about the kind of education they are getting. It ignores completely their hereditary cultures and languages. I have heard of teachers not speaking one word of the Eskimo or Indian language teaching grade 1 Indian or Eskimo children who spoke not a word of English. Teachers go into the north country after going through, at most, a two or three week crash course designed to acquaint them with the problems, history and culture of the north country. That kind of thing just is not good enough—unless, consciously or subconsciously, we are trying to assimilate completely the native people of northern Canada and make their culture, language and way of life disappear completely. I do not know if that is the minister's approach but it certainly is not mine nor my party's. We believe that the Indians and Eskimos of the north have the democratic right of choosing their way of life. They have the right of choosing if they want to work as the white man works and live as the white man lives.

That choice must be left entirely to them. But it is our responsibility to make sure they have that choice. In other words, it is our responsibility to provide education, housing, health standards and employment opportunities so that if they want to adopt our way of life, they may do so.

I recognize our dilemma. I have said that we believe the territorial councils should be given more power; but we also recognize that if they are given more power immediately the white people in the territories, and I am speaking particularly of the Northwest Territories, will quickly control to a greater extent the destiny of the territories. As the Carrothers Commission said, the white people have the education, drive and know-how, and they are the ones who are elected to the territorial councils.

Speaking from memory, and I do not think I am wrong, I do not recall one Eskimo being included in the Northwest Territories Council—

Mr. Chrétien: One Eskimo is elected and one is appointed.

• (12:50 p.m.)

Mr. Orlikow: After listening to the people, one does not have to be an expert to realize that the real power rests with the white people because of their experience and background. We think this is wrong, Mr. Speaker. The majority of the people in the Northwest Territories are, and will continue to be for many years, of Indian and Eskimo origin.

How should we deal with this situation? We believe the way to do it would be to encourage a very rapid extension of local government to many more communities. The minister talked about doing this, but there is very little evidence that he has in fact done much to extend local government to the communities in a form appropriate to those communities. We believe the powers given to local government, whether it is called a municipal council, band council or local district, must be increased. We agree with the minister that the most important area for the growth of self-government lies with the local communities.

Many of the institutions of local government are unfamiliar to the native people. Both the institutions and the people will have to change. It is only when the native peoples have learned the lesson of political power and how to exercise it that the necessary redistribution of power in the north can take place.

If the minister and his administration would co-operate in providing the framework for meaningful local government in the Indian and Eskimo communities for a few years, these Indians and Eskimos would have the experience with our kind of government. They would then have the self confidence to nominate in large numbers Indian and Eskimo people for the territorial council, which has not been done up to now, and elect these people. After election, they would play a meaningful role in the government of the Northwest Territories.

Mr. Deputy Speaker: Order, please. I am sorry to interrupt the hon. member, but his time has expired.

Some hon. Members: Carry on.

Mr. Deputy Speaker: Is there unanimous consent to allow the hon. member to continue?

Some hon. Members: Agreed.

Mr. Orlikow: Thank you, Mr. Speaker, I will not be too long. We are concerned with the approach of the minister and his department to the demands of the white communities of the north. I am not being critical of these white communities. I understand to a large extent these demands for increased self-government are legitimate. This to a large extent is cultural. Unless we adopt a more aggressive policy than I feel is going to be adopted, there will be cultural genocide to a large extent for the native people of northern Canada.

What are the facts, Mr. Speaker? The nature of white culture allows the white man to prosper in the north. If the government of Canada provided the service I talked about, there would be a good deal of room for expansion of the so-called free enterprise system. The free enterprise system, whether it be the large mining, timber, oil or gas enterprise or the small businesses established to provide for the people who live in the territories, particularly the people who live in the wage economy, is made to order for the white people who go to the north country. I do not say this in a critical sense. It is a statement of fact. That kind of society, to a large extent, is foreign to the Indian and Eskimo people. They are either completely frozen out of that kind of society or have become the hewers of wood and the drawers of water.

The problem is not that the Indian and Eskimo people lack initiative. There is plenty of evidence of their initiative in the north country. An example of this is the way the Eskimo people moved in quickly to handle much of the work on the DEW Line, some of which was pretty skilled and complicated work. This indicates that, if given the opportunity, they fit into our kind of society. However, they have not up until now lived in this way and many of them simply do not understand this way of life.

We believe that the federal government has the prime responsibility for supporting the maximum retention of the cultural traditions of the native people in the Northwest Territories. We recognize that economic development will require many social and cultural changes, but these must not be imposed either by intent or by ignoring the background and tradition of the Indian and Eskimo people in the north country. As I said earlier, there must be a rapid expansion of encouraging local government by educating the Indian and Eskimo peoples to our way of life.

On the economic side of the problem, we suggest if the government really wants to bring about improved conditions for the Indian and Eskimo people of northern Canada, they should give a great deal more consideration to the encouragement of co-operative enterprise. The Indian and Eskimo people of the north have traditionally worked together. They work together in fishing, trapping and catching of seals and whales. The government should develop special programs for encouraging co-operative enterprise by the Indian and Eskimo people of the north.

To a large extent, we agree with the sentiments expressed in the motion moved on behalf of the leader of the official opposition. We have not all had an opportunity of seeing the resolutions passed by the territorial councils. Possibly, to a certain extent, that is our own fault. We may have some reservations about their views, some of which were dispelled by the hon. member for Yukon in his speech. We have great reservations about the ability of the native people of the north. Unless they are given a great deal more support to develop to the point where they can have a meaningful way of life, these problems will still exist in future generations.

The government must do a great deal more than it has done in the past. The minister must have more faith in the people of the north, both white and native, and a great deal less confidence in the idea that civil servants,

the bureaucracy, whether they live in Ottawa or Yellowknife, are really competent to settle all the problems of the north.

Mr. Deputy Speaker: Order, please. It being one o'clock I now leave the chair until 2 p.m.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, we are today looking into a motion brought forward by the Official Opposition, involving problems related to the Northwest and Yukon territories, with which I am not quite in agreement. Although it is vague, I feel the motion deserves our attention.

In the Northwest Territories, as in any of the ten Canadian provinces, there are problems related to finance and development, due to very low population density.

In fact, expanses as large as the Northwest Territories and the Yukon contain respectively 32,000 and 16,000 inhabitants only. It is therefore obvious that any mining or other development program, as well as the building of roads and the installation of modern facilities, involves substantial costs that should be spread in proportion to the population.

From the figures quoted by the Minister of Indian Affairs and Northern Development (Mr. Chrétien), on his recent trip to Whitehorse and Yellowknife, we realize that in 1969, for instance, the Canadian government spent in the Yukon a net amount of $2,250 per capita, and $2,281 in the Northwest Territories.

Those amounts may seem astronomical, but taking into account the size of the territories and the distances between towns and Indian or Eskimo posts, such expenses are explainable.

Is it absolutely necessary to push on mining prospection to that extent, since the southern regions are now being developed and there are still natural resources which have not yet been worked.

There is, for example, a rather important iron ore deposit near Val-d'Or, a town which is quite well organized and which is served by a railway, a road system and one of the nicest airports in Quebec. It also enjoys power and telephone services, hospitals, stores, in one word, all the facilities of a modern city.

Something should be done to get industrialists interested in mining in this region before they spend huge amounts to develop territories difficult of access, where people must be brought and cities built. In my opinion, it would be more profitable to develop the mines in the vicinity of organized centers.

For minerals, which are the main natural resources in these territories, the markets seem to be excellent, but foreign capital is necessary to exploit them.

At Whitehorse and Dawson City I noticed that to exploit its mines the Yukon has to rely mainly on Japanese capital. Canadian capital is undoubtedly lacking. American investors are reluctant, maybe because they are far away. However, since Japan needs copper and iron so much, it is ready to invest in Canada. In fact, the Japanese are interested in bringing into their country ore to be processed there and then put on the international market. That is how our ore comes back to us as manufactured goods.

Since we want to develop our natural resources—which is desirable—we should find a way to process on the spot as much ore as possible so as to create a great many jobs in Canada.

I know of a law passed recently in Ontario, under which in that province, at least as concerns provincial jurisdiction, all natural resources must be processed, whenever possible, on the spot where they are exploited. This legislation is therefore designed to benefit some areas substantially, including that part of Ontario located close to northern Quebec. I feel that such legislation ought to be enacted by the federal government.

I do not intend to elaborate on the problems of northern Canada and the Northwest Territories this afternoon. I know that other hon. members are better informed than I am of the conditions and problems particular to that area. I shall rather limit myself to listening to them and providing them with an opportunity to express their opinions and ideas.

• (2:10 p.m.)

[*English*]

Mr. R. J. Orange (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, on entering this debate I should like to say that my first

reaction when the opposition motion appeared on the order paper was that there would be a great number of bitter words said in this chamber regarding statements of the minister about the growth of self government in the Yukon territory and in the Northwest Territories. When I read the motion, it became obvious to me that we might become embroiled in a meaningless discussion during this valuable time for us from the north, and those interested in Canada's north, to express our views. Having listened to the hon. member for Yukon (Mr. Nielsen), who is obviously the man who convinced his party that this was an important subject—for which I congratulate him—and having listened to other members regarding their feelings about the north, I hope and know the minister will take into account the constructive suggestions made to him today.

These suggestions have related to self-government and policies regarding social, political and economic development of the north. Just before entering the chamber I found an ad in an Ottawa newspaper, dated November 18 which may have caused a little doubt about the motives behind the opposition motion.

Mr. Nielsen: Read it, Bud; read it.

Mr. Orange: I intend to.

Mr. Nielsen: Read the one I sent you.

Mr. Orange: It reads:

Wanted. One member of Parliament. Willing to represent the Yukon Territorial Council in its moves to achieve responsible government. Apply to Don Taylor, Room 207, The Taku hotel, Whitehorse, Y.T.

I am wondering whether there is not something more than coincidence in this regard. I should point out also—

• (2:20 p.m.)

Mr. Nielsen: Read the one in your hand.

Mr. Orange: —that the gentleman I just named is a prominent Liberal in the Yukon. I might suggest that he feels the same way as the hon. member across the way with regard to self-government in the Yukon Territory. When the minister made the statement—I regret it was long overdue; we would have liked to have had it a year or a year and a half before—he said a number of significant things to the people in the Northwest Territories. He mentioned the addition of two elected members to the territorial council. I shall come back to that later. He stated that the term of council would be increased from three years to four years. He left the council the option of reducing the voting age. He reduced the period for disallowance of legislation from two years to one year. He offered members the opportunity of setting their own indemnities. This is most important in relation to their responsibilites as elected members.

The minister set up a vehicle called a standing committee to be a committee of the territorial council to meet with the Commissioner to discuss the financial aspects of territorial operations. I regret that, in my opinion and in the opinion of the people in the Northwest Territories, the minister did not go as far as he should have gone. When he presents his legislation I would like to see a provision that the number of additional council members elected will be four rather than two. I serve notice to the minister now that when the legislation goes before a committee, if this provision is not contained in it, I intend to move an amendment in this regard.

Mr. Nielsen: Are you going to resign as parliamentary secretary, too?

Mr. Orange: In respect of the voting age, I believe it should be the responsibility of the council to make the decision. I do not think we, in this parliament, should say at what age people in the north should vote. I hope there will be provisions which would allow the Commissioners of both territories to borrow money without going through the tedious processes of the Treasury Board and the Department of Finance in Ottawa.

Mr. Nielsen: We have that power now.

Mr. Orange: We do not have it completely.

Mr. Nielsen: The Commissioner has the power now in the Yukon Territory.

Mr. Orange: The hon. member across the way says that in the Yukon Territory the Commissioner has that power. I hope the same situation will apply in the Northwest Territories. The most important power, however, is that the members of the council be able to participate meaningfully in government and have some say in the development of programs, policies and the spending of money.

At the moment, the council in the Northwest Territories basically is Her Majesty's loyal opposition to the Commissioner. In order to bring responsible government to the people in the north, this kind of philosophy must

disappear. The Carrothers Commission suggested that an executive council be established which would do a number of things. According to the Carrothers Commission, a member of the executive council would not be required to be an elected member of the legislative assembly in order to qualify for appointment. The executive council would be presided over by the Commissioner. Each member normally would be charged with the administration of one or more departments in the territorial government. The executive council would co-ordinate finance, prepare the budget, prepare legislation in principle and generally tender advice on any territorial matter on which the Commissioner should seek advice.

I would ask the minister to take another look at the question of the establishment of an executive council in the Northwest Territories. Without breaking down the principles in which the minister believes, I think we could achieve some sort of accommodation which would bring about this meaningful participation in government by members of the council. If the minister does not wish to involve the members of the council in operating departments at this stage, the executive council could consist of elected representatives, the Commissioner, the deputy commissioner and the senior financial official who could carry out the co-ordination of financial papers, the budget, legislation in principle and generally tender views on any territorial matter.

Mr. Nielsen: Mr. Speaker, may I ask a question of the hon. member. In his view, who should be in the majority on such a council; should it be the elected members or the civil servants?

Mr. Orange: My idea is that members of council should be the majority with the deputy Commissioner as a member of council.

The government has gone a long way in northern Canada in terms of bringing meaningful government to the people. Let us look at the record. The hon. member for Yukon (Mr. Nielsen) outlined the progress in the Yukon Territory. Let me say something about the Northwest Territories. Up until 1959 the council of the Northwest Territories consisted of five appointed civil servants from Ottawa and four elected representatives from the north. In 1959 with the exception of the deputy Commissioner who is a member of council the four appointed members of council came from outside the civil service. This was sort of a step forward. It was a meagre one but also an important one.

In 1962, the former government came up with a proposal to divide the Northwest Territories. In 1963, this was passed on to the new government and as a result of committee hearings, at which there was a good deal of objection on the part of the people in the north, the idea of dividing the territories was put aside. In 1965 the former minister, the present Minister of Public Works (Mr. Laing) came up with the idea of obtaining at first hand from the people of the north their ideas and views on the form and shape the government should take. The commission called the Carrothers Commission reported to the minister in 1966. Prior to the receipt of this report however, this government extended in the Northwest Territories the territorial franchise to the eastern and central Arctic by the addition of three more constituencies which brought the total of elected members to seven. This for the first time gave them the majority.

In 1967, the implementation of the Carrothers Commission recommendations was under way. First of all Yellowknife was declared to be the capital. A crash move to bring the government to the people in the north took place and in September 1967 the Commissioner arrived at Yellowknife with his staff to take up full time residence and work in the territories.

Let us look at some other aspects of the Carrothers Commission report as it affects us in the north. The first important recommendation was non-division. The minister supported this stand and went further. He reminded land hungry provincial premiers they should keep their eyes and hands off the Yukon Territory and the Northwest Territories. Yellowknife has been declared the capital of the territories. The Carrothers Commission—and there is general support in the House and from the people in the north—does not recommend provincial status at this time. I must take issue with the minister when in reiterating the principle in this statement he used the phrase "for the foreseeable future". The future is something we cannot predict. With the boom in economic development in the north, we believe the situation could change so rapidly that no government would wish to be locked into the position that there is no potential province or that there are no potential provinces in northern Canada. I would hope it would be the objective of all Canadians to see further provinces some day in northern Canada.

• (2:30 p.m.)

The recommendations with regard to the Commissioner and deputy Commissioner have been carried out. With regard to the suggestions of the Carrothers Commission concerning the legislative assembly, again I cannot understand why there is so much reluctance to changing the name "council" to "assembly". I may be missing the point, but it seems to me that it could have been handled in about 30 seconds time. We have extended the life of the council to four years and we have given the members of the council the right to set their indemnity. The transfer of public lands in and around municipalities is in effect. As suggested, a lands title office was established in Yellowknife in 1967.

With regard to the administration, the heart, the guts of a proper government structure, Carrothers said:

> We recommend that administrative functions be transferred to the territorial civil service on a specified schedule as soon as practicable.

He said this in 1966, and on April 1 of 1970 all of the former federal civil servants of the Department of Indian Affairs and Northern Development will have been transferred, both in the Mackenzie district and in the eastern Arctic, and all the people who were formerly federal civil servants carrying out provincial type activities for the federal government will become territorial employees.

I must take issue at this time with a remark made by the hon. member for Yukon when he suggested that all we were really doing was to impose another level of bureaucracy by transferring from Ottawa to Yellowknife all the administration that was carried out here. He seemed to think that this would not work. I say that in order to carry out the functions of government, and to do the things that people want, one has to have a public service. Not only that, but the public service, as it has been developed and is being developed in the north, is going out to the private sector in the south and in the north. I suggest that of the former incumbents of positions who carried out territorial functions very few knew the north, and fortunately they are the ones who did not want to move north, who have stayed in Ottawa and are doing something else now.

Mr. Nielsen: May I ask the hon. member a question? I agree completely with what the hon. member said, but does he not agree with me that the real question is: who is to control that civil service, whether or not the Commissioner under the direction of the minister is to continue to control it or will it be the elected representatives of the people?

Mr. Orange: I am sure that the hon. member has been at Territorial Council meetings in both the territories and is well aware of the way in which the Territorial Council can control the public service through the finance committee, in the Yukon, the standing committee or, hopefully the executive council which we will have in the territories in the years to come.

Mr. Nielsen: Surely, the hon. member does not want to leave the impression there is a scintilla of control over the civil service in the Northwest Territories. There is not in the Yukon.

Mr. Orange: Is there any by this parliament of the federal civil service?

Carrothers made a number of recommendations regarding economic development and finance within the territorial government, and these have been implemented.

A Northwest Territories development board composed of representatives of the federal and territorial governments and Economic Council of Canada has not been created because, as I understand it, the Economic Council decided they did not want to be involved in regional development. However, the federal and territorial administrations are working closely together and in consultation with each other.

The Small Businesses Loans Act which should be in effect very shortly will be implemented under a combined federal and territorial jurisdiction, with the responsibility resting on the territorial government. Credit committees are to be established among private citizens from the north.

There is a recommendation that a department of local government be established in order to allow communities to participate more fully in the activities that affect their lives. Carrothers recommended that there be a department of public works, a department of welfare and social services, law enforcement and a judicial system. The Commission recommended that there be a department of justice, and that territorial magistrates and other judicial officers whose jurisdiction is equivalent to that of judicial officers appointed in the provinces by provincial authority be appointed by the Commissioner of the Northwest Territories. This week the Minister of Justice (Mr. Turner) released his recommen-

dations with regard to the administration of justice as set out in the report of the Carrothers Commission. He said:

> The federal proposal is a matter for negotiation between the territorial governments and Ottawa and includes the following matters which could become the proper responsibility of local territorial officials:
>
> The appointment and payment of judicial officers except Judges of the Territorial Courts;
>
> The constitution of courts having civil as well as criminal jurisdiction, subject to the condition that the existing federal statutory provisions establishing the courts of original and appellate jurisdiction be part of relevant ordinances;
>
> The provision and maintenance of the necessary personnel and physical plant for the efficient administration of justice and the functioning of the judicial system;
>
> The provision of complete legal services to the Commissioner, the Council, and the several departments of local government;

So far the reaction to this statement in the Northwest Territories has been good. We have received a presentation today from the president of the Northwest Territories Bar congratulating the Minister of Justice as follows:

> NWT Bar welcomes the progressive proposal to transfer responsibilities to the Commissioner regarding justice.
>
> Mark Deweerdt,
> President.

I could go on at great length about the constitutional development. We know that much more must be done and that it must be done quickly. I recognize that there is a difference between the Northwest Territory and the Yukon with regard to the speed of political development.

I spoke today of the things which I would like to see happen in the Northwest Territories to speed up this process of political development without going beyond what I believe is the general government policy. I would also like to say to the minister that while we tend to become involved in constitutional arguments, there is still a great deal to be done in northern Canada. Those of us who have lived in the north know the frustration of trying to deal with a system which somehow or other sometimes does not seem to equate with the people. We know the frustration of going into a community where there is a housing program to learn that the program will not be completed this year and that 20 families may have to live in substandard housing for another winter. One knows, too, that only a few dollars were involved and, because of poor planning on the part of administrators, funds were not available when they should have been, so the program will not be completed until the following fiscal year. This is one example of the frustrations.

[Mr. Orange.]

• (2:40 p.m.)

From a community such as Inuvik, we had an appeal to the Commissioner and to the minister regarding improvement of housing conditions, living conditions, and the opportunity to make the town an integrated one in every sense. The appeal was that the people who live in the west end of Inuvik should receive the same level of municipal services as those in the government area on the east side, and that a program be launched to ensure that young graduates returning from universities in the south and from technical schools would find adequate housing. Then, when they secured jobs, decided to marry and raise families, they would not have to go back into substandard housing.

We know that the government is working in this direction. For example, with CMHC assistance, a rental housing project will open in Inuvik next year. But once again, Mr. Speaker, this to me seems a start, but things are not moving as fast as they should. I appeal to the minister to impress upon his officers, and upon those responsible to them, not only to do the job for which they are paid but to realize they have a mission, a mission to bring the Canadian north in every respect into the mainstream of Canadian life. This mission must involve not only economic development but also involve the people who were there first, the Indian people, the Eskimo people, the Métis people. I appeal to the minister to look upon inquiries from associations like Thebacha in Fort Smith, an Indian organization whose objective is the provision of fair wages and employment for its people, with the same kind of urgency as he looks upon other requests from other areas.

As I have said, Mr. Speaker, much must be done. We have started to recognize what the north means to us as Canadians. I suggest that if anything will make us different from our neighbours to the south, if anything will give us a distinctive Canadian character, it is the fact that we are a northern nation, a people who inhabit the northern half of North America. That is something that can be the mainstay of our personality for years to come.

Mr. Nielsen: Before the hon. member resumes his seat, would he permit a question? I listened carefully but I did not hear him declare himself. Can he say whether he is in support of the resolution or not?

Mr. Orange: If the hon. member had been listening at the beginning he would have heard my remarks. When I first read the resolution I thought we would be in for a rather bitter afternoon. This resolution says nothing. It is an attempt to grab headlines. It talks about "the pathological refusal of the government to end the colonial form of government" which exists in the Territories. The Carrothers Commission recommended certain alternative approaches. These have been accepted. The spirit, yes, maybe; the words, no.

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, right at the outset I want to indicate that I agree with the hon. member for the Northwest Territories (Mr. Orange) that every time we discuss the subject of northern affairs and northern development the tenor of the debate reaches an unusually high level, and I want to thank the hon. member for the Yukon (Mr. Nielsen) whose motion has made this debate possible. The hon. member for Yukon has now been in this House for a period of some 12 years and I think it is quite reasonable to state that he has been one of the leading innovators and creative forces with respect to the on-going process of northern development in Canada.

With reference to my good friend, the hon. member for Northwest Territories, as I listened to him on the subject of the minister's recent statement in Yellowknife, the new capital of the Northwest Territories, I felt my heart strangely warmed. I was almost persuaded to send him a little note and tell him to come across the aisle to join us.

I am sure the reason he fits so well into the Conservative thesis on northern development is that he was trained under the vision of northern development when he was the administrator of the eastern Arctic back in those great years of development, and during the period that I had the pleasure of being associated with him as the responsible minister. I know interjections have been made on the other side when I said that, Mr. Speaker, but I often wonder what led the hon. member astray in more recent years.

An hon. Member: Knowledge.

Mr. Dinsdale: I can only come to the conclusion that it was due to the fact that earlier in his years he had fallen into bad company. As they say, as the twig is bent so is the tree inclined. I am sure the hon. member for Yukon would agree with me in this regard that we would welcome him with open arms as he joins us in our crusade on behalf of northern development.

The only sour note in his presentation was his attack on the motion put forward by the hon. member for Yukon as being without any particular meaning and designed mainly for the purpose of headline seeking. I do not agree with the first part of the analysis, that it is without any significance, but I do agree with the last part of the hon. member's analysis. I think the more headlines we can get for the problems of northern Canada, the great Canadian frontier north of the sixtieth parallel, with its 3½ million square miles of largely uninhabited and undeveloped territory, the better it will be for the out-reaching of Canadian nationhood in this country. The reason I say this is because there is always a tendency, as Prime Minister St. Laurent said so wisely in 1952, for Canadian governments to occupy this territory in a state of absent-mindedness. This was the case in Canada except for one or two periods under the Borden administration, and the explorations of Stefansson, when the great period of Canadian occupation, particularly of the high Arctic, took place.

• (2:50 p.m.)

Other than that, until 1952 when the Department of Northern Affairs and National Resources was established under the St. Laurent administration, no government of Canada had attempted to come to grips with what was described by the succeeding Diefenbaker administration as "the last Canadian frontier" embraced by what was cynically described by opponents as the vision of northern development. I was in this House when the department was established and that was the beginning of my interest in northern affairs. I took part in the debates at the time and I admired the initiative of the St. Laurent government in this respect. That is why I became such a strong supporter and advocate of the programs initiated during the Conservative administration of 1957 to 1963.

Unfortunately, following the change of government in 1963, the negativism that had become part of the Liberal opposition attack on the programs of northern development was carried over into the new administration. I am not going to harp on the negative aspects now because we want this to be a positive debate. But it was indicated by the fact that out of sheer cussedness more than anything else, the Conservative initiative in

building the Pine Point Railway was unanimously opposed by the then Liberal opposition. We all know now that the Pine Point Railway has become that great transportation system which is the real catalyst in the tremendous upsurge that has taken place in the Great Slave Lake area of the Northwest Territories. This negative attitude was also involved in statements with respect to the roads resources program as being "roads from igloo to igloo". Unfortunately, the Liberal party was not able to bury that negativism when it assumed the responsibilities of office in 1963.

As has been demonstrated by the excellent speech of the member for the Yukon, and the statement by the member for the Northwest Territories, those of us who have had the privilege of travelling in the north know what has to be done. All we need now is to get on with the job. We do not need any more task forces or commissions to examine the problem; the problem has been examined to death. What we want at this stage of development in the north is government initiative with respect to the almost over-weening demand, the reasonable request and demand for greater autonomy and self-government in both the Yukon Territory and the Northwest Territories.

I am not going to take time to repeat the progress in this matter which has been cited by earlier speakers, but I do want to underscore that this is the essence of the need for development in the Northwest Territories at the present time. We have been following this subject in the House through questions for the last few days, ever since the minister made his two statements in the north. In reply to the supplementary question that I asked with respect to the resolution that had come out of the Yukon Territory—the resolution that was read in substantial part by the hon. member for the Yukon this afternoon—the Minister of Indian Affairs and Northern Development—said:

> Mr. Speaker, I went myself to the Yukon. I met the council members there and I invited them to dinner—

If I may interpolate, this seems to be a general gesture on the part of Liberal cabinet ministers. We had several invitations to dinner earlier today.

Mr. Chrétien: What is wrong with it?

Mr. Dinsdale: The replies continues:

> —when we parted they said that even though we sincerely disagree on some points, we could still be very good friends and we parted amicably.

[Mr. Dinsdale.]

That is the end of the quotation, Mr. Speaker. It is what is known as the proverbial hospitality, only exceeded by western hospitality. Everybody is friendly.

An hon. Member: What about the east?

Mr. Dinsdale: I am sure the east would compare very favourably, too, Mr. Speaker. Everybody in the north is overwhelmingly hospitable. No matter where you come from; good bad or indifferent, you are given a warm welcome to the northern territories. This just indicates that the minister does not really understand the essence of the problem and the desires and reasonable demands from the elected bodies in the Northwest Territories and the Yukon Territory.

I think it is easy to understand why the demand is growing more vociferous at the present time. There has been a program of economic development for both territories, particularly since 1957, which has brought a substantial degree of growth and prosperity. This applies particularly in the Yukon Territory where schools, roads, airfields and all the infrastructure of national development have been proceeding over the past decade or so.

The hon. member who spoke for the Créditiste party referred to the desirability of getting Japanese capital to invest in the Yukon Territory. Well, Japanese capital is already there. Early in 1963 I made a trip to Japan. We also invited the Japanese Ambassador to the northern development conference in the Yukon Territory and, as a result of this interest, the New Imperial Mine has opened and the Anvil Mine is just getting under way in the Yukon. I am sure the hon. member for the Yukon would agree that these have been two of the most valuable infusions into the program of development in that territory. This development has already taken place.

I am not as intimately associated with these matters as I used to be, but I am impressed when I read articles by journalists who have travelled into the north. At one time the press used to be fairly negative on the prospects of the northern vision, but now they refer to the rush of tourists into the territories and the signs of development evident on all sides. I believe this is one of the reasons why the elected representatives of these territories have become so strong in their demands for greater autonomy at the present time.

Reference was made to Commissioner Gordon Cameron, who was appointed because he was truly representative of the people of the Yukon Territory. Gordon Cameron made

a great contribution to the progress of the Yukon during his tenure of office. Unfortunately, he refused to accept reappointment because he found it impossible to carry on with the reins of government some 3,000 miles away in Ottawa. I am paraphrasing, Mr. Speaker, rather than giving the direct quotation.

• (3:00 p.m.)

That is the essense of the problem, but I will not spend too much time underscoring what should be obvious to those who are closely associated with the problems of northern development. It becomes harder to accept because during the period when there was great development in the territories they were promised that by centennial year, 1967, both territories would be afforded a considerable degree of autonomy and responsible government.

With regard to my own province of Manitoba, I recall reading in the discussions that led to Manitoba entering confederation—Manitoba being what we consider the keystone province in confederation—the arguments used by the federal government of the day. They were similar to those now being used, namely, that the financial and population resources of the area were not sufficient to warrant a move away from colonialism and toward greater independence. I remind the minister that when Manitoba entered confederation in 1870, only 25,000 people lived in the province.

Mr. Nielsen: It contained 1,051 voting people.

Mr. Dinsdale: It contained only 1,051 voting people, as the hon. member from the Yukon says. We failed to grasp the argument to which I have alluded. It was alleged that even if Canada were to be united from sea to sea, the provinces were barren, fruitless, subject to the chill blasts of the Arctic winter and would never be any use for economic purposes. The matter was summed-up in the famous quotation of the Macdonald era. When the Macdonald government decided to extend the Canadian Pacific Railway from sea to sea the liberal opposition said that the railway would not earn enough to even pay for its axle-grease; that it would be a railway running from wigwam to wigwam. This reminds one of the latterday Liberal "igloo to igloo" statement. I do not raise this matter of Manitoba because of personal or provincial pride; I raise it because a minister from Manitoba in this cabinet has in a speech put the situation much more effectively than I could. He was speaking to the Provincial Liberal Association of Manitoba last week end. I quote from the Winnipeg *Tribune* of November 17, 1969:

Federal Supply Minister Jim Richardson has made it clear western Canadians—

All one needs to do is substitute "north" for "west" and "northern Canadian" for "western Canadian", and the article will have equal application. I continue reading from the quotation:

—will not tolerate decision-making in Ottawa which denies the west—

Again, substitute "north".

—an equal partnership within Confederation.

In a strong speech to delegates attending the annual meeting of the Manitoba Liberal Party Sunday, Mr. Richardson warned that growth of eastern Canada at the expense of the western region must be brought to an end.

"The greatest single change required is that western Canadians—

Again, substitute "northern Canadians".

—must have more say, more control and more influence over this great western region—

Substitute "northern region".

—which they toil to build," the minister said.

It is an excellent statement. I shall invite the minister to come over to this side of the House with the parliamentary secretary.

Mr. Orange: But we shall have no party left.

Mr. Dinsdale: I continue quoting:

"We should not forget that westerners"—

Again, please substitute "northerners".

—did not participate in the Confederation debates in the 1880s which resulted in the structures which have guided Canada through her first century." Mr. Richardson reminded.

"We cannot afford to be absent and we don't intend to be absent from the decision-making process which is now charting Canada's course into her second century."

The article goes on at length. The minister spoke to the Liberal Party as I would speak to the Liberal Party—kindly. I continue quoting:

"I want to see the Liberal Party become the champion of the west,"—

Make that "north".

—just as it has become the champion of French-speaking Canadians," he said.

"It is only in this way, by endorsing policies that are meaningful for the west"—

Please substitute "north".

—"and which bring meaningful change for the west, that the Liberal Party can truly become the party of national unity"—

Mr. Nielsen: Let's opt in.

Mr. Dinsdale: Yes, let us opt into confederation. That expresses a viewpoint which must be clear—

Mr. Speaker: Order, please. I regret to interrupt the hon. member but I must remind him and the House that his time has expired, unless he has the unanimous consent of the House to continue.

Some hon. Members: Agreed.

Mr. Dinsdale: Thank you, Mr. Speaker, and hon. members. I will not trespass at length on the generosity of the House. I wish to make a brief reference to the Northwest Territories because its need, as the hon. member has indicated, is at least as great as the need of the Yukon. It has farther to go, Mr. Speaker. I underline this point, make this suggestion to the minister and hope he will accept it: next year, along with Manitoba—the keystone province which was carved out of the Northwest Territories in 1870—the Northwest Territories will be celebrating their centennial. I do not think you can give them a better birthday present than listening to the good advice of those hon. members who have spoken this afternoon.

The hon. member for Northwest Territories took issue with the hon. member for Yukon in denying that the shift that has taken place is merely one of bureaucratic exercise from Ottawa to the capital of the Territories, Yellowknife. I think the problem as outlined by the hon. member for Yukon was accurate. Once again he is supported by a statement made after the very heated and critical response to the statement the minister made in the Yukon. An article in the *Globe and Mail* of Thursday, November 13, 1969, reads as follows:

At the council meeting after Mr. Chretien's announcement, Norman Chamberlist, the leading Liberal on the council, put blame more on the Ottawa civil service than on the minister. "The civil service of Canada wishes to maintain the empire it has built up in the northern areas. The colonial status it has had for 100 years is being maintained."

I believe that touches on the precise point the hon. member for Yukon was trying to make today. I think it is quite valid, notwithstanding the criticism the hon. member for Northwest Territories levelled at that point.

The northern Canadian vision has now become a reality as a result of the development that has taken place. The Pine Point railway line has brought about a tremendous upsurge of development in the lower Arctic areas. The prospecting for oil in the high Arctic has focussed attention on this unexplored and largely unknown area of Canada as never before. We have had almost continuous discussions about the *Manhattan* and Canadian sovereignty in the north to conclude that great venture. I should like to conclude my remarks by referring to something that appeared in that great "Canadian" magazine, *Time*.

Some hon. Members: Oh, oh.

Mr. Winch: Did the hon. member say "Canadian"?

Mr. Dinsdale: Yes, in quotation marks. It appeared after the Prime Minister's visit to Yellowknife. On page 14 of the August 16, 1968, edition of *Time*, "Canadian" edition, we find this interesting quotation:

Scout Jamboree at Yellowknife. 550 Boy Scouts from Alaska and all parts of Canada—

• (3:10 p.m.)

That was very interesting to read because the Scout movement got under way, as I think the hon. member for the Northwest Territories will recall, largely on the initiative of Air Force personnel stationed in the north. It grew rapidly, particularly among the native people, because it attracted their imagination immediately. Here is the punch-line of the quotation: "Few were unmoved by Trudeau's northern vision". Where there is no vision, the people perish. I hope, Mr. Speaker, that the Prime Minister (Mr. Trudeau) has really captured the vision of northern development in the reasonable terms that have been placed before us this afternoon. If he has captured it, I hope he will communicate it to the Minister of Indian Affairs and Northern Development. If he has not captured it and if that is a euphemistic statement on the part of *Time* magazine, I trust the minister will in turn communicate it to the Prime Minister and his colleagues in the cabinet.

Let us get away from negativism. Let us accentuate the positive. We have here a golden opportunity to move forward to greater autonomy, independence and responsibility. I would much rather trust the elected representatives of the Yukon and Northwest Territories in terms of quality, zeal and capacity than some of the members of this House. These elected representatives are a pioneering

breed and I think the time has come to listen to their reasonable requests.

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): In the time I have available, Mr. Speaker, I will attempt to bring the debate back to the basis of the resolution in the name of the Leader of the Official Opposition (Mr. Stanfield). I intend to confine my remarks essentially to the Yukon and in particular to the speech this morning by the hon. member for Yukon (Mr. Nielsen). I do so with the knowledge that my colleague the hon. member for Northwest Territories (Mr. Orange) has, as always, very capably defined and dealt with the problems and concerns of the people in his riding.

The remarks this morning by the hon. member for Yukon were essentially based on the resolution passed by the Yukon Council. I also have a copy of the resolution to which he referred. It seemed that his was the argument of a skilled advocate and I give my hon. friend full marks in that regard. He realized that in his opening remarks he overstated his case and did the best he could to produce some facts to back up his case. The facts were not necessarily those which he stated in his opening remarks. I suggest he was really trying to readjust the facts to fit the evidence before us today.

There has been legitimate concern in the north about the movement toward the area of self-government. There has been concern there over the announcement made by the Minister of Indian Affairs and Northern Development (Mr. Chrétien) when he was in the Yukon last week. There was concern over the steps the minister indicated as government policy in his speech to the council; they did not go as far as the members of the Territorial Councils and some residents of the north would like to see. I think there is the concern that my hon. friend expressed in his remarks this morning, namely, that the position taken by the Northwest Territorial Council in its resolution really went much further than it could reasonably and rationally expect a responsible government to go.

Mr. Nielsen: Mr. Speaker, will the hon. member permit a question? He must have heard me read the resolution of the Yukon Liberal Association. Can the Yukon Liberal Association expect the support of the hon. member and his party?

Mr. Honey: Mr. Speaker, I have a copy of the resolution. I take it to be a valid resolution of a political association, in this case Liberal. My hon. friend based his argument essentially on the resolution of a duly elected body, the Yukon Territorial Council. That is what I want to deal with now. The hon. member for Yukon said—I think I can quote his remarks almost verbatim—that the members of the Yukon Council do not desire provincial status and in no way can their recommendations be construed as being a request for provincial status. Those were the remarks of the hon. member for Yukon this morning when he dealt with the resolution of the Northwest Territorial Council.

I wish to look at that resolution now because I think I can probably interpret it as well as the hon. member. I make the submission to Your Honour and hon. members of the House that the resolution is in fact a request for provincial status.

Mr. Nielsen: No.

Mr. Honey: The hon. member says "No". I think I am entitled to make an interpretation of the resolution. I am prepared to read the words. My hon. friend read some of them.

Mr. Nielsen: Mr. Speaker—

Mr. Deputy Speaker: Order, please.

Mr. Honey: Mr. Speaker, I have the floor. The hon. member dealt with the resolution. If he will permit me to deal with it, the hon. members can form their own opinion. I quote from the resolution:

A) The Council of the Yukon Territory to be known as the Yukon Legislative Assembly.

Is there any difference, Mr. Speaker, between a Yukon Legislative Assembly and the Saskatchewan Legislative Assembly or the Nova Scotia Legislative Assembly?

B) The number of members of the Yukon Legislative Assembly to be increased to 15 and the term of the Assembly to be increased to four years.

That certainly is not inconsistent with provincial status. In particular, the suggestion of a four-year term indicates an attempt to bring it in line with other legislative assemblies.

(C) The Advisory Committee on Finance to be replaced by an Executive Council of not less than five members—

I want to underline this:

—with full executive powers in the following classes of subjects (i) Education, Health & Welfare—

I am sorry the hon. member for Yukon has had to leave temporarily. He will know the percentage of cost that these items represent.

I think we are probably talking there about 70 per cent of the budget of the Territorial Council. They also want full executive powers. The resolution reads in part:

(ii) Territorial Resources including Land (iii) Public Works (iv) Justice and Corrections (v) Revenue and Finance (vi) Forestry (vii) Fishery (viii) All residual Executive and Administrative functions including Industry and Labour controlled or performed by the Federal Government, and the Legislative Assembly to have exclusive legislative jurisdiction to make laws for the Government of the Territory in relation to the above classes of subjects, in addition to the legislative powers existing under Section 16 of the Yukon Act—

This section sets out the powers that they have.

(D) The number of Members of the Yukon Legislative Assembly determine it appropriate that all necessary legislative and other changes are to be effected to constitute the Province of Yukon with the same legislative—

There was an interjection there in the minutes from which I am reading. I may be mistaken, but when the member for Yukon was reading this resolution he did not read the areas with regard to the province of Yukon, the legislative assembly of the province of Yukon, and so on. I take it further because I think it is important to put before the House and on the record exactly what is being requested by the Yukon Territorial Council for which the member for Yukon this morning acted as an advocate. I continue:

(D) The number of Members of the Yukon Legislative Assembly to be further increased at such time as the Yukon Legislative Assembly determines it appropriate that all necessary legislative and other changes are to be effected to constitute the Province of Yukon with the same legislative and executive powers as those which exist in the provinces of Canada.

• (3:20 p.m.)

That clause asks for authority to determine when the province of Yukon will be fully constituted with all the legislative and executive powers that are possessed by other provinces of Canada. I do not know of better terminology with which to frame a request for full legislative and executive powers than to place the Yukon in the same position as the other provinces of Canada.

(E) The Members to be given all necessary authority analogous to that in Provincial Legislative Assemblies to establish their indemnities and allowances and to have all the requisite powers to establish or participate in pension plan or group health plan.

(F) Section 24 of the Yukon Act to be repealed.

As the hon. member said this morning, this clause would repeal the prohibition against elected members introducing money bills in the Territorial Council—I should not say "legislature".

Mr. Nielsen: Is that bad?

Mr. Honey: My hon. friend asks whether that is bad, and it is bad in this sense: this morning my hon. friend did not use the term "legislature" or the expression "province of Yukon", though they are in fact used throughout the resolution. So I think it is important—

Mr. Nielsen: Mr. Speaker, I rise on a question of privilege. The hon. member will have to accept my word that I was reading verbatim the same resolution to which he is referring. I was not paraphrasing; I was reading the same material.

Mr. Honey: I accept my hon. friend's word. I do not know whether he read it in its entirety.

Mr. Nielsen: I did.

Mr. Honey: Very well; then I accept my hon. friend's word. Clause (G) provides:

The status of the Yukon Legislative Assembly to be enlarged so that it shall have full capacity to attend all interprovincial and federal-provincial conferences and to participate in resulting discussions and agreements.

I do not think I have to enlarge on that; it is self-explanatory.

(H) The Land Titles Act to be repealed in respect of the Yukon Territory and replaced by a Land Titles Ordinance.

The next is the last clause I shall read. I think it probably exhibits as well as any the difference in interpretation that the hon. member and I place on the resolution. It provides:

(I) All Crown Land to be held in the name of the Crown in right of the Territory.

It seems to me that that is a pretty basic step in the constitution of a province. Again I hope I am not misquoting the hon. member for Yukon, but when he dealt with this clause earlier in the debate, according to the note I made of his remarks he said, "What members of the Yukon Council desire is not provincial status. In no way can its recommendations be construed as being a request for provincial status". I think that is the position my hon. friend is taking. I take the position that it is in fact a request for provincial status.

Mr. Nielsen: Again on a question of privilege, Mr. Speaker, the hon. member has just misquoted me once more. I also said at the

same time that the members of the council themselves, as individuals, had unanimously stated that they did not want provincial status at this time.

Mr. Honey: Then could I ask my hon. friend whether that decision was taken unanimously subsequent to this resolution?

Mr. Nielsen: No; it was their position prior to and subsequent to the resolution, and at the time the minister was there.

Mr. Honey: As I have already said, the hon. member is a very skilled advocate and he is arguing a case that was overstated by the Territorial Council. I think he said this morning that he had authority to argue it, and I think he did a good job. But at the same time he is arguing a situation that was overstated, and he is now bringing it back—I am pleased he is doing this—to a more reasonable and rational position.

The hon. member's case this morning was not far removed from the position of the government as stated last week by the minister when he visited Whitehorse. For the balance of the time remaining to me I would first of all reiterate and place on the record the position of the government as enunciated by the minister. I have put on the record the position of the Territorial Council. I repeat that I think my hon. friend in his speech this morning moved substantially from that position. I am very pleased he did. I now want to compare the position that he took this morning with the position of the government as enunciated by the minister.

I refer at this point to the speech of the Minister of Indian Affairs and Northern Development before the Yukon Territorial Concil on November 12. The minister first dealt with the matter of constitutional development and had this to say:

> It is becoming apparent to me that in considering constitutional development in the north we must keep two major objectives in mind. The first objective is to protect and further the legitimate interests of the Canadian people in developments in the north—in its economic development and particularly resource development and the potentially immense wealth that may result from this; in the economic and social condition of all residents of the north, as fellow Canadians, and particularly the indigenous peoples; in the development and maintenance of transportation, communication and all of the many social institutions that together form the necessary base for economic development and for further advances in social development; in that continued sovereignty over the Canadian north—on the continent and beyond it—that has been established by our presence and administration there; and in the role of the north in Canadian continental defence.
>
> The second objective, closely linked to the first, is to accommodate the desire of many in the north for a greater measure of self-government, and to do this within Canadian democratic traditions, institutions and values.

Mr. Nielsen: That should have been the first, not the second.

Mr. Honey: Perhaps it makes a difference, but in any event I want to put it on the record. This is the position of the government, and as I say, I do not think it is too much different from the position argued by the hon. member this morning. The minister then went on to ask for support, co-operation and consultation, having spoken of the measures of success that had been attained by the people of the Yukon, the civil service of the Territory and administration in the Yukon. The minister stated that these were matters that certainly weighed in favour of the argument for greater autonomy for the Territory.

Mr. Nielsen: Would the hon. member permit a question?

Mr. Honey: Yes.

Mr. Nielsen: If they had not been successful, surely the minister would have fired them. Thank goodness he does have confidence in these people.

Mr. Honey: As I have said, these were the things that impressed the minister in the movement for more autonomy in the Yukon. Having referred to these things, he went on to say:

• (3:30 p.m.)

> Yet despite this real measure of success there are clearly limits to the extent to which full responsible government can be vested in the people of the Yukon at this time. With the government of Canada you recognize, I am certain, that in a territory as large as the four Maritime provinces combined, of a physical rigour and hardship that poses a special challenge to government, and with a resident population of still fewer than 18,000 you cannot hope to provide from local revenues alone a level of public services that will maintain the social, economic and cultural development of all territorial residents at a level commensurate with the normal expectation of Canadian people generally. The heavy dependence on federal subsidies and on outside capital for resource development, and the uncertain revenue anticipated in return, moreover, places the responsibility for economic development beyond the competence of the people of the Yukon, working alone. For the current fiscal year, the total expenditures by the federal government and the government of the Yukon Territory on provincial-type programs will be in the order of $32 million. This compares with Territorial and other provincial-type revenues, including resource revenues of $12 million.

Having defined some of the difficulties in moving as quickly as some of the people in the Yukon would like the government to move, the minister did take some steps to ward closing the gap between what the government hopes reasonably and logically will be an orderly and progressive development and the goals that the people of the Yukon have in mind as delineated by the hon. member this morning. The minister made some announcements of government policy which will eventually find its way into legislation. I know hon. members are aware of these announcements but perhaps I should put them on the record of *Hansard*. He said that legislation would be adopted to set up an executive committee. Perhaps the hon. member is not satisfied with the type of executive committee envisaged. His reason for dissatisfaction may be that it should have more, or less power. In any event, this is a move to transfer executive power.

Mr. Nielsen: They are still civil servants.

Mr. Honey: The minister then said, and I think this is important:

I am hopeful that we can develop still more effective ways to extend local responsibility over matters which will affect the quality of life in the Yukon, to cover executive as well as the existing legislative powers. I will be seeking your support and co-operation—

This is the way we do things in this country, by co-operation and consultation. He then said:

I will be seeking your support and co-operation, therefore, in considering what additional changes can be made to give you greater territorial responsibility in the light of the experience gained from this first important step.

He did not close the door or bar the gate in respect of considering what additional changes might be made to give greater territorial responsibility in light of experience gained from this first step. The minister mentioned several other matters which would be included in the legislation, particularly the lowering of the voting age for territorial elections and the extension of the life of the Territorial Council—

Mr. Nielsen: Should we not be entitled to pass that sort of thing ourselves?

Mr. Deputy Speaker: Order, please. The parliamentary secretary has the floor. Unfortunately, his time has now expired. Perhaps we could ascertain whether there is unanimous consent to allowing him to continue.

Some hon. Members: Agreed.

[Mr. Honey.]

Mr. Honey: Thank you, Mr. Speaker. If the hon. member has a question, perhaps I should accept it now and then try to be brief.

Mr. Nielsen: Mr. Speaker, I should just like to ask the hon. member whether we should not be allowed, through our elected representatives in the Yukon, to set the voting age of those people who vote and elect the representatives forming the council.

Mr. Honey: That is a matter of personal opinion. I heard the remarks of the hon. member for Northwest Territories that he would make representations to the government, as I am sure the hon. member for Yukon will. The minister is not fixing the voting age, or anything definite; he has indicated an intention to do these things. Let me finish very quickly by putting these matters on the record. He said that it was intended—

—to extend the life of the Territorial Council to four years instead of the present three years; to permit the Council to set the indemnity of its members and to reduce the period of federal disallowance of territorial ordinances from two years to one year.

Then the minister in his closing remarks asked for co-operation and consultation. I will not take the time to read the whole of his remarks, but they were very much in line with the closing remarks of the hon. member for Yukon this morning. I want to refer to what the hon. member for Yukon said about the spirit in which we should approach this problem of constitutional involvement. This was his final plea for a gradual evolution of decision-making control from the bureaucrats to the elected council members. He then referred to the council members as being responsible, intelligent individuals who have the responsibility to make decisions. I agree with that, but from my observations it is not much different from what the minister said. We have from the minister a request for co-operation and consultation, and we have essentially the same thing from the hon. member for Yukon.

In closing let me say I am pleased the hon. member has moved drastically from the exact words of the resolution. Let me close on this theme. The previous Prime Minister and leader of my party referred to a particular party as "Liberals in a hurry". I think my hon. friend and the people he represents are moving in a bit of a hurry in their quest for self-government. I think the federal government has to take a balanced, rational, responsible position. I hope, and am sure, this will

work toward a meeting of minds on the matter.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I welcome this opportunity to speak in support of the hon. member for Yukon (Mr. Nielsen) on behalf of those thousands of Canadians who appear to have been relegated to second-class citizenship by the Minister of Indian Affairs and Northern Development (Mr. Chrétien) and his department. The thing that interests me most about the government's attitude to the Territory and people of the Yukon is that it reflects exactly the indulgent and patronizing stance that has for years characterized the permanent officials of the department.

Apparently the frontier of the just society lies along the line 60 degrees latitude. The people of the Yukon will have to be content with whatever benefits slop over from the south. I see that the Prime Minister (Mr. Trudeau) has now been forced to intervene between the minister and his northern wards; the Prime Minister has graciously made it known that he will give audience to his Yukon subjects if they will journey to Ottawa and wait upon him.

The whole performance of the Prime Minister, the Minister of Northern Affairs and the officials of his department is incredible in this day and age. The recent appearance of the minister in the Yukon and Northwest Territories hardly fits this era of Canadian national development. His speeches up there and his reaction to the very reasonable proposals of the people of the Yukon indicate that he is a mere puppet of his permanent officials. He has apparently been so thoroughly brainwashed by the bureaucrats that he now reflects perfectly the status quo that pervades his department's offices in Ottawa.

After all, what tremendous concessions were the people of the Yukon seeking? According to the resolution unanimously adopted by the council last January, all that was sought was an increased measure of autonomy, a little touch of representative and responsible government and some say in how the taxes paid in the Yukon might be applied to Yukon problems. This resolution was forwarded to Ottawa. They received no answer until the minister's arrogant and inept performance of November 12. Is democracy no longer a desirable thing? Is individual freedom and responsibility foreign to the new order of the so-called just society?

The council of the Yukon—at least its token group of elected members—asked for an increase of membership from 7 to 15, and that the council be re-named the Yukon Legislative Assembly.

• (3:40 p.m.)

They wanted the present Advisory Committee on Finance to be changed to a five-man executive council with full executive powers in the fields of education, health and welfare, natural resources including land, public works, justice and correction, revenue and finance, forestry, fisheries, industry and labour. They wanted all Crown lands to be held for the Crown in the right of the Yukon Territory. They also asked that the Yukon be allowed to play a full part in interprovincial and federal-provincial conferences and discussions, and be permitted to determine when the Yukon should be granted full provincial status.

In this day and age, and in light of the development and tremendous potential of the Yukon, I can see nothing but good sense and sound reason in this proposal. But the reaction of the minister and his department was arrogant, insulting and stupid. It was arrogant because it displayed narrow preconception and stubborn inflexibility. It was insulting because it was delivered almost ten months late.

Mr. Nielsen: It was a year and ten months late.

Mr. Ritchie: I stand corrected. It was patronizing in its terms and derogatory in its inference that Yukon residents were incapable of adult responsibility. It was stupid because it created trouble where trouble should have been, and could have been, avoided. Now the Prime Minister has been forced to jump in and try to bail his fumbling minister out of the sinking departmental boat.

The minister, without any attempt at serious discussion, took his packet of carefully prepared speeches to the Territories and spread out his trade goods to catch the eye of the natives. Those trade goods were cheap and shoddy. They consisted of an offer to let the members of the Yukon Council serve one additional year, four years instead of three; to set their own indemnities and allowances and—this was a great concession to democracy—to allow one of their number to sit on a committee with the three permanent officials of government charged with running the territory. In a particularly matter-of-fact manner the minister turned down any thought of a move toward self-government "for the foreseeable future".

To add insult to a shaky knowledge of history, the minister said the Yukon could not aspire to provincial status for years because the territory "did not pay its way". This is a strange argument coming from the member of a government which recently approved a $500 million plan to salvage the province of Prince Edward Island. Does Prince Edward Island pay its way? Does Newfoundland pay its way? For that matter, does Quebec pay its way? The minister claimed the Yukon cost $32 annually per capita but returns only $12. He neglected to say, however, that the principal taxpayers of the territory, the mining and exploration companies, pay taxes outside the Yukon. There is sound reason to believe that if the taxes and revenue from such things as oil and gas leases were devoted directly to Yukon needs, the territory could carry itself.

Speaking of his proposal that one elected member of the Yukon council be allowed to sit with the Territorial Commissioner and his two assistants on the proposed executive committee, the minister suggested that future extension of responsibility would depend upon the experience of the operation of this committee. One Yukon resident, with some justification, termed this veiled blackmail. Future extension of responsibility for their own affairs and toward full self-government would be tied to the performance and good behaviour of the tame committee member forced to work in harness with three permanent officials.

The Carruthers report of a few years ago made recommendations for increased territorial independence and the growth of self-government. Commenting on this report in its November 13 issue, the *Globe and Mail* observed of the minister's answer:

> That answer is a poor compromise that offers very little change from the status quo.

The people of the Yukon asked Ottawa for blood and they were given a stone. The only power the council now has is to reject the annual budget. This is a considerable weapon and has been used time and time again throughout Canada's history. For years prior to the troubles of 1837 the Legislative Assembly of Lower Canada refused to vote the Civil List until given some say in the disposal of taxes so raised. This use of popular approval of the proposed expenditure of public moneys is a familiar tactic in the story of colonial development, particularly in North America. It has proved to be a potent weapon in the past and could be again.

[Mr. Ritchie.]

I would suggest that the Prime Minister has been wise in superseding his minister in the matter of relations between Ottawa and the Yukon. I think he would be wiser were he to appoint a new minister and transfer the present incumbent to a less sensitive portfolio. Whatever virtues the minister may have brought to his office, they have obviously been swamped by Ottawa officialdom. This is all the more tragic because the minister is of a province and generation which claims to abhor colonialism above all else. Yet, to judge from the most recent "Thoughts of Chairman Chrétien", he would have been perfectly at home in the British Colonial Office of the late 19th century.

It is time for a realistic appraisal of the future of the Yukon and the aspiration of that territory's citizens to full Canadian Citizenship. Now that he has personally taken over the problem, let us hope that the chief architect of the just society finds himself able to add another roof to the national structure in order to accommodate the people north of 60 degrees latitude. In this respect I heartily endorse the remarks of the hon. member for Yukon.

Mr. John Burton (Regina East): Mr. Speaker, I think it is very useful that we have had an opportunity to debate the subject of northern affairs in this House today. I believe the matter of northern development, northern government and the future of the north is one which concerns all Canadians. After all, Canada is a northern nation. Much of our future lies in the north. While we can take pride in some of our accomplishments to date, we can very easily see that much more remains to be done. In particular we can see that much remains to be done when we compare some of our accomplishments with those of other northern nations. I hope the minister will take part in this debate shortly. I believe I am the eighth speaker in the debate and as yet we have not had an enunciation of the minister's views on the subject of the debate.

Mr. Forrestall: He was about to get up to speak and you would not let him.

Mr. Burton: I am sorry; I did not notice that he was about to get to his feet. As Canadians we feel free to condemn nations in other parts of the world for carrying on the practices of colonial administration. We often feel free to do a little tongue-clucking because of minority groups in other countries which do not have equal opportunities and equal rights. We have situations and problems

right here in Canada, some of which are embodied within the jurisdiction of the Northwest Territories and the Yukon. These problems require great understanding and sensitivity if we are to reach adequate solutions.

The fact is that in many ways we do have a colonial-type administration in these areas. We find that very often the practice of the government has been to reluctantly grant concessions to representations from the north. These concessions often are made as a result of certain pressures. They are tossed out, I might say, as crumbs to appease the restless population. Possibly that is too strong a term; it might be better to say they are tossed out in a fashion which is somewhat less than generous. Unfortunately, the minister, who often I believe tries his best to do a good job and tries to wrestle with the problems he faces, seems to have a tendency to speak in the same vein as an old-time colonial governor.

• (3:50 p.m.)

I think that if one looks at the speeches he made in Yellowknife and Whitehorse recently, one will see a number of illustrations of this tendency. These may be small examples; nevertheless, I think they reflect a somewhat unfortunate attitude and approach to northern problems which I think is bound to give rise to a certain amount of resentment and hostility among the people in that part of Canada.

When I look at the minister's remarks at Yellowknife, for instance, I see he states that the government has two major objectives regarding the north. He goes on to describe some of his thoughts in terms of what the government envisages as being good for the north, and what it has decided. He goes on to state, in dealing with such things as the management and ownership of natural resources in the future:

—and this conclusion I support strongly both for the present and the preseeable future—

I will have something to say about that remark later. When one turns to page 3 of his address to the Territorial Council, one notes that the minister put forward a number of points every one of which starts with the pronoun "I". There is a continual repetition of the pronoun "I". Again I suggest that this is a reflection of an attitude which needs to be changed.

Mr. Nielsen: L'état c'est moi.

Mr. Burton: On page 4 of the minister's speech which was distributed to members, he takes note of other recommendations that were made and says:

The Commissioner and I have considered this recommendation.

How much more patronizing can one get? No one questions the existence of formidable and serious problems in the north involving the administration of the government and the development of adequate policies. There are a great many difficulties in this regard. We also have a great many problems involving the peoples of the north because of the great diversity of cultures, skills, education and understanding.

We also have economic problems to consider in the north. In many cases the costs of economic activity are higher there than they are in other regions of Canada and other parts of the world. Transportation costs in taking products to market and bringing in supplies, materials and services, also add greatly to the cost structure. In addition, the physical environment of the north itself poses a formidable problem in developing a public policy, for so many aspects of life exist on a frail and precarious basis. All together these create problems which are of concern to all of us and which we must take into account. The question is how to approach the matter.

I have already pointed out the minister's patronizing, condescending or concessionary approach to northern problems and to the representations and aspirations of the northern people. I suggest that a positive approach is required, one that includes flexibility because, after all, future events, particularly in the north, are very often unpredictable and therefore flexibility is required. But it seems to me that we need to develop a positive approach which sets out to achieve certain fundamental objectives, not in a haphazard, come-as-it-may or some far-off-distant-horizon type of objective but rather an approach which requires a planned and scheduled operation. This involves the determination of objectives and of steps required to reach those objectives, and a determination of programs which need to be carried out to enable the north to take the steps necessary to reach these objectives. We also need to set out a scheduled program which takes into account both time and functional developments.

The Carrothers Commission, to which reference has already been made today, set out some of the immediate objectives for government in the north. My colleague, the hon.

member for Winnipeg North (Mr. Orlikow), in an excellent speech made reference to some of the critical objectives set out in the Carrothers report. He noted a rejection of the concept of the division of the Northwest Territories to more political units. We go along with the minister's decision in that regard. He noted a number of decisions involving government and the development of an executive branch of government in the northern legislative structure as it has developed to date and should develop in the future. Furthermore, he noted some economic programs which must involve northern people themselves and which also involve increased funds. The need for educational programs is, of course, fundamental and the need to develop local governments to carry on community development programs is also essential.

It seems to me that our efforts must go beyond these objectives to consider other facets of life in the north. The hon. member for Winnipeg North made a brief reference to some of these factors when he noted, for instance, that the nature of white culture allows the white man in the north to prosper in the free enterprise system as we know it in that part of the country. This is something to which we must give attention.

We must also take note of the cultural traditions and background of the native people who live in the north. We must take special steps to emphasize the encouragement of local self-government in both the short run and the long run. Furthermore, we must give a great deal of encouragement to co-operative and collective enterprise in the north because the people of the north have a very unique opportunity to avoid the waste, exploitation, pollution and some of the other problems which have beset the more industrialized areas of Canada and other parts of the world.

I should like to deal for a second with some of the problems of economic development and resource management as they affect northern Canada. Reference has been made to the transfer of resources to the administration, and control of governments in the north.

Mr. Nielsen: Mr. Speaker, would the hon. member permit a question? It is for clarification. Members of the council have made it clear—as I thought I did today in the debate—that all they are asking for is the transfer of territorial resources, not national or natural resources.

Mr. Burton: I thank the hon. member for Yukon (Mr. Nielsen) for again noting this. I was about to note that we were very pleased that he had clarified some aspects of resource management and the interpretation to be placed on the resolution passed by the Yukon Territorial Council. I note—and this is in part what gave cause to my reference to this matter—that the minister said in his speech in Yellowknife:

> —if we accept the conclusion of the Carrothers Commission, that at the moment the ownership and management of natural resources in the Territories must remain with the Federal Government—and this conclusion I support strongly both for the present and the preseeable future.

I presume that was meant to read "foreseeable" future. I would like to draw attention to the Carrothers Commission report, where at page 18 of the summary of its report, talking about the ownership of natural resources, it noted:

• (4:00 p.m.)

> In our judgment it would be premature to make the transfer at this time.

I suggest that the implication of this statement is that at some foreseeable time in the future resources would be transferred to northern jurisdiction. I was particularly interested in this matter because I come from a portion of the prairie provinces which at one time was under the jurisdiction of the Northwest Territories. When the provinces of Saskatchewan and Alberta were created the federal government retained control over resources and resource management. This situation existed from 1905 until 1930 when jurisdiction was transferred to the provinces under an agreement which also involved a financial settlement. It seems to me this is the type of thing we need to keep in mind when considering the future of the north. But I want to make it clear that in terms of major resources, in terms of mineral resources, we need to maintain federal jurisdiction until northern governments are able to cope with the situation.

In the area of economic development I think the focus of economic development programs must be on the needs of people. I take note of the minister's statement in Yellowknife, where he said as appears on page 2 of the distributed text that as a federal government we have two major objectives regarding the north. I quote his words:

> The first objective is to protect and further the legitimate interests of the Canadian people in developments in the north—

Then he goes on to elaborate on his statement. While he does give recognition to the needs of people in some of the later statements made in that paragraph, at the same

time the whole approach needs some refocussing because it seems to me the principal focus must be centred on people and their needs. In addition, we must give considerable attention to problems involving the physical environment. Pollution problems have been debated at length in this House over the past year and a half. I might just note, Mr. Speaker, that I was much surprised when I was with the Indian Affairs and Northern Development Committee of the House last January and we stopped at Norman Wells and saw the Imperial Oil refinery operation there. A pall of black smoke drifted lazily down the Mackenzie River valley as far as the eye could see to the north—a thick, black pall of smoke. In all fairness I should say that the manager indicated that steps were being taken to reduce the smoke and consequent pollution that was belching out from this refinery. Nevertheless, here in the far distant north we had a first-hand example of the problems of pollution. You could see the effect on growth in the surrounding area.

Reference has already been made in this debate to the role of private enterprise and the approach that should be taken in carrying on economic development in the north. Of course, some of our friends pay a great deal of tribute to the merits of private enterprise, of so-called free enterprise, in developing the north. I would suggest that this simply cannot be applied in the north under the conditions that exist. I would suggest this is the case, because first of all this system and approach tends to deny the public good and public needs in favour of private ones.

Secondly, the controlling assumptions of private enterprise do not hold true in the north. We know markets are monopolistic; they are not competitive. This situation will likely remain for a long time. Most shareholders of large developments in the north are not residents of the territories, and thus they have no motives other than their own personal or corporate gain. Large sections of the population in the north have no dollar power with which to influence the direction of development in that part of Canada. Third, I would suggest that the co-operative and collective approach is more appropriate to the traditional cultures of the Indian and Eskimo peoples of the north. I know some work has been done in this regard in the north, but I think this work needs to be intensified.

There are two basic types of economic development that are likely to take place in the north. The first is the community-oriented development which involves community efforts to improve the lot of people, to improve their living conditions and enable them to live a better life, and the second is the large mining development, of which we already have some examples and of which we are likely to see more in the future.

I would suggest there are some considerable problems to deal with in that regard. First I suggest that the position and strength of territorial governments at the present time are such that they would have great difficulty in carrying on negotiations with very large mining corporations or syndicates. They may lay down laws and regulations under which such corporations might carry on their activities, but there might be a considerable problem in enforcing regulations on such matters as pollution, an example of which I gave a couple of minutes ago.

I was pleased to note that the minister drew attention to employment problems in the mining industry. He dealt with these in his address to the Yellowknife Chamber of Commerce, and I was pleased he took this matter up very frankly with the mining industry. But I suggest we need something more than just a peanut approach, or a Walter Gordon type of approach to this problem.

It is not good enough simply to suggest, "You need to have a few native people on your work force. You need to train a few of these people. If you do bring a few of these people into your work force, then you are very good fellows; you are making a positive contribution to the problem." But this is not adequate. This is not good enough for the needs that exist, and in the north we have a few powerful corporations already operating and which in some respects I suggest are very much a law unto themselves. A certain amount of oil development is taking place in the north. Private companies are working there. We have examples of where they are doing their best to resist government efforts to ensure that oil pollution does not become a real hazard. There is an example of this just across the Yukon border in Alaska.

The Acting Speaker (Mr. Béchard): Order. I regret to interrupt the hon. member but his time has expired.

Some hon. Members: Carry on.

The Acting Speaker (Mr. Béchard): Does the House give unanimous consent for the hon. member to continue?

Some hon. Members: Agreed.

Mr. Burton: Thank you, Mr. Speaker. I assure you that I will conclude my remarks in a few minutes. In Alaska at the present time oil companies are preparing to build an oil pipeline across the Alaskan mountain ranges to the Pacific Ocean. They are already shipping in pipe to build the pipeline, but according to the latest information which I received the United States government has not yet given approval for the construction of the pipeline because some of the oil companies had not agreed to some of the conditions that had been set out by the U.S. government, or that it was attempting to set out. Thus I suggest great care is needed to ensure that the legitimate aspirations of the northern people are recognized. Nevertheless, we must build for the future, taking into account the concerns and the needs of all people in the north and not just of those people who possess a degree of economic power.

• (4:10 p.m.)

One point I wanted to deal with very briefly, Mr. Speaker, was the source of revenues. It has been noted, for instance, that in the Yukon only a little over one-third of the revenues required for government come from local sources and the rest is financed basically by the federal government. It is also noted that the figure for the Northwest Territories is about one-fifth, or 20 per cent. I would suggest that this is not a valid argument for holding back an extension of powers to northern governments. What is the situation in some provinces at the present time? I do not have the figures in front of me but I believe that in the provinces of Newfoundland and Prince Edward Island, for instance, about 50 per cent of their revenue originates from the federal government.

Thus, Mr. Speaker, I would suggest that the basic approach in dealing with northern problems must be to start with the people who live there and with their children; we must show concern for their future needs. We must do this if we are to develop an adequate approach which takes into account these concerns and considerations.

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I wish to apologize to my colleagues for my grating voice. This slight indisposition is not due to my visit to the North but rather to a particular situation which prevailed in Ottawa. As a matter of fact, if I had stayed longer up North, I would probably have avoided this because of the dry and brisk climate in that region.

I have not immediately answered the previous speaker because I believe that it is wiser to wait and hear all the arguments of those who take part in the debate before answering. If I had made any comments at the beginning of the debate, I would not have had the pleasure of hearing all the arguments of the hon. members. That is why I waited a while before answering.

I wish to thank all hon. members who have taken part in this debate for their objectivity and sincerity.

I am surprised to find that once again we are, to a certain extent, having a debate on the constitution. During my numerous visits to the North, even if I have not lived there, I had the opportunity, as Minister of Indian Affairs and Northern Development, to visit at least some 40 localities north of the 60th parallel. And I must say that during my talks with numerous Indians, Eskimos and other citizens of the Northwest Territories, as well with the representatives of the various councils, I was never asked any questions about constitutional problems.

On the eve of the day when I introduced the new government policy on constitutional matters for the Northwest Territories and the Yukon in particular, I had the pleasure to take part in a radio program during which the people of Whitehorse and the Yukon could call me in order to ask questions on topical issues which could be of interest to them. Everyone in the Yukon knew at the time that the next morning I was going to address the Territorial Council on constitutional development.

Mr. Speaker, the citizens of the Yukon did not ask me one single question on that subject. They talked to me about all their problems concerning education, housing, pollution but no one asked me a single question on the constitutional development of the territory.

Too often, in my own province I have seen too many good things sacrificed on the altar of autonomy or the constitution, to make me like this kind of debate. However, since the opposition has seen fit to bring up the subject today, I should like first to deal for a few minutes with the remarks made by my hon. friend, the hon. member for Yukon (Mr. Nielsen), concerning the request of the elected representatives of the Yukon territory, in particular the resolution they passed early in

[The Acting Speaker (Mr. Béchard).]

1969. It is not necessary for me to deal at length with this subject because my Parliamentary Secretary managed to prove in a very adequate way and beyond the shadow of a doubt that this resolution is nothing but an official request for provincial status for the Yukon.

Mr. Nielsen: No, no.

Mr. Chrétien: That is the meaning of the text of the resolution read by the Parliamentary Secretary. It asks for all the powers of a provincial legislature: the legislative assembly and the executive control upon the whole administration within the territories.

They say publicly that they do not want provincial status, but this is what is being asked in substance. What makes the debate even more difficult for me is the fact that people give usually more importance to the form of the problems than to their substance, and in the present case, the council members ask very cleverly for provincial status while they know that the citizens of the Yukon do not want it since they do not dare to ask for it officially.

Mr. Nielsen: That is not true.

Mr. Chrétien: That is what I learned by reading the resolution.

The hon. member mentioned certain conversations which we had and I must admit that every time I said to the elected representatives of the Territorial Council that the difficulty of the problem came from the fact that they were asking in substance, but not formally, for provincial status, they always answered me with a smile rather than with a denial.

Mr. Speaker—

[*English*]

Mr. Dinsdale: Mr. Speaker, would the minister permit a question?

Mr. Chrétien: Yes, Mr. Speaker.

Mr. Dinsdale: Am I correct in interpreting the minister as having said the people of the Yukon do not want a greater degree of autonomy, responsible government, and that he bases his claim on the response to an open-line radio program in contrast with the official representations of the elected representatives on the council?

Mr. Chrétien: The hon. member should have listened to what I said, Mr. Speaker. I said the resolution called for the status of a province without the name, but I said that is not the prime concern of the people of the Yukon. To give an example, I said that I was on the hot-line for an hour and nobody asked me one question about the constitutional development of the Yukon. I did not say they did not want more power.

Mr. Dinsdale: Does the council not speak for the people, the same as the elected representatives in this House speak for the people?

Mr. Chrétien: I could let you have your debate, but I just say it is not the prime concern of the people of the Yukon. The people of the Yukon do not want the federal government to move out of there because they know that we can work with the representatives to get a better development of the Yukon and a better atmosphere for economic growth in the Yukon.

Mr. Nielsen: Mr. Speaker, would the minister permit a further question?

Mr. Chrétien: Yes, Mr. Speaker, but it will be the last question because I would like to make my speech.

Mr. Nielsen: You can have all the rest of the time this afternoon as far as I am concerned. My question is this: Does the minister support the resolution of the Yukon Liberal Association which I read into the record during my remarks?

Mr. Chrétien: The resolution of the Liberal Party up there is something that I took into consideration. They expressed their view but we have not accepted it. We have not accepted all the views of Liberals across Canada, but the Liberals have great confidence in the judgment of this government and I do not think they will be disappointed.

Mr. Dinsdale: Does hon. James Richardson have the confidence—

Mr. Chrétien: If you want to be partisan, I too could be very partisan. We accept the view of everyone, and we are very proud to have the minister from Manitoba express his views. He is fighting the cause of the people in the west in a very able way, just as I am fighting the cause of my people. I do not always win; sometimes I have to abide by the views of the government. We are a very democratic party on this side of the House.

Some hon. Members: Hear, hear.

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

Mr. Dinsdale: I was surprised to see the westerners applauding that.

Mr. Orange: He is not speaking for the government; he is speaking for himself.

The Acting Speaker (Mr. Béchard): Order, please. The hon. member for Yukon (Mr. Nielsen) on a question of privilege.

• (4:20 p.m.)

Mr. Nielsen: On a question of privilege, Mr. Speaker, I was not endeavouring to be partisan but merely to point out—and I am sure the minister believes me—that all the Liberals and the Conservatives on the council are unanimous on the question of this resolution.

Mr. Chrétien: I was not referring to the hon. member's partisan approach; I was referring to something the hon. member for Brandon-Souris raised. He mentioned the speech made last Sunday by one of my colleagues. Expressing such views is a liberty which we in the Liberal party enjoy, and we are proud of it.

Mr. Dinsdale: There really was not any response from the government.

[*Translation*]

Mr. Chrétien: Mr. Speaker, it does not follow from the fact that the Territorial Council passed that resolution that the government had to accept it, because one should not confuse provincial status with democracy. According to the policy we advocated last week, an important step forward was made towards the establishment of a more responsible government in the Yukon.

We are going in the right direction. One may wonder why the executive power is not granted to the representatives of the Territorial Council.

[*English*]

Mr. Nielsen: No, Mr. Speaker. If we are to say the executive committee is to be comprised of three civil servants and that one elected member is to be invited to serve on the committee, how can the minister interpret this as executive power residing in the council?

Mr. Chrétien: Mr. Speaker, I will cover that point in a few minutes when I talk about the executive committee I am forming. We must not confuse democracy with provincial status. There are some people who are elected in the Yukon, and they are elected to do a certain job.

Mr. Nielsen: En français!

Mr. Chrétien: I can speak in both languages. As I say, they are elected to do a certain job. They pass legislation and have occasion to vote on the budget. Not only do they discuss the budget with the commission, but they perform their role in the same way that a Member of Parliament performs his role in the House. They fight their cases similarly.

Because the Yukon contains a small population in a vast territory, the people of the Yukon cannot generate enough revenue to run their own affairs. Even if the Yukon was a province of the same status as other provinces in Canada and was taking part in the same shared-cost programs, equalization payments, and so on, it would be in a position to obtain only $12 million. On the other hand, we are spending in the Yukon right now, under the heading of expenditures similar to those made in the provinces, more than $32 million.

Mr. Nielsen: That is a disgrace.

Mr. Dinsdale: This is the "igloo to igloo" philosophy.

Mr. Chrétien: Those expenditures come under provincial headings and do not include federal types of expenditure for things like transportation, resource development, and so on.

Mr. Nielsen: That is a distortion by the minister's officials.

An hon. Member: Nonsense.

Mr. Nielsen: It is not nonsense.

Mr. Chrétien: As a result of representations made to me, and discussions—and more than once I have discussed this matter with the hon. member for Yukon—I decided to take a step forward and form an executive committee. On that committee three people will be appointed by the federal government and one by the elected members. This is true, and I do not deny it; but I hope it will be a first step. It is important to consider who will be chosen by the elected members, because he will be a member of the executive committee. On an executive committee numbers are not important; the quality of the representative is important. If he has a valid case to present—and I shall appoint only those whom I think have judgment—he will be able to bring his case forward in the Assembly and I will be in

a position perhaps to change what is complained of. So when the people of the area say there will not be representation, I say there will be representation.

The federal government is putting money into the area. The hon. member for Yukon can question me about the spending of this money. I am responsible to the Parliament of Canada and I am speaking as a member of a democratic institution. The hon. member for Yukon can put to us the case of the 18,000 citizens he represents. It is his job to do so.

An hon. Member: He is not here often.

Mr. Chrétien: He does so on many occasions quite ably. The hon. member himself has said that this is not the time to change the territory into a province, because it has neither the population nor the financial base.

Mr. Nielsen: I did not say that.

Mr. Chrétien: It is not a province, but a territory. We have given the Yukon a special status because of the different problems that exist there. The hon. member for Yukon represents a population of 18,000 people, while other members in the House are obliged by law to represent at least 50,000 people. He represents those people because we consider that the Yukon is a special case.

Mr. Dinsdale: What price democracy!

Mr. Chrétien: This is quite democratic and the hon. member is quite entitled to put his case here.

Mr. Nielsen: Will the minister permit a question?

Mr. Chrétien: At the end of my remarks, please. We have more than just an executive council, because we want to bring an elected member into the administration. This man will be given the responsibility of administering one or perhaps two departments. I do not know about that; I will discuss that with the other councillors. If that man chooses to administer education for example—and the hon. member referred to education—he will probably be involved with the equivalent local moneys collected in the Yukon—

Mr. Nielsen: Under the direction of the Commissioner, who takes orders from the minister.

Mr. Chrétien: And the minister is responsible to the most democratic assembly in Canada, the Parliament of Canada.

Some hon. Members: Hear, hear.

Mr. Dinsdale: That is colonialism.

Mr. Chrétien: That is not colonialism. An area in Canada can become a province, or not become one. Here we have a territorial government and we are trying to find a way to cope with problems of communication that have existed. If what we propose works well, then we shall take another step in that direction. I said to the hon. member for Yukon that this was a first step. From 1958 to 1962, when the hon. member sat on the government side of the House, he did not suggest a forward step in that direction.

Mr. Nielsen: Mr. Speaker, the minister knows that is not so.

Mr. Dinsdale: Ask Commissioner Gordon Cameron about that.

Mr. Speaker: Order, please.

Mr. Nielsen: Mr. Speaker, I will ask the minister to reconsider what he said, because he knows as well as I do that between 1958 and 1960 the Yukon Act was amended precisely as I outlined in my remarks this morning. These were progressive steps. We introduced the Advisory Committee on Finance, the Court of Appeal, and increased the assets of the council.

Mr. Chrétien: Did the hon. member's party bring in an elected member who was to sit on an executive committee?

Mr. Nielsen: We brought in the Advisory Committee on Finance.

Mr. Chrétien: It is democratic?

Mr. Nielsen: It is not working.

Mr. Chrétien: I notice that the reforms put forward by the administration which the hon. member supported are not working. I am trying to bring in something new that will work.

Mr. Nielsen: It will not work.

• (4:30 p.m.)

[*Translation*]

Mr. Chrétien: At any event, Mr. Speaker, if we keep on exchanging interesting views, I will not be able to conclude.

As concerns the Northwest Territories, there was much talk about the Carrothers Commission and I must say that 19 out of the 28 recommendations that were made have

already been implemented in an unquestionable way, five others were partially implemented while four were rejected.

Some of my colleagues gave the reasons for that but I should like to deal at this stage with the advisability of establishing an executive committee in the Northwest Territories. Some of the Carrothers Commission's recommendations dealt with the establishment of an executive committee. It was not even suggested that the members of such an executive committee be elected.

I could perhaps answer the argument of the hon. member for Yukon by saying that the Carrothers Commission suggested that an executive council be set up for the Northwest Territories, but without specifying that its members should be elected.

A committee was formed. It is the only major recommendation made by the Carrothers Commission that was not implemented. In fact, a committee made up of the members of the legislative council of the Territories was formed. It recommended specifically to the federal government, that ad hoc committees be set up, instead of an executive committee, to study various problems and allow the elected members of the Territories to work more closely with the executive of the Territories.

We will comply immediately with the request of the elected representatives of the Territories by setting up a finance committee which will work in co-operation with the commissioner. However, we cannot accept the idea that the Northwest Territories are on the verge of becoming a province.

To my mind, it was only fair for the government to tell the citizens of the Yukon and the Northwest Territories what its views were, instead of keeping them in suspense for several months or years.

That is why I knew that some of my recommendations would not be very popular because for three or four years we have spoken of the Territories as near-provinces; then, they are bluntly told that it is not the case and that it will not be. It is quite normal, in such cases, to expect negative reactions.

And even then, the population would be insufficient, for that land, which includes nearly one third of the whole Canadian territory, has only 32,000 inhabitants. Most of them are Indians, Metis or Eskimos. Now, despite the election system that has been in force for many years in the Northwest Territories, up to now only one Eskimo has been elected to the Territorial Council; by the way, he supported the government when the policy was announced. Another Council member, of Indian origin, who was not elected since he was appointed by the government, represents also the majority of the Northwest Territories population, which endorses the government's stand.

The revenues that the Northwest Territories could get, at the provincial level, amount to $19 million, as compared to current expenses of the order of $92 million. These figures cover assistance of all kinds which the federal government could grant them and which is exactly the type of assistance given to Newfoundland, Prince Edward Island and other low income provinces.

Only, it is a constitutional deficiency. Now the people of the territories know exactly where we stand. We have taken a new orientation towards a new democracy—

[*English*]

Mr. Deputy Speaker: I am sorry to interrupt the minister but his time has expired, unless there is unanimous consent that he continue.

Some hon. Members: Agreed.

[*Translation*]

Mr. Chrétien: I wish to thank hon. members for their kindness.

Until now we have worked at establishing a government more adapted to the circumstances, and if all is not well in the Yukon and in the Northwest Territories, nothing will prevent us from changing it later. Right now, the residents of those regions know exactly where they stand and I think that at least we have clarified the situation.

The important thing is the total development of the Territories. It is also important that the development of northern Canada which represents 40 per cent of our country, be progressive and rational. We must not engage in fantasies but rather implement programs for the development of the North.

At the present time, there are some problems which we would like to solve quickly. During one of my trips to Prince George, in British Columbia, I had the opportunity to explain the government policy on conservation of natural resources and pollution in the Northwest Territories and the Yukon.

In my opinion, we now have in the territories the opportunity to undertake an economic and social development which will enable us to preserve the natural beauty of that area and to assure the rational development of resources without the confusion and pollution which exist in other parts of Canada.

The economic development proper, is now simply fantastic in the Northwest Territories and the Yukon, when one considers that in 1963, the value of the mining production in the Northwest Territories and the Yukon amounted to only $20 million; in 1969 our mining production will be over $200 million.

With respect to possible new developments, we are told every day that new minerals have been found both in the Yukon and the Northwest Territories.

I could likewise mention other important breakthroughs, such as the famous Mary River mine in Baffin island which is perhaps one of the world's most important iron ore deposits.

I could also list many other areas in the Yukon and the Northwest Territories, a part of Canada that is promised to the most spectacular development in the years to come, as we learn every day from mining explorations.

And what about the black gold rush, I mean the oil rush, going on in the Territories, and in northern Yukon, in the Mackenzie Delta and the Arctic Islands as well.

It is still more interesting to note that the potential there is perhaps as big, or even bigger, than the important finds of the past years on Alaska's north shore.

And when Panarctic Oils Limited, in which the share of the federal government is 45 per cent, and that of private enterprise 55 per cent, started its operations in the North, the very first drilling uncovered a large concentration of natural gas of over 13 million cubic feet per day, which obviously means that the experts were absolutely right when they chose to drill at that all-important site for its sedimentary formation. This discovery of a large deposit of natural gas is perhaps not very significant due to the great distance from Melville islands. However, in view of the technological developments which make it possible to liquefy gases, and so on, the discovery may prove important for the future.

Another thing also is still more important: it is obvious that in these Arctic islands, the formation of hydrocarbons is highly important. In the near future, all Canadians will find new resources to compete or improve our balance of payments and our foreign markets.

Still, the socio-economic development of the North cannot be achieved unless all Canadians accept their responsibilities towards the first inhabitants of the Territories.

In that area, over 50 per cent of the residents are Eskimos or Indians, and in the Yukon the ratio is roughly 15 per cent.

• (4:40 p.m.)

[*English*]

Mr. Nielsen: That is not correct.

[*Translation*]

Mr. Chrétien: Mr. Speaker, this is not important. As far as the Yukon is concerned, the ratio may vary slightly.

[*English*]

Mr. Nielsen: It is 10 to 11 per cent. The minister's officials have added in the background papers—

Mr. Deputy Speaker: Order, please. The Minister of Indian Affairs and Northern Development (Mr. Chrétien).

[*Translation*]

Mr. Chrétien: Mr. Speaker, this is not important. I shall refer to the speech I made in Yellowknife and I shall say that, as regards employment:

[*English*]

The government now has the opportunity to ensure that development of resources in the north will be to the benefit of all citizens of the north. I made the plea, and I repeat it today, that there be an orderly development of resources in the north so as to provide employment for Eskimos and Indians who want to take employment. I am not saying that all Indians and Eskimos must be miners; that is not what I have in mind. But if they do want to take jobs, we want to make sure they are employed in the development of resources of the north. We must make it possible to establish in the Northwest Territories and the Yukon the kind of society that we want in Canada. I have indicated to the mining industry many times since I have been minister that they have to work in that direction, and I must say some good progress has been made.

For example, in the Yukon I have communicated with all companies, and more and more of the Indian people are being employed in mining and related services. While I was in Yellowknife last week I had the pleasure of signing an agreement with Pine Point Mines and the union to enable Indians and Eskimos to receive training if they wished to take employment with the Company. I know one should not be obliged to sign a contract to that effect, but I hope the day will come when this kind of training will be normal practice in the Northwest Territories and the Yukon and ministers will not have to poke their noses into such matters as this.

I do not want to take too much time of the House, but I do think that development of the north is the concern of all Canadians. A few years ago we decided we were concerned enough to spend some of the money raised in Canada on the development of this last frontier. We had no selfish intentions; we did this because we believed the Canadian north should be developed, not just for this generation but for generations to come. We must bear in mind that more money will be required in the years ahead. We must evolve policies and an infrastructure to assist the development of mines, resources and other related industries. What is more important is to make sure that the Canadian north does not become the private preserve of just the few; we must endeavour to ensure that all residents of the north, indeed all Canadians, will benefit from this development.

In closing I should like to say something that reflects the attitude of both the government and myself. Even if we have been a little negative in regard to constitutional development, we feel the time has not yet arrived in the Territories to take the next step of granting status as a province. This is due to the lack of population and financial resources that can be derived from all sources of income in the Territories. Having said that, my attitude is not one of blind opposition to progress, but of opposition to blind progress. I would ask the federal government, those in charge of northern resources and the Territorial government in the north, to work together with the people of the north and their representatives. This I stress very strongly.

It has often been said that the Northwest Territories and the Yukon have insufficient representation. I have disagreed many times with the hon. member for Yukon over many issues. He is the elected representative of the case for the Yukon in this democratic institution which is the House of Commons.

When people say that Yukoners are not democratically represented, they are expressing a very low opinion of the hon. member for Yukon. The same can be said for the hon. member for Northwest Territories (Mr. Orange) who also made some constructive remarks this afternoon. I do not accept all his suggestions, but up to now I have accepted many of his recommendations. He is the representative of the people in the Northwest Territories, and in this democratic institution he puts his case very ably to the administration. This is why we in this House today are spending all day debating, progressively and responsibly, the development of the resources of the north and also constitutional questions. Together with the people of the north we will be able to develop what will become in a few years the most exciting part of North America.

[Mr. Chrétien.]

Mr. Nielsen: Mr. Speaker, before the minister resumes his seat I wonder whether I might ask him two questions. The Prime Minister indicated in a telegram to the Yukon Legislative Council that he and the minister would be pleased to receive in Ottawa either members or a delegation of members to discuss what we have been debating today. Having heard the minister, can he tell me whether any useful purpose would be served in a delegation of councillors visiting the Prime Minister and the minister, or is it possible that his enunciated policy might alter as a result of such meeting?

My second question is this: Since we have been discussing these matters in Yellowknife, in Whitehorse and all day today in the House, and since the government's policy has come out in specifics, will the minister not introduce early next week legislation that he can assure us will go to the standing committee as soon as possible in order that we can obtain the widest range of views?

Mr. Chrétien: Mr. Speaker, to reply to the hon. member's first question, the councillors have asked the Prime Minister (Mr. Trudeau) to receive them. I agree that any discussion with the Prime Minister and myself would help the situation and clear up any confusion that might be in our minds. After all, we are not blind; we can look at our mistakes. However, we will stress our case to them as well. I think we should hear the arguments of both sides, not just of one side. The councillors are moving from their stand taken in the resolution adopted last year, which asked for provincial status without actually calling it such. We will discuss this with them if they come. We are always open minded. The legislation is not ready, but I hope it will be ready soon. This involves a matter of drafting, but we will refer it to the committee as quickly as possible. I will be delighted to appear before the committee and explain the government's stand on this matter.

• (4:50 p.m.)

Mr. Nielsen: I hope the minister—

Mr. Deputy Speaker: Order, please. I am trying to be as generous as possible to the

hon. member in view of his particular interest in the resolution, but I draw his attention to the fact that there are at least two hon. members who want to speak. I should like to recognize the hon. member for Pontiac (Mr. Lefebvre) and the hon. member for Comox-Alberni (Mr. Barnett). I am prepared to allow the hon. member another question if he insists, but I invite his co-operation.

Mr. Nielsen: I have a very short question to ask the minister. Will he assure the House that his bill concerning the Yukon will not be introduced until after he has spoken to the delegation of councillors, particularly in view of his reply to my previous question in that regard?

Mr. Chrétien: Mr. Speaker, I do not know when this meeting will come about, so I cannot give that assurance. If the councillors come in a week or two, the bill will probably not be ready.

[*Translation*]

Mr. T. Lefebvre (Pontiac): Mr. Speaker, I am very much interested in this motion because I had the pleasure to visit the Territories with the Minister of Indian Affairs and Northern Development (Mr. Chrétien) on November 10, 11 and 12. I was not long in noting that the minister is very well known in this huge country and that he had studied in detail problems concerning not only the citizens of the Territories but also all Canadians.

I notice that most of the people living in the Territories trust the minister and know that he is loyal, efficient and honest. We are really happy to have a man of his character to head such an important department, not only for the citizens of the Territories themselves but for all Canadians.

The minister has been holding his portfolio for less than two years and he has already visited the whole Territories. When you consider that this part of the country represents 35 per cent of Canada's total surface, you realize the size of the land the minister has to look after.

During the few remaining minutes at my disposal, I do not intend to give the impression that I have become an expert after spending only three days in the North.

I just want to share the memories I have from my discussions with the citizens of that part of the country.

I attended several meetings where the minister delivered speeches, for instance in Fort Smith and Yellowknife, in the Northwest Territories, and in Whitehorse in the Yukon.

Each time, people listened closely to those speeches, which were warmly applauded. Personally, I was in a position each time to observe the reactions of the citizens.

I had talks with dozens of people, before and after the minister's speeches, and I got the impression that the majority of these citizens did not expect the minister to announce the establishment of provincial status.

They certainly feel neglected sometimes, and if I may, Mr. Speaker, I would like to suggest to my colleagues that they visit that part of the country each time they have the opportunity to do it. I am sure that all those who will be able to go there will, like me, return from their visit with a feeling of satisfaction and will remember the warm welcome from the people of the territories.

The problems these people are facing are almost of the same nature as those of my electors: they are asking for more roads, better communications, a better standard of living, a promising future for their children and the opportunity to live in peace.

[*English*]

The minister also mentioned his participation in the hot-line program while he was on his northern visit. I was with the minister on that occasion and should like to endorse what he said. For almost one hour he received calls from citizens all over the north country, not one of whom raised the subject of wider powers for the council or provincial status for the Territories.

Mr. Nielsen: The minister had not spoken about constitutional development.

Mr. Lefebvre: The minister might not have spoken about it, but the way you talk one would think this was the only thing in the minds of the people up there. I endorse what the minister has said. They have problems similar to the problems in other parts of Canada. They do not think only about provincial status, as the hon. member is trying to make this House believe. They are thinking of many other things.

Mr. Dinsdale: Government by open line.

Mr. Lefebvre: You fellows have all made your speeches. I only have two minutes left and would like to use them, if you do not mind. In speaking of the Carrothers Report I should like to read a couple of lines.

Yukon and N.W.T. Government

[*Translation*]

All of us know that this Commission was created in 1965 at the request of the Territorial Council in order to suggest to the federal government the proper action to be taken to insure the Northwest Territories a greater share in government.

The best compliment the government can pay to those who work on such commissions is to give immediate consideration to their recommendations with a view to enforcing them with the least possible delay.

The evidence of the success achieved by Mr. Carrothers and his colleagues lies in the fact that a great many of the major recommandations were already being carried out the year following the submission of the official report, and that steps were being taken to carry out additional recommendations.

As regards the other suggestions, including those with long term effect on the territorial administration, the government awaited the proper time to put them into practice.

I intend today to inform the House of the federal government's intentions in regard to some of these recommendations as the minister himself announced in Yellowknife on November 10, 1969.

Mr. Speaker, may I call it five o'clock?

[*English*]

Mr. Deputy Speaker: Order, please. It being five o'clock, it is my duty to inform the House that pursuant to section 11 of Standing Order 58 the proceedings on the motion are considered to have expired.

MESSAGE FROM THE SENATE

Mr. Deputy Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate have passed the following bills to which the concurrence of this House is desired:

Bill S-2, an act to amend the Quebec Savings Bank Act;

Bill S-6, an act to amend the Canadian and British Insurance Companies Act and other statutory provisions related to the subject matter of certain of those amendments;

Bill S-7, an act to amend the Foreign Insurance Companies Act;

Bill S-8, an act to amend the Trust Companies Act, and

Bill S-9, an act to amend the Loan Companies Act.

At five o'clock the House adjourned, without question put, pursuant to standing order.

END OF VOLUME I