

CANADA

HOUSE OF COMMONS DEBATES

OFFICIAL REPORT

SECOND SESSION—TWENTY SEVENTH PARLIAMENT

16 ELIZABETH II

VOLUME IV, 1967

COMPRISING THE PERIOD FROM THE TWENTY SIXTH DAY OF OCTOBER, 1967,
TO THE TWENTY SECOND DAY OF NOVEMBER, 1967, INCLUSIVE.

INDEX ISSUED IN A SEPARATE VOLUME

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1967

27053—221½

HOUSE OF COMMONS

Thursday, October 26, 1967

The house met at 2.30 p.m.

[*Translation*]

CANADA ELECTIONS ACT

AMENDMENT RESPECTING AGE QUALIFICATION FOR VOTERS AND CANDIDATES

Mr. Gérard Laprise (Chapleau) moved for leave to introduce Bill No. C-172 entitled "An Act to amend the Canada Elections Act (Qualifications of voters and candidates)".

Some hon. Members: Explain.

Mr. Laprise: Mr. Speaker, the purpose of this bill is to amend the Canada Elections Act in order that only Canadian citizens may be enfranchised in a general election or in a by-election, that the age of voters may be reduced to 18 and that only Canadian citizens aged 18 and over may be entitled to run in a general election or in a by-election.

Motion agreed to and bill read the first time.

[*English*]

PRIME MINISTER

PROVISION FOR RESTRICTION ON USE OF DESIGNATION

Mr. E. F. Whelan (Essex South) moved for leave to introduce Bill No. C-173, respecting the designation "prime minister".

Some hon. Members: Explain.

Mr. Whelan: Mr. Speaker, the main reason I enter this bill is that I am a strong believer in Canada as a nation, a unified nation. I believe the more people we have running around this nation calling themselves "prime minister" the more confusion will be created in people's minds about our nation being one nation with one prime minister. I believe it is the height of hypocrisy for these premiers to talk of unity on one hand and then ask to be called "prime minister" on the other.

Some hon. Members: Hear, hear.

Mr. Whelan: Mr. Speaker, I am a Canadian who believes only one man in Canada should be called the prime minister, and that man is the leader of our federal parliament.

Some hon. Members: Hear, hear.

Motion agreed to and bill read the first time.

HOUSING

INQUIRY AS TO ACTION TO INCREASE NUMBER OF STARTS

On the orders of the day:

Mr. John Loney (Bruce): Mr. Speaker, may I direct a question to the Minister of Labour. It is based on the economic council report that 200,000 new homes are needed annually to house the increase in population and new family formations. Since housing starts in Canada are now running at an annual rate of 178,000, what direct and positive action is the government considering to ensure that the need will be met?

Mr. Speaker: Order. I have some doubt whether a question of the type asked by the hon. member is in order. As he knows, under the rules he is obliged to ask more specific questions than this. He is asking the minister to make a general statement, and in my view this is the type of information that ought to be given on motions rather than by way of an answer to an oral question.

Mr. Loney: Ten o'clock, Mr. Speaker.

Hon. Michael Starr (Leader of the Opposition): Mr. Speaker, I rise on a point of order. In view of the importance of the matter and because it is so late in the year to reach the goal that has been set for housing in Canada, I ask the Minister of Labour will he make a policy statement within the next few days on this very urgent matter.

Hon. J. R. Nicholson (Minister of Labour): Mr. Speaker, a number of statements have been made during recent weeks on the subject of housing, and I do not believe that any useful purpose would be served by making a further statement at this time.

Mr. Starr: May I ask a supplementary question. Can the Minister of Labour tell us whether there are any plans to cope with this situation and to reach the target?

Mr. Speaker: Order. The hon. member is restating the question asked by the hon. member for Bruce.

Mr. David Lewis (York South): Mr. Speaker, I have a further supplementary question for the Minister of Labour. I should like to ask him whether he will discuss with the

Prime Minister the possibility of tabling the letter from the Prime Minister to the premiers of the provinces calling for a conference on December 11 on housing and related matters, so that members of this house may see what the proposed agenda is.

Mr. Nicholson: I shall be glad to discuss this with the Prime Minister, but I think it might be more opportune to wait until the Prime Minister has had an opportunity to receive some replies.

Mr. David MacDonald (Prince): Mr. Speaker, in view of the obvious responsibility which I believe the larger municipalities have in respect of housing, would the Minister of Labour tell us whether the municipalities will be represented in some way at this conference which is to be held in December?

Mr. Nicholson: Mr. Speaker, I should think that would be a matter for the heads of the provincial governments to decide. The municipalities are creatures of the provinces. An invitation has been extended to the premiers of the ten provinces by the Prime Minister, and they have been asked to bring along such people as they think may be able to contribute to the discussion and advise the governments concerned.

TRADE

WHEAT—MAINTENANCE OF PRICE RANGE UNDER INTERNATIONAL AGREEMENT

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I direct a question to the Minister of Trade and Commerce with regard to the international grains arrangement, 1967, which he tabled in the house the day before yesterday. In view of the fact that this arrangement does not become effective, even if ratified, until July 1, 1968, is there any addendum to it or any written agreement among the signatories to carry out the assurance the minister gave the house last May that the price range contained in the agreement would be observed until the agreement came into effect?

Hon. Robert Winters (Minister of Trade and Commerce): No, Mr. Speaker, there is not. However, the hon. member is aware of the action taken by the government to ensure the minimum price to the Canadian Wheat Board of $1.95½ for No. 1 Northern.

Mr. Douglas: I have a supplementary question, Mr. Speaker. When the minister gave the assurance to the house that the price range would be maintained during this 11 month period when no agreement was in effect, was that the result of a gentleman's agreement among the signatories or merely a pious hope on the part of the minister?

Mr. Winters: I do not think I expressed a pious hope or referred to a gentleman's agreement. I said that generally speaking the price would respond to the forces of the market.

Mr. George Muir (Lisgar): Mr. Speaker, I have a further supplementary question for the minister. Do I take it, then, that the government intends to allow wheat to be sold in the world markets at less than the floor price?

Mr. Winters: If we have to, in order to meet international competition. I hope that will not be the case too often. Where it is the case the differential will be paid to the wheat board, as I outlined earlier.

[*Translation*]

EXTERNAL AFFAIRS

CYPRUS—POSSIBLE RETURN OF CANADIAN TROOPS

On the orders of the day:

Mr. Gérard Laprise (Chapleau): Mr. Speaker, I should like to put a question to the Secretary of State for External Affairs. Could he tell the house whether the situation in Cyprus is such, in his opinion, that we can expect our troops to return at the end of the year, when the agreement comes to an end?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I will take that question into consideration and give an answer tomorrow.

[*English*]

ROYAL CANADIAN MOUNTED POLICE

INVESTIGATION INTO ALLEGED MARIJUANA SELLING BY U.S. DRAFT DODGERS

On the orders of the day:

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, I should like to direct this question to the Solicitor General. It is an important question so far as the mental health of the Canadian people is concerned. Has the minister requested a full report from the R.C.M.P. in reference to the allegations by responsible people that draft dodgers from the United States are peddling marijuana? If not, is he prepared to ask the R.C.M.P. for such a report, and will he report to the House of Commons in this regard?

Hon. L. T. Pennell (Solicitor General): Whenever the R.C.M.P. receives a report that people are breaking the law it conducts an investigation. I assume it will do the same in these circumstances.

Mr. Woolliams: A supplementary question, Mr. Speaker. Perhaps the minister misunderstood me. Will he inform the House of Commons if a report saying that draft dodgers are illegally peddling marijuana in Canada is brought to his attention?

Mr. Pennell: Mr. Speaker, I feel this is an extraordinary request, because I should have to report to the house every time someone violated the law of Canada in this regard. I confidently assure the hon. member that if such breaches of the law are brought to the attention of the R.C.M.P. it will take immediate action.

INQUIRIES OF THE MINISTRY

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Minister without Portfolio who is sitting behind the Minister of Indian Affairs and Northern Development.

Mr. Laing: You have the wrong minister.

Mr. Côté (Longueuil): I am the Postmaster General.

Mr. Herridge: I beg your pardon. I am addressing my question to the Minister without Portfolio, wherever he is. I wish to ask this question, Mr. Speaker, to clear some confusion in my mind. Perhaps the Acting Prime Minister can help me. In view of the position taken by the Acting Prime Minister the other day with respect to the use of the phrase "prime minister", and considering the bill tabled by a member of his party this afternoon, can the Acting Prime Minister inform the house why the Minister without Portfolio writes to the premier of British Columbia addressing him as "Mr. Prime Minister"?

Hon. Paul Martin (Secretary of State for External Affairs): I have always recognized the Minister without Portfolio to be a generous and very diplomatic man.

Mr. R. Gordon L. Fairweather (Royal): Mr. Speaker, I have a question for the Minister of National Defence. Is the minister satisfied that the security of the state is able to withstand the disclosure that the armed forces are substituting a soft shoe drill routine for parade ground-shaking foot stamping; and can an expectant nation soon learn of other significant reforms in the Department of National Defence?

Mr. Speaker: Order, please.

POLLUTION

TAX INCENTIVES TO PLANTS INSTALLING CORRECTIVE DEVICES

On the orders of the day:

Mr. P. B. Rynard (Simcoe East): I wish to address a question to the Minister of Energy, Mines and Resources. In view of the galloping danger from air pollution, will the government immediately consider allowing tax incentives to any plants that instal anti-pollution devices?

Hon. Jean-Luc Pepin (Minister of Energy, Mines and Resources): These incentives already exist, Mr. Speaker.

[*Translation*]

LABOUR CONDITIONS

WAKEFIELD, QUE.—RETRAINING OF WORKERS LAID-OFF

On the orders of the day:

Mr. Gaston Isabelle (Gatineau): Mr. Speaker, I wish to direct to a question to the Minister of Manpower and Immigration. Can he tell the house if discussions have been or will be initiated between the Aluminum Company of Canada and his department about the retraining of that company's employees who will be laid off early next year when the processing plant in Wakefield shuts down for good?

Mr. Speaker: Order. It seems to me that the hon. member's question is not of any immediate urgency since he is alluding to a situation that might arise next year only.

Mr. Isabelle: Mr. Speaker, that matter is as important for the riding of Gatineau as that of Dosco for the maritimes.

Hon. Jean Marchand (Minister of Manpower and Immigration): Mr. Speaker, the Aluminum Company of Canada has advised the Department of Manpower and Immigration of its intention to close down its plant at Wakefield; there have been meetings of provincial authorities with the authorities of the company and representatives of our

department; other meetings are scheduled and we shall do everything possible to find jobs for people who will be laid off, either in the area or in the locality itself.

[*English*]

AGRICULTURE

TURKEYS—PROTECTION AGAINST EXPORTS FROM U.S.

On the orders of the day:

Mr. J. N. Ormiston (Melville): Mr. Speaker, I have a question for the Minister of Agriculture. In his absence may I direct it to his parliamentary secretary, who may take it as notice. What action is being taken by the minister's department to prevent the flooding of the Canadian market with United States turkeys at prices with which our Canadian producers cannot compete?

Mr. Bruce S. Beer (Parliamentary Secretary to Minister of Agriculture): I thank the hon. member for his question. I shall bring it to the minister's attention.

NATIONAL DEFENCE

PROPOSED RETURN OF ARMED FORCES FROM EUROPE TO REDUCE EXPENDITURES

On the orders of the day:

Mr. Andrew Brewin (Greenwood): My question is for the Minister of National Defence. Has the minister suggested to his colleague the Minister of Finance that a good way to bring about substantial reductions in government expenditures and save tens and possibly hundreds of millions of dollars is to repatriate the Canadian army brigade and air division from Europe?

Mr. Speaker: Order, please. The hon. member cannot ask about communications between members of the cabinet.

Mr. Brewin: May I rephrase my question, Mr. Speaker. In an effort to assist the Minister of Finance to reduce government expenditures has the minister proposed the repatriation of the Canadian army brigade and air division now in Europe, thereby saving tens and perhaps hundreds of millions of dollars?

Hon. Léo Cadieux (Minister of National Defence): I have not, Mr. Speaker, because I do not believe in that proposition.

[Mr. Marchand.]

NATIONAL SECURITY

INQUIRY AS TO REPORT OF ROYAL COMMISSION

On the orders of the day:

Hon. E. D. Fulton (Kamloops): Mr. Speaker, may I ask the Minister of Justice a question in the absence of the Prime Minister. Could the minister tell us when we may expect a report from the royal commission established to investigate security procedures in Canada?

Hon. L. T. Pennell (Solicitor General): Mr. Speaker, perhaps I may be permitted to deal with this question. It is my understanding that we should not expect the report until some time in the middle of next year; and that is not a firm date according to my knowledge at this time.

Mr. Fulton: A supplementary question, Mr. Speaker. In view of the fact that this commission was established in November of last year, could the minister tell us whether it has completed the taking of evidence?

Mr. Pennell: I am sorry, Mr. Speaker, that I am not able to be helpful to the hon. member on that point. The royal commission is, of course, master of its own procedure. It has been some time now since I appeared before the commission as a witness. At that time it was my understanding that they did not expect to complete their report until some time in 1968.

Mr. Speaker: The hon. member for Royal.

Mr. Fairweather: Mr. Speaker, I have a question for the—

Mr. Fulton: Mr. Speaker, I think the Minister of Justice had something to add to the reply of the Solicitor General.

Mr. Speaker: Has the minister a supplementary answer?

Some hon. Members: Oh, oh.

ADMINISTRATION OF JUSTICE

BRITISH COLUMBIA—USE OF HYPNOTISM ON ACCUSED IN COURT

On the orders of the day:

Hon. P.-E. Trudeau (Minister of Justice): Mr. Speaker, I was going to say "While I am on my feet", but I should say "While I am on the feet of the Solicitor General." I wish to reply to a question asked yesterday by the

hon. member for Peace River about a case in British Columbia.

I did look into the case that was mentioned. Of course I cannot comment on it while it is sub judice. However, when the facts are established, if there are any evidentiary rulings after the case has been heard and an appeal, if any, disposed of, I undertake to have my department look into the matter to see whether the Canada Evidence Act should be altered in view of the decisions.

FISHERIES

INQUIRY AS TO ESTABLISHMENT OF GEOGRAPHICAL CO-ORDINATES

On the orders of the day:

Mr. Ron Basford (Vancouver-Burrard): Mr. Speaker, I should like to direct a question to the Acting Prime Minister arising out of his statement before the external affairs committee this morning. When will the Secretary of State for External Affairs announce the establishment of geographic co-ordinates to include Dixon entrance, Hecate strait and Queen Charlotte sound within the protected fisheries of Canada?

Hon. Paul Martin (Secretary of State for External Affairs): I cannot give any firm date, Mr. Speaker.

Mr. Lloyd R. Crouse (Queens-Lunenburg): A supplementary question, Mr. Speaker. The Secretary of State for External Affairs has already announced that within the next few days the government will issue a first list of geographical co-ordinates of points which will permit the immediate enforcement of a straight base line system along the coast of Labrador and the eastern and southern shores of Newfoundland, and that other lists will follow for other areas. When the minister makes the announcement in respect of other areas will he tell the house whether they will include the gulf of St. Lawrence as a body of water that will be defined as internal waters of Canada?

Mr. Martin (Essex East): Mr. Speaker, section 5 of the act authorizes the government to establish base lines. The base lines depend largely on the negotiations which are under way. We have established the co-ordinates along the coast of Labrador and the southeastern and southwestern coasts of Newfoundland. When we are in a position, depending on our negotiations, to announce further base lines, this will be done.

Mr. Basford: What countries are opposing the establishment of these co-ordinates on the west coast?

Mr. Speaker: Order, please.

DRUGS

ANTI-TRUST PROCEEDINGS AGAINST UNITED STATES FIRMS

On the orders of the day:

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I have a question for the Registrar General of Canada. I should like to ask him whether he or his department is in contact with the United States justice department's anti-trust division in connection with the prosecution by the United States government of three of the largest drug companies in the United States for conspiring to keep the prices of antibiotic drugs at an abnormally high price and if so whether action of a similar nature may be expected in Canada.

Hon. John N. Turner (Registrar General): We are following the progress of that case in the United States.

Mr. Orlikow: On a supplementary question, Mr. Speaker, could I ask the Registrar General whether his department has established or is considering the establishment of regular communications with the United States government in this respect.

Mr. Turner: As I said, Mr. Speaker, we are following the presentation of evidence in this case and will examine the results when the court makes its decision.

Mr. T. C. Douglas (Burnaby-Coquitlam): I have a supplementary question, Mr. Speaker. I should like to ask the Registrar General whether the officials in his department are investigating the activities of these three companies, with reference in particular to the antibiotics aureomycin and terramycin, with a view to seeing whether a similar conspiracy obtains in Canada to maintain artificially high prices; and if such an investigation is being carried out what action does the government intend to take in the light of that investigation?

Mr. Turner: Mr. Speaker, as I have said, the director of investigation and research of the combines branch is following the course of this investigation in the United States. I think he can be expected to take whatever action his statutory duties demand. I am also watching it.

Inquiries of the Ministry

INDIAN AFFAIRS

PROTECTION OF HUNTING RIGHTS UNDER MIGRATORY BIRDS CONVENTION

On the orders of the day:

Mr. Robert Simpson (Churchill): Mr. Speaker, I should like to direct a question to the Minister of Indian Affairs and Northern Development. Is he in a position to inform the house what if any progress has been made in the effort to untangle the confusion and conflict which exist between the Migratory Birds Convention Act and the hunting rights which the Indian people in Canada supposedly have under their treaties?

Mr. Speaker: Order, please. The hon. member is now asking the minister to make a statement of policy. This is the type of statement which should be made on motions rather than at this time in our proceedings.

Mr. Simpson: On a point of order, Mr. Speaker, this question has been asked on several occasions, and if my memory serves me right we have been told that this matter is being considered by the government. I wonder whether any progress has been made.

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development): I should like to assure the hon. member that a great many studies have been carried out in this respect and at the present time discussions are going on with the Indian people. We are hopeful that a solution will be found which will be acceptable to the Indian people and perhaps even to the hon. member.

Hon. W. G. Dinsdale (Brandon-Souris): I have a supplementary question, Mr. Speaker. In the light of the report on Indians and the law which was tabled in the house the other day I wonder how soon the minister can establish a system whereby special constables with R.C.M.P. training would be appointed to deal with the problems of law and order on our Indian reservations.

Mr. Laing: This is only one aspect of the recommendations made in the survey. We will be looking at the entire report, and I hope we will act in many fields in addition to the one mentioned by the hon. member.

Mr. Dinsdale: I have a further supplementary question, Mr. Speaker. This particular problem has been discussed many times. I am wondering whether the government has made any moves in anticipation of the recommendations contained in the report.

[Mr. Turner.]

CANADIAN PACIFIC RAILWAY

CALGARY—PROTESTS RESPECTING SHOP LAY-OFFS

On the orders of the day:

Hon. Jean Marchand (Minister of Manpower and Immigration): Mr. Speaker, yesterday I promised the hon. member for Bow River to give him a report on the employment situation at the C.P.R. terminal shops in Calgary, where 400 men were laid off. Most of them have been called back; they know their return date. If a few of them are not rehired it will be quite easy to find jobs for them, because they are highly skilled labour.

GRAIN

REPORTED LACK OF BOX CARS AND SHIPPING ORDERS

On the orders of the day:

Mr. Lawrence Watson (Assiniboia): I should like to direct my question to the Minister of Trade and Commerce. A week ago today he promised to ask the Canadian Wheat Board about the possibility of calling western farm representatives together to see what could be done with regard to the shortage of shipping orders and box cars in western Canada. I wonder if he can report on that now.

Hon. Robert Winters (Minister of Trade and Commerce): Mr. Speaker, I will look into that. I had a report but I do not have it with me at the moment. I will discuss it with the hon. member.

HOUSE OF COMMONS

REQUEST FOR MEETINGS OF COMMITTEE ON PROCEDURE

On the orders of the day:

Hon. Michael Starr (Leader of the Opposition): I wish to address a question to the Minister of National Health and Welfare. Many suggestions have been made by members of our party for changes in the rules and procedures. Will the minister, who is also chairman of the special committee on procedure, institute meetings of this committee on a regular basis in order that discussions may take place on proposed changes on a continuing basis rather than in the slipshod manner in which meetings are being called now?

Hon. A. J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, we will be glad to schedule as many meetings as the members of the committee desire.

Mr. Starr: Will the minister consider calling one very shortly to set up a schedule?

FINANCE

COMMITTEE CONSIDERATION OF REGULATIONS RESPECTING INTEREST DISCLOSURE

On the orders of the day:

Mr. H. E. Gray (Essex West): I should like to direct my question to the Minister of Finance. Can he inform the house when, on behalf of the government, he will be asking this house to refer to the finance committee the regulations under the Bank Act for the disclosure of interest rates, as he indicated he would be doing when this matter was before the house at an earlier date?

Hon. Mitchell Sharp (Minister of Finance): I thank the hon. gentleman for reminding me, and I will do so immediately.

TRANSPORT

TRENT CANAL—REQUEST FOR CANCELLATION OF PROPOSED FENCING OF LOCKS AND DAMS

On the orders of the day:

Mr. R. A. Webb (Hastings-Frontenac): I should like to direct my question to the Minister of Transport. The Department of Transport have written letters suggesting they are going to fence in the locks and dams on the Trent canal system. I should like to ask the minister if he would take immediate steps to cancel any such projects.

Mr. Speaker: Order. The hon. member has made representations, but they could not be accepted as a question.

LABOUR CONDITIONS

PROPOSED LAY-OFFS OF RAILWAY MAINTENANCE OF WAY EMPLOYEES

On the orders of the day:

Mr. Norman Fawcett (Nickel Belt): I should like to ask the Minister of Labour if he has received representations from the brotherhood of maintenance of way employees regarding the imminent lay-off of a large number of track maintenance men by both the Canadian Pacific and Canadian National railways. If he has, what action is being taken to forestall this lay-off?

Hon. J. R. Nicholson (Minister of Labour): I have a recollection of some such communication having come in, but I should like to take the question as notice.

[*Translation*]

CAPITAL PUNISHMENT

REFERENCE TO HOUSE COMMITTEE OF PROPOSED LEGISLATION

On the orders of the day:

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I wish to ask the hon. Solicitor General whether he intends to refer to a committee of the house the bill he has brought down on the abolition of capital punishment in certain cases so that the hon. members may hear experts and be more objectively informed on the bill?

[*English*]

Hon. L. T. Pennell (Solicitor General): Mr. Speaker, I believe the answer will be determined in part by negotiations among the several house leaders. I must say that at this moment I am not expecting to follow the course suggested by the hon. member.

INDIAN AFFAIRS

INQUIRY AS TO INTRODUCTION OF AMENDMENTS TO ACT

On the orders of the day:

Mr. Frank Howard (Skeena): May I direct a question to the Minister of Indian Affairs and Northern Development. In the light of recent statements the minister has made concerning amendments to the Indian Act, I wonder if he could tell the house with some clarity when those amendments might be introduced.

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development): We have had repeated references back to the Indian people themselves so they will have an understanding of these amendments and be satisfied with them. It would appear to me now that it would be after Christmas before they can be introduced.

ATLANTIC DEVELOPMENT BOARD

ALLEGED FAILURE TO USE SERVICES OF ATLANTIC PROVINCES ECONOMIC COUNCIL

On the orders of the day:

Mr. David MacDonald (Prince): My question is directed to the Minister of National Health and Welfare. In the light of recent statements by the Atlantic Provinces Economic Council critical of the fact that the Atlantic Development Board has failed to use their

services in drafting a comprehensive plan of development for the Atlantic region, will the minister now be directing the Atlantic Development Board to make greater use, particularly in the next month or so, of the offices of APEC in order to produce a comprehensive plan for the region that will be meaningful?

Hon. A. J. MacEachen (Minister of National Health and Welfare): The Atlantic Development Board is moving toward the preparation of a comprehensive development plan for the Atlantic provinces. The studies preparatory to a general plan have concentrated on sectors of the economy such as, for example, forestry, agriculture and so on. The reports concerning these sectors will be considered at the next meeting of the Atlantic Development Board, and following these discussions it will be possible to move toward the preparation of a comprehensive development plan for the Atlantic provinces.

Mr. MacDonald (Prince): May I ask a supplementary question. I wonder if the minister could indicate, in view of the more than a decade of experience of APEC, why the services of this most important body have not been used to date in the drafting of this plan.

Mr. Speaker: Order, please. The hon. member for Burnaby-Coquitlam.

Mr. T. C. Douglas (Burnaby-Coquitlam): I have a supplementary question. In view of the report of APEC, to which I referred the other day, to the effect there is a great deal of confusion and lack of co-ordination existing among the various federal and provincial bodies concerned with the economic development of the Atlantic region, has the minister given any thought to having a conference of the agencies so we will avoid a situation such as APEC describes, within the province of Nova Scotia having three plans put before them rather than one?

Mr. MacEachen: Mr. Speaker, I am not prepared to accept fully the comments of the Atlantic Provinces Economic Council concerning the lack of co-ordination among these agencies concerned with economic development. It is true that in recent years we have set up many new programs and new agencies to operate in this field, and I am sure there is a desirable necessity for co-ordination. We are quite happy to consider any comments made by APEC in order to improve the situation.

FISHERIES

INQUIRY AS TO ESTABLISHMENT OF FRESH WATER FISH MARKETING BOARD

On the orders of the day:

Mr. Ed. Schreyer (Springfield): I should like to ask the Minister of Fisheries whether, after deliberation, the government has any immediate plans for the establishment of a fresh water fish marketing board as recommended by the McIvor commission.

Hon. H.-J. Robichaud (Minister of Fisheries): I had hoped my hon. friend would be aware of the fact that this matter comes under the jurisdiction of the Minister of Trade and Commerce.

Mr. Schreyer: Then may I put the question to the appropriate minister. In view of the many requests for action in this connection, can the minister say whether the government has formulated any immediate plan of action?

Hon. Robert Winters (Minister of Trade and Commerce): We are still awaiting the reaction of several agencies and one or two provinces. In the absence of these replies we have not yet formulated a plan.

TRANSPORT

PRINCE EDWARD ISLAND CAUSEWAY— REPORTED DECISION TO INCLUDE RAILS

On the orders of the day:

Mr. David MacDonald (Prince): I should like to direct my question to the Minister of Public Works. In view of the remarks made yesterday in Charlottetown by Colonel Edward Churchill to the effect it has now been decided rails will be included in the design of the Prince Edward Island causeway, can the minister assure this house that such a decision has been taken by his department?

Hon. G. J. McIlraith (Minister of Public Works): I should point out to the hon. member that neither the text nor the printed reports of this speech indicate that Colonel Churchill said a decision has been taken to include rails on the causeway.

• (3:10 p.m.)

SUPPLY

The house in committee of supply, Mr. Batten in the chair.

DEPARTMENT OF MANPOWER AND IMMIGRATION

Departmental Administration—

1. Administration, operation and maintenance, $4,206,600.

[*Translation*]

Hon. Jean Marchand (Minister of Manpower and Immigration): Mr. Chairman, when the estimates of my department were studied last year, I pointed out that in the forthcoming months we would be introducing a number of projects and programs.

Since I have had the honour of directing the destinies of the Department of Manpower and Immigration, somewhat less than two years, we have adopted a new method to distribute training allowances which has proved remarkably effective as may be seen by the number of adults who adapt themselves to retraining.

We have implemented a good number of pilot projects which tend to direct our action towards the training of handicapped persons.

I proposed a new legislative measure for the creation of advisory bodies.

I presented a white paper on immigration.

We reformed the Immigration Appeal Board.

We have, for the first time, consolidated immigration selection procedures by adopting new regulations which will be of greater benefit to individuals while at the same time meeting our manpower needs in a more satisfactory way.

We have set up a new and better system of enrolment in vocational training institutions.

And we have implemented a new manpower mobility program.

Since most of those programs are now being implemented, the estimates which we are considering at this time naturally represent the amounts of money we need for the 1967-68 fiscal year. I also wish to take this opportunity to explain the other steps taken in order to provide Canada with an extensive range of services in the fields of manpower and immigration.

A manpower policy, Mr. Chairman, is short-lived if it does not provide both the workers and the employers with adequate services in their work or their everyday life. This is the basic need which inspired the program changes I have just mentionned. To this end, we made special efforts to improve the counselling services of the manpower centres all over the country.

I said earlier that we would not get short-term results, because our efforts can be successful only if they are continued all year long. Furthermore, some of our officials must undergo difficult readjustment to new working devices and new methods. Hence the necessity to institute personnel training programs of unprecedented scope in both the public and private fields. The results of such an effort take some time to become apparent. They are not obtained without transitory difficulties nor mistakes. On the other hand, I am pleased to point out that the first results are beginning to be felt much more quickly than I had hoped.

But we are far from having in each of our communities a manpower centre of Canada to which one would quite naturally apply to solve an employment problem, a centre which the community would consider has an essential unit of its activities, finally a centre which would help people to use their skills in the best possible way in the work of their choice. Such a centre would also provide employers with the services which they require to fulfil their task. We are not even close to such an ideal objective, but several of our offices should attain it before long.

Now, I want to say a few words about our staff. We all know that consultation is very demanding, that it is not practised as if the applicant were a mere cog in the production machinery of a large industry. It calls for interviews where emphasis must be placed on the employment needs of the applicant and the help he requires to find out all about his skill, to provide him with information he will understand and use to his advantage when applying for a job or a promotion. Of course, in many cases the information called for pertains to the jobs available, according to time and place. Then, placement must be done without delay and needs are sometimes more complex because quite often an individual is unable to improve his situation or his income because in order to take a vocational training course he has to move for which he needs financial help.

To this effect, our personnel must have a wide knowledge of human behaviour and of the nature and activity of the labour market. Therefore, each employee must make the best use of his knowledge and must have the personal qualifications required to give out proper advice and information.

Training for that type of work is difficult and sometimes upsetting. It concerns senior officials, some of whom have to temporarily relinquish their regular duties, receive the required training and subsequently take up their duties again, equipped with all that is required to face national manpower problems. Such training cannot be acquired overnight. Yet, it is essential to all our activities.

As the training of our staff improves, the quality of its work will be directly related to the amount of information available with regard to the labour market. On the one hand, the workers must know the place and the nature of a planned employment. On the other hand, the employers must know where to find the labour force. Therefore, the training courses the most apt to assist the workers must be known. Also, vocational counsellors, instructors and educators must be provided with appropriate information about the labour market to advise the students on planned careers and jobs.

That is why we need a very good information service about the labour market. As was emphasized by the Economic Council, there is no such service at the present time and we shall attempt to set up one. At the present time, we are recruiting labour force analysts. They will be responsible for the collection and analysis of information on present and future employment, and they will set up the information so that it may be useful to our labour advisers and to anyone else who might need it anywhere in Canada.

The ideal solution would be to make available to the labour advisers in the Canadian manpower centres a complete index of appropriate employment everywhere in Canada, which they could look up to direct toward appropriate jobs, the people looking for a suitable position. This objective will be reached progressively. We must rely on the co-operation of employers to get the necessary information and we shall win them over only if we can prove to them the usefulness of those services. As the services we provide for workers and employers improve, an increasing number of people will take advantage of them because they fulfil their needs. This will allow us to be better informed and present a truer picture of the Canadian labour market.

• (3:20 p.m.)

However, to reach our goals we must take giant steps and we cannot wait for this gradual process in order to act. In other words, we must sometimes have recourse to other sources of information which give us an adequate idea of the trends of the labour market, even though we do not know all the particular aspects. Together with the Dominion Bureau of Statistics, we have agreed to undertake in September a quarterly review of jobs available in Canada. On the basis of experiments made in that connection in 1966, we invited the bureau to prepare and implement a detailed account of the number of jobs available by occupation, by area and by industry. These details will then be sent to the Canadian manpower centre, where manpower analysts will co-ordinate them so as to allow improvement of the service without delay.

We have two basic tools to improve employment conditions for workers: orientation and information. To these tools are added, of course, others means, the most important relating to manpower mobility and training. The new aspects of these two programs were explained to the house earlier this year, and I do not intend to give the details now. I want to say a few words about what has been done.

The increases in the training allowances which the house approved last year were very useful. A large number of unemployed underwent training last winter. During the last three months of 1966 and early in 1967 the monthly enrolment doubled compared to last year's.

But such success, impressive as it might be, is not enough. The figures alone cannot show the full scope of our new needs which, from now on, must deal with the improvement of adult training methods. To avoid spending money needlessly and disappointing the people, we must make sure that the training given to an individual is in keeping with the work he wants to do eventually.

That last consideration implies a change of attitudes and duties, both on the part of our officials, and those of the departments of education and of school boards.

The adoption of such a policy will necessarily give rise to certain tensions and difficulties. But the difficulties caused by our project have never been as great as some circles have led to believe by quoting figures for various months of the year. Anyway, the difficulties were short-lived. As soon as school starts in the fall, the number of adults taking training classes keeps on increasing. Last winter, the first year following the creation of our department, the number of students increased more than ever. The agreements entered into with the provinces, under the new program, will ensure a further increase.

This trend explains the estimates we had to prepare.

[*English*]

The financial provision for training operations totals $110 million in these estimates. This in itself is a considerable increase over

last year. However, when these estimates were drawn up virtually a year ago we could not be sure how quickly training would develop under the new programs and therefore budgeted cautiously. As the Minister of Finance announced in his budget speech some time ago, the pace of activity which has in fact proved possible will require a substantial supplementary estimate.

I do not apologize for this. The need for more training is universally recognized. Our studies have fully confirmed that training, if it is for the right jobs, yields economic benefits far greater than its costs. In the world in which we now live workers need training to keep up with technological change and our economy needs their new skills. Adult occupational training is vital to the growth and technological development of the Canadian economy from one end of the country to the other. At the same time, and precisely because training is so important, I am determined to see that the large sums involved are well spent, even though this means we shall be criticized because we cannot provide everything that some individuals want or that some agencies think we should make available.

I do not think, Mr. Chairman, it is necessary to convince the house of the importance of training as a means of improving productivity and living standards. We have to invest in our people. It is my concern to see that we do this on the increasing scale that is necessary, and at a pace at which we can ensure that the money is well spent.

Turning now to the matter of geographic mobility, the house will recall that a manpower mobility program was initiated late in December, 1965. From that date to the end of March, 1967, a total of 2,748 loans and grants were provided to workers and their families to help them move to communities where they could get jobs. That is not a large number. But it was an important program for the workers who did benefit; on the average their annual incomes were more than doubled. From the national viewpoint the increase in their output was, even in the first year, much greater than the amount the federal government paid to help them move.

Accordingly, as I announced in March, we began on April 1 a new program which eliminates loans and enables many more people to benefit from grants. Since then the rate of utilization of the program has increased to about five times what it was last year. In the first four months of this fiscal year over 3,600 people received grants to move; of these, over 2,200 were relocation grants and the remainder exploratory.

I should say that except in special emergency cases like that of Bell Island the program is not being used to move large numbers of people away from particular areas. Most of the moves are within a province or region. That is to say, in most cases we are able to find new jobs without having to move people too far from home. I should like to reaffirm too that the mobility program is being implemented in line with the economic plans and programs of the provinces and of other federal government agencies.

I would like to turn now, Mr. Chairman, to the other major responsibility of my department—immigration. In October, 1966, I tabled in this house a white paper on Canadian immigration policy. As you know, this white paper has been given intensive study by a special joint committee of the Senate and House of Commons, and I would like to take this opportunity again to express my thanks and appreciation to members of the committee for their careful consideration of immigration principles and policies. Their frank criticisms, as well as their suggestions, were of immense help in framing the new regulations which took effect on October 1.

I intend to submit a new immigration act to this house as soon as the timetable allows. I will not now take the time of the house to discuss in detail the new regulations or the policy details which I discussed with the special committee last April 18. The regulations are, I believe, a great step forward. They are completely non-discriminatory. They give increased recognition to family relationships. At the same time they ensure that the flow of immigration is better attuned to our economic needs. They give us for the first time a consistent basis for considering immigration applications from people already here as visitors.

Perhaps most important of all, the new regulations mean that for the first time the rules governing the selection of immigrants are spelled out in detail for all to see. This means that the assessment system will enable immigration officers to apply the same standards in the same way to all potential immigrants. In combination with the new appeal board, which has now completed its preparations and will be ready officially to start work in a few weeks, maybe within a week or ten days, it should provide an objectivity and a humanity which it has not in the past been

able to ensure. I am moved to say, immodestly perhaps but sincerely, that I believe we have made a very long step forward in this difficult area of public policy.

• (3:30 p.m.)

The number of immigrants who came to Canada in 1966 was the second largest since the end of the war, 194,773 people. That number was exceeded only in 1957 when, as hon. members will recall, some very exceptional circumstances prevailed. A successful immigration movement of this size can be sustained only if we are successful in recruiting and training a high quality staff, particularly selection officers. We have improved our services and must continue to do so to get the full benefits of the new policy.

As I have stated on a number of occasions, I believe it is important to bring the flow of French speaking immigrants to Canada more into line with the language characteristics of our population. This is not going to be easy, but I am determined to achieve all the improvement possible.

Last year the number of immigrants from France, Switzerland and Belgium totalled over 12,000, an increase of about 45 per cent over the previous year and the highest figure on record. It will be higher this year. Over 11,000 have already arrived, but this still represents a much smaller percentage of our total immigration movement than we ought to be able to attract.

We cannot take the most effective action to stimulate a greater movement of immigrants from France and other French speaking countries until we know precisely what has been causing the small movement to date. Accordingly we have made arrangements with a group of social scientists at the University of Montreal to carry out a number of studies on the attitudes of people in some of these countries to Canada, on things which stimulate them to migrate, on the experiences in various parts of this country of those who do come to Canada, and on the way in which different groups in Canada regard and respond to such immigrants. We are just beginning to get findings from these studies, and I hope they will enable us to do more to continue the increase in the number of French speaking immigrants.

Another point I would like to make about our immigration activities concerns the steps we have taken to co-ordinate them with our manpower programs. This co-ordination is going forward in two important ways.

[Mr. Marchand.]

First, the build-up of our labour market information system includes provision for making data on our manpower needs available more frequently and more reliably to immigration officers throughout the world. Thus they will be in a better position to counsel those who wish to come to Canada about opportunities and occupational requirements.

Second, we have changed the way in which responsibilities for immigrants once they arrive in Canada are handled. The strengthening of our manpower services across Canada provides an opportunity to ensure that newcomers to this country who are seeking employment are able to obtain the same help as Canadians. This is both in their interest and in ours. Accordingly, the former settlement and placement services of the immigration division have been transferred to the manpower division of the department and integrated with our manpower services. This change has inevitably involved some minor administrative problems, but it is the way in which I believe we can soon render more effective services to immigrants.

I would not want that opinion to be interpreted complacently. On the contrary I would emphasize that there is room for considerable improvement in the help we give to immigrants to get settled in Canada, help which is well worth while in the national interest as well as in the interest of the individual. This is one of the important problems on which my department will try to make substantial progress next year.

At the same time I have to say that the increasing volume of international travel is taxing our existing staff and facilities to the limit. There is the same problem here as in our efforts to help Canadian workers find better jobs. If immigrants are to be fairly selected and are to make a maximum contribution to our economic growth, and if international visitors are to be treated with speed and courtesy, we must have adequate numbers of well trained and efficient staff.

I have referred throughout this review to many programs. But programs approved by parliament are in themselves only expressions of good will. To make them work requires money and people.

I have touched on the highlights of our activities for the period to which these estimates apply. We are trying to do many things, some of them unusually complex and difficult. We have encountered some problems and we will encounter more. We are doing

and we will do our best to meet and solve those problems.

It is very obvious, I believe, that an active, co-ordinated manpower policy can make an enormous contribution to our economic and social progress. It is the response we have to make to accelerating technological change, which requires us all to adjust our ways of work on a scale and with a frequency that are quite new to human experience. But while it is all very well to see the need and legislate the necessary organization into existence, what counts is to make it work. My department exists to serve people, to meet individual needs. Our task is to offer people the information, advice and assistance which will enable them to push open the door to greater economic opportunity. This can only be done person to person.

I believe we have set up the right kind of organization. We have made the right changes in the programs. We are trying to bring our services to the Canadian people where they are needed, how they are needed, when they are needed. I would be the last person to make any large claims for what we have actually achieved so far. We have not set out to get easy, quick results. We have set out to build properly, but I think we are building fast enough to look forward before too long to being able to say that Canada clearly has the best manpower programs and services in the world. I will not be satisfied with any lesser achievement.

Mr. Starr: Mr. Chairman, I wish to say at once that the field covered by the Department of Manpower and Immigration is one of special importance. Expenditures of the department for the fiscal year ending March 31, 1968, are listed at almost $313 million, and a few moments ago the minister said, definitely that these expenditures will be added to by supplementary estimates yet to come before us. However, his department is a rarity among departments in that the estimates show a decline of some $25 million compared with last year. Some $20 million of the estimated expenditures comes under the immigration division. Consequently about $293 million is left to be expended on manpower services.

Our job as legislators is to determine whether the expenditures are justifiable. If they are not then they should be criticized. Vote 10 commits the government to an expenditure of $206 million, in respect of the field of development and utilization of manpower. Of this amount, $120 million is set aside for capital assistance to trade and vocational schools, most of which is now being phased out.

• (3:40 p.m.)

I should like to say a few words about this program which dates back to June of 1961. That was the time the agreements were signed by most of the provinces with the exception of Quebec, which signed later. This is a program which did a great deal to provide the very necessary facilities for the training of our labour force both in the youth and adult groups. After the present government came into office it established a quota basis, based on the per capita of population, and applied it to the moneys already received. Consequently those provinces which had not utilized this program prior to this government coming into office had made available to them millions of dollars for the construction of new schools. This was based on the old agreement in respect of which the federal government had participated to the extent of 75 per cent of the total cost and the provinces to the extent of 25 per cent. This had the effect of alleviating the tax burden on the municipalities for the construction of these facilities.

Other provinces, and I am referring particularly to Ontario, had utilized this program to the extent that when the quotas were set by this government they found they had very little entitlement under the program to the 75 per cent participation by the federal government. Under the quota system the federal government participates only to the extent of 50 per cent. The province of Ontario, which I take only as an example, is a very heavily industrialized province in which a high level of skill is required. An industry in that province which has exceeded the 50 per cent ceiling receives no benefit from the federal government except through the issuing of debentures. These are related to the number of trainees who participate. If there are 500 trainees in a particular school in Ontario, and only 50 are eligible through federal government referrals, then federal participation would be to the extent of only 10 per cent of the total cost of construction. This is most unfair. It places a burden on provinces which are endeavouring to establish the necessary training facilities. The need now is just as great if not greater than it was in 1961. Our labour force is expanding year after year. Instead of a curtailment in the participation of the federal government there should be an acceleration. We must make certain that facilities are available so that skills and

trades so vitally necessary in this age of technology and automation can be acquired.

The minister knows very well that the percentage of jobs available to those persons who have no trade or skill is getting smaller and smaller. The day will come, as the minister himself has said, when everyone will require retraining at least two or maybe three times during a lifetime. This program should be accelerated. The government seems to have lost sight of the fact that there is a growing need for this program. I hope the minister will give this matter serious consideration.

In Ontario particularly the amount of assistance formerly available in respect of the construction of new facilities is not forthcoming now. Referrals by the manpower services have been cut in half in the last year. Nevertheless, unemployment has increased. It is noteworthy that as of September 30, 1966—these figures are available from the Ontario department of education—there had been 7,393 referrals for training by federal manpower offices and as of September 30 this year only 3,896 referrals, a drop of 50 per cent.

This area should be reviewed carefully. If the minister looks into it, he will find these figures are correct. The provincial government has the responsibility of the training curriculum. A 50 per cent drop between last year and this year in federal referrals is very serious. There should be an increase rather than a 50 per cent decrease. A drop of this nature in one year represents a very drastic phasing out of training in the province of Ontario particularly since future grants are based on the proportion of federal referrals. This situation is a cause of grave concern to provincial training officials. These people are wondering whether under this government training programs are being left high and dry.

Another cause for concern is the manner in which the three-year rule is being applied by the federal government. Under the three year rule persons cannot be referred for training until they have been out of school for three years. Then they qualify to receive federal training. This means there is no provision for training high school drop-outs, because they have not had three years in the labour force. I submit that this is precisely the area in which training is needed. It is directly related to the question which we as members of parliament are bound to deal with, whether the taxpayer is getting full value for the expenditure of $206 million in this particular field. I submit that if that group is being left out to which above all training should be made available, that is, the drop-outs, perhaps even the "hippie" group, then this program is not doing a good job.

Perhaps the minister feels that drop-outs should not be disturbed and should be allowed to go on collecting unemployment insurance if they have sufficient contributions rather than being asked to take training. Unfortunately, Mr. Chairman, there are a great number who are not qualified to receive unemployment insurance because of the lack of time spent in employment. They do not have contributions sufficient to qualify. The act was designed to help young people fresh on the labour market to get training so they can obtain useful and gainful employment.

Mr. Marchand: Perhaps the hon. member might permit an interruption. They can receive training. The only thing is that they cannot receive allowances.

Mr. Starr: That is right; that is what I am getting at. That is what this government is doing. They can receive training provided somebody else pays the allowance. The government is not taking this responsibility. That is where this government is falling down and shirking its responsibility to the young people of our country.

• (3:50 p.m.)

Mr. Woolliams: It is a form of blackmail.

Mr. Starr: I submit to the minister that if he has any interest in the young people of our country, in all fairness those who have dropped out of school and have not been in the labour force for the required three years are just as much his or his government's responsibility as the responsibility of the provinces. If he wishes to see our labour force fully trained in the future with the skills that are necessary in modern society, he must assume his responsibilities and give this entire question serious consideration. The three year provision ought to be eliminated.

There are reports from the provinces that the minister's department is being arbitrarily restrictive in its interpretation of "training". I ask the minister, how can young people deal with blueprints, instructions and other documents if they are not proficient in English or French? Being made proficient in either language is part of training. Yet such language courses have been outlawed in the form of assistance given by his department.

Mr. Woolliams: And that is quite ridiculous.

Mr. Starr: I ask the minister to look into this situation and to rescind this regulation or interpretation, if it be an interpretation.

I like to speak kindly of the minister. I have known him for a number of years. He has wide experience of labour conditions and he knows that for a youth to work in a modern, automated industry he must be able to read and write and follow written instructions proficiently.

I also ask the minister to find out why fewer and fewer people are, because of restrictions, being referred for training by manpower offices. Are we to take it that young Canadians now enter the labour market fully trained? Is that why the minister has not included our young people in this program? Or are we to take it that the labour force has finally caught up to automation? I cannot believe that; and I do not think the minister believes it either, especially if one scrutinizes carefully the statement he made earlier today.

The provinces have not found that our young people are qualified to cope with automation. In Ontario the need for training is greater than ever before, according to the authorities, and the parliamentary secretary to the minister knows this because he comes from a highly industrialized region of Ontario. Provincial authorities know that it is almost hopeless for any young person who is without qualifications to attempt to obtain a job in industry. The parliamentary secretary and the minister will agree with that statement. The minister, with his unrivaled experience in this field, will certainly agree with it. The department is fortunate to have at its head a minister who has such a sound grasp of labour conditions. It is fortunate to be headed by a minister who feels such sympathy for Canadian workers. Nevertheless, I ask him not to shirk his responsibilities to the young people of this country.

I ask him to look into the matters I have raised and to see whether there cannot be more referrals by his offices than at present. I am sure the declining number of referrals, does not conform to policy. Something must be wrong with the instructions or regulations and they ought to be amended. Second, to provide for a more flexible interpretation of training, subjects that are not directly part of the technical field ought to be provided for our young people when knowledge of those subjects is essential to enable them to hold down a job. These subjects are not being taught under federal training provisions at present. It is important that they should be. Third, the minister should take steps to waive the three year waiting period. It is not working. It is causing hardship. This policy affects most strongly young people just out of school. They should be given an immediate opportunity for training. Hope of a place in the labour market and in society should not be denied them for three years before allowing them to qualify for training allowances. After all, Mr. Chairman, Canadians are putting up $206 million for these programs and they are entitled to expect results.

In his opening statement the minister said that manpower services had been improved. I hope he is right. In many areas they needed improving. Manpower policies have caused a great deal of dissatisfaction throughout the provinces. The minister knows this because it has been brought to his attention. Confusion and uncertainty about policies are prevalent. As a matter of fact, there are no set goals. Huge sums, nevertheless, are spent without bringing desired results.

I suggest to the minister that in order to ease some of the uncertainty the whole question of training should be referred to a standing committee of the House of Commons. The entire policy ought to be looked into thoroughly. We should review completely the department's training programs. Many questions could be asked in order to clear the air. Witnesses from the provincial departments could be called and we could learn whether the department's policies are working as the provinces wish to see them work. We might learn whether the provinces are able to implement the policies and whether areas of need are being neglected. We ought to hear from labour representatives and from management. The whole subject should be aired. Questions should be asked. I wish to pose questions, and I am sure other hon. members participating in the debate would wish to do so.

With regard to this debate, I hope the minister will not wait until items are reached before answering questions. It will be beneficial to us all if at some point in this discussion he will answer some of the questions.

I wish to ask for a start: What is our program with respect to on-the-job training in designated areas? These are areas trying to entice new industries. Is there any provision whereby employees in those areas have the opportunity to be trained for jobs? Such jobs would be in those industries which have

been enticed to come to such areas by the tax incentives of the government.

• (4:00 p.m.)

We should have information about this program. There is a certain amount of confusion about this matter in the minds of many people to whom I have spoken.

Another question is: What arrangements have been made with the provinces in respect of training? Are people being trained under new facilities or are they being trained under the old facilities? What facilities have been agreed in the arrangements between the federal government and the provinces? How many man-hours of training per year have been agreed upon? I understand that the figure is something like 18 million man-hours of training per year. If that figure is not right, the minister can correct me. These are some of the questions the minister should answer.

Mr. Marchand: It is eight million days of training.

Mr. Starr: My figure is smaller because I said 18 million man-hours of training. Eight million days of training would amount to a great many more million man-hours.

Mr. Marchand: For sure.

Mr. Starr: For sure is right.

Mr. Marchand: You are too conservative.

Some hon. Members: Oh, oh.

Mr. Starr: I ask this question which the minister should be prepared to answer. If the full time agreed upon is not being used, is the federal government committed to pay for the full time? Is the government, in other words committed, to pay for the full time whether or not it is used? The minister nods, so the answer is yes. These are some of the things we should know. How much is this program costing the taxpayers of this country?

If we have to pay for the full time, why are we not utilizing it to the full? If our young people are being paid training allowances, why are they not being trained? Are we paying for empty days in this training program? The minister contracts for eight million days of training a year and says he will send our young people to utilize this time. But if this is not happening—and it seems that it is not—then we are paying for empty days of training. Even where there is no full participation—in some cases nobody is participating—this government is still paying for the time. The minister agrees that this is correct. I know from what I have heard that the provinces will insist upon full payment whether the government uses the full time or not. We find that as of September 30 there was a drop of 50 per cent in the referrals compared with last year.

Some hon. Members: Shame.

Mr. Starr: I ask the minister to answer some of these questions and give us a full picture in respect of this huge expenditure. We should know whether it is being fully utilized and whether it is giving full value to the taxpayers of this country.

I wish to spend a short time now in dealing with our economic development. Canada has a rapidly growing labour force, an increasing consumer demand, high potential output and an expanding economy. The question of productivity is causing concern in this country. Unless it is tackled in a realistic way we will find ourselves in a situation in which we will not be able to compete. One of the ways in which productivity could be assisted by this government is through a reduction in government spending, which contributes to inflation; and a consequent reduction in taxation—I hope the Minister of Finance is listening—which adds to the cost of production and has a debilitating effect on productivity. The minister knows these things and no doubt has on many occasions brought them to the attention of his cabinet colleagues.

The advent of compulsory medicare, which according to the Prime Minister will take place on July 1, 1968, for those provinces which can afford it, will put another burden on the shoulders of the wage earner in this country and will further add to the costs of production through imposing additional taxation upon the economy. In view of this and all the other fixed charges which this government has assumed, it now has the choice of increasing income and corporation taxes or slicing some of its free-wheeling expenditures.

We read with a great deal of interest that the Minister of Finance has now been able to face his cabinet colleagues with the realistic aspects of the financial situation of this country and the government is whittling away at these expenditures. It will be very interesting to all of us to learn what success he has met with in overcoming the stubborn resistance of his cabinet colleagues.

Knowing this government's reluctance to compromise with its divine right to be extravagant, one can only assume that it will raise taxes, adding a further burden to the economy and further reducing the productivity of the nation. It is quite evident, in view of the answer given to my colleague the hon. member for Perth the other day when he asked the Minister of Finance whether he intended to bring in another budget, that the minister is seriously contemplating doing so solely in order to increase taxes. I say this is evident because of the inconclusive answer given by the minister and the hesitancy with which he gave that answer. I notice that the Minister of Manpower and Immigration has left the chamber for a moment.

An hon. Member: He is behind the curtain.

Mr. Starr: I apologize. I should like to call the attention of the Minister of Manpower and Immigration to the fourth annual review of the Economic Council of Canada. It deals with economic policies on page 258. I quote as follows:

> The second basic strategy of economic policy, strengthening the supply and productivity capabilities of the economy, should involve such things as these: measures for promoting greater efficiency, competition, manpower mobility, training and education, and more ready adjustments to technological and other change—

The minister is no doubt familiar with the recommendations with regard to increased adult training as a means of contributing to increased productivity and output. I feel that these matters cannot be too strongly emphasized because there is every evidence that this government is completely unconscious of the vital importance of improving productivity. They even abandoned and disbanded the productivity council we set up. It was making great headway toward reaching the goal of increased productivity.

So far as this government is concerned, productivity seems to be a bad word. Productivity simply means producing at a cost that will enable us to compete in world markets. Anything which adds to the cost of production is anti-productivity. Anything that reduces the cost of production is pro-productivity. Nothing has added more to cost of production in this nation than the economic policies of this government.

The Minister of Finance, referring to the removal of the 11 per cent tax on production machinery and equipment on October 4, said as reported on page 2811 of *Hansard*:

> The removal of the sales tax on production machinery and equipment is an important measure to help achieve lower costs of production—

• (4:10 p.m.)

Who imposed that tax? If its removal helps to achieve lower costs, what did the imposition do? It increased costs, and yet the same government imposed it just a few years ago.

Mr. Sharp: We did it because of the mess we found when we arrived.

Mr. Starr: There was no mess. When the Liberal government arrived things were good. All you did was to throw the money of the taxpayers around as if it were water. Now you find yourselves in a mess and you will have to take drastic action by increasing taxation.

Mr. Sharp: We found this country in a financial mess.

Mr. Starr: The imposition of the 11 per cent tax raised the cost of production all along the line and helped bring about a reduction in productivity, about which most authorities in this country and elsewhere, including the International Monetary Fund, are warning this nation in most positive terms.

Mr. Sharp: Has my hon. friend forgotten the exchange crisis in 1962 and 1963?

Mr. Starr: Certainly not, but what did this government have prior to that time? Nevertheless, when it happened we tried to rectify it.

In the report of the Economic Council of Canada at page 259 there is another reference to the economic inequality existing in eastern Quebec and the Atlantic area. This is not something new. We have been speaking about this for three years but the government has not been listening. It has been dabbling with this problem because it has the reputation now of being a government of dabblers. As a matter of fact the situation in eastern Ontario, western Quebec and the Gaspé, the Lake St. John area and in the greater part of the maritimes is a grave national problem. Recently the government locked out the farmers when they came to parliament. This is the first time such a thing has been done in Canada to Canadians by a Canadian government. It almost made one

ashamed that a government which has neglected the rural economy should close the doors of parliament.

Unless we are to consider human resources as just so many statistics, what must be done in the eastern area is to restructure the economy completely. The eastern Canadian farmer, the farm worker and the rural and semi-urban worker must be given an opportunity to avail themselves of the kind of training programs that we have made available to the city workers, and that also includes the young people about whom I spoke earlier. I ask the minister, does he not feel that the continuing high rate of unemployment in Quebec and the Atlantic provinces is related to the uncertainty and uneasiness existing in these areas? Does the minister not feel that under the manpower provisions a positive program could be evolved which would produce a higher level of training skills throughout these provinces? Surely this is an area in which the federal government should act positively and give every possible aid to the provincial authorities and not add to their confusion by their uncertainty and their lack of interest. There is no question in my mind but that a continuing deterioration of the rural economy in eastern Canada is a serious national problem which should be recognized as such by the federal government and should be attacked by the establishment of national programs rather than by the present band-aid approach for which this government is noted.

The case of Dosco is a good example. When incidents of this kind arose when we were in office—and I predict we will soon be back in office—those who were opposite us howled to high heaven—as the hon. member for Norfolk is doing now. They howled about the inactivity of the government. Now they sit on their hands. Every lay-off which took place in those days was a national disaster and the fault of the Conservative government—that was the hue and cry of those who now sit on the treasury benches. Today the shutting down of whole industries fails to rouse them from their sleepwalking.

Mr. Woolliams: What complacency.

Mr. Starr: There is a whole section of the report of the Economic Council of Canada which I suggest the minister and his colleagues could read with profit if they have not already done so. It is headed "Policy Implications". At page 261 of the report, the economic council bluntly states:

> These developments have led to a growing uneasiness in Canada about the current pace of the over-all advance in government spending. The council shares this uneasiness.

Surely the government cannot say the handwriting is not on the wall. Here is a government agency pointing out that uneasiness is being felt across the country and that it shares this uneasiness. It is not only a question of the amount of spending being done but the direction which it is taking. The council points to the lack of co-ordination, the failure to define objectives, the fumbling and the multiplicity of programs. It gives guide lines which the Minister of Finance might well read to his colleagues at cabinet meetings when he is trying to get them to cut their expenditures in the present fiscal year, never mind the next fiscal year to which he has given so much publicity recently. Since they are not paying any attention to him they may pay attention to the guide lines of the council which appear on page 263 of the report.

I make these suggestions to the minister because in the field of manpower we are dealing with human beings and at times one gets the impression that the government tends to become a victim of self-hypnosis. The government puts down programs on paper without working out the details and it forgets that the test lies in their application to human situations. This does not seem to bother some of those on the other side. They do not care what happens to the young people who are drop-outs from school. They can join the "hippies" so far as the government is concerned; there are other government agencies which can deal with that problem. I ask the minister to look into that situation and to participate in the planning of training programs which could now be extended to these young people so that they can have faith in Canada and look toward a better way of life.

At this point I should like to deal briefly with immigration. I suggest that the government should not apply the points system too rigourously to human beings. There is a tendency in this modern age to use digits and formulae like the points system in relation to human beings. I suggest to the minister that this country was not built by people who came here under a points system. Such a system was never heard of in those days. Our country was built by all kinds of people, a great number of whom would have had difficulty in gaining admission under the new

criteria. I have wondered, since the minister announced the points system, whether John A. Macdonald would have qualified for admission to this country. I have my doubts.

• (4:20 p.m.)

I have a suggestion to make to the minister in this regard. If a prospective immigrant has relatives already established in Canada who are willing to vouch for him, he should be given a great deal better treatment than such people are receiving today. I have a good many immigration cases, as many other members have. I realize that the minister has used his prerogative as often as he possibly could. I hope he will continue to use it and that the kindness and compassion which he possesses will continue to be an instrument of our immigration policy.

If a person has relatives in Canada and the prospect of being self-supporting, surely that person should be allowed to enter. There are a great many cases of hardship caused by the refusal to allow relatives of people already established to come to Canada. I feel that sometimes the government is participating in the separation of families. This is an area where the minister can override some of these rigid regulations. I quite understand that an employee of the branch must apply the regulations, but the minister has a special prerogative. He is full of kindness and it should be applied in these cases. As Canadians and as human beings, Mr. Chairman, we cannot subscribe to a policy of heartlessness in connection with immigration. I ask the minister to consider these suggestions seriously because these matters are weighing heavily on thousands of Canadians today.

Mr. Brewin: Mr. Chairman, the hon. member for Waterloo South is going to deal, on behalf of this party, with that aspect of the minister's speech and estimates relating to manpower. I propose, if I may, to discuss the aspects of the minister's responsibilities which affect immigration. Before I do so, however, I should like to say one word in strong support of the position of the acting leader of the opposition in connection with the three year rule and the hardship it is causing to many of the very people the minister says the policies of this government are seeking to aid. I refer particularly to the immigrants who are brought into this country under a policy which the minister says is designed to add their skills and abilities to the labour pool and to assist not only the people themselves but the whole productive potentiality of this country. However, as the hon. member for Ontario said, under the three year rule the number of people available for training in my city of Toronto has been cut in half. This is a tragedy for some of these people.

It is true, as the minister remarked, that these people are eligible for training, but they are not eligible for any allowances. This means that they have to go on relief. They cannot take any job that is available to them because they cannot retrain themselves so as to gain the skills that are necessary. One aspect of this matter concerns the younger people of high school age who need special instruction in English in order to qualify themselves to go to school. These are the children of immigrants, 15 or 16 years of age, who are wisely invited by the government to come to this country. Naturally they need to brush up on their English. However, the government gives no support at all to the special schools that exist to try to help these younger immigrants to qualify.

This seems to me to be a case of the left hand of the minister having no idea of what his right hand is doing. On the one hand, he tells us it is the policy of his department to aid immigrants who come to this country. On the other hand, his department introduces regulations which result in many of these recent immigrants having no opportunity for training or to become productive members of this country. The minister's actions and his words are totally inconsistent with each other.

I propose to turn now to the question of immigration as such rather than manpower. The minister, with his natural and unassuming modesty, has somehow or other prevailed upon himself to praise the policy of the immigration branch in such glowing terms that even if I had something nice to say about it I would not find it necessary to do so. It is true that the changes in the regulations, the introduction of the points system, the introduction of legislation establishing a new appeal court, are all steps forward. Exactly how they are going to work, no one is quite sure yet. I am still a little dubious about the points system.

As I understand it, you get 15 points if the immigration officer thinks you look as if you may have personal initiative. I do not know if I could ever persuade an immigration officer that I had personal initiative. How is he going to tell? By the gleam in a man's eye? I would hate to be examined somewhere and told: You have passed all the written examinations but I can tell by looking at you that you have no personal initiative and

therefore you lose out because of that. In my opinion this is a very unsatisfactory aspect of the points system.

I should like to ask the minister one question. Has the legislation establishing the new immigration appeal court been proclaimed and is it in effect now? I have seen announcements of appointments to the new court but so far as I am aware the act has not been proclaimed. It must be a number of months now since parliament passed that act, and although we did not feel it was perfect we thought it was an improvement. I should like to see it proclaimed and carried into effect. Perhaps I am smarting a little as a result of recent treatment, but with all respect to the present immigration appeal board I think it is high time the legislation was proclaimed so that we could ascertain how the new appeal system works. I hope the minister will mention that point.

• (4:30 p.m.)

As I say, Mr. Chairman, I think it is a little early in the day for us to be sure how these new regulations and the points system of assessing applicants are going to work. The points system is fairly complicated. For example, you must have so many points to qualify if you are unsponsored, you must have so many points if you are nominated by a relative, and I do not think you have to have any points at all if you are sponsored by a close relative. This may work very well but I think we must wait and see before we can be sure we have found the real solution.

However, I suggest to the minister that he must not rest at this point. In the white paper on immigration which was published in October, 1966, I believe, and hailed as a new charter of immigration policy, a number of suggestions were made that could be implemented by administrative action, and some administrative action has been taken. There were others which could be dealt with by changes in the regulations, and some of the regulations have been changed. However, a very large number of the suggestions made in the government white paper and a very large number of the suggestions made to the joint committee on immigration can only be dealt with by legislation.

On December 16, 1966 the assistant deputy minister of immigration put before the special joint committee of the Senate and House of Commons on immigration a list of proposals contained in the white paper requiring amendments to the Immigration Act. I suggest that the minister take a look at these and tell us why at this stage we have not at least a revised immigration act in draft form. One year has passed since the white paper was published and these specific changes to the act were suggested.

It is pointed out in the white paper, and very eloquently and justly in my judgment, that the international implications of Canadian immigration policy are important. The following sentence appears at page 17, paragraph 38, of the white paper:

> Any discrimination, in the selection of immigrants, creates strong resentments in international relations.

Then in the next paragraph:

> More will be done to maintain and improve international relations by removing the last vestiges of discrimination from immigration legislation and regulations—

One of the first matters mentioned under the international implications of our immigration policy is the removal of the last vestiges of discrimination from immigration legislation, which the white paper points out is very important to our international relations. Yet, Mr. Chairman, there continues to exist on the statute books a provision in the Immigration Act which confers authority on this parliament to do precisely that, namely, to discriminate in respect of immigration. Let me read section 61:

> The Governor in Council may make regulations ... respecting
>
> (g) the prohibiting or limiting of admission of persons by reason of
>
> (i) nationality, citizenship, ethnic group, occupation, class or geographical area of origin;
>
> (ii) peculiar customs, habits, modes of life or methods of holding property,
>
> (iii) unsuitability having regard to the climate, economic, social, industrial, educational, labour, health or other conditions or requirements existing, temporarily or otherwise, in Canada or in the area or country from or through which such persons come to Canada—

As I say, Mr. Chairman, this legislative authority to discriminate on ethnic or, to put it bluntly, on racial grounds and on these other grounds of discrimination remains in the statute books of this country. I brought in a private member's bill when I first became a member of the house to amend the Immigration Act in this respect, and I was always told—

Mr. Wahn: Would the hon. member permit a question?

Mr. Brewin: Certainly.

Mr. Wahn: The hon. member has indicated that this section of the Immigration Act

authorizes the passing of regulations which might be discriminatory. As all members of this committee are aware, regulations have in fact in the past been made under this section which were discriminatory. The regulations which were introduced effective October 1 are not discriminatory. Is the hon. member not familiar with this fact?

Mr. Brewin: I am entirely familiar with it, Mr. Chairman, and I give all credit to the minister and to those who supported him in removing discrimination from these regulations. Members sometimes boasted that the minister's predecessors had done this but they had not. The present minister did it, and I give full credit and honour to him for that.

What I am pointing out—and the hon. member for St. Paul's should be aware of this—is that the white paper says that more should be done to remove the last vestiges of discrimination from our immigration legislation. I am not complaining that the regulations discriminate. I am saying that the act authorizes the governor in council to do so any day he wants to, even though I do not think he intends to do so. I am hopeful that we have got rid of discrimination for good and forever. But as the white paper indicates it is highly important that Canada should not have legislation which is offensive to others and which creates resentment in our international relations. We should amend the legislation to this end.

As I say, Mr. Chairman, I have introduced private member's bills to this effect which, as usual, were talked out. However, hon. gentlemen opposite always told me that I would not have to wait very long because this matter would be dealt with. All I am doing now is appealing to the minister to deal with it and to implement the policy set out in the white paper.

Another point stated here is that Canada's willingness to participate generously in refugee programs has important international implications. I think this is correct. We know there are very grave refugee problems existing in many parts of the world, and I think the white paper suggests that legislation is required to enable us to take some action in this regard. I should like to refer to the memorandum dealing with the question of refugees which was presented by the minister's department to the committee on immigration. Paragraph 54 reads as follows:

> Proposals which require other acts of parliament. The government intends to redefine its attitude towards refugees, particularly as to criteria for acceptance as a refugee, responsibilities of the various government departments in refugee programs, measures to aid admission and settlement of refugees, and establishment of a refugee eligibility commission. It is proposed that this new approach be embodied in legislation separate from the Immigration Act.

• (4:40 p.m.)

All I am doing is asking the minister to produce the act that more than a year ago he said he proposed to bring forward. If this is as important as I take it to be, both on human grounds and because of the international implications, I do not know why we should have to wait so long. A whole series of other suggestions is made in the white paper, for example, with regard to prohibited classes. The white paper points out that the definitions under this heading are wrong and unrealistic. Consider, for instance, the reference to people who have been inmates of hospitals for the insane. Every qualified person would say, as does the white paper itself, that this is not a suitable way of dealing with the problem. Then there is the difficulty of dealing with subversion or alleged subversion. If by subversion we mean the activities of someone who is a real security risk I doubt that any member of this house would want Canada to welcome anyone engaged in activities of this kind. But if we really mean someone who at one time or another has been a member of an organization in another country which is not popular with the police there, then I can see no reason for the exclusion of such people at all.

This is not simply a matter of sentiment; it is a matter of great importance to Canada because at the present time, as is well known, we are looking for trained and skilled people from other parts of the world and one of the best reservoirs from which such people can be obtained is central and eastern Europe. Why should we insist on excluding so many people on the ground of vague doctrines involving subversion? We are still making excuses. I know the minister says we are waiting for the committee which is inquiring into security questions to make recommendations. In the meantime West Germany, Holland, France, the low countries, are welcoming immigrants from eastern and central European countries who are adding tremendously to the effectiveness of their labour forces. Surely, Mr. Chairman, the countries I have mentioned are closer to any danger from subversion than we could possibly be in this country. Yet they are welcoming workers from the east in their tens of thousands, disregarding all the stuff and nonsense about whether they appear on the lists of some

police department as having been subversive and so on. We are cutting off our noses to spite our faces. In the hope of preventing a few subversive characters from landing we are excluding a whole group of highly trained persons.

Many other suggestions are made in the white paper calling for changes in the old act. It is an act which is out of date and I urge the minister to go on from what is being done now and produce at the earliest opportunity a draft bill to deal with all these matters. If the officials of his department are very busy, as I know they are, dealing with other matters, and if perchance the law officers of the crown are too occupied to draft legislation embodying the suggestions formally put forward as Canadian immigration policy, then I propose he refer the task to a special committee on immigration—I do not know whether it exists now but if it does not it should be revived. On the hon. gentleman's own back benches there are many hon. members who would be perfectly competent to assist in drafting adequate legislation to deal with this situation. I see in their places, for example, the hon. member for Parkdale and the hon. member for one of the Hamilton constituencies. It is possible for committees to draft legislation. The committee on divorce, for example, has drafted legislation. I do not entirely approve of its draft, I may say, but at least the committee has come up with a draft bill. So I do not think it would be asking too much of the members of the special committee if we were to invite them to make their own proposals embodying the legislation which parliament would be asked to pass in order to bring the Immigration Act up to date.

In conclusion—I notice the minister has left the chamber at least for a few moments —I would ask the parliamentary secretary to pass these words on to his chief: If you feel you have done well—and in all fairness I believe you have made some improvements in the field of immigration—do not rest on your laurels but do a real job by cleaning up the legislation wherever change is needed, and at least live up to the proposals made in your own white paper.

[*Translation*]

Mr. Gauthier: Mr. Chairman, I want first of all to congratulate the minister—his parliamentary secretary (Mr. Munro) will surely inform him—for having given more importance to his department, since its estimates now amount to $312,912,000. It is indeed two departments in one: the department of manpower and the department of immigration.

I would like to make a few remarks on the first, the department of manpower, which is the most important indeed as far as the minister's responsibility is concerned. I think it is the division on which he has set his heart judging by all his statements; in fact, he is well qualified to head this department.

But I notice an increase in expenditures at item 5 which rose from $34,730,000 in 1966-67 to $73,635,000 this year; this can be explained by the increase in vocational training.

• (4:50 p.m.)

However, one thing worries me. Vote 10 shows a decrease from $228 million last year to $206 million this year. If you refer to page 294 of the blue book, you will see that vote 10 is entitled:

> Grants, contributions and subsidies in accordance with the terms and conditions specified in the sub-vote titles listed in the details of the estimates.

Those are payments to the provinces under agreements entered into with the Department of Manpower and Immigration—

> —for the organization of workers for farming and related industries, including undischarged commitments under previous agreements.

When the minister gets up to speak, I should like him to give us more detail concerning the amount of money spent on farming. I mean by that the amount of money which his department must spend for the training of young farmers and the orientation provided for farmers in general. I doubt that this item is included here. I am surprised at the smaller amount shown. Perhaps the federal government reduced its help to the provinces or, since this item also comprises the help given to the provinces, perhaps some provinces opted out of joint programs. In any case, I should like the minister to explain why the amount of money allocated for this item has been reduced, for there must be a reason and we should like to be better informed.

Now, as to the manpower training program, everybody knows that it was instituted in 1960 and that, up until then, Quebec had not decided to participate. The provincial authorities were still considering the matter. In *La Presse* of February 23, 1966—I think it is about that date when Quebec decided to participate fully in the program, with the help of the federal government—I read that

the employment office wrote an article entitled:

Quebec will participate in the manpower mobility program.

It was at that time, I believe, that Quebec decided to follow the example of the other provinces and to participate in this manpower training program.

Right from the start, we found—and the hon. minister also, I am sure—the same abuse that existed in other programs, such as the winter works program during the first years of implementation, when abuses took place, mainly because of the lack of orientation and organization on the provincial and federal levels; and I think that the main abuses we are able to mention to the hon. minister here and now are taking place partly on account of this lack of knowledge or orientation.

For instance, we have discovered that many persons registered to take these courses to receive the cheque rather than to get vocational training.

The amendments that the minister presented today, and those that he intends to introduce at a later date, are intended to rectify this quite unexpected situation. Indeed, in some areas, we have seen people aged 60, 65, 70, who dropped out of school in grade 2 or 3, and who are attending retraining courses, along with housewives, mothers of 7 or 8 children, whose sole interest previously was to bring up their children, who had a sudden yen for study and returned to school, leaving their family to the haphazard care of a baby sitter. We had the opportunity to see all kinds of things like that during those courses, and after discussing the matter with some authorized persons, we concluded that the selection procedure should be improved. And I wonder if the three year rule is still in effect today. It stipulates that in order to be eligible for classes, a person must have been on the labour market for three years. I mean to say that an applicant is required to have been registered for three years at the employment office as being fit to work. I want the minister to confirm that interpretation.

Of course, if an applicant were required to have been registered for three years as being fit to work, persons of 60, 62, 65 or even 69 years of age, who up to then had never applied at the employment office, would surely not have been suddenly entitled to attend classes, while other eligible people were being turned down. These elderly persons were taking the place of younger ones, from 30 to 35 years who were eligible for training but who were being refused. Why? Because there was no room; there were not enough teachers to organize another class. That is precisely the problem we faced in our areas and which we faced again last winter. I have some cases. I communicated with the minister and his secretary and it was confirmed that this year all those who were attending these courses last year had to be accepted.

Systematically, the same mistake which was reported to the department last year is being repeated. This winter, in fact, I have checked and the officials of the manpower office tell me they will have to accept all those who came last year, but that next year it will be different, it will be changed. Candidates will be accepted according to new standards. But I believe that if a mistake was made last winter, it is not necessary to repeat it this winter.

• (5.00 p.m.)

And I say once more that the main shortcoming, in our areas, is the lack of teachers. There may be 100, 125 applicants and we cannot get more than two or three teachers. I do not know if the provincial government is supposed to provide the teachers for these courses. Their salaries may well be paid by the Department of Manpower and Immigration, but I cannot understand this lack of teachers, in our areas especially, if we are well enough organized to get them in time and tell them what they have to do. Those courses were certainly set up for the greater good of the people, and they must achieve their ultimate goal: that is be available to whoever needs more training, who needs guidance into other work. That is their main objective. I am sure that through closer scrutiny of the act, and improvements so that it can more readily meet the needs of every region, its application will certainly continue to serve the better interests of our population.

I also noted the problem dealt with before by the members for Ontario and Greenwood (Messrs. Starr and Brewin). I mean the problem of the student, of the young man who has been out of school for 12 months. I too wish to draw the attention of the minister to this point, because there seems to be ambiguity about the subject even in manpower offices. When a youth goes to a manpower office, if he has been out of school for only 10 or 11 months, he is told: You are not eligible and they are right about that. That requirement is vigorously enforced. But the problem

arises when a candidate has been out of school for 13 or 14 months. He is then told: You are not eligible under the law; you have not been in the labour force for three years.

I should like the minister to clarify this point, if he can, because it is clear that if a youth has been out of school for 15 months, perhaps for two years, he was not part of the labour force for three years. I discussed the matter with professors, with counsellors who are not connected with the manpower office, pointing out the fact that some candidates were required to have been out of school for three years, and all agreed that it was a misinterpretation of the act. This point should be made absolutely clear especially with the manpower officers, so that the youth who left school, either high school or any other, in the last 12 months, may be eligible because I think that he is best suited for such training. He is ready. He has interrupted his studies only 12 or 15 months ago, and he is ready to carry on either to improve his skill in the same line or to turn to something else.

I shall ask the minister, as did the hon. members of Ontario (Mr. Starr) and Greenwood (Mr. Brewin), to clear up the matter and to give us his interpretation, so that we may advise at least those who write to us and who ask us what to do in such and such case.

I mentioned earlier that I had been a little surprised with regard to the reduction in the appropriations in the farm section. I was going to urge the minister to increase that amount since he has probably received requests from the C.F.U. and every other farm organization in an effort to step up and increase the number of those training courses available to the farmers.

Now, I believe that what is most needed today, especially in my area but also in many areas of the province of Quebec, is the training of our young farmers and even those not so young, because in those areas, in 75 per cent of the cases—and the minister knows this very well—we have some mixed farming. Farming is carried on in an amateurish way and that is the reason why today we are short of truly qualified people in the agricultural field.

But we have, especially among the younger generation, a large group of people who want to take up farming on a full time basis, who are one hundred per cent farmers, and I believe that these courses are well designed to help these people. And I can assure you, Mr. Chairman, that this winter we will have them again—I was told that there would be some in my area—but here again we will be short of qualified instructors to train all those farmers. I am aware that this may lie outside the minister's area of responsibility. However, surely the minister can investigate the matter and use his influence or at least help farm agencies to secure the teaching staff and facilities required for these courses.

Now, Mr. Chairman, I have but a few words to say about immigration. Again, I think that the amendments brought to the Immigration Act will benefit the Canadian people as a whole including the people of Quebec, because, on the primary basis of skills and regional needs of qualified manpower as indicated by the minister, I am sure that we will admit to Canada immigrants that will represent to us not just additional mouths to feed, but real assets, in brief, individuals who will actively participate in the progress and development of Canada.

As for the former conditions about the age, competence and relationship for the arrangements concerning employment, I think that we Quebecers cannot very much criticize the minister. The only criticism we could make concerns discrimination. The hon. member for Greenwood referred to that a while ago when he said that there was some discrimination in the department of immigration. And what has always surprised me, as it must surprise the minister, is the fact that some discrimination is made in the case of applicants for citizenship.

If we want to work to establish unity in Canada, the two founding peoples of Canada should at least be on an equal footing.

One thing has always staggered me, and that is the fact that a British immigrant coming from England obtains his citizenship after two years, whereas someone coming from France or another country obtains it only after five years.

I may be wrong—let the minister correct me; I see him nodding his head now—but that is what I have always been told. As we are here to get information, I should like the minister to dot the i's. Personally, I should be pleased if that discrimination did not exist because that is what I have been told repeatedly. I promised myself I would, at the first opportunity, ask the minister to tell us what the facts are.

In conclusion, we are quite pleased in general with the estimates of the minister this

year and we wish him every success in the discharge of his duties.

• (5:10 p.m.)

[*English*]

Mr. Johnston: Mr. Chairman, I wish to raise a few points in this afternoon's debate. I concur in the remarks of the hon. member for Roberval, who has just spoken, about the complications that arise through the operation of the three year waiting period under the retraining scheme. I think of the older person who returns to the ordinary, academic school to improve his academic qualifications, graduates, and then finds that he cannot apply for assistance which would be most useful to him in retraining as he has not been in the labour force for three years. That sort of situation can create real difficulties. The hon. member who spoke before me went into this matter in greater detail than I shall.

With respect to the various aspects of immigration, I think all members of the house support the new regulations which allow for a wider range of immigrants and for easier entry into this country, though in the area of sponsored immigrants some interesting factors develop. May I quote from page 4 of newsletter No. 3 which deals with the new selection policy for immigration.

> We feel that the relative of a Canadian or of a landed immigrant, coming to Canada as a worker, should have precedence over other workers and should be admissible with fewer qualifications than are required of independent immigrants...
>
> The greatest preference in this type of immigration would be given to sons and daughters, parents and grandparents who do not qualify as dependents, brothers and sisters and nephews and nieces under 21, if sponsored by a citizen...
>
> We would also propose to extend the sponsorship privilege to cover nephews and nieces over 21, uncles and aunts and grandchildren. These relatives would not be admitted as freely as the first group but would need lower qualifications than an independent immigrant.

We see a genuine sliding scale in the regulations. The point I wish to bring to the minister's attention has to do with the closeness of family relationships. One factor has been overlooked in the regulations, the factor of the Canadian who has no living relative in Canada but has a living relative outside Canada. I am talking of a Canadian with resources at his disposal to establish such a relative in this country. It seems to me that each Canadian ought to have a basic right to sponsor somebody at some time. We allow some Canadians to sponsor many people for entry into this country. Yet a Canadian who may have been born here and has made a great contribution to Canada and built up a personal fortune may find that he cannot sponsor relatives from outside the country because they fall outside the list that is included in the regulations. As a result he is frustrated in obtaining the admission of his relative because that relative does not fall within the closely related group. Nevertheless, since the Canadian has no other relative his relationship with the relative outside Canada may be as close as his relationship would have been with a brother, sister, father or any of those who receive better treatment under the regulations.

I am concerned about the minister's drive to bring French speaking immigrants to Canada. Somehow I feel that we should not become involved in the numbers game with respect to this area of division within the country. The minister's effort is worthy and I do not think many Canadians would not welcome immigrants from France, Switzerland and Belgium. But I very much doubt that there should be specific latitude for French speaking vis-à-vis English speaking immigrants. The minister is rowing a leaky boat in this regard.

The governments of Switzerland and Belgium are concerned about the increasing use of the English language within their countries. Because of language difficulties which have arisen in both countries English has become very much the second language. We might obtain quite a number of immigrants from those countries without obtaining the balance, or imbalance, which may have been in the minister's mind with respect to French speaking immigrants when he gave us the figures this afternoon.

We can learn something about immigration from Switzerland where, though one-sixth of the labour force comes from outside the country, the economy seems to function adequately. I hope that French speaking immigrants who otherwise would not be admissible to this country will not enter Switzerland for the purpose of using Switzerland as the road that leads to this country.

I know that as strong a federalist as the minister will not wish to see two immigration departments in the country. I hope we will not see two departments and I hope we will not play the numbers game to which I have referred. At this point I might ask, what is the goal for next year? Are we to do better in this regard than last year? Personally I think it would be better not to count separately the numbers of English speaking and French speaking immigrants entering the country. This aspect of immigration might be

left unmeasured. I think all immigrants ought to be made equally welcome to this country.

Finally I wish to raise a question about a subject that has been brought to my attention. The hon. member for Greenwood spoke about refugees and their problem. Is the government working on a project to bring to Canada some of the Tibetan refugees who fled from their country when it was overrun by communist China and who entered India, a country that is sorely burdened with overpopulation. I have seen some of these people in the Himalayan region of India where their prospects are extremely limited because the country is overpopulated. At the present time we are taking from India a fairly sizeable number of immigrants who, because of their educational and technical qualifications, are needed in this country. These people are playing a very important role in our development. It might be one way of aiding India in a rather unusual and different direction if instead of simply taking the cream, the best people their educational system offers, we endeavoured to alleviate in some small way their refugee problem.

• (5:20 p.m.)

Mr. Wahn: Mr. Chairman, most members of the house welcome the helpful and reasoned statement presented today by the minister and his assurance that as soon as possible a new immigration act will be considered and introduced in the house. I am sure the minister will consider all reasonable suggestions made by members of the committee. Those who know the minister and have had experience in dealing with him know that he is a man of strong views but that when reasonable suggestions are made he considers and adopts them.

The hon. member for Greenwood referred to section 61 of the Immigration Act which does permit the making of discrimatory regulations. In the past discriminatory regulations have been made under this section. However, the new regulations introduced by the minister and effective October 1 completely removed all vestiges of discrimination under the law and regulations as they now exist. The hon. member for Greenwood also referred to the section of the Immigration Act relating to prohibited persons. This is another section which, when the new act is introduced, must be considered very carefully and the necessary reforms made.

As the hon. member for Greenwood knows, under the present statute the minister has wide discretion to issue ministerial permits to allow the entry of persons who may fall within the prohibited classes. I believe that this discretion has been exercised by the minister in a very fair and reasonable manner. Nevertheless, it is desirable that as soon as possible a new immigration act should be introduced. Hon. members in the committee today realize the volume of legislation before the house. Perhaps, as one unkind observer has implied, we in this house suffer from legislative constipation and need a procedural enema. In the meantime, however, a great deal can be done under the existing legislation by means of enlightened regulations and an enlightened administration of the law and the regulations. I suggest to members of the committee that we have been getting this from the present Minister of Manpower and Immigration.

Some hon. Members: Hear, hear.

Mr. Wahn: I would particularly like to draw the attention of the committee to the very encouraging increase in the number of immigrants who have come to Canada in recent years. The figures I have indicate that in 1961 the number of immigrants admitted to Canada was 71,689. In 1962 the number was 74,586. In 1963, the first year under the present Liberal government, the number was 93,151. In 1964 the number was 112,606. In 1965 the number increased to 146,758. In 1966 the number increased still further to 194,743. In the period from January 1 to August 31 this year the number increased even more, by 27 per cent, and amounted to 125,836 for that part of the year. It is quite clear that this year substantially more than 200,000 immigrants will come to this country and make their homes here.

Mr. Roxburgh: I hope the hon. member for Ontario is taking note of these figures.

Mr. Wahn: These figures indicate that the rate of immigration at the present time is three times higher than it was in 1961 when a Conservative government was in power. The low figure for 1961 may not have been due to any lack of will on the part of the then Conservative government but may rather have resulted from the massive unemployment which then existed and which the government then in office appeared to be unable to do anything about.

Mr. Roxburgh: Or a mixture of both.

Mr. Wahn: Possibly a mixture of both. I find it difficult to overemphasize the importance and the value to Canada of this large inflow of immigrants. The whole question of immigration was very carefully considered several years ago by a commission of the United Church which studied immigration and its effects on Canada. The commission published a report which contains some very interesting and useful information even though it is now several years out of date. For example, it pointed out that statistics of post-war immigration show that three quarters of the immigrants coming to Canada are adults, one-half are workers and most of the workers are young people in the most productive age group between 20 and 44. For example, the report says that of the 124,700 immigrants who arrived in Canada in 1958 more than 58,000 were between the ages of 15 and 29. Canadian surveys of immigration figures for other years also emphasize the youthful character of immigrants. Not only were they workers, they were young workers and, more important, they have been skilled workers.

A Department of Labour report indicates that about two thirds of the net addition of professional engineers and draftsmen since the end of world war II have been immigrants. Another Department of Labour survey shows that 35 per cent of the skilled and highly skilled trade positions in Canadian industries in 1956 were occupied by immigrants who had received their trades training abroad. These youthful, skilled workers have performed an invaluable function upon which our present prosperity has been largely based.

Not only have these immigrants brought new skills to Canada but they have also brought a substantial amount of new capital. The report by the commission of the United Church points out that between 1946 and 1962 immigrants brought to Canada over $1 billion in capital and almost half a billion dollars worth of settlers' effects. They have established numerous new businesses in Canada which have provided employment for Canadians. The report points out that from 1950 to 1962, 9,850 new Canadians established businesses of their own for which they paid over $116 million. Of this sum they made cash payments in excess of $72 million. These new businesses created employment for almost 45,000 Canadians.

In 1961 the research staff of the department of citizenship and immigration made a survey of 7,000 immigrants who had obtained their Canadian citizenship papers. Of this group about 350 had established their own businesses and created jobs for over 3,400 other Canadians. In other words, these 350 newcomers created new jobs equal to almost half of the entire group of immigrants under survey.

• (5:30 p.m.)

It is apparent therefore that immigrants who seek entry to Canada do not seek entry as supplicants and should not be treated as such. They should be welcomed as guests who are bringing valuable gifts to this country. I believe I saw figures which indicate that almost half of the total number of immigrants to Canada have come to the Toronto area. Certainly Toronto has good reason to rejoice in the number of immigrants who have come to our city. It is upon their efforts and with their help that the post-war growth and prosperity of our citizens have been founded.

Because of the importance of the department, and indeed I can think of few other departments of the government which are of equal importance, it is absolutely essential that the facilities and service provided by the department should be first rate. I wish to congratulate the minister upon the improvement which he has made in the facilities, the staff and the services provided by the department. Many years ago some of us had the impression that the old department of citizenship and immigration was to some extent an orphan, cramped and restricted by its budget and perhaps not given the same consideration as certain more glamourous-appearing departments. The minister has done a great deal to upgrade its status and to improve the facilities and the service provided by the department not only abroad but in Canada. The importance of the department certainly justifies these efforts.

While I am on my feet perhaps I might refer to two difficult problems. I am sure that the success which has met the minister's efforts to date indicates that he will be able to resolve these problems successfully. In the manpower service, which is so essential to our national well-being, I suggest that we should consider very carefully and avoid duplication of any service now being provided in a satisfactory manner by private agencies. I say this not because I think that private industry should have a monopoly in any field of labour placement but simply because the revenues and expenditures of any governmental department are limited

and therefore must be spent in the best and most effective manner.

If in fact placement services are being satisfactorily provided by private agencies, then there would seem to be little purpose in incurring public expense and duplicating such facilities. I know, for example that there are many efficient private agencies in the larger centres which specialize in filling vacancies for skilled and white collar employees. If these agencies are in fact doing a good job, I hope the minister will not endeavour to duplicate them at the expense of the ordinary taxpayer.

The second problem, and one which has been referred to by a number of hon. members, relates to the necessity of preventing any gap developing between the federal and provincial programs involving retraining and vocational training. This matter has been referred to by most hon. members including the hon. members for Ontario, Greenwood, Roberval and Okanagan-Revelstoke, and clearly it is of vital importance and concern to most members of the committee. It is a difficult problem because, as all members of the committee know, it involves the most delicate relations between the federal and the provincial governments. It involves co-ordinating the federal responsibility for maintaining full employment with the provincial responsibility for education and social services.

The hon. member for Greenwood in particular referred to the fact that school drop-outs and hippies were not able to benefit from the present federal program. I believe the minister is aware of the necessity to co-ordinate very carefully the federal program for retraining those who have been thrown out of employment as a result of technological change with the provincial programs and the provincial responsibility in the fields of education and social service. It is a very delicate and difficult problem and one which does not admit of any easy solution. It is a question to which the minister will have to devote himself, and I am sure he will work closely with the provincial authorities in solving it successfully.

In the same general field there is of course another important principle to observe. The minister must be very careful that federal moneys which are administered by provincial authorities are well spent. This is the responsibility of the federal government. If federal moneys are provided we must make certain that the provincial government is spending them properly and with the best possible effect.

Suggestions have been made that some of the training programs in the province of Ontario which are administered by provincial agencies are not administered with maximum efficiency. Again this involves very delicate and difficult problems of co-operation between the federal and provincial departments. Sometimes it appears to me that it is very difficult to get proper co-ordination and co-operation at the departmental level between provincial and federal authorities and I have often thought it would be desirable for the minister or for federal ministers in general to experiment with the creation of joint federal-provincial agencies with perhaps community involvement to avoid this particular problem. I believe that the minister's department may perhaps be experimenting with agencies along that line.

There is one extremely important reform for which the minister deserves a great deal of credit and a great deal of support from all members of the house. Under the regulations which became effective at the beginning of this month the principle of racial equality has been finally and completely established in our immigration laws. I believe it was the hon. member for Roberval who referred to the continuing discrimination under the citizenship laws or regulations. If I am correct in my belief, these are not administered by the Minister of Manpower and Immigration but by the Secretary of State, so I will not discuss them at this time. Under our present immigration regulations and laws, certainly the last vestiges of racial discrimination have been removed. I believe that they have been removed in practice as well. Sometimes practice is more important than the letter of the law.

• (5:40 p.m.)

To illustrate the fact that discrimination has been reduced in practice over recent years I should like to refer to the figures on Chinese immigration. In 1961, Mr. Chairman, the number of Chinese admitted to Canada totalled 894. In 1962 the number went down to 876. In 1963, the first year of the Liberal government, the number almost doubled to 1,571. In 1964 the number doubled again to 3,210. In 1965 the number increased to 5,234. In 1966 the number was slightly lower, 5,178. From January 1 to June 30 of this year, the number admitted was 3,173 an increase of 32 per cent over the corresponding period in the previous year.

It is apparent, therefore, that at the present time, the rate of immigration to Canada in so far as Chinese are concerned is over seven times as high as it was in 1961 under a Conservative administration. I am particularly interested in these figures because many members of the Chinese community live in my riding of St. Paul's in Toronto. I thought that members of the committee might be interested in these figures as an illustration of what has been done in practice to overcome the racial discrimination which in previous years disgraced the administration of our immigration laws.

I think I should mention also, as an example of what is actually being done in practice, that the present application form for landed immigrants which became effective October 1 deletes any reference to the country of ethnic origin. I believe this is indicative of the intent of the minister in these regulations. Perhaps more important in so far as practice is concerned is the fact that for the first time the factors which should be taken into account by immigration officials who actually assess the intended immigrants are set out very clearly.

The hon. member for Greenwood expressed some apprehension about what he called the points system. He mentioned that in the interview with a proposed immigrant the immigration official is required to make a personal assessment of the character of the immigrant and to take into account such factors as adaptability, motivation, initiative and similar qualities. The hon. member for Greenwood expressed some apprehension as to what might happen if some immigration official had the opportunity of making a personal character assessment of him. I will make no comment one way or the other with regard to his fear. I believe it is unfounded. Instead I simply point out the hon. member for Greenwood that every day each of us is required to make an assessment of the character of people, and immigration officials are no different from the rest of us. In practice I assume they will act fairly. Despite the complaints which are inevitable in a department such as this, the general record of the department has been good.

This completes the remarks I should like to make at this point, Mr. Chairman. In closing I would simply say that I am particularly impressed by the fairness of the regulations which have been introduced by the minister. I welcome those provisions which widen the classes of relatives that can be admitted to Canada, either on a sponsored or nominated basis. This will mean that a great many more families will be reunited, and this is of great social importance. I welcome the new appeal procedure which has been introduced. This is the first time we have had a meaningful appeal procedure in our immigration regulations. The new appeal procedure may be some indication of a move toward a principle which would be of great international importance, namely, that those of us who have had the good fortune to be born in this country cannot expect to monopolize a great country such as Canada. Perhaps those born in other countries who can qualify and who would make good citizens have a right to be admitted which should not be entirely dependent upon the uncontrolled discretion of those of us who happen to live here at the present time.

The Assistant Deputy Chairman: The hon. member for Bow River.

[*Translation*]

Mr. Mongrain: Mr. Chairman, I rise on a question of privilege.

I notice that the Chair established a rotation in the order in which members who ask the floor are recognized, and I agree that the government party should have priority, that the official opposition comes after, followed by the other parties according to the number of their members. That is priority.

But I do not admit that, having reached the fifth group, the group of independents, or your servant here, is relegated to the 16th or 26th rank, with the result that when his turn comes, he is told, as happened again yesterday and every week: Hurry up, there is not much time, you have to cut it short, because the others will not have time to speak.

It might be said that I take the floor probably more often than any other hon. member, if comparisons are made on the basis of number, but it will have to be recognized also that I am probably more often here than any other hon. member, that I listen with respect and interest to the speeches delivered here and that I even take notes.

I refuse to be considered a 26th class member in this house. In all modesty, I feel that I am as important as any other member. I am ready to withdraw before the ministers, the party leaders; I am even ready to make concessions if some debates require it, and I do so in some cases, for instance, by taking less time than I am allotted to give others the

chance to speak, something they could not do if I used up all my time.

I realize there is discrimination there, Mr. Chairman, and I protest against such discrimination. I am willing to go on 6th, or 7th but not systematically and regularly 15th or 16th at impossible times when I am told: "Hurry up, because this debate should be finished, or because something else is happening." We saw it happen again yesterday, Mr. Chairman.

I want to protest strongly against the system I consider unfair and discriminatory. I want everybody to know that my name is "Mongrain" and that I will not tolerate having it translated into English as "Mongrel".

• (5:50 p.m.)

[*English*]

Mr. Woolliams: Mr. Chairman, I listened with some interest to the question of privilege that was raised. I do not want to spend any time on it but I would point out there are 96 Conservatives in the house and so far we have had only one speaker along with one from every other party. If we work the matter out on a pro rata basis we should have the most speakers from the opposition side.

Mr. Mongrain: Would the hon. member allow a question?

Mr. Woolliams: No, because I have only a few minutes. I want to make four points. First of all I want to deal—

[*Translation*]

Mr. Mongrain: Mr. Chairman, on a question of privilege. The hon. member has just said something I consider nonsensical for the intelligent man he is.

If I am speaking 6th, I will not prevent any member of the Progressive Conservative party or any other from speaking. If, anyway, there are 26 speakers, whether I speak 5th, 6th or 25th, they will be speaking more often than I, which I admit because they are more numerous.

[*English*]

Mr. Woolliams: As I was saying, Mr. Chairman, I am going to divide my speech into four parts. First of all I want to deal with debates on estimates generally for a moment. The hon. member for Ontario, the Leader of the Opposition, made an outstanding contribution in this debate and asked certain questions of the minister. I should like to say something as an individual about the new rules. All of us want to get on with the business and to see it done, but one of the great weaknesses in the guillotine method of closing off debate on estimates is that serious questions put to a minister are sometimes never answered. For example, the other day I asked some ten questions of the Minister of Trade and Commerce about the grain problem, which is very important to the farmers of western Canada. The minister sat throughout the debate until the end of the day. Perhaps his estimates will not come before the committee again and I will never get an answer.

The hon. member for Ontario, a former minister of labour who conceived the vocational training program, part of which has been adopted by the government and part forgotten, asked some serious questions based on his experience as minister and on the fact that he is the chief critic on this subject for our party. However, it seems to be somewhat an exercise in futility if we put questions to ministers and never get answers. After all, the idea of debating estimates is not just to make a pretty little speech but to find out ministers' programs.

By way of introduction to this point, Mr. Chairman, this might be a good time to read words which have been quoted with approval by the present Prime Minister, words approved by the former prime minister who sits in this house, words used by Arthur Meighen. Under the procedure which prevailed in the old days we could say to a minister that his estimates were not going to go through until he gave us some answers. I am not referring to this minister personally; I just give that as an example. But now we ask questions which are just left in *Hansard* and are never answered. How can the members of the opposition do their work if that is the way we in this house have to operate?

Mr. Marchand: May I ask the members of the committee why they believe I am not going to give any answers?

Mr. Woolliams: I hope the minister will, but other ministers have not. I believe that this minister is very congenial and is liked by members on both sides of the house. I can see he is the sort who would be liked outside the house as well, not only in his constituency but in any part of the country, because he is that type of man. But with the greatest respect to him, we have not had from other ministers answers to questions we have put on *Hansard*.

I should like to tell the committee what Arthur Meighen said. I am not going to read the whole speech but these words were quoted with approval by the present Prime Minister when speaking to one of the clubs in Ottawa. I think they have also been quoted with approval in this house by the former prime minister who sits on this side. Arthur Meighen said:

> It should supervise all expenditures and prevent overexpenditure by exposing to the light of public opinion wasteful expenditures or worse. It finds fault; it suggests amendments; it asks questions and elicits information—

We have been asking questions and trying to elicit information but have been unsuccessful.

> —it arouses, educates and moulds public opinion by voice and vote. It must scrutinize every action by the government and in doing so prevents the shortcuts through democratic procedure that governments like to make.
>
> The absence of a strong opposition means a one-party state. A one-party state means an all-powerful cabinet.

That is what we have today, Mr. Chairman, an all-powerful cabinet. Perhaps these new rules will be made permanent or they may be changed. But if the new rules mean that questions we ask members of the government are never going to be answered, then they are being used as a guillotine to keep government information in the drawers so it cannot be made public.

The government's expenditures this year are the highest of any government. That has been pointed out over and over again. Compared with the expenditures of the United States government the expenditures of this government have risen 25 per cent, and the United States is fighting a war. The opposition cannot get information about the expenditure of millions and millions of dollars on the part of hon. gentlemen on the front benches opposite. Those, Mr. Chairman, are my words of introduction to the minister and I want other ministers to read them and think about this point. These new rules must not be allowed to prevent us getting the kind of information we require.

To show how important this point is I should like to use this illustration. I asked the Minister of Trade and Commerce whether he spoke to the United States government about dumping approximately 100 million bushels of wheat in our eastern markets, and I have not had an answer. I also asked him whether there would ever be a dollar subsidy paid, because we will never sell wheat below the floor price set by the agreement, and that question has not been answered either. We do not know whether we are subsidizing the wheat farmers or what is happening. They are not selling one bushel of wheat and no subsidy is being paid. I want that statement to go across the country because I am tired of the phony nonsense that we are getting from certain ministers.

I am not attacking this minister personally; I know he will likely answer. But we do not get answers from the old school ministers. This minister is a new minister and I hope he will co-operate. I am talking about the old set and you know whom I mean, Mr. Chairman. I imagine hon. members opposite also call them that behind closed doors.

The Assistant Deputy Chairman: Order. It being six o'clock it is my duty to leave the chair in order that the house may proceed to the consideration of private members' business.

Mr. Marchand: Mr. Chairman, with the unanimous consent of the house may we continue with my estimates until seven o'clock?

The Assistant Deputy Chairman: That request must be made with the Speaker in the chair.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Before the house makes a decision about what is to be done with private members' hour perhaps I might read the questions on the adjournment motion this evening: the hon. member for Mégantic (Mr. Langlois)—Indian Affairs—introduction of legislation re Indian claims commission; the hon. member for Essex West (Mr. Gray)—Income Tax, request for forgiveness of interest on tax arrears of pensioners; the hon. member for Halifax (Mr. McCleave)—Health and Welfare, inclusion of optometrists in health resources fund teams.

Mr. Marchand: Mr. Speaker, with the unanimous consent of the house I wonder whether we can continue with my estimates.

Mr. Starr: Agreed.

• (6:00 p.m.)

Mr. Deputy Speaker: Is it the wish of the house that the committee of supply be

resumed and that consideration of the estimates of the Department of Manpower and Immigration be continued?

Some hon. Members: Agreed.

Mr. Knowles: Until seven o'clock?

Mr. Marchand: Until seven o'clock.

FISHERIES

TABLING OF ORDER IN COUNCIL RESPECTING GEOGRAPHICAL CO-ORDINATES

Mr. D. S. Macdonald (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, before the house returns to committee I wonder whether I could have leave to table copies in English and in French of order in council P.C. 1967-2025 respecting co-ordinates of points from which base lines may be determined pursuant to the Territorial Sea and Fishing Zones Act.

Some hon. Members: Hear, hear.

Mr. Deputy Speaker: Is it agreed?

Some hon. Members: Agreed.

Mr. Deputy Speaker: The committee of supply will now resume.

SUPPLY

The house in committee of supply, Mr. Batten in the chair.

DEPARTMENT OF MANPOWER AND IMMIGRATION

Departmental Administration—

1. Administration, operation and maintenance, $4,206,600.

Mr. Woolliams: Mr. Chairman, I was talking about my position in connection with the rules. I shall leave that subject now. I have always felt that it is a proper thing to amalgamate or correlate departments of government if greater efficiency is likely to result, so when I heard there was to be a department of manpower which would be able to supervise immigration policies, pools of labour, vocational training and so on, I thought it was a good idea. But the new department will be effective only to the extent that the minister receives co-operation from his fellow ministers. He cannot be successful alone.

My hon. friend from Ontario drew attention to some of the weaknesses of the program which has been put forward. I doubt that the minister will ever be able to implement this program effectively, nor do I believe he will be able to make the changes suggested by my hon. friend. He cannot do so because he will not receive co-operation from the Minister of Finance. That is his problem.

I am one of those who believe we are facing in this country a serious financial situation brought on by the present government. As a result the Minister of Manpower and Immigration will have to bear a lot more responsibility in the near future than he has done up to now. Lay-offs are taking place and we are moving into a future when they will be more frequent. I want to come to grips with one situation of which I have personal knowledge.

On Thursday night and on Friday I was absent from this house. We hear a lot about absenteeism. Where was I? I had been invited to speak to a meeting in Calgary arranged because 400 men had been laid off by the C.P.R. You cannot just sit here in Ottawa if you want to know what is going on. You have to move around.

Briefly, there are between 800 and 1,000 men employed in the workshops at a place called Ogden in the suburbs of Calgary. These workshops have been there for years employing highly skilled people. The payroll is large. What has happened? The labour union cannot get answers from the C.P.R. One morning 400 men were laid off. The company said it was only for a month, possibly for two months. But the men are not sure. I asked the minister to tell us what the situation there is. He was most courteous. He told the house today that those 400 men, or some of them at least, were already back on the job. This was the information available to him through the department. I have checked with the union and they tell me that this is not correct, that in fact there are still 400 men working out of the 800 but that the 400 who were laid off are still without work.

I know the minister would not come into the house and misrepresent the facts as he knew them in any way. He gave us the facts as they were made known to him. He said that many of the men were back, more than half; I have not checked the blues—

Mr. Marchand: On this point, perhaps I did not express myself clearly. I said they had been called back to work. This does not mean they are actually back at their jobs.

Mr. Woolliams: Well, when I hear "called back to work" I assume it applies to tomorrow morning, not to next year. I am told they have been laid off for a month or two months. This matter is within the minister's sphere of responsibility. I believe there is a scheme on foot to move these workshops out of Calgary. What will happen to these men in such an eventuality? Most of them are over 45; some are in their fifties and some are in their sixties. It is all very well for the minister to say they will be able to move elsewhere and find alternative employment. We all know how difficult it is for men over 45 to find work; they cannot, as a rule, find alternative employment today.

We are all familiar with what happened in Winnipeg. We know what happened when Air Canada moved its shops. I believe the same process is going on under the C.P.R. I have been informed that the company is now contracting the repair of its big diesels with General Motors. This is a foot in the door to get rid of its own facilities. Why have these men been laid off? I am talking about correlation and I intend to correlate my speech today. I will tell you why, Mr. Chairman. It is because the Minister of Trade and Commerce has not come clean in this house on the subject of wheat.

The men to whom I have referred are employed repairing cars which are used to haul wheat to Vancouver and the great lakes. Today there is no wheat movement; cars are piled up all over western Canada. Wheat is not moving from the farms and the call for cars has declined accordingly. The *Globe and Mail* says the farmers are being subsidized. I say the editor should go to western Canada. He would not have to worry about a single dollar finding its way into the pockets of the farmers, because no wheat is being sold. Some tremendous speeches were made on this subject the other night by hon. members from western Canada. It may be that the C.P.R. will use this situation as an excuse for closing down its shops and farming out the repair work to General Motors.

Let me tell the minister that when 1,000 men are thrown out of work in a city with a population of 250,000 it really makes an impact. In the area of Ogden itself it is a matter of economic life or death. Our problem does not affect the Department of Manpower and Immigration alone. The hon. gentleman is, I believe, one of the leaders of his party in Quebec. He is either the leader or the second in command of the Liberal party there. It is a great thing to gather a lot of responsibilities under one roof, but the Minister of Finance and the Minister of Trade and Commerce will not come clean. The Minister of Trade and Commerce, for whom I have a lot of affection personally, went to the United States and said: "What are you doing, breaking your word to 52 nations by shipping wheat at lower prices and taking away the export markets of Canada and other countries?" I asked questions day in and day out on this point when the former minister of transport was here and was ruled out of order. That was the great parliamentarian Jack Pickersgill who was able to leave the house and get a job for himself at $40,000 a year. I warned him about another problem. Let me read this to the minister. The hon. gentleman is not to be blamed for it; I am his defence counsel this evening. He is trying to do his job but he is carrying a load placed upon him by these other fellows. Just listen to this from the *Financial Post*:

• (6:10 p.m.)

The U.S. has won long-term coal agreements from Japan for shipment of coking coal for metallurgical use in the face of competition from Canada, Australia—

Key factor in the United States deal—

What was the key factor? I say to the minister that his colleagues in the government sit around and do nothing.

—it may run to $1,500,000,000 over the next ten years—is the shipping cost which has been "bugging" Alberta-B.C. coal mine operators. Japan has received assurances of stability in freight rates—

It has received those assurances from the United States. What has the C.P.R. done with this contract? I asked Mr. Pickersgill over and over again when he was the minister of transport. He replied that the C.P.R. was a private corporation and he did not want to interfere with it. Now he is gone, having landed himself a big hot-shot job for $40,000 a year. If any Tory had introduced a bill to create a job for himself worth $40,000 a year there would have been headlines about it in every newspaper. Yet now we are supposed to look at him with great respect in his new job.

The C.P.R. carried the coal from Michel, B.C. to Vancouver, but the Great Northern Railway in the United States said, "You allow us to build a line 30 miles long from Michel to the United States and we will ship the coal at one third the cost you are paying now." The C.P.R. sat silent and did not change its rates. Now we have this new transport commissioner. I don't know if he

will do anything. He was pretty friendly when he sat in this chamber and I expect he will be friendly when he sits as commissioner, but the fact is that because of what has happened the coal contract has now been lost to Alberta.

In 1957 when I ran in the federal election in Bow River, which takes in Canmore and the hard coal mines throughout the foothills near Banff, the coal miners there were all unemployed. There was nothing but poverty and destitution in the area. Then the Conservative government went to work. The then minister of trade and commerce, the hon. member for Winnipeg South Centre, went to work and made coal contracts with Japan, brought in a subvention of $4 per ton, got the men back to work, got the mines working and got things going. But now the coal operators of Canada are suffering again and some 2,000 or 3,000 men are being thrown out of work, not because of the Minister of Manpower and Immigration but because of his colleagues who have been sitting around and have not been doing anything.

Decay has begun in the Liberal government. That is what has happened. Two contracts, the wheat contract which brought in approximately $2 billion of new money last year and the coal contract, are going down the drain. Liberal members may say I am preaching gloom and doom. If I could do that like the Secretary of State for External Affairs used to I would really be a preacher. He went across this nation preaching gloom and doom when there was a recession that we inherited and one would have thought in listening to him that the whole world was collapsing.

The Minister of Manpower and Immigration has my sympathy this afternoon because I predict we are going to have massive unemployment within the next six to nine months. Decay has set in because of the government's financial debacle. The minister's own backbenchers admit this. This is what they tell government ministers in caucus. I would love to be a little mouse hiding in the Liberal caucus to hear them beg their government to do something. Our job is to brush the dust away and bring these matters out in the open in this chamber so that the public may know what is going on. I am not attacking the minister personally, but the loss of these two contracts has resulted in Canada's economic health failing.

Now let us get down to brass tacks. What has been going on in connection with the finances of this nation to bring this situation about, and why has the minister such heavy responsibility? Here is the best explanation I have read for a long time, and I think it fits the Liberal government to a T:

[Mr. Woolliams.]

> There were Caesars before Caesar—and after him—who dealt in bread and circuses. Caesar was high priest not only of the corrupted religion of the day, but of a debauched electorate as well. He poured out the public moneys from the treasury for their amusement; he manipulated the price of their bread; he told them always that these blessings came from Caesar. And it was quite a while before the Roman people tumbled to the fact that the big party was on them, after all.

Doesn't this fit the government today?

> Over inflated payrolls, printing-press money, and government largesse for political purposes may corrupt the electorate as surely as vote stealing at the polls, and much more successfully.

What beautiful language, and it fits. A more apt quotation never fit better. It certainly fits this Liberal government. How did they get power?

> Those who seek power beyond the will and intent of the people gain their foothold by winning over the voters with appealing promises; something for nothing, security without work, entertainment without price.

We have lots of that.

Mr. Choquette: Chiefly from you tonight.

Mr. Woolliams: Yes, sir, but any time you are on the stage you are the best comedian.

Mr. Choquette: You still look like Red Skelton.

Mr. Woolliams: You enjoy life. You get up and talk just for a laugh. But this is serious. People are out of work. Taxes are high, we are facing a financial crisis, and you joke. I continue with my quotation:

> After all, Mussolini and Hitler were elected at "perfectly legal" elections—

Then they stayed fast in office. Canada, of course, is a democracy and people will have something to say about that. Just the other day I received a letter which is much better than any speech of mine could ever be. I never heard of this lady before but she wrote to the Minister of Finance and sent me a copy of her letter. This is what she wrote:

> Dear Mr. Sharp:
>
> First it was a compulsory security number, as I so dramatically discovered five months ago. No pay for a week of substitute teaching—not because of lack of effort or lack of ability, but because of a lack of a social security number. You will be pleased to know that I am now a law-abiding citizen.

Second it was a compulsory pension plan. How marvellous that my husband no longer has to prepare for our old age. The government will magnanimously look after him. Where I fit in, your equivocal literature doesn't really say. But why worry? Welfare can always take care of me until I become a widow.

Third is the oncoming compulsory medicare. How wonderful that those unselfish men in Ottawa are going to look after my family's personal health—and all for free. The fact that our municipal and income taxes are becoming unbearable is too mundane to be worthy of mention.

But the Carter commission surpasses them all. It will create a delightful state-controlled country with all the benefits of a planned economy, planned lives and no selfish incentive for individual effort. Our system will become vacuous and brutal as the rewards of work and the thrill of daily living are eliminated. Truly a glorious Utopia for my children.

The letter is signed by Mrs. Mildred B. Chisholm of R.R.4, Calgary, Alberta. I cannot make a better speech than what her letter says.

The government is doing nothing and that is why workers are being laid off in Calgary by the C.P.R. That is why men are being laid off in the coal mines. That is why they are going to be laid off in Nova Scotia. As the quotation I gave says:

There were Caesars before Caesar ... He poured out the public moneys from the treasury for the people's amusement.

The government introduced one telling amendment to the Bank Act. I think it is a cute little change. It offsets the chance of there ever being another Coyne affair. It says that if the governor of the Bank of Canada will not pour out public money, turn a crank and create money, as a certain group in this house used to say, the cabinet can write him a letter and say to him: You are a nasty little governor; we have a dreadful financial problem; we are going to hold another election and we are going to pour out the money even if it brings about greater inflation which in turn will create more strikes and less profits and raise the cost of living for every pensioner in the country; you will do what we tell you. In such a circumstance the governor could not control monetary extravagance.

This minister, Mr. Chairman, has the toughest job because he is looking after manpower. How can he get these people back to work? The fact is that he cannot until the Minister of Trade and Commerce gets out and sells the coal and stops the United States undercutting us so Canada can sell its wheat again. There is no wheat being sold now. Some people are saying to the government: Don't worry about it because in this situation you will not have to pay any subsidy. The farmer is suffering, the labourer is suffering. Yet right across this country when you pick up newspapers you see, except for a few exceptions, articles saying that Canada is enjoying an unusual boom. I forget what the figure is but the old age pensioner is going to get either $1.56 or $1.76 more to offset the rise in the cost of living.

• (6:20 p.m.)

Does the minister know what has happened to rents in Calgary? They went up from $10 to $20 a month. The government pretends to be magnanimous by giving the pensioners something extra. By the same token the cost of living is going up because of inflation and because of continued government spending undertaken without responsibility.

The nation will wish to ask some pointed questions of the Prime Minister. We have gone through a most unusual period in Canadian history involving strikes and management-labour problems which have gone on for long periods without settlements. We have the Pearson formula for 30 per cent wage increases. How can you have 30 per cent wage increases without increasing the cost of living. We are caught in a vicious circle.

Over and over again I have asked the Prime Minister whether the Dean Woods report, which will relate to the problem of industrial unrest, has come to his attention. One year ago the Prime Minister said that an interim report would be ready in two or three weeks. I asked again at this session whether it would be ready soon. He said he would look into the question and that he had asked for an interim report. I doubt whether that report will be ready by the time this session ends. I will keep asking for it and if I am here for the next session I will ask for it then. I will continue to ask for it until it is made available. I doubt that the report will be ready by the end of the next session because the government does not wish to follow the recommendations that it will very likely contain.

The Liberal party wanted the responsibility of governing. They bid a high price for the privilege, as is evident from their literature. They sought the responsibility. All I ask of them is: Please govern. People in Calgary and elsewhere in this nation are out of work because of this government's policies. The Minister of Manpower and Immigration is not responsible entirely. The Minister of

Trade and Commerce, the Minister of Finance and the Prime Minister have not given leadership or direction. I never saw a cabinet before which expressed so many different opinions in so many parts of the country. One cabinet member says in one part of the country that taxes are to be raised. Another says in another part of the country that they are to be lowered. Nowhere do we see cabinet cohesion. Never before since confederation have we seen the degree of irresponsibility which is apparent now.

The minister has my sympathy. He has a tough job but he willingly took that job. I know that the minister undertook his present portfolio because of his humane sentiments and the experience he can bring to his job. That is good. But a government is like a building. You must make sure that the roof does not leak and that water does not run down into the building and crack the concrete foundation. I say to the minister that if he stays in his job he will turn grey in the next month because of the bigger and bigger mess that will result from the government's actions. This government has been completely senseless and irresponsible.

We shall see the results of increasing industrial competition. The United States is crowing about the great agreement that has been signed. But we will see lay-offs in Ontario and much unemployment throughout the country. It is all very well for the government to say, "Good gracious, the United States has doublecrossed us in its wheat dealings." That is nothing. In Ontario especially there will be unprecedented unemployment because of what this government has done. There are Liberals who wish they could sneak out of office and hand the reins over to us so we could clear up the mess.

Mr. Gray: Mr. Chairman, we are dealing with the estimates of a department that is as important as any in the federal government today. Manpower and immigration policies are crucial to the continued successful existence and development of this country.

The hon. member who just spoke has treated us to one of his usual colourful displays. I wonder whether he would have dared to make a speech of that kind when this country was really in trouble when his party was in power. I have not had the opportunity of checking *Hansard* and I am not saying he did not speak, but I suspect that when there was a need to speak up about the lack of action, the lack of activity, about the hundreds of thousands of people out of work, he sat in his place. What counts is what people do when the chips are down, when the need is to do something constructive and effective when one has a chance to do it. Unfortunately for the hon. member and his party the record is there. They did nothing. I suggest to this house that the memory of the Canadian people is not as short as the hon. member thinks it is.

Mr. Woolliams: Read the Gallup poll. The memory of the Canadian people is not short so far as the Liberal party is concerned.

Mr. Gray: We shall see when the time comes. Polls come and go. Though members of the official opposition have themselves commented about this sort of thing, as well in the past. We shall see what happens when the Canadian people have an opportunity to compare the record of their government and this government to make a judgment the outcome of which I am confident will be continued support for this government and this party.

One of the two halves of the department deals with manpower. Certainly this department, and particularly this section, has a key role in improving the productivity of this country. It is not enough merely to build buildings in the way that was done by the party of the Acting Leader of the Opposition and to fill them with people who in many cases were trained for jobs that did not exist. This government has recognized the need not only to see that buildings are built and classrooms are filled but also that workers are matched to skills, that real information is available as to the skills required in this country, and that training of all sorts is encouraged in ways that mean that people who want to do so will be financially able to take courses that are offered across this country.

This is the type of necessary work that is being carried out by this new department as its reorganization proceeds. There are facilities that did not exist before this department came into existence in its present form, facilities to determine the jobs required in this country, to determine the skills required, to match people to jobs, to make sure that we have not only the necessary courses available but that courses match the requirements of this country for the skills of today and the future.

Let us look at some examples. Let us look at the separation of the national employment service from the unemployment insurance commission, the turning of it into an active

agency of manpower policy and its transformation, going on at this time, into the Canada manpower centres. This move was undertaken by this government and the minister's department under the leadership of the minister, a move that has been greeted with praise and encouragement by thoughtful observers across the country.

When the Acting Leader of the Opposition spoke on behalf of his party he made some reference to the abandonment, if I have the word correctly, of the productivity council set up by his government. I suggest to this committee that the council was not abandoned; instead, its functions were absorbed by the economic council. Those functions are being carried on by the economic council, the very body praised so fulsomely by the Acting Leader of the Opposition and the hon. member for Bow River who just spoke and quoted from the report of the council.

I ask this committee to remember the criticism by informed and thoughtful observers, of the lack of effectiveness of the productivity council when the previous government was in office. I ask hon. members to remember that, if I am not mistaken, the then president of the Canadian Labour Congress, Mr. Jodoin, resigned from the council in protest against it not becoming an effective instrument of economic development in the way that the mission sent to Europe under the auspices of the council had urged after studying the experience of European countries.

• (6:30 p.m.)

The recommendation of the mission to Europe, calling for more effective measures of consultation and planning, came during the existence of the productivity council as it then stood. Of course, the useful work of the council has been carried on through the economic council which was created by this government. Even more important, we find not only consultative agencies but bodies designed to actually carry out programs working in the area of improving productivity, the manpower section of the Department of Manpower and Immigration working on the training side of productivity and the Department of Industry working in the area of technology.

There are problems that arise in this period of adjustment when the federal government is taking a somewhat different approach to the question of manpower. I think we should recognize at this time the achievements of and the constructive work being carried out by the manpower side of the minister's department. At the same time, I think we in this house should urge the minister to make sure that the training activity, the retraining work being carried out by his department extends as widely as possible and is as flexible as possible, to make sure that those who actually need retraining, whether or not they are working at present or whether they have been here for only a relatively short period, will be able to have this training in the interests of the economic development and the continued prosperity of this nation.

I should like at this time, Mr. Chairman, to turn to the other side of the minister's department, namely, the immigration branch. Certainly the new regulations for the selection of immigrants, the new points system, is a step forward in the creation of methods for the fair, reasonable and humane selection of people to join with us in building this country.

These regulations broaden the classes of relatives who can be considered. They are aimed at treating people on an equal basis no matter where they come from in this world. The points system provides a flexibility that was not present under the former rigid approach whereby a person either qualified completely on the basis of skill or fell within a narrow category with regard to relatives who could sponsor him, and if he did not fall completely in one area or the other he could not come to this country.

At the present time, under this new system, if a person does not have a very high level of education, complete training in a skill, but there are other factors that can be taken into account, relatives willing to support him, a certain knowledge of our two official languages, these things can be added together in a way that should make it possible for the person who wants to come to this country and contribute to its development to come here and make a better life for himself and his family, to the benefit of all of us.

But while I am praising these new regulations and praising the minister for responding to the suggestions of the immigration committee, of members on this side of the house and the other side who helped bring about this new system, I should say that I do not think the present structure of the points system should be regarded as being engraved on tablets of stone.

A certain period must go by in which the administration of the points system as constituted at the present time should be studied and observed. But I think it would be a great

mistake if after a period of study and transition, which should not be too long, the government failed to take into account the actual experience of administering this system and treated the points system as something immutable, as something handed down from above that cannot be changed without threatening the very structure and foundation of this country. This would be a mistake.

Although the program has been in operation for a relatively brief period, we can see some areas of it, some aspects, which I think give cause for concern. I refer particularly to the section of the regulations entitled "Norms For Assessment of Independent Applicants" and in particular to the category "Personal assessment" which reads as follows:

> Adaptability, motivation, initiative, resourcefulness and other similar qualities to be assessed during an interview with the applicant by an immigration or visa officer, the total assessment up to a maximum of 15 to reflect the latter's judgment of the personal suitability of the applicant and his family to become successfully established in Canada.

The minister may well say: The reason we provide this category and assign it 15 points is to help people to come into this country when they may not be able to measure up completely to the other norms of education and training, occupational demand, occupational skill, age, and so on.

I certainly agree with that, but I am somewhat concerned that this particular category can be used in exactly the opposite way. Let me explain why I say this. First of all, 15 points are given for personal assessment. This is almost the same number of points as for education and training, which category provides up to a maximum of 20 points. It is exactly the same number of points as for occupational demand, which provides a maximum of 15 points. It is more than the number of points for occupational skill, for which a total of ten points is provided. It is certainly more than the number of points provided where the applicant has a relative who is not eligible to sponsor him but is willing to assist to some extent. Only five points are given here.

I suggest that as we obtain further experience in administering this points system we may find that too many points have been given to the category of personal assessment. At least the other categories are capable of some degree of objective measurement and objective definition. But this clearly cannot be done with this category of personal assessment, where the officer has to consider such

qualities as adaptability, motivation, initiative, resourcefulness, and so on. These are all wonderful words and are qualities we look for in immigrants, but I have some doubt whether any one of them can be assessed by an immigration officer in the course of an interview of 15 or 20 minutes.

These terms have been the subject of consideration and study by social scientists and researchers in universities for many years. I have grave doubts whether even they can provide, even after a period of lengthy research and study, definitions and criteria which can be established and applied to people in a way which permits decisions to be made on the crucial question of whether people being tested have the qualifications to come into this country.

Shortly before the time came when I would be able to speak on these estimates I went into the parliamentary library and found a volume entitled "A Dictionary of the Social Sciences" which was compiled under the auspices of the United Nations educational, scientific, and cultural organization. The book is described as containing terms pertinent to the fields of anthropology, economics, political science, social psychology and sociology. It occurred to me that if the minister has teams of sociologists studying the reasons why immigrants are not interested in coming to this country from certain other countries—and I think this is a very useful work—possibly similar efforts would have been aimed at evolving the category of personal assessment. Therefore I decided to look up the terms in this dictionary. First I looked up the term "adaptability". The term "adaptability" does not even occur in this book; it is not there at all. Since I do not want to be unfair, I would point out that the word "adaptation" does appear, and it is defined as follows on page 8:

• (6:40 p.m.)

> Adaptation may be defined as the process, and the resultant condition, in which changes in an organism, system of social organization, group, or culture aid the survival, functioning, maintenance, or achievement of purpose on the part of an organism, personality, group, culture, or any part thereof.

I wonder if an immigration officer can apply this definition to an individual after an interview of 15 minutes or of several hours, because subparagraph 1 of this definition reads as follows:

> As can be seen the present usage of the term has become so broad as to be diffuse and almost meaningless.

Then I decided to turn to the next term which is "motivation" for which there is a rather lengthy definition in the book, part of which I will read:

> The term motivation refers to any organismic state that mobilizes activity which is in some sense selective, or directive, with respect to the environment. Since a great deal of human behaviour that is obviously motivated, in this sense, cannot be directly associated with any specific, discriminable organismic states, it is necessary to distinguish one motive from another in terms of the goals (q.v.) toward which behaviour is directed, if the term is to have a constant meaning regardless of whether or not the motive in question corresponds to a specific, known physiologic state.

I know the minister shares with me the aim to have our system administered in a fair and equitable way, and he has achieved remarkable progress along these lines. Perhaps he could tell me what training has been given to our immigration officers to assist them to apply the criteria in this definition to an individual in 10 or 15 minutes.

The next term is "initiative". I looked it up and found its definition to be as follows:

> The initiative is a political device—used widely in Switzerland and in state and local governments in the United States—through which the electorate may by petition propose a statute or an amendment to a constitution.

It goes on to define this concept at greater length. I think it is of some significance that the term "initiative" does not even exist as a concept in social sciences applicable to the individual human personality, and yet the department is asking its officers to assess applicants who wish to live in this country on the basis of a concept of initiative which hundreds of social scientists at the level of people like Clyde Kluckhorn, Margaret Mead and Barbara Ward have not been able to define in this volume published under the aegis of UNESCO.

Then I turn to another term, namely "resourcefulness" and this is not in the book either. What I just said about initiative obviously also applies to the term "resourcefulness".

Mr. Schreyer: Would the hon. member permit a question?

Mr. Gray: Yes, when I complete my remarks. Since I will try not to speak at great length, there should be some time left for questions.

I think it is obvious that while the aim of providing some type of assessment of the personality to help make up for lacks in education and training is a good one, and I am certainly not opposing it in principle the way this has come out in the initial stage is subject to abuse, to subjective decisions and subjective judgment in a way which is not consistent with what I am confident the minister had in mind when proposing this points system. I might add that he is asking officers to apply these concepts who, in spite of the fact that the majority of them are well intentioned and interested in their work, are certainly not qualified to carry out a detailed assessment of the personality, whether they have 15 minutes or 10 hours in which to do it.

I think that I have at least in part made the point that while there is a need for a period of study and observation of this points system there is already one aspect of it which, so far as thoughtful and fair-minded people are concerned—and I certainly include the minister in this category—should be a matter of concern—that is that it will be used to turn upside down what I am sure is the aim of the minister and the government, namely to broaden the admissibility of immigrants to Canada. The purpose of this discussion in committee of the whole is to have an exchange of ideas, and the minister has been most reasonable in taking part in this exchange both in the house and in the special committee on immigration. I would urge him to take my remarks into account, I hope that before much more time has gone by he will see the necessity for some appropriate modification in this points system, so that this situation will not be continued where there are immigration officers, no matter how interested and active they may be, who are not really equipped to carry out an assessment of personality on the basis of criteria which do not even exist as concepts in social science, and if they do exist they do so in a way which permits them to be applied only by highly trained people after the most lengthy and careful studies. I might say that if the category exists, and I say there is a place for it, certainly there is room for a reduction of the number of points given for it, and an increase of the points in the category of relatives. Certainly the fact that an applicant has a relative in Canada willing to assist him in becoming established is worth more than five points. I think it should be possible to put the points which would be taken away from the category of personal assessment into the category of relatives.

I want to deal with another point which has less reference to the points system as such than to the present method of considering the applications of visitors. I understand that a person who applies for an immigration

visa while visiting this country is not given any credit for arranged employment in Canada but automatically loses 10 points. It seems to me that if we are really interested in encouraging skilled people to come here we should welcome those who come here on a trip of an exploratory nature to see whether they can fit into our society. It is unrealistic to expect someone who has a home and a good job to give it all up and to come to this country, even after having had the opportunity to read all the leaflets and talk to the immigration officers in his home country, without having a chance to study the situation personally. I certainly think it should be possible for someone to come here as a visitor to see whether or not he likes the country and can find a suitable job, and then file his application in a way which would not discriminate against him. His application should certainly not be considered more quickly than it would be if he were to remain in his home country and file it there, but I do not think he should start out with a couple of strikes against him because he came here to visit and decided he wanted to stay. It is unreasonable to expect such a person to incur the expenses involved in buying a ticket to go back home an amount which may be sufficient for him to pay to bring his family over, and then have to make an application back in his home country.

When the minister will speak later on in the debate perhaps he may provide some clarification with regard to the deduction of points where arranged employment is made. I think it would be most unreasonable if this deduction were to take place after the prospective immigrant came here and arranged for employment, especially if in the first place he did not intend to stay here permanently but, at the urging of relatives decided to apply and told the immigration officer that he has found someone who wanted to offer him a job in his trade. If we can accept the argument of the department that there is something wrong in having a more open acceptance of applications from visitors, one should also possibly be able to accept the argument that some points should be deducted if a person comes here after making prior arrangements for a job here and arrives here ostensibly as a visitor. Certainly this argument cannot be applied to a person who comes here as a visitor and, at the urging of a prospective employer, comes to the immigration officer and says he would like to stay here. I think it is unreasonable, under those circumstances to take ten points from the

points available to him. I urge the minister to give further consideration to this aspect as well.

• (6:50 p.m.)

In conclusion, Mr. Chairman. I will say that while I have attempted to put forward some criticisms in a constructive vein of some aspects of this points system, I feel it is a great step forward, a great improvement over the previous approach to the selection of immigrants. My remarks are aimed at helping the system work better, at helping the minister achieve continued and even greater success in his responsibility, not only in this department but as one of the leaders of the government of this country. After all, in spite of the criticism that may come from this side of the house, or the other side, I think the memories of the people of this country are not so short that they cannot remember that in the early 1960's when the party now in opposition formed the government, immigration fell to some 70,000.

It was only after this government took office that the number of immigrants rose in a way which reflected the needs of the country, and a better approach to the humane treatment of our fellow human beings. Certainly, there is a great difference, no matter what criticisms I or others may bring forward during the study of these estimates, between the almost 200,000 immigrants who have come this year and the 70,000 who came under the former government. This shamefully low figure along with others was a blot on the record of that government.

So, in conclusion, Mr. Chairman, I say that I have put forward some suggestions for improvement. I commend the minister upon his willingness to listen to suggestions and to consider individual cases as well. I am confident that the department, under his leadership and the government of which he is a member, will continue the progress that came about only when this government took office, and will continue to provide the necessary increase in immigrants for the benefit of this country and its people.

Mr. Bell (Carleton): Mr. Chairman, after listening to the previous speaker—

Mr. Schreyer: I have a question which I should like to direct to the hon. member for Essex West. The hon. member was critical of certain concepts involved in the new immigration policy. In particular, he stated that the use of certain terms, such as initiative,

were difficult to express because they lacked precision. I should like to ask him if he would agree that we have the same problem when this term is used in connection with economics and taxation. This term is used so frequently, that I ask him if he would not agree there is an equal lack of justification for its use?

Mr. Gray: No, I would not accept that statement. There are dictionary definitions, but I think there is a difference between dictionary definitions and the more precise definition required when one operates in the area of the sciences, even the social sciences. I will be the first to agree that the social sciences have not yet achieved the absolute certainty that some of the other sciences have. While I believe that my criticisms are valid in respect of the attempt to use the word "initiative" as a concept in the measurement of individual human performance or potential performance, I think that as a broad general concept related to the activities of people, parties, governments or humanity in general it is capable of continued use. Certainly it has justification in so far as the achievements of this government to date are concerned.

Mr. Bell (Carleton): Interesting, indeed, Mr. Chairman, has been the speech of the hon. member for Essex West. He has sought to set himself up as one of the principal critics of the department of immigration, and yet when the chips are down he wants to go along with and be part of the minister's policy. Really, he cannot have it both ways. He puts one foot firmly on each side of the fence, while the wire eats into his soul. This is the type of operation of which the hon. gentleman has been guilty in the joint special committee. In the committee he has set himself up as someone trying to be in opposition to the department, and yet he comes into the house and takes an entirely different approach. Sir, I do not believe I can make any other comment except, "Oh, consistency, thou art a jewel."

Mr. Woolliams: He is having a love-in this afternoon.

Mr. Gray: May I ask a question?

Mr. Bell (Carleton): I listened with care to the hon. gentleman and I hope he will listen with equal care to me.

Mr. Munro: Many of these changes are the ones you wanted.

Mr. Bell (Carleton): I do not know what the hon. member for Hamilton East is mumbling. He usually sits in his seat and mumbles. I wish he would get up and make a speech.

Mr. Munro: May I get up now, then, and ask a question ?

Mr. Bell (Carleton): The hon. gentleman may get up and make a speech later, when I have finished.

Mr. Munro: My only comment was that many of these changes are the ones you, yourself, wanted.

The Chairman: Order. Would both hon. gentlemen sit down please. The hon. member for Carleton has the floor.

Mr. Bell (Carleton): During the last session of parliament immigration policy was considered in detail in a joint special committee of the Senate and House of Commons. In my view this was a good committee. It is regrettable that the government and its supporters have not seen fit to continue the work of that committee at this session, so that a proper report could be made to parliament and acted upon.

The committee itself was established on May 18, and the members of the committee were appointed on May 29. There has not been one sitting of the committee since May 29. The responsibility rests with the government whip to call that committee. No one else but the government whip can call it. This is neglect of a very vital issue on the part of the government whip.

The briefs that were submitted to the joint special committee at the last session were of an exceptionally high calibre. They deserved, but have not received, the intensive study of the members of the committee. The house, and I think the nation, are entitled to a detailed and exhaustive study of the provisions of the white paper.

In earlier debates, sir, I have expressed my opinion that the white paper was window dressing. It needs to be strengthened greatly and clarified before it could become an acceptable basis for a long range, genuinely expansionist immigration policy. The evidence taken before the special committee clearly indicates that while the white paper purports to be expansionist it is, in fact, latently restrictive; that while purportedly non-discriminatory it is latently discriminatory.

I suggest to you, sir, that these aspects must be purged from the white paper and from the legislation which presumably will follow it.

The Chairman: Order. It being seven o'clock, I do now leave the chair.

At seven o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

Mr. Bell (Carleton): Mr. Chairman, just before the recess I had endeavoured to deal with the inconsistencies of the white paper, equalled only by the jewelled inconsistencies of the hon. member for Essex West. I should like to continue and to deal with some of the briefs which have been submitted on behalf of a variety of organizations and governments to the special joint committee on immigration.

I thought the most impressive brief of all was that submitted by the government of Manitoba. The minister of industry and commerce, Hon. Sidney Spivak, pointed out that each economic region of Canada has special problems related to the need for immigrants, each its own particular potentials, problems and objectives.

While it is certainly true that the more heavily developed and industrialized regions of Canada may require more skilled and fewer unskilled immigrants, the less developed areas of Canada actually require more unskilled and semi-skilled immigrants. I think a brief quotation from the Manitoba brief, as it appears at page 199 of the proceedings and evidence of the special joint committee, will make this particular point:

> The policy proposed in the white paper claims to be nondiscriminatory. It is in terms of geography and race. But it does in fact discriminate against the kind of people Manitoba needs today to enable our economy to expand and grow. The federal "policy" is not expansionist as it claims. Rather it imposes unrealistic standards in a small and highly selective, increasingly competitive skill and education market. It simply does not recognize the facts.

That is the point I should like to make about the white paper, Mr. Chairman: It simply does not recognize the facts. It does not seem to me that the new regulations adopting a points system are adequate enough or flexible enough to meet this point of view. In many ways I would prefer what I have heard described as the old "eyeball" system.

The hon. gentleman from Greenwood was worried that he might not be admitted to Canada if suddenly he were confronted by an immigration officer who, looking him over and applying the points system, sought to describe him. For myself, Mr. Chairman, I like the eyeball system. I believe in the judgment of the individual by the properly trained immigration officer.

I repeat, sir, what I have said before often in this chamber, that if the ancestors of the members of this chamber had had to meet the selection criteria laid down in the white paper, few of us would even be citizens of this country of which we are now representatives in the parliament of the nation.

I venture to put on record, Mr. Chairman, the recommendations of the Manitoba brief, and respectfully to endorse them in full, as they appear at page 200 of the proceedings and evidence of the special joint committee on immigration:

> The following recommendations respecting Canada's immigration policies and programs are submitted for consideration:
>
> National immigration policy is not sufficiently flexible to meet the needs of each region and province. Programs should be specifically designed to help overcome regional disparities.
>
> Critical labour shortages cannot be met because of existing immigration rules. Procedures should be established immediately which will permit prompt immigration action to overcome existing and future persistent labour shortages.
>
> Proposed immigration policy will hamper "frontier" development. Special programs should be created to help encourage "frontier" development—
>
> Rigid admission standards based primarily on education are unrealistic and do not meet needs of the economy. They are discriminatory rather than expansionist. Education and skill admission standards should be revised to take account of the immigrant's aptitude and potential.

Those words I would adopt in full, Mr. Chairman. I say to the committee that nowhere has the failure of our immigration policy been so evident as in the recruitment of agricultural workers. The extent to which the department of immigration has let down the farmers of this nation is exposed in an answer to a question of mine which appears in *Hansard* for June 21, 1967 at page 1769. The third part of the question was:

> 3. Of the immigrants who were admitted to Canada in 1965 and 1966 (a) how many were destined for the agricultural labour force (b) what percentage of the total immigration inflow for each of the two years did these represent?

What was the answer, Mr. Chairman? In 1965 the workers destined for agricultural employment numbered 2,362; the percentage of the total immigration was 1.6. In 1966 the number was 3,153; the percentage of the total immigration was 1.6. In each of those years, Mr. Chairman, only 1.6 per cent of the total inflow of immigration was directed to agricultural employment, the industry which still today is the very bedrock of our national prosperity.

Yet every day, Mr. Chairman, more and more farmers are compelled to give up farming or to restrict their activities because of this shortage of labour; and no one knows that better than the man who with such distinction occupies the chair at the present time. The almost total lack of farm labour at this time is verging upon a national crisis as well as a personal tragedy for very many farmers. What plans has the department in this regard? None was outlined. Will the minister when he replies outline the plans the department has in this respect?

Another sufferer from the excessive emphasis upon skill and education is the mining industry. All of us have seen the recent press stories, which I am not going to read into the record, setting up the critical labour shortage in that industry. The department has been dilatory and negligent in its lack of recruitment programs for labour in these two basic industries.

• (8:10 p.m.)

One of the major problems of the department results from the discrimination against the overseas staff which exists in comparison with the treatment accorded the overseas staff of the Department of External Affairs and the Department of Trade and Commerce. The officers of the department of immigration ought, as a matter of right, to enjoy the status and prestige accorded at least to the overseas staff of the Department of Trade and Commerce. They do not. Those men and women who are selecting our future citizens are engaged in work at least as important to Canada as those who are promoting our trade. The just grievances of the overseas staff of the department of immigration should be removed at once.

In his reply, I would ask the minister to tell the committee what action has been taken to promote the immigration of non-communists from behind the iron curtain. We are told there are extensive pools of highly trained and intelligent people seeking to leave some of these countries: Was any advantage taken of the recent and most welcome visit of the Polish parliamentary group to discuss emigration from that particular country? Canadians of Polish origin are among our most enlightened and publicly minded citizens. The Canadian Polish Congress is a great national organization. This country could use many more citizens of the qualities of those of Polish origin.

Again, I should like the minister to tell us what co-operation has taken place between his department and the government of Manitoba in respect of the latter's program under which free passage is offered as a means of attracting immigrants to that province. Is this program a success? Ought it to be emulated on a national scale? Earlier, in the course of another debate, I expressed the view—which I reiterate now—that we should extend broader and more generous inducements with a view to attracting desirable immigrants. The Australian plan has worked; it has attracted to that great country a large number of most suitable immigrants who might otherwise have been admitted to Canada.

Turning to another subject, I submit with great respect that the minister has been less than vigilant, or less than expeditious, in getting the new immigration appeal board into full operation. There was an unconscionable delay in making the appointments, and the actual commencement of operations on a new basis was delayed much longer than we were led to expect. Why has this been the case? The board may well be the white hope in immigration policy. Let us give it every opportunity to build up a new and, I hope, humanitarian jurisprudence in the immigration field.

Mr. Chairman, a concomitant of the failure of the minister and the government to get the special committee into action is the further delay in the total revision of the obsolete, one might almost say antedeluvian, Immigration Act. The target date of the previous government for this revision was two years following the enactment of the new regulations in January, 1962. That target has been missed by 3½ years. My advice to the minister is: Let us get on with this job. The Immigration Act is a hodge-podge of inconsistent antiquities. Let us bring it into the 20th century and make some attempt in its drafting to look forward to the 21st.

I believe the committee is entitled to a full statement from the minister about the progress of the department's program in connection with the granting of immigrant status for persons who overstay their visits to Canada, as outlined in the hon. gentleman's statement of July 8, 1966. At that time, there were certainly between 25,000 and 35,000 persons who were in Canada illegally. How many of these have since been legally admitted? How many new illegal entries have been made since that time, according to departmental estimates? Has the policy of July, 1966 solved this continuing problem, or has it merely settled some individual cases while ignoring the arrival of new illegal entrants?

Many members of this house have been concerned about the presence in Canada of so-called draft dodgers from the United States. The ease with which a United States citizen may enter Canada either as a visitor or as an immigrant is something no one wishes to restrict. I recognize equally that the whole of the North American continent, United States and Canada alike, owes a great deal to dissenters, religious, pacifist and otherwise. But I think this committee needs an assurance that we are not merely lending ourselves to the breach of the laws of our neighbour. We need to be assured, in the second place, that the admissions are legal, and that they are allowed for purposes which would serve our national interest. Third, we should be satisfied that the entrants are not persons of a type likely to engage in illegal or illicit activities while in Canada.

The minister owes the committee a detailed statement. I seek to place no impediment upon the proper and legal entry into Canada of United States citizens, including those who are genuine non-conformists, but I do not wish our country to be a haven for drug addicts, perverts and other escapists from reality.

Some hon. Members: Hear, hear.

Mr. Bell (Carleton): Immigration to Canada from the United States is but one side of the coin. On the other side is emigration to the United States—the brain drain which has plagued this country over its whole 100 years. I welcome the success of "Operation Retrieval", the new departmental attempt to persuade Canadian graduates studying abroad to return to Canada. But much more needs to be done to stem the outflow of needed Canadian population. The pulling force of the United States is a fact of life. I draw attention to a document of the committee on government operations of the United States House of Representatives entitled "The Brain Drain into the United States of Scientists, Engineers and Physicians" published in July, 1967 which demonstrates the immigration into the United States in 1966 of 2,827 Canadian engineers and medical personnel, 246 natural scientists and 62 social scientists, a group of specialists which Canada can ill afford to lose.

One further subject with which I hope the minister will deal in his reply is the present state of the refugee problem and our contribution to its solution. In the Middle East, the peace of the world is threatened by the desperate plight of refugee people. What is Canada doing here and elsewhere in the world?

I close on a note which is familiar to the committee—and it is decidedly my theme song in connection with immigration. I believe in greatly expanded immigration as a genuine instrument of national economic policy; as a technique of stimulating the economy; as a process of achieving national greatness. I reject completely the feast and famine, tap on-tap off policies pursued so frequently by ministers of all parties in this country.

• (8:20 p.m.)

The marriage of manpower and immigration makes me decidedly uneasy. Immigration almost inevitably will be the bottom partner, with obvious results. My approach is to assert for immigration a separate and distinct status as a national stimulant, and to believe that manpower then has the duty and responsibility of finding opportunities equally for Canadians and new immigrants. The actual presence in this country of new immigrants will enhance the opportunities for Canadians, once, twice, thrice or more removed from the immigrant status.

I submit, sir, that what all of us seek is genuine equality for all immigrant people, for that is what we all are, except the Indians and Eskimos. Some of the newer immigrant people have misinterpreted the so-called English-French dialogue as confining them to an inferior status. I repudiate any such thought or any such approach. My own position, as a very proud Irishman, removes me from any English-French conflict—

Mr. Mackasey: Irishman?

Mr. Bell (Carleton): —and resent those who place me on one side or the other.

Mr. Mackasey: How did you become an Irishman?

Mr. Bell (Carleton): My people were rebellious when France was sleeping in medievalism. I stand with the third force in Canada which demands total equality with those two races who arrogate to themselves special designation as founding peoples. I ask only genuine Canadianism for one and all in a united Canada.

Mr. Allmand: Mr. Chairman, I have only a few words to say in this debate on the estimates of the Department of Manpower and Immigration. To begin with I would like to congratulate the minister. Since he came to Ottawa and was made minister in charge of this department he has been instrumental in introducing significant reforms both in immigration and manpower. The new rules for the admission of immigrants are a big step forward because they make a more realistic assessment of the true value of a potential immigrant. Previously too much value was given to the formal training of the immigrant and not enough to the other factors which make a person a good Canadian.

The new regulations have been directed to economic ends to correspond with our manpower needs. This is extremely important, but above this I believe the new rules with the points system are more humane, more just and more orderly. As a member of parliament from a city constituency which has a high percentage of immigrants, I have already found examples where the new rules have provided for a more humane and better flow of immigrants.

But with all new plans there are bound to be a few kinks which have to be worked out with experience. I merely want to mention a few of these and make some suggestions to the minister about them. I believe the most sensitive area in the new method and points system involves the men who interview prospective immigrants and apply the points system. One can easily see how easy it would be for the interviewer to let his personal prejudices influence his granting of points, especially in the areas where quick judgment is required, and where really no quick judgment can be made. It is to be hoped that all interviewers will be properly instructed, and I think they should be given more specific rules for guidance.

It appears to me, Mr. Chairman, that too often the interviewers and other officials in the department resolve any doubts against the prospective immigrant. It would seem to me that it would be much better and more humane to resolve any doubts in favour of the immigrant. Too often people have been refused entry or sent back to their own countries merely on what would appear to be the personal whim of the interviewer or of the official in the department. So, whereas I feel the new rules and regulations are a big step forward, and really the right sort of thing, it is most important that they be applied by people who would apply any doubt in favour of the applicant.

Although the new rules have removed any discrimination, they really will not be effective until we have placed more immigration officers and more personnel in countries where the demand for immigration is high, and where the pressures of the population explosions are also high. I have particularly in mind Indonesia, India, Hong Kong and the West Indies. I have encountered problems in my own constituency concerning prospective immigrants from these areas, involving people who have been waiting for years to get into Canada because of lack of personnel or lack of offices, many of them people with high qualifications and who, apparently, could become very good Canadians.

I realize that in the matter of immigrants coming from developing countries we must work in co-operation with those countries, so that we do not take away from them some of their own people who are needed to develop them. It would be ridiculous on the one hand for our government to try to assist the development of these countries through our external aid office and, on the other hand, take the people they need away from them.

I believe the minister has announced his intention of correcting other problems such as those concerned with the handicapped and mentally ill. The sooner amendments are made to the new rules, to allow an immigrant family to bring with them a member of that family who is chronically ill or handicapped, or who has some type of disease which would not permit his admission as an individual, provided the family is willing to take care of that person, the better it will be. It is completely inhumane to allow a family to come to Canada, yet disallow one brother or son merely because he has some type of illness which would bar his admission as an individual immigrant. So long as the family

is prepared to take care of him he should be allowed to come to Canada.

With regard to prospective immigrants from behind the Iron Curtain I have personally encountered problems where the security check involved takes too long and is applied with too much rigour against people who, in the long run, are often shown to have nothing against them which should prevent their coming into this country. I say we should allow such prospective immigrants to come into Canada provisionally, if they meet the test on all other points, with the stipulation that if anything shows up later in their security check then they would have to leave the country. I believe a somewhat similar procedure is followed in other countries.

• (8:30 p.m.)

In conclusion, Mr. Chairman, I think the new policy we have introduced covering the manpower retraining program and the manpower relocation program is a big step forward in this age of technological change, in which men often lose their jobs in middle life because of new technology and new types of processing. However, I have found that some men who applied for the retaining program were refused admission because they were over the maximum age laid down. One man I have in mind was 56, and another 58.

I have also found instances of people who were refused because they did not have sufficient education under the regulations covering the retraining program. If this retraining program is to be really effective I believe it should apply to men who are in their middle age, even if they do not have grade 11 education. In one case I know that a man was refused because he did not have grade 11 education, and he wrote me about it. He was a man who had a trade, but who lost his job because of new technology. This man was refused retraining because he did not have grade 11 education. In other cases, as I have said, men were refused admission to a retraining program because it was claimed they were too old.

I believe that one of the most difficult areas in manpower is with respect to middle aged workers. Even if they can be retrained those of this age group have the most difficulty in finding jobs. I have found that many men of ability who still have much to offer Canada and to the economic growth of their regions cannot get jobs because of the restrictions many companies impose with respect to age. The department responsible for manpower must work to correct this problem. We should do something to remedy restrictive rules in the department's regulations which prevent persons such as I have mentioned from entering into retraining and relocation programs because of age or education.

As I said at the beginning, the department's difficulties are kinks which will be ironed out. They are natural. I think the minister, in setting up this department and introducing into immigration and manpower new procedures, deserves a great deal of credit.

Mr. McCleave: I shall try to be brief, for two reasons. First, many others wish to talk in this interesting debate and, second, the Leader of the Opposition in an able address covered many points I had wanted to cover. I shall not repeat them, except to urge on the minister the wisdom of letting a committee of the House of Commons examine this program and the work of this department. Probably that could be done next year. That way we could learn more than by having exchanges in the House of Commons. Experts could be called before the committee to testify. One point that could be looked into, for example, is the 25 per cent of unplaced job applicants registered with the former national employment service in 1966. They were male and over the age of 54. Only 1.2 per cent of those who were in training were in that age group. Obviously, those in the 54 and up age group face a serious problem. They may be regarded as untrainable for new jobs, or as not having the inclination at that time of life to take job training opportunities that are available.

On points such as these it would be useful to hear experts from inside and outside the department. The problem is a neglected one and perhaps cannot be solved by the Department of Manpower and Immigration. Nevertheless in a sense these people are being forgotten. I mention these matters to the minister in all earnestness, hoping that, say next year, a committee may be set up to examine in depth the operations of his department.

This afternoon, if I heard him correctly, the minister mentioned that the department was not concentrating its efforts in the area of moving people from one part of Canada to another. It preferred, and I hope I have this correctly, for problems to be solved in the provinces in which they occur. The President

of the Treasury Board who made a remark some years ago that brought a storm from Atlantic Canada about his ears will no doubt tell the minister that such an approach is wise.

Another aspect the committee could examine is the effectiveness over the last six years of the department's programs. In a powerful indictment published in the *Monetary Times* for June, 1967, an article entitled "The Manpower Mess", had this to say in part:

> From 1961 to 1966 program 4 (training in co-operation with industry) and program 5 (training of the unemployed) soaked up $100 million. For this figure, the government claims some 200,000 Canadians participated in one way or another. But there is little to show what their participation achieved. The dropout rate may be as high as 60%, and the profitability to those who completed the courses is practically unknown.

I do not know whether these strong words are correct, and perhaps the minister, in replying, can say whether he takes exception to that statement published in the *Monetary Times*. Such a statement implants a nagging doubt that can be resolved better by an examination in the more intimate setting of a committee of the house than by an examination in this awesome forum.

I continue quoting from the article:

> Even Ontario, which made greater use of the funds than all other provinces combined, heard its own economic council report: "Program 5 lacks well-defined objectives at all levels of its operations: federal, provincial and local. The lack of objectives complicates the development of effective policies and the use of meaningful performance measures. (Its role) has not been defined and continued procrastination could result in a training program for the unemployed which diverges widely from the nation's and the province's real needs."

Again, sir, I say that this is compelling evidence to show the need for such important programs, in all their aspects, to be examined.

I was pleased to hear the minister announce that he would broaden the statistical operations that support the manpower program. Admittedly he spoke in the other language of Canada, and while we have excellent translation facilities one cannot always catch what is being said. If one is too close to the minister he hears him speaking in his original language, which is distracting; and if one is too far away he can hear a buzz coming from behind the curtains, which is distracting, too. I gather the minister said that the statistical information so far available to him and his officials was incomplete and that new statistical devices were to be employed. This is wise.

In the March, 1967, issue of the *Canadian Statistical Review* a feature article on Canadian manpower statistics supports the need for more and different types of information with respect to unemployment in Canada. There is the labour force survey taken from 35,000 households. It is a national survey, a sort of spot check here and there, but does not examine the problem in detail. As the article I have just referred to says on page 3 of the publication:

> For those in the labour force with a job, some qualitative information is available regarding their industrial and occupational attachment within broad groupings. Similarly, for the unemployed the number of weeks seeking work is recorded. Because of the relatively small size of the sample (about 1 per cent of the population of working age) sampling variability limits the amount of detail from this source. Thus for most series only Canada and regional data are available.

• (8:40 p.m.)

The article, in speaking of administrative records, says that those records are deficient and are limited in usefulness as economic statistics. I am glad to see the minister coming to grips with this problem.

I should like to know about that. Again, I think a committee approach, where one could call in experts and deal with this new type of statistical approach, would be helpful. While the minister can be very frank with us and give certain answers, he is perhaps just filling in *Hansard* and we are occupying ourselves with technical information that is of interest to only a relatively small number of members.

On the question of immigration, Mr. Chairman, I should like to thank the minister for taking, in the Halifax area, a step that has been long overdue. After consultation with the Department of Transport and some urging from Halifax members and the port of Halifax commission, the minister has now corrected the problem. In the past when groups of, say, below 250 immigrants arrived in Halifax it was not feasible to arrange special trains for them, and frequently while awaiting the regular service they had to hang around the immigration sheds. This represented a rather bleak welcome to their new country. Instead of the red carpet that was promised in Rome, say, they found these cold and somewhat institutional rooms of very poor comfort. This was their first impression, quite apart from their arrival in the beautiful harbour of Halifax, upon landing in this country.

The minister has solved this problem by making hotel accommodation in Halifax available to these groups of newcomers to Canada. I should like to put this on the public record. People who are not able to board special trains immediately are provided with hotel accommodation. This was a very humane and very reasonable step, which I presume will be applied in other parts of Canada.

Finally, Mr. Chairman, we have had some discussion today about the ten-point system. The hon. member for Greenwood and the hon. member for St. Paul's wondered how well they would qualify and what criteria would be used. They wondered whether you can judge a man accurately by looking him in the eye. My suggestion is—and this method can be used to test any person, particularly somebody who asks you to endorse his note—that the test should be: Would you buy a used car from this person? I throw that suggestion out as a swift alternative to the laborious setting down and totalling of points. However, I do have reservations about the test I have suggested. I am afraid that were it applied completely it might mean that Canada would become occupied by little old ladies, of both sexes, who drove their vehicles only on Sunday.

Mr. Saltsman: Mr. Chairman, the minister expressed his optimism tonight and hoped that Canada would have one of the best manpower policies in the world. We all agree that this is what we would like to have in this country. However, I do not think we are as close to achieving that desired result as the minister seems to think.

I believe there is little cause for comfort in the progress of the manpower department. Many of the problems of that department are beyond the ability of the minister to solve. I think this has to be stated. I should also like to say that a couple of weeks ago I brought some matters to the minister's attention and was very pleased when he rose at the end of my comments and put some forthright statements on the record for the guidance of people in offices across this country.

We know that the minister has failed to attract the necessary personnel to his department. We understand this is a general problem and applies not only to his department but to others. I believe the minister has tried to attract these personnel and I hope that before this debate concludes he will tell us frankly what are the difficulties and what solutions he has in mind for correcting the problem.

It is also fairly obvious that the minister has had to change his plans with regard to making payments under some of the programs, because of the difficulties encountered at the federal-provincial level, in terms of defining the jurisdiction of the federal government as opposed to that of the provincial governments. Until the government finds a better solution than has appeared up to this time, the whole program will be bedevilled by these strange situations that cannot be corrected and which cause enormous inconvenience to people seeking retraining in this country.

I hope that my remarks tonight will be somewhat more rational than those of the leader of the official opposition. The hon. member for Ontario began by criticizing the minister for his failure to provide enough money for retraining programs. The hon. member said that the absence of funds in this area resulted in the exclusion of people from retraining programs. He then concluded his speech by taking the government to task for spending too much money and for not reducing the tax load on the citizens of this country. I suggest there is room for legitimate criticism in this regard; but this was not that kind of criticism. I believe that the kind of criticism in which the pot calls the kettle black does not help us in the course of trying to solve these problems.

When members of the opposition, whose record while in office contains, amongst other things, a history of the highest unemployment rate in this country for many years, rise and criticize the government for the present level of unemployment, some questions have to be raised. I believe the problem of unemployment is of paramount importance and it is the chief point with which I should like to deal tonight. Before doing so, however, I should like to point out the third difficulty in the minister's department that has not been adequately explained.

I believe the department has been excessively cautious from the commencement of the program to the present time. If we consider the mobility program, for example, we have seen it revised from one stage to another. It started out with loans and grants and has now progressed—I might say, favourably progressed—to a structure of grants and has got away from loans.

From the inception of this program we have pointed out the difficulty of a proposition which included loans and grants. We have now progressed to the grants stage in the program. We have not, however, reached the stage of a clearcut understanding that the grants must be substantially higher than those now proposed by the minister.

The hardcore unemployment in certain areas of this country points up the need for mobility in those areas. The reason people have to be moved from certain communities is not that of individual unemployment, the kind of individual unemployment that occurs in an area that has diversified industry. It results from a complete shutdown of an industry, from the obsolescence of an activity, and it means that the working community suffers greatly. One of the chief obstacles in moving people in a situation of that type is that to move them from the surroundings in which they have become accustomed to living means that they lose everything they have worked for all their lives.

• (8:50 p.m.)

Usually it means the loss of a home. If the community is on its way out and there is no opportunity to sell that home, even giving people an extra $500 under their allowances is not an adequate compensation. The department will have to consider compensating losses of this type in the same way in which society generally has to do it when it expropriates land for the purpose of building a highway or an expressway. It is not enough to say: We will give you something toward your future. That "something" does not go very far. Since the dislocation is part of the over-all price that society pays for change and progress, that price should not have to be paid for only by the victims upon whose shoulders the dislocation falls. The remedy is a house for a house. This should be obvious to hon. members in the opposition.

I have seen people in my own riding being forced to migrate from their homes and the homes of their ancestors, after the most productive years of their life have been spent, and having to start out in new surroundings where, generally speaking, housing is difficult to obtain, at a time when the money they have received does not go very far, and when much of the furniture they have acquired is either no longer useful or too costly to move. What they need is an adequate opportunity for resettlement, and that cost should be borne by society generally rather than by these people in particular. If a mobility program is to adequately reflect the needs of this country, then this is the position that we must take.

It seems that the minister is frequently put in the position of a painter who has to cover the defects of the carpenters who are building the structure in this country. I should like to suggest to the minister that, like any other painter, he could camouflage some of the minor flaws, but if he wishes to preserve his reputation he had better talk to the carpenters and review the structure because there is a limit to what even painting can do.

The threatened closing down of Dosco is an example of the sort of thing I am talking about. Here is an industry which decides on its own and for its own reasons, without regard for the disruption that it creates in the community, to cease operations. The minister of manpower is left to pick up the pieces and to try to patch up the job or paint it over to make it look good. The real failure in this case is the failure of the government to have anticipated this problem and to have done some structural work before the roof fell in. Apparently the minister recognized this, and in the *Globe and Mail* of October 17 he is reported to have said the following:

> —Change is inevitable in a dynamic economy, but corporations have to accept their responsibilities to the communities in which they operate...and legislation may be needed to enforce the point.

I suggest to him that it is not that legislation may be needed, but that legislation is needed. I would like to hear from the minister as to what he intends to propose to the government by way of legislation to prevent Dosco from abdicating its responsibility, and what he proposes to do about other similar situations.

We may have reached the point where we will start hearing proposals from Liberals and Conservatives to nationalize Dosco. Certainly such proposals have already been made by my own party. I think there is a great danger in such a proposal. It seems that the only time when nationalization is proposed is when the particular industry has collapsed and it becomes the only way to preserve some of the social and human elements involved. In time people will forget about the irresponsibility of the company and will only remember the difficulties it had in operating, and then blame nationalization for what is essentially a fault of the government in not having anticipated the situation.

There was a time when Dosco should have been nationalized, and in the last 10 or 15 years that suggestion has been made to successive governments. However, it was

always pooh-poohed. Right until the last minute the impression was left that the people in Cape Breton were in no danger and there was no need for the government to step into the picture. That optimism has not been borne out and a serious crisis is facing Nova Scotia. Referring to the labour government in Britain will not absolve the government of this country from its failure to live up to its responsibilities, for its camouflaging of the circumstances and for waiting until disaster strikes. The government will not impress the people in Cape Breton by muttering about the labour government in Great Britain.

I should now like to speak about some of my own personal experiences and observations as the representative of the riding of Waterloo South. We have a unique riding in the sense that there is a tremendous diversity of industry in our area, all the way from textiles to machinery. It has been instructive to observe what has happened over a period of years. The experience in the riding has convinced me of the tremendous urgency and need for a manpower policy, and this is why I have been such a strong advocate of the upgrading of training and of generally increasing the level of skills to meet the growing needs of an industrial society. However, one conclusion that must be reached when examining the manpower policies is that no manpower policy can be successful unless the minister insists on an economy of full employment. A year and a half ago when the employment situation was better than it is today I had the opportunity to see how readily manpower programs were instituted. Today we find our older workers cannot find employment and people who want to work cannot find work because of their age. We find that part-time female workers cannot find employment, young men out of high school are also in this position and immigrants from abroad as well as people from other provinces who have moved into the riding are experiencing difficulties in obtaining employment. This was not the case when the level of employment was higher. When industry needed workers there was no obstacle to developing special programs for women who wanted to work part time. Immigrants could be absorbed readily and so could people from other parts of Canada.

• (9:00 p.m.)

The minute you get some unemployment, some people are classified as unemployable or only partially employable. Then, the old problems that have faced this country for many years come to the fore. We hear statements from the Minister of Finance, when he expresses concern over inflation, to the effect that something has to be done to take the heat off. The implication in many of the minister's speeches is that we must increase the level of unemployment in this country. I urge the minister of manpower, as a person who knows what unemployment means to the ordinary man, to use all his influence within the cabinet to make certain that this kind of policy does not prevail. Other solutions have to be found to control inflation in Canada. The solution of creating more unemployment is totally unacceptable to our society.

The solution of increased supply is one that should be sought. We have many opportunities for increasing efficiency and productivity of our industry. The solution to this problem is not the sole responsibility of the minister of manpower, but he should use his influence within the cabinet to make sure that the approach of increasing supply and productivity is the one that is pursued, rather than the suggestion that a little unemployment is the answer to our economic ills. Before this debate is concluded, I hope the minister will indicate his position on this question. I see some consultation is taking place between the two ministers in question. I feel that the country deserves an answer from the minister of manpower. He should tell us where he stands on this particular issue, and which position he will support.

We all believe in the programs that are being suggested, such as the mobility program, retraining programs, increased market information, better placement service, improved provincial planning and increased aid to education. All of these things are of the greatest importance. However, they are effects rather than causes. We should never lose sight of the fact that under full employment, even in the absence of a directed program, most of the essentials of this manpower policy find expression.

There is mobility in spite of inadequate government measures. The unemployed in one part of the country find that there are job openings elsewhere. The word does not always come through government agencies but often results from visits back home or through previous migrants. Training takes place in plants that previously refused to consider such programs, once the pool of skilled labour dries up. Individuals who were considered unemployable by reason of age or lack of skill, suddenly become useful when

the cream is skimmed off the labour market. The hard core cases no longer seem to be such hard cores. Unemployment amongst the young ceases to be a crisis. Admittedly, a planned manpower program would speed up this process by making the way easier for both management and labour, and for that reason it should be aggressively pursued. Good manpower programs would also do the research and set up the machinery to overcome the guessing and uncertainty of the grapevine. For these reasons, we are all in favour of manpower policies. I would conclude by pointing out to the minister that all of this is conditional and dependant on the philosophy of full employment.

Mr. Hymmen: I am very pleased to follow the hon. member for Waterloo South, because the two ridings, of course, make up the county of Waterloo, one of the most highly industrialized areas in the country today. A great many of our people are immigrants, and they have become excellent citizens. I certainly want to take this opportunity to congratulate the minister upon his initiative in continuing the expansionist policies of this government with regard to immigration. The hon. member for St. Paul's cited some statistics, and I will not repeat them. I will just mention that from the year 1961 to the year 1967 the number of immigrants to this country increased from 72,000 to over 200,000.

The hon. member for Carleton, a former minister of immigration, expressed some concern at the number of agricultural workers who are brought into Canada. I can appreciate that concern. Until there is some change in the economy of our agriculture sector, which of course is one of our more important industries, I am afraid that the agricultural workers brought to this country will soon drift to the urban areas, to which many of our own citizens are going. One interesting statistic indicates that we had 195,000 immigrants in 1966, about half of which were classified as workers and the other half as dependants. One quarter of the working category were classified as professional and technical people.

We need a great many more people in this country in order to develop our true potential. Canada, of course, is a land of opportunity with a land mass slightly larger than the United States of America to the south of us, but with only one tenth of its population. I am reminded of a highly industrialized mid-European country from which many people come to my area, which is not as large as our newest province, Newfoundland, and yet has three times the population of Canada.

I wish to speak to the new immigration regulations and commend the minister upon the introduction of these regulations. I have a very specific interest in doing so because they will provide more uniformity in the consideration of applicants, aside from the two basic considerations of character and health. Up to the present time, these considerations have been left to the discretion of officers. In spite of the points system, which has been criticized by members of the opposition, the new regulations will certainly provide uniformity in the consideration of immigrants from all over the world, and provide what I am sure this government wants to provide, an opportunity for more people to come to Canada. At the same time, these regulations recognize family relationships. This was one of the main questions considered by the standing committee on immigration. They also remove some discrimination from certain geographical areas, to which I am sure the hon. member for St. Paul's was referring earlier.

• (9:10 p.m.)

My reason for speaking briefly this evening is to point out that just about the time when the new regulations came out several questions were asked of the minister concerning an immigration case in connection with which the C.B.C. had broadcast a program. The person in question happened to reside in my riding, one Bertram Peterson. The news media have an important job to do in criticizing government policy, but it is also very easy to find an exceptional case and to magnify it. There is always a certain amount of public support for the exception, but very often the important consideration is the number of cases that are not exceptional. For every exception to the rule there are a thousand legitimate cases of assistance to immigrants to this country.

I have met Mr. Peterson, Mr. Chairman, and had I been an immigration officer—I do not class myself as trained in this connection—I would probably have accepted him. He is a very personable young man who came here for a visit and for the first time except for a short period in 1966, he was given an opportunity to apply for permanent residence while a visitor. Unfortunately, under the new regulations he did not qualify. I understand that as of this week formal notification has been sent to him that he should leave the country. However, he may

take his case to an inquiry officer and, following that, if necessary to the immigration appeal board.

Although I support the regulations, Mr. Chairman, I feel—and I think the members of the committee on immigration felt much the same way—that compassionate cases, or cases involving exceptional circumstances, should be considered by this enlarged appeal board. I think the committee on immigration felt that this was one of the most important functions of the immigration appeal board.

It is very difficult to consider all of the circumstances surrounding an application. I know that the hon. member for Carleton earlier referred in laudatory terms to the people who come to this country from Poland. I know many Polish people who have made excellent citizens and who have brought to this country a heritage which is ten times the heritage of the Dominion of Canada. We are, of course, celebrating our 100th anniversary, but the nation of Poland has celebrated its millenium. We are very appreciative of the co-operation given by the Polish government in allowing relatives of people in this country to immigrate to Canada.

I often listen to questions asked of ministers by members of the opposition, and time and time again hon. members opposite suggest that the minister is taking too long in answering, that they should answer a question on motions. Last week the minister of manpower did try to make a statement about the Peterson case, on motions, but was told that that was not the place to do so.

In spite of the fact that I have appealed to the minister in connection with the Peterson case and was disappointed, as I know was Mr. Peterson, that his appeal was not granted, I trust that some way can be found through the procedures which have been indicated to enable this young man, despite his lack of certain qualifications which are necessary under the new regulations, to remain in the country. I say this because I am sure he is the type of citizen we want here.

Just a word about the manpower program, Mr. Chairman. Many problems have arisen in the implementation of this program, the federal government having accepted responsibility for 100 per cent of the cost. I think no area has had more problems than my constituency of Waterloo North, most of them surprisingly enough in the urban centres of Kitchener and Waterloo.

[Mr. Hymmen.]

Under the old shared cost program between the provincial and federal governments new facilities have been provided and the staff has been increased. The program has also been enlarged. As a matter of fact, almost three months before the changeover took place on April 1 last it was indicated to me that there was some concern over the apparent proliferation of activity under the program. I realize members of the opposition have placed on record statistics relating to the lack of trainees under this program, and I also realize it is highly desirable for every citizen of Canada to take part in the program, should they desire to improve their education or training. Nevertheless I feel there must be some control even if all who can benefit themselves and upgrade their skills are given every opportunity to do so.

I do not share the concern which has been registered this evening about the three year restriction on school drop-outs and hippies. In many of these cases there is lack of motivation. I think the provincial departments of education should accept responsibility here. I am sure that some of these people would benefit if they worked for several years and developed a desire which would motivate them to undertake some form of training.

I have one suggestion to make to the minister which I would ask him to consider seriously. Under the present regulations I do not think consideration is given to women recently widowed and with dependants and who, because they have not previously been members of the labour force, are not able to receive the training they can certainly use in order to provide for themselves and their families. This is one area in which serious consideration should be given to enable these people to provide for their needs.

[*Translation*]

Mr. Mongrain: Mr. Chairman, I want to raise a question of privilege at the outset, because I will have a few words to say on a subject not necessarily relevant to the debate but which I mentioned this afternoon on another question of privilege when I said that I felt I was a victim of discrimination and segregation within the house on the allocation of speaking time.

[*English*]

The Chairman: Order. I suggest that the hon. member for Trois-Rivières confine his remarks to the item before the committee.

Mr. Mongrain: Mr. Chairman, I should like to remind you that I want to speak to a question of privilege first. I think I am entitled to say what I have to say on the question of privilege. I am an independent member and feel discriminated against when it is time for the Chair to recognize speakers.

The Chairman: Order. Again I suggest to the hon. member that he has been given the opportunity to speak and should confine his remarks to the matter before the committee.

Mr. Mongrain: On the same question of privilege, Mr. Chairman, may I repeat—

The Chairman: Order, please. A procedure is laid down in the House of Commons for those who have any complaint against the conduct of the Chair. If the hon. member has such complaint I suggest he follow that procedure; for the moment I would hope that he would confine his remarks to the estimates of the Department of Manpower and Immigration.

Mr. Mongrain: Since I am a new member in the house would the Chair kindly tell me the rule or regulation that prevents me from invoking a question of privilege at this time?

• (9:20 p.m.)

The Chairman: Order. I must advise the hon. member that he was not recognized on a question of privilege. He was recognized in order that he might comment on the estimates which are now before the committee.

Mr. Mongrain: Thank you. I will keep to that subject.

[*Translation*]

Mr. Chairman, as far as the estimates of the Department of Manpower and Immigration are concerned, I have some remarks which may not be more brilliant than those which have been made until now but which at least will offer the advantage of not being politically inspired, remarks with no other meaning than: "Because we are Conservatives, we could do better than you; or because we are Liberals, we are doing better than you."

This afternoon, I was among those who felt admiration for the hon. member for Bow River (Mr. Woolliams) who seems to be a brilliant criminal lawyer. If ever I were to seriously break the law out west, I would call on his services, because he seems exceedingly brilliant when he speaks on legal or criminal matters. But when he is being influenced by political partisanship, he is less brilliant, Mr. Chairman. In fact, this afternoon, he gave a speech which, to my mind, settled nothing. He said this: The Canadian Pacific wants to eliminate from Calgary certain operations involving the lay-off of 300 or 400 employees.

I should like to remind the hon. member for Bow River that the city of Winnipeg also at one time complained when Air Canada wanted to remove some of their operations. The city of Montreal could complain at this time that Bell Telephone will be moving 350 or 400 employees to Ottawa. My own city could complain that some operations have to be moved elsewhere.

Mr. Chairman, the basic problem is not the fact that industries must move, but if we go to the bottom of things, the problem is that we are entering the age of automation, and as a result we must realize that we cannot expect industries to continue their operations and meet their expenses unless they submit to the requirements of this age of automation.

I say to the Minister of Manpower and Immigration that his program is a good one; it is an excellent one in the circumstances and it is not his fault if it is ten or fifteen years too late, but I feel he should arrange for studies to be made about the situation of the labour market and of the Canadian economy in the next thirty or thirty-five years.

I know that the Americans have been able to establish committees which attempt to anticipate our mode of life in twenty, twenty-five, thirty or thirty-five years from now. We are told that in the year 2000, hardly more than 20 or 25 per cent of the people will be employed during a reasonable part of the day. If the present rate is maintained, automation will intensify and this is what should already be anticipated.

Complaining about the Canadian Pacific or Air Canada, or my complaining because enterprises must move out of my town to meet the demands of automation, this does not solve the problem itself. We are merely applying poultices, trying to solve the problem partially; and we have to start all over again the next morning.

I want the minister to understand that I am not saying this to criticize his policy, because what he is doing is immeasurably better than what we have known in many a year; nor do I want to seem to play politics. I feel that if the Conservatives were in power they would probably be doing the same

thing, because it is a necessity in this day and age. But unfortunately, the parties in power never manage to put the poultice on the sore before it festers and becomes almost incurable, whereas they should anticipate 10, 15, 20 or 25 years ahead of time and adopt such measures as would keep the situation from becoming so serious.

Nevertheless, I congratulate the minister because I can tell him, on the basis of my personal experience, the experience in my own riding, that our manpower office, with an establishment of about thirty or thirty-five experts, works marvels in difficult circumstances, even though the legislation has just been implemented. I would like to quote some names and the testimony of people who took advantage of its services, and who tell us that the legislation initiated and implemented by him is in the van and gives good results. It would probably be indiscreet to go too far in that field. Nevertheless, I want to congratulate him.

I will repeat also, Mr. Chairman, a thing that I already told the minister. I do not say it to his address but rather to others. I think he is being saddled with too many responsibilities. They would be enough to keep busy a minister of immigration, a minister of manpower and possibly a leader of the Liberal party in Quebec.

I wonder if this habit of putting a crushing burden on a man is not destroying leaders who could give their full measure in another field, but who are expected to give it in three completely unrelated fields with the result that unfortunate things happen, as we have found out. There comes a time when this affects their health; we lose those men and they have to be replaced and others have to be initiated with all the inherent delays, and their loss is to be regretted.

• (9:30 p.m.)

I mention this again, hoping that those whose task it is to choose the leaders know how to divide responsibilities. In saying that, I do not doubt the talent and capability of the hon. Minister of Manpower and Immigration (Mr. Marchand). I have seen him work with the labour unions for such a long time that I am well aware of his extraordinary vitality.

I know that his responsibilities have just been increased a thousandfold. Knowing him, I know that he, too, would like to excel in his work, but one cannot do so when one is trying to do three things at once. I mention this, because I think it is the sort of thing

[Mr. Mongrain.]

which only an independent member can mention in committee.

As I said before, the basic problem we are discussing concerns manpower retraining and vocational training, which must be undertaken in the light of the era of great automation in which we are entering. Already in five or ten years excessive automation will make it difficult to find employment for our people, and studies made by the Americans in particular show that in the year 2000, which is not so very far away, only about thirty years from now, only 20 or 25 per cent of the population will be reasonably employed. What will other people do then? A department of recreation and a department of idleness will have to be set up, because all those people cannot be left to starve to death as a result of automation taking their jobs away from them.

For the time being, Mr. Chairman, after listening to all the speeches made this afternoon, and in which there always is something worth remembering—and when I rise to ask the floor, I would not think for a moment that my words could be any better than anybody else's, perhaps just as good but not better—I simply would not want to repeat everything that has been said here, and well said at that. However, I should like to forget the partisan views expressed by the Conservatives when they say: If we had been in your shoes, we would have done a better job; and then the Liberals reply: When you were there, you were unable to do any better.

I am a believer in historical development, and if today I can enjoy television, drive a car, and things like that which were unavailable in my father's and grand-father's time, it is precisely because historical evolution and progress occur independently of us and shall continue to do so.

All we ask from those who have responsibilities, is to do what they can. I think that the Tories, when they were in power, did whatever they could under the circumstances, with the means at their disposal, and I think that the same can be said of this Liberal government. I should like my remarks to be constructive, rather than necessarily destructive, because my personal aim is not to overthrow the government. It is simply to offer my co-operation, so that the duly formed and democratically elected government may under the present circumstances, act in the public interest and provide for all as much of the good things of this world as possible. This is the justification for my remarks.

I will say to the minister, as I have already done, that I feel it would be advisable to give specal directives to the department of manpower to make sure that the so-called old people—that is over 40—may, if they are still in good health, find some employment, or they should be taken care of some way or another.

Now, the minister knows, because he has worked in the labour movement, that over 40 or 45 years of age, it is extremely difficult to find employment due to the requirements of collective bargaining, group insurance and many others, and that Canadians are doomed to idleness despite the fact they could increase the productivity of the country, because they have acquired over the years an experience which helps them to produce more efficiently than younger workers and thereby contributes to the national production. I feel we do not take good enough care of our old people, and one is old at an early age these days. Every week, not only in my riding, but in surrounding ridings, people tell me that at 40, 42, 45, they are too old to work. To my mind, there should be a special section in the department of manpower to deal with the so-called old people. I say that there are old people who, at 65, are much younger than many others, because their morale is good, their health is good, and they could help to increase national productivity instead of becoming a burden on public funds and being condemned to the demoralizing idleness to which they are doomed under our present system.

I repeat to the minister that I want my criticism to be constructive. He has already gone a long way towards improving working conditions, and my remarks are not intended to criticize his administration.

I should like also to repeat a suggestion I addressed very briefly yesterday to the minister of forestry (Mr. Sauvé). I say "briefly" because, as everyone, I had to limit myself to twenty minutes, and as I had been relegated to the end of the list, at the last moment, I was asked to co-operate and limit my remarks to two minutes, and I did so.

I told the minister of forestry, and I repeat it to the Minister of Manpower and Immigration (Mr. Marchand), that there should be in the department of manpower a special section to deal with young people still in school and who could work during their two or three months' holidays to pay part of their tuition.

I was saying that a special program, perhaps a widespread reforestation program or something of the kind should be set up; that would be to the benefit of the country and it would also reduced overcrowding in the plants, make room for others and also reduce the budget for scholarships and costs guaranteed by the government. On the other hand, those young people might derive from it an education and salutary discipline.

I feel that in co-operation with his colleagues, the minister should study the possibility of introducing a bill so that all those young people still in school—I am talking about those at the secondary and university level mainly, young people of 18, 19, 20, 21 and over—would be assured of getting a job and an income, without swelling the labour market, and at the same time some discipline.

I would not call that military service. We could give it all kinds of names but if the government intends to set up a similar system, it would not involve much more expenditures since it is already obliged to meet certain needs by various means, such as scholarships and others. Furthermore, it might relieve the labour market.

Earlier, someone talked about womanpower which is too often neglected. When I refer to womanpower, I mean the widows, for instance, who still have children to raise; the wives whose heartless husbands have deserted them without paying them alimony; the ladies who may still be young at heart but not so young in years, who must provide for their maintenance. A special division in the manpower department must be set up for them so that they may earn an honest living, and have a place where they can find out what benefits are available to them, what social legislation has been set up so that they would not have, as it is the case now, to go and fish for themselves, if I may use that term, to avail themselves of all the opportunities of the legislation.

This brings me to repeat another suggestion I made to the minister the other day to the effect that courses in human relations should be taken by all public servants, federal, provincial, municipal and others, who get up one fine morning and think themselves miniature potentates oblivious to everything that is going on in the world and who treat their customers, who are the taxpayers, the citizens who pay taxes, with unmitigated cynicism. I do not say this situation is general but it exists and they probably become blasé by hearing so many problems. But the problems exist just the same, and they should

learn what is being taught to employees of private enterprise. They know that if they do not deal properly with the customers, the latter will patronize rival stores.

This does not exist in the public service, but nevertheless, the public servant should be constantly reminded, once or twice a year, that he is dealing with human beings who, after all, are not his servants but his employers, since they pay taxes, since they vote on election day and since they are kings on that particular day, that he must treat them with every possible consideration and not wait until they inquire about all the possibilities of the legislation, in short, that he is being paid by the government to put all his knowledge at the disposal of taxpayers in order to acquaint them with the legislation and help them solve their problems.

• (9:40 p.m.)

I say it is not current enough and, once more, this is no reflection on the minister. I am merely making constructive suggestions. Lectures on public relations should be regularly given not every five years but every year and as often as necessary. Experts should check the way the employees of these offices manage their work; it must be borne in mind that they are dealing with human beings endowed with sensitiveness, with a soul, with personal and family problems and who deserve all the consideration that the public servant should give those who help pay his salary, who elect the people who will decide when he is going to be employed in the service of the community.

Mr. Chairman, this afternoon, mention was made that it was perhaps not reasonable to require that a candidate be out of school for three years. I think that, as in everything else, there are arguments for and against. Of course, I know that manpower services cannot empty schools to absorb the students, but I wonder if it might not be possible to find a compromise, because there are special cases. For instance, I am thinking of a case I witnessed back home: a boy had to leave school to help his widowed mother take care of the family. After working a few months, he became unemployed. He could not avail himself of the services the manpower offices offer ordinary unemployed. If he could then he should have been told.

I see that the minister is protesting and I am happy to hear him protest because I will call someone to order. Someone in the office should think of human relations and tell

[Mr. Mongrain.]

him: My friend, you are entitled to such and such a thing. Do not compel him to come three or four times to the member's office to say: I went to the manpower centre but without success because I have been out of school less than three years. I repeat my suggestion about human relations.

As far as naturalization after five years is concerned, that is clearly questionable; there are pros and cons. I imagine that the immigrant who is here, even though he is not naturalized after one, two or three years, has all the privileges enjoyed by Canadians, except perhaps that of voting; he can wait three or perhaps four years, that is immaterial, that is not too serious.

French immigration was discussed; that is another problem. It must be understood that, in general, French-speaking people are not prone to emigrate. I think that the minister will not contest that statement.

It should also be said that the province of Quebec is not organized to welcome French-speaking people. I should like to illustrate my point with two cases. The hon. minister will forgive me for using them as examples but I think they are typical.

Some months ago I received in my office a young French immigrant, an orphan who had all sorts of problems. I do not intend to tell his story; suffice it to say that he managed to get into the country. He has been unemployed since then.

In his own country, he had studied what we call mechanics—he worked on precision machines—then he came to Canada and, for some reason or other, the immigration service was unable to find him a job in his line of work. I wonder how he managed to get into the country. At one point, he was given a job as stone mason. He went to work as a bricklayer but he is only so high. He is shorter and thinner than the minister. Think of it. He did not last a day; the contractor fired him. That is obvious. Then the immigration and manpower office found him a job as a welder; he went to work as a welder, but he did not last half a day. He was not a welder.

He is living in dire poverty and he came to my office to tell me so. That is a typical case, Mr. Chairman. He said to me: Listen, I would very much like to work, but this is my trade; I studied at home and that is all I know. I cannot carry cement or cinder blocks on my shoulders, because I am a little over 4 feet tall and I weigh barely 100 pounds. I would not mind working as a welder, but I am not trained for that and I cannot keep a job.

Therefore, there is something lacking in the immigration service.

I want to talk about another case the minister is aware of, as I received a letter from him today; as it is neither personal nor confidential, I can quote it. It is the case of a man from Haiti who came here and took training as an electrician. As everyone knows, to obtain an electrician's license in Quebec, a period of six months training as an apprentice is required. As he is being refused a working permit by immigration, he cannot get his six months apprenticeship permit.

Mr. Chairman, I repeat to the minister that I am not blaming him for this, but some officials who know nothing about human relations. As far as I know, this boy has now been waiting for six months to be allowed to complete his apprenticeship and get his certificate; after that, he is perhaps ready to pack up and go back home, but nevertheless he cannot get permission to work. There is an employer who would like to hire him; in fact, out of kindness, he has paid for his studies. While they lasted, he had to follow a crash course, and because of red tape or bureaucracy, he was unable to work. Now he is inactive, idle, and lives on hand-outs from social agencies. Then I say to myself: there is something wrong somewhere.

Mr. Chairman, as I said, the minister is the last person to whom I would direct destructive criticism, even to whom I would inflict sorrow, for I am greatly impressed with the tremendous amount of work that he does. However, I do mention these things, which probably escape his attention, because I am aware he has too many responsibilities to shoulder.

He has been given the responsibilities of three departments. Amazingly enough, he has assumed them up to now without weakening, but I think some day his burden will have to be eased, so that he can show what he is capable of doing and know what is going on in all his departments.

Mr. Chairman, I should like to raise another matter, but since I am the first to object when a member speaks one minute beyond the time allotted to him and since I insist on the right to speak for myself and for the others as well, I shall be brief. I find the manpower program, under its present form, an excellent one, at least in the present circumstances. Nevertheless, some thought should be given right now to the fact that within the next five, ten, fifteen or twenty years, we shall be facing an excessive automation which will bring about the lay-off of a great number of workers quite willing to work. The problem will not be settled by saying that the Canadian Pacific has laid off 300 workers, that Dosco has laid off 1,000 others, that Air Canada has dismissed so many and some other company so many. Let us prepare for the coming age of automation—whether we like it or not—and let us try to provide for some legislation which will enable everyone to earn a living some way or other, or else, let us find a means to enable the people to live, although unemployed, if things should come to that. That is where there should be set up organizations likely to anticipate what will happen in the country within the next twenty, twenty-five or thirty years.

If we wait for unemployment to become general, for the sore to fester, it will be too late, Mr. Chairman. We will be putting poultices to relieve the sore, as we are doing with manpower; poultices are being applied and have good results and that is fortunate, because otherwise the situation would be much worse. But we are not reaching the root of the problem.

Having said this, Mr. Chairman, before concluding, I will make another remark which is not in order: In the rotation of speakers, I intend to come back as often as the rules—

The Deputy Chairman: Order please, the hon. member is requested to speak on the estimates of the Department of Manpower and Immigration.

At the beginning, he made some remarks and was reminded by the Chair that he should limit himself to the estimates under consideration. I will ask him to kindly observe the instructions of the Chair and not to revert to the same line as at the beginning of his speech.

Mr. Mongrain: Mr. Chairman, I thank you for your fatherly advices. I appreciate it—

The Deputy Chairman: Order, please, the hon. member's time is up.

Mr. Mongrain: I only wanted to tell you that I had finished.

• (9:50 p.m.)

[*English*]

Mr. Mackasey: Mr. Chairman, I appreciate the perplexity of the Chair in having to choose among three speakers. I am sure that the Minister of Manpower and Immigration appreciates that his estimates will not be

passed this evening and that he must bear with members of the House of Commons who wish to exercise their democratic privilege of speaking on his estimates.

Mr. Fulton: Just keep it short.

Mr. Mackasey: This is the first time during the present session, to say nothing of the previous session, that I have taken the opportunity to speak on the estimates of the minister. Realizing that my remarks may continue tomorrow, I wish to pay particular tribute to the minister in question who has been charged by the government with what in future, must be considered perhaps the most important ministry of the government. The ministry of manpower will grow in importance for many of the reasons which the hon. member for Trois-Rivières outlined, also because the growing and pressing problem of technological change will bring about unemployment in more segments of the economy and a scarcity of trained personnel in others.

I think the present minister is particularly suited for the role he has accepted. He has, very wisely I believe, agreed that there is a relationship between immigration and manpower. As the minister of immigration he is sensitive to the desires of many people around the world to come to Canada, and as the minister of manpower he, more than any other person, should be aware of where these newcomers can best be accepted into the Canadian economy. Further, Mr. Chairman, I think the minister is blessed with a very active, objective and sensitive parliamentary secretary—

Some hon. Members: Hear, hear.

Mr. Mackasey: —who has long been allied with the labour movement in this country and, as parliamentary secretary, rarely gets any applause or recognition in the house—myself, of course, excepted.

Some hon. Members: Hear, hear.

Mr. Mackasey: It is very tempting to get into a debate with the hon. member for Waterloo South over the question of Dosco. But being by nature very non-partisan, I shall bypass this temptation. However, when he was suggesting the nationalization of Dosco I hoped the hon. socialist member might have gone all the way and suggested the nationalization of the steel industry in its entirety, rather than a particular segment of it.

[Mr. Mackasey.]

I have great respect for those who believe openly in the Regina manifesto, even those who hide this fact and only periodically remove the shutter from their innermost thoughts. When we discuss Dosco I think we must realize that the problem stems from a very selfish, inefficient management, one that leans to socialism in their callous approach to the problems of the maritimes and to the responsibility and moral obligation they have to the people of Nova Scotia. I think the attitude of this corporation to the people of Nova Scotia is perhaps the best reason for the implementation of the very objective recommendations contained in the writings of Judge Freedman.

In concluding my remarks on that particular topic, Mr. Chairman, because I would rather discuss other matters, I think we all agree that many of the problems which have resulted in the particular problem of Dosco arise primarily from the realization that the source of raw materials makes it practically impossible for that industry to overcome the geographical handicaps of its location. This of course is true also of the Bell Island operation. Once again I understand that the minister of manpower has come to the rescue and has done a very commendable job in retraining these workers and making it possible for the wonderful people of this part of the province to adjust to the change.

I wanted tonight to talk not only about manpower but to tie in manpower, the Minister of Finance, and the problem that concerns me, that of national unity and separatism. At first glance there may seem to be no correlation or relationship in these matters, but as one who has lived for 46 years in the province of Quebec and has not hesitated over the last four years to speak on the problem of national unity and separatism, I submit there is a very evident strong relationship between separatism, national unity, manpower and the Department of Finance.

Last week when speaking on the estimates of another department I expressed the opinion that I have expressed many times in the last four years, namely that as long as the question of separatism is confined to the world of the intellectuals, the selfish politicians, the demagogues, and the professors, we have basically very little to fear. I have expressed the opinion before, and I repeat it tonight, that perhaps more than any other segment of the Canadian population, the average French speaking Canadian of the working class shows as great or perhaps a greater

degree of responsibility when it comes to assuming his responsibilities and obligations as a Canadian.

I expressed the opinion last week in debate that when, and if, separatism permeates the working class as did the Social Credit phenomena in 1962 we would have something to really worry about and something this country would have to face up to; and I said that perhaps at that moment it would be a little too late to regain the type of Canada that we are all thinking about.

I am looking at the clock, Mr. Chairman, and hoping that I will be able to develop this theme a little more fully tomorrow. But I should like to point out to the members of this house that at the present moment there are, according to the figures released last week, no less than 83,000 people out of work in the greater Montreal area. This is an alarming figure when one realizes that no less than 66 per cent of those 83,000 people are male workers. Of course the balance is their female counterpart. It is an alarming figure when one realizes also that of those 83,000 workers no less than 13,000 work directly in the construction industry. In other words, we now have 13,000 people out of work in the Montreal area as a result of the curtailment of large projects that normally at this time of year would keep them busy in the construction industry.

When one considers also the number of people out of work because they are connected indirectly with the construction industry, the electricians, the plumbers, the bricklayers and all the others, many of whom are new Canadians affected by this recession in the construction industry, one can understand that the prospect in the city of Montreal is not as optimistic and as rosy as it has been in the past, or as it should be in Canada's largest metropolis.

I should like, in the minute or two that I have at my disposal, to put another statistic before those hon. members who may be following me from other parts of the house and want to make an objective contribution to the debate. Recently a poll was carried out in the Montreal area. This bears out my contention of last week, that the potential dangers of separatism come from unemployment. Although a figure recently released by the Canadian Broadcasting Corporation shows that only 7 per cent of the population of Quebec endorse separatism, anywhere from 10 per cent to 18 per cent of the population of the greater Montreal area who were canvassed regarding the cause of separatism—and they came from the class of people earning $4,000 a year or under—endorse the philosophy of René Lévesque. This is a significant figure and I should like to repeat it. Although only 7 per cent of the population of Quebec endorse separatism, upwards of 18 per cent in certain areas of the city of Montreal endorse the philosophy of René Lévesque, and these 18 per cent are concentrated in those areas of the city where the income is $4,000 a year or under. This indicates that what I said last week—

The Deputy Chairman: Order. It being ten o'clock it is my duty to rise, report progress and request leave to sit again at the next sitting of the house.

• (10:00 p.m.)

Mr. Fulton: Mr. Chairman, I wish simply to point out that under the rules there were only six days left for some 13 departments to be considered in committee of supply. We agreed on an order of priority, hoping we could thereby deal reasonably adequately with the more important departments left, giving one day to each of six departments.

I am simply pointing out to the committee, and for the benefit of the house in considering the rules, that it is quite apparent that members on the government side as well as members on this side find themselves without adequate time to discuss in full the estimates of the departments which it is considered are important to discuss. I hope this committee and the house will bear this in mind when we come to consider this artificial limitation of 30 days for the consideration of the most important things that parliament meets here to consider, that is the spending of public money.

Some hon. Members: Hear, hear.

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

Mr. Fulton: I did not raise a point of order.

Mr. Mackasey: Under what parliamentary procedure did the hon. member participate in the debate? Did he speak on the estimates?

An hon. Member: Ten o'clock, Mr. Chairman.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Starr: Mr. Speaker, I wonder whether the government house leader could tell us whether any changes have been made in the

plans about which we have been told earlier this week.

Mr. MacEachen: Mr. Speaker, tomorrow we will begin consideration of the estimates of the Department of Veterans Affairs. The President of the Treasury Board will not be here tomorrow, therefore we cannot call the estimates of that department. If we complete the estimates of the Department of Veterans Affairs tomorrow we will continue with the Departments of Industry and Public Works and on Monday we will take up the estimates of the Treasury Board.

Mr. Monteith: Could those not be considered on Tuesday? It was my impression from earlier discussions that the estimates of the Treasury Board would be considered on Tuesday.

Mr. MacEachen: I would be quite happy to reach an arrangement to consider the estimates of the Treasury Board on Tuesday, but I will have to have some time to consult the other ministers who might be available on Monday for the consideration of estimates that have not been passed.

Mr. Knowles: Is it certain that the estimates of the Treasury Board will come before us?

Mr. MacEachen: Yes, Mr. Speaker.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the house under provisional standing order 39A deemed to have been moved.

INCOME TAX—REQUEST FOR FORGIVENESS OF INTEREST ON TAX ARREARS OF PENSIONERS

Mr. H. E. Gray (Essex West): Mr. Speaker, back in 1966 a number of people in the country were rather surprised to find notices in their mail boxes from the Department of National Revenue asking them to pay interest on overdue installments of income tax. It is true that the interest requested was in most cases not large, $1.50, $2 or $3, but in spite of the small amounts in question these notices caused a great deal of concern to the people who received them. In most cases these people are retired and their only income apart from their old age security pension is some modest amount of interest from government bonds or from a bank account. Obviously people on limited incomes feel that even an additional expenditure of $2 or $3 could better be used for their own purposes than placed in the hands of the friendly tax collector. At the same time many felt rather disconcerted that somehow or other they were now expected to pay tax in instalments, when they never had to do so throughout their working lives and when they did not receive adequate notice or, in the case of some, did not receive any notice at all of the department's view that they should pay tax in a different manner.

It would appear, possibly because of the department's new computer which I hope is the servant of the department rather than its master, it was easier to determine exactly who would come within the provisions of section 49 of the act. Under it if people receive no income or only a limited amount of income from employment, they are supposed to pay their tax in instalments. I believe this provision was originally intended to apply mainly to people in the professional class or to those with large investments. Perhaps because of the greater efficiency of the administrative forces of the department, people in a much different income category were now found technically to be in the class of people who were supposed to pay their tax in instalments.

I, and I suppose other members as well, wrote to the minister on behalf of a number of people in this group, pointing out that this created a number of difficulties for these people. They would have to pay these additional amounts in interest if they did not pay the tax in instalments. Many of these people were advanced in years and had various infirmities which would make it difficult to make out forms four times a year and to estimate the tax and some of them were able to have only a limited amount of education. They were all accustomed to having the tax deducted at the source by their employers and filling in a form once a year and then paying any balance owing.

As I say, I pointed out to the minister in corresponding with him on behalf of a number of these citizens, the hardships created because if these people did not pay their tax in instalments they would be liable for interest. If they attempted to comply with the regulations, they would have all the difficulties of filling out or finding someone to help them fill out the forms. These are people who have spent all their lives helping to build up this country. They should be spared this hardship if at all possible.

The year is drawing to a close and the time for settling up accounts with the Department of National Revenue will soon be upon us once more. I felt this question was of sufficient urgency that I could bring this matter up in this adjournment debate. I ask the minister if he will not see if something can be done for the people in the category I have mentioned. They are mainly retired people who have a very limited income, even taking into account this interest in addition to their pension. I hope the minister can help relieve these people of this burden. I have had the response made to me by the department: Well, if this was not done the people could rearrange the way they get their income and avoid paying the tax in the year in which it is due.

In most cases, this does not apply to the group in question. I believe Canada savings bond interest is payable only in the fall, and this procedure cannot be changed. Yet the people with this type of limited income to which I have referred are asked to pay taxes in instalments before this interest is due. In conclusion, I ask the minister to take action to help the people in question by removing this burden from them.

Hon. E. J. Benson (Minister of National Revenue and President of the Treasury Board): Since I became Minister of National Revenue, this has been a very perplexing problem. I think that the requirement that people pay income tax in instalments when they have income from sources other than salary is a very fair provision of the act. The ordinary person who is working for a salary has his tax deducted monthly. This parliament put into the Income Tax Act a provision whereby other people had to pay quarterly, which is a little less onerous than the provision applying to a person earning a salary who has his tax deducted monthly.

• (10:10 p.m.)

In the past, because of the difficulty of computing interest, since it required four computations in order to determine the interest payable by one person in a year, small amounts of interest were overlooked by the department merely as an administrative matter. I may say I am very pleased we have a computer in the Department of National Revenue dealing with personal income tax returns because we process them faster and we save the government of Canada a large amount of money every year. I could quote figures that indicate that 10 or 12 years ago it cost $2.08 per $100 to collect it, and that the cost is now down to something like 96 cents. Nevertheless I have been worried about people who were on a salary, who retire, and then start to receive the old age pension and find themselves suddenly charged $2, $3 or $4 interest.

As a result of this, during the last year I have had a study made in my department of this question, and we have come to the conclusion that the cost of collecting—that is to say, the cost of putting out the information, submitting the bill to the taxpayers, collecting the money, following it up, writing letters and answering inquiries—is not worth the amount of tax that is collected. In other words, it costs more to collect these small amounts than is warranted by the amount of revenue that is received by the crown.

Therefore, Mr. Speaker, I have decided, and I hope parliament will support me—and if I recall correctly the last time my estimates were before the house for consideration, I am sure all hon. members will support me—that we will take action in order to eliminate interest charges of under $5 to the taxpayers of Canada. This means that ordinarily a person with a small income who starts receiving the old age pension but fails to remit the instalments in the first year, even though we have given him warning in his first old age pension cheque that the cheque will be subject to tax, will not have to worry about this in the future. I think that by imposing this $5 limit most of the urgent cases will be taken care of.

HEALTH AND WELFARE—INCLUSION OF OPTOMETRISTS IN HEALTH RESOURCES FUND TEAMS

Mr. Robert McCleave (Halifax): Mr. Speaker, in a few months time Canada will have a system of medicare—

Mr. Knowles: We hope.

Mr. McCleave: —and the scramble going on to overcome the shortage of trained personnel in the medical health field will become even more acute as time goes by. I understand that in a statement published recently in a Toronto newspaper the minister indicated some of the steps that his department was taking in a commendable effort at least to alleviate this very serious problem.

How acute the problem is we recall of course from the debate on the health resources fund. For example, I have some staggering statistics that my colleague from Simcoe East (Mr. Rynard), who himself is a doctor, placed on the record. I am not going

to refer to them but they are to be found at pages 6378 and 6379 of *Hansard* during committee study on the resolution stage.

My purpose in being on the late show tonight is more or less in the form of a fishing expedition. I hope the Minister of National Health and Welfare (Mr. MacEachen) will give us some idea of the co-operation he is enlisting from non-governmental sources in his efforts to help the manpower and womanpower shortage in the health field.

The Canadian Association of Optometrists has issued a statement. They feel that the minister is calling on outside help without calling on them. Their statement says, in part:

> Despite its prominence in the eye care field optometry has not been invited to participate with other health professions in these important studies. This means that decisions which will deeply affect optometry will be made by other health professions, some of which have opposing interests to optometry.

When I raised the question originally in the house I specifically narrowed its context to optometrists, but I was really using them as an example of a particular paramedical group. Therefore when the minister replies I hope he will indicate whether he is calling on others from the paramedical field, as well as on optometrists, to play their part in helping his department and the provincial governments entering into medicare to overcome this very crucial shortage of trained personnel.

Hon. A. J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, I appreciate the interest of the hon. member in this particular study that has been established in conjunction with the health resources fund. We have decided to select a team of persons for the purpose of continuing studies in the health and manpower field. This team will consist of three members. We have selected a physician, representing a very large and important component of the health professions, and we have selected a nurse, since the nursing profession is also very important and represents a large component of those engaged in this work. There will be a third person, as yet unnamed, who will likely be selected from one of the allied health professions. There are a large number of allied health professions, including optometry, dentistry and physiotherapy, for example.

The fact that a profession is not included by representation on this team is not to be taken as indicating any lack of appreciation of its importance. We hope that as our program develops and as we rely on further advice from the professions an opportunity will be given to all the professions to give their counsel. In the case of optometry, let me say this is a very important profession for which I myself and all members of the house have a very high regard.

Motion agreed to and the house adjourned at 10.19 p.m.

HOUSE OF COMMONS

Friday, October 27, 1967

The house met at 11 a.m.

SUPPLEMENTARY ESTIMATES (B), 1967-68

A message from His Excellency, the Governor General transmitting supplementary estimates (B) for the financial year ending March 31, 1968, was presented by Hon. Mitchell Sharp (Minister of Finance), read by Mr. Speaker to the house, and referred to the committee of supply.

• (11:10 a.m.)

INTEREST ACT

PROPOSED LIMITATION OF RATE CHARGED ON REAL ESTATE MORTGAGES

Mr. J. E. Brown (Brantford) moved for leave to introduce Bill No. C-174, to amend the Interest Act.

Some hon. Members: Explain.

Mr. Brown: Mr. Speaker, the purpose of this bill is to limit the rate of interest that may be charged on mortgages of real estate in Canada. At the present time the great mass of the population are finding it increasingly difficult to acquire homes of their own, to a large extent because of the very high rates of interest that prevail across the country on mortgages of real estate, something that should not be necessary so far as secured creditors are concerned.

This bill is merely an attempt by a member of this house to amend the Interest Act to deal with the situation. Mortgages of real estate in which the principal moneys are made payable to the government of Canada or any crown corporation have had to be exempted from the provisions of the bill in order that a private member of parliament may not be barred by law from introducing the legislation.

I am sure the house will welcome an opportunity, brief though it may be, to have a discussion on the bill as a whole. This is an attempt to discipline a wayward economy—

Mr. Starr: Have the Minister of Labour speak up.

Mr. Brown: —later to be aided—

Mr. Speaker: Order, please.

Mr. Brown: Thank you, Mr. Speaker.

Motion agreed to and bill read the first time.

CANADIAN BILL OF RIGHTS

AMENDMENT RESPECTING USE OF EITHER OFFICIAL LANGUAGE

Mr. Jean-Eudes Dubé (Restigouche-Madawaska) moved for leave to introduce Bill No. C-175, to amend the Canadian Bill of Rights with respect to official languages.

Some hon. Members: Explain.

Mr. Dubé: Mr. Speaker, the Canadian Bill of Rights is silent on the right of Canadian citizens to use both official languages. It appears highly desirable that Canadian citizens feel at home from coast to coast, and the purpose of this bill is to ensure that they be in a position to use either the English or the French language throughout the land. It is not the purpose of this bill to compel anyone to speak two languages, but to declare the practical equality of both languages. It is but one step in the direction of Canadian unity.

Mr. Speaker: Has the hon. member leave to introduce the said bill?

Some hon. Members: Agreed.

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

Mr. Cowan: Mr. Speaker, I object to first reading.

Motion agreed to and bill read the first time.

Mr. Cowan: I object to this first reading, I will object to second reading, and I will object to third reading.

Some hon. Members: Hear, hear.

Mr. Ricard: If I understand well, you will object all the way around.

Inquiries of the Ministry

FINANCE

REQUEST FOR DETAILS OF PROPOSED REDUCTIONS IN ESTIMATES

On the orders of the day:

Hon. J. W. Monteith (Perth): Mr. Speaker, I should like to direct a question to the Minister of Finance. In view of the inspired leaks apparently coming from cabinet sources dealing with vast sums of money respecting both the 1968-69 and 1967-68 estimates, would the minister not reveal to the house, either on motions or in some other manner, the details of these alleged cuts and where they have taken place, department by department, as we are now dealing with the estimates?

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, I do not know whether there were any leaks, but in any case they were certainly not inspired by government members. In due course I intend to state the position before the House of Commons.

Mr. Monteith: Mr. Speaker, I have a supplementary question. This is a serious situation and may well constitute a point of privilege, although at the moment I am putting it as a question.

Mr. Speaker: Will the hon. member please state his question.

Mr. Monteith: My question is, will the minister tell us where these supposed cuts are to take place? We are dealing with the 1967-68 estimates today.

Mr. Stanley Knowles (Winnipeg North Centre): As a supplementary question, Mr. Speaker—

Mr. Monteith: Let the minister answer the question. He seems ready to do so.

Mr. Sharp: Mr. Speaker, so far as I know the stories that have appeared in the press are pure speculation. I expect to put the situation before the house in a factual manner when the question can be discussed. I will have no hesitation in doing so, but I can only say that these stories which have appeared are pure speculation.

Mr. Monteith: I have one further supplementary question, Mr. Speaker. Am I to understand that no cuts are being made in the 1967-68 estimates?

Mr. Speaker: Order, please. The hon. member for Winnipeg North Centre.

[Mr. Ricard.]

Mr. Knowles: My supplementary question, Mr. Speaker, relates to the announcement by the minister that he would place this matter before the House of Commons. Can he tell us whether he will do so by way of a statement on motions or by the introduction of legislation?

Mr. Sharp: I am not in a position to answer that question today.

Hon. Gordon Churchill (Winnipeg South Centre): On a point of order, Mr. Speaker, was the supplementary question asked by the hon. member for Perth not in order?

Mr. Speaker: It was out of order.

Mr. Churchill: Then may I ask a supplementary question, Mr. Speaker. I would like to ask the Minister of Finance whether he or any of his colleagues intend to make reductions in the 1967-68 estimates which are presently before the house or will be coming before the house within the next two or three days?

Mr. Sharp: Mr. Speaker, the government's intentions with respect to this matter will be made known in due course. I can see nothing to be gained by adding to the speculation.

Hon. Michael Starr (Leader of the Opposition): I rise on a question of privilege, Mr. Speaker, in view of the answer given by the Minister of Finance. We only have four days left in which to consider the estimates of the fiscal year 1967-68, and surely the Minister of Finance cannot put us off by saying "in due course". We have to know now, while we are considering these estimates in the next three or four days what he intends to do.

Mr. Speaker: Order, please. The hon. member's point is a point of argument and debate; obviously it is not a question of privilege. The hon. member knows that according to the rules of the house an hon. member has the right to ask a question, but he cannot insist on an answer or insist on receiving the answer which he would like to hear from the minister.

Mr. Starr: May I put a supplementary question then, Mr. Speaker. In view of the fact that there are only four days left for the consideration of the 1967-68 estimates, will the Minister of Finance make a statement on Monday and tell us where the cuts have been made in the present estimates and expenditures?

Mr. Sharp: No, Mr. Speaker; that is not my intention.

Mr. G. W. Baldwin (Peace River): I have a further supplementary, Mr. Speaker. I would like to ask the Minister of Finance whether any of the items in the supplementary estimates for 1967-68 tabled today amounting to some $80 million are items which were considered proper to be placed in the 1968-69 estimates.

Mr. Sharp: I am sorry, Mr. Speaker, but I did not catch the exact significance of the question.

Mr. Baldwin: Are any of the items which appear in the supplementary estimates of some $80 million just tabled by the minister items which normally would have been placed in the 1968-69 estimates?

Mr. Sharp: No, Mr. Speaker.

Mr. Nowlan: I have a supplementary question—

Mr. Speaker: Order. There have been six, seven or eight supplementary questions asked on this matter. I would now like to recognize the hon. member for York South.

[*Later:*]

Mr. J. P. Nowlan (Digby-Annapolis-Kings): My question is directed to the Minister of Finance, and is related to questions which were asked earlier. In view of an earlier answer by the minister, and in view of the house leader's announcement last night that the estimates of three departments would be considered today, those being the Departments of Veterans Affairs, Industry and Public Works, involving the expenditure of over $630 million, will the Minister of Finance tell the house whether the spending estimates of those departments are to be reduced?

Mr. Sharp: There will be ample opportunity to discuss that question when those estimates are before the house.

Mr. Starr: Will the minister be in the house?

EXTERNAL AFFAIRS

VIET NAM—FOLLOW UP OF APPEALS FOR CESSATION OF BOMBING

On the orders of the day:

Mr. David Lewis (York South): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs and ask him the following. In view of the continuing escalation of the bombing of North Viet Nam despite the appeal made at the UN general assembly by him and by representatives of other governments, is the government of Canada taking steps to follow up these appeals by some appropriate approach to the United States administration in Washington?

Hon. Paul Martin (Secretary of State for External Affairs): Yes, Mr. Speaker.

Mr. Lewis: May I ask a supplementary question. Will the minister inform the house whether these approaches that he says are being made are being made jointly with other interested governments and, in general, what is the nature of these approaches?

Mr. Martin (Essex East): In this matter, as in other matters, we have consultations with friendly countries and these consultations extend to this situation.

Hon. Gordon Churchill (Winnipeg South Centre): May I ask a supplementary question. In view of the great differences of opinion between Canada and the United States, what steps is the minister taking to re-establish friendly relations with that country?

Mr. Martin (Essex East): I am glad my hon. friend, who is generally so helpful, has asked this question. Relations between Canada and the United States are as friendly as they have ever been. I wish to pay this tribute to the United States; that notwithstanding differences that develop with regard to various aspects of the foreign policy pursued in particular instances by both countries, the United States continues to show, as one would expect, appreciation of the value of the friendship it has had with this country for such a long time. I hope no question put by my hon. friend would be directed for the purpose of trying to create a different impression.

FISHERIES

PROTEST BY U.S. RESPECTING NEW FISHING LIMITS

On the orders of the day:

Mr. A. B. Patterson (Fraser Valley): I should like to ask the Secretary of State for External Affairs whether the government has receive any formal protest from United States authorities over the government's announced intention to proclaim new territorial and fishing limits.

Inquiries of the Ministry

Hon. Paul Martin (Secretary of State for External Affairs): In answer to this question I would remind my hon. friend that in 1964 parliament enacted the 12 mile fishing zone limit with the provision that a straight base line system should be adopted by Canada. This is now the law of the land. This system is being implemented by Canada in a way which takes into account the treaty and traditional fishing rights of other countries, including the United States.

The action taken by Canada follows precedents set by many countries including Norway, Iceland, Britain, Denmark, Ireland and many others. The United States has had consultations with Canada. They knew of the steps we were proposing to take. I understand fully the nature of the statement made by the United States yesterday, but this is a matter in which I am afraid friendly countries may have to disagree.

Mr. Frank Howard (Skeena): May I ask a supplementary question. I think the appropriate word to apply to the minister's statement is "sinuosity", because it leaves us in confusion. Can the minister say whether consideration has been given to a statement by Mr. Robert McCloskey of the state department that the United States has no intention of recognizing the straight base lines which Canada proposes to introduce?

Mr. Martin (Essex East): What an individual may say about the law of another country is for that individual, but the clear fact is that parliament, in the exercise of its sovereign authority, has taken a decision. The law of the land will be observed by Canadians pursuant to an enactment of this parliament.

Mr. Ron Basford (Vancouver-Burrard): In view of the United States refusal to recognize Canada's position, will the Secretary of State for External Affairs consider withdrawing Canada's recognition of United States historic treaty rights to fish within our waters?

Mr. Martin (Essex East): No, Mr. Speaker.

Hon. J. A. MacLean (Queens): May I ask a supplementary question. Do the United States objections not stem, at least in part, from the doubt of the United States regarding Canada's ability to maintain its sovereignty over some of these bodies of water which would become national waters, and also the precedent from the defence point of view which would be created in some other sensitive parts of the world?

[Mr. Patterson.]

Mr. Martin (Essex East): Mr. Speaker, it will be recalled that in 1963 the Prime Minister of Canada advised the then president of the United States of Canada's intention to establish a 12 mile fishing zone limit. The government of the United States would have preferred Canada not to take this course, but we have taken this course and parliament has enacted such a measure.

Since then the United States itself has enacted a measure providing for a 12 mile fishing zone limit. We long ago advised the United States of our intention to establish the straight base line system, and this we have done in a particular area that should be non-controversial. We see no reason to apologize in any way for the action we have taken. Our policy is in accord with our view of international law, and is based on precedents taken by other countries in the exercise of what they believe to be international law.

Mr. MacLean (Queens): A supplementary question, Mr. Speaker. Has the minister taken any action to resolve this very difficult problem by some form of international agreement, or by sponsoring the calling of another international conference on this question so there will be common ground? It is easy to say that we believe we are within the law, but is it not true—

Mr. Speaker: Order. The hon. member should ask a question.

Mr. Donald MacInnis (Cape Breton South): A supplementary question, Mr. Speaker. The minister referred to the law passed in 1964, and he said it would be observed by Canadians. Does the minister not realize that the law enacted by parliament in 1964 was meant to be observed not by Canadians but by foreign countries; and in what way is this government going to enforce that law?

Mr. Martin (Essex East): In the way that all laws of Canada are enforced.

NOVA SCOTIA

REQUEST FOR REPORT ON MEETING WITH DOSCO OFFICIALS

On the orders of the day:

Hon. George Hees (Northumberland): Mr. Speaker, I should like to direct a question to the Minister of Trade and Commerce. Is the minister in a position to report to the house on any results obtained this morning at the meeting in Ottawa of the federal government, the government of the province of Nova Scotia and the officials of Dosco?

Hon. Robert Winters (Minister of Trade and Commerce): No, Mr. Speaker. The meeting this morning was chaired by the Prime Minister, and it will continue for part of the rest of the day.

EXTERNAL AFFAIRS

MIDDLE EAST—REPRESENTATIONS RESPECTING RESUMPTION OF ARMS SALES

On the orders of the day:

Hon. E. D. Fulton (Kamloops): Mr. Speaker, I should like to ask the Secretary of State for External Affairs, in view of the rising and serious tension in the Middle East and the grave situation created thereby, if he can tell the house whether the government of Canada is making any representations against the revived sale of arms by both the United States and the U.S.S.R. to countries in that area. If so, what has been the effect of those representations?

Hon. Paul Martin (Secretary of State for External Affairs): I indicated yesterday, Mr. Speaker, that it was our practice not to sell arms to sensitive areas. I stated that we have strongly supported the lead given by President Johnson that there should be a limitation by the great powers in particular on the export of arms to the Middle East. The fact that one large power has been supplying arms to one side undoubtedly has caused a reconsideration of the position of the government of the United States in this matter. I can say no more at the present time than that some discussions are taking place about this matter.

HOUSING

PROPOSED ASSISTANCE TO REDUCE COST OF LOANS

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, may I direct a question to the Minister of Labour. Is the minister now in a position to state what consideration has been given to the Vancouver city council resolution of October 3, conveyed to him on October 6 and on which I asked a question of the Prime Minister on October 10, requesting that the principle of the winter works policy be applied to meet Vancouver housing requirements? Has any decision been reached in this matter?

Hon. J. R. Nicholson (Minister of Labour): Mr. Speaker, no action has been taken and no decision has been reached on the suggestion put forward. Yesterday I was in touch with the chairman of the housing committee of the city of Vancouver, and on the previous day with the provincial minister responsible. These discussions are to be followed by others in Vancouver not next week but early in the following week.

Mr. Winch: A supplementary question, Mr. Speaker. I ask the minister, in view of what he has said, whether the proposal of Vancouver is on the agenda of the federal-provincial housing conference which is to be held in December.

Mr. Nicholson: The agenda has not yet been settled, Mr. Speaker.

Mrs. Grace MacInnis (Vancouver-Kingsway): A supplementary question, Mr. Speaker. Is the Minister of Labour, in his capacity as reporting to the house with respect to housing matters, now prepared to answer the related question which the acting house leader took as notice the other day? The question is, since the government of British Columbia has now approved the 12 long delayed public housing projects for the city of Vancouver, could the minister say when they will be approved by the federal government?

Mr. Nicholson: Answering the hon. member's question, may I say that I understand that the provincial government's approval of the program to erect approximately 1,000 houses in Vancouver and elsewhere in the lower mainland area of Vancouver has been approved in principle by an overwhelming vote of the Vancouver city council. Some details need to be worked out, however, since the significance or meaning of the suggested ceiling of $12,000 per unit has not been settled. In my recent conversations with the chairman of the housing committee of the Vancouver city council—conversations to which I have already referred—I was told they were pursuing this question actively with the provincial government. No formal proposal has been made to the federal government because the matter has not been cleared by the two lower levels of government concerned, but I am encouraged by recent developments.

Mr. Reid Scott (Danforth): A supplementary question, Mr. Speaker. As the minister has announced that a housing conference is to be held, and since there is widespread interest in that conference, is consideration being given to allowing members of the

house to be spectators, at least, at this conference? If that is not proper, will consideration be given to releasing to members of the house the various submissions from the provinces dealing with the housing problem?

Mr. Nicholson: Perhaps it is a little early to answer that question. I feel that if we are to really come to grips with this serious and difficult problem then the discussions between provincial and federal governments must be frank, and should be kept out of the political arena. As to what reports ought to be distributed, that is a matter to which further consideration will need to be given.

Mr. Scott (Danforth): A further supplementary question, Mr. Speaker. Considering the widespread feeling that the parliament of Canada has been superseded by federal-provincial conferences in this area, would the minister at least undertake to consider the suggestion that has just been made?

Mr. Speaker: Order, please.

CANADIAN NATIONAL RAILWAYS

PROPOSED LAY-OFFS IN ATLANTIC REGION

On the orders of the day:

Mr. H. Russell MacEwan (Pictou): My question is for the Minister of Manpower and Immigration. Since the Canadian National has currently announced that it will lay off 450 men in the Atlantic region, or 3 per cent of the C.N.R. work force of that region, will the minister look into the matter with his officials and investigate it with a view to providing employment for these men?

Hon. Jean Marchand (Minister of Manpower and Immigration): Immediately, Mr. Speaker.

Mr. Thomas M. Bell (Saint John-Albert): A supplementary question, Mr. Speaker. Will the Minister of Manpower and Immigration confer with the Minister of Transport and make certain that these men are not being laid off because of recent rate increases and the disastrous falling off of traffic in the area?

Mr. Speaker: Order, please.

[*Later:*]

Mr. Robert Muir (Cape Breton North and Victoria): Mr. Speaker, my question is directed to the Minister of Manpower and Immigration. It is related to the one posed a few moments ago by the hon. member for Pictou and to the minister's reply regarding the lay-offs of employees in the C.N.R. Atlantic region. What other measures will be taken to provide employment for these men who are laid off or who will be laid off, apart from providing grants and one way tickets out of the Atlantic region?

Mr. Speaker: Order. The hon. member is asking a question which can only be answered by way of a general statement, something which should be made on motions rather than by way of an answer to an oral question.

TRADE

WHEAT—INQUIRY AS TO POSSIBLE SALE TO CHINA

On the orders of the day:

Mr. Lawrence Watson (Assiniboia): My question is directed to the Minister of Trade and Commerce and has to do with the Canadian wheat situation. Has the government any immediate plan to expand our declining wheat sales and negotiate a contract with China? This has not been done up to the present time, as disclosed by Mr. J. B. Lawrie, assistant chief commissioner of the Canadian Wheat Board in a speech to the Manitoba wheat pool.

Mr. Speaker: Order. I suggest to the hon. member that this cannot be asked as an oral question at this time.

Mr. Watson (Assiniboia): May I rephrase my question. Has the government plans to negotiate a new wheat deal with China, to help our declining wheat sales?

Hon. Robert Winters (Minister of Trade and Commerce): Mr. Speaker, we have plans to endeavour to negotiate a contract with China, to that end.

Mr. Starr: In what year?

Mr. Winters: Recently when I was in Japan with the wheat board the assistant chief commissioner stopped off in Hong Kong. Contact was made with the wheat negotiators from China, and arrangements have been made for a further meeting in Peking.

[*Translation*]

BILINGUALISM AND BICULTURALISM

REQUEST FOR DELAY IN REPORT OF ROYAL COMMISSION

On the orders of the day:

Mr. Auguste Choquette (Lotbinière): Mr. Speaker, my question will undoubtedly make the Conservative Orangeman and hon. member for York-Humber happy.

The Estates General of French Canada will meet soon in Montreal and that will be one of the most important nationalist demonstrations ever held. Here is my question and I direct it to the Prime Minister. Does he intend to recommend to the Laurendeau-Dunton commission to delay its report until the results of that meeting are known?

[*English*]

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, every other question on this subject has been a request to expedite the report. I think we should get that report as quickly as possible.

HIGHWAY SAFETY

RECALL OF DEFECTIVE VEHICLES

On the orders of the day:

Mr. Heward Grafftey (Brome-Missisquoi): In the absence of the Minister of Transport may I direct my question to the acting minister. Has there been any communication between the government and the motor vehicle industry of Canada relating to the massive recall of defective vehicles from our roads this week?

Hon. John N. Turner (Registrar General): I shall discuss that with the Minister of Transport. This entire subject is very high on his priority list.

[*Later:*]

Mr. Barry Mather (New Westminster): Mr. Speaker, may I direct a question to the Registrar General. It is supplementary to the question asked a few minutes ago by the hon. member for Brome-Missisquoi. I wonder if the Registrar General, in drawing the attention of the Minister of Transport to this massive call back of G.M. cars, would ask the minister to make an early statement regarding implementation of the vehicle safety program.

Mr. Speaker: Order.

Inquiries of the Ministry

AIR CANADA

WINNIPEG—OPERATION OF OVERHAUL BASE TO BE CONTINUED

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. Is the Prime Minister in a position to confirm as government policy the statement made in Winnipeg last night by the Minister of Transport that the government's commitment to keep the Air Canada base in Winnipeg in operation until 1973 will be honoured?

Right Hon. L. B. Pearson (Prime Minister): The minister made a statement to that effect, and I am glad to confirm it.

Mr. David Orlikow (Winnipeg North): A supplementary question, Mr. Speaker. May I ask the Prime Minister whether the Minister of Transport will meet with officials of Air Canada to make clear to them this government policy, so we shall have no further misunderstanding.

LABOUR CONDITIONS

PROPOSED LAY-OFFS OF RAILWAY MAINTENANCE OF WAY EMPLOYEES

On the orders of the day:

Hon. J. R. Nicholson (Minister of Labour): Mr. Speaker, yesterday just before the end of the question period the hon. member for Nickel Belt asked me whether I had received a letter from the maintenance of way brotherhood with regard to lay-offs in the Calgary area. A similar question was asked a day or two ago by the hon. member for Greenwood (Mr. Brewin). I intimated that such a representation had been received. It has been replied to by my colleague, the Minister of Manpower and Immigration.

I found it difficult yesterday to understand the reason for a second question, because the answer given by my colleague the Minister of Manpower and Immigration seemed to me to have dealt with the matter. As recorded at page 3500 of yesterday's *Hansard* the Minister of Manpower and Immigration said:

> Mr. Speaker, yesterday I promised the hon. member for Bow River to give him a report on the employment situation at the C.P.R. terminal shops in Calgary, where 400 men were laid off. Most of them have been called back; they know their return date. If a few of them are not rehired it will be quite easy to find jobs for them, because they are highly skilled labour.

That answer by my colleague accounts for my difficulty in failing to understand the significance of and the reason for the question yesterday.

Mr. Bell (Saint John-Albert): Ten o'clock.

[*Later:*]

Mr. Fawcett: Mr. Speaker, I rise on a point of order. The question I asked the Minister of Labour had no connection with the Calgary lay-offs. My question was in connection with a letter which I understood was sent to the Minister of Labour regarding the imminent lay-off of a great number of maintenance of way employees, employed from Port Arthur east, in the eastern regions of the C.P.R. and C.N.R. systems.

Mr. Nicholson: In that connection, Mr. Speaker, I might say I did receive an inquiry some days ago from a local of the maintenance of way brotherhood, I think it was local 414, in which they raised some questions arising from a collective agreement. As the hon. member knows and as I am sure all hon. members know, where you have clauses setting rights out in collective agreements, usually there is provision in the agreement for arbitration of those clauses. In the reply which went out from my office to the local, attention was drawn to the arbitration procedures, with the suggestion that they follow through themselves on the provisions contained in the agreement.

Mr. David Lewis (York South): Mr. Speaker, before asking a supplementary question may I say that possibly the arbitration provisions of the collective agreement do not apply to the matter. I want to ask the minister whether he or his department has given consideration to holding discussions with the management of both the C.P.R. and the C.N.R. concerning their lay-offs of section gangs.

Mr. Nicholson: My reaction to this suggestion, Mr. Speaker, is that I think I should first have a reply from the local concerned to the letter we sent them some days ago before we decide what should be done.

INQUIRIES OF THE MINISTRY

On the orders of the day:

Mr. Ralph Cowan (York-Humber): Mr. Speaker, I have a question I would like to address to the Secretary of State for External Affairs and I am sorry for not having been able to give him notice of it. Last evening when the worthy Marquis of Montcalm was opening the Pageant of Canada he held up Canada as an example of unity to all the world. Was he referring to the reception given yesterday to the Minister without Portfolio at the University of Montreal?

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, due to rumours that are current around the house at this time, and in order to reassure those persons who believe in the practice of democratic principles, I wish to address a question to the Prime Minister. Because the hon. member on many occasions has objected to Liberal policy and to the actions of certain Liberal cabinet ministers, is there any truth in the rumour that the hon. member for York-Humber is likely to be expelled from the Liberal party?

Mr. Speaker: Order.

CONSUMER AFFAIRS

USE OF NOVA SCOTIA LEGISLATION AS FEDERAL MODEL

On the orders of the day:

Hon. George Hees (Northumberland): Mr. Speaker, I wish to direct a question to the Registrar General. In view of the report in today's press of the great success of the government of Nova Scotia in introducing legislation to give protection to the consumers of that province, is the minister familiar with that legislation and will he give consideration to using it as a model in preparing federal legislation so there may be some teeth in the federal legislation and not just gums?

Mr. Speaker: Order. I suggest it is not in order for the hon. member to ask if the minister is familiar with legislation.

NATIONAL DEFENCE

ONTARIO REGULATIONS RESPECTING VOTING BY MILITARY PERSONNEL

On the orders of the day:

Mr. Leonard Hopkins (Renfrew North): Mr. Speaker, my question is directed to the Minister of National Defence. Would the minister discuss with the chief electoral officer of Ontario the antiquated and vague sections of the Ontario elections act dealing with the voting regulations of military personnel, with a view to trying to arrive at some constructive conclusions—

Mr. Speaker: Order, please. This question cannot be asked at this time. I suggest to the hon. member that if it is at all receivable it should be placed on the order paper.

Mr. Hopkins: Ten o'clock.

CONSIDERATION BY HOUSE COMMITTEE OF UNIFICATION ORDERS IN COUNCIL

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, may I direct a question to the Minister of National Defence. A considerable time having passed since the minister agreed to consider calling a meeting of the defence committee to review changes in armed forces policies, can the minister now state whether a reference will be speedily introduced so as to enable the committee to meet and discuss changes in defence policies?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, when I first read this question in *Hansard* I was a little confused. The hon. member referred to changing defence policy. Actually he was quoting administrative decisions; therefore I cannot yet take a decision on the question itself.

Mr. Winch: As a supplementary question, in view of the minister's reply referring to administrative decisions and there now being only one minister with no associate minister, I presume this minister has control over both matters. Therefore I would like to ask if he is going to bring in terms of reference so that defence policies can be considered by the defence committee of the House of Commons.

Mr. Cadieux (Terrebonne): Mr. Speaker, I have no objection to this particular question, but the original reference was to a change of policy. There is no change of policy.

AGRICULTURE

TURKEYS—PROTECTION AGAINST EXPORTS FROM U.S.

On the orders of the day:

Mr. J. N. Ormiston (Melville): Mr. Speaker, I wish to direct a question to the Minister of Agriculture. Is he in a position today to answer the question I put to his parliamentary secretary yesterday?

Hon. J. J. Greene (Minister of Agriculture): Mr. Speaker, the subject matter of the hon. member's question was the importation of turkeys. This matter is receiving the attention of the department and a meeting has been arranged for November 1 between the agricultural stabilization board and officers of the Canadian Turkey Federation to review the situation.

Mr. D. V. Pugh (Okanagan Boundary): Mr. Speaker, as a supplementary question with regard to the importation of turkeys from the United States, is the minister considering going back to the quota system which was in effect a few years ago?

Mr. Greene: Mr. Speaker, any conclusions that result from the meeting I have mentioned will be announced in the proper fashion.

INDIAN AFFAIRS

INABILITY OF INDIANS ON RESERVES TO OBTAIN ADVANCED TRAINING

On the orders of the day:

Mr. Ed. Schreyer (Springfield): Mr. Speaker, my question is directed to the Minister of Indian Affairs and Northern Development. Has he been made aware that the department of manpower has discontinued level 4 of its training program, with the result that residents of Indian reserves are now effectively blocked from entering the higher levels of skilled manpower training; and can the minister say whether his department has any plans to offset this development?

Mr. Speaker: Order, please. The question is not in order.

[*Later:*]

Mr. Schreyer: Mr. Speaker, I should like to direct a question to the Minister of Manpower and Immigration. Now that the department has decided to discontinue level 4 of its training program, namely the basic literacy course, what plans has the department to offset the effect of this discontinuation?

Mr. Speaker: Order, please. Obviously this question is of a general nature and not of the type which should be asked at this time. Certainly it is not a question which requires a verbal answer during the question period.

Mr. Schreyer: Perhaps I could rephrase my question and ask the minister whether he has received any significant number of complaints from residents of Indian reserves or councillors regarding this policy decision taken by the government.

Mr. Speaker: Order, please. Perhaps the hon. member would place this question on the order paper.

BUSINESS OF THE HOUSE

REQUEST FOR GOVERNMENT APPROVAL OF BILL RESPECTING INTEREST RATES

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I would like to direct a question to either the government house leader or the Prime Minister, and ask if either of the hon. gentlemen would provide the sanctity of government approval to the bill introduced earlier today by the hon. member for Brantford regarding interest rates and have it transferred to government orders so it can be dealt with more expeditiously.

Mr. Speaker: Order, please.

OCCUPATIONAL TRAINING

REQUEST FOR GREATER FREEDOM IN CHOICE OF OCCUPATION

On the orders of the day:

Mr. Leonard Hopkins (Renfrew North): Mr. Speaker, I should like to direct a question to the Minister of Manpower and Immigration relating to the occupational training for adults program. Before an adult student begins the upgrading course he or she must indicate a goal for which—

Mr. Speaker: Order, please. Would the hon. member ask his question.

Mr. Hopkins: I am coming to the question, Mr. Speaker. Would the minister consider amending the legislation to give the adult student more flexibility in his choice of occupation at the grade ten level, in order to remove this strait-jacket which now exists?

Mr. Speaker: Order, please. The question seems to be very general in nature and of the type which should be answered by a statement on motions or on the order paper.

FINANCE

CRITICISM BY BANK PRESIDENT OF FEDERAL FINANCIAL POLICY

On the orders of the day:

Hon. George Hees (Northumberland): Mr. Speaker, I should like to direct a question to the Minister of Finance. Does the minister expect in the near future to answer the charge made against the government by Mr. Neil McKinnon, president of the Canadian Imperial Bank of Commerce, to the effect that inflation is the result of the policies of this government which amount to a swindle of the Canadian people?

[Mr. Speaker.]

Mr. Speaker: Order, please. This question has been asked and considered on a number of occasions, and I do not think it should be asked again at this time.

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, I rise on a question of privilege. The hon. member for Northumberland was probably not in the house at ten o'clock Monday evening when I did answer this question.

DRUGS

AMENDMENT OF TRADE MARK AND PATENT LAWS TO REDUCE CONSUMER COSTS

On the orders of the day:

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I should like to direct a question to the Registrar General. Does the minister plan to introduce amendments during this session to the trade mark and patent laws to grant manufacturing rights to non-patent holders as a means of lowering drug costs to the public?

Hon. John N. Turner (Registrar General): Mr. Speaker, this item is on the list of essential legislation and I hope it will be dealt with this session.

[*Translation*]

SUPPLY

The house in committee of supply, Mr. Rinfret in the chair.

The Deputy Chairman: Order. The house again in committee of supply, estimates of Veterans Affairs for the fiscal year ending March 31, 1968. Vote No. 1 will be found on page 572 of the blue book and the details of services on page 574.

DEPARTMENT OF VETERANS AFFAIRS

1. Departmental administration, $5,702,200.

The Deputy Chairman: Shall this item carry?

[*English*]

Mr. Ormiston: Mr. Chairman, I thought at the outset we would have a statement of some kind from the Minister of Veterans Affairs. Perhaps he has decided to wait until he has heard the remarks of hon. members before making such a statement, but a statement of this kind would be of benefit to hon. members during the consideration of his estimates, and if he should like the opportunity to make one now I will be glad to take my seat.

Apparently the minister does not wish to make a statement now. Members on this side are somewhat disappointed at the lack of factual information emanating from the minister's department. Several days ago I asked the Prime Minister whether it would be possible to have the Wood commission report made available before discussing these estimates. Evidently that was not possible, but the tabling of even an interim report would make the discussion of these estimates easier. We have been waiting for more than a year and a half for the results of this inquiry.

It is my opinion that a general overhaul should be made of pension legislation. This legislation has not been amended for quite a few years. It was originally brought forward in a hurry to expedite assistance to veterans who had completed their wartime service. In light of what has transpired in the last few years a general review of veterans pension legislation should be made.

Hon. members who were members of the veterans affairs committee made suggestions as to how the act should be amended. I am sure the minister has taken those suggestions into consideration, but as of this date nothing constructive has been done in this regard. There has been difficulty in respect of liaison between the minister and his staff, but I understand this situation has been remedied. Perhaps some action will be taken soon.

It was also my thought that following the analytical study of pension legislation in other countries, specifically France and Britain, a new assessment could be made of the available information on our own legislation. I understand there was anticipation that a review of United States studies on veterans legislation would be made, but so far as I am aware this has not been done yet. Perhaps this information could be used in conjunction with the Wood commission report. Certainly some effort should be made to correlate the information which is available at the present time in respect of this important information. I presume the representations and appeals made from time to time to the minister and the department by various organizations have been considered. We would like to hear what is in store for our veterans in the next year. The cost of living has made it imperative that increases in pensions be considered and now would be a good time to let our veterans know what they can expect in the future.

• (12 noon)

I do not intend to cover the whole spectrum of veterans affairs because my colleagues will wish to make contributions. However, when the minister makes a statement I believe he should be somewhat explicit in so far as the control of veterans hospitals is concerned. There has been considerable controversy about the situation at Sunnybrook hospital. I should like to put on record parts of an article written for the Toronto *Telegram* of September 23 last by Peter Ward, who evidently studied the situation at that hospital. If the situation that has developed there is going to be prevalent at other hospitals, something should be done to prevent this happening. In his article Mr. Ward said:

> You can list grievances by the hundred, many of them chronic complaints from chronic complainers, but an alarming number that are real, legitimate beefs.
>
> Under D.V.A. administration veterans were issued prescribed drugs at the hospital dispensary and if treatment was lengthy for outpatients, drugs would be mailed as needed to the patient.
>
> Now the veteran must either convince his local pharmacy to hand over prescribed drugs and bill D.V.A., or pay for them himself and collect later.
>
> Usually it's much later. Due to staff shortages, it's sometimes more than three months before a druggist, or a veteran who has paid, gets his money.
>
> Under D.V.A., hospital patients had the option of eating meals either in their rooms or in the dining room, if they were able, with buddies.
>
> Now they eat in their rooms. They can eat in the dining room only if they pay for their meals.

This writer goes on to list other complaints, and the article continues:

> The daily Sunnybrook patient rate when U. of T. took over was $23.25. It went to $36 daily immediately and is now $40. Treatment of pensionable veterans, or those earning less than $1,296 annually, was free then, and still is.
>
> Any veteran is guaranteed a bed at Sunnybrook, pensionable or not. If he isn't pensionable, a patient must pay his bill either personally or through insurance. That's still the same, only the rate has changed.

Mr. Teillet: Mr. Chairman, would the hon. member permit me to interrupt him for a moment at this time?

Mr. Ormiston: Certainly.

Mr. Teillet: With reference to this story, Mr. Chairman, I do not think it should be allowed to go on the record without some comment. All the complaints received, and there have not been that many, have been investigated and most of this story has been

found to be quite unfounded. Nothing occurring at Sunnybrook hospital now did not occur before the changeover. I want that fact to be underlined. I am sure the hon. member will appreciate that the story to which he has referred does need correction.

Mr. Ormiston: This article was written just about a month ago. If the Department of Veterans Affairs had been as speedy in investigating other matters as it was in this case there would have been no complaints at all, but obviously there was some ground for complaint. If the situation has been remedied, we appreciate the action that has been taken. There have been rumours that the other hospitals now operated by D.V.A. will fall into the hands of provincial or municipal bodies, and I think this committee is entitled to know whether any plans of that nature are in prospect.

Over the last year and a half many representations have been made to the minister and his department to give us some outline of what can be expected in the nature of veterans legislation. I hope that today the minister will afford himself of the opportunity to deal with this question and will give us some idea of what we may expect in the future.

Mr. O'Keefe: Mr. Chairman, would the Minister of Veterans Affairs, who has done so much to help the veterans and their families, tell us when the legislation mentioned in vote 17a will become effective, or on what date will the benefits be available to the people themselves?

Mr. Teillet: As I understand the question, Mr. Chairman, it refers to vote 17a, the Newfoundland Overseas Forestry Unit. This is an estimates supplement.

Mr. Lambert: Which supplement?

Mr. Teillet: "A". The effective date, as noted in the text, is July 1, but of course the provision cannot be implemented until parliament has passed the item and accepted the estimate.

Mr. Lambert: Mr. Chairman, I have brief remarks to make on a number of subjects connected with these estimates. First of all I should like to extend to the minister publicly my personal appreciation for his invitation to have me participate in the commemorative exercises this summer on the twenty fifth anniversary of the Dieppe raid. I should also like to commend the officers of his department for a generally well organized program. Admittedly, one had to be flexible here and there, but this is always a rule of life. I must say that everything went off well and the participation by the French government, the Dieppe municipal government and the personnel from the United Kingdom made it a very well-remembered and notable occasion.

There was only one fly in the ointment as far as I was concerned, and I have already spoken to the minister about this. I think he was sympathetic because there has been a precedent set in the past. I know some people will not share my opinion, but I think we could have acceded to the suggestion of the veterans association of the 302nd German division that they be able to lay a wreath at the Canadian memorial in Dieppe and in that way share with us the memory of that occasion 25 years ago.

I think the government of Canada missed a great opportunity in not tendering an open-handed invitation to this small handful of men. Their representatives were there and they did lay a wreath the next day. I know that in 1965, together with British, French and Canadian veterans, they did lay wreaths. We have had a joint laying of wreaths in commemoration of the battle of the Somme last year, at which Canadian, British, French and German forces exchanged wreaths.

• (12:10 p.m.)

This view may run counter to the personal feelings of certain individuals in this country. Of course they may have suffered a lot more than I did and their families may have lost some dear ones in the war. However, I do not think I came out of it scot-free. I went through a certain period of incarceration, and I must say that after 25 years I met some at the Dieppe ceremony who had been imprisoned with me—

Mr. Teillet: Would the hon. gentleman permit me to interrupt him at this moment? The point I would like to make clear is that the ceremonies were organized primarily by the municipal authorities at Dieppe and we were only participants. The Canadian government as such did not interfere in one way or another with the participation of German forces at the ceremony, nor do I believe that the French or the British governments interfered. This was left entirely to the local people, who undoubtedly were influenced by the public comments made in Canada.

Mr. Lambert: I wonder whether the minister would be prepared to tell the house why

the government did not even acknowledge the letter requesting German participation. I know there were letters asking for this. I can tell the minister privately about some conversations I had in this respect which are of a more confidential nature. We in Canada missed a great opportunity, and that is all I will say about it.

There is another matter about which I would like to say a few words. It also concerns prisoners of war. Some time ago I placed a question on the order paper asking whether the treatment section of the Department of Veterans Affairs intended to call in prisoners of war through the various treatment centres in the country to give them a check-over either there or through the facilities of the Canadian pension commission. I consider this to be treatment of a preventive nature. There is no use waiting for a veteran to come in and say: I am ill and this is attributable to a disability incurred during the war. The minister is in the same position as I am. We are both former prisoners of war. He will recall the agitation on both sides of the house with regard to the Hong Kong prisoners of war. I think that finally the right steps were taken on their behalf and none too soon. However, I suggest to him that the same applies to other prisoners of war whose medical histories after incarceration have followed the same pattern.

Relatively speaking the minister and I did not suffer too much, but I know of many men who had to subsist for long periods of time on raw sugar beets which they pulled out of frozen fields. How has this affected them? We are not able to say whether any of these men who have died may have done so five or ten years earlier than they should have. And yet what do we know about those who are still suffering from the effects of the war? I think that here again we are missing an opportunity. I am sure that the treatment services have learned a great deal from the examinations of the Hong Kong prisoners of war conducted in the past few years. The same could be done with all the other prisoners of war. This is what I would call a form of preventive medicine. Their experiences cannot be duplicated. After all, there are not that many of these men who may serve as guinea-pigs, and experiments cannot be conducted easily with regard to this type of condition. I strongly urge the minister to reconsider the position taken by his department in the reply to my question. I really feel that we are passing up a truly worthwhile opportunity.

The next point I want to make is that I also had the opportunity to visit Vimy this year and, having acquainted myself with some of the problems which exist with regard to the maintenance of the memorial and the park there, I strongly urge the minister, even though he may run into some difficulties with the Minister of Finance, to consider the building of a diversionary road around the park. At present the road going through the park makes the maintenance of the memorial and the surrounding grounds very difficult for the limited staff that we have there on holidays and week ends. Since in France the week end is from Saturday noon to Tuesday morning on long week ends the Vimy park is much like Coney Island. People come from the surrounding villages and towns and gather on the lawns for picnics. They lay out the laundry on the grass and do all sorts of things. If we relocated the road and made an arrangement with the French government so that route nationale No. 37 going through the park could be moved, I think it would make it much simpler for everyone concerned. I think it would also make for less strained relations between the Canadian authorities at Vimy and the mayors and councillors of the neighboring towns.

The next point on which I would like to say a few words is in connection with the War Veterans Allowance Act and the inability of the government at the present time to consider the payment of war veterans allowances to many Canadian veterans living in the United Kingdom who are in great need of assistance and cannot afford to come back to put in the required one year of residence in Canada. There has been an extensive exchange of correspondence between Lieutenant Colonel Jones, the president of the Canadian Army Veterans in the United Kingdom Association, and officials of the minister's department. Frankly, all they are doing is setting up administrative obstacles. I have spoken to some of the officials who were in the department at the time when I headed it and they say this is not so. I admit that there is a division of opinion. It is said that there may be possibilities of overpayments which would create grave difficulties in trying to collect such overpayments. However, surely it is unreasonable to say that the department should not institute such a program because of possible difficulties in having to recover overpayments. I do not think the minister could or would seriously

justify such an argument. The basis of that argument is wrong.

Canadian veterans who either served in world war I or world war II and who have in some cases come on more difficult times are not being paid war veterans allowances because they married in the United Kingdom and have not returned to Canada or have remained there for reasons of health. Yet allied veterans who come to Canada and live here for ten years qualify for the war veterans allowance and receive it. They may live here for another year and then decide to take off for Florida, the United Kingdom or France. If they do we in Canada continue to pay them. I do not think there is true justice in such a situation. It is the requirement of one year's residence that is the bogey. I would ask the minister to eliminate this continuing farce because it is truly a farcical situation but in so many instances it has tragic consequences.

• (12:20 p.m.)

This summer when I went to London I took a number of files in connection with widows or veterans who are experiencing difficult times as I wanted to have them examined to see what could be done. The stumbling block was the statutory year's residence in Canada for the men involved. If there is one acceptable principle for the payment of the war veterans allowance it is war service. Evidently we are prepared to pay this allowance to servicemen of our allies who reside in Canada for ten years and then go back to the United Kingdom or elsewhere. We pay it to them there because they served and then came to Canada and spent ten years here. However, if a Canadian veteran stayed in the United Kingdom, married and worked there, he receives nothing. His entitlement to war veterans allowance should not arise from his residence in Canada but as a result of his war service. I believe that should be the principle.

With these remarks, Mr. Chairman, I draw to a close my intervention in this debate. There are some other points I should like to raise on another occasion, but I know that a number of my colleagues want to say a few words. I hope these few points I have mentioned will merit favourable consideration by the minister and his officials.

Mr. Herridge: Before proceeding with my remarks, Mr. Chairman, I want to support the hon. member for Edmonton West in his plea for veterans residing in Great Britain or other allied countries. They should not be required to return to Canada to live for a year in order to qualify for war veterans allowance. As the minister knows we heard representations from organizations in Great Britain as well as in France, Belgium and Holland. They all had the same attitude toward this question. Like the hon. member, I cannot see any reason for asking them to return to Canada when the allowance is awarded on the basis of war service. I do hope the government will give consideration to the representations in this respect.

[Mr. Lambert.]

At the present time the major concern of veterans in Canada is an increase in the disability pension and the war veterans allowance. It is obvious that this does concern veterans and their dependants and veterans organizations. In order to indicate the extent of their concern I show the minister the over 100 letters I have received to date on this issue. There is a regular campaign going on in Kootenay West. We have ten branches of the Royal Canadian Legion. I will give the minister the letters later, but they show the interest in this question and the need for increases.

Our whole system of judging the rate of pension is wrong. In the first instance it was based on the wage of a casual labourer. The increases in pensions have not been equal to the increases received by casual labourers thus far. This is the first reason for discontent. The second reason is the rapid increase in the cost of living during the last two or three years. I believe these arguments are soundly based.

Canada has a generally good record with regard to veterans legislation. However, we are reaching a stage now where we have to approach our problems in this field on an international basis rather than on a strictly national basis. Before I sit down I want to bring to the attention of the members of the committee what has been done in this respect. I happen to be a member of the World Veterans Federation which has done a lot of constructive work in respect of improving veterans legislation generally in all countries of the world. I know that members of the Legion and veterans who will receive a copy of *Hansard* containing this day's proceedings will want to know something about what has been done. I should like, therefore, to place a few facts on the record.

This organization, one might say, is the counterpart of the International Labour Organization, The World Federation of Farm Women, the World Health Organization and

organizations of that type which have resulted from the realization that if we are going to solve our problems satisfactorily we have to solve them almost on the basis of an international set of rules. This is what has been done to date. The organization has held its third conference on legislation with regard to veterans affairs. Under the heading "International Documentation on Benefits for War Victims", the conference recommended the assembling by all means at its disposal, with the assistance of governments and member associations, of the fullest possible data bearing on the establishment of valid comparisons of the purchasing power of national currencies, gross national revenues, national budgets, average wages and the number of war victims in receipt of benefits in relation both to the amount of benefits granted and to modifications of legislation in this field. I believe that suggestion was made as a result of considerable thought.

The second heading was "Co-operation in Promoting Veterans Protection". The conference called upon veterans organizations and competent governmental institutions pursuing humanitarian aims for the protection of veterans and their dependants to develop comprehensive mutual co-operation for the purpose of completing and improving systems of protection of veterans, resistants and war victims.

The next subject was "Indemnification for Damages and Illnesses Resulting Indirectly from Disabilities Already Giving Entitlement to Indemnification". The conference recommended that governments ensure the indemnification of any aggravation occuring in the somatic state of a person disabled in war or while performing military service, not only when it is established medically that his recognized lesions or sicknesses were caused exclusively by a disability previously recognized as being war or service connected but also where a consensus of medical opinion makes it possible to consider that the predominant cause of the new disability is the accepted war disablement. They recommended also the introduction into the legislation of countries concerned of provisions which make possible a benevolent, clear and uniform application of the relevant regulations.

The conference also discussed the discrimination existing against the less severely disabled in the matter of pensions and advocated scales of pensions proportional to disability ratings. There was a recommendation that the governments concerned resist any such tendency, accord to the less severely disabled their true worth and respect their rights and, with this end in view, ensure that scales of pensions are directly proportional to the basic pension related to the medical assessment of the disablement.

The conference then dealt with the influence of age on war pension rates. They called upon governments to introduce, where necessary, legislation whereby the disabled are entitled to the undiminished rate of their disability pension as from the age of 60, or earlier in cases where they have been in receipt of such pensions for a period of ten years.

The next subject dealt with was the adjustment of war victims pensions. The conference went on to recommend that governments establish pensions and other benefits in line with rising national standards.

The next heading is "The Exemption of War Pensions from Tax". The conference recommended that the governments concerned should decide that the compensation provided war victims by legislation should be exempted from tax. Our legislation has always done this so we are ahead of others in that respect.

Then there was a recommendation in connection with cars driven by the disabled. In fact, there is quite a lengthy list of recommendations in this connection, all of which should be given consideration by governments.

The conference then dealt with measures on behalf of the disabled regarding pension revision procedures. The recommendation was that governments go into all aspects of pension revision procedures. I understand that is exactly what the government is supposed to be doing at the present time, devising a formula for the rates of pension to be paid.

The next heading is "Benefits for Dependants of the Severely War Disabled Irrespective of the Cause of Death". The conference called upon governments to guarantee benefits for the dependants of the severely war disabled, irrespective of the cause of the latter's death.

The conference also dealt with benefits for the parents of war victims and recommended that governments compensate them adequately for their loss.

• (12:30 p.m.)

With regard to early retirement for the war disabled, it was recommended that the governments concerned introduce legislation providing for the possibility of applications

for premature retirement on pension at the basic retirement age rate.

In the matter of compensation for exclusion from social security benefits it was recommended that governments concerned introduce legislation to this end.

The conference discussed concurrent payment of social security benefits and compensation for war victims and recommended that benefits under the social security system should be paid concurrently with those provided for under war victims legislation in cases where that legislation does not provide for the contingency in question.

They then discussed the reckoning of periods of wartime service for social insurance purposes and made a recommendation in that regard. They dealt with war disabled victims of work accidents and made a recommendation that this matter be given consideration by all governments concerned. The next matter dealt with was social insurance benefits for the severely disabled and dependants and a recommendation was made.

With regard to war-connected death and its effect on social security benefits, they proposed that this should be the subject of study by the World Veterans Federation international legislation information service. In the matter of free medical and pharmaceutical treatment the conference recommended that this treatment be given to all veterans and their dependants. With regard to medical treatment of war victims and disabled abroad, a lengthy resolution was passed.

The conference then discussed the protection of disabled workers and recommended that governments take measures where such cases occur to protect disabled workers and ensure that they are given employment compatible with their disability.

They discussed vocational training for widows and orphans and recommended that governments take appropriate measures where necessary to facilitate employment and vocational training for the dependants of deceased veterans.

They then recommended that the international legislation information service should be given a budget for the purpose of continuing in operation.

Lastly, Mr. Chairman, they asked for an international charter on veterans basic rights and made a lengthy recommendation which, in view of the fact that our legislation is known as the veterans charter, I should like to put on the record:

> Recommends that the draft charter of veterans basic rights be referred back to the executive board of the W.V.F. for consideration by an expert committee who, taking into full consideration the draft memoranda already agreed by the members of the charter subcommittee should also take account of the recommendations and conclusions of the third international legislation conference in the preparation of the ultimate draft, and that in its preamble the final draft should specifically define those groups of persons for whom the special rights and privileges are required, noting that the rights of war veterans proclaimed by the charter be equally applied to the members of the resistance as to the category of war veterans.

I have made reference to these recommendations, Mr. Chairman, because this conference was a very interesting one. Assembled there were members of veterans organizations from practically every country in the world and they were meeting together to discuss common problems affecting veterans legislation in their own countries. As I said before, I think that if we are to get some sort of world rule of law in this respect and to do justice to all persons affected by war—veterans, their dependants, victims of war and so on—more and more we must approach the subject from, shall I say, an international point of view.

When the members of the standing committee on veterans affairs were overseas they met with representatives of various veterans groups in France, Belgium, Holland and Great Britain. We also had the opportunity of discussing veterans legislation and its relationship to social legislation with some representatives of the ministry of pensions in Great Britain, and we had a very informative session. I mention this because I am quite sure there are many people in Canada who are unaware of the constructive and co-operative work being done in this regard in order to direct attention to the problems of veterans, their dependants, victims of aggression and so on throughout the world so that they receive justice on a wider and wider scale as the years go by.

I have had considerable difficulty in getting through these few remarks because I am bothered by a bit of a cold. However, I was determined to have my say as best I could. I should like to support what previous speakers have said and I am sure I will be able to support the representations that will be made by others who wish to speak on veterans legislation. Before the estimates are passed I shall be looking forward to a very definitive statement from the minister which will cheer the hearts of all Canadian veterans and their

dependants, as well as all veterans organizations, prior to our recognition of Remembrance day.

Mr. Groos: Mr. Chairman, I have listened to a number of the speeches made in the house this morning and I think they reflect the virtual unanimity that prevails within the veterans affairs committee. I regret that I am no longer a member of that committee, but I am entitled by the rules of the house to be present and to participate when the committee is sitting and I fully intend to do so.

I think we all agree with the necessity for increasing veterans pensions. There is no doubt that they have not kept up with the increase in the cost of living. Something must be done and we all hope it will be done quickly.

I also think that when the pension was instituted it was based on a poor standard to begin with, namely, the standard of about the lowest paid government employee. Increases in veterans pensions have not kept pace with increases in pay of even that grade of government employee. This is therefore a matter of considerable anxiety to those of us who are concerned about the veterans and their families.

I am going to be quite brief in my remarks. I want to bring up a point which seems to me to require more attention than is perhaps being given at this time by the department. This is something for which I am going to fight and fight very hard if we do not see greater signs of forward planning than are apparent, to me at least, at the moment. I am referring to the matter of domiciliary care for older veterans.

In my riding of Victoria there is a veterans hospital, and for that reason alone I am very much aware of the needs of the soldiers who require not hospitalization but domiciliary care. They need a place to go to and someone to look after them. Regardless of whether this is a federal or a provincial responsibility, I think we should admit that the responsibility is indeed a national one and that we must do something to take care of these people.

I warn the government that a new generation of soldiers, sailors and airmen is entering this category. The veterans of world war II are beginning to need such care in increasing numbers, but I see no special signs that the federal government is prepared to step in on its own or in conjunction with the provincial governments to take care of this need.

• (12:40 p.m.)

I need not tell the minister what is involved here, but I might remind some of his staff who assist him in his planning that the cost of a domiciliary bed or unit is in the neighbourhood of $3,000 or $4,000 as opposed to the cost of a hospital bed which is three or four times that amount. I say to the minister that he and his officials should devote considerable attention to planning ahead for the provision of such care by one means or another—I do not care how he does it—so that soldiers, sailors and airmen who require domiciliary care will have somewhere to go, some place to stay and some one to look after them. I do not say this is exclusively a federal responsibility but to my mind it is the responsibility of members of the House of Commons to make sure that care is provided.

Becoming parochial for a moment, I wish to raise a matter which I have previously brought to the minister's attention, and I should like him to look into it. In Esquimalt, which after redistribution will no longer be in Victoria riding, there is a beautiful old veterans cemetery which was turned over to his department about 15 years ago. It used to be the old naval cemetery and it needs some attention. The road to it runs through a golf course as well as through Department of National Defence property. Since the road runs through three different domains, so to speak, there seems to be difficulty in deciding who is to look after it. I do not care who looks after it but somebody should get on with the job of seeing that the road is put into proper shape. The cemetery is still used by veterans and nothing upsets the dignity of a ceremonial occasion so much as for the ceremonial party to have to wade through potholes and mud on the way to the ceremony.

I have recently been informed that the Hong Kong Veterans Association of Canada is to hold its annual meeting during August next year, in Victoria, British Columbia. I do not have the exact date at my fingertips. I am sure the minister will be welcome there. I retain my interest in this unique group and I appreciate the steps that he and his department have taken to look into the special circumstances of this group and to be helpful to them.

Mr. Churchill: Mr. Chairman, during the last several years I have, for several reasons, restrained myself with difficulty from participating at length in any discussion when the estimates of the Department of Veterans Affairs have been before the house. I wanted

to give the minister an opportunity during the initial period after he assumed his portfolio to show what he could do. I have also encouraged many able representatives of the veterans on this side of the house to participate in debates and have attempted to keep silent myself, something I find difficult to do in the House of Commons. On this occasion I thought I would say something on behalf of the veterans, something about the Department of Veterans Affairs and something about the interest that Canada as a whole ought to show in her military history.

I am not to be led astray because I received an invitation from the ministerial office to attend the fiftieth anniversary ceremony of the battle of Passchendaele. Naturally I was grateful for the invitation and I attended. This will not deter me from offering criticism of the minister in his capacity of being in charge of the department. I think only two or three members of the House of Commons were present at the battle of Passchendaele 50 years ago, the hon. member for Nanaimo-Cowichan-The Islands being one of them. I am not sure that I like attending fiftieth anniversaries. They bring home to one clearly that time has marched on and that one belongs to an entirely different generation. I was pleased to be there, nevertheless, and I expressed my thanks to the minister. I shall return to the subject of the Passchendaele ceremony in a moment.

The most important topic before us is the care of our pensioners of the first world war, second world war and the Korea war. We do not pay enough attention to our pensioners. Quite properly, we have a standing committee on veterans affairs and that committee works effectively. The minister who heads the department must give leadership in these matters and my criticism of the minister is that in the last three years when he has presented his estimates to the House of Commons he has spoken for about two or three minutes simply to say that as his estimates had been before a committee there was no need to discuss them extensively in the house. It is incumbent on the Minister of Veterans Affairs to make a moderately long statement to show what his department is doing and to indicate to the public generally his interest and the interest of the government in the veterans of this country and in the pensioners.

Some hon. Members: Hear, hear.

Mr. Churchill: Unless a minister says something publicly about his department the tendency is to consider it unimportant. Some may think that his department is not receiving the attention it should receive and that the minister of the department is not being influential with his cabinet colleagues. The present minister, whom I have refrained from criticizing all these years, has been singled out for constructive attention.

I hope the minister will rise to the occasion and declare publicly in the House of Commons and elsewhere the vital importance of the Department of Veterans Affairs to the veterans of this country, the importance of that department to the people of Canada and his desires and activities with regard to the fulfilment of his responsibilities. This will be quite a task for the minister because I am not the least bit sure that during the course of the almost four years he has had responsibility for this department he has maintained it as it should have been maintained. If he is not careful the department will fade out and be absorbed by the Department of National Health and Welfare or some other department of that nature. Hon. members do not want that to happen, but it is up to the minister to give leadership and indicate that the Department of Veterans Affairs is an essential factor in the administration of this country. The minister has to do that by more than just a casual, haphazard, careless statement on the introduction of his estimates.

• (12:50 p.m.)

Why does the minister not say to the people of this country: you have a continuing responsibility for the disabled veterans who fought in the wars for freedom for Canada? Let him stress this point. He is the only member of the cabinet who is charged with this responsibility, although I would hope other members of the cabinet share it, but someone has to do this and keep on doing it because human nature is such that we tend to forget when things are not drawn to our attention.

The grave danger which faces the veterans of Canada is that with the passage of time people generally will tend to forget them. There is a new generation coming up. Fortunately it has been free from having to make sacrifices in warfare, but that new generation should be interested in the history of our country, should know something of the fight for freedom that was carried on by its predecessors and should be steeled in its own will to face similar hazards if called upon to do so.

Let us not carelessly brush aside or treat as something insignificant the care of our disabled veterans. The minister should have put the figures on the record to show the number of people still suffering. Why did he not say that of the approximately 33,000 disabled pensioners of the first world war almost 6,000 are men who are in the category of 75 per cent to 100 per cent disability? They have carried that burden for 50 years. Fancy being a 100 per cent disabled pensioner for 50 years. No greater sacrifice has been made by any citizen of this country than that made by the men who have carried that burden. The minister should draw this to our attention.

The minister should also indicate the figures for the second world war and Korea to show that the problem exists, that it cannot be brushed aside, and that it will remain with us for a great many years. First world war veterans, of course, are on the downward slope. There are very few of them under 70 years of age. In another 15 years they will have gone over the precipice. But second world war veterans are going to be around for a long time and the citizens of this country must gratefully bear the burden of sustaining these men who risked their lives in order that Canada would be free. The Minister of Veterans Affairs carries the responsibility of repeating that message time and time again.

I pay my tribute to the officials of the department who have carried on with great dedication over the years and are still doing so, but I look to the minister and to the deputy minister to give leadership, to sustain the department and to retain the confidence of veterans organizations all across the country. I am not sure they have retained that confidence at the present time because of the inexcusable delay in raising disability pensions to the level at which they should be.

The minister is now in the terribly awkward position of facing a minister of finance and cabinet who are greatly disturbed over the financial disaster that is just around the corner for this country. It will be an almost insuperable task for him to get increases for disability pensioners because the Minister of Finance is so clearly in grave difficulty. I hope that the large and increasing deficit of the magnificent world fair which was held in Montreal will not be used as an argument to prevent giving justice with regard to the pensions of our disability pensioners. I read in the papers that there is a deficit of $250 million in respect of Expo and that there may be other deficits in other enterprises, but I hope this will not restrict the activities of the Minister of Finance and the Minister of Veterans Affairs when dealing with these pensions. With the country now reaching the point of financial difficulties, the minister's delay over the last two years may have disastrous effects for our disability pensioners. I give that warning at this time.

I see it is just about one o'clock and I presume we are going to live like normal people and have a luncheon break. I would like to say something about the fiftieth anniversary ceremony at Passchendaele and about other ceremonies of that nature which may be coming up in the near future. If it is agreeable to you, sir, I would like to do that after lunch. I now call it one o'clock.

The Assistant Deputy Chairman: Order. It being one o'clock I do now leave the chair.

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2.30 p.m.

Mr. Churchill: Mr. Chairman, just before the luncheon adjournment I was dealing with some of the problems that affect the veterans of this country and attempting to place some emphasis on the responsibilities which should weigh on the Minister of Veterans Affairs and the government generally. In the few minutes I have left at my disposal this afternoon I should like to stress the importance of the history of this country and this history of the world in which our countrymen have been involved.

We deplore war in any form, but the history of the world is largely a history of warfare and our country has been most active in this history. Whether we like it or not, the type of world in which we have lived during the twentieth century has subjected Canadians to the pressures of international affairs. Canadians have responded in time of danger and trouble and have stood shoulder to shoulder with freedom-loving men from every country.

During this our centennial year nothing has been more appropriate to my mind than the writing and publishing of a book by Hon. Leslie Frost. He is a very distinguished Canadian, a former premier of the province of Ontario and a serving soldier during the first world war. He has accomplished something unique in military history as a result of

telling about the part in that war played by men from Orillia. The story of the men from this community can be duplicated in respect of small hamlets, villages, towns, communities and cities from coast to coast in Canada. Men from these areas played a similar part during that war. I commend this book to everyone in Canada. Anyone who reads it will understand what took place in communities across this country like Orillia at the time of that confrontation. The foreword to this book was written by the president of Trent University, Thomas H. B. Symons. I should like to read the second paragraph:

> The book tells the story of a group of men—the 393 members of the 35th Regiment of Simcoe Foresters who came forward for military service from the Orillia community half a century ago—and of the impact of the first world war upon them and their families and their community, and it does so with great perception and understanding. But it is more than a narrative of events. It is a statement of the author's faith in his country and some of his deeply felt convictions about this country.

At page 139 Mr. Frost has written the following:

> One of the great tragedies of Canadian history has been our failure to translate into Canadian pride and loyalty the accomplishments of her men in the tragic period of the war. The achievements of the Canadian Corps from the day of the first landing in France in 1915 until the day of victory, should be a reason for pride on the part of all Canadians. It is a fantastic story. The Canadian Army Corps commenced with the enlistment in August, 1914 of men garbed in red coats and blue trousers. On the 14th of that month Orillia's contribution to the new Canadian expeditionary force marched down Mississaga street. This story was repeated in communities all across Canada. It was the beginning of the organization of an army corps which was second to none on the western front, or any other front. It became an unsurpassed fighting machine. Its accomplishments were outstanding. The bravery, the brain, the brawn and the ability to adapt to unforeseen conditions, should be an inspiration to all Canadians. Unfortunately, in the twenties and thirties, when democracy seemed to lose its purpose and direction, the Canadian people and their governments seemed to play down these monumental achievements of their countrymen. Perhaps, 50 years later in 1967 at the time of the one hundredth birthday of our country, some of the robust sentiments of the past can be regained.

● (2:40 p.m.)

> Children of other days sang with pride and enthusiasm about Queenston Heights and Lundy's Lane, and about their forebears who "firmly stood and nobly died," in defence of their country. There is virtue in these days in remembering the men of Canada who firmly stood and nobly died in an even greater cause, the laying of the foundations of world government, which must exist if mankind is to survive.

Throughout the book one finds the story of these 393 men, their sacrifice, their devotion to duty, the honours they gained, the death and the wounding of many of them, and their return to the homeland. That story of sacrifice and devotion to duty had to be repeated by their sons in the second great world war. This is now part and parcel of Canada's history and we should do honour to these men who made our country.

I grow weary of those people who are now searching for a Canadian identity. As I have said before in this house, Canada's identity as a nation was discovered and proved on the battlefields of Europe from 1914 to 1918. It was then that we emerged as a nation in the eyes of the world. Our representatives sat in at the peace keeping activities leading to the treaty of Versailles and in the formulation of the plans for the League of Nations. So when some people are searching now, 50 years later, for a Canadian identity I wonder at the lack of knowledge of Canadian history among those who write in that vein.

Part of our recognition of Canada's identity is to be found on those occasions when we pay tribute to those who lost their lives in the various wars. We have been doing this now for 50 years in Canada on various occasions. During the last several years we have been participating in commemorative memorial services in Europe, and I think these should be continued. It was only proper that we should recognize, as we did, the twenty fifth anniversary of the battle of Dieppe. I think it is only proper that we should recognize other episodes in the course of the second world war and similarly we should recognize episodes in the first world war.

Of course it will soon be time for a standdown with regard to the first world war. After all, when the fiftieth anniversary is involved there are not many left who can participate in such a ceremony. I recall that a few years ago we held a ceremony here in Ottawa to commemorate the sixtieth anniversary of the conclusion of the South African war. Some very distinguished veterans of that war paraded here and participated under government auspices in a ceremony to pay honour to their contribution in that strife. They were then all in the eighties.

So by the time you hit the fiftieth anniversary you are coming pretty well to the end of the road. But it is only right that we should participate in ceremonies of that nature in order to recognize the sacrifices of the first world war and in order to recognize the history of our country. Therefore it was with great pleasure that I heard of the plans for

the ceremony at Vimy Ridge in the spring of this year. I was glad that Canada participated in the recognition of the fiftieth anniversary of that battle. I was pleased to be able to attend the ceremony at Passchendaele just a few weeks ago when once again Canada recognized one of the important battles of the first world war. Sixteen thousand young Canadian men either lost their lives or were wounded in that conflict, but they achieved their objective.

From 50 years ago yesterday up to November 10 represents the period when the Canadian Corps was engaged in the third battle of Ypres which culminated in the battle of Passchendaele. We were engaged in that battle 50 years ago, and 50 years ago today a former distinguished member of this house, now the Lieutenant Governor of British Columbia, Hon. George Pearkes, was awarded the Victoria Cross for his valour in that conflict.

Some hon. Members: Hear, hear.

Mr. Churchill: It was only fitting that we should be there to pay our tribute, together with other members of the commonwealth, to those who fought in that struggle. The British, Australians, New Zealanders, South Africans, representatives from India and other portions of what was then known as the British Empire and Commonwealth, took part in the third battle of Ypres at the excessive cost of 150,000 casualties over a period of about three and a half months.

Just a few days ago there was at Tynecot cemetery in Belgium a ceremony at which we were present. Lord Alexander, former Governor General of Canada, was in charge of the ceremony and gave the address. My only complaint is that although there was a guard of honour provided by the United Kingdom, Belgium and France and a small guard of honour provided by Australia, there was no Canadian guard of honour. My complaint, which I hesitate to raise but I think I must do so, is that if we are to participate in ceremonies of this nature we should do it in the proper fashion.

Canada on that occasion should have had an appropriate guard of honour along with those countries which were our comrades in arms in the first great world war. The flimsy excuse that because the Canadian Brigade in Germany was engaged in NATO exercises and men could not be spared does not make much sense to those of us who have been in the services. It would be very unusual not to be able to spare one officer and 25 men for a guard of honour even if we could not have a guard of honour of 200. But the fact that Canada was not represented there is not, I think, good for Canada's prestige in international affairs.

If we participate in other functions of this nature, let us be very careful to see that we are properly represented, because when Canada is abroad other countries watch and see what we do. At the commemoration of the battle of Passchendaele, which was the Canadian portion of the third battle of Ypres, we did not have the appropriate public recognition by having a guard of honour there. I hope that next year, 1968—this might be the final ceremony for the first world war representing the 50th anniversary of the conclusion of that contest—we will be properly represented at some ceremony in Europe.

• (2:50 p.m.)

I hope there will be a Canadian organized ceremony at the city of Mons which the Canadians entered and seized on November 11, 1918. Others may have other ideas but I throw this out as one which occurs to me as being appropriate. To my mind Mons is the place where we should have the ceremony representing the fiftieth anniversary of the conclusion of the first world war. I hope that in 1969 we will appropriately join our comrades from Great Britain, the United States, France and all other countries that were involved in commemorating the beginning of the end of the second world war when the landings took place in Normandy in 1944. At the same time I hope the activities of Canadians in Sicily and Italy and in other parts of the world will not be overlooked.

These ceremonies are not numerous but they are very important. They tend to focus attention upon the history of our country. They acquaint the younger generation with the sacrifices that have been made in order to maintain freedom, and therefore we should not dismiss ceremonies of this nature just because we are all anxious for peace. No one is more anxious for peace in this world than men who have served in wartime, but at the same time we should recognize the sacrifices which a country makes in times of war.

This is all part of our history. This is how we have become a nation, and every child, every young man and young woman across this country should know the history of Canada. The two world wars and the war in Korea are part of it. There is a psychological effect involved. I hope the young people of

today will not have to go through the experiences of the young people of 25 or 50 years ago but perhaps the reminder of these events will instil in them the right spirit if danger threatens so that they will respond in the same way as did their fathers, their grandfathers and their relatives. Thus the strength of the country will be maintained and not dissipated by all the emphasis which is put these days on the dangers of war and the fearful catastrophe which war can bring. We know all that, it is in our history, but at the same time we know that if freedom is to be maintained we have to be strong in spirit and determined to put forth the necessary effort no matter what the sacrifices may be.

Mr. Martin (Timmins): Mr. Chairman, there are a couple of brief matters which I would like to raise today in discussing the minister's estimates. Neither of them is new. We have raised them before but apparently we will have to keep raising them until something is done about them. The first one has to do with the long awaited Woods report. I should like to read two paragraphs from a letter I received today on this very matter:

> Apparently the "two language bit" is still their excuse for delay of this report; but that was their excuse, as you told me, over a year ago.
>
> If the bureaucracies can use this as a further lot of red tape to delay action on justice, we would be better off without the two languages. I feel quite sure that any veterans in Quebec or elsewhere, who speak French, would gladly accept this report in English—just so its recommendations could be implemented.

The most significant thing about this letter is that it is signed by a Madame Boisvert. Ce n'est pas un nom anglais ça; c'est un nom canadien français. The latest word we have is that we have to wait only another month, but I would like to point out that on March 7 of last year the minister told the house that he hoped the report would be ready before the end of the month. I wonder how much longer we will have to wait before having this report and before some action is taken on its recommendations.

The other point I would like to raise has to do with the treatment of our war veterans allowance recipients who also happen to be old age pensioners. I have raised this matter before; in fact I raised it last spring during the committee hearings, as the minister may recall. I have since heard of a number of cases of veterans of the first world war who were recipients of old age security and also of a partial war veterans allowance pension who have found that the money which the Minister of National Health and Welfare put into one pocket for old age pensions was promptly taken out of the other pocket for war veterans allowances. I think we should remember that the reason the $30 supplement was given to old age pensioners was that this government finally got it through their heads that the old age pensioners were in need and that they were not receiving a sufficient pension to meet their basic needs in view of the cost of living today. Having recognized this, the department proceeded to give them a small increase.

The funny part of the whole thing is that the different sets of rules in the games that the government plays with old people have meant that under the rules of the old age security game they could qualify even though they were in receipt of the war veterans allowance but under the rules of the war veterans allowance game the recipients fell afoul of the law if they received extra money on their old age pension. The most vicious feature of all in many of these cases was that when the department finally got through the red tape in giving the extra $30 a month it was late in the year, July, August or September, and since the increase was retroactive to the first of this year it constituted an overpayment. We found that not only were the war veterans allowances cut by the $30 which they received in addition to the old age security pension but they were cut even more to recoup the so-called overpayments. I cannot think of anything more vicious in the treatment of our veterans.

An hon. Member: Shame.

Mr. Teillet: If I may interrupt the hon. gentleman, I am sure that in the cause of truth he will allow me to state the case. I am sure he did not intend to say what he did. He knows that each one of those war veterans' allowance recipients was advised not to do anything until he had checked with his welfare officer. For the sake of truthfulness I hope the hon. gentleman will make that clear.

Mr. Martin (Timmins): Yes, they were advised in fine print. I also know for a fact from personal contact with these veterans that they were also advised by their local pension representatives, not their war veterans' allowance representative but the local old age security representative, to apply for the extra $30. I have here a letter which was sent to one of the veterans in question. It reads as follows:

> This is to inform you that, as you have been awarded the guaranteed income supplement of $30

a month, the commission has reviewed your case under a section of the Pension Act which provides that awards to parents are subject to review from time to time and may be continued, increased, decreased, or discontinued in accordance with the circumstances of the pensioner found on review and all income must be taken into consideration.

In view of your present circumstances, the commission has found it necesary to reduce the pension awarded you and your wife—

• (3:00 p.m.)

Of course the only change in the man's circumstances was that he had received a slight increase in his old age security pension. The only comment I can add is that it appears to these harried pensioners as though the government is only interested in setting up different sorts of games to each of which is assigned a snooper who pokes his nose into the business of old age pensioners in receipt of war veterans allowance. These people are trying to keep up with the cost of living today. The government seems to have no interest in the pensioners at all except to provide some people with jobs shoving their noses into their business. This is the picture the pensioner is getting. I do not know why this is so unless the government feels that the war pensioners are a waning force and will have no political influence. This seems to be the only thing this government understands. They seem to be of the opinion that the war pensioners are a waning force and in a few years they will not have to worry about them.

Mr. Chatwood: Mr. Chairman, in rising to speak on the estimates of the Department of Veterans Affairs I should like to confine my remarks to one or two points. I do not intend to make a lengthy speech covering all the aspects of this department which plays such a vital role in recognizing the efforts of the men and women who were a part of our armed forces during the various wars in which this country has taken part. All of us recognize the efforts the department makes to meet the needs of these people. It would be difficult, I believe, to speak about veterans affairs without affording recognition to the other organizations and groups that also take a deep interest in the affairs of veterans, particularly the Canadian Legion and such organizations. These organizations, in addition to looking after veterans, take an active part in the community.

I should like to speak briefly about a particular group, the Newfoundland Overseas Forestry Unit which is not recognized as a veterans group or as part of the military forces. During the first world war forestry units were in effect recognized as part of the military organization but not during the second world war. In 1939 there was a serious shortage of pit props in Great Britain which caused a weakness in the war effort of the industries of that country. In order to meet this need and to further the war effort a request was sent to the then governor of Newfoundland, which at that time was not part of Canada, by the secretary of state for dominion affairs. At that time Newfoundland was asked to raise a force of up to 2,000 men to support the war effort in Great Britain by taking part in the forest industry.

Early in 1940 the request was met and a force of 2,000 was moved out as a civilian unit in order to save time and obviate the necessity of supplying military accountrements which were in short supply. The members of this unit stayed overseas during the war years, some remaining there after the cessation of hostilities in 1945. Those who returned found that their rights as people who took part in the war effort were very small. They would like to receive the rights to which they feel they are entitled, rights similar to those accorded veterans of the military forces.

As I mentioned, this unit was raised at the request of the British secretary of state for dominion affairs. Upon the outbreak of war the governor of Newfoundland had indicated that Newfoundland was prepared to raise a combatant force. In reply the secretary of state for dominion affairs wrote:

—position has so developed that coal production here, which is vital to war economy will be jeopardized unless production of home-grown pit props can be rapidly accelerated and any assistance which Newfoundland can offer in this matter would be very valuable.

Therefore a civilian force instead of a military force was raised and sent overseas. Early in 1940 the secretary of state for dominion affairs again raised the matter and indicated there was a problem with the foresters in Great Britain who wished to join the military forces. He asked the governor of Newfoundland to send 1,000 additional men and to take special steps to persuade as many loggers as possible to re-engage with the Newfoundland forestry unit for a further term. Various members of the British government as well as the deputy prime minister visited the camps of these foresters to indicate to them the desirability of remaining as foresters rather than joining the military

forces. A message was posted by the secretary of state for dominion affairs which read in part:

> At this time of national emergency, the government is setting every man in the country to do the work for which he is best fitted. The fighting forces are playing their part magnificently, but it is essential that they should be equipped with the guns, ammunition, ships, planes and material of every sort that they need. Without coal this great effort of equipment cannot go on. Our coal mines are producing more than they ever did before. They can only keep this up if the supply of timber is maintained.

I will not read all of it but farther on there were these words:

> I know very well that I am asking many of you to make a great sacrifice but the empire is in peril. At such a time, speaking to you as a member of His Majesty's government, I tell you that you cannot serve the crown and your country better than by remaining at your present work. I know that you will not fail us.

This message was signed by the secretary of state for dominion affairs. These people were volunteers who in time of war wanted to do their part to defend the freedom of their country. They offered to join the military forces or to take part in any way in which they could best help the war effort. They were directed into the Newfoundland forestry unit and while not compelled to stay there they were at least under heavy pressure to do so. The difference between this civilian unit and a military unit was not great. The men had to live in barracks and no regard was given to family commitments. They served overseas in a theatre of war, had to sign a contract and could not transfer from one job to another. They had to work any day at any time, which they gladly did to assist in the fight for freedom. In 1942 the recruiting officers in Britain were advised not to accept foresters in the service.

The foresters who returned home and are now living in Canada are seeking the same recognition as has been accorded to those who were at that time Canadian foresters from Canada. As I have indicated, they feel entitled to these rights owing to the fact that they were not allowed to join the military.

• (3:10 p.m.)

I am pleased to see that the minister has taken action to assist one group of foresters in one respect. The foresters who joined up in 1939 and 1940 signed on for a six month period. This period was renewable and many of them served through the whole conflict until the end of the war in 1945, signing up for successive six month terms. Many of them felt that perhaps the situation would change and that they might be admitted into that branch of military service of their first choice. However, because the shortage of supplies to support the industrial war effort did not ease they were kept in the forestry division.

I am pleased to see that those men who served a term of more than six months and those whose terms were terminated on medical grounds now have the same rights as other foresters, even though these rights are not quite as broad as the men would like. I therefore urge the minister to ask his department to consider further the efforts of these men who gave all their skill and time in service overseas away from their families during the war years so as to see whether or not they can be given the other privileges and rights of those who served in the war effort. I know this would be appreciated by these people and would be more in keeping with the desire of the government to recognize the efforts of many of the people who served during the war years.

Mr. MacRae: Mr. Chairman, I am in a fortunate position inasmuch as nearly everything that I had intended to say has already been said either by a member on this side of the house or by members on the other side. However, I should like to make one or two points in connection with the estimates of the Department of Veterans Affairs.

First of all, I should like to repeat what my colleague from Melville and others said, namely, that we are deeply disappointed that we do not have before us at the present time the Wood report so that we can discuss it on the minister's estimates, as well as the departmental study presently being conducted. I have no doubt that when the Wood report is presented it will be most thorough and comprehensive and I expect it will be of great value to the minister to us in parliament and to the veterans of this nation.

The second point I want to make, which I do so with all the eloquence at my command, is that the veterans of this nation and their dependants are deeply concerned about the present level of veterans pensions. All hon. members are receiving a great deal of correspondence in this connection. I have before me a letter addressed to my colleague the hon. member for Royal, signed by a gentleman with whom I served for many years in New Brunswick in the Royal Canadian Legion, Mr. Howard Kierstead. He is a zone commander of the Canadian Legion, Royal

district, southern New Brunswick, and he says in part:

> One predominant point that was discussed here—

He is referring to the district rally.

> —was the lack of action on the matter of increasing veterans disability pensions . . .
>
> Our Dominion president and his staff have presented a most comprehensive brief to the authorities. When may we expect some action?
>
> We as a group feel that the time has now arrived for a hard approach to the situation and evasive answers should not be accepted.

I think that is the feeling among hundreds of thousands of veterans and their dependants as well as among the citizens of this nation. The time has now come when veterans pensions must be increased. We know the unpleasant economic facts of life in this nation and that inflation is one of the great problems. The cost of living falls most heavily on those men and women on fixed incomes, such people as war pensioners, the dependants of veterans and federal civil service superannuates.

Those who belong to the powerful labour unions can strike, and they do with regularity. In this way they are able to force up their remuneration. But the veterans of this country and their dependants have no one other than the members of this house to speak for them. This is why I make no excuse for pressing this matter in the house upon the Minister of Veterans Affairs. The time has now come when there should be a substantial increase in disability pensions, in war veterans allowances, in pensions to disabled veterans, indeed in the payments to all those who are receiving assistance of this sort.

I notice that the chairman of the Canadian Pension Commission, the chairman of the War Veterans Allowance Board and a number of officials of the Department of Veterans Affairs are in the gallery today. These gentlemen are second to none in this nation in their dedication to their jobs and my relationship with them has been a most happy one over the years. I have not always achieved a successful conclusion, if I may call it that, to the cases I have taken to the pension commission or to its very able chairman, to the war veterans allowance board or its very able chairman, or to the department; but I do know that my representations have always been thoroughly considered and sympathetically received and I am deeply grateful for that. I think we are fortunate in the calibre of the people who are doing this work for us.

I hope it is the intention of the minister when he makes a statement later to discuss how the transfer of hospitals to civilian authorities has worked out. As I understand it, many of our veterans hospitals have been taken over by civilian authorities and we have now reached the point where we can assess whether or not this change has been to the benefit of our veterans. I hope it is and that the minister will take the opportunity to discuss the matter for a few minutes because it is of much concern to our veterans.

A year or so ago, following the study made by Dr. Richardson, the Hong Kong veterans received some favourable consideration. I realize that the minister, the hon. member for Edmonton West and others went through the trial during the last war of serving in a prisoner of war camp. However, I would suggest to the minister and to others that the men who were prisoners of war in Hong Kong suffered as none of the rest of us did. I have always felt that I could not have survived as a prisoner of war of the Japanese and I am deeply grateful, as I am sure are these veterans, for what has been done for them in this field. They were certainly completely deserving of it.

The very fine address made by the hon. member for Winnipeg South Centre was an inspiration to all of us. This hon. gentleman has a war record second to none in this country and he made an exceptional address, one that should be necessary reading for everyone in the nation. Just a few nights ago I attended a function at the Canadian Legion headquarters in Ottawa at which I saw the film "That Other April" taken at the Vimy memorial this year. I am sure there were tears in the eyes of many that night as they watched that ceremony. The veterans of both world wars were present. Heads are more bowed now than they were 50 years ago, but the veterans themselves are as stouthearted as ever.

• (3:20 p.m.)

The hon. member for Winnipeg South Centre mentioned the battle of Passchendaele. That battle is interesting historically because there Canadians suffered more than anywhere else perhaps in world war I. Few men who survived the mud and filth and despair of Passchendaele are not bitter. For months they held to their positions in the filth and slime of Belgium, and their sacrifices brought little result. What they did is especially worthy of note at this time.

Another group of veterans that it is difficult to do much for are those who became psychiatric cases because of war service. Sometimes it is difficult to know whether a man is swinging the lead. Sometimes a man approaches the pension commission, claiming he is a psychiatric disability case, and it is difficult to tell if that is so. In all sincerity I hope that the minister's department will examine more closely this area of war disability.

I have in mind a young boy who was only 15 when he enlisted in a northern New Brunswick regiment. He came from a broken home. He served four years in the army and landed in France on D day, 1944, was awarded the military medal—as a matter of fact I personally recommended him—and was wounded. He refused to leave the front line. Finally, after several months of fighting, he was withdrawn and put into a mental hospital, where he has been ever since. He will remain there for the rest of his life as he is an incurable case. This is an extreme example. As I said, the danger is that a leadswinger would approach the department and say that he cannot work because of his disability. We must guard against that. At the same time I hope that in the not too distant future a comprehensive program in the field of veterans disability will be undertaken.

The hon. member for Grand Falls-White Bay-Labrador spoke about the Newfoundland foresters. His predecessor in the house referred to that body many times on the estimates of the Department of Veterans Affairs. Unfortunately, nothing has been done about this group. I only wish to make one point, not to criticize but to correct something for the record. The hon. member is never on sound ground when he compares the Newfoundland foresty unit with the forestry corps of the Canadian army. The forestry corps was a unit of the Canadian army and its men were all attested. They were all soldiers, subject to all the transfers within the army and were in the same position as the men of the corps of Royal Canadian Engineers or the service corps. I commend the hon. member for the battle he is putting up for those people, and I wish him well.

I have said about all I wish to say except that I hope that very soon the Wood report will be made available for study. I am sure that many of its points will be implemented for the benefit of the veterans and their dependants. I hope and pray that very soon the war veterans of this country will hear the good news that war veterans pensions and war veterans allowances are to be substantially raised.

Mr. O'Keefe: Would the hon. member permit a question? Would he explain the difference between the Canadian forestry corps and the Newfoundland foresters, especially when the Newfoundland foresters who made an effort to join the services were told that they were more importantly employed as Newfoundland foresters?

Mr. MacRae: I shall be glad to answer that question, if my hon. friend will bear with me for a moment. I had experience with forestry troops in Scotland in world war II, and a fine group of men they were. I can only repeat that the Newfoundland forestry unit was composed of civilians. Several groups of civilians served in a similar capacity. They served with great distinction and were of great value, of course.

I am saying that the Newfoundland forestry unit was a civilian unit in this area of service. In some ways it was similar to the corps of Canadian firefighters, many of whom served during the blitz. Several of them were killed in the course of their service. But one has to start from some basic position and one has to look at whether men have been attested. One must have some way of saying; These men are members of the Canadian Armed Forces. Unfortunately those in the group the hon. member spoke about were not members of the armed forces.

I think a mistake was made right at the very beginning. But it was made 27 years ago and no government has corrected it. Mind you, if the Newfoundland foresters were given the benefits of the veterans charter, other worthy oragnizations should also be given those benefits. I am sure the hon. member would feel as strongly about that as I do. The group that immediately comes to mind is the Canadian firefighters corps. There were 400 of them and when the rest of us went to shelters or underground stations in the blitz they stayed above ground fighting fires. I hope I have answered the hon. member's question.

Mr. Patterson: Mr. Chairman, any participant in the debate at this stage is almost certain to repeat arguments which previous speakers have advanced. I wish to make several comments, at the risk of being repetitious, in the hope that a repetition of some of the arguments on behalf of veterans may encourage the minister to expedite the

fulfilment of some promises which he has made during the past several months.

• (3:30 p.m.)

Of overriding importance to most veterans and those interested in veterans affairs are increases in the various pensions which are paid to our veterans. Perhaps this can best be highlighted by reference to *The Legionary* for October of this year. On page 9 of that issue the president of the Canadian Legion had this to say in reply to a letter from the Prime Minister:

> Although I am disappointed by the lengthy delays that have occurred, I nevertheless appreciate your statement that, while the Woods committee report has not yet been received and the intradepartmental study on actual pension rates will not be completed for another two months, the matter of pension increases is currently being given active consideration. I take it that your reference, in this context, to Mr. Teillet's remarks in the house on March 13, means that the government is considering an interim increase this fall—in line with the minister's assurance six months ago that such a measure would be taken if the Woods and departmental committee's recommendations did not come to hand in "the fairly near future."

Further on in his letter he wrote:

> An adequate interim increase during the fall session—but for wives and children as well as the disability pensioners themselves—is necessary to help alleviate the immediate need.

I think this clearly sets out the attitude of the Canadian Legion and, as I have pointed out, of all those who are interested in veterans affairs. Real disappointment was expressed following the last increase, which I believe was 15 per cent, when it was discovered that it did not apply to dependants. We are all aware of the protests made at that time and of the request that the minister reconsider the matter in the light of the constantly increasing cost of living and the fact that veterans and their families were placed in such a difficult economic position.

Subsequent attempts to obtain redress have not been successful. However, attempts to gain further increases in the basic pension continue. Time and again we have been told that the government is awaiting the tabling of the report of the Woods commission and the report of a departmental committee which was set up to try to work out a formula for pension rates. We also remember the minister's promise, to which the president of the Legion referred in his letter, that if there was any undue delay in the tabling of these reports he would give consideration to further interim increases. We have heard this so many times, and apparently it formed part of the reply by the Prime Minister to the first letter written by the president of the Canadian Legion.

We can understand the minister's desire to have ample time to study all the relevant factors and to draft a sound formula for the establishment of rates but we in this chamber, as well as the veterans, find it impossible to understand his failure to carry out his promise of further interim increases. It may be that his failure is tied up with the position of the government with respect to the curtailing and cutting back of expenditures. It may be that economies have to be made but they should not be made at the expense of those who did not count the cost which service to their country might entail. Therefore I join with others who have spoken in this debate in appealing to the minister, in view of the long delay in the tabling of the reports, to bring his consideration to a satisfactory conclusion and announce that the government is prepared to recognize its responsibility to those who have served in the nation's forces and is prepared now to make further interim increases in the various pensions payable.

I would also like to support the representations made by the hon. member for Timmins who referred to the fact that there are veterans who find their pensions have been reduced because they are now in receipt of the old age pension income supplement. It seems very strange that although veterans pensions are not taken into consideration in the establishment of people's right to the income supplement, the income supplement itself affects veterans pensions.

Mr. Teillet: If I may interrupt the hon. gentleman for a moment. Again for the sake of the accuracy of the record, the veterans' disability pension is not affected by any welfare supplement and with the exception of W.V.A. at no time is a veteran's pension considered as income in relation to welfare benefits. Those moneys paid to a veteran as welfare, the war veterans allowance and some allowances and payments made to dependants are affected by other welfare payments, but the veteran's disability pension is never affected by payments of that kind. I think this should be made clear for the record. I do not think my hon. friend intended to cloud the matter and I think he will welcome this clarification.

Mr. Patterson: Mr. Chairman, I understand that these other payments are made to veterans because their pensions are not adequate.

Therefore I think the same argument pertains in this situation. The amount which veterans receive from the Department of Veterans Affairs, from whatever fund it comes, should not be reduced because veterans are receiving a little from the income supplement fund. The arguments which have been advanced have made that abundantly clear. I think the minister should take these arguments under consideration and make the necessary changes in the legislation so that payments to veterans from his department will not be affected by the income supplement.

These are the only two matters I wish to raise today Mr. Chairman. As I stated at the beginning, I realize that representations about them have already been made. I only hope repetition of these arguments will convince the minister that some changes ought to be made for the benefit of the veterans.

Mr. Winch: Mr. Chairman, it is not my intention in any way to express criticism of the pension commission or the war veterans allowance board because I recognize they have to operate within the terms of legislation and the regulations made under it. I have always received courtesy and co-operation from these commissions and I should like to express my appreciation. Any criticism I make is directed toward the government and the minister who alone have the responsibility for legislation, orders in council and regulations. I make no apologies in respect of some things I intend to say, even though they may be harsh.

• (3:40 p.m.)

In the constituency of Vancouver East live a great many veterans of the first and second world wars and a great many veterans of the Korean war, the firefighting corps and members of the merchant marine. Without fear of contradiction I suggest that the veterans and their organizations in Vancouver, and in the constituency of Vancouver East particularly, consider the present Minister of Veterans Affairs to be the most useless person who has ever held this position. This opinion is based on knowledge of the lack of action on the part of the minister and the knowledge of his procrastination for month after month and year after year. One can use only certain terminology in this house, so I will only suggest that the minister has been guilty on more than one occasion of terminological inexactitude.

An hon. Member: What does that mean?

[Mr. Patterson.]

Mr. Winch: Apparently my hon. friend does not understand that expression. Any dictionary will give the exact meaning of that phrase in parliamentary terminology.

It has been some time since the Woods commission was appointed to study veterans problems, legislation, administration and regulations. A committee was also set up to deal with the financial aspects of veterans pensions. It is not necessary to remind the house that a period of over a year has passed since the minister indicated that the report of the Woods commission would be forthcoming. Because the report had not been received the government, through the minister, introduced an interim increase of 15 per cent in veterans pensions. He pointed out that this was only an interim increase and that the situation would be remedied as soon as the Woods report was received and the committee's fiscal recommendations had been considered. Almost another year has elapsed and we are still awaiting the Woods commission report and the committee's fiscal recommendations.

The priority list of legislative items outlined by the Prime Minister for this year did not contain any mention of veterans pensions and contained not one word in respect of any change or increase on an interim basis between now and the receipt of the Woods report. It is obvious that as far as this government and the minister are concerned the veterans of this country have been forgotten. We all pay tribute to the senior citizens and pioneers of Canada but the government has apparently forgotten those who volunteered and risked their lives for this country. During this centennial year we should remember the hundreds of thousands who offered their time and their lives during wartime not only for this country but to protect the concept of democracy in the free world. These people have now been forgotten.

When criticizing the minister I have used the word "procrastination". I did not accuse him of prevaricating but presumably that means the same thing as terminological inexactitude. Even though the minister may not know what is going on he has misinformed the house and has been buffaloed by his colleagues. For this reason he is responsible for what has taken place. Time after time he has told the house that the Woods report would be received within a short period of time. He began telling us this over a year ago. Some 45 days ago the minister replied to

one of my questions regarding this report. In his letter he said:

> Dear Mr. Winch,
>
> In reply to your question regarding the Wood committee report, I am pleased to say that the chairman of the committee has informed me that the report is now complete, and the English copy should be available to me within the next few days. The French translation will not be available for some time.

That letter was dated September 12, 45 days ago. At that time the minister told me that the report was completed and would be in his hands within a few days. It is my understanding that the report is not available at this time, at least so far as members of parliament are concerned.

Mr. Teillet: Perhaps I could interrupt the hon. member at this point, Mr. Chairman. I do not intend to take exception to all the inexactitudes the member has accused me of, but in respect of this subject I should like to state that the chairman of the committee informed me a few days ago that the report has been ready for some time and is now being translated. If the hon. member does not believe me I should like him to speak to the chairman to ascertain exactly what is the situation. Perhaps I should hasten to say that I do not place any blame on the chairman for the fact that the report has not yet been translated. Let me make that clear.

Mr. Winch: Perhaps for the benefit of the minister I should read this letter again. It states:

> In reply to your question regarding the Woods commission report, I am pleased to say that the chairman of the committee has informed me that the report is now complete, and the English copy should be available to me within the next few days. The French translation will not be available for some time.

That letter was dated September 12, 45 days ago. The chairman of this committee informed the minister that the report was completed and would be made available to the minister soon after September 12. Apparently the translation would take some time to complete but in any event, according to the minister's own letter, the English copy was available at that time. We understand now it will be some time before the minister receives the French translation of the report. This letter was in the minister's own wording and cannot be misundertood. We are now in the position when there is still no report, and therefore still no action.

• (3:50 p.m.)

Miss LaMarsh: Do you want it without a translation?

Mr. Winch: This lackadaisical approach, this procrastination by the minister is a betrayal of the veterans of this country. I think the members of this house are within their rights not only to ask but to demand that the minister make clear to his cabinet colleagues and those responsible in the department that if there is not going to be any change in the regulations or policy because they still have not received the report, we should be told at once. The veterans of this country and the dependants of those who were killed have the right to expect top priority to be given to the introduction of a bill to provide a further interim increase to our veterans. I refer not only to those on veterans pension but those on veterans allowance.

Action should be taken at once to correct this situation, and those on veterans allowance should not be discriminated against as they were last year, when in effect they received no increase whatsoever because of the means test, or to use the polite language of the government, the needs test. More than that, what has happened in this respect from the first world war through to the second world war is now almost a matter of history. There has been a denial of fair treatment by governments of this country to forces which have already been mentioned, namely those who served in the Korean war, the firefighting corps and the merchant marine service, which in many respects was just as much in a firing line as those on active service.

I have personal knowledge of the representations made on behalf of these people over the years. I know in particular of representations made to the Woods commission. I am grateful that I had the privilege of appearing before that commission. But I ask, Mr. Chairman, how much longer will action be delayed? The fact is that there was no mention, in the list of priorities announced by the Prime Minister, of legislation to improve the lot of our veterans. As far as I and the veterans of my riding of Vancouver East are concerned, this minister is just sitting and not acting. I think all of us have the right to tell the minister: Get off your inactive seat. Produce something, or admit that you are not capable of doing the job, that you are not interested in our veterans, and go back to the back benches where the veterans think you belong.

Mr. Pugh: Mr. Chairman, in entering this debate on the estimates of the Department of Veterans Affairs may I say first of all that the personnel who serve in that department now and those who have served through the years since its inception have been more than cheerfully helpful in dealing with all the requests made by veterans and others concerned with veterans affairs. I know from my own experience that when I have had problems in this area I have taken them to the department and the personnel have been very helpful. If I have not had the full facts of a case, they have been able to acquaint me of the facts right away. When I have raised a marginal problem I have received helpful suggestions from the department. I know that what I am now saying has been said many times, but I think it bears repeating.

I think the department and the veterans affairs committee have been strictly non-partisan, but I noted today what I thought was a tenseness in the requests put before the minister. We have certainly not been partisan in the house today. Every party has called for action to improve the situation of our veterans. I have listened to every word that has been said in this chamber since the beginning of the debate, and every hon. member who has spoken has asked the minister to do something now. The last speaker put it very strongly. I am wondering whether it could be put more strongly. However, Mr. Chairman, I want to add my views to what has been said and say to the minister that he must use his power and energy to convince his cabinet colleagues that action must be taken, and quickly, in respect of the two matters that have been stressed, namely, the Woods commission report and the study of pension rates.

No one will do anything, let alone translate the report from English to French, if requests made by the minister are not backed up with punch and drive. The minister is in the happy position of being Minister of Veterans Affairs, but he is in the unhappy position of not providing the necessary punch and drive to produce the translation of the report and have completed the necessary research into the situation with regard to pension rates.

I rise in the debate to stress this one point, Mr. Chairman, because I have heard it said that the minister is just sitting, hoping he will not have to give answers to these questions because he will be moved to the Senate. Perhaps this is the reason why action has not been taken. But these important questions

should have been answered and the minister should not stall from day to day.

One can go back over *Hansard* of the last three years to find evidence of stalling by the minister, but I will give a recent example. On September 25 last the minister said, as reported at page 2463 of *Hansard*:

> The Woods committee report will apparently be in my hands within a day or two, although not translated.

I emphasize the word "apparently." Why in the world does the minister not say: I want that report on my desk, and I am going to get it? I know that a commissioner cannot be ordered about, but the letter sent to the speaker who preceded me said that the minister had the report in his hands. On a subject so important as this why cannot the minister use that energy and drive that we all hope he will use some day to have the report produced? Why cannot he tell his cabinet colleagues that he is in a rough spot in this regard, has been stalling the veterans since 1963 when he was appointed Minister of Veterans Affairs, and something must be done to correct this situation?

I have drawn attention to that one passage in *Hansard* but I am quite sure that if the minister's secretary, his parliamentary secretary or anybody in his office cares to look back into the record they will find a great many answers which might give the minister the right to the title "the mañana minister". It has always been tomorrow; and if not tomorrow, in just a few days.

I said that we have a non-partisan committee. The only reason I use strong language like that is that I believe the minister has it within his power to act on these matters for the benefit of our veterans. I believe he has to get cracking and do something. All the speeches made today have stressed the fact that action has been requested not only by members of parliament but by those who appeared before the committee in the last three of four years, and from veterans organizations from all over the country. They are demanding that action be taken.

• (4:00 p.m.)

The veterans themselves are writing letters, but the government is stalling and stalling. It says to the veterans complacently, "Tomorrow is the day quite possibly, and if we can, we will try to get down to it and give you an answer". The minister must do better than that.

There are a number of other matters that I had hoped to touch upon today but this committee has been sitting long enough, so I will conclude by making one more request of the minister, namely that he please do something about the matter I raised.

Mr. Webb: Mr. Chairman, my remarks will be very brief. First I must say that much has been said on all sides of the house on behalf of the veterans. I am sure the minister and his officials will appreciate many of the remarks, as they always have in the past. There is little more that can be said on this subject but there are two points I should like to bring to the attention of the minister. The first one is to ask him whether any action has been taken on behalf of the handful of veterans who did not have the 365 day qualification. There are very few of these chaps left and many of them are in dire circumstances. I know personally of one case, a chum of mine who was with me all through training. He actually broke down and cried, and appealed to the C.O. to be sent overseas; but he was not sent over. It was certainly not his fault that he did not go overseas. I hope the minister and the department will give some consideration to these cases.

The other matter is one in which I am sure the officials are very interested. Apparently it does not happen in all provinces and in all sections of the country. Under the present regulations a veteran is discouraged from showing initiative and endeavouring to keep himself busy, thereby earning a few extra dollars. In some cases veterans have a few chickens or a cow to supply eggs or milk for their families. Yet when the D.V.A. representative has called on them this has been calculated as income. Also the fact that a veteran owned a decent car to transport his family here and there was deplored by the representatives of the department. Surely this is not the wish of the Canadian people. In my opinion they want their veterans to be treated as well as veterans are treated in any other country. I hope the minister will consider these matters.

Mr. Teillet: I should like to ask the hon. member to supply me with specific information on these cases and I will look into them.

Mr. Webb: Certainly, Mr. Chairman.

Mr. Germa: Mr. Chairman, at this late stage in the debate it is difficult to find something new to say on this subject, as almost everything has been said. Let me just say to the minister that I hope he has benefited from the suggestions made on this side of the house. I also wish to assure him that the entire opposition will support him in resisting any attempt by the finance minister to slash, cut or delay the budget with respect to veterans. There has been some evidence of procrastination and delay in increasing pensions.

One matter which I should like to raise this afternoon is in connection with the possible reduction in the pensions which have already been granted. I think it is possible that this tendency will increase if such is the attitude of the minister. As our stock of public housing units increases, this situation is likely to occur more often. A case was brought to my attention of a person who was in receipt of a pension of $245 a month. This is what a family consisting of a man, a wife and his three children had to live on. I do not know what was the breakdown of this $245 but let it be said that the income of this family consisted only of that amount. This family applied to the Ontario Housing Corporation for low rental housing. Under the National Housing Act the C.M.H.C. provides the money for the construction of these houses, so this is done by another department of the government. This veteran was in fact granted by the Ontario Housing Corporation a rent-geared-to-income home, his rent being based on his pension of $245. Apparently when the department found out that this man had been granted a low rental house—in fact his rent was subsidized to some degree by the government—it saw fit to reduce to $226 his former pension of $245. So in fact one department of the government granted this person a benefit while the other department took it away.

Mr. Teillet: Would the hon. gentleman mind if I interrupt him for the sake of clarity? I think he must be speaking of war veterans allowance and not of a disability pension. I think that a distinction should be made between the two.

Mr. Germa: That is correct, Mr. Chairman, but I consider this to be splitting hairs. This is the man's only source of income and regardless of whether we call it a disability pension or a war veterans allowance it is hardly proper for one department to be trying to help this man and for another department to be taking it away.

Let us suppose that this man was working in industry and was making $245 a month. He would apply to the Ontario Housing Corporation and would receive the same treatment, namely his rent would be geared to his

$245 income. The industrialist who employed him would certainly not reduce his wage for the simple reason that he had received low rental housing. I think these veterans should not be treated worse than the treatment accorded an ordinary worker in society. I think the object of rent-geared-to-income housing is to raise the standard of living of these people who are on low incomes. In this case the veteran was not treated in the same way as would anyone else in our society. If this condition persists, and as our stock of government housing grows we will hear more and more complaints about this. I hope the minister will give the matter his consideration.

Mr. Knowles: Mr. Chairman, I also should like to say a few words about the treatment of war veterans allowance recipients. I do not intend to repeat the arguments that have been advanced with respect to the guaranteed income supplement because they have been well put by a number of speakers today. I would remind the minister, however, that when we were debating the legislation respecting the guaranteed income supplement some of us pointed out the unfairness that has now developed. What is most annoying about this is not merely that it happens but the way in which it happens. The war veterans allowance recipient who is an old age pensioner received two documents earlier this year, one of which was an application form for the guaranteed income supplement. It came to him from a department of the government of Canada and it had on it in large red print the information that war pensions or war veterans allowances did not preclude him from receiving the guaranteed income supplement. He was encouraged by the wording of that form, he was encouraged by the wording in the booklet that came with it, to apply for the guaranteed income supplement. The minister has pointed out, quite rightly, that his department advised the same war veterans allowance recipient that he should check with his local war veterans allowance officer. However, that advice was in a much less attractive document. It was typewritten, mimeographed or something like that and it was in fine print. Many veterans did not see that, and I am sure they saw just the red type invitation to apply for the guaranteed income supplement.

• (4:10 p.m.)

The result is that what was given with one hand was taken away with the other. Since this case has been made so often, I need not take time to repeat it. It has been stated extremely well by two or three of my colleagues and I will let it rest at that for the moment. However, I should like to point out to the minister that unless he takes some kind of action the same thing is going to happen in connection with this big increase which is going to take place in the old age security pension in January. I am referring to the increase of $1.50. Perhaps I should have asked that quotation marks be put around the word "big". The people who are writing to me about it are using some pretty strong language about it.

As the War Veterans Allowance Act stands, a war veterans allowance recipient who is receiving the old age pension and who gets the extra $1.50 old age security increase will have $1.50 cut off his war veterans allowance. If he is one of those who has already applied for the guaranteed income supplement and is getting the pension and the supplement to the full amount of $105 per month, and if he has already gone through the indignity of suffering the loss of some of his war veterans allowance, he will get an increase of $2.10 in his old age pension; but $2.10 will come off his war veterans allowance unless the minister does something about it. We are talking about very small amounts, I know—of $1.50 or $2.10. The minister might well say to me, why take the time of the committee to talk about it. However, the fact is that another instance of this kind is going to be a bitter pill for many of these veterans to swallow.

I point out this difference between what will happen with respect to the $1.50 or the $2.10 in respect of the guaranteed income supplement. In the case of the guaranteed income supplement, the veteran who was receiving the old age pension had to apply for the supplement. He could be told, "You did not read all the words, you did not discover in advance what would happen". But he had to apply for it. In the case of the $1.50 or the $2.10, there is no application to be made; it is automatic. It will be there in his January cheque, and as I say, unless the minister does something about it, it will come off his allowance. I am sure, from the way in which the minister has been answering me with friendly facial expressions while I have been talking, that he is aware of how difficult this will be and how unfair it will be. I hope this means he is going to do something about it. If $1.50 is worth giving, and many people are questioning that, it seems to me it is worth giving without taking it away, especially from our war veterans allowance recipients.

The Assistant Deputy Chairman: Shall vote 1 carry?

Mr. Knowles: Is the minister not going to reply?

Mr. Pugh: Mr. Chairman, a great many questions have been put to the minister. I think he could answer some of them very easily. It seems to me that at this stage the first item should not carry until we have received some answers to the questions which have been asked.

Mr. Teillet: It had not been my intention, Mr. Chairman, to make any lengthy statement. There are a number of things I could say. For instance I could certainly refer to the latter part of the speech made by the hon. member for Winnipeg South Centre when he dealt with the commemoration of events. This is something I think is well worth covering, but it would take considerable time. I believe the hon. member made the point quite well and I find nothing to disagree with in what he said. Initial conversations have been held to deal with the commemoration of the fiftieth anniversary of the armistice in November next year. Within a few weeks we will be in a position to begin serious talks with the veterans of Canada as to how we will proceed with this event. It is something the department is actively considering now.

Mr. Churchill: May I ask the minister a question? Will he consult immediately with the Minister of National Defence to make certain that there is proper representation by the Canadian defence forces at any such ceremony?

Mr. Teillet: On that particular question, Mr. Chairman, I can assure the hon. member that we have had excellent co-operation from the Department of National Defence. I believe he knows these matters are discussed between the Department of National Defence, our department and the Royal Canadian Legion. There was some disappointment about the military representation at Passchendaele. All of us shared that disappointment, but it was one of those things that had to occur. I can assure him that there will be adequate representation, just as there was at Vimy. I say this without consulting my colleague because I know in advance that co-operation will be forthcoming.

Mr. Churchill: Let us hear from the Minister of National Defence right now.

Mr. Cadieux (Terrebonne): I am sorry, but I did not hear the whole of the question. Apparently there was a complaint that there was not adequate representation at Passchendaele, is that it?

Mr. Churchill: There was an R.C.A.F. airplane which dropped poppies, but that was not adequate. There was no guard of honour.

Mr. Cadieux (Terrebonne): I am sure the hon. member will agree with me when I say that at many of the events this year the armed forces overseas did have proper representation. In the case of Passchendaele, however, it happened htat the date was right in the middle of the time when manoeuvres were held in Germany. It was possible to supply only one airplane to transport the veterans and one airplane to drop the poppies. This was unfortunate, but the manoeuvres were taking place.

Mr. Churchill: Does the minister recognize the fact that Canada's prestige abroad is vitally important in these international or commonwealth events, and we should be properly represented? The battle of Passchendaele was really a Canadian battle and culminated in the third battle of Ypres. There were a few people from Canada at the commemoration of Passchendaele, but no guard of honour. With a brigade over in Europe, sufficient men could have been seconded for that duty. I hope the minister will make sure that in future there are no excuses offered. Even if exercises are going on, there are always spare men for these duties.

Mr. Teillet: Let me make two things clear. First, one of the reasons I had not intended to make a statement at the moment is the fact that pension rates are under consideration. I should like to remind hon. members of the statement by the Minister of Finance the other day. He carefully mentioned the fact that in considering the economies required by the government of Canada, the need to adjust veterans benefits from time to time would be excluded from those considerations. I am not in a position today to say anything more definite than that I can assure the committee this matter is under consideration.

One other question I should like to comment upon is hospitals. I believe the hon. member for York-Sunbury mentioned the fact that a number of hospitals had been transferred to other jurisdictions. The facts of the case are that the only two where a

change has been made are through our arrangements with the governments of Alberta and the University of Alberta, and the province of Ontario and the University of Toronto. There is under consideration at the moment the hospitals at Ste. Foy in Quebec, the hospitals at Halifax and the hospital at Lancaster, near Saint John. We have not yet reached the point where arrangements can be finalized, though we are approaching that stage.

• (4:20 p.m.)

In all these cases I made a special trip with my officials in order to ensure that the local veterans organizations, including the provincial command of the Legion, were consulted and made aware of the discussions that were going on.

A number of other matters were mentioned, Mr. Chairman. The question of 365 days service overseas has been considered but we have decided against making any change. However, these questions come back to us for reconsideration. They come up periodically. We also meet at least once a year the major veterans organizations in Canada who make representations to the government. They sometimes make representations to me, and of necessity these questions are continually under consideration.

I regret very much the circumstances surrounding the Woods committee report. Again I wish to emphasize that I do not hold the chairman of the committee, a man we all respect very highly, responsible for the delay. He took a great deal more time than we anticipated, but he took this time in order to complete what I hope will be a pretty full report, and therefore I do not begrudge him the time. I am very sorry about the delay in the translation of the report. Until I have the translation, the circumstances prevent my tabling the report or considering it. The chairman, and quite rightly I believe, does not want to have to report to me twice, once in English and once in French.

Mr. Winch: May I just ask the minister a question, in view of what he has just said. In the letter the minister sent me 45 days ago he stated that the chairman had told him the report was completed. The minister told me he would be receiving the report in English in a few days but that the French version would be delayed. Was there a change in mind, and why could the minister not receive it in English, as he told me he would in his letter of 45 days ago? Why does the minister still have to wait for the French version when he could have had it in English 45 days ago?

[Mr. Teillet.]

Mr. Teillet: For the sake of fairness to all concerned, I am sure that if I were to communicate with the chairman tomorrow and ask him to deliver the report to me in English only, he would do so. But then he would hardly be in a position to take any responsibility for delivering the report to me in both languages. As far as I am concerned, Mr. Chairman, in view of the circumstances existing in this country as well as in this house, I have taken the view that I must accept the report in both languages. That is the position in which I find myself. I regret if I misled the hon. member. Perhaps I did use the wrong words when I referred to the report, but in truth the chairman could have delivered the report to me. He could do so today if I requested it from him. I underline this because I do not want to hold him responsible for the delay. The delay is in the translation, over which he has no control.

Mr. Winch: The minister understands the position in connection with the filing of a report in two languages. But this means there has been a delay of 45 days in the minister giving consideration to the recommendations, and this to the detriment of the veterans of this country.

Mr. Teillet: I admit that it has caused delay, Mr. Chairman, and unfortunately there will be more delay. The translation is still some weeks away from being completed. I am appreciative of the expressions of confidence of hon. gentlemen in the officials of my department and of their remarks about the co-operation they have received, and I want to assure the committee that in so far as they can be of help in speeding this translation, they will do so. However, it is not easy to hurry the translation of a report of this magnitude. All hon. members have knowledge of the size of the report; it is a very considerable document and requires great care in translation.

I do not want to labour the point but there have been examples, not only in this house but across the country, of people saying one thing in one language and their remarks being misinterpreted when reproduced in another language. We must allow the necessary time to ensure that a proper job is done in translating this report.

I do not know, Mr. Chairman, that there is anything more I should specifically take up

at this time. I hope we will have an opportunity before too long to meet in the standing committee, which would supply an opportunity to take up these questions again. I want to express my gratitude to the members of the house who took time this summer to assist the department and the country in the commemoration of those events of long ago in Europe. The impression left there was, I think, one well worth while for Canada, and it was one we should continue to leave.

Unless there are any further questions, Mr. Chairman, I think we should—

Mr. Patterson: I should like to ask the minister whether he does not think that the veterans are justified in taking the position that the point of undue delay has been passed long ago; that the department and the minister should take action to implement a promise that was made with regard to these increases? How long is "undue delay"?

Mr. Teillet: Mr. Chairman, as I indicated a moment ago, I am not in a position to answer that question at this particular moment. I am trying to be as frank as I can with the house. I am not indicating that there has been any change in the undertaking that was given. I did say that if the report were unduly delayed—and here I am dealing specifically with the study made of pension rates—a pension adjustment would be considered. This is now being considered, and that is as much as I can say at the moment.

Mr. Pugh: In view of what the minister has just said about the consideration of this report, Mr. Chairman, may I draw to his attention his remarks which are reported in *Hansard* for September 25 at page 2463, where he says:

> The Woods committee report will apparently be in my hands within a day or two, although not translated. It will be some weeks before the translation is completed.

Then I draw attention to these important words:

> However, I hope to make arrangements with the chairman of the committee to enable the department and the Canadian Pension Commission to begin considering the report without waiting for its translation.

The only point I make to the minister now is this: Obviously the report has not been given the Canadian Pension Commission or to the department for perusal. Would it not be reasonable to start things rolling and to hand over the report in English? Most of us are bilingual and understand English. Would it not be a good idea to bring forward the English report while it is being translated into French? I understand why the minister would want for many reasons, political and otherwise, to have the French translation available to table at the same time and to supply the pension commission with both versions at the same time.

• (4:30 p.m.)

Surely this is not good enough. Is the minister to read the report in English and then in French, and say, "This meaning is not quite correct" or "That nuance has not been translated correctly"? Surely to goodness the report could be made to the minister in English and at his discretion the matter could be given further consideration, or sent to the Canadian Pension Commission. The government ought to start formulating policy and say that it will do this or that. At the present rate the matter will take months.

The minister is quite conversant in English and if he received the report in English he could understand it. Why could he not therefore start on the matter at the present time? That is my question.

Mr. Herridge: Before the minister replies I wish to say a word or two. The tabling of reports in the house in both languages is accepted practice and custom, and should continue. I agree with that. Something though should be done to speed up translations. I am informed by my colleague that the report of the committee on the Canada Pension Plan was expected to take six weeks in translation. The government undertook to put a task force on the matter, as it were, and the report was translated into French in less than a week. Could something like that not be done in this instance, so that the report can be laid before the house in English and in French as soon as possible?

Mr. Winch: I do not agree with all that my seatmate has to say. May I ask a question also? Where possible, I think that reports should be filed in the house in both languages. But my point is this: When the report has been ready for 45 days, as the minister says, why in the name of heaven, on an important issue like this, must we wait for a period of weeks before the translation is made available? Cannot the minister study a copy of the report, or say that he is working on it, and then, when the translation becomes available, table it? Why must there be delays when the report is ready?

May I ask another question? The minister mentioned the report of the Wood commission. Would he kindly advise the committee what has happened to the report of the other committee that has been looking into pension rates? When does he expect to receive that report?

Mr. Teillet: I thought I had made it reasonably clear a moment ago that a decision has been taken and that I would not accept the report until it was completed in both languages. As I say, that decision was taken.

Mr. Winch: Why?

Mr. Teillet: I do not want to make a long speech to explain that. We went into the matter seriously and that was the conclusion, and I must stand or fall on that decision.

Mr. Winch: That is the best argument I know against bilingualism: holding up the people's business.

Mr. Teillet: As to the hon. member's other question with respect to the other report, I am not in a position to answer that. I hope it will not be too long before we have that report, but I cannot say when it will be ready.

Mr. Knowles: What about the question of the hon. member for Kootenay West. Could we not have a crash force to work on the translation?

Mr. Teillet: Though I am satisfied that the officials of the department are doing everything possible, I shall make a personal effort and ask them to hurry up the work of the translation.

Mr. Knowles: Perhaps the minister might translate it, himself.

Mr. Teillet: That would take a long time.

Mr. Bell (Saint John-Albert): The minister mentioned the various meetings that he has had with hospital personnel in different areas regarding the takeover of the D.V.A. hospitals. In particular I am thinking of the hospital in Lancaster, New Brunswick. Will the minister assure the committee that the government will stand behind his guarantees to veterans, so that those who are in military hospitals that become general hospitals will receive the same standard of care they previously enjoyed. Unless we can have that assurance, veterans will be placed in an inferior position with respect to hospital treatment, where such takeovers occur.

Mr. Teillet: Answering that question, I have repeatedly given assurances that the principles declared two or three years ago would be upheld. That is, the conditions under which we would transfer veterans from hospitals have not changed. When I have met with veterans organizations I have underlined these conditions. I can assure the hon. member that the principles laid down three years ago have not changed. The steps that have been taken are to improve the treatment of veterans. We do not wish to sacrifice any of the quality of that treatment. What we are doing is in an effort to improve matters.

Item agreed to.

Welfare services, allowances and other benefits—

5. Administration, including the expenses of the War Veterans Allowance Board, $6,452,400.

Mr. Knowles: Before vote 5 carries would the minister comment on the remarks I made about the $1.50 increase in the old age security pension. As the minister may recall, I asked him a question about this on orders of the day on October 18. On that occasion the minister said that an announcement would be made at the appropriate time. Perchance, is today the appropriate time?

Mr. Teillet: I regret to say that it is not. I assure the hon. member that the question is much in my mind and is being considered.

Mr. Knowles: Will the minister try to find some way so that those receiving war veterans allowances will not lose the $1.50 that they will get as an increase in their old age pension?

Item agreed to.

The following items were agreed to:

10. War veterans allowances, civilian war allowances and assistance in accordance with the provisions of the assistance fund regulations, $115,721,000.

15. Other benefits, including education assistance, hospital insurance premiums or payments in lieu thereof re recipients of war veterans allowance and civilian war allowance, and repayments under subsection (3) of section 12 of the Veterans' Rehabilitation Act in such amounts as the Minister of Veterans Affairs determines, not exceeding the whole of amounts equivalent to the compensating adjustments or payments made under that act, where the persons who made the compensating adjustments or payments received no benefits under the Veterans' Land Act, or where, having had financial assistance under the Veterans' Land Act, are deemed by the minister on termination of their Veterans' Land Act contracts or agreements to have derived thereunder either no benefits or benefits that are less than the amounts of the compensating adjustments or payments, and grants as detailed in the estimates, $2,710,200.

Welfare services, allowances and other benefits—

17a. To provide that, effective the 1st day of July, 1967, the definition of "civilian" for the purposes of part XI of the Civilian War Pensions and Allowances Act be read and construed as

though for paragraph (g) of subsection (1) of section 75 of the said act there were substituted the following:

(g) a person who served in the United Kingdom with the Newfoundland overseas forestry unit during World War II

(i) for a period of more than six months, or

(ii) for any period, if the service was terminated on medical grounds, $1.

Pensions—

20. Administration, $3,212,000.

25. Pensions for disability and death, including pensions granted under the authority of the civilian government employees (war) compensation order, P.C. 45/8848 of November 22, 1944, which shall be subject to the Pension Act; Newfoundland special awards; burial grants; and gallantry awards (world war II and special force), $198,979,000.

The Chairman: Shall item 30 carry?

Treatment services—

30. Operation and maintenance including authority, notwithstanding the Financial Administration Act, to spend revenue received during the year for hospital and related services, $55,703,900.

Mr. Herridge: Mr. Chairman, members of parliament, no doubt including the minister, recently got a letter from a certain group. They are the corps of commissionaires of Victoria, British Columbia. These men are dissatisfied with the circumstances under which they operate.

It has been suggested that a board should be appointed to inquire into their grievances. I ask the minister, will he consider an investigation into their grievances, or does he suggest that these men make representations before the standing committee on veterans affairs, when it meets next.

Mr. Teillet: This matter came up some little while ago. At the time I believe that information and requests were forwarded to the national president of the Canadian corps of commissionaires. I hope that the hon. member understands that I have absolutely no authority in this matter and that the department has no jurisdiction. This is an entirely private group. We ought to consider whether we have authority, which I doubt very much, before any action can be taken. Another question to be considered is what manner of representation one might make to the corps of commissionaires in order to bring this matter to a conclusion. I am afraid I cannot answer these questions; the entire matter is delicate. I cannot intrude where I have no business—except, of course, that as veterans these men are of interest to me.

Mr. Herridge: I wanted to ask the minister what he is trying to do. I realize that the situation here is delicate and that is why I wondered if the standing committee on veterans affairs could invite this group to present its grievances, as the committee is directly concerned with the welfare of all veterans.

• (4:40 p.m.)

Mr. Teillet: I think this would be a matter for the committee itself to consider.

The Assistant Deputy Chairman: Shall item 30 carry?

Mr. Winch: There is one question I wanted to ask and I am sorry if I did not raise it at the proper point. Am I correct that the minister has administrative control of veterans hospitals?

Mr. Teillet: I am not sure of the import of the question.

Mr. Winch: They come under your administration?

Mr. Teillet: Yes.

Mr. Winch: One of the finest hospitals that we have for veterans, the Shaughnessy hospital, is in Vancouver. I have received many letters concerning the orderlies there. They are highly trained and if they leave and go to private or general hospitals they are accepted with open arms. Could the minister use his influence to try to bring the wage standards for orderlies in veterans hospitals up to the level in general and private hospitals? These orderlies in Shaughnessy do far more work than orderlies in general hospitals and their experience is greater, yet they receive much less in monetary return.

Mr. Teillet: I agree with the hon. member about the effectiveness of the work of the orderlies in Shaughnessy hospital, but here we are dealing with a local situation. It is again the old question of regional adjustments, regional rates of pay. Until now I have found no answer, and of course it is the Civil Service Commission which must solve that problem.

Mr. Winch: That is why you are losing the orderlies.

Mr. Teillet: I know.

Item agreed to.

The following items were agreed to:

35. Hospital construction, improvements, equipment and acquisition of land, $5,947,000.

38. Treatment and related allowances, $2,610,000.

The Assistant Deputy Chairman: Item 40 is next.

Soldier settlement and Veterans' Land Act—

40. Administration of Veterans' Land Act; soldier settlement and British family settlement; upkeep of property, Veterans' Land Act, including engineering and other investigational planning expenses

that do not add tangible value to real property, taxes, insurance and maintenance of public utilities; and to authorize, subject to the approval of the governor in council, necessary remedial work on properties constructed under individual firm price contracts and sold under the Veterans' Land Act and to correct defects for which neither the veteran nor the contractor can be held financially responsible, and for such other work on other properties as may be required to protect the interest of the director therein, $5,338,600.

Mr. Herridge: I would just like to point out that there are still a few veterans around the Arrow lakes who have not settled with the B. C. Hydro and Power Authority, some of them coming under the Veterans Land Act administration. I suggest that the director of the Veterans Land Act and his officials do all they can to make certain that these people receive justice in their dealings with the B. C. Hydro and Power Authority. In one case they actually had their land valued by a former employee of the Department of Veterans Affairs, whose job was assessing land values, and there was quite a discrepancy between what he considered they should receive and what the authority thought it should pay for their land. I urge that a final effort be made in this respect. Some quite reasonable settlements have been made as a result of the efforts of the department, and I ask the minister to do all he can for these people.

Mr. Teillet: Yes, Mr. Chairman.

Mr. Winch: There is one problem to which I require an answer. If a veteran of the second world war has never taken advantage of the Soldier Settlement Act and the Veterans Land Act is he still eligible to make application and receive the benefits?

Mr. Teillet: I would like to take notice of this question so that when I communicate with the hon. member I can be sure that he will receive a correct answer.

Item agreed to.

The following items were agreed to:

45. Grants to veterans settled on provincial lands in accordance with agreements with provincial governments under section 38 of the Veterans' Land Act, grants to veterans settled on dominion lands in accordance with an agreement with the Minister of Indian Affairs and Northern Development under section 38 of the Veterans' Land Act and grants to Indian veterans settled on Indian reserve lands under section 39 of the Veterans' Land Act, $130,000.

Loans, investments and advances—

Soldier Settlement and Veterans' Land Act—

L115. To increase to $530,000,000 the amount that may be charged at any one time to the Veterans' Land Act fund established by section 5A of the Veterans' Land Act, for the purposes of parts I, II and III of that Act except sections 38, 39 and 56 thereof—additional amount required, $150,000,000.

The Assistant Deputy Chairman: This completes the estimates of the Department of Veterans Affairs.

Mr. Teillet: Mr. Chairman, it only remains for me to express my gratitude to hon. members for their co-operation and to say I know that whatever is said by them is said with a feeling of interest, and it is accepted in that spirit.

The Assistant Deputy Chairman: The committee of supply will now consider the estimates of the Department of Industry for the fiscal year ending March 31, 1968. Vote No. 1 will be found at page 238 of the blue book, and the details thereof are listed at page 239. Shall vote No. 1 carry?

DEPARTMENT OF INDUSTRY

1. Departmental administration, including grants as detailed in the estimates, $10,568,300.

Mr. Winch: In view of the importance of this department is the minister going to make any additional statement on the estimates?

Mr. Churchill: Let him explain the increase of $95 million.

Mr. Drury: Mr. Chairman, these estimates were considered at considerable length by the standing committee at various periods earlier in the year. If it is the wish of the committee I would be prepared to make a further statement, a summary statement, rather than answer questions. It would be my hope that we might conclude these estimates today as part of the program for dealing with estimates adopted by the house. I am in the hands of hon. members as to whether they wish a statement from me or whether they would prefer to ask questions.

Mr. Churchill: How long is your statement?

Mr. Drury: The statement will take six minutes, Mr. Chairman.

Mr. Churchill: Then let us have it.

Mr. Winch: I think the department is worth six minutes.

Mr. Churchill: Explain the $95 million increase.

Mr. Drury: During the committee meetings to which I referred a moment ago, Mr.

Chairman, a number of departmental programs were discussed. Since it seems to be the wish of hon. members I might mention certain of those activities in order to give the committee an indication of the broad spectrum of programs in which the department is engaged.

In the research and development field my department has a number of programs, including the program for the advancement of industrial technology under which the development of commercial products is assisted, the defence export development program for the development of products of a military nature, the new Industrial Research and Development Incentives Act, and the industrial research institute program which has been established to foster greater co-operation between the business community and the universities in carrying out research and development.

Hon. members, I am sure, are most familiar with the automative program, the adjustment assistance program, the area development program, the industry modernization for defence exports program, the shipbuilding program, the design program and our program to improve the productivity of the building equipment, accessories and materials manufacturing industry.

I do not propose at this time to make a lengthy statement on these programs, except to say that the results to date are most gratifying. If hon. members wish to have a copy of the statement I made last June in committee, in which each of these activities is dealt with at some length, I would be most happy to provide it to them. However, I thought it might be more useful if I made a brief statement on the over-all operations of the department in order to provide as much time as possible for any questions hon. members may have.

As an economic department of government with particular responsibility for promoting the establishment and growth of manufacturing and processing industries in Canada on an efficient and competitive basis, the Department of Industry has as its principal mission the enhancement of the productivity performance of Canada's industrial economy.

In our form of economic system the role of government in the industrial development field has traditionally been limited to the application of broad economic policies of a commercial, fiscal or monetary nature. More recently Canada has recognized the need for industry and government to work more closely together in focussing on specific economic and technological problems, and in formulating mutually acceptable solutions which are beneficial to the economy as a whole.

With the establishment of the Department of Industry the government has created an instrument which can contribute directly to the attainment of this objective. With its mandate from parliament to acquire a detailed knowledge of manufacturing industries in Canada, and to develop and carry out programs to promote the establishment, growth, efficiency and improvement of these industries, my department has recruited and developed a group of professionals to formulate and implement imaginative programs to bring about constructive changes in Canadian industrial thinking and practice.

• (4:50 p.m.)

Our initial years of operation were characterized by recruitment of staff, policy and program formulation and the implementation and initial operation of a few important programs. The estimates for the fiscal year 1967-68 reflect the maturing of several programs and their growing utilization by the Canadian industrial community. In addition, the estimates reflect the consolidation within the Department of Industry of existing government industrial development programs. Of the total increase in our estimates for the fiscal year 1967-68 over fiscal year 1966-67 amounting to $95.8 million, almost $70 million is accounted for by transferred programs, while $27 million covers the requirement for increases in existing programs.

These amounts of money, while large, should not be regarded merely as expenditures. Rather, they should be looked upon as investments, of both time and money, in upgrading the productivity and competitive position of our industries. It is from this source, it should be remembered, that will come the improvements in wages and salaries, profits and tax revenues for all levels of government required to pay for all those things in the private and public sectors which Canadians have come to expect from our society.

In examining the estimates of the Department of Industry, it may be helpful for this committee to see them in the context of the department's mission and the basic approach it has developed for carrying it out. My approach and the approach of my departmental managers is to test each and every proposal which comes before us from outside

or from within the department with one fundamental question: Is it likely to contribute to improved performance for Canadian industry with a high benefit cost yield?

When it comes to specific actions, of course there is no magic formula, no royal road to improved industrial performance. We must work on many fronts—some modest and others rather ambitious. Some will be quick to take effect—others will be much more gradual in their impact. Our work embraces such diverse measures as working with industry in the rationalization and restructuring of an entire industry, the gathering and dissemination of valuable industrial information, the stimulation of research and development, the improvement of industrial design, the fuller utilization of human and natural resources in underemployed regions, the provision of adjustment assistance of both a financial and technical nature, missions abroad to learn from others, the formulation of more and better industrial standards, informed inputs in the formulation of economic policies generally to ensure that the effects on our industrial performance is fully recognized—and in many other areas.

The estimates before you are intended to finance activities in each of these varied fields. These represent only the beginning of the department's work. I intend that each year we will come forward with new programs—some at least of which will be of major significance. The test that I will apply—and I hope that you will accept it as the right test—is the degree to which they contribute to the expansion of efficient production and the improved productivity performance of the Canadian economy.

Mr. Bell (Saint John-Albert): Mr. Chairman, the minister took some gratification from the success of his department. At the beginning he even said he was gratified, but I should like to take this opportunity to point out that in one area of this responsibility there is nothing he should be happy about. I refer to the non-designation of Saint John under the industrial incentives program. I might also mention that, in addition to Saint John, Fredericton, Dartmouth and Halifax have not been designated. These are the major cities in the maritimes and they have been denied the benefits of this program since 1963.

The non-designation of the city of Saint John has had a drastic effect on the industrial aspects of that community. I could list, and am prepared to do so, eight industries which have left that area as a result of non-designation and the unsatisfactory conditions there. I will not take the time this afternoon to outline the history of this situation, but I should like to point out that various delegations have come to Ottawa from those cities and made representations in an appropriate manner, but to no avail. Let me hasten to add that the minister has been straightforward and co-operative, but he does not seem to appreciate this problem.

Some encouragement was given in respect of alternative assistance under the Atlantic Development Board, but nothing has been forthcoming except in respect of one or two industrial parks. In nearly every industrial park development the provinces have experienced a failure. I am prepared to ask the minister certain questions, and in this way conform with his request. I hope he will be in a position to answer them because the people in these four cities I have mentioned must have answers very soon.

Will the minister indicate whether federal assistance has been a deciding factor in the location of new industries in the Atlantic provinces, or of assistance in the relocation of industries there? I should like to know whether federal assistance has had any effect in the relocation of an industry in the maritimes. I should also like to know how many industrial applications for assistance have been rejected because of the inability to locate in growth centres. Will the minister also indicate his stand or position in respect of these growth centres? Does the minister believe it is desirable to locate these growth centres in the Saint John and Halifax area of New Brunswick and Nova Scotia? Will the minister indicate why Saint John has not been designated and whether there is any hope in this regard? Can this area be brought under the provisions of section 9 (e) of the regulations, and is there any hope for a change in this legislation to alleviate the disastrous effects of this situation in the communities I have mentioned?

The Assistant Deputy Chairman: Order, please. It being five o'clock it is my duty to rise, report certain resolutions and request leave to sit again at the next sitting of the house.

Resolutions adopted in committee of supply this day reported and concurred in.

BUSINESS OF THE HOUSE

Mr. Knowles: Mr. Speaker, perhaps at this time we could have the government's forecast of the business to be considered next week.

Mr. MacEachen: Mr. Speaker, we hope to continue with the estimates of the Department of Industry on Monday for at least a couple of hours. We then intend to move to a consideration of the estimates of the Department of Public Works. As we indicated last night, we will consider the estimates of the Treasury Board on Tuesday. There is some doubt as to whether we will consider estimates on Wednesday because of the desirability of considering the estimates during the longer days. At any rate, the program will be the following: completion of the estimates, the Broadcasting Act and, hopefully, capital punishment.

• (5:00 p.m.)

Mr. Bell (Carleton): Has it not been agreed that estimates will be taken on Thursday?

Mr. MacEachen: It has not been agreed, but that is likely what will take place. In the meantime I am working out a program for Wednesday, which will likely be legislation.

Mr. Deputy Speaker: Order. It being five o'clock the house will now proceed to the consideration of private members business as listed on today's order paper, namely public bills and private bills.

CRIMINAL CODE

AMENDMENT RESPECTING FINE PRINT CLAUSES IN POLICIES AND AGREEMENTS

Mr. Barry Mather (New Westminster) moved the second reading of Bill No. C-11, to amend the Criminal Code (fine print clauses).

He said: Mr. Speaker, in rising to introduce Bill No. C-11, which is intended to be an act to amend the Criminal Code (fine print clauses), I want to say that, at least in my opinion, what it proposes is comparable to other consumer type legislation which we have had before us recently, or has come into being in Canada in recent months. I refer to the fact that we have seen the banks of Canada instructed to print in a very plain and clear fashion the interest rate on documents connected with borrowings. Second, we have seen fit to encourage the setting up of a new department of government to be called the department of corporate and consumer affairs. However weak it may seem to some of us, at least the aim of that department is to protect the buyer from the tricks of the marketplace. Third, I think we might also claim as consumer type legislation that dealt with in the announcement made recently respecting a code of motor vehicle safety standards, which will certainly add to the protection of the consumer in that field.

The bill that I put forward this evening is similar in its intent and could be considered auxiliary to the measures I have mentioned. The explanatory notes of the bill say:

> The object of this bill is to eliminate the practice whereby insurance companies, commercial corporations and individuals embody in insurance policies, contracts or deeds, fine print clauses excluding their liability under certain circumstances.
>
> It is desirable that payment exclusions or exclusion of responsibility be listed plain and clear in the body of insurance policies, contracts and deeds.

In line with that general proposition, the bill—which is a very brief one—sets out that if it were adopted the Criminal Code would be amended by inserting immediately after section 328 the following section:

> (1) Everyone who, with intent to mislead, prints or causes to print in small typographical character in the body of an insurance policy, contract, deed or other document issued by him or under his authority, clauses concerning payment exclusions or exclusion of responsibility is guilty of an indictable offence and liable to a fine not exceeding five hundred dollars or to a term of imprisonment not exceeding three months or to both fine and imprisonment.
>
> (2) In this section, the expression "small typographical character" means a typographical character that is substantially smaller than the one used in the body of the printed matter of the document.

I believe that if legislation of this type were adopted—not necessarily this particular bill—it would ease the troubles and exasperations of a great many Canadian consumers, people who should read but perhaps find difficulty in reading the fine print which has been plaguing so many ordinary buyers of goods and services. There has been so much difficulty in this respect that the term "fine print" has become a byword used in summing up the difficulties under which the consumer labours.

In this connection, Mr. Speaker, I have it on the word of a lawyer who is experienced in agreements connected with fire insurance policies that the fine print of these policies is very carefully read word by word in the offices concerned. This is done to make sure that any changes, which he says appear in the policy fine print without, necessarily, the insured being told about them, are all noted.

The same lawyer states that it is hardly an exaggeration to say that in some fire insurance policies the fine print is so very fine, and the qualifications so very great, that whereas a policyholder has thought himself protected against the loss of his house or property through fire, he has found he only has this protection if the fire was started at, say, 5 p.m. on a Sunday evening, with a wind velocity of four miles an hour, a temperature of 55 degrees above zero, and was caused by an oil-soaked rag having been ignited as the result of two or more mice chewing on the remains of a candle having a circumference of not less than 3⅜ of an inch.

However, much that may be an exaggeration, I believe that a great many people in our country, as in the United States where similar legislation is being approved or has been approved, suffer from the difficulty caused by fine print being included in insurance policies and contracts. In concluding my brief remarks in introducing this measure, Mr. Speaker, I express the hope that, rather than being talked out, it will be referred to the new department we are setting up so hopefully, the department of corporate and consumer affairs.

Mr. Basford: Mr. Speaker, before the hon. member resumes his seat I wonder whether he would allow a question.

Mr. Mather: Yes, sir.

Mr. Basford: I am in sympathy with the spirit of the bill which, as the hon. member explained, is in line with the various pieces of consumer legislation and the "truth in lending" type of legislation which we are considering. I am wondering what would be the effect of this bill if a contract, deed or insurance policy was all written in the same size of type. Would not that be an easy way around this provision? Those wanting to mislead people could easily avoid the penalties contemplated in this measure by simply printing the whole contract in one size of type.

Mr. Mather: I think not. I think that if the type were large enough it would ease the situation. However, if there would be any difficulty of the type envisaged by the hon. member, perhaps the bill could be considered by the appropriate committee or department, when it could be dealt with in detail together with similar proposals. After a consideration in committee we could perhaps find the answer to this difficulty.

[Mr. Mather.]

Mr. Basford: Mr. Speaker, would the hon. member permit another question?

Mr. Mather: Yes.

Mr. Basford: As I have said, I agree with the spirit of the bill but I want to get the hon. member's views on this. Would he not think that a better approach would be that adopted by the Liberal party in British Columbia and put into the form of legislation many years ago, namely that exclusion clauses be printed in large, red type as opposed to black type, thereby making them stand out? By law, exclusion clauses must be in red type in that province. This measure was passed by the Liberal government of British Columbia many years ago.

Mr. Mather: I know that the provinces already have some legislation in this regard. It may be that the hon. member's suggestion with regard to the sort of type used is a good one. Again I say that I do not think my bill is the be-all and end-all on the subject. I would be very happy to have all these questions referred to the appropriate committee or the department.

• (5:10 p.m.)

Mr. Jean-Eudes Dubé (Restigouche-Madawaska): Mr. Speaker, I should like to make a few comments on Bill C-11, an act to amend the Criminal Code (fine print clauses), as proposed and expounded by the hon. member for New Westminster (Mr. Mather).

I believe at first I should compliment the hon. member on the objectives he proposes to attain in his bill. The purpose of the hon. member in proposing his bill is to eliminate the practice under which insurance companies use fine print clauses to exclude their own liability. I cannot but agree with the explanatory notes, that it is desirable that payment exclusions or exclusion of responsibility be listed plainly and clearly in the body of insurance policies. However, Mr. Speaker, even if I do agree with the object of the bill and the good intentions of the hon. member, I doubt very much whether the results he seeks would be achieved by his bill.

It should be noted that the amendment proposed rests on the intent to mislead. As a matter of fact the first part of the amendment reads as follows: "Everyone who, with intent to mislead, prints...". There are already provisions in the Criminal Code relating to fraud, and these provisions can be used to cover the circumstances contemplated by this amendment, since the intention to

mislead is an essential element of both offences.

It should also be pointed out that some of the provincial statutes already cover the area covered by the proposed amendment. For example, section 134, paragraph 2, of the insurance act 1964, revised statutes of Manitoba, chapter 126, provides that when there are exclusion clauses like the one referred to in the proposed amendment, there must be stamped in red ink upon the policy the following words? "This policy contains a limitation of liability clause or clauses".

The second point I wish to raise at this time with regard to the proposed amendment is the reference to printing as being an essential element of the offence. The first portion of the proposed amendment reads as follows: "Everyone who, with intent to mislead, prints or causes to print". In my opinion in order to cover the evil and protect the public it should not be necessary that the offender print or cause to print the document in question; it should be sufficient if he simply issues the document. It would appear to be easier to prove that an insurance company has issued a document than to show that it has printed it.

The third point which would be underlined is that the proposed offence is stated to be an indictable offence. However, the punishment suggested is less than in the case of summary conviction offences as found in section 694 of the Criminal Code of Canada. If it is to fall under the Criminal Code of Canada, I submit it should be a case of summary conviction and not an indictable offence.

However, I personally feel this matter should not be dealt with under the Criminal Code, because there is already a proper and adequate civil remedy. Any person who is misled by fine print in an insurance policy or a contract has a cause for civil action and can receive compensation by way of damages. If a person is not misled by fine print, there would appear to be little point in endeavouring to create a criminal offence.

In any event, it is the provincial legislatures that have jurisdiction over such matters as insurance policies, contracts, deeds, and the like. It is therefore the provincial legislatures that should provide appropriate civil remedies where any person is misled as a result of fine print in a contract. Indeed, it might well be said that legislation of the kind contained in the proposed amendment in Bill C-11 will be simply an attempt to control through the Criminal Code a subject which normally falls under provincial jurisdiction.

Perhaps it is not a good policy to attempt to do indirectly what should not be done directly. However, I sympathize with my hon. friend and I agree with him that efforts should be made to curb any attempt to trick the public into buying insurance policies which otherwise they would not buy. The problem was much more acute some 20 years ago. May I refer to an item which appeared in the Toronto *Globe and Mail* on May 17, 1945, as quoted in a book entitled "Life Insurance Without Exploitation", written by Edwin C. Guillet. I quote from page 69:

> "People," says the eminent columnist J. V. McAree, "have to be ordered and frightened at great cost into buying life insurance and saving their money and avoiding body odour and bad breath ... This is something new in history ... an advertising blitz the like of which no other generation has seen:...mass appeals,...campaigns and drives and massed propaganda ...
>
> But we think that the total amount of propaganda information tends to debase those who are subjected to this never-ending bombardment ... No doubt we shall outlive it and survive, but the process will be painful and perhaps fraught with danger."

We did survive the insurance propaganda bombardment through better information to an enlightened public and also through efforts of the insurance companies to police themselves. For many years now the Canadian Federation of Insurance Agents and Brokers Association has been pressing hard for stricter controls. May I quote a few paragraphs from an article which appeared in the *Financial Post* on September 17, 1966, carrying the heading "No More Fine Print, Maybe No Policies".

> Insurance buyers soon may not have to complain about all that fine print in their car insurance policies. Reason: They may not have policies.
>
> Massive revisions in the uniform insurance act (applying in all provinces except Quebec) make it necessary to redraft the auto insurance policy. Insurance men will be thrashing over a new policy wording at next week's meeting of the superintendents of insurance in Victoria.

● (5:20 p.m.)

> Some experts say the revisions in the act will make the new policy so long and complex (even longer and more complex than it is now) that it would only confuse and irritate insurance buyers.
>
> Most people look at the front of the policy to see that the amounts of insurance are correct and then put it away in a drawer. They never actually read the terms and conditions, an insurance man says.
>
> Instead of giving the insurance buyer a complex legal contract that he never reads and would find hard to understand if he did, some insurance people advocate a simple certificate showing the amounts of insurance in force, and a brochure explaining the coverage in simple terms.

Perhaps, Mr. Speaker, this would be a solution worthy of consideration. In any event, the hon. member for New Westminster (Mr. Mather) should be commended for bringing the problem to the attention of the house and of the country.

[*Translation*]

Mr. J.-P. Racine (Beauce): Mr. Speaker, I want first of all to congratulate the member for New Westminster (Mr. Mather) for introducing Bill No. C-11. He referred, I think, to a point which is most important, in my opinion. More and more, certain companies—I do not want to accuse them of fraud—insert in some contracts clauses written in what is called fine print and which often are important parts of the contracts. I think that the examples given by the member for New Westminster are true and that, in most cases, the contracting parties may not have the legal knowledge necessary to judge the contents of the documents they sign.

I was happy to hear also, and I was not told personally but people in general know, that the department of consumer affairs will look after the protection of the Canadian taxpayer doing business with companies whose amount of business and legal knowledge is much higher than that of the contracting parties.

However, when reading the explanatory notes, one cannot but agree with the hon. member who introduced that bill. In fact, he states that the object of the bill is to eliminate the practice whereby insurance companies, commercial corporations and individuals embody in insurance policies, contracts or deeds, fine print clauses excluding their liability under certain circumstances.

And again in the explanatory notes, our hon. colleague adds that:

It is desirable that payment exclusions or exclusion of responsibility be listed plain and clear in the body of insurance policies, contracts and deeds.

Once again I fully agree with him. Are the amendments proposed by him stringent enough and do they come under the jurisdiction of the federal government?

The bill mentions among others things:

—is guilty of an indictable offence and liable to a fine not exceeding five hundred dollars—

Five hundred dollars—I suppose that amount could be found in the till of a large insurance company...

—or to a term of imprisonment not exceeding three months or to both fine and imprisonment everyone who with intent to mislead—

[Mr. Dubé.]

—and still there must be some evidence. In the case of large insurance company, I wonder who would be imprisoned as I said earlier. And the bill states:

—prints or causes to print in small typographical character in the body of an insurance policy, contract, deed or other document issued by him or under his authority, clauses concerning payment exclusions or exclusion of responsibility—

I am quite willing to believe that the mover of Bill No. C-11 is sincere. But I wonder how, in its application, we can ever evoke the penalties he himself advocates in the bill.

When we speak of fine print, more than insurance companies are involved. We could go so far as to say that the same problem exists where finance companies are concerned. And the same goes for almost all contracts the consumer must sign, either when he needs protection or when he needs a loan.

Once again, I agree fully with the mover of the bill. I trust the new department established to protect the consumer will pay very special attention to this matter, which is of the greatest importance. Even though this bill is brought in on a Friday night, before the week-end, and most of the members are on their way to their riding, that does not lessen in any way the importance of the matter brought up by the hon. member.

I am sure that not only the members of this house but all the Canadian people agree with him.

Now, does the federal government have jurisdiction in the above matter? My colleague from Restigouche-Madawaska (Mr. Dubé), who is a lawyer—I will not say that I do not have that honour, but rather that I am not in that condition—mentioned that this matter could be within the jurisdiction of the provinces.

For my part, since I come from the province which my hon. colleague from New Westminster knows, I think that if the provinces have jurisdiction over this matter, we would perhaps be wrong in trying to pass legislation before the provinces have had a chance to give their opinion concerning this case.

I think my colleague for Restigouche-Madawaska said that all questions concerning insurance policies, contracts and so on are within the jurisdiction of the provincial legislatures.

I think that he has also mentioned that the provincial legislatures had the civil power to

remedy the problem brought up by the hon. member.

I am not a lawyer, but if this question comes under provincial jurisdiction, the mover of the bill will, at least, have had the merit of having brought up in the federal parliament a most important matter.

And if I say this question is important, it is not simply to flatter the hon. member, it is because I, and probably every member of the house, have had complaints from their electors on this question.

It is true—and I wonder how it happens and it is probably the case of the hon. member—that we are often called upon to sign contracts comprising many pages several of which are illegible, and these pages would be more numerous if the writing was legible and if, let us admit it, the terms were more understandable.

I know, as I said at the start, that the examples given by the hon. members even if they are illustrative may, in certain cases, be real. If a fire starts in a house, for instance, as the hon. member said, the company may disclaim any responsibility if a mouse, unfortunately for the owner, were to chew the electric cable. Or if a condition or a clause of the contract does not provide for the mouse to cut the cable, the owner finds himself simply without a claim with the company even though he has paid his yearly premiums and has complied with the conditions he thought required to have the insurance in force.

I believe that in those cases of insurance, since the bill deals only with insurance, I may be able to give some advice to the hon. member. He could even go further by introducing in other circumstances a similar bill designed to cover finance companies, as I said earlier.

Let us hope, once again, at least I hope so like the hon. member, that the department of consumer affairs will make a point of inquiring carefully in all such situations in order to protect all citizens. It is quite irregular that some companies, more powerful no doubt than the sponsor of the bill and myself, can submit to Canadian taxpayers some contracts that are often misunderstood, but which actually can cause grave prejudice to the contracting party who is acting in good faith.

I should not like what I just said to be construed as an accusation against insurance companies, or against finance companies.

I would not say here that such companies are dishonest, far from it, I just say that the authorities involved, in this case provincial authorities, should see to it that these companies operate in such a way that contracts might be understood by those to whom they sell insurance or finance.

And, Mr. Speaker, in conclusion I want to congratulate again the hon. member and I repeat my wish that the new department for consumer protection shall not only be instituted but also become operative as soon as possible.

If I may somewhat digress at this point, though this may not be quite in order, because we are considering a specific bill, I would say that the Canadian people feel, I am sure, that the setting up of such a department is long overdue.

Insurance companies were mentioned this afternoon, and I referred as well to finance companies, but many more areas could be involved. At that time, the head of the department and his senior officials will have the responsibility to protect the people. We are here precisely to protect those who delegated their authority to us, while giving us at the same time the power to amend our laws so that they are better protected.

Again, if we were thereby trespassing on the authority of the provinces and infringing upon their autonomy, as my colleague from Restigouche-Madawaska said, I think it would be not only unfair, but wrong on our part to try to deal with a problem which is not within our jurisdiction.

Therefore, I do not blame the hon. member who introduced the bill, but congratulate him for having drawn the attention of parliament to a case which should interest everyone—for even though the federal parliament is involved here, we are Canadian citizens. The very fact that our attention has been drawn to the problems presented by insurance contracts is already something, and I think it may be a warning of sorts directed to the provincial authorities through their representative in the house.

• (5:30 p.m.)

[*English*]

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I should like to say a few words in support of the principle enshrined in Bill No. C-11. I am and always have been a strong believer in insurance. As a matter of fact, in view of conditions today in this modern world and some of the judgments which have been handed down when matters go to

court, I believe everybody must have insurance.

I think it is safe to say that the majority of the people who believe in the principle of insurance and who take out insurance policies do so in the belief that they have a certain coverage which is provided by the clauses in large type that are common to all insurance policy forms. But too many people do not read the very fine print. Even if they do, the print is so fine and the wording so complicated that, if they are like me, they do not understand it.

Some 32 years ago I reached the position where I was able to move from a rented home to a home of my own, with a mortgage. I believed in insurance and I got what I thought was complete coverage of my home. However, a few years ago there was a fire at my home, and when it came to settlement I received about one third of what I anticipated receiving, simply because I had not read or had not been able to understand the fine print on my fire insurance policy.

I also have a relative who believes in insurance coverage, and similarly she thought she was completely covered by her insurance. The diamond in one of her rings dropped out and when the claim was considered the fine print revealed that no insurance was payable, and she still has the ring without the diamond.

I give those two personal experiences of people who believe in insurance. In addition, I believe that people should not only know the extend of their coverage but should also know what the insurance company claims are exclusions. It is my belief, Mr. Speaker, that many people would have a greater understanding of their policies or agreements if the exclusion clauses appeared in large type or, as recommended by the hon. member for Vancouver-Burrard (Mr. Basford), type of a different colour, so that these clauses would stand out.

I support the principle of the bill now before us and I hope that the recommendation of the hon. member who introduced it will be accepted, namely that instead of the bill being talked out it be referred for study and possible action either to a committee of the house or to the new department.

[*Translation*]

Mr. J.-A. Mongrain (Trois-Rivières): Mr. Speaker, I think that on the principle of the bill, we are faced to some extent with a sort of painless operation, since all the hon. members who contributed to the debate so far, have indicated that they supported the bill and they have showered the sponsor with congratulations while raising some objections.

I too believe that the hon. member for New Westminster (Mr. Mather), is looking for perfection and would want, of course, to see it prevail everywhere in the world. Obviously, his intentions are good, but in spite of all the legislation we could pass here, a great many people will still remain extremely gullible.

I should like now to give a few examples just to show the extent of the general public's gullibility with regard to printed matters sent to their homes, whether it be small print or coloured print, or underlined sentences or words in italics and so forth.

It is understandable of course, because everyone is not an intellectual. Those people who have to take insurance policies, for instance, are workers who are not accustomed to reading and most of the time they get confused when they have to follow a text, a little long and a little condensed.

I remember a rather recent case where, for instance, I sent a questionnaire to my constituents. In a rather large committee, we had studied a most simple questionnaire hoping that everyone would understand it quite well. You would be surprised to see how many people—and my electors are not any dumber than those in other ridings in the country—did not understand it. For instance, there were two cards, one had to be detached and the other on which appeared the questions was to be returned to me. There was nothing complicated about it; all they had to do was to detach the card and mail it. However, I would dare say that 40 per cent of those who answered sent both cards back.

• (5:40 p.m.)

No need for me to labour the point, but it shows that even if we were to pass the bill of the hon. member for New Westminster, requiring that the fine print clauses on insurance policies be printed in larger print, in colour or in italics, some people still would not understand.

You know, it is a law of nature. However hard you try, you will never reach perfection. Somebody, who died a long time ago, used to express this truth in terms that might appear to some as rather crude. He used to say: "There's a sucker born every minute."

Jocular as it may be, it is nevertheless true. There will always be people whose gullibility will get them into trouble. Passing all the laws under heaven will never help in this respect.

Besides, practically speaking, can you imagine how you would apply this suggestion to the hon. member for New Westminster?

There will always be all sorts of objections and there will always remain people who are clever enough to find means of cheating others. There are experts in that field. However, I do not think that we should carry our legislation too far; we should rather try to make it easier to obtain relief through existing legislation. A moment ago, the member for Restigouche-Madawaska (Mr. Dubé) said that this is a provincial matter and that people who are wronged should resort to existing legislation.

I would suggest instead that appeal to existing legislation be facilitated to the common people, those I call gullible souls who are liable to be cheated. I speak of gullible souls, but the member for Vancouver East (Mr. Winch) who seconded the motion, said himself that he had been cheated, and yet he is one of the most intelligent members of this house. Therefore, imagine what it must be like for those I call gullible souls. It would be advisable to make it easier for them to start court proceedings, to make it so that they will not have to spend too much money in order to retain a lawyer to plead their case; otherwise in most cases they would not see a lawyer and would incur a loss because they failed to read the small print in the insurance policies they signed.

It has been said that this is a provincial matter. It might be. I am not a lawyer. But if there was only that argument to prevent its passing, I would be in favour of the bill which is good in theory, but I just want to say that respect for what is called provincial antonomy must be kept within bounds, although some must be shown. There are some cases where the provinces are unable to exercise their prerogative, then, the federal government would be justified in stepping in, but the people who feel aggrieved may already obtain relief through existing provincial legislation.

Then, I say this, Mr. Chairman, while I associate with the others to congratulate the hon. member for New Westminster for his excellent intentions, we ought to take steps that will make the existing conditions as perfect as possible in order that the ordinary people may not be aggrieved in the process. If we pass this bill, we will have to pass a hundred more to cope with those who specialize in the art of misleading people, and there would never be an end to it all. Therefore, I say, in spite of its fine objective this bill would be extremely difficult to enforce and even if it were possible to enforce it, it would complicate the situation rather than simplify it. As the saying goes, leave well enough alone, which is obvious. I wonder is this is not a case where this really applies.

I noticed that the member said he was only interested in the principle; that if it was passed, we would discuss its application and then endeavour to have it applied in a practical way. Now, I must admit that I would be at a loss to do so; yet, I have a certain experience of those matters, because I have dealt in insurance and even in the printing business for a while. I fail to see how a recommendation like this one could be applied in a practical way, and especially how the companies could be bound by law to comply therewith.

In conclusion, I feel the sponsor of the bill should be commended for having called the attention of the house to a real problem, but which could be solved otherwise, by making it easier to resort to existing statutes, for instance, and, as suggested earlier by the hon. member for Beauce (Mr. Racine), by drawing the attention of the new minister of corporations and consumer affairs to any possible abuse. He may succeed, through methods he will have to devise in the coming months, in preventing excessive abuses, even though everything should not be forbidden in the field of publicity which mislead simple people by all kinds of tricks. Even if it were printed in type as large as this, there are still people to write a formula in such a subtle way that most people would not understand it and in this I am supported by the statement of my hon. colleague who, I repeat, is one of the most intelligent members in the house and who admitted that he had himself been misled. Imagine how much influence can be exerted on people with much less experience and education. Even if the type is enlarged they can still mislead them by changing the wording. That is why, Mr. Speaker, I join with the others to congratulate the mover by saying that his intention was excellent and will have a future, because having brought this to our attention, the new minister will surely be able to intervene and possibly the members may bring to the attention of their voters the fact that there is provincial legislation permitting action.

As a practical conclusion, I suggest that we should strive to make such action before the courts easier for those who are cheated and lack the means to retain the services of lawyers or to make the required deposits to

obtain justice in their claims against insurance companies which might directly or indirectly have misled them.

• (5:50 p.m.)

[*English*]

Mr. Winch: May I ask the hon. member a question. Considering what he said, what does he think of the recommendation of the hon. member for Vancouver-Burrard, who suggested that exclusion clauses ought to be printed in ink that is of a different colour from the ink used to print the main part of the document?

Mr. Mongrain: In my opinion, Mr. Speaker, this is a very good suggestion. But it still does not nullify the other objection I mentioned when I said that there will always be people in this world of ours who specialize in fooling other people. For instance, suppose you print it in red, and suppose I am the president of a big company and I am somewhat of a crook and—I hope this will not be taken for granted—I will hire some learned people who are able to construct a sentence in which the average citizen will see nothing wrong. That is a specialty of people in public relations—and I know something about it, because I am in public relations.

I am trying to do things the right way, the honest way, because I work for small fry, and not for big companies which might believe they could pay me enough to convince me that I should act against my conscience and demonstrate what Barnum once said, that there is a "fish" born every minute. Even if you pass laws to prevent trickery there will always be somebody smart enough to find another trick that will fool the public. I suggest that we should tackle the problem in another way.

We have provincial laws. Let us make it easier for people to have recourse to those laws. Let us advise the minister to devise special measures to educate the public so that they will take advantage of the laws already existing.

Mr. Winch: In view of what the hon. member has just said about public relations men and the heads of big corporations drafting things to fool the public, does he not agree that so far as legislation can go we should have legislation in order to protect as far as possible people whom public relations men and corporations are trying to fool?

Mr. Mongrain: I think it is your duty to try to do it, but there is no use doing something with no result. The suggestion is made that the fine print be made bigger or that it be printed in red. But I can give examples, possibly a hundred cases, where instructions were written in big characters, in big print or in colour, and people did not even notice those instructions. I gave one example while I was speaking, but maybe the hon. member did not hear it. I said in French that I had that experience myself a few months ago.

I had a card printed, a double card, which I sent to the people in my riding, some 23,000 of them. They were supposed to tear the card in half and send one piece back. We studied the way that the card should be printed and how it should be presented. We studied this with a committee that specializes in such things connected with printing, and the instructions were in big print. Although I was very sure that everybody would understand—and mind you, I do not think my electors are less intelligent than the average electors throughout this country of ours—of those 23,000 cards that I sent, 40 per cent were returned as the double card, unseparated and untorn. This was done, even though the instructions were given in the largest print that we could put on the card.

Therefore I say there is no use passing dozens or hundreds of laws. The more you pass the more you complicate the problem. Try to solve it with the laws you have now, that is my contention.

Mr. Ian Watson (Châteauguay-Huntingdon-Laprairie): Mr. Speaker, I too would like to congratulate the hon. member for New Westminster (Mr. Mather) for the effort he is making in this bill. In private life we have all seen innumerable contracts, for example those used by door to door salesmen selling household appliances, those used by various household furnishing companies, which contain small print and that are completely misleading so far as the purchaser is concerned, and which usually result in the purchaser acquiring something he never expected.

With respect to insurance contracts, I think that most insurance company representatives have now reached the conclusion that it is poor business to have the public signing contracts that contain clauses which are misleading. However, there are still a number of companies which do not follow this rule, and which without any question of doubt issue policies that are misleading. I tend to agree with the hon. member for New Westminster

that possibly the only way one can adequately prevent this happening is to frighten companies by bringing them under the provisions of the criminal law.

The amendment which the hon. member proposes would create an indictable offence where any person, with the intention to mislead, places in the body of an insurance policy, contract, and so on, issued by him exclusionary clauses in smaller typographical character than that used in other portions of the document. Whether this would bring forth the results that he hopes is another matter. I think the new department of consumer affairs, through its consumer protection publicity, should be able to warn the public about the dangers of such contracts.

When the Registrar General (Mr. Turner) the other day gave the house an indication of the wide variety of topics that his department would be interested in, he mentioned the facilities that would be at his department's disposal to publicize various consumer gimmicks by which the public are taken advantage of at the present time. It seems to me it would be a more effective way to deal with this problem if the new ministry of consumer affairs were to launch an immediate study of insurance contracts in general. If the committee, or the person making this study of insurance contracts, were to come up with a number of policies which appear to be unduly misleading, then I would consider it the duty of the new ministry of consumer affairs to publicize this throughout the various consumer organizations in the country. I realize—

Mr. Deputy Speaker: Order. I must advise the hon. member that the hour for the consideration of private members business has expired. It being six o'clock this house stands adjourned until two thirty o'clock on the afternoon of Monday next.

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

[The following items were passed in Committee of Supply this day:]

DEPARTMENT OF VETERANS AFFAIRS

1, 5, 10, 15, 17a, 20, 25, 30, 35, 38, 40, 45, L115.

HOUSE OF COMMONS

Monday, October 30, 1967

The house met at 2.30 p.m.

FOOD AND DRUGS ACT

AMENDMENT RESPECTING LABELLING OF CERTAIN COMMODITIES

Mr. David MacDonald (Prince) moved for leave to introduce Bill No. C-176, to amend the Food and Drugs Act (labelling of dates on perishable commodities).

Some hon. Members: Explain.

Mr. MacDonald (Prince): Mr. Speaker, the purpose of this bill is to enable the consumer when shopping for food, drugs, cosmetics or other perishables to determine accurately that the product he or she buys will be as fresh as depicted by the advertising, labelling and packaging. It is becoming increasingly difficult, due to modern packaging methods, for the shopper to determine whether his or her selection has been on the retailer's shelf, in storage or transit for some time, thus causing the product to be at best stale and on some occasions injurious to health.

This bill would require all perishable products to be clearly marked as to the date the product was manufactured or produced and the ultimate date to which the product in question may be used without any danger to health.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

PUBLIC SERVANTS, ETC., RECEIVING HIGHER SALARIES

Question No. 319—**Mr. Lambert:**

As of June 15, 1967, how many persons in the employ of (a) the public service of Canada (b) the armed services (c) crown corporations or agencies, were being paid salary or pay and allowances, or emoluments in the following categories (i) $18,000-$20,000 per annum (ii) $20,000-$25,000 per annum (iii) $25,000-$35,000 per annum (iv) $35,000 and up per annum?

Hon. Judy V. LaMarsh (Secretary of State): (a) (i) 922, (ii) 576, (iii) 33, (iv) nil. (b) (i) 157, (ii) 53, (iii) 10, (iv) nil. (c) (i) 274, (ii) 162, (iii) 32, (iv) 9.

Air Canada, the Canadian National Railways, the Canadian Overseas Telecommunication Corporation and Polymer Corporation advise that it has not been considered in the best interests of their respective corporations to disclose data on employees' earnings other than what is available through the Dominion Bureau of Statistics.

CHANGE IN COST OF LIVING INDEX

Question No. 398—**Mr. Crouse:**

Is the government planning to make any changes in the cost of living index from its present 1949 base equalling 100 to a more recent year?

Mr. Jean-Charles Cantin (Parliamentary Secretary to Minister of Trade and Commerce): The Dominion Bureau of Statistics is planning to update the consumer price index for Canada and the ten regional city consumer price indexes to a time reference base of 1961 equals 100. The change to the 1961 time base is expected to be completed before mid-1968. It will involve simply the arithmetic conversion of the present 1949-based series to the new base year and will not alter the movements of consumer prices as measured in the existing consumer price indexes. No changes in the content and relative importance of items in the indexes are contemplated at this time. The change to the new reference year conforms with the Dominion Bureau of Statistics policy of periodically updating indexes to more current periods.

WESTMINSTER HOSPITAL, LONDON, ONT.

Question No. 407—**Mr. Irvine:**

1. In connection with Westminster hospital, London, Ontario, what is the total land acreage of this property?

2. What is the total floor area of (a) patients rooms, etc. (b) operating areas (c) recreation areas (d) dining and lounge areas (e) staff and employee living quarters in main buildings (f) staff quarters in separate dwellings?

3. What was the total cost during 1966 of (a) heating (b) snow removal (c) major repairs (d) general upkeep?

Questions

4. What was the total over-all cost of operating this facility during 1966 exclusive of depreciation factor?

5. What is the estimated value of the hospital including all buildings and equipment?

Hon. Roger Teillet (Minister of Veterans Affairs): 1. 313.94 acres.

2. (a) 183,500 net sq. ft., (b) 2,900 net sq. ft., (c) 30,670 net sq. ft., (d) 28,100 net sq. ft., (e) 66,000 net sq. ft., (f) 29 housing units for family accommodation.

3. (a) $328,081. (b) $16,000 estimated. (c) $79,675. (d) $410,691 (not including housekeeping expenses of approximately $681,000).

4. $8,212,237.

5. Estimated value of: buildings, $18,543,000; land, $446,175; equipment and furnishings, $1,200,000. Total $20,189,175.

ELDORADO MINING CO. IN QUEBEC

Question No. 418—**Mr. Caouette:**

1. Has the government or any crown corporation received from Sidbec or the government of Quebec a request for assistance in financing the Quebec steel complex and, if so, what was the answer?

2. Has Eldorado Mining and Refining Ltd. done any prospecting in Quebec to determine if the subsoil contains uranium?

3. If it is not prospecting and has never done so, what is the reason?

4. Have the crown corporations, Eldorado Mining and Refining Ltd., Eldorado Aviation Ltd., and Northern Transportation Ltd., official names in French?

5. If so, what is the official name in French of each?

6. If not, is there some reason?

Hon. Judy V. LaMarsh (Secretary of State): I am informed by several departments as follows: 1. No.

2. No.

3. Eldorado's prospecting activities have been limited by direction of the government to the areas immediately adjacent to its Saskatchewan property.

4. No.

5. Not applicable.

6. Eldorado Mining and Refining Ltd., and Eldorado Aviation Ltd., do not operate in areas where there is any significant French speaking population. However, the Minister of Energy, Mines and Resources is exploring with the head of these companies the possibility of adopting equivalent French names. Northern Transportation Company Limited does not have an official name in French because the company does not operate in an area where there is any significant French speaking population.

[Mr. Irvine.]

AGREEMENTS RESPECTING ELIMINATION OF RIVER POLLUTION

Question No. 422—**Mr. Bell (Carleton):**

1. Has an agreement been concluded between the government of Canada, the government of Quebec and the corporation of the city of Quebec to share the cost of eliminating pollution in the St. Charles river?

2. If so (a) what precisely are the obligations and undertakings of the government of Canada in relation thereto, and (b) what is the estimated cost to the federal treasury of each of these obligations and undertakings?

3. Has the government considered a similar program of joint action with the government of Ontario, the government of Quebec, the national capital commission and various municipalities in Ontario and Quebec to eliminate pollution in the Ottawa river?

4. If so (a) what discussions have been held (b) with what result?

5. If not, will the government of Canada now consider taking the initiative in anti-pollution measures on the Ottawa river?

Hon. Judy V. LaMarsh (Secretary of State): I am informed by the Departments of Public Works and Energy, Mines and Resources as follows: 1. There is an agreement dealing with the provision of structures to control water level for navigation purposes between the outlet of the river and the Scott bridge, a distance of approximately three miles. The responsibility for elimination of pollution rests with the province of Quebec.

2. (a) The federal government undertakes to build a dam at the outlet of the river and to share in the construction of retaining walls along the shores. (b) The dam is estimated at $1,500,000 totally financed by the federal government. The retaining walls are estimated at $16,000,000 of which $8,000,000 is to be provided by the federal government.

3. No. The project referred to in answer to 1 above, relating to the St. Charles river, is not to eliminate pollution. The agreement between the government of Canada, the government of the province of Quebec and the city of Quebec, which is in the French language, specifies that:

Whereas the province has agreed to assume all responsibilities with respect to the following field, to wit:

To co-ordinate drainage studies relating to sewage flowing into the St. Charles river and to take the necessary steps in order to eliminate pollution sources in that river.

4. See part 3.

5. The Minister of Energy, Mines and Resources wrote to the responsible ministers of Ontario and Quebec and, in line with a proposal made last May to the Canadian council of resource ministers, stated that the federal government would be prepared to enter into an agreement with the provinces of Ontario and Quebec under which the federal government would pay the full cost of a pilot study of the Ottawa river leading to the preparation of a comprehensive plan for the abatement and control of pollution.

AEROMAGNETOMETER SURVEY

Question No. 441—**Mr. Dinsdale:**

1. How much of the $18,000,000, aeromagnetometer survey launched in 1962 has been completed?

2. What has been the scale of expenditure in each province and in the Yukon Territory and Northwest Territories?

3. What significant mineral areas have been located by the survey?

Mr. Jack Davis (Parliamentary Secretary to Minister of Energy, Mines and Resources):
1. Approximately 40 per cent.

2.

Province or territory	Provincial share	Federal share
Newfoundland	—	325,604.00
Nova Scotia	—	—
New Brunswick	14,678.00	14,678.00
P.E.I.	—	—
Quebec	750,000.00	750,000.00
Ontario	721,368.00	721,368.00
Manitoba	618,365.00	618,365.00
Saskatchewan	387,950.00	387,950.00
Alberta	95,565.00	95,565.00
British Columbia	220,196.00	220,196.00
Yukon Territory	—	445,697.00
N.W.T.: Dist. of Franklin (Polar Shelf and Baffin Island	—	549,690.00
District of Mackenzie	—	967,564.00
District of Keewatin	—	483,782.00
Total	$2,808,122.00	$5,580,459.00

3. Exploration of the New Brunswick base metal complex was started indirectly by airborne magnetic surveys. Iron occurrences associated with schists and porphyries coincide with magnetic anomalies which, on prospecting, turned up sulphide deposits.

In northern Ontario, federal-provincial aeromagnetic surveys were responsible for the discovery of the Moose river aeromagnetic belt. Within this belt Consolidated Morrison and Imperial Oil have discovered a carbonatite with a large tonnage of columbium oxide.

In British Columbia it has been reported that the aeromagnetic data led to exploration on Cariboo Bell Copper property where a copper deposit was discovered.

The first diamond drill hole in the Mattagami camp which intersected copper values was drilled by New Hosco Mines Limited in a magnetic anomaly.

GRAIN SHIPMENTS THROUGH CHURCHILL

Question No. 458—**Mr. Dinsdale:**

1. How many bushels of grain have been shipped through Port Churchill each year since 1960, and what kind of grains have been involved and in what quantities?

2. What is the total cost of the diversion charge on these grains, and what is the reason for the diversion charge?

3. What has been the total tonnage of incoming freight through Port Churchill each year since 1960?

Questions

Mr. Jean-Charles Cantin (Parliamentary Secretary to Minister of Trade and Commerce): 1.

Loadings of grain at the port of Churchill in international and coastwise shipping, 1960-66

Year	Commodity	International shipping Tons	International shipping Bushels[2] ('000)	Coastwise shipping Tons	Coastwise shipping Bushels ('000)
1960	Wheat	591,224	197,075	1,666	55
1961	Wheat	581,862	193,954	5,586	186
1962	Wheat	640,737	213,579		
	Oats			2,505	147
1963	Wheat	650,589	216,863		
	Oats			1,872	110
1964	Wheat	649,239	216,413		
	Oats			1,300	76
1965	Wheat	738,182	246,061		
	Oats			969	57
1966[1]	Wheat	655,756	218,585		
	Oats			2,001	117

[1] 1966 data is preliminary.

[2] conversion of tons to bushels based on average of 60 pounds per bushel for wheat and 34 pounds per bushel for oats.

---

2. The total amount of diversion charges paid by the Canadian Wheat Board in respect of grain shipped through the port of Churchill in each navigation season from 1960 to 1966 is as follow:

Churchill shipping season	Diversion charge on country shipments direct to Churchill
1960	$269,310.28
1961	275,183.66
1962	302,032.29
1963	341,486.56
1964	323,259.98
1965	295,367.89
1966	326,877.91

Under terms of a handling agreement negotiated annually with all elevator companies, a diversion charge is paid by the Canadian Wheat Board on wheat shipped by elevator companies from their country elevators directly to the port of Churchill for export.

A diversion charge is a charge assessed by an elevator company when grain shipped from one of its country elevators is diverted from that company's terminal elevator to another destination. Elevator companies consider that their country and terminal elevators operate as an entity, and terminal revenues are an important factor in determining the basis upon which country elevators can be operated. Therefore, it has been a long established trade practice that when a company loses terminal handling on grain as a result of the diversion of a country elevator shipment to a destination other than the company's terminal, a diversion charge is assessed to compensate for the loss of terminal earnings.

3. Incoming (unloaded) freight through the port of Churchill in international and coastwise shipping, 1960-66[1]

Year	Tonnage unloaded International shipping	Coastwise shipping	Total
1960	71,873	218	72,091
1961	34,961	17,963	52,924
1962	52,730	12,992	65,722
1963	57,709	159	57,868
1964	37,775	1,839	39,614
1965	20,269	95	20,364
1966	17,493	271	17,764

[1] 1966 data is preliminary.

WHEAT PRICES AND DELIVERIES

Question No. 474—**Mr. Watson (Assiniboia):**

1. What was the closing date of the C.W.B. pool for 1966-67?

2. What was the average weekly price for the following grades from that date to the present time: 1 Nor.; 2 Nor.; 3 Nor.; 4 Nor.; 1 A. Durum; 2 A. Durum; 3 A. Durum; 4 A. Durum?

3. What was the total delivery to elevator from new pool to July 31, 1967, by grades?

4. What were deliveries of each of these grades from August 1 to the present time?

Mr. Bruce S. Beer (for the Minister of Trade and Commerce): 1. The 1966-67 Canadian Wheat Board pool has not been closed.

2. Not applicable.

3. Not applicable.

4. The Board of Grain Commissioners for Canada reports receipts of 83.0 million bushels of wheat at country elevators in the prairies in the period August 1 to October 11. The grades of this wheat are not established by the Board of Grain Commissioners until it has been delivered to terminal positions and for this reason it is not possible to provide a breakdown of the grades which have been delivered so far this crop year. However, this information will be compiled by the Canadian Wheat Board and included in their annual report for the 1967-68 crop year.

FEDERAL-QUEBEC AGREEMENT ON TOURIST DEVELOPMENT

Question No. 475—**Mr. Latulippe:**

Is there any agreement between the federal government and the government of the province of Quebec as to tourist developments and, if so, what is the nature of this agreement?

Mr. Jean-Charles Cantin (Parliamentary Secretary to Minister of Trade and Commerce): The one formal agreement concerns encouragement of interprovincial travel. An exchange of correspondence in December, 1964, with all of the provinces sets forth an arrangement whereby the federal government agrees to match dollars with the provinces for advertising programs within Canada to specified amounts. The government of the province of Quebec agreed to the formula and the following amounts were allocated to Quebec: 1965, $25,000; 1966, $33,000; 1967, $33,000.

There is continuing liaison and co-operation between the Canadian Government Travel Bureau and the ministry of tourism in Quebec. The Canadian Government Travel Bureau stocks and distributes Quebec provincial literature, refers all inquiries concerning Quebec, and consults with the provinces concerning advertising and promotion programs in United States and European markets.

CANADIAN AND FOREIGN BUILT AIRCRAFT

Question No. 491—**Mr. Forrestall:**

What is the current ratio, with figures, between the number of Canadian-built aircraft, of all types, and foreign-built aircraft at present in service with the Canadian forces?

Hon. Léo Cadieux (Minister of National Defence): As of 1 October, 1967, there were 1328 aircraft in service with the Canadian forces. Of these, 945 were built in Canada, and 383 in foreign countries, a ratio of 2.5 to 1.

*OTTAWA RESTRICTION ON BUILDING HEIGHTS

Question No. 497—**Mr. Bell (Carleton):**

Will the government consider making immediate representations to the corporation of the city of Ottawa to the effect that no amendments should be made to the municipal by-law governing the height of buildings in the centre of the national capital until the proposed special joint committee of the Senate and House of Commons on the national capital has had the opportunity of considering the effect of high-rise buildings upon the architectural dominance of the peace tower and the parliament buildings generally?

Hon. G. J. McIlraith (Minister of Public Works): Mr. Speaker, the government will not be making representations in the form suggested in the question. However, the government is very much concerned about this subject and is maintaining close liaison with the various persons concerned in the municipal government with a view to maintaining limits on building heights such that the architectural significance of the peace tower and the parliament buildings generally will not be diminished.

MANPOWER RETRAINING PROGRAM

Question No. 514—**Mr. Allmand:**

Is there any law or regulation which limits the manpower retraining program to persons of a certain age or a certain education?

Mr. J. C. Munro (Parliamentary Secretary to Minister of Manpower and Immigration): The Adult Occupational Training Act provides that the Minister of Manpower and Immigration may purchase occupational training for a person whose age is at least one year greater than the regular school leaving age in the province in which he resides. There

are no federal legislative requirements as to education. Many training courses have varying minimum requirements, determined by the educational authorities concerned, as to the qualifications of the trainees who may be enrolled.

POST OFFICE IMPROVEMENTS, ROUYN, QUE.

Question No. 537—**Mr. Caouette:**

Are any repairs and improvements being considered for the Rouyn post office?

[*Translation*]

Hon. G. J. McIlraith (Minister of Public Works): Yes, certain minor interior changes are proposed.

[*English*]

QUESTION PASSED AS ORDER FOR RETURN

RESEARCH GRANTS AND SCHOLARSHIPS

Question No. 170—**Mr. Allard:**

1. How much money was spent in each province, in detail, by the National Research Council in 1966 for research grants and scholarships?

2. What are the other federal research institutions in addition to the National Research Council?

3. How much money was spent in each province, in detail, by the Canada Council in 1966 on research grants and scholarships?

Return tabled.

[*Translation*]

CANADIAN CENTENNIAL

REQUEST FOR PROCLAMATION OF CITIZENS DAY FOLLOWING EXPO

On the orders of the day:

Mr. Roger E. Régimbal (Argenteuil-Deux-Montagnes): Mr. Speaker, I should like to put a question to the Prime Minister.

[*English*]

Now that Expo '67 has happily come and sadly gone, and in view of the fact that Expo has brought to Canada the attention and respect of every country in the world, would the Prime Minister consider setting aside one day to honour the one who is basically responsible for its success, the Canadian citizen, by proclaiming a Canadian citizens' day, possibly on Friday, December 29, so that 20 million citizens may wind up centennial year by taking this one day to declare in unison "Je suis fier d'être un Canadien."

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, this is a very interesting suggestion indeed, and I shall be glad to consider it.

[Mr. Munro.]

Mr. R. Gordon L. Fairweather (Royal): A supplementary question, Mr. Speaker, having to do with Expo. I ask the Prime Minister, in the absence of the Secretary of State, whether any consideration is being given by the government to the use of the building known as the broadcasting centre, the administration building—

Mr. Speaker: Order, please. It was brought to the attention of the Chair just recently that the type of question now asked by the hon. member is not, strictly speaking, a supplementary question. It is a related question. The hon. member may ask it later on when he is recognized by the Chair.

NOVA SCOTIA

INQUIRIES AS TO NEGOTIATIONS RESPECTING CONTINUED OPERATION OF DOSCO

On the orders of the day:

Mr. David Lewis (York South): Mr. Speaker, I should like to address a question to either the Prime Minister or the Minister of Trade and Commerce. In view of the press release issued last Friday after the conference between representatives of the federal and Nova Scotia governments, can the Prime Minister or the Minister of Trade and Commerce inform the house whether Dosco has agreed to open its books to consultants, as mentioned in the press release, and whether such consultants have already been appointed?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I have seen reports to that effect based on conversations with the premier of Nova Scotia. We hope these reports are accurate, but we have not ourselves yet heard from the premier of Nova Scotia on that particular matter.

Mr. Lewis: A supplementary question, Mr. Speaker. The press release referred to April 30—

Mr. Speaker: Order, please. I have to interrupt the hon. member and remind him that it is not in order to ask about the accuracy or otherwise of press statements. The hon. member should ask the question directly.

Mr. Lewis: I was not going to ask about the accuracy of the press statement, Mr. Speaker; I was merely trying to make my question better understood. Has the federal government made any commitments regarding the continuation of operation of the Sydney plant beyond April 30 next year, or is the commitment limited to that date?

Mr. Pearson: No, Mr. Speaker, there is no commitment made. No government could make that commitment. But we are discussing the matter with the provincial government.

Hon. Michael Starr (Leader of the Opposition): Mr. Speaker, I wish to direct a supplementary question to the Prime Minister. In view of his answer a week ago, when I asked whether the government was formulating any plans to bring forward at a meeting with Dosco, has the government now completed these plans and when is it meeting with Dosco to put forward any alternatives it might have?

Mr. Pearson: Mr. Speaker, the meetings that are taking place with Dosco are being sponsored by the provincial government, and they are reporting to us the results of their meetings with Dosco.

Mr. Starr: I have a supplementary question, Mr. Speaker. I want to ask the Prime Minister whether the federal government intends to initiate any meetings with Dosco and bring forward any plans it might have as a result of what has occurred.

Mr. Pearson: Not directly but through the provincial government. We are being kept informed of discussions with Dosco.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I ask the Prime Minister a supplementary question. In these discussions with Dosco is the government taking any steps to make sure that the pensions paid by Dosco to its retired employees will be continued even if the operation is phased out?

Mr. Pearson: I have no doubt that factor is being considered by those taking part in the discussions.

Mr. Starr: I have a further supplementary question, Mr. Speaker. I wish to ask the Prime Minister whether the federal government has any plans whatsoever to improve the situation.

Mr. Pearson: Yes, Mr. Speaker, or we would not have been discussing the matter with the provincial government for many hours last Friday.

[*Later:*]

Mr. J. M. Forrestall (Halifax): My question is directed to the Minister of National Health and Welfare in his capacity as the minister with whom the provincial authority is keeping in touch with respect to the Dosco situation. Having regard to recent lay-offs and the concern expressed by the Halifax Welfare Council, can the minister advise the house whether Dosco has given any indication, in any of the discussions which have been held, with regard to the future of the two yards at the port?

Hon. A. J. MacEachen (Minister of National Health and Welfare): This has not been a matter of discussion with the provincial government.

[*Translation*]

CANADIAN NATIONAL RAILWAYS

PROSPECTIVE LAY-OFFS IN QUEBEC AND MARITIMES

On the orders of the day:

Mr. Réal Caouette (Villeneuve): Mr. Speaker, I should like to put a question to the Minister of Transport.

The minister is no doubt aware of the proposed lay-off on November 1 by the Canadian National Railways of several hundred employees, including 22 in my riding. Could he tell us whether he and his department have taken steps to prevent these lay-offs?

[*English*]

Hon. Paul Hellyer (Minister of Transport): Yes, Mr. Speaker. Immediately on hearing this news I got in touch with the management of the Canadian National Railways, and they have advised me that the current reductions are part of the normal, continuing process of adjusting the size of the work force to meet the varying employment requirements. The fact is that train movements this year are down very substantially below those in the same period last year. Generally speaking, railway employment rises and falls in accordance with the work load resulting from such factors as seasonal needs, weather conditions, timing and progress in respect of capital projects, developing types of competition, operating and equipment requirements to meet traffic demands.

The government and the management of the C.N.R. are sensitive to the hardships which might result from work force adjustments and will take whatever steps are possible to improve the situation. It must be realized, of course, that unless operating costs are kept under control the company's competitive position will be jeopardized and along with it the continuing livelihood of all the employees.

Inquiries of the Ministry

Mr. Speaker: Order, please.

[*Translation*]

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

Has the minister contacted the department of manpower in regard to finding jobs for those C.N.R. part time employees who will be laid off in November after 10, 15 or 17 years of service? Is the Minister of Transport in touch with the department of manpower to allow those people to keep on working?

Hon. Jean Marchand (Minister of Manpower and Immigration): Mr. Speaker, we are aware of that situation. At the present time we cannot provide employment or retraining for those people because we do not know their names yet, especially in those places where seniority is taken into account and, in the railways, it is. We are following the situation very closely and all our services will be available to those employees.

[*English*]

Mr. Robert C. Coates (Cumberland): Mr. Speaker, my supplementary question is directed to the Minister of Transport. I should like to ask whether he has received a request from the mayor of Moncton inviting him to attend a citizens meeting in that city tonight with regard to the 450 employees who are being laid off by the C.N.R. in the Atlantic area. If so, is he or are his officials planning to attend that meeting?

Mr. Hellyer: To the best of my knowledge it has not been received, Mr. Speaker. Certainly it has not yet been brought to my attention.

Mr. Coates: May I direct a supplementary question to the Minister of Manpower and Immigration and ask him whether he has received such an invitation?

Mr. Marchand: I have received a wire from the mayor of Moncton.

Mr. Coates: May I ask the minister what are his intentions? Does he or do his officials intend to attend this meeting?

Mr. Marchand: As soon as we know who are the individuals who are to be laid off we will take steps to find other jobs for them, or to help them in any other way. However, I wish to say that in this case what I said concerning private corporations, also applies. I think that in the case of a massive lay-off such as this one, longer notice should be given.

[Mr. Speaker.]

Hon. Michael Starr (Leader of the Opposition): May I ask a supplementary question. Can the minister of manpower say whether he has conferred with the Prime Minister and his colleagues in the cabinet as to whether they will take some strong steps to bring to the attention of these—

Mr. Speaker: Order, please. The hon. member for Greenwood.

Mr. Brewin: I think my question has been asked.

Mr. Speaker: The hon. member for Red Deer.

[*Translation*]

Mr. Caouette: May I put a supplementary question, Mr. Speaker?

Mr. Speaker: Order. The hon. member will have the opportunity later to put a supplementary question on this subject.

[*Later:*]

Mr. Caouette: Mr. Speaker, may I put a question to the Minister of Manpower and Immigration ?

The minister was saying a while ago that the lay-off notice should be longer and I agree with him. Now, since the Canadian National is a crown corporation, is the government or the minister thinking about giving a more adequate notice to the employees now laid off and who will be without a job within one day?

Mr. Marchand: Mr. Speaker, I have indicated that that was a problem, not only for the C.N.R. but for all companies.

Now, you will understand that, in this area there are several companies under provincial jurisdiction and it is not up to us to set the rules for them. The problem remains nevertheless. It is sure that we cannot act before tomorrow or before November 1.

[*English*]

HOUSE OF COMMONS

MEMBER FOR LAPOINTE—RAISING OF FUNDS IN FOREIGN COUNTRY FOR SEPARATISTS

On the orders of the day:

Mr. R. N. Thompson (Red Deer): I should like to ask the Prime Minister whether he is aware of the fact that one of our number, the hon. member for Lapointe, is presently in a foreign country to raise money for the specific purpose of financing the separatist cause

which has as its objective the destruction of the nation of Canada, to which he and all of us have sworn our allegiance. If he is aware, what is being done about these seditious activities?

Right Hon. L. B. Pearson (Prime Minister): I am only aware of what I read in the newspapers. These reports, I must say, are rather unusual in so far as the conduct of a member of this house is concerned.

[*Translation*]

[*Later:*]

Mr. Réal Caouette: (Villeneuve): Mr. Speaker, I should like to put a supplementary question to the Prime Minister.

The hon. member for Lapointe (Mr. Grégoire) said that at least five liberal members here would join his movement on November 22.

Is the Prime Minister in a position to give us the names of those Liberal members?

[*English*]

Mr. Pearson: I am not one of them, Mr. Speaker.

CANADIAN CONSTITUTION

FEDERAL PARTICIPATION IN PROPOSED PROVINCIAL CONFERENCE

On the orders of the day:

Hon. R. A. Bell (Carleton): May I ask the Prime Minister whether there has been any change in the government's attitude toward federal representation at the confederation for tomorrow conference, and whether he and his colleagues have now decided upon ministerial representation. Would the Prime Minister also be good enough to inform the house of the names of the persons who are to represent parliament and the government of Canada at this very significant conference?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, there is no change in our attitude toward federal representation at this provincial conference. I will be able, I think, to announce the names of the federal observers tomorrow.

Mr. Bell (Carleton): May I ask a supplementary question. I take it from the Prime Minister's answer that it has been decided finally there will not be ministerial representation?

Mr. Speaker: Order, please.

Inquiries of the Ministry

HIGHWAY SAFETY

RECALL OF DEFECTIVE VEHICLES

On the orders of the day:

Mr. Heward Grafftey (Brome-Missisquoi): The Minister of Transport took the following question as notice last Friday, and I put it to the minister again today. Has there been any communication between the government and the motor vehicle industry relating to the massive recall of cars last week from Canadian roads?

Hon. Paul Hellyer (Minister of Transport): I am sorry but I did not have sufficient time this morning, because of the urgency of other matters, to check that question. I will try to have a reply for my hon. friend tomorrow.

Mr. J. P. Nowlan (Digby-Annapolis-Kings): May I ask a supplementary question. I should like to welcome the Minister of Transport back, and I notice that he is again dealing with these matters of priority. I wonder if he has had an opportunity to check into the urgent matter of the less than carload rates—

Mr. Speaker: Order. That is not a supplementary question.

INDUSTRY

BRITISH COLUMBIA—SALE OF VICTORIA MACHINERY DEPOT

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): May I address a most urgent question to the Minister of Transport. Has the minister been advised of the closing of the Victoria Machinery Depot, the first shipyard in British Columbia, as a result of its purchase by the Burrard Drydock Company? The president made a statement to the effect the closure resulted from the failure of the government to carry through with coastguard construction commitments and the refusal to give contracts to British Columbia shipyards because of lower standards and lower prices in the east. Will the minister please advise us what the situation is regarding shipbuilding in British Columbia and the coastguard contract in particular?

Mr. Speaker: It seems to me the hon. member is covering a great deal of ground in his question. He is asking the minister to make a general statement on shipbuilding policy. I would not think the question is in order.

Inquiries of the Ministry

Mr. Winch: May I then ask the question in a different way. Will the minister please advise this house whether consideration has been given to the coastguard construction program, and whether that has any bearing on the sale of the original Victoria Machinery Depot?

Mr. Speaker: I think the question should be put on the order paper.

Mr. Ron Basford (Vancouver-Burrard): I believe the question asked by the hon. member for Vancouver East is of very great importance to the people on the west coast.

Mr. Speaker: Order, please. The hon. member has asked for an explanation of an event that has already occurred, and I do not think any answer to the question today would change the situation to which the hon. member has alluded.

Mr. Winch: Then may I direct a supplementary question to the Minister of Transport, Mr. Speaker. Are any coastguard contracts under contemplation for the British Columbia shipyards?

Mr. Speaker: This question should also be placed on the order paper.

[*Later:*]

Mr. Basford: Mr. Speaker, I should like to address a question to the Prime Minister. Has the Prime Minister received a wire from Mr. Harold Husband regarding sale of shipbuilding facilities at the Victoria Machinery Depot and protesting cancellation of the construction of two coastguard vessels for use on the west coast?

Mr. Speaker: Order. Obviously the hon. member is referring, if I understand the question well, to the matter raised by the hon. member for Vancouver East. I do not think it is in order simply to ask whether a wire has been received; that matter is not urgent.

Mr. Basford: With all due respect—

Mr. Speaker: Order. Will the hon. member resume his seat and take notice of the fact that, according to the rules, if he feels he has been aggrieved and the matter is urgent he can give notice to the Chair and the matter can be discussed within a few hours, at the time of adjournment.

[*Later:*]

Mr. Winch: My question is to the Minister of Manpower and Immigration and is addressed to him in his capacity as minister of manpower. Can he inform the house of any action being taken by his office on Vancouver island or Victoria for the placement of the 150 skilled employees who are being laid off owing to the sale of the Victoria Machinery Depot Company Limited to the Burrard Dry Dock Company Limited in Vancouver.

Hon. Jean Marchand (Minister of Manpower and Immigration): Mr. Speaker, I shall inquire into this matter and report tomorrow or the following day.

FISHERIES

PROTEST BY U.S. RESPECTING NEW FISHING LIMITS

On the orders of the day:

Mr. Lloyd R. Crouse (Queens-Lunenburg): Mr. Speaker, I wish to address a question to the minister of external affairs, but in his absence I will address it to the Prime Minister. Is the Prime Minister now in a position to state whether he has yet received a formal protest or communication from Washington with regard to the proposed 12 mile limit? If so, can he say what was the nature of the protest, and can he inform the house as to the nature of Canada's reply?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I think I will have to look into that question to see whether there have been any exchanges since the Secretary of State for External Affairs spoke on the subject last Friday.

Mr. Frank Howard (Skeena): A supplementary question, Mr. Speaker. Would the Prime Minister also be so kind as to check with the Secretary of State for External Affairs when we might expect an announcement about the location of the base lines on the Pacific coast?

Mr. Pearson: I will be glad to do that, Mr. Speaker. This is a very complicated element in the whole situation, of course.

CANADIAN BROADCASTING CORPORATION

POSSIBLE USE OF EXPO BUILDINGS AS MONTREAL HEADQUARTERS

On the orders of the day:

Mr. R. Gordon L. Fairweather (Royal): Mr. Speaker, I will now ask the Prime Minister about various buildings at Expo, namely

the broadcasting centre, administration building and theatre. Is consideration being given to the use of these buildings as a nucleus for the Canadian Broadcasting Corporation Montreal complex, thus saving many millions of dollars?

Mr. Speaker: Order. I wonder whether the hon. member would not agree that this is a matter which ought not to be asked at this time by way of verbal question. If the hon. member thinks there is urgency the matter can be discussed at the time of adjournment.

Mr. Fairweather: Ten o'clock.

FREIGHT RATES

CREAM—REQUEST FOR RESCISSION OF RECENT INCREASE

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a question for the Minister of Agriculture. I should like to ask him whether he has any information to provide the house about what action the government is taking either to have the railways rescind the recently announced 1,000 per cent freight rate increase on cream shipments or to assist the producers and processors who will be put out of business if no action is taken on this freight rate increase by the railways.

Mr. Speaker: Order. I suggest to the hon. member that he is asking a question which has reference to general policy. I think it should be placed on the order paper.

Mr. Korchinski: Mr. Speaker, the urgency of the question stems from the fact that these rates will become effective on November 2; and unless some action is taken immediately, in view of the way answers have been given to questions which are put on the order paper, I believe these producers will suffer hardship.

Mr. Speaker: Perhaps the hon. member would like to give notice to consider the matter at ten o'clock this evening.

REQUEST FOR REVIEW OF NEW NON-CARLOAD RATES

On the orders of the day:

Mr. J. M. Forrestall (Halifax): Mr. Speaker, I should like to address a question to the Minister of Transport. Can he shed any further light on the questions asked earlier last week about a meeting of the government, Canadian National Railways and those affected by existing l.c.l. freight rates in the Atlantic area?

Hon. Paul Hellyer (Minister of Transport): I was meeting with the railways again this morning, and I think there is some possibility of a suggestion which might be of some usefulness. I think perhaps that it would be better if I did not elaborate until the details of the proposal have been worked out.

Mr. Forrestall: A supplementary question, Mr. Speaker. Might we expect the minister to be in a position to advise the house of these details this week or early next week?

Mr. Hellyer: I think it would take a few days to be in a position to advise the house, because the matter would have to be referred to the government for decision. That would take a few days, even if the matter were handled most expeditiously.

Mr. Thomas M. Bell (Saint John-Albert): May I ask the Minister of Transport to ascertain whether the recent C.N.R. lay-offs in Moncton are related in any way to the new rate increase and the drastic falling off of traffic in the maritimes?

Mr. Hellyer: Yes, I shall be glad to inquire into that, Mr. Speaker.

AGRICULTURE

TURKEYS—PROTECTION AGAINST EXPORTS FROM U.S.

On the orders of the day:

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): I wish to address a question to the Minister of Agriculture. Is he aware that the United States is flooding the Canadian market with turkeys which are sold here at prices below the cost of production in the United States? Is the minister now prepared to put into effect an anti-dumping duty with respect to these turkey imports?

Hon. J. J. Greene (Minister of Agriculture): I have been advised of this. As I informed the house on Friday, I believe, we are meeting with the turkey producers. Other government departments which are directly concerned with questions of trade and tariffs are also investigating the matter to see if special action is warranted.

Mr. Rapp: I hope the minister will not delay this investigation, because if he waits all the United States turkeys which are to be exported will have been exported to Canada.

Mr. Greene: I can assure the hon. gentleman that we shall act as quickly as possible to save his turkey.

Inquiries of the Ministry

AIR CANADA

WINNIPEG—OPERATION OF OVERHAUL BASE TO BE CONTINUED

On the orders of the day:

Mr. David Orlikow (Winnipeg North): My question is to the Minister of Transport. In the light of the minister's statement in Winnipeg regarding the Air Canada base, is the minister to meet with the Air Canada management to work out the implementation of the commitment he made there?

Hon. Paul Hellyer (Minister of Transport): We are working on it, Mr. Speaker.

IMMIGRATION

REQUEST FOR STATEMENT ON ADMISSION OF U.S. DRAFT DODGERS

On the orders of the day:

Hon. Michael Starr (Leader of the Opposition): I wish to direct a question to the Minister of Manpower and Immigration, to ask him whether he is prepared to make a statement at an early date about the 600-odd United States draft dodgers in Canada. In that statement will he inform the house whether those draft dodgers came to Canada as immigrants, as visitors, or in some other capacity. Also, what has been the average length of their stay in Canada?

Hon. Jean Marchand (Minister of Manpower and Immigration): Mr. Speaker, we have never been supplied by anybody with a list of draft dodgers who are in Canada.

Mr. Starr: A supplementary question, Mr. Speaker. I wonder whether the minister has had any communication with Mark Satin, who is himself a draft dodger and director of the Toronto anti-draft program. He could probably give the minister a list of these people.

CANADIAN BROADCASTING CORPORATION

SASKATOON—INQUIRY AS TO STATION CONSTRUCTION

On the orders of the day:

Mr. L. M. Brand (Saskatoon): The people of Saskatoon are waiting with bated breath for a reply from the Prime Minister regarding their television station. I wonder whether he has consulted his colleagues and is prepared to reply to the queries about this station.

[Mr. Greene.]

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I am discussing this matter this afternoon. I hope these discussions will be completed tomorrow and that I shall be able to reply on Wednesday. I know my hon. friend has waited for this reply for a long time.

Mr. Reg Cantelon (Kindersley): A supplementary question, Mr. Speaker. I hope favourable consideration will be given to satellites for this station.

Mr. Speaker: Order, please. The hon. member is making a representation, and I expect that it has been noted.

DOMINION-PROVINCIAL CONFERENCE

INQUIRY AS TO PROVINCES ACCEPTING INVITATION TO ATTEND

On the orders of the day:

Hon. D. S. Harkness (Calgary North): My question is directed to the Prime Minister. Have the two provinces which, when I raised this matter some two weeks ago, had not accepted his invitation to the federal-provincial conference to be held early in the new year now accepted it?

Right Hon. L. B. Pearson (Prime Minister): I shall have to check to see whether letters have come in. I have been informed verbally that both provinces will attend, but I am not sure whether their letters have arrived yet.

Mr. Harkness: Is the introduction of the universal medical care plan, which was the subject of legislation passed in this house, on the agenda for that conference?

Mr. Pearson: No, Mr. Speaker.

Mr. Harkness: A further supplementary question, Mr. Speaker. If the subject is not to be discussed with the provinces at this federal-provincial meeting, when is it to be discussed with them?

Mr. Pearson: Mr. Speaker—

Mr. Speaker: Order, please. If the question is not to be discussed that soon, I assume the question might be placed on the order paper.

Mr. Harkness: It may be that that matter will be discussed in the next week or so. I do not know. That is why I wanted the Prime Minister to inform the house about it.

Hon. R. A. Bell (Carleton): A supplementary question, Mr. Speaker. Could the Prime Minister arrange to lay on the table of the

house and perhaps, as is customary, to have printed as an appendix to *Votes and Proceedings* the correspondence there has been with the provinces on this important subject?

Mr. Pearson: I would have no objection. I shall get in touch with the provinces to see whether they will agree to that.

TRADE

WHEAT—REPRESENTATION AT CONFERENCE ON SALE TO CHINA

On the orders of the day:

Mr. Eldon M. Woolliams (Bow River): My question is for the Minister of Trade and Commerce. Will he or other members of the government attend the conference between members of the Canadian Wheat Board and the Chinese delegation, to be held at Hong Kong for the purpose of selling grain to China?

Hon. Robert Winters (Minister of Trade and Commerce): I shall certainly attend if my attendance is necessary. However, the negotiations in the first instance will be carried on by members of the Canadian Wheat Board which is the government's official selling agency.

Mr. Woolliams: Since grain is not being moved off farm or elevator points in western Canada, would the minister check to see whether grain can be delivered to the government elevators at Moose Jaw and Saskatoon, which have a large capacity?

Mr. Winters: I do not accept the first part of that statement, and I shall look into the latter part.

HEALTH AND WELFARE

MEDICARE—REQUEST FOR ASSURANCE AS TO IMPLEMENTATION

On the orders of the day:

Mr. Reid Scott (Danforth): My question is for the Prime Minister. In view of continuing reports in Ottawa that certain forces in the government are at work to postpone the implementation of medicare, will the Prime Minister give parliament and the country an unequivocal assurance now that so far as his government is concerned, medicare will go into effect on July 1, 1968?

Mr. Speaker: Order, please. The hon. member is repeating a question which was asked in almost precisely the same terms two or three days ago.

Mr. Scott (Danforth): But was it answered?

EXTERNAL AFFAIRS

REPORTED DISCOVERY OF ARMS ON ISRAELI SHIP IN CANADIAN PORT

On the orders of the day:

Mr. H. Russell MacEwan (Pictou): In the absence of the Secretary of State for External Affairs may I direct my question to the Prime Minister. Perhaps he might take it as notice. Can the right hon. gentleman advise the house whether arms have been found on board the Israeli ship *Nahariya*, which was taking on lumber at the port at Pictou, Nova Scotia, on Friday last? If such is the case has the minister any information to give the house on this matter, and can he tell us what action the government has taken? I ask this in the light of the answer given by the Secretary of State for External Affairs to my hon. friend from Kamloops on Friday last.

Right Hon. L. B. Pearson (Prime Minister): I shall be glad to look into the matter.

FINANCE

PURCHASE BY U.S. FIRM OF LAURA SECORD CANDY COMPANY

On the orders of the day:

Hon. Michael Starr (Leader of the Opposition): I wish to address a question to the President of the Privy Council. I wish to ask him what steps he has taken to prevent the take-over of Laura Secord by Fanny Farmer.

Mr. Speaker: Order. The question should be placed on the order paper.

Hon. Walter Gordon (President of the Privy Council): Pity. I wanted to give the hon. gentleman a sweet answer.

DRUGS

REQUEST FOR PROHIBITION OF L.S.D. AND OTHER HALLUCINOGENS

On the orders of the day:

Mr. P. B. Rynard (Simcoe East): May I ask the Prime Minister whether he is in a position to answer the question I asked him some days ago in the house in connection with marijuana and psychedelic drugs.

NATIONAL DEFENCE

USE OF RESERVE OFFICERS AS LANGUAGE INSTRUCTORS

On the orders of the day:

Mr. L. M. Brand (Saskatoon): I have a question for the Minister of National Defence. Having regard to the severe shortage

of teachers at the Canadian forces language school at St. Jean, Quebec, would the minister consider using qualified reserve officers to fill the vacancies?

Mr. Speaker: Order. The question should be placed on the order paper.

GRAIN

REPRESENTATION OF PRODUCERS ON TRANSPORTATION SUBCOMMITTEE

On the orders of the day:

Mr. Reg Cantelon (Kindersley): I have a question for the Minister of Transport. On October 11 I asked the hon. gentleman a question concerning the desirability of having representatives of the producers or grain farmers on the special subcommittee which is investigating the operations of the railway companies particularly in connection with grain marketing in western Canada. I wonder whether the hon. gentleman has an answer for me.

Hon. Paul Hellyer (Minister of Transport): I have an answer, but I do not have it with me today. I am sorry; I will bring it tomorrow.

POST OFFICE DEPARTMENT

REPORTED INTENTION TO REDUCE DELIVERY SERVICE TO FIVE DAYS WEEKLY

On the orders of the day:

Mr. Barry Mather (New Westminster): I had a question for the Postmaster General. In his absence perhaps another minister might reply or take it as notice. Is it the intention, as reported on the radio news this morning, to reduce the postal service to a five day week basis?

Hon. Judy V. LaMarsh (Secretary of State): I am informed by the office of the Postmaster General that there is a denial that any such statement was made. However, the Postmaster General will be here himself tomorrow.

WATER RESOURCES

PEMBINA RIVER—REPORT OF INTERNATIONAL JOINT COMMISSION ON PROJECT

On the orders of the day:

Mr. George Muir (Lisgar): I have a question for the Secretary of State for External Affairs; in his absence one of his parliamentary secretaries might take it as notice and give me an answer tomorrow. Has the government now received a report of the International Joint Commission on the Pembina river development project and, if so, is the government prepared to ratify the agreement as recommended by the commission in its report?

Mr. Speaker: Order. This question should be placed on the order paper.

Mr. Muir (Lisgar): Mr. Speaker, I have reason to believe that the report is now in the hands of the government. The answer could be given orally to me tomorrow, if this were permissible.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Ed. Schreyer (Springfield): My question is directed to the Minister of Trade and Commerce. Is the hon. gentleman aware that though many government agencies are compiling statistical data, none of them is compiling data with respect to the growing practice of the purchase of Canadian farmlands by groups other than Canadian, with the intention of operating them as non-residents?

Mr. Speaker: Order. The hon. member's question should be placed on the order paper.

IMMIGRATION

REPORTED SHORTAGE OF NEW APPLICATION FORMS

On the orders of the day:

Mr. L. M. Brand (Saskatoon): My question is directed to the Minister of Manpower and Immigration. In view of the fact that new immigration regulations came into effect on October 1, and since these regulations require certain applications to be made on special forms prescribed by the minister, is the hon. gentleman aware that many of the immigration offices across the country do not possess supplies of these forms; and will he do something to remedy this situation as soon as possible?

Mr. Speaker: Order. The hon. member is making a representation at the moment. In any event I do not think this is the type of question which can be asked on orders of the day.

EXPO '67

REQUEST FOR FURTHER SHOWING OF FILM ON CANADA

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): I wish to direct a question to the Prime Minister, and I do so as a Canadian sentimentalist.

Some time ago I asked the right hon. gentleman what could be done to retain in Canada that most fantastic and magnificent film of Canada which was shown at Expo at the telephone pavilion. The Prime Minister was good enough to say that he had a personal interest in this matter and that something would be done. Four weeks have now passed, and perhaps he could tell us about the progress of negotiations to have this film retained in Canada.

Right Hon. L. B. Pearson (Prime Minister): These negotiations are progressing—

Mr. Speaker: Order. Similar questions have been asked by other hon. members and the Chair suggested that such questions could not be asked at this time. I therefore make the same suggestion to the hon. member for Vancouver East.

Mr. Winch: My question relates to an answer the Prime Minister gave me four weeks ago; I was asking whether negotiations had been completed.

Mr. Pearson: They are not completed but they are progressing.

Mr. Frank Howard (Skeena): May I ask the Secretary of State whether she will make inquiries to see whether any negotiations are proceeding for the release of a film relating to Mr. Pearson?

Mr. Pearson: That is progressing, too.

Mr. Speaker: Order.

PRINTING OF CLOSING SPEECHES AS "HANSARD" APPENDIX

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. This being the day after the closing of Expo, and in order that parliament might take note in its records of the very successful way in which this tremendous project was brought to a conclusion yesterday, would the Prime Minister consider asking the house to have the speeches which were made during the closing ceremonies printed as an appendix to *Hansard*? I am sure the right hon. gentleman would agree that the speeches were very good.

Right Hon. L. B. Pearson (Prime Minister): Yes, I would have no objection. I agree that the speeches were very good. Some, indeed, were excellent.

Mr. Knowles: The last speech was the best one.

[*Translation*]

MINING

NORTHWESTERN QUEBEC—REQUEST FOR ASSISTANCE TO MINING INDUSTRY

On the orders of the day:

Mr. Réal Caouette (Villeneuve): Mr. Speaker, I would like to direct a question to the Minister of Forestry and Rural Development.

Has the minister, who visited the most beautiful constituency in Canada last weekend—namely my own—received any request for assistance from northwestern Quebec, faced at present with a precarious situation in the mining field?

Hon. Maurice Sauvé (Minister of Forestry and Rural Development): No, Mr. Speaker.

[*English*]

FISHERIES

HALIFAX—PLACING OF HARBOUR BUOYS IN MACKEREL AREA

On the orders of the day:

Mr. J. M. Forrestall (Halifax): I have a question for the Minister of Energy, Mines and Resources. Can the minister advise the house whether he has received any representations from fishermen in the area of Halifax harbour with regard to the placement of electronic equipment, buoys and so on, in the middle of the mackerel fishing area?

Mr. Speaker: Order.

PUBLIC SERVICE

INQUIRY AS TO REMEMBRANCE DAY HOLIDAY

On the orders of the day:

Mr. J. E. Pascoe (Moose Jaw-Lake Centre): I have a question I should like to address to the Prime Minister. In view of the fact that Remembrance day, November 11, falls on a Saturday this year, has a decision been taken to allow a government holiday on Monday, November 13?

Hon. E. J. Benson (Minister of National Revenue and President of the Treasury Board): With respect to the civil service no decision is necessary, because if a statutory holiday falls on a non-working day the following working day is a holiday.

• (3:20 p.m.)

SUPPLY

The house in committee of supply, Mr. Batten in the chair.

The Chairman: Order. House again in committee of supply, estimates of the Department

of Industry for the fiscal year ending March 31, 1968. Vote No. 1 will be found on page 238 of the blue book and the details of services on page 239.

DEPARTMENT OF INDUSTRY

1. Departmental administration, including grants as detailed in the estimates, $10,568,300.

Mr. Cantelon: Mr. Chairman, I have a few remarks I should like to address to the minister on this occasion. He may perhaps recall that on November 4, 1964 I brought to his attention the matter of introducing into this country the metric system. He gave me what I thought was a very courteous hearing. I was endeavouring particularly to emphasize the point that if this system is to come into operation in this country, where it is not in use now except very slightly in a scientific way, a great deal of preparatory work will be required. My attention was directed to this matter at that time because Dr. Howlett had written an article which received a great deal of coverage. It emphasized to my mind the necessity for the introduction of this system. I tried to point out that based on my own experience I felt this was a very necessary and worth-while action, that it would simplify scientific work in the nation and would be of great help to the consumers who would find it would be much simpler to compare the cost of cans of food, butter and other articles that are commonly sold.

I had hoped that by this time in 1967, almost three years later, some evidence would be before us that the government had taken some steps to institute this system. I regret to say that I have seen none at all. I doubt that anybody else has either. This does not make the matter any less important. Therefore I should like to emphasize again, without going over all the evidence I did on that occasion, that the metric system is accepted practically all over the world. It would assist us greatly in our external trade and in the operation of business within the country if we used it. It would help the consumer and would help all students in this country because they would not be compelled to learn a very awkward and inefficient system. Instead, students could use a simple and efficient system in its place. I hope the minister will have some comments to make on this matter when he gets up to speak later in this debate.

Mr. Cameron (Nanaimo-Cowichan-The Islands): Mr. Chairman, earlier this afternoon there was an attempt made on both sides of the house to discuss a serious situation in the province of British Columbia. At the time I thought to myself that it really is closely connected with the business before us now. I should like to deal with it on the basis of the responsibility of this department and the minister for the situation which has arisen in the city of Victoria.

As was pointed out earlier today, the oldest shipbuilding firm on the west coast of Canada is closing at the end of the year having been sold to another shipbuilding firm, the Burrard Drydock Company of North Vancouver. The new owners propose to shut down the firm in Victoria and cease its shipbuilding operations. In the announcement of the closure of this yard on the west coast the president, Mr. Harold Husband, reported he had had a report from a reliable source in Ottawa that the government was proposing to cancel its program for the building of vessels for the coastguard on the west coast of Canada. I do not know whether we shall ever be told what the policy of the government is in this regard or whether, as usual, we will have to wait for the evidence of its neglect to accumulate before our eyes.

What does strike me about this situation, however, is that not only has the government failed to go through with a program which has long been necessary but that there also is a much more serious failure on the part of the government to develop the Canadian economy. There is something fantastic and absurd in the spectacle of this very wealthy country apparently being unable to support a shipbuilding industry and unable apparently to support a merchant marine, when we compare Canada with that much smaller nation, Sweden, whose population is hardly more than one third that of Canada and which is today in the process of constructing new shipbuilding yards. We are not doing this for the simple reason, of course, that this government is not concerned about the development of a mature economy in Canada. It is much happier that the iron ore mined in the constituency of my seatmate, the hon. member for Comox-Alberni, should be shipped to Japan. It is much happier not to have a steel industry established on the west coast and apparently is much happier that a gradual contraction is taking place on both sides of the country.

On the east coast the coal mines are being shut down and on the west coast shipbuilding is being shut down because the government has not undertaken its responsibilities with regard to the development of the Canadian economy. I am again reminded of

the singular lack of enthusiasm displayed by the Minister of Trade and Commerce when I asked him, at a meeting of the committee on finance, trade and economic affairs, whether he did not consider that the first duty of the government is to ensure the development of the Canadian economy. The minister said that it was one of the responsibilities of the government but that the government had to be concerned also about our export trade.

I suggest that events such as the one in Victoria indicate it is time the government began to accept the role that government must play in the modern world. It is no longer sufficient for government, as this government seems to want to do all the time, merely to go through the motions of being a referee between contending forces in our society. That age is gone. It now is time for the government to become a player in the economic game of the country.

Yesterday I was interested to learn through the press of a report, which emanated from mysterious sources in the same way all such reports do, to the effect that the government has in mind a role for the Canada Development Corporation which will be very different from that envisaged by the former minister of finance, the present President of the Privy Council. The report suggested that the Canada Development Corporation would play some part in the restructuring of Canadian industry for which members in this party have been pressing for two years now. I shall be interested to see how far the government will go in this regard. It may be that the government at last is awaking to the necessity to take action to develop our own economy.

• (3:30 p.m.)

I would suggest in respect of the closing of the Victoria Machinery Depot, which will take place apparently because the Burrard Drydock Company does not consider it worth keeping open inasmuch as the government has failed to go through with its plans for a coastguard service and is still leaving us dependent on the U.S. coastguard service, although in the face of an emergency it will couple together the air force, the towboat companies and various other interests, that the government should proceed with its program of coastguard vessel construction. I suggest it is time the government took a look at this situation. I suggest that as a first step it should re-establish the shipbuilding industry on the west coast and, for that matter, on the east coast, and that it should go through with the coastguard vessel construction program. It should adopt a program of building new and more up to date vessels to service lighthouses and for buoy marking, which according to the report has also been cancelled. The government should take definite steps to encourage the development of a steel industry on the west coast of Canada where there are the natural resources to support it and where we obviously have a need for the steel that could be produced there.

One of the difficulties the shipbuilding industry of British Columbia has been facing is that in my province the workers commendably have been able to extract more satisfactory wages from their employers than workers in the same industry on the east coast and in central Canada have. Their wages are about a dollar an hour more than wages in eastern or central Canada. Even more important has been the cost of transporting components and steel supplies from central and eastern Canada. This is a clear indication that this government has abdicated its role of governing in the modern age and is going to let the whole economy wither on the vine. It merely exemplifies what a correspondent of mine had to say in a letter I received from him. He is a Canadian newspaper correspondent stationed abroad, and he remarked that in looking at his own country from abroad it occurred to him that the government is allowing the economy to veer like a tank completely out of control from one ditch to another in the hope it will be able to avoid complete catastrophe by doing nothing and by refusing to take the driver's seat in making the economy move forward in the twentieth century and into the twenty first.

It appears that this government is much more concerned about having this country as an adjunct or ancillary to our great friend next door. I am sure it considers there is something wrong in developing a forceful and viable economy of our own because it does nothing whatever to encourage it and everything to discourage it. This is just another example of the results of the government's inaction.

It is my hope that the government will not allow too many more plants to shut down because we are going to see a picture of despair in the form of the minister of manpower who valiantly tries to slip men into new slots as the slots they are now in close behind them. The slots are closing all over the country today and very soon the minister of manpower will be in the position of not being able to place these displaced people in

our economy, particularly if his colleagues who determine and control the over-all economy are permitted to have their way.

I hope the warning signals now flying in Nova Scotia and British Columbia alert the Canadian people to the dangers of leaving their affairs in the hands of a government which refuses to govern, a government, indeed, whose philosophy is that government is best when it does the least governing and interferes as little as possible. This is a government which is committed entirely to an outmoded doctrinaire system which no longer exists, that of free enterprise.

The people of Canada are now paying a huge price for this attitude and the people of my province are going to pay a very high price as a result of this example of governmental neglect to stabilize and remedy the situation that resulted in the closing of this shipyard. I am afraid this may only be the first in a series of closures which may result in the most drastic economic decline in Canada. This will surely happen unless the government finally summons the courage and intelligence to start governing and directing the economy, as only the government can in this day and age.

I have received telegrams from people in Victoria who are greatly distressed by this situation and hope we can do something to avert this local tragedy. I do not suppose we can avert it. I have no doubts whatever that the government knew very well it was not going to go ahead with the building program which might have kept this shipyard in existence. I have no doubt it has known this for many months but has done nothing about it. The government has not even warned the unfortunate victims of its folly, as was the case in respect of Dosco. If the government did not know this was going to happen, all I can say is, this is further proof that the government is thoroughly incompetent and unfit to control the affairs of Canada.

Mr. Bower: Mr. Chairman, I welcome this opportunity to speak on the estimates of the Minister of Industry because I believe he is interested in these matters. His estimates have multiplied some threefold during the period from 1966-67 to 1967-68. This would tend to make one believe he is going to work at least three times as hard on behalf of industry.

Last week during the consideration of the estimates of the Minister of Manpower and Immigration the hon. members for Waterloo South and Bow River made points which I think are very significant and have an application to what I am about to say. The hon. member for Waterloo South said that this government has been prone to allow one crisis after another to develop which should have been foreseen and avoided. He suggested that at least mitigating action should have been taken.

The hon. member for Bow River very succinctly called attention to another penchant of this government, that of operating with very little co-ordination between departments. He pointed out how this had an effect on the energetic and well-meaning minister of manpower by making him the patsy or fall guy. Surely there is a relationship between industry and manpower. If industry is not promoted and fostered sufficiently the minister of manpower will have added problems.

My constituency is located in the western end of Nova Scotia. Its economy is relatively weak as is the economy of the general area and the province compared with that in other parts of the country. Fishing, of course, is the major industry in my constituency of Shelburne-Yarmouth-Clare, but great efforts have been devoted to developing secondary industry in the area and there is an incipient growth in this respect which is all to the good. However, I should like to point out that the average income in my area is much lower than in Cape Breton, for example, about which we have been hearing a great deal lately.

• (3:40 p.m.)

Recently the small enterprises which have been growing and developing in Shelburne-Yarmouth-Clare have been faced with the horrendous situation of preposterous freight rate increases. I can think of no other way in which to describe them. I do not wish to go into a great deal of detail but I should like to take a case in point as an illustration of the difficulty small enterprises face as a result of the freight rate increases.

There has been built up in Clare in a small rural area a furniture factory which employs some 70 or 80 men. It has built up markets all over the maritimes, and a particularly good one in Newfoundland. Under the new rates the railroads are proposing the following are some of the increases. From Weymouth, the shipping point for this factory, to Saint John, New Brunswick, the freight rate proposed is $9.38, compared with the present rate of $2.68. To Moncton, New Brunswick, the proposed rate is $15.82 compared with

the present rate of $4.29. To Halifax the rate is $11.76 compared with $3.19. To Charlottetown, Prince Edward Island, the rate is $16.94 compared with the present rate of $4.60. To Sydney, where the furniture is transshipped to Newfoundland, the rate is to go from $5.36 to $17.78 for a chesterfield suite, that is, a chesterfield and a chair.

Rates like these will put this small plant and others like it out of business. They are not large enough to ship carload lots so they will be subjected to these exorbitant rates. I quote only these figures, Mr. Chairman, but there are in my area many other similar small enterprises which will be equally adversely affected. It seems to me that the Department of Industry should be equally as alert to prevent the demise of industries as it is to encourage new industry.

I come back to my original point, the one made by the hon. member for Bow River. I believe that the Minister of Industry should make it a point to play an effective role with his colleagues in seeing that these proposed freight rates are not put into effect. I again refer to the point made by the hon. member for Waterloo South and his criticism of allowing crises to occur. This is just the sort of thing that should be avoided, and I believe the province of Nova Scotia and probably all the maritime provinces will be very alert in watching to see what is done in this regard.

I should like to spend a moment discussing the fishery, the main industry of my area. Here again, through lack of co-ordination the growth of the industry is being severely circumscribed because of the lack of increased facilities in the infrastructure of the industry. I have here a copy of the Yarmouth newspaper with a picture of the public wharf just after it was built. I believe it was completed in 1964. The picture shows that there was at that time a normal amount of shipping around the wharf. A picture taken during the first week of October shows that you cannot see the wharf for ships. The seiners and trawlers are clustered around it, and in places these ships are six or seven deep. Obviously crowding to this extent inhibits efficient fishing operations. I take this opportunity of calling to the attention of the Minister of Industry the fact that here is an industry whose growth is being impeded by inadequate facilities. I also point out that this is occurring in an area where the economy is fragile.

The laying off of 70 or 80 men in a constituency such as mine, in an area such as the one in which the furniture factory to which I have referred is located, is equivalent to the laying off of thousands in a larger area. I ask the Minister of Industry to make it a point in his dealings with his colleagues to emphasize the need to avoid freight rate increases that are out of all proportion and will have the effect of killing the existing industries that we have. I also emphasize the necessity of providing new facilities and the enlargement of existing facilities where this is necessary because of the growth of industry.

Mr. Scott (Danforth): Mr. Chairman, there are a few brief comments I should like to make in connection with these estimates. One of my colleagues say that is a refreshing change, but I understand there is agreement that these estimates will be passed by five o'clock and I know that other hon. members wish to participate in the debate. Therefore it is not possible, as I would have liked to have done, to review this interesting department, but I know how much the minister enjoys sitting in the house and listening in his genial, friendly and co-operative manner to comments from the opposition.

• (3:50 p.m.)

However, I cannot but hark back to the birth of this department. It was an event likened to the coming of the second messiah. It was the great new department which was going to cure all our problems, rationalize all Canadian industry and implement adjustments in the automotive industry. It would also take care of any trade adjustments under the Kennedy round. In short, it would do everything in a wonderful way.

The minister has learned the great art practised in Otttawa. Not only does he know his way around as a former deputy minister but he has also developed the political techniques of how to build an empire. The size of this department has increased in a completely inverse ratio to its accomplishments. It has trebled in size. No matter what we on this side of the house say the minister goes about in a lively way surrounded by his prize whiz kids and determined to preserve his view that the opposition are a bunch of dunderheads who really do not know anything anyway. He merely tolerates us as his estimates go through the house.

I would have liked to go through his department in detail but we had a good go at it last time and I know the minister must get away. As I said, I am not sure it would be productive or that there would be any real purpose in doing so. As an empire builder

the minister is wonderful. He has out-Caesared Caesar himself, at least so far as the growth of the department is concerned.

I want to say a word or two about the automotive pact which, as the minister knows, is my perennially favourite subject. If he does not have an opportunity to answer a couple of points I wish to raise, perhaps some of the departmental officials might send me some information about them if it exists. We are told on good authority that great pressure is being exerted by the United States government, the United States motor car companies and their subsidiaries in Canada for a drastic reduction in the Canadian content under the agreement with the possible goal of eliminating it entirely. If this is true we should know about it. It is not necessarily a bad thing if it is prepared for. If there is a sufficient competitive advantage on each side it may be a desirable end. However, I hope the government will not keep it a secret until the last moment as it has done with everything else under this agreement.

I hope the government will make this type of information available. I realize that at least in the initial years some built-in protection is perhaps necessary under the agreement but it may be that it is possible to reduce it later and perhaps in time remove it. I would like to hear the minister's comment in this regard. However, we know there is pressure from the United States and we should like to know its source and strength and the government's likely response to it.

I think that in one area the agreement has been a total failure. Everyone admits that employment has increased in the automotive industry and that because of changes dislocations are not as great as they were. In fact I think there was only one case this year. It occurred in the Chrysler company and it was not really serious. Of course we do not know whether the general expansion in the automotive industry would have taken place in any event. But in one area, that of prices, the agreement seems to be a failure.

When the agreement was approved by parliament some years ago one of its great selling points, both inside the house and more specifically outside the house as stated by the Secretary of State for External Affairs, was that it would ultimately result in a reduction in prices and that the advantages given to the companies under the agreement would in a reasonable space of time be passed on to the public in the form of lower automobile prices. We heard of the $50 million which the poor, debt-ridden General Motors Corporation and the others needed to build new plants. They needed it like a hole in the head but they got it just the same. The straw which was thrown to us was the statement that this would bring about lower prices. This did not happen. The public has been sold out by the government. Prices have not come down. The consumer has not benefited in any real way. The disparity in prices has not narrowed, as we were told it would, and the promise that the public would benefit has not been fulfilled.

Why does the minister not take the one obvious step which would accomplish this? For several years now we have asked the government to remove the tariff on automobile imports as it applies to individuals. It is true that the companies have this advantage, but why does he not give it to everyone else? This would be the most effective way of forcing the motor car companies to reduce their prices. If they did not want to do it all one would have to do if one lived near the border would be to drive over to Buffalo and buy a car there and the $200 one saved would give one a good week end while over there. I do not understand why the government continues to sell the public short and will not take any steps to remedy this situation.

The other question I should like to put to the minister is with regard to his position on trade adjustment assistance. To what degree is this matter dealt with by the Department of Trade and Commerce? We have been told for years now that Canada's salvation lies in the trade adjustments taking place under the Kennedy tariff cuts. We also know that in the short run this may well mean a significant hardship for Canadians. Many of our small industries which have grown up behind tariff walls will probably die when these walls are blown away by the new trade winds. We have never been able to get a commitment from the government for a trade adjustment act and genuine trade adjustment assistance. What is the position of the department in this regard?

I know that the Department of Industry has cannibalized many other departments to build its own staff but how will it co-ordinate its work with, for example, the Department of Trade and Commerce and the Department of Finance in order to convince not just the business community but labour and the municipalities which have just as big a stake in whatever industrial changes will take place? It is not good enough for the minister

to run around the country holding conferences with business alone. Municipalities have great investments in these communities and there is a great capital debt built up. Unions have the investment of their men in these communities. I would like to know how the department will deal with the whole problem of trade assistance under the Kennedy tariff proposals in the next year or two.

Finally, I cannot help but make reference to Dosco in view of the minister's speech the other day in which he spoke about focusing on specific economic and technological problems, etc. These are very nice and good words. We have heard them from him ever since the department was established. I was in Sydney before the last general election attending a nomination meeting. I went down there primarily out of interest in the area. The economic problems of Dosco, its run-down equipment, its lack of proper markets, and the unwillingness of the owners to modernize and to seek other products and other markets have been known for five years. This has been a known fact both in that area and in Ottawa. I should like to know whether the department is taking a look at sick industries and, if so, what kind of studies are being made.

These are the only points I wish to raise and I believe they are relevant to the future of this department. I have never been impressed with the department. I am told that half of the whiz kids sit around in utter frustration because there is no real cohesion, no real direction from the minister in assigning projects. I know that many provincial representatives have given up because they cannot find what the department is studying when they come down here to talk to the department. It is all very hush, hush.

• (4:00 p.m.)

There may be a place for this department. It seems to me that at the moment its status and its co-ordination with other important departments have not been defined, have not been effectively worked out. If we had the time I should like to spend a few hours with the minister asking him for more specific answers to some of these questions. As I say, the minister may be able to satisfy us on these points. I hope he will at least try. With these words we will let the minister go for another year.

Mr. Fulton: Mr. Chairman, I should like to put a couple of questions to the minister, one of a general nature and one of a more specific nature.

I am bound to say also that in putting the questions I appreciate the fact that all members of the committee are in the same difficult position as I am because of the ridiculous 30-day limitation on the discussion of supply. We find now that we have two and a half days left for discussion of the estimates of several important departments. A number of members make general remarks as well as asking specific questions. These take the whole of the one day now allotted to each remaining department, so the minister is able to ride it out comfortably by simply sitting there and not dealing with our questions. Then, if there are any objections that by the end of the day he has not answered any questions, he says there were so many members who had things to say, that he wanted to hear everything they had to say, and the time allowed expired before he was able to answer questions.

The result will be that members who have had serious questions to ask are left without answers as a result of these rules. Another result of this situation will be that some time Thursday hundreds of millions of dollars, probably billions of dollars of estimates will be passed in a few minutes, the subject matter of many of which have not even been referred to, let alone discussed in committee of supply. Discussion of the estimates will be closed and scores, if not hundreds, of questions that have been asked will be left unanswered.

As I say, the Minister of Industry is not responsible for this rule. However, I feel it is important we should point up the situation as I am doing now, because the position it leaves this committee of supply in has now been amply demonstrated so that it should be obvious to everybody that the continuation of this rule should neither be sought nor acceded to if it is sought. In addition, I should like to suggest to the minister with regard to his current estimates that he should consider following the course of answering questions as they are addressed to him, even although there may be other speeches to be made later and other questions to be asked later.

This brings me to my question. I should like to ask the minister if he can tell us whether any appreciable change is contemplated at the moment in the list or composition of the designated areas across the country? I may as well tell the minister that there have been rumours that he is contemplating making an important statement in the very near future in which he will say that a review has been made and the situation of a

number of designated areas has improved to the point where they can now be—how will I put it—de-designated. I am asking the minister whether in fact he is contemplating any such move. If so, will he take the committee into his confidence today by giving us a list of such areas and a summary of the progress made as well as the reasons these areas are to be removed from the list?

Second, I should like to renew a request I made of the minister with regard to my own area of Kamloops and particularly the district of Merritt within that area. In my constituency, sir, we are immediately adjacent to another splendid area of British Columbia, the Okanagan valley. I should make it clear that the Thompson valley in which Kamloops is and the Okanagan valley are contiguous but they are not the same, although their physical, geographic and economic bases are very much the same. However, we find ourselves in my district in a non-designated area whereas the Okanagan—I may say to everybody's surprise including initially that of the premier of the province—is at least the first of not the only area of British Columbia which was designated. I may say that Premier Bennett was greatly surprised to be told that his home town area, including Kelowna, was designated as the poorest or as having a standard of income lower than any other part of British Columbia. However, I believe Premier Bennett has been able to reconcile himself to that designation because it has been found to be of substantial benefit to the Okanagan.

But the result has been that industries which have been contemplating settling somewhere in the interior of British Columbia have, understandably, all gone to the Okanagan area. May I say to the minister in all sincerity that I have been asked to take up this matter by my constituents, not in the spirit of a dog in the manger saying that he should take designation from the Okanagan and give it to the Kamloops area. On the contrary, we are happy if it is helping them, but if you feel you must leave them as they are, then you must also designate the Kamloops area which has the same basic geographic and economic features.

There have been at least two specific instances which have concerned our people in the Kamloops area, where industries which had first been considering settling in Kamloops have been attracted to the Okanagan area by these various incentives. The two areas are only 70 miles apart, but as they have the same access to markets, the same availability of labour and so on, it is only natural that with the incentives the industries have gone to the Okanagan area. Kamloops businessmen are now having to compete with subsidized businesses in the Okanagan area.

Those people on whose behalf I am speaking are not resentful of the good fortune that has come to the Okanagan by virtue of being designated. We do say, however, that it was never the basic intention to create such discrimination between two immediately adjacent areas as results from designating the one area and not designating the other. So I repeat my request to the minister that the Kamloops area be designated. Indeed, early this spring when we had the matter under discussion by way of correspondence, the minister said that the whole basis for designating areas was to be reviewed and that he would be in touch with me after that. I hope that as a result of the review he will be able to tell me that the Kamloops area will be designated.

Within this area there is the particular district of Merritt, which suffers from the economic disadvantage of having had a decline in employment in the area. The town is primarily dependent upon the Craigmont mine, a strip mining operation which has been closed, and upon a number of lumbering industries which will suffer a further decline in employment in the near future as a result of having their allowable quotas cut under the provincial forest regulations. Merritt now has an emergency situation. I hesitate to apply this description to any area but Merritt has an economy which is definitely depressed in relation to the economy of the rest of the interior of British Columbia and with relation to the area immediately surrounding it.

• (4:10 p.m.)

Therefore I would ask the minister and the minister of manpower to get together and arrange that the Merritt portion of my constituency be included within the jurisdiction of a manpower centre in the Okanagan area of designated area thereby including Merritt within an area that has already been designated. That is to say, Mr. Chairman, if we find that there is going to be delay and difficulty in getting the Kamloops area as a whole made a designated area, then I hope the minister and his colleague, the minister of manpower, will immediately get together and work out an arrangement whereby the Merritt portion of this area can be included

within an Okanagan manpower centre, so that it will at last get the benefit of being included in a designated area.

These matters have been under discussion with the minister by way of correspondence since the beginning of this year and I recently renewed the request to transfer this area, but I see no indication of any progress. Perhaps something is on the verge of being done. But I bring these matters up now, Mr. Chairman, on behalf of my constituency in this commmittee of supply and I press them here, because in my view the situation in these two areas not only demands action now but also indicates the measure of unreality in the methods by which areas are designated and the undesirable consequences that flow from those methods.

And I remind the minister that I couple this request for action in these particular cases with the request for information in the general case, namely, that the minister should let us know if there is under contemplation any substantial change by way of moving areas out of the category of designated areas into the category of non-designated areas.

Mr. Brewin: Mr. Chairman, I wanted to ask the minister a question about a matter that I think falls within the purview of his department. It has to do with plans for the economic development of the 11 eastern counties of Nova Scotia.

The other day I happened to be in Calgary at a meeting which was attended by the minister of forestry. In the course of a very eloquent speech about the virtues of economic planning the minister of forestry gave as an example of the economic planning that is going on under the aegis partly of his department, other departments of the government and other provincial departments the extensive surveys that have been undertaken of the potential economic development of the 11 eastern counties—I do not have his speech in front of me but I think there are 11—in Nova Scotia. I might say that this was just about the time of the announcement of Dosco's proposal to shut down the steel plant at Sydney.

The minister said that these surveys had revealed that by far the most promising development in meeting the serious economic needs of the region related to deep sea harbours on the strait of Canso that would be capable of berthing the supercarriers which, according to the rather enthusiastic account of the minister of forestry, would be able to carry ore and potash to every corner of the world. I think the minister mentioned during the course of his remarks that the natural advantages of these harbours far exceeded anything presently available in the United States.

As I say, Mr. Chairman, the minister gave this illustration of the virtue of economic planning by various departments. As I remember, he went on to point out that the various departments of government with which he was concerned in Ottawa could not plan effectively to deal with the problems of agriculture in the area without there being economic planning to deal with other developments in the area, and in this regard he cited this particular prospect in Nova Scotia which I think he described as exciting.

I too think this is a very exciting prospect, but as the Department of Industry would surely be concerned about this question—indeed, every department of government should give its co-operation in view of the prospect the minister of forestry spoke of—I should like to ask the Minister of Industry whether his department is aware of this situation and is co-operating in achieving the co-ordination that will be required with other departments. It seemed to me that the matter did not fall under the jurisdiction of the minister of forestry except as it affected certain aspects of agriculture in the area but that it affected the government as a whole, particularly the Department of Industry and this minister.

It seems to me that either this prospect should be explored with all possible vigour, with full assistance from other departments of the government and the government of Nova Scotia, or if it is just a dream or fantasy and these economic surveys do not evidence the prospect that the minister outlined then this should be made perfectly clear. Otherwise the whole thing is a delusion, a snare, and amounts to a mockery of the people in that part of the country who are so deeply concerned that something be done to deal with their economic problems. I should like to ask the minister to deal with this matter when he replies.

Mr. Rynard: Mr. Chairman, there are a few comments I should like to make. First of all, may I say how glad I was to see the minister in my part of the country a few months ago. I thought he did a very good job in opening the new building. As a matter of fact, as he went around on tour he looked at this and looked at that and it reminded me of the story about Checkpoint Charlie. I do not

say that unkindly. The minister was asking how this was done and how that was done, the reasons for this and the reasons for that, and this was all to the good.

I should like to ask the minister whether there has been any consultation with the provincial governments through his department in connection with sharing the cost of helping industry to establish itself in low growth areas. I refer to programs additional to those now being operated by his department. If he has had consultation, will he tell us what the situation is? If not, when is the department going to conduct consultations on this point?

• (4:20 p.m.)

Many of these slow growth areas have residents who have to travel some distance to work in other towns or cities. These workers commute from their own town or city, which provides them with hospital, school and ancillary services without receiving compensatory taxation, to work in another town. Their own town derives no benefit from the industry but the city where they work does. The views of those who will present briefs on the Carter and Smith taxation studies with respect to depressed areas will need to be considered.

My second question is, what assistance is industry being given to make changes which will eliminate air pollution? Such assistance is most important as air pollution may have a very detrimental effect on the health of Canadians. Is the Department of Industry assisting plants to make those changes which will diminish air pollution? Extensive changes must be made in many cases.

I realize that help is given to industries in acquiring land and in getting rid of refuse heaps that may be lying around and detracting from and polluting the ground. My question is, is air pollution being considered? If not, will the minister say so. Pollution concerns the Department of Industry, the Department of National Health and Welfare and the Department of Energy, Mines and Resources. These three government departments must work together in coping with problems of pollution.

I also wish to ask whether the minister knows what Canadian industries will be hit by the Kennedy round of tariff adjustments. I am thinking particularly of the chemical and shoe industries. What will happen to the chemical, shoe and allied industries once the adjustments come into effect? Have any ground rules been laid down to protect them so that they may keep on manufacturing in this country?

I also wish to ask what the government has done to protect the drug industry? What is the score there? I wish the minister would indicate what steps may be taken to protect our drug manufacturers, what studies have been undertaken, what are the results of those studies, and what the government proposes to do generally to protect our drug industry.

I also wish to ask whether industry has been consulted with respect to building industrial plants in designated areas where there is high unemployment. At present our program in this regard is a hodgepodge across Canada. Knowing of this hodgepodge, I wonder what satellite towns may have been planned, if any. It is all very well to locate industries in certain areas and satellite cities in another area, but transportation facilities must be provided to take the workers from their homes to the factories and back. Otherwise they will use their cars, with all the resulting pollution. Are there guide lines for this problem?

I believe the questions I have asked are of great interest to Canadian industry. Planning to take care of industry's requirements must be undertaken now. We should not wait until problems come crowding in. For these reasons I have asked the minister to give up his ideas and to let us know what has been done in the fields I have spoken of.

[*Translation*]

Mr. Mongrain: Mr. Chairman, I have only two very brief remarks to make on the Department of Industry and Defence Production estimates. They may seem repetitious because they have been made already but, as we say, each one must look after his own interests.

First of all, I should like to second what one of the hon. members of the official opposition said this afternoon when he urged the minister to take steps for the adoption of the metric system, or at least to look into he possibility of adopting it here. I second that suggestion for a rather peculiar reason: for two years now, I have had a notice of motion on the order paper recommending to the government that a commission should be set up to study the best means of adopting the metric system in Canada.

It is a rather long process. One can assume that it will take eight, ten or twelve years to implement it everywhere in Canada, but I

feel that Canada is already late in this regard.

A few years ago, Great Britain appointed a committee to study the matter which committee recommended that the metric system should be adopted in Great Britain. Recently, the same was done in the United States, and I feel that if the Canadian government delays too much in taking similar steps, we will wake up and find ourselves somewhat isolated amongst western countries with which we deal. As private members, naturally, we can give notice of motions. But we know the process is long and that it would be much simpler if the minister decided to appoint a committee to study how best the metric system could be adopted as soon as possible.

So much for my first comment. I wholeheartedly support this recommendation made by one of the members of the official opposition.

My second observation is somewhat in the same vein as those made by some other hon. members with regard to designated areas. I know that there can be no perfect laws, but I think there is some injustice in certain cases. Take for example the case of my own riding. The towns of Trois-Rivières and Cap-de-la-Madeleine certainly cannot be considered underdeveloped and badly off to the point of being chosen as designated areas. But I think that to establish standards according to the prosperity of the towns of Trois-Rivières and Cap-de-la-Madeleine is unfair because there are many small municipalities around those two large urban centres which are not designated and where there is much unemployment.

Those jobless people are coming to Trois-Rivières and Cap-de-la-Madeleine and taking the jobs away from the citizens there. That creates a difficult situation because many of them come from rural parishes, where farms are so unproductive or the soil so sandy that they cannot be cultivated economically enough to enable them to support their families. Consequently, a great number of municipalities have a very high rate of unemployment and many jobless come to Trois-Rivières and Cap-de-la-Madeleine where they take the jobs away from the citizens of these two cities.

I wonder whether it would be possible, when the departmental officials make surveys to establish standards and determine whether an area can be "designated", to parcel out the area because, if I understand well, an area covered by the unemployment insurance office has better chance of being taken into consideration. Therefore, I think that the areas which are not entities or have nothing in common with Trois-Rivières and Cap-de-la-Madeleine should not be part of that territory. I have in mind, for instance, Baie-Jolie, Trois-Rivières-Ouest, Pointe-du-Lac, Yamachiche, Saint-Étienne-des-Grès, Saint-Boniface, Saint-Barnabé-Nord and a few other small municipalities such as Saint-Thomas-de-Caxton which have no industries but would welcome a few because they are not very far from centres such as Trois-Rivières and would be in a position to offer appropriate services which would enable those people to earn their living at home instead of coming to Trois-Rivières or Cap-de-la-Madeleine, to take jobs away from those who live in those two cities, who pay taxes and who contribute of course to the creation of the services used by the residents.

• (4:30 p.m.)

I am pointing it out to the minister, and I am reminding him that I have taken the liberty of writing him to that effect in the past days, in order to explain the situation, because once again I feel that if the whole area covered by the unemployment insurance commission is reviewed to establish those standards, I think that such a procedure can lead to discrimination. It would be advisable to set aside a part of that area and consider it as a distinct unit and to designate it so that a few medium size or small industries could establish themselves there, benefit from the resulting advantages and, finally, clear the congested industries of Trois-Rivières to enable residents of Trois-Rivières or Cap-de-la-Madeleine to earn a livelihood.

Mr. Ricard: Mr. Chairman, I cannot let the estimates of the Minister of Industry and of Defence Production (Mr. Drury) be considered without making a few remarks. But I will be very brief.

I come from a constituency, particularly from a city, where the textile and the shoe industries are the most important. Naturally, the Kennedy Round negotiations did not fail to cause some concern among many of the industrialists in my area and I should like to call the attention of the minister to the importance of these two industries. At home, the textile industry gives work to many people and imports from Japan, Asia, Italy and many other countries should not be allowed

to deprive the workers of my city and of my constituency of the wages to which they are entitled.

I should like to ask the hon. Minister of Industry to take the measures required to protect the jobs of these workers.

The same holds for the shoe industry which has suffered considerable losses in the past years. It is known that since 1962, 28 shoe manufactures in the province of Quebec had to close their doors as a result of the competition from countries that are called underdeveloped.

Products imported from these countries into the Canadian market have unfortunate result for Canadian workers and I should like to ask the hon. minister to take measures so that the necessary protection is given to those of my compatriots who get their livelihood from the textile industry as well as from the shoe industry.

Mr. Caouette: Mr. Chairman, I shall be very brief, but before agreeing to the estimates of the Department of Industry and Defence Production amounting to $146,785,-300, which is a rather large sum the minister, I feel, should be reminded that his department must not operate only in one area or in a few areas of Canada but in all of them.

The $146 millions we are asked to vote should not all be spent in Montreal, Toronto, Winnipeg, Vancouver or Edmonton. Other areas should also be thought of, and among these there is my own area of the northwest of Quebec.

We see here, for instance, in a statutory item, that the department will spend $29,-000,000 to stimulate creation of jobs in industry in certain areas of the country.

Well, as far as my own area is concerned, it has not been recognized as a designated area, because according to the government departments, the number of unemployed does not allow the area to be designated. I want to call the minister's attention to the following fact: When mines are closing—for instance the one that was devastated by fire last week, as a result of which 250 to 300 miners have been laid off—these people are not considered as unemployed. Most of them live on farms and, as farmers or settlers, they are not considered as unemployed. Others who receive social welfare benefits, are not considered as unemployed either, and besides all those, we have thousands of people who, according to the department, are not considered as unemployed.

[Mr. Ricard.]

It does not matter whether the Department of Industry or the Department of Labour is concerned, one fact remains: our area is deprived of industries merely because the departments say that it is an area that cannot be designated, since there are not enough unemployed.

Another point is that several of those miners who are laid off or discharged leave the mines to go to northern Manitoba, northern Ontario or north of Amos which is in our area, but some 180 miles from where we live.

Mr. Chairman, I think the Department of Industry should anticipate those situations —somebody talked about planning—especially when one knows what will happen. The minister must be aware that some half dozen mines will perhaps close down within two or three years in our area, including the Quemont and Lake Duffault mines. In fact, even Noranda may have to lay off from 800 to 1,000 men in seven or eight years, since its production will be reduced. What do we have to replace those mines? Absolutely nothing.

Yet those people have lived in the area for 40 and 45 years and after 40 or 45 years, men of 60 or 65 years of age and their families have to leave the area, when it would be a lot easier to encourage the establishment of secondary industries in our area after all which is a civilized one, and one of opportunity.

For instance, what step is the Department of Industry taking at the present time to assist the exploration for new mines, with regard to prospection? We all know, including the hon. minister, that there are enormous iron, iron pyrites, zinc, nickel and copper deposits in our area. The deposits are there. The question is to locate them, to develop them by opening up new mines.

If it is necessary then to encourage companies by means of a tax reduction. I think this would make it possible for them to employ thousands of people who, in turn, would pay income tax and thus help replenish the federal treasury. But no, nothing is being done. It might be said that the whole matter comes under the jurisdiction of the province of Quebec. That may be, but nothing prevents Ottawa from co-operating and assisting in the locating of those deposits or the possible establishment of new industries.

• (4:40 p.m.)

We have just heard, Mr. Chairman, the Minister of Industry, but the minister of energy tell us, for example, that we grant subsidies to gold and coal mining in our region

in order to allow these industries to disappear peacefully.

Yet we are sure that we are able to export all our gold production to the United States. The United States undertake to buy all the gold we produce. We are told that we must grant subsidies and that this costs Canada more than to buy gold from other countries and pass it on to the United States.

Mr. Chairman, according to this line of reasoning, it appears that we sell the wheat produced in western Canada below cost. The government has never mentioned the possibility of cutting down wheat production. Yet, we are not sure that we can sell our entire wheat production. In spite of that, the government has agreed to pay for all the wheat produced in western Canada, even if it cannot be exported.

All our gold can be exported, and that is guaranteed. The same applies to Dosco steel in Cape Breton or Sydney. We are certain that our entire output will be exported. I understand that this steel will have to be marketed at the best price, or at prices lower than production costs but, Mr. Chairman, that does not alter my argument to the effect that we can export our total output of these products, because some countries have indicated they would purchase our full production, whereas, in the case of wheat, we have no certainty of exporting all our production.

Mr. Speaker, I come to my point, namely that an area such as mine, where many young people are in fact unemployed, although not considered as such, should be included among designated areas and get government assistance for the establishment or development of new industries.

We should also get aid from the federal government for the exploration of new ore bodies and the establishment of new mining operations in our area.

Mr. Speaker, I fail to see in the department's estimates—even if we hear about funds to help create new job opportunities in industry in some areas of Canada, not even in the details at page 241—any aid for the northwestern Quebec area. It is vague.

We know that the department will spend $146 millions, that is an increase of $95,802,-899 over last year. But long suffering areas are forgotten. I warn the minister that the problem will be tricky, it will be serious in a few years. Now, is the time to prepare for it. A government which is a good administrator foresees calamities or economic tragedies.

If the government does not take a stand at the present time and does not take action to assist certain areas in the northwest of Quebec, or the northeastern region of Ontario which includes Timmins, Kirkland Lake, Cochrane, Hearst, up to Sudbury, we shall be faced, in a few years, with a manpower problem, with an intolerable situation quite inacceptable in a country such as ours.

World markets can be found for the iron produced in our area, which might promote the opening up of four or five important mines for its extraction and, furthermore, its processing at home, in our area.

But markets are not sought, and no attempt is made to increase our production or develop new industries.

Mr. Chairman, I feel that the government may not have any solution. Yet, we have one that the government refuses either to apply or to use. When we ask, for instance, that our financial institution called the Bank of Canada should be used to finance the development of our natural resources, the government is at a loss to understand this. If the government rejects our solution, our theory, let it at least offer one. Under our present system, there is still no solution and the government keeps harping on the same string year after year. For the past six years, we have been calling the attention of the Department of Industry and Defence Production to our problems. For six years, we have been passing estimates, and for ten years, we have been discussing—

—general incentives to industry for the expansion of scientific research and development in Canada.

Scientific research for what? For the application of what, the development of what? Money is being spent in large centres, true enough, but in centres outside our area. Let us take for instance, the zinc refinery that was built in Valleyfield, Quebec, to treat the ores coming from northwestern Quebec or northeastern Ontario. Why was that industry, which was established with assistance from the federal government, or perhaps at its suggestion, not set up in our area? Had the hon. minister or the government intervened with Noranda Mines, I am convinced that it would have agreed to build its plant at Rouyn-Noranda or Val-d'Or, or in our area as readily as at Valleyfield.

Why, for instance, were the directors of Noranda Mine not told: You will be exempted from taxes or income tax for a period of three years? The mine would thus have

employed 800, 1,000 or 1,200 additional workers; it would have created employment opportunities and stimulated the economy of the area which has been neglected for so many years.

Mr. Speaker, I urge upon the minister that action be taken to help the development of the area, since that would encourage the pioneers of northwestern Quebec or northeastern Ontario to stay there. By so doing, the minister and the government would help brave people, who were courageous enough to go and settle in that area and operate those mines which have already been beneficial not only to the region but to the whole of Canada.

Our gold mines have served the monetary system with which the present government is struggling. This is not the time to say to the miners and gold mining companies: Close your doors, get lost, we are anxious to stop paying you subsidies.

If we can subsidize steel production and the wheat which we sell at a loss, we can also grant subsidies to keep our gold mines operating, since we are sure of selling the whole production to the United States, thereby restoring our trade balance. In this way, our gold would at least help to get Canada out of its present financial deadlock.

Mr. Chairman, those are the few thoughts which I wanted to put forward during the consideration of the estimates of the Department of Industry and Defence Production.

I feel that the minister, who knows the northwestern region with its 183,000 inhabitants—yes, 183,000—should take a decision and order his department to make a survey of the economic conditions, in order to include it among designated areas. I hope he will promote the establishment of new industries, in order to keep our people there and to attract others, because we have the available space, some favourable places where families could earn their living, but as long as the governments provide some incentives instead of strait jackets as in the present case.

• (4:50 p.m.)

[*English*]

Mr. Watson (Châteauguay-Huntingdon-Laprairie): Mr. Chairman, I should like to mention two items which relate indirectly to the Department of Industry. The first has to do with the extremely serious labour problem existing in areas of our north where our native people, be they Indian or Eskimo, make up the dominant proportion of our population.

[Mr. Caouette.]

There can be no dispute with the suggestion that between 40 per cent and 50 per cent of our adult male Indian population is unemployed. There can be no dispute that there has been less co-ordination between the department of Indian affairs, the department of manpower and the Department of Industry in seeking solutions to this extremely serious labour problem than is warranted by the seriousness of the problem. The time is long overdue when the three departments should be directly concerned and when their representatives should get together with representatives of northern based industries and provincial labour departments to ascertain how more Indian and Eskimo labourers can be induced to join the Canadian labour force.

The solution will necessitate the payment of subsidies to employers through the minister of Indian affairs and a designation by the Ministry of Industry of all areas in the Canadian north where these people live to enable special tax incentives to be awarded in these areas of Canada. The excuse for non-designation is that these people do not form part of the labour force or unemployment statistics. This is nonsense because these people are unemployed and the statistics in respect of their unemployment are available to the minister of Indian affairs. It appears to me that neither the minister of manpower nor the Minister of Industry has taken the trouble to find out what is the number of Indians unemployed in the determination of their policies in respect of designated areas. Almost the entire Yukon and Northwest Territories, with the exception of those areas where there are active mine developments, should be designated to be eligible for benefits under the terms of the designated area program.

The hon. member for Churchill has often spoken in favour of designating similar areas in the northern part of Manitoba. In view of the extremely serious Indian unemployment problem I find it intolerable that we should allow this situation not only to continue but to grow worse. The educational program of the department of Indian affairs is now producing a number of high school graduates who for the most part are untrained in the industries which operate in the north. These graduates are returning to their reserves and in a very short period of time, because they are not equipped to deal with the basic requirements of their reserves and because they are not equipped to fit into the new industries developing in the north, they become worse off than perhaps they might

have been had they stayed on their reserves and continued as their forefathers, spending their early years on the trap lines.

I urge the Minister of Industry to meet with representatives of the department of manpower and the department of Indian affairs to initiate a solution to this problem. The Minister of Industry should, before he announces any further change in the designated area program, give serious consideration to the adoption of a policy to relieve this unemployment. The problem is not as serious so far as the Eskimo is concerned, but there are areas in the north where Eskimo unemployment does exist. Policies of the Department of Industry may not entirely solve the problem but could contribute to a final solution.

The second subject I wish to touch upon today is the Canada Development Corporation. I assume that when this corporation is formed it will come within the jurisdiction of the Minister of Industry and that is why I wish to refer to it for a few minutes at this time. I do not particularly like the name and feel that a more specific name should be adopted. This title has stirred up unnecessary criticism and fear in Canadian business circles because businessmen do not know in which areas it will operate and extend its influence. One area where it should operate and extend its influence is in the area of development and exploration of mineral and oil resources. Perhaps it could be called the Canada natural resources development corporation. In this way there would be fewer fears and apprehensions about its creation.

There is necessity at this time for the creation of such a corporation. The experience of even the last few years demonstrates this fact. If we are to retain any sort of control of our own economy such a corporation must be put into operation. Let me give several examples of recent Canadian mineral developments which might have been retained in Canadian hands had a natural resources development corporation been on the statute books. Perhaps the most dramatic example is the Rainbow oil field in Alberta.

• (5:00 p.m.)

I have here a clipping from the *Financial Post* of January, 1967. The article deals with one of the men who was responsible for finding the Rainbow oilfield, Mr. J. C. Rudolph. Among other things it indicates that Mr. Rudolph was extremely disillusioned about his inability, after this discovery was made, to find Canadian capital to assist him in developing the field. It turns out that this field is one of the major ones in North America. The cost of production per barrel is fantastically low and consequently the profit will be fantastically high.

Because Mr. Rudolph was not able to find Canadian capital, what has happened? The field is now pretty well owned by a combination of Aquitaine of Canada, a wholly owned subsidiary of Société Nationale des Petroles d'Aquitaine de Paris, which holds 45 per cent, and Mobil Oil of Canada which holds 50 per cent. The original company which Mr. J. C. Rudolph controlled, Banff Oil, is now 44 per cent owned by Aquitaine. I cannot accept that the French government, which controls Société Nationale des Petroles d'Aquitaine de Paris, should control a substantial percentage of our natural resources when, had we had the Canadian Development Corporation, the Canadian people could have had direct participation in this natural resource.

The same thing is true of several other developing mineral deposits in our Canadian west. The Japanese control several. This has its advantages. There are some good features about foreign participation in our natural resources. It creates additional market outlets. I do not want to leave the impression that I am against Japanese or French participation in our natural resources, but I object strongly to the fact that we as a people are not, through our government, being represented in this development. The French people are but the Canadian people are not.

Some hon. Members: Hear, hear.

Mr. Herridge: That's the stuff.

Mr. Watson (Châteauguay-Huntingdon-Laprairie): Another example of this type of thing is Eldorado itself. This is one of the few Canadian corporations which as a result of the wartime situation was permitted, on behalf of the government, to enter the mineral resources development field. It did so very successfully. But I am informed fairly reliably, although I would have to check my facts more thoroughly, that because of the fairly restrictive action permitted Eldorado, companies directly owned or controlled by foreign governments were able to stake claims around Eldorado holdings. At that time Eldorado was being restrictively administered so far as additional mineral exploration and development were concerned.

Another example is Faraday in the Bancroft area. What has happened there in the

last few years? Because we have had no natural resources development corporation, because there was a glut on the uranium market, because no move was made to finance the stockpiling of Faraday's uranium output, and because this company was unable to finance stockpiling and eventually found itself in need of additional capital, an American firm now controls this uranium producer at the moment when uranium sales are again booming. These are just three examples, Mr. Chairman.

Potash development is an example of where the influx of foreign capital was invaluable to the development of a new industry. But had we had at the time a mineral resources development corporation, most surely the Canadian people could have participated more fully in the development of our now booming potash industry. I think we need to get away from the idea that government participation in mineral exploration and development necessarily implies government ownership or control. I would be very satisfied, and the industry as a whole should not have any objection, if the Canadian government had a minority participation in these ventures. It does not have to be majority participation. We can become partners to the extent of 30 per cent, 40 per cent or 60 per cent as the situation demands.

There is no reason why the federal government department responsible for the Yukon and Northwest Territories could not create tomorrow a prospecting and exploration division whose function would be similar to that of any prospecting and exploration division of any of the larger mining companies in Canada. We would tender for geological services and a geological firm would carry out an exploration program. This is what I envisage a natural resources development corporation doing, among other things. It would have a division which would at least be exploring and developing in the Northwest Territories and the Yukon where we have full jurisdiction. At the same time it would provide a reservoir of capital for minority or majority participation in ventures which had already resulted in proven ore bodies or proven oil pools.

• (5:10 p.m.)

If we participated in this manner in no way would we interfere with private enterprise. We would co-operate with private enterprise, and quite obviously it would be an easy matter in most cases to arrange for the preferential participation of Canadians in such developments. But in some cases our partners would be foreign governments or foreign companies. In addition to having a direct participation in the ownership we would also gain a valuable secondary advantage in that we would ensure that Canadian companies would retain ownership of the resources which are being discovered now and will continue to be discovered in the future.

I do not think many people realize that 35 per cent of the Canadian land mass lies within the Yukon and the Northwest Territories. Experts predict that not too long from now, with a substantial increase in exploration in these areas, it is reasonable to expect that 35 per cent of Canada's mineral resources will be found in these territories. I would like to see greater Canadian participation in these discoveries. Apart from the very obvious reason that the creation of a natural resources corporation will give the Canadian people a more important piece of the action in this field, we will be able to retain in Canadian hands a much larger percentage of our resources than we do now. Even more important, it will give us a more important sense of participation in our national development.

What is more important is that if such a program by a development corporation is applied with particular emphasis to the Yukon and the Northwest Territories it will dramatize a basis for national unity which far too few people in this country and more particularly in my province of Quebec appreciate, namely, the fact that the natural resources of these two areas of Canada, the Northwest Territories and the Yukon, are commonly owned and are the common heritage of all Canadians. Unlike the situation within the provinces where the provinces own the natural resources within their boundaries, all the Canadian people control and own the fantastic natural resources of these two territories.

In closing I would simply like to reiterate what I said earlier, that as a young Canadian I want to see the Canadian people participate much more fully than they have to date in the development of the mineral resources of this country. If we restrict the new development corporation initially to the Northwest Territories and the Yukon and to mineral and oil development in these areas we will be able to start tomorrow because the provinces would offer no objection and I cannot imagine any real criticism of such an action

[Mr. Watson (Châteauguay-Huntingdon-Laprairie).]

by private industry. In fact I think the Canadian mineral industry as a whole, except possibly for the very large corporations which have tremendous capital resources of their own, would be delighted to see the government make funds available for the development of proven ore bodies. It would have no objection to the government entering the prospecting and exploration field with exploration teams hired and paid for by a section of the major development corporation. The latter's role would be the over-all policy.

I hope the minister will impress upon his colleagues the urgency of action in this area. The predicted oil reserves in the Northwest Territories are immense. I am unhappy every time I see new oil leases being granted by the Minister of Indian Affairs and Northern Development. The granting of any further oil concessions in the Northwest Territories should be halted until we have a development corporation of our own. It is urgent that this year the Canadian government set up a corporation which will ensure direct Canadian participation in mineral and oil development not only in the Yukon and the Northwest Territories but I hope also in all the provinces of Canada which are prepared to make the necessary arrangements with such a development corporation.

Mr. Forrestall: Mr. Chairman, there are three or four brief questions I should like to put to the minister. First of all, while I appreciate the remarks of the hon. member for Greenwood I would ask the minister that in any plans the government may have as a result of the representations made to them for the development of a deep water port at Canso he should not overlook the fact that there are already some well-established ports in Nova Scotia and New Brunswick.

I should like to ask the minister to dispel in his concluding remarks certain fears that are growing in the Halifax area with regard to the destroyer escort program. The comments that are being made—and because they are being made they should be answered—are to the effect that the government may well call for tenders on these four new vessels but then in order to meet its program of cut-backs it will delay awarding the tenders. Any such move would have a disastrous effect on the Halifax area if indeed it happened to one of the yards whose tender was successful.

• (5:20 p.m.)

My second point, which has also been raised by the hon. member for Saint John-Albert, has to do with the area incentive program. I should like to ask the minister whether the government, on its own advice or on advice from other agencies or bodies, has now given consideration or is prepared to consider the broadening of, for example, the terms of reference and authority of the development board to embrace all of the extraordinary self-help programs which are aimed at overcoming the very serious economic situation in Atlantic Canada. It would seem to me, Mr. Chairman, that if there were any merit in the suggestion of broadening the terms of reference of the Atlantic Development Board or establishing one body which would have responsibility for co-ordinating all the government's extraordinary programs in the Atlantic area, it would have the benefit of removing the very real conflicts between the several provincial and federal programs. A reply by the minister to the comments specifically set forth by the Atlantic Development Board would have the benefit of indicating to the people in Atlantic Canada why such a move would not be feasible. If that were the case, then we could stop wasting our time trying to find an answer to our problems in that direction and search for other possible solutions.

Finally, I have one further question to direct to the minister. There are two aspects to the question because it involves research and development funds. It is not prompted by any interest at home but results purely from my own concern for the port of Halifax and what is going to happen in the years ahead. I should like to ask the minister if the government could give sympathetic consideration and, hopefully, approval to a request that must ultimately come from the port of Halifax commission for research and development funds for the construction of the prototype of an integral train or unit train. This train has been referred to as a continuation of the original transportation concept from the point of manufacture to the point of ultimate distribution. The terms "integral" and "unit" are not quite the same but they essentially involve the concept of extremely large trains so that the cost of moving goods becomes less by rail than by water. This program is well advanced and there might be some hope in it for the future of the port of Halifax. It is going to cost some millions of dollars for the engineering and design work

on such a train. I hope the minister can urge upon his colleagues in government the viability of such a request. Any delay in this request may well put us pretty well out of the running in regard to the massive movement of goods from one continent to another.

The other aspect that goes hand in hand with this problem is the establishment of a fund to bring about the development of a light, single engine sport aircraft in Canada. The ratio of aircraft brought into Canada as opposed to aircraft designed and built here is widening every year. It widens in direct proportion to the number of people who are turning to flying for both business and pleasure. There are at least five major foreign companies who now control virtually 100 per cent of the Canadian light aircraft industry.

I do not know how the minister is going to get around answering all the requests that have been made of him this afternoon. The questions I put in connection with the area incentive program have already been raised, but I know the people of Halifax would be relieved if the minister could at least make a passing comment on that.

Mr. Winch: Mr. Chairman, there are two matters I should like to raise in connection with these estimates. The first one deals with item No. 5 on page 238 which reads:

To sustain technological capability in Canadian industry by supporting—

I want to emphasize this.

—selected defence development programs—

I believe that the house and the people of Canada are entitled to some explanation of this business of selected defence development programs. If my memory and my mathematics are correct, in the past 12 years the federal government has expended in the neighbourhood of $550 million or $600 million on selected defence development covering only three selected programs.

I refer first of all to the Avro Arrow upon which I believe $450 million was expended. We had one plane in the air and one ready to go in the air when the program was cancelled. I have been told in France and the United States that Canada was years ahead and undoubtedly had the finest plane ever known. Millions of dollars were spent on the Bobcat, the armoured carrier. This program was cancelled. Now let us come up to date and consider the hydrofoil. We do not have the figures yet but I am led to believe that when the final bills are paid they will amount to close to $50 million. This program is being cancelled. So we have between $550 million and $600 million expended on three items in 12 years. The point is that this country cannot afford to spend $550 million to $600 million on projects that are cancelled and from which there is no return.

• (5:30 p.m.)

I think we have the right to ask the minister on what basis is the policy on selected defence project expenditure has been and is now being established. In particular, I think we are entitled to know what happened to the hydrofoil project in view of the fact that the United Kingdom and United States were apparently years ahead of us. What has been the return to Canada on the money that has been expended and what is going to be the basic principle that will be applied in the future?

If we are going to spend such large amounts of money on research into defence equipment and armaments, then let us not pour it down the drain as we did with the $550 to $600 million spent on three projects alone in the last 12 years. So far neither this house nor the public has been given any explanation why the hydrofoil project was cancelled, and this I think we are entitled to receive.

I have had the honour of being a member of the defence committee for many years and I am also a member of the public accounts committee. My experience has been that no member of those committees receives much in the way of information from the government. We are always presented with a *fait accompli* or the government gives excuses. We receive no definitive answers to our questions.

The only point I am trying to make is that if three projects have cost the Canadian people approximately $600 million and produced no return the committee is entitled to know what is in the government's mind when the Department of Industry supports in the future selected defence projects. In this connection I should like the minister to take time to tell us what returns have been received by the Canadian treasury and the people of Canada on the money spent under this head.

My second point is somewhat along the line of the remarks of the previous speaker from the Atlantic region. In time of war there was great interest in industrial development and industrial capability to supply war needs. But now, as the minister well

knows from the questions asked this afternoon on orders of the day, the government apparently does not give a damn about what is happening to the shipbuilding industry of British Columbia. I remember that the government was mighty proud during the last war of what British Columbia could and did produce.

Not too long ago the minister made a speech in British Columbia, and basically I agreed with what he said. He told industry to pick up its feet, to modernize itself and compete. At the same time, Mr. Chairman, standards and wages are higher in British Columbia and so, I think, is efficiency. Nevertheless, surely some consideration should be given to maintaining the shipbuilding industry in British Columbia.

Last week the first shipbuilding yard in British Columbia was sold to the Burrard Drydock Company, and my understanding is that this yard is to be closed out. This knocks out 151 skilled employees. I realize, of course, there is competition between east and west and that each has different standards and wages. But I want to emphasize that it is just as imperative to maintain a shipbuilding industry on the Pacific coast as it is to maintain one on the east coast.

I also suggest some consideration should be given to the cost picture on the Pacific coast as it relates to the transportation of steel and other materials to the area. We in British Columbia always seem to get the dirty end of the stick in the matter of transportation costs. Nevertheless my point is that even with the extra freight charges involved it will be a sorry day for Canada if the federal government does not maintain the shipbuilding industry in British Columbia.

The government moves fast enough when an emergency situation arises in Quebec or the maritimes. Subsidies amounting to hundreds of millions are immediately made available. Why does the government not turn its eyes once in a while to the west? I am not criticizing subsidies and help in the case of bankrupt industries such as Dosco, but I do feel that the government should maintain those industries in the west which are essential to Canada in peace as well as in war.

The minister could not have done without the shipbuilding industry of British Columbia during the war. Why does the government crucify it, therefore, in time of peace? I admit we have higher standards and wages, but why condemn us for that? Why should this industry be closed down because of this?

We in British Columbia are not asking for special favours. We ask only for proper consideration, for recognition. The government spends hundreds of millions of dollars in the east and should be prepared to spend a few million to maintain industry in the west when required. Shipbuilding is one industry that requires to be maintained. We in British Columbia ask for equal consideration and equal treatment. Give us that and there will be no more complaints from our province, regardless of which party forms the government in this house.

• (5:40 p.m.)

Mr. Drury: Mr. Chairman, owing to the limitations of time I shall not be as articulate as I should like to be. I take comfort from knowing that these estimates, as I said in my opening statement, were examined thoroughly by the house committee in five long meetings prior to the discussion which took place most recently in committee of supply.

The hon. member for Saint John-Albert asked a number of questions about the designated area program. He asked particularly about Saint John. His first question was whether federal assistance has been a deciding factor in the location of new industries in the Atlantic provinces or has been of assistance in the relocation of industries in that area. The answer of course is that this program has been a not inconsiderable factor in inducing new manufacturing and processing industries to locate in the maritimes. Figures have already been given. As a consequence of this program, since its inception until September 30 last some 78 projects have been undertaken in the hon. member's province of New Brunswick, involving the expenditure of approximately $202 million. These projects have provided new job opportunities for approximately 4,800 employees.

Whether federal assistance has had any effect on the relocation of industries within the maritimes may best be answered this way. As the hon. member knows, the program is designed to avoid the shifting of existing industries from one point to another. A requirement, if there is to be a benefit under the program, is that 95 per cent of the capital facilities to be installed in any plant which is moved to a designated area must be new machinery and equipment. The purpose of this provision is to prevent the mere physical transfer of old plant and equipment from a non-designated area to a designated area. The idea is that unless an entrepreneur wishes to set up a new plant and equipment he will have no reason to shift. We know of

two relocations where industries have moved to designated areas in the maritimes as a consequence of this program.

One instance is the G. E. Barbour Company Limited which was forced to move from its location in Saint John. Because of the purchase of land and buildings by the Saint John bridge authority it was no longer possible for that firm to continue where it was. In seeking a new location they decided to move from an area of relatively good employment to an area of chronic unemployment, at the same time qualifying for benefits.

A similar sort of thing took place in the instance of Marden-Wild of Canada Limited in Halifax. This firm was no longer able to continue in business because of rezoning which was carried out in Halifax and they moved from Halifax to a designated area.

The hon. member also asked how many applications for assistance from industry have been rejected because of inability to relocate in growth centres. I do not know what the hon. member means by growth centres. I cannot think of any manufacturing or processing industry which would have to locate in an urban area such as Halifax or Saint John and, if there were sufficient financial attractions, could not locate outside those areas. Outside these two main centres that I have referred to there are a number of other manufacturing areas which are adequately provided with labour, communications and public utilities.

The hon. member asked why Saint John has not been designated and whether there is any hope that it will be designated. The designated areas program is designed to induce entrepreneurs in Canada who wish to set up new manufacturing or processing industries to set them up in areas of chronic unemployment. The idea is to bring relief to those areas of Canada where unemployment figures are highest. The program attempts to provide more employment opportunities for those who live in areas of chronic unemployment and seeks to induce industry to designated areas rather than to those areas where the unemployment situation perhaps is not so acute.

Saint John is fortunate in terms of relative unemployment. In the past ten years it has experienced a not unsatisfactory rate of economic growth. As the hon. gentleman knows, the average non-farm family income also is at a satisfactory level. Until—and I hope this will never happen—Saint John has the misfortune to register a much higher level of unemployment than is current now, I should not think there is much prospect that it will be designated. I am sure the hon. member shares my hope that designation for Saint John will never be necessary.

Mr. Bell (Saint John-Albert): May I ask a question? I thank the minister for his answers. Has subsection 9(e) of the legislation been used? I am referring to that subsection which has to do with grouping together manpower centres in areas of traditional geographic connection. Is there any chance of including Saint John under that part of the legislation? I merely wish to know whether we should continue our approaches or whether we should desist. The mayors keep coming up here and they ought to know whether their quest is hopeless. That is the pertinent question.

Mr. Drury: We have explored the possibility of grouping. The effect of grouping is to average out or establish a gross figure with respect to employment or unemployment. The conditions in Saint John are sufficiently good to raise the level of the contiguous areas and to take them out of the designated area class. Only if conditions in Saint John became marginal and the conditions in the contiguous areas were to decline would the region be considered. I suggest to the hon. member that representations by the mayors of the region and not likely to lead to the kind of result they wish for. The area development agency carries out periodic reviews of the manpower situation in all designated and non-designated areas and adjustments are made depending on whether the areas concerned fall within or without the criteria.

I shall only address answers to those who have shown a real interest by staying in the house.

Some hon. Members: Oh, oh.

Mr. Drury: I see that the hon. member for Greenwood is here. He asked a question about Point Tupper and Port Hawkesbury.

Mr. Brewin: No, I am sorry. I did not raise a question about that. I asked about the eastern counties of Nova Scotia. The minister's colleague, the minister of forestry, has an interest in this matter, I believe.

• (5:50 p.m.)

Mr. Drury: A port at Point Tupper or Port Hawkesbury.

Mr. Brewin: I did not actually name the ports.

Mr. Drury: I assumed the hon. member knew about this. The minister of forestry, as I believe the house is aware, has a program known as FRED which is concerned with the regional development of disfavoured areas of Canada. In order to put in train a comprehensive development plan for disadvantaged areas it is necessary to conduct basic surveys of all the factors involved. In the speech to which the hon. member for Greenwood has referred the minister cited as an example of how this is being done the survey which had been carried out in Cape Breton and the northeastern counties of Nova Scotia as a result of which certain tentative conclusions had been reached. He did so by way of illustrating the proposition that while there were difficulties there was also one very substantial asset in the area, namely, the presence at the eastern end of the strait of Canso of one of the best potential deep water harbours in North America, a factor which should perhaps be examined with a view to development and exploitation.

There is as yet no formulated plan for the development or exploitation of this advantage but the whole question of the further development of Cape Breton including a deep water port at Port Hawkesbury is now under urgent consideration by a committee of officials made up of representatives from all the departments which have an interest in this matter. The departments concerned include the Department of Industry, the Department of Trade and Commerce in respect of possible exports, the department of manpower, the department of forestry with the FRED program, the Department of Finance, the Department of Energy, Mines and Resources—

Mr. Brewin: The Department of Transport?

Mr. Drury: Yes, the Department of Transport. I do not have the complete list but I want to assure the hon. member that a coordinated attack is being made on these problems.

[*Translation*]

The hon. member for Saint-Hyacinthe-Bagot—made representations concerning the shoe industry.

I have listened to him and I know very well that this industry has had problems, particularly recently, when we noted a reduction or a slight adjustment in the tariffs. My department is currently organizing a group of representatives from the shoe industry to go to Europe to study how things are done over there and to try to find markets, so that the Canadian shoe industry can be made more efficient. The Department of Industry is organizing the tour of the group. I hope that this trip will bring results and that the businessmen who will make up this group will come back with conclusions and impressions likely to be shared with the shoe industry in general.

Mr. Ricard: I thank the hon. minister.

[*English*]

Mr. Drury: The hon. member for Vancouver East, who was the last speaker, asked what the policy was in connection with research and development and drew attention to three occasions upon which substantial sums of money had been spent on research development, and at least in one case on production or preproduction, in connection with projects all of which were cancelled with no return to the public of Canada.

I might point out that a large part of the expenditures on the Avro Arrow were incurred not in connection with research but for production models. It was only after substantial expenditure had been incurred in connection with preproduction that the government of the day decided not to go ahead with the program. One should not assume that all the sums of money which have been mentioned in connection with this particular program were spent on research and development. The second example the hon. member gave was that of the Bobcat. This is clearly a situation of the kind one must expect to encounter in any developmental program. It did not turn out to be a good guess.

As to the hydrofoil a considerable amount of research and development has been done in connection with this project. The work suffered a setback as the result of a fire which occurred some time ago, but research and development are continuing. If the hon. gentleman has information to the effect that this effort has been cancelled, neither my colleague the Minister of National Defence nor I have any knowledge of it. In any event, the fact that sums of money are spent on research and development in connection with items which do not reach the production stage does not necessarily mean that all the money is wasted. There is in connection with all these programs a considerable industrial fall-out.

There have, of course, been a number of successful programs under the defence export development program to which the hon. member referred. Since my administration of it began, at any rate, we have been spending at the rate of about $20 million or $22 million a year. Since its inception 109 defence development projects have been supported from this vote and expenditures to date amount to $103 million. Of the projects supported, 53 in number costing $53 million have been completed and are achieving sales. So for $53 million we get some results.

I intend to mention some of them. The value of the sales or orders resulting from these projects is $348 million. Here are some figures by way of example: the PT-6 turbine engine, $58 million; the Doppler navaid, $115 million; the GRC-103 radio relay, $18 million; the Buffalo STOL aircraft, $49 million; the twin Otter aircraft, $25 million; the CL-89 Drone, $60 million; flight simulators for both military and civil aircraft, $15 million. So for an investment of some $53 million in these projects resulting sales are in excess of $388 million. This does not mean that every project we bet on is going to turn out well. Some do not turn out well. Either the scientists have endeavoured to accomplish too big a task and been unsuccessful, or they have been unable to move as fast as other people and we have lost a particular race, or the need for a particular object under development has in the course of time, some four or five years, disappeared.

• (6:00 p.m.)

In an effort to avoid this we obtain the best possible advice concerning what is technologically and scientifically a good bet. We try to ensure that this is put into the hands of the most competent developers in the country. All these programs are kept under continuous review. Once there is any indication that a project will be unsuccessful it is stopped. We had occasion to make reference to one the other day. A gas turbine engine was being developed in Toronto. When it appeared clear that further developmental expenditures would not yield a return this development work was stopped and the people were put to work on something else. I suggest there is some management being carried out in respect of these programs.

The hon. gentleman, among others, mentioned the situation in respect of the closing of the Victoria Machinery Depot. This is most unfortunate. It represents perhaps rather more than just the closing of the oldest shipyard in British Columbia. It represents the consolidation of the shipbuilding element of V.M.D. with those of Burrard and Yarrows. It is my understanding that these three units or two, because the control of Yarrows and Burrard is the same, will now be run as one unit.

I think it is a source of regret that in respect of shipbuilding yards which have the capacity to build or repair very large ships we should have lost an element of competition which existed hitherto. It is difficult to generate competition if the entrepreneurs who provide it are not persuaded that it is a good thing.

It has been alleged that the reason for the closing down was the failure of the government of Canada to proceed with its shipbuilding program. I should point out that a little over two years ago we did disclose to the shipbuilding industry in Canada a five year program of government shipbuilding; it was all laid out. It was declared then that competition for this program would be on a national basis. However, in order to enable a transition to be made from the old system to the new, shipbuilding companies on the west coast were guaranteed that the west coast would be free of competition from the rest of Canada for certain ships. This program is being and has been proceeded with exactly as advertised; there has been no change in it.

Reference has been made to a recent report based on the assumption that the Department of Transport should or would build a couple of coastguard cutters which were not included in this transitional program. Now it appears to have been learned from somewhere that these two ships which were not in the plan in the first place are not going to be built. Mr. Chairman, I see that we have now exceeded the allotted time.

The Chairman: Order. It being six o'clock, in order that the house may proceed to the consideration of private members' business I do now leave the chair.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order. It is my duty, pursuant to provisional standing order 39A, to inform the house that the questions to be considered at the time of adjournment tonight are as follows: The hon. member for

Royal (Mr. Fairweather), Canadian Broadcasting Corporation—possible use of Expo buildings as Montreal headquarters; the hon. member for Vancouver-Burrard (Mr. Basford), Fisheries—inquiry as to establishment of geographical co-ordinates; the hon. member for Mackenzie (Mr. Korchinski), Freight Rates—cream—request for rescission of recent increase.

The house will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions.

INCOME TAX ACT

SUGGESTED DEDUCTION BY WORKMEN OF EXPENDITURES FOR HAND OR ELECTICAL TOOLS

Mr. C. A. Gauthier (Roberval) moved:

That, in the opinion of this house, the government should consider the advisability of amending the Income Tax Act so that workmen may deduct from their taxable income any expense incurred by the acquisition of hand or electrical tools required to perform their work.

[*Translation*]

He said: Mr. Speaker, notice of motion No. 12 appearing on the order paper could apply to all workers entered on a payroll.

As I have already mentioned on several occasions in this house, we are allowing a general discrimination against workers with regard to employers or to all those who are not wage earners. Besides, one could say generally that tax deduction at the source is a glaring injustice towards workmen, as compared to other groups. Moreover, I have already pointed out in this house that a wage earner entered on a payroll is not given the same advantages, because his income tax is deducted from his gross earnings and he is not allowed the same deductions as a businessman or a professional or any other worker not entered on a payroll.

• (6:10 p.m.)

I have already said, in this house, that the worker has the right, just as anyone else, to file his income tax return at the end of the year without being deprived of the amount deducted each pay day from his gross salary.

I believe it was claimed, at the time, that this would be hard to do but I feel the difficulty has been overcome, due to the fact that the worker still has to file his income tax return at the end of the year to claim the excess money the government has taken from him. In other words, the government paid itself first, and once again the worker has to defend himself, as best he can, against the government that dipped into his gross salary.

Today, Mr. Speaker, I ask the government to amend that famous Income Tax Act to allow workers, and members of the various trades, to deduct the cost of the tools they need to do their work.

I have in mind, for instance, service station mechanics, carpenters, lumberjacks, while professionals, such as dentists and others, are entitled to deduct from their taxable income purchase and maintenance costs for their equipment as well as travel and other costs related to their profession. I feel that this exemption is quite justified, and I approve it.

Similarly, large corporations engaged in developing our natural resources given over to them by our governments for practically nothing, benefit from tax exemptions on all capital equipment, which amount to millions of dollars.

I am not against such tax exemptions inasmuch, and I do say, inasmuch as the same tax privileges are granted to labourers for necessary expenses related to their work. That is why ever since I came to this house I have been asking for a similar exemption, particularly for the workers of the province of Quebec who have to buy a power saw and pay for the cost of parts, and God knows how many they need, for a small machine which works so hard. If one adds to that, the cost of gasoline, oil, and so on, one can easily realize that it costs about $1,000 to $1,500 per season for the purchase and the maintenance of that equipment.

There is also the cost of safety clothes which the governments force the loggers to buy and wear in order to protect their lives. Let us add to that travelling expenses for the long distance they have to cover sometimes to get to their work, and we shall easily reach expenses of at least $2,000 a year for an ordinary bush worker.

If the government wanted to do away with the present discrimination and be fair with that category of workers, it should consider at once an amendment to the Income Tax Act to make deductions possible to the extent I have mentioned.

I do not want to retain the house any longer, since I should like the minister to announce the good news today to the effect that he is finally determined to do justice to the working class, in particular to the bush workers in my area.

We expect nothing else from the minister but a categorical yes to the effect of amending the Income Tax Act.

I chose to proceed by way of a notice of motion to give the government the opportunity to present a bill amending the Income Tax Act.

Indeed, we all know by experience the fate of a bill introduced by a private member, and I do not want to run the risk of having a bill killed.

We have been too patient already; let the government give us proof of its goodwill.

Mr. Speaker, the workers in general, and the bush workers especially need an alleviation of taxes.

Mr. Gaston Clermont (Labelle): Mr. Speaker, the notice of motion of the hon. member for Roberval (Mr. Gauthier) reads as follows:

That, in the opinion of this house, the government should consider the advisability of amending the Income Tax Act so that workmen may deduct from their taxable income any expense incurred by the acquisition of hand or electrical tools required to perform their work.

The house is asked from time to time to grant employees tax exemptions for the cost of the equipment they need to do their work.

During the debate on the Income Tax Act in 1965, the then minister of finance, the hon. Mr. Gordon, was asked about that. He said that he was sympathetic to the requests and that he was not satisfied with the present provisions, adding however that because of the complexity of the whole matter he felt that a decision should be postponed until the government had at its disposal the recommendations of the royal commission on taxation.

Under the present act, employees cannot deduct the amounts spent on the purchase of tools needed for their work. It would be discriminatory to allow the bush workers to deduct the amounts spent on the hand, electric, or power tools they need for their work without granting the same deduction to all employees.

If such a deduction were allowed, it would imply a review of the whole question of deductions for expenses incurred in the course of employment, for instance, for the purchase of hand, electric or power tools, special uniforms, clothing and equipment needed by a workman to perform his work.

Even though several of those expenses must necessarily be made in the course of employment, in some cases it may be difficult to determine whether a particular expense has been incurred for employment or personal purposes, for instance, in the case of the purchase of special clothing.

This whole matter should be discussed when the fiscal legislation is reviewed following the recommendations of the royal commission on taxation, instead of extending the provisions of the present legislation in a piecemeal fashion.

• (6:20 p.m.)

The proposed amendment, if passed, would be difficult to apply. For example, although the hon. member explained in part what is meant by the word "workmen", does this term include tradesmen, lumbermen, mechanics, carpenters, bricklayers, masons, electricians, plumbers, teachers and the other professions? Why is the proposed deduction limited to expenses incurred by the acquisition of hand or electrical tools? Why does it not apply also to mechanical tools?

In the United States, the employee is generally considered as being in business and, under clause 162 of the internal revenue code, he is entitled to the same ordinary and necessary business expenses as the businessman or the professional who works for himself. The main difference between the expenses of a businessman and those of an employee is that the former can deduct all his ordinary and necessary expenses and still benefit from the ordinary reduction, while the employee who wishes to benefit by the ordinary reduction can claim only expenses falling in the four following categories: Reimbursed expenses, expenses for travel away from home, transportation expenses and travelling salesman expenses.

However, the employee may deduct other ordinary and necessary expenses instead of taking advantage of the ordinary reduction. The returns contain minute and severe conditions.

Mr. Speaker, another aspect of the expenses incurred in earning one's life which should be considered is that of transportation expenses. Many people today have to travel 40 to 80 miles to get to work. Some may say that these people should move closer to their work, but there may be good reasons why they cannot do so: they may be taking care of their parents, they may be home owners, or there may be some other reason.

And so, one finds it harder and harder, in the big cities, to buy a lot at a reasonable price for home building purposes. If income

tax law gave a deduction of these expenses from gross income, perhaps many people would act and build themselves a house in semi-urban or rural areas, which would alleviate the administrations of those large cities of many problems and would also make it possible for more people to acquire their own house, at a more reasonable price.

Here, Mr. Speaker, are some observations and related proposals made by the royal commission on taxation in its report, and I quote from page 289 of volume 3:

> We now turn to consider the deduction of expenses by employees. The principle involved is clear enough. All of the expenses incurred in the expectation of generating net gains, other than personal living expenses, should be allowed as deductions from all actual gross gains. Distinctions between the kinds and forms of taxable gains, and considerations of whether a net gain actually resulted from the expenditures, are irrelevant. The major problem would be to allow the deduction of all expenses laid out to generate employment income and yet to prevent the deduction of personal living expenses.

It would be obvious in most cases, Mr. Speaker, as stated by the Carter report, that a given item falls within one category or the other, but marginal cases would be difficult to solve.

In this regard, the Carter report states the following in volume 3, page 316:

> Because of the stringent limitations in the present law, employees are unable to deduct many expenses that are deductible by the self-employed. Skilled manual workers and employed professionals in particular are unfairly treated relative to the self-employed.

On page 312, volume 3, of the report of the royal commission on taxation, we find the proposed rules for deductibility, and I quote:

> We came to the conclusion that the most equitable course would be to treat employment income on the same basis as income from a business or profession.
>
> Expenses would then be deductible if reasonably related to the earning of income. The prohibition against the deduction of personal and living expenses as set out in section 12 (1) (h) of the Income Tax Act would, of course, be applicable, as would the provision in section 12 (2) that expenses must be reasonable in the circumstances.
>
> The adoption of such a course would remove the unfair discrimination between the two kinds of income and should not lead to much additional litigation. As we have already stated, the United States does place employment income on the same basis as business income, and all "ordinary and necessary" expenses are deductible for both kinds of income.

[*English*]

Mr. Speaker: Order, please. Is the hon. member for Rosthern rising on a question of privilege or a point of order?

Mr. Nasserden: A question of privilege, Mr. Speaker. I wonder whether that section of Beauchesne which deals with the reading of a speech prepared by someone else could be drawn to the hon. member's attention.

Some hon. Members: Shame.

Mr. Speaker: Order, please. The hon. member cannot suggest that another member's speech has been written by a third person. He can bring to the attention of the Chair that an hon. member appears to be reading his speech. That is another matter. It is certainly not in order for an hon. member to suggest that the statement or speech of one of his colleagues is not his own personal contribution.

Having said that, I gather that perhaps the hon. member has been inspired by what are referred to as copious notes. The rule is that as far as possible hon. members should not read prepared speeches and I hope the hon. member for Labelle will take that into consideration. I realize, of course, that when we are dealing with a matter as highly technical as the one before the house, this should be taken into account by the Chair. This is what I am prepared to do in the case of the hon. member. However, I hope he will not overlook the requirements of the rules in this respect.

[*Translation*]

Mr. Clermont: I thank you, Mr. Speaker, but in answer to the hon. member who asked me that question, I would like to point out that I have heard several of his speeches in the house and I think that he should have written them down before they were delivered because they would have made a lot more sense.

As you stated, Mr. Speaker, I was quoting some extracts of the report of the royal commission on taxation, better known under the name of Carter commission, and I think that it would be risky to quote a 2,600 pages report dealing with various matters concerning taxation without any notes. I venture to think that you will still be indulgent and allow me to use these notes. I could discuss the matter under consideration without referring to these notes, but I preferred to get ready in advance, Mr. Speaker, so that my speech would not resemble those delivered by hon. members who asked me the question.

Mr. Schreyer: What are you reading?

Mr. Clermont: I am going to reply to the member who asked me what I was reading. I have the advantage of understanding him when he speaks English. But when I speak French, I wonder if he understands me.

I quote again from the Carter commission report:

> However, because of the great numbers of taxpayers in receipt of employment income in Canada, and to obviate the need for processing numerous claims for relatively small items, we recommend an optional deduction of 3 per cent of gross employment income, up to a maximum deduction of $500.
>
> Any employee whose deductible expenses exceeded this figure would be at liberty to claim them in lieu of the optional 3 per cent deduction, provided they were itemized and substantiated. The deductibility of particular itemized expenses would then be determined in accordance with the rules to be applied to business expenses. Employees, like the self-employed, would not be permitted to deduct travelling and entertainment expenses in excess of the limits discussed earlier in this chapter.

In closing, Mr. Speaker, I trust that when the time comes to deal with the complete revision of the Income Tax Act, the government will give serious attention to the matter of granting to those who must travel, and to those who must buy tools to earn a living, the right to deduct those expenses, thereby placing him on the same footing as the self-employed.

• (6:30 p.m.)

[*English*]

Mr. J. R. Keays (Gaspé): Mr. Speaker, I should like to say that I would find it easier to support the notice of motion put forward by the hon. member for Roberval (Mr. Gauthier) if, after the word "hand" he would insert the word "mechanical", and I intend to propose such an amendment a little later.

When I think of the dissertation which has just been made by the hon. member for Labelle—

[*Translation*]

Maybe I should tell him that in French to assure him I can speak both languages.

When the Income Tax Act comes up for revision, I hope that the changes requested in this motion will be considered, and that the minister will make use of the hon. member's speech, as this will save him a lot of worry and time in making up his mind.

I do not think that the hon. member could give a similar answer in his own constituency, where lumberjacks, skilled men, have to purchase their own tools in order to earn their living. Clerical employees do not have to pay for pens and pencils used in the office, whereas woodcutters have to purchase their own labour-saving, lightweight power saws—

Mr. Clermont: Would the hon. member permit a question concerning power saws? Have they been in use only in the past two or three years or were they not in existence when the party of the hon. member was in power? What did his government do about these deductions?

Mr. Keays: The question of the hon. member is easy to answer because I am not here to defend the previous government but to protect the interests of those who are not getting justice.

Mr. Speaker, the speech of the hon. member for Labelle could go on forever, in fact, it could go on until the study in taxation is completed, which as a result would delay for many years the decision that must be taken on this matter. If that is the way the hon. member wants to decide the question, I hope the government does not share his opinion. We have a current problem to solve and let us try to solve it.

Mr. Clermont: Mr. Speaker, it is easier for the hon. member to criticize the government now than it was when he was sitting on the government benches and nothing was being done on this matter.

Mr. Speaker: Order, please.

[*English*]

Mr. Keays: I recognize the problems which would be inherent in the application of any such legislation, because of the operating expenses of such people as mechanics, electricians and service people, who in many cases are called upon to supply their own tools. In many cases this entails considerable, expense. However, I think the difficulty could be overcome by taking one industry at a time and granting them a flat deduction so long as these particular people practise their trade.

I made reference to the saws used in the forestry industry because this is an industry which, unlike other industries has been adversely affected by some legislation. I am referring to the Unemployment Insurance Commission which restricts the amount of contribution which is deducted from the wages of the forestry worker. This is not the case in other industries. I hope the government will consider the interests of these people, who in many cases, in areas where there

are no lumber camps, have to travel 40 or 50 miles in order to reach their place of work. They cannot deduct their travelling expenses, and sometimes they have to invest $600 or $700 in the purchase of saws. Often this must be done annually because these saws are so light that they cannot stand up to two or three years of operation.

The hon. member for Labelle (Mr. Clermont) tried to defend the government. He would be better advised to defend the worker who, as he will find out, does not earn $5,000 or $6,000 but only $1,000 or $2,000 a year. Often this worker in order to earn $2,000 has to spend $1,000 and at the end of the year all he has left is misery, and a lack of sufficient money to keep his family. I hope the hon. member will realize that it is in the interests of all people that these workers be treated justly.

[*Translation*]

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

When closing my remarks, I asked the government to take into serious consideration the feasibility of that deduction. I ask the hon. member, at least, to be honest about that.

Mr. Speaker: Order, please. There is no point of order. The hon. member is attempting to assert what he considers as facts. Therefore, this is obviously a debate and the hon. member will have the opportunity later on, when the house again considers this notice of motion, to make a statement and establish the facts.

Mr. Keays: Mr. Speaker, I based my statement on the speech that the hon. member for Labelle has just made, when he said referring to the report of the Carter commission that, as recommended by the commission, the deductions should be subject to greater scrutiny and reasonable expenses only should be allowed. Those are the words uttered by the hon. member for Labelle, and I hope that if we implement the word "reasonable", the tools some workers use to earn a living will be included.

[*English*]

Mr. Speaker, before closing I should like to move, seconded by the hon. member for Rosthern (Mr. Nasserden):

That immediately after the word "hand" be inserted the word "mechanical".

Mr. Speaker: I think I should draw to the attention of the hon. member that if carried his amendment would not result in a logical motion. I wonder whether some additional words should not be inserted. The hon. member may review his proposed amendment. It is difficult for the Chair to accept an amendment which is inconsistent with the main motion and which, if adopted, would not result in a grammatically correct sentence.

Mr. Keays: I believe the word "or" should be added so that the sentence would read "by the acquisition of hand or mechanical".

Mr. Speaker: The hon. member's amendment would therefore read:

That immediately after the word "hand" be inserted the words "or mechanical".

• (6:40 p.m.)

Mr. Ed. Schreyer (Springfield): Mr. Speaker, I rise to support the motion before us, both the original and as amended. If I have any criticism to make with respect to the main motion or the amendment it is that the motion is still not comprehensive enough. Certainly the inclusion of the words proposed by the hon. member for Gaspé (Mr. Keays) does make the resolution more worthy. It seems to me that in addition to the inclusion of certain categories of tools and equipment mechanically driven, such as chain saws used by pulp cutters, one could go on to make up quite a list. The hon. member for Gaspé might have included one more feature in his amendment, and that would be certain kinds of work clothes that are necessary, such as hard hats, safety boots, and so on as used in certain occupations by construction workers. It is a matter, I suppose of making changes to the definitions in the Income Tax Act in order to cover certain types of safety clothes, helmets and so on.

In the little time available to me, I want to say that the point conjured up by the debate is the obvious one that the existing income tax law seems definitely to militate against the wage earner and salaried worker in this country. It seems to me the act obviously is of benefit to those who earn their income from fees and militates against those who earn their income from wages or salaries. In conversation earlier today the hon. member for Winnipeg North Centre (Mr. Knowles) said his interpretation of the income tax law could be set forth in a few words, namely that there is complete bias in the income tax legislation which has the effect of making it class legislation.

I am not for one moment trying to say that this was the intention, but it certainly has been the result. Our income tax law does not permit these people to deduct their expenses in acquiring the tools that are necessary for them to earn their livelihood. I believe the hon. member for Labelle (Mr. Clermont) has already pointed out that the Carter commission report made specific recommendations in connection with this matter. It set forth three basic principles with regard to the new criteria which should be established with regard to determining in the future what expenses should be allowed.

I should like to put on the record these three principles, and I quote from page 83 of the Carter commission report:

> The first general rule is that expenditures should be deductible only if they are reasonably related to the gaining or producing of income.

As a corollary of that first principle there is a second rule stated at page 85, which reads:

> The second general rule is related to the first and would assert that expenditures otherwise deductible should not be allowed to the extent that they are unreasonable in the circumstance.

So we have injected into this consideration the premise of reasonableness of the amount of the deduction. Finally, Mr. Speaker, according to the Carter report, page 85, there is this third general rule:

> The third general rule is that expenditures of a personal nature, that is expenditures made for personal use or consumption, should not be deductible.

No one is disagreeing with that in so far as the motion before us is concerned. Finally, on page 86 of the report there is in a sense a summary of the commission's thinking, which reads:

> We have suggested that there should be a more liberal approach than currently exists to employee expense deductions.

I then add in parenthesis that when the commission uses the word "liberal" I take it the word is not used in a partisan sense.

> We believe that the best way to achieve an equitable treatment of expenses related to employment is generally to apply the same rules to these expenditures as are to be applied to business expenditures.

I pause again to say that this seems to sum it up almost with perfection.

> Thus, the present prohibition on the deduction of most employment expenses should be withdrawn, and the three rules outlined above should apply.

This report goes on to make reference to reducing the administrative problems of accounting in connection with this matter. The report states that perhaps an optional standard deduction of 3 per cent of employment income, with a maximum deduction of $500, could be established. I believe some consideration of this matter indicates that most craftsmen, whether they be journeymen electricians or carpenters, make an initial expenditure of at least $300 or $400 for a basic set of tools necessary to their trade. Considering the inflation factor presently at work, it would seem that the figure put forward in the report is not unrealistic. In fact I believe the proposal before us, coupled with the recommendations in the Carter commission report, is very sensible and worthy of consideration. I cannot understand why these principles cannot be reflected in our legislation. As a matter of fact my colleagues, the hon. member for Skeena (Mr. Howard) and the hon. member for Comox-Alberni (Mr. Barnett) have almost every year for the past five years introduced private members bills or notices of motion calling for the same kind of change in our income tax laws as that proposed by the hon. member for Roberval (Mr. Gauthier).

In conclusion, Mr. Speaker, I want to say that, as a layman in income tax matters, when one looks with some detachment at our income tax law he finds there are certain basic injustices. For example professional men such as dentists or doctors are allowed deductions from income tax for the purchase of equipment. Let us take a dentist, for example. When he buys an electric drill which is necessary to earn his income, that expense is deductible, but when a carpenter buys an electric saw, which is equally necessary for him to earn his livelihood, that expense is not deductible. I might add that while some dentists are quite gentle and soothing in their work, it should be said that others lack precision in the use of their drills, just as some carpenters do in the use of their saws.

• (6:50 p.m.)

I should like to sum up my contribution to this debate by saying that we should accept the principle that if occupational necessity demands the use of a tool or set of tools, the capital required to purchase those tools should be deductible for income tax purposes in the same way as are tools used by those engaged in a professional occupation. To do otherwise it seems to me is to help perpetrate an economic injustice today.

Mr. John R. Matheson (Parliamentary Secretary to Prime Minister): Mr. Speaker, I am prepared to agree that there has been unfair discrimination between the two kinds of income that we might refer to as, on the one hand, employment income, and on the other as business or professional income.

I think all the points which have been brought out so effectively by my colleagues who have preceded me have been considered in the past by the authorities, and the real reason that change has not taken place heretofore is the difficulty of administration, which is a very real problem.

However, Mr. Speaker, we appreciate that while the Carter commission does not declare government policy, it does open up this field to new and enterprising examination. Currently, the Department of Finance is studying all of the Carter commission recommendations, as well as comments made by citizens in relation thereto, which come from all possible sources. I am sure that the debate which has been introduced so imaginatively by the hon. member for Roberval (Mr. Gauthier) will contribute to this consideration.

The only commitment made so far by the government as I understand it, is the implementation of tax reform. The actual nature of this reform and the direction it may take is something that is at yet unannounced. I suppose the only question before us is the timeliness of taking remedial action before total tax revision.

There is one aspect that I should like to touch on which relates to the type of equipment that might be deductible from employment income for income tax purposes—what we might call tools of the trade. The hon. member for Springfield (Mr. Schreyer) suggested a maximum of $500, but personally I think the figure might well be double that.

I should like to mention briefly some of the kinds of items that today would be very appropriate for consideration. Circular saws of six pounds to 16 pounds, in sizes of from six inches to ten inches, range in cost from $80 to $180. Quarter inch to 1¼-inch drills sell for from $12 to $200. So you can see that two or three of these items alone amount to a fairly substantial packet. Jig saws range in price from $20 to $100. Routers, which are rated in horsepower from half-horse to 2½ horsepower, can cost anywhere from $50 to $250. Sanders, belt-type or finishing-type, range in price from $20 to $200.

It is common knowledge, Mr. Speaker, that the best products of this type in the world are made by Black and Decker Manufacturing Limited, who have held a federal charter since 1922 and have their Canadian headquarters at Brockville. This company has plants all over the free world, in the United States, Canada, England, Germany, Italy, Australia and Mexico. They are now specializing in Canada and marketing their products by way of export to all parts of the world.

One might ask who are the end users of these tools. They are carpenters, plumbers, the heating, ventilating and air conditioning trades, the home improvement trades, contractors, the wood craft and light industry shops as well as heavy industry. All of these products to which I have referred are produced in Brockville. The only tools of this type that are imported into Canada at the present time are low-volume products, such as odd-sized machines which would be altogether uneconomic to tool and machine here. What a great advantage it is to be able to draw on the research facilities, expertise and occasional product direct from the parent company.

Mr. Schreyer: Would the hon. member permit a question before I rise on a point of order. The hon. member's comments are both interesting and informative, but how do they relate to the amount that is specified in the Carter report? I believe the hon. member used that as the reason for digressing.

Mr. Matheson: Mr. Speaker, I suggest that if we are going to add something to our existing legislation we should know the type of deductible items we are talking about. During the course of this debate there has been reference to mechanical tools, and however meritorious they may be they cannot compare in today's modern world with the electrical hand tools to which I have referred. I think it is clear from the price of these articles that a deduction of $1,000—

Mr. Keays: Would the hon. member take time to tell us about Stanley tools and Snap-On tools, so as to give everyone a fair hearing?

Mr. Matheson: It just so happens, Mr. Speaker, that Canada is now specializing in the production of electrical power tools, and we produce the best product, a product that is now being exported to every continent. As a matter of fact, many of the principles that are inherent in current United States auto

pact agreements are now being introduced by this power tool industry. Indeed, as a result of a Black and Decker international directors meeting which took place in Brockville on October 19 last it is planned to expand their export production by the amount of $2 million worth a year.

Mr. Speaker: Order. I think the point taken by the hon. member for Springfield (Mr. Schreyer) is relevant. It does seem to me a little difficult to relate the comments of the hon. member at the present time to the resolution that is before the house.

Mr. Matheson: Mr. Speaker, I will conclude my remarks by saying that not only is there equity in the proposals of the hon. member for Roberval to reform the tax law, but perhaps more important, the proposals of the hon. gentleman would tend to make Canadians more skilful and competent and would tend to bring about that wonderful spirit of pride in quality ownership which is still the basis of Canadian society and growth.

Mr. Speaker: Order. The hour assigned to the consideration of private members business has now expired. It being seven o'clock the house will resume the business interrupted at six o'clock.

SUPPLY

The house in committee of supply, Mr. Nasserden in the chair.

DEPARTMENT OF INDUSTRY

1. Departmental administration, including grants as detailed in the estimates, $10,568,300.

The Acting Chairman (Mr. Nasserden): Order. House again in committee of supply. It being after 7 p.m. I do now leave the chair until 8 p.m.

At seven o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

The Chairman: Order, please. The house in committee of supply, estimates of the Department of Industry. Shall vote 1 carry?

Mr. Bell (Carleton): Where is the minister, Mr. Chairman.

Mrs. Rideout: He is on his way down.

Mr. Knowles: What department did you call, sir?

[Mr. Matheson.]

Mr. MacEachen: It was understood that the Minister of Industry would be available until about six o'clock, and that the committee might wish to pass his estimates. If not, we shall go on with the estimates of the Department of Public Works.

Mr. Bell (Carleton): The Minister of Industry was in the middle of a speech at six o'clock. I hoped he would complete that speech. We are glad to go on with the public works estimates. But the guillotine is operating and we have only a short time to consider the estimates of any department. I think the Minister of Industry ought to be here in this chamber tonight, to answer the questions of the hon. member for Kamloops and others. I do not understand why he is not here and why we must change departments.

The Chairman: Order, please. The committee of supply will resume consideration of the estimates of the Department of Public Works. These were last considered on Thursday, June 29. Vote 1 is to be found on page 420 of the blue book, with the details at page 422.

DEPARTMENT OF PUBLIC WORKS

1. General administration, including grants as detailed in the estimates, $19,734,600.

The Chairman: Shall item 1 carry?

Mr. McIlraith: Mr. Chairman, the estimates of the Department of Public Works were considered by the standing committee on estimates. They were then presented to the committee of supply and discussion was begun on item No. 1. Since discussion was started in June in committee of supply I propose, if it meets with the general wishes of hon. members, not to make such remarks at this time, in order to make time available so that they may make such remarks as they wish and ask such questions as they wish.

Mr. Keays: On page 2134 of *Hansard* for June 29, when the minister's estimates were before the committee, he undertook to make certain additional information available to the house. Is that information now available to him? I do not know precisely what he was referring to, but I think the subject was the Northumberland crossing. At the top of the right hand column of that page are reported these words:

> —an undertaking was given by me that when additional information becomes available later in the year on one of the main items an opportunity would be provided for the committee to get that information and deal with it,—

Is that information now available?

Mr. McIlraith: The reference there was to information about the Northumberland crossing. It will be recalled that we had not awarded certain contracts for which tenders had been invited. The reasons had been given in the house at about the end of May.

When these estimates were before the standing committee I gave an undertaking to that committee, which has since been repeated twice in the House of Commons, that I would bring the matter before the standing committee in order to permit those members who were interested particularly in that subject to get the most up to date information we had. The reason I said "when the information is available" is that we have named a co-ordinator to act on behalf of the department, to co-ordinate the consultant's work and supervise the contracting later. That was the reference, and that still stands. We are not yet in the position where it would be useful or helpful to recall the committee. As soon as information is ready the undertaking will be honoured.

Mr. Keays: I understand the minister to be referring to the standing committee on public works. On June 29 last when six o'clock was called I was discussing the policy of the department with respect to protective walls. Since then I have wondered whether the department has abandoned its policy of building and maintaining such walls. I do not believe a lack of research is involved. The problem arises through trying to do as cheap a job as possible with respect to the walls. When complaints about them are made, excuses follow quickly.

• (8:10 p.m.)

I notice as I travel through my constituency that the protective walls are not of permanent construction. Land erosion, especially when it is caused by currents, is definitely not a temporary thing, so it appears to me that these walls should be made to last. When I see walls made of concrete no more than eight inches thick, or when I look at walls which are built of two or three inch planking with no backfill behind them it puzzles me how anyone could think of them as being of a permanent nature. They are makeshifts, and this is why it is necessary to go back to the department so often with requests for repairs and maintenance. I hope therefore that the minister will embark on a policy of causing walls of a permanent type to be constructed in future. I shall have something more to say on this subject when we reach the particular item.

Incidentally, while I am on the subject of protective walls, I wonder whether research has ever been carried out in an effort to replace these walls on suitable projects by sand or stone beaches. It is evident that erosion is caused by the power of the waves—the power of the rollers. Have we ever considered other means of protecting our shores, either by use of the tetrapod or jack, as it is commonly called, or by placing large rocks in appropriate positions? Has the building of beaches instead of walls ever been considered? Travelling in other countries we find that stone or sand beaches are made by placing stakes or planking in eight, ten or 15 feet of water; the natural flow of the current then brings the stone or gravel in to the shore. This, it would seem to me, is a much more economical way of protecting our shoreline than building walls of three inch planking with no backfill. I hope some research is being undertaken along the lines I have indicated, because I believe considerable savings might be achieved. It is also worth noting that today, with more hours of leisure at their disposal, our people are increasingly going to the seashore for relaxation. Possibly the construction of these beaches would enable our citizens to spend their time at the seashore more enjoyably.

Even when the department is constructing wharves or quays it appears there is reluctance to take the prevailing current into account. After a structure has been built we often find it is causing an accumulation of sand as a result of which dredging operations are necessary within a year or two. I have seen many wharves which have been responsible for the accumulation of sand and others which have caused the disappearance of sand from the area. In this field alone, further research ought to be undertaken in an effort to secure better protection of the shoreline in so many of these places where public structures have caused abnormal erosion.

May I state now, Mr. Chairman, that my remarks of last June should not be misinterpreted as meaning that in my opinion all engineering and planning works should be done by the Department of Public Works. There are certain projects, particularly those of a more elaborate nature, which should be left to firms of engineers and consultants who have available to them the experience and the training necessary, before undertaking these heavy responsibilities in connection with work which is always, in the end, of benefit to the taxpayers.

Care should be taken however when awarding contracts either to engineers or to consultants on a free basis. These contracts should not be considered as political plums given for services rendered. And while I am talking about political plums, I think the minister will be interested to hear about an incident which happened recently in my own riding. Benevolent, generous and easy going as I am, I was embarrassed when I assisted not long ago at a function during which the Minister of Public Works was to have opened the deep water harbour in my constituency. Naturally, I had been invited to take a place on the stand, and the hon. member for Bonaventure was the spokesman for the minister who did not, in fact, attend. I have now received two intimations from the minister—one this year and one last year—that he intended to visit my riding but to date I have not seen him there. He has accordingly missed one of the most enjoyable trips of his lifetime. In addition to enjoying nature in the raw and nature in its cultured state he would also have been in a position to appreciate people who have been able to survive only after a tremendous struggle. I am sure that on his return from that riding he would have said: "The coffers of the government are open to the people of Gaspé."

Unfortunately, the minister delegated the hon. member for Bonaventure to represent him—and I am sorry the hon. member for Bonaventure is not here at the moment; he left the chamber a few minutes ago. I am sure he will be back. Throughout the ceremony I was seated in my place on the stand, listening to the speeches. The only person who got any credit for getting that deep water harbour constructed was the former member of parliament for the constituency, a man who unfortunately was defeated.

I know the minister would not approve of this. Had he been there he would not have said those things. He is not a politician.

An hon. Member: A statesman.

Mr. Keays: However, I sat there listening to all the great things that had been done by my predecessor.

An hon. Member: Oh, oh.

Mr. Keays: I would like to remind the hon. member who was interjecting that if he had been in this house from 1958 to 1962 and seen the work done by the then hon. member for Gaspé he would be in a position to say today that it was a Conservative government which approved the project, and that it was a Liberal government which delayed it for five years because it could not reach an understanding with the company involved.

• (8:20 p.m.)

But hon. members opposite wanted to make a political issue of it. A political issue is made of everything that is done by the Department of Public Works in every riding. This is not the way in which the people of Canada should be treated. I hope that some day the minister will visit my riding and be able to show that he is non-partisan. I have wished to say this for a long time, but this is the first opportunity I have had to do so.

I believe that very soon the officials of the department should begin to prepare themselves for the enormous urban development programs which will be required in the various large centres of this country. This department has a great responsibility. I hope in these days when there is a cutting back on expenditures and the people of Canada are being asked to go easy in their demands, that the minister now at least will begin to plan for a future which is not too far away; because in the future there will be a necessity to institute large and extensive projects in the urban areas of our country.

To this point I have made no request of the minister in respect of any projects in my riding, because I consider this to be something which should be brought up under the different items. I would remind the minister however, that the members of this party believe that the large expenditures on the part of the government must be stopped at this time, and priorities must be established. These priorities must be established in such a way that our citizens will not be deprived of the opportunity to earn income. I could cite a dozen cases where an expenditure of $200, $300 or $500 was refused when this expenditure would have made available facilities which would have enabled our fishermen to practise their trade and earn an income, so that they would not be obliged to go to the social services for help. This is one area in which I believe the Department of Public Works is falling down. It does not seem to be concerned about the small projects. At the present time it would appear that the department is mainly concerned with the large construction projects because small ones, such as the expenditure of $200 or $300 for dredging in order that three or four fishermen might be able to earn their living, are turned down. The type of spending the department is doing

is not priority spending; it is spending which is contrary to common sense.

I see the hon. member for Bonaventure has returned to his seat. He did say that I was generous and at that time I said nothing. Today, however, I have taken the opportunity to reply to the credit which has been given to a former member. If members on the other side would be as generous, credit would be given to those who really deserve it.

Mr. Béchard: That is what I did.

Mr. Keays: No, you gave the credit to the wrong people, as you always do. I am a politician; that is the reason I am in Ottawa. However, I am more concerned about the welfare of the citizens whom I represent and I wish to see justice done to all.

Mr. Chairman, there is a long coastline of approximately 300 miles in the riding I represent. Many harbour improvements are required for haul-up plants, slipways, dredging and protecting walls. I do not wish to enumerate these, because as I said before I hope the expenditures can be kept to a minimum. I do believe, however, that necessary expenditures such as those which will help the people earn a livelihood have not been given the consideration they deserve. I believe the time has arrived when some of the large expenditures should be delayed and more consideration given to expenditures for the general overhaul of existing structures such as those which, in the case of fishermen, would enable the fishermen to pursue their trade. Small expenditures of this type often make it possible for a family to have an extra piece of clothing, adequate shelter and food.

Before I conclude my remarks I should like to ask the minister whether it might be possible for members of parliament to be advised about the plans for their ridings. Since a member spends most of his time in Ottawa he does not always have time to travel through his constituency on a monthly basis and therefore is not in a position to know whether a project is being undertaken. The only persons who seem to know this are those who exercise political activities in the riding. Last spring I endeavoured to obtain some information, but was unable to do so. Before leaving Ottawa in the latter part of June, I addressed a letter to the minister in which I asked him whether he would be kind enough to give me a list of the projects to be undertaken in my riding during the ensuing year. On July 24 the minister replied stating that I would have an answer in the immediate future. To this date I still do not know how many projects have been undertaken and how many have been completed. The answer which came was dated August 24 and the minister did refer to some projects such as the one I saw this year on the wharf at Sandy beach near Gaspé. This project was not necessary; it just involved the replacement of a few planks between two rails. I am sure there were more necessary projects which could have been done.

I have prepared a list showing every project which I have asked the minister to investigate. We are always told that they are being investigated, that the expense is not justified or that they will be done next year. Meantime the people are being deprived of a means to earn their living. This is not good administration.

The last request I should like to make of the minister is that he clarify the situation in respect of the labour regulations which exist in his department. An effort should be made to co-ordinate the work done by the department, the parity committees, the syndicated groups, and so on, which work in the different parts of the country. This year one contractor did not receive his payments for at least three months. This was not because he did not pay his employees but rather because he paid them at a higher rate than that provided by the labour regulations of the department. This may sound strange, so let me explain. He paid them a higher rate but they worked the hours allowed by the parity committee in that region. Several individuals who were laid off claimed they were only allowed to work so many hours per week, and worked three, four, or five hours in excess of that time. When one considers the rate they received and the number of hours they were permitted to work under the labor regulations he will find that they were overpaid some $10 to $15 per week. We have been unable to come to any conclusion as to how we are going to pay this contractor who did not underpay his employees. Surely this situation should be cleared up immediately.

• (8:30 p.m.)

Last week I indicated to the minister that I could not understand the reason for the delays in payments to contractors. One contractor had four or five post offices to build. Unfortunately he went bankrupt, did not complete the jobs, and the department let a new contract for the completion of the jobs. I

understand the jobs were finally accepted as completed some two months ago. The contractor who completed them does not have the means to pay his bills, and cannot afford to wait 90 days or longer for payment because his creditors are pushing him. He has not as yet been paid. The suppliers who came to the aid of the original contractor have claims against the department but are still awaiting some reply as to when and if they are to be paid. I directed this matter to the attention of the minister on three or four occasions in an attempt to get a satisfactory answer, but I have not yet received one, and that is why I have followed up my threat of last week to raise this matter in the house.

Mr. Deachman: Mr. Chairman, let me take the opportunity of making a few remarks tonight, during our consideration of these estimates, about a matter of considerable interest to the people of Vancouver. Before doing so let me congratulate the minister on the very fine job he has done this summer in making parliament hill a very gay and attractive place, with many flags and decorations during centennial year. I do not think Nelson at the battle of Trafalgar was more flag conscious than our Minister of Public Works when he decorated parliament hill this summer.

Over the past 20 years there has been a project being carried out by the Department of Public Works in the Vancouver area. This project, the Stanley park sea wall, that has cost very little but is of enormous attraction to the people of Vancouver, was discontinued during the course of this last year. I have received a great deal of correspondence, with respect to it, as have other hon. members who represent that city, from citizens of that area.

Stanley park is a body of land surrounded on three sides by water. It is actually an old piece of naval reserve property which was given to the city on a 99 year lease as a public park about the beginning of the century. Its name is virtually synonymous with the name of the city. Montreal has its Mount Royal; Ottawa has its parliament hill. I am not sure what Toronto has, but Vancouver has Stanley park. About 20 years ago the Department of Public Works began to build a sea wall and a footpath around the park along its shores. This was carried out each year on the suggestion that erosion was gradually chewing away at the cliffs of the parkland. Apparently it was decided that a sea wall would arrest this erosion and justify the project.

Year by year the Department of Public Works in a modest way gradually extended one of the finest walks or footpaths in the world. This footpath extends through some of the most magnificent forest land in Canada, runs along the shore of English bay and around a corner in sight of Siwash rock. Many people who find little or no recreation other than walking have the opportunity of following this footpath and derive from it tremendous enjoyment. This area of Vancouver has in it a great number of older people in residence. The west end of Vancouver in which Stanley park lies is a haven for these elderly people, many of whom find their only activity and recreation in that park. It came as a shock to them this year to find that this project has been discontinued, on the ground, according to the department, that erosion was minimal. Let me suggest that no one in the city of Vancouver ever really felt that this path was being built because erosion was either maximal or minimal.

During this 20 year period Vancouverites have come to believe that the Department of Public Works was building one of the finest scenic footpaths in the world and that it would be continued. This path is something like two miles in length and, if completed, would join with footpaths along the inner harbour. I believe it is commendable to save money, but the Department of Public Works, apparently on those grounds alone, has decided to chisel on this project to the extent of the $35,000 which was to be spent this year. The department has used the excuse that erosion is minimal. I know of no other place where the work of the Department of Public Works or any other federal government works at such a low cost has brought more real pleasure to more people.

To complete this project would only involve the construction of a few hundred yards of sea wall and path. I should not like to think that the government, having almost completed this project, would really discontinue it and place a sign at the end, for the people to see to the effect that anyone who passes that point does so at his own risk. Having started this project 20 years ago I should like to think the department is prepared to complete it, because it is very attractive and has been constructed at very little cost, bringing tremendous pleasure to a great number of people.

Those are the remarks I wanted to make tonight. First of all I wanted to congratulate the minister for what I thought was a very fine display on parliament hill this year. Second, I urge him to complete the few hundred yards of this sea wall so as not to leave us with the idea in Vancouver that the federal government has let us down.

• (8:40 p.m.)

Mr. McIlraith: Mr. Chairman, I should like to answer some of the questions that have been asked. The hon. member for Gaspé spoke about protection walls, mainly on the St. Lawrence. I wanted to indicate that it is quite true that this type of wall has been constructed over very many years. There is in the St. Lawrence a situation whereby some erosion is caused by shipping. In those cases the federal government has felt it has reponsibility and has tried to continue the policy of erecting the necessary protection walls. There may be other reasons, due to the construction of a dock or wharf, where erosion may be caused and a similar rule would be applied. But where the erosion is from natural causes the federal government has taken the position that it is not a federal responsibility.

This is where the difficulty arises, because wherever there is erosion it seems that there is a tendency, and I can understand it very well, for those persons affected to feel that the federal government should immediately put in a protection wall, although the federal government does not have jurisdiction over the resource being eroded. In that case it falls within the provincial or local field of responsibility. This is the reason for the difficulty on the subject of protective works.

The hon. member for Gaspé spoke about my not having been able to make the trip to his area. I regret that very, very much. I share his view about the desirability of making the trip, but so far it has not been possible. No one regrets that more than I do. As for the hon. member's remarks about the project at Chandler, that all-important project, I thought when he began his remarks, and indeed throughout more than half of them, that he was applying a delicious sense of humour and was making a humourous reference. But I fear that some of the interjections indicate that perhaps some members of the federal parliament have those sensitivities that some of us wish they did not have, and the hon. member was seeking to make sure that the people of Gaspé knew who had all the virtues and who had all the vices. I myself would not want to indicate who has all the virtues and who has all the vices because my experience in life has led me to believe that it does not work out that one person gets them all. In any event, I have tried to examine the projects as they have come in from the Gaspé, and I would remind the hon. member, in all modesty, that he should not have made the claim that he did make about the Chandler project. It is true that this project was talked about for many years. It was a Liberal government that took the tough decision to go ahead with it. Whether it is a virtue or a vice, they did it, and it is not a useful exercise to claim here that a government that has been out of office for several years undertook the project, because the record simply does not support that thesis. I will leave it at that.

The hon. gentleman made a point that I think it is well to bear in mind at this time. He said that large government expenditures must be stopped and that priorities must be established. This is the situation in which we are working at the present time. No one knows better than I what is involved in curtailing expenditures. The matter of priorities comes into that consideration. We have had to set our minds very firmly on the path of curtailing expenditures, and we are doing this. It will raise questions of priorities. These have to be detailed very carefully so that those projects which will produce the most benefit to the area or the country are proceeded with, and the others, while important but of a less direct benefit to the community or the population as a whole, are deferred.

Mr. Bell (Carleton): Mr. Chairman, would the hon. gentleman indicate which projects in the present estimates are being deferred?

Mr. McIlraith: Yes, Mr. Chairman. Perhaps I can do it best by taking just one illustration which will make the point. I will give the committee a good example of it, namely, the parking garage on parliament hill. It was due for tender call for next month, November of this year. That is the best example I can give. I could detail others, but a good many were started and they cannot be stopped.

Mr. Bell (Carleton): Why does the hon. gentleman pick the worst example?

Mr. McIlraith: The hon. member for Carleton can imagine that this hon. gentleman had some feelings on the subject and adopted the course with very great reluctance. He can be

very sure of that. The hon. member asked a question, and that is the best way I can answer it. The hon. member for Gaspé referred to the wharf at Sandy Beach in his area. I will look up that particular reference. I will not delay the committee by dealing with it now, because I do not have the detail here.

On the matter of the contractor, I can only assume—and here I am not speaking from recollection of the detail—from the hon. member's remarks that the contractor, after contracting to follow and being obligated to follow the federal labour laws, did not follow them, and that there is a problem because he had his employees work beyond the number of hours prescribed by law and was thereby in breach of the federal labour code unless he paid higher wages.

Mr. Keays: He paid higher wages.

Mr. McIlraith: That may be so. I can only assume what the difficulty is. The correct procedure in such a case was for him to have obtained a permit from the Department of Labour and follow the terms of the labour code to pay time and a half. He presumably has not done this. In any event, I will look into the matter and have it examined in detail.

The hon. member for Vancouver Quadra made particular reference to the Stanley park sea wall. I very much appreciate all he has said about magnificent Stanley park in Vancouver. That land is owned by the federal authority and given on a $1 a year lease, I think it is, to the city of Vancouver. It is beautifully operated and kept. As all hon. members know, it is a magnificent park. The federal government for many years has been following a policy of building a sea wall along those parts of the park where erosion was caused by shipping. That sea wall was built in such a way that it has come to be used as a rather lovely walk or pathway around the edge of the ocean. We stopped the construction because there is no longer any necessity, on the unfinished parts, to protect against erosion. Shipping is not causing erosion in those parts.

The people of Vancouver have very much regretted the discontinuance of their beautiful walk. This is a matter for the city of Vancouver. Representatives of the Vancouver park authorities were in Ottawa a couple of weeks ago and I spoke to them about this matter. The position is that we have offered to continue the bit that would normally be done this year, if we can obtain agreement with them on a shared cost basis with regard to a long term method of finishing the balance of the wall around the island. That matter is under active consideration at the moment. I do not know whether they will agree to the proposition, but that is where the matter stands.

• (8:50 p.m.)

Mr. Herridge: Mr. Chairman, I will be quite brief because I know there are hon. members here who want to raise certain points of interest to their constituents. In view of the limited time we have for the discussion of estimates I would like to make a suggestion to the minister. Instead of taking 15 or 20 minutes to answer the representations made by two hon. members—which I think is quite normal under usual circumstances—I suggest he listen to hon. members' representations and then write each one a letter later on, when he has more time.

Mr. Howard: Or better still, change the rules to allow more time for the discussion of estimates.

Mr. Herridge: I rise to speak briefly because I have been in close association with this department and I have known the officers in charge of public works in Kootenay for over 60 years. On numerous occasions I have inspected for them wharves which were built on contract, or breakwaters or piles which were driven in, and things of that sort. So this is familiar ground to me. I am more of a builder than an intellectual. What I will say is by way of representations made by an old backwoodsman after meeting his constituents in the summer holidays.

First of all I wish to say that I appreciate the minister's response to any matters I brought to his attention. The same is true of the senior officials in Ottawa, the district officials in Vancouver and the local officials in the district, until they retired a short time ago. I must say that I found the Department of Public Works very fair indeed. I cannot complain of partisanship.

Mr. Whelan: Are they good for a new wharf?

Mr. Herridge: Whether it was the Liberal or the Conservative government that was in office, I have always been treated very fairly. I go around and meet the various organizations and groups and find out what is required. I have never asked for things I do

not think are necessary. Then I go to Vancouver and talk it over with the district officers there. Finally I come to Ottawa and make a brief plea here. We treat public works on a non-partisan basis in my district. I do want to mention to the minister that the development of the Columbia river has created an entirely new set of circumstances, so it is only possible to plan for two or three years ahead until the whole matter has settled down and the necessary improvements have been decided upon.

I do urge that in the rebuilding of these facilities a local employee be employed to look after the immediate maintenance of certain wharves and things of that sort. Recently a man who was in charge in the district retired, and someone from the Okanagan is now in charge of the Kootenay area. It meant that in some cases wharves became quite unsafe, a plank would go out on a wharf or a piling would go down, and there was no one to repair it immediately. I understand this matter is being given consideration, so that some local person who has experience will look after these immediate needs in the repair of wharves, the clearing of driftwood from wharves in high water, and things of that sort.

I am informed that a number of wharves have been flooded out on the Arrow lakes and the Columbia river and it is the responsibility of the British Columbia power authority to pay for the replacement of the wharves in the new communities that will be established. I suggest that the department work in co-operation with the British Columbia hydro and that it make certain before coming to any final decision that a wharf is required, because of the number of people left in the community. I have heard that in some cases there was no intention to build a wharf because only a couple of dozen people were left in that community.

I suggest that the departmental officials pay very close attention to the development going on at the present time, and before coming to any final decision make sure that any docks built are built where they are required, even though the population may be quite small under the present circumstances.

I suggest also that in the meantime the dredge on the Arrow lakes be maintained. It is not expected to dredge, in view of the rising of the water, when the High Arrow dam is completed, but I do suggest the department maintain the dredge in the meantime because when the High Arrow dam is completed there may be certain work for the dredge to do in maintaining channels into the new wharves, or possibly dredging certain channels from one area to another. This dredge will also be very useful for rental at a per diem rate to organizations or communities which want to use it in the building of their own projects, such as launching facilities for clubs. It has been usual for the department throughout the years to rent this dredge for around $50 a day to non-profit community organizations developing community projects. I suggest the dredge be maintained at the present time which, under present circumstances, simply means keeping a watch on it, because it may be used when the projects are completed for the dredging of approaches to the wharves which will be rebuilt later under the department's jurisdiction and instruction, and for certain other breakwaters that may be required.

I want to bring to the minister's attention the fact that the development going on in our district will provide a great opportunity for recreational development, and the consequent development of the tourist industry because of the large amount of lake frontage available. I am told that in the Kootenays we have the largest area on the North American continent of front shore property on a lake or a river close to transportation. I can also quote the former leader of the official opposition, who spent several days in the Kootenays during the summer recess. When he left the district the hon. member for Prince Albert said he could not understand why the finest district in Canada was not advertised more than it is at the present time. This is my prelude to further suggestions.

As I said before, I go around and meet the village councils, boards of trade, women's institutes and other organizations. I must tell you that I like meeting women because I have always found them very constructive, especially if they are of the type that understand the things we are talking about. I met the Ainsworth boat club at Ainsworth Hot Springs. They have already commenced building a marina for the tying up of the boats coming in for tourist purposes. The tourist industry there is very large and I think they have already spent something in the neighbourhood of $10,000 or so. I understand that departmental officials have looked at this project and will give them some assistance. This is not a large expenditure. It is a small marina which will be of great advantage in developing the recreational

facilities in the tourist area on the Kootenay lake.

Consideration must be given to the construction of a new wharf at Beaton if there is a sufficiently large population there, as well as at Nakusp, at Burton, Edgewood and other points where it is considered necessary because of the rebuilding of new communities as a result of the development of the Columbia river treaty projects. I do urge that in any of this rebuilding the department consider the men who have worked for them throughout the years, and hire the local men with experience in the building of wharves, the driving of piles, the building of breakwaters, and things of that sort, because this is possibly the last time in their lifetime they will have the opportunity to build new structures in that area.

• (9:00 p.m.)

My final word is this. I know the situation in my district is so fluid that no final arrangement can be made as to administration. However, I do hope that when all this work has been undertaken and the department knows the circumstances under which it will be operating in the future, arrangements will be made to have the wharves and facilities of the Department of Public Works maintained from day to day. Then people will not have to land from a boat on a wharf which has two or three planks out, at the risk of breaking a leg or something of that sort. I am not suggesting that money be spent unnecessarily, Mr. Chairman, and that is all I have to say at this time. I am not asking the minister to reply this evening.

Mr. McQuaid: I do not propose to take up too much time of the committee, but I feel I just cannot allow this opportunity to pass without urging upon the minister the importance of trying to impress upon the Minister of Finance that he should not make the Northumberland strait crossing a casualty of operation broadaxe. We know of course that every time the Minister of Public Works speaks on this subject he assures the people of Prince Edward Island that the crossing will not be abandoned. However, Mr. Chairman, I suggest that that is not good enough. The people of Prince Edward Island want to know now when the project is going to be started and when it is going to be completed.

When this project was announced in 1965, the government committed itself to the spending of $30 million a year over a five year period until the project was completed.

[Mr. Herridge.]

Now, Mr. Chairman, neither $30 million nor anything like it has been spent as yet and the people of our province are looking to the government to honour the commitment made to them in 1965. I agree with the hon. member for Gaspé and with the Minister of Finance that, under present circumstances, large public expenditures have to be cut back. I suggest, however, that some system of priorities must be established.

We have to argue the merits of this causeway, and one of the bases of this argument would be that our province requires it economically. I do not believe this would be difficult to establish. If one takes a look at the statistics he finds that Prince Edward Island has the lowest per capita earnings of any province in Canada. Something must be done to close the economic gap between our province and the other provinces of Canada. Everybody who has made a study of the economy of the Atlantic area over the past number of years has recognized that there is a large economic gap. They have looked for the key to close this gap. I suggest the key to close the gap is the construction of the causeway. There can be no real improvement in the per capita income of the people of Prince Edward Island, and that is what we need, unless we have easy and continuous access to the markets of the other provinces.

Prince Edward Island has fought long and hard for this causeway. Prince Edward Island stayed out of confederation from 1867 to 1873 mainly because her transportation problems had not been resolved satisfactorily. In 1873 we did enter confederation on the understanding—and this was written into the terms of union which I will quote—that we would be guaranteed efficient steam service for the conveyance of mails and passengers, to be established and maintained between the island and the mainland, winter and summer, thus placing the island in continuous communication with the Intercolonial Railway and the railway system of the dominion.

Up until the present time, these terms of confederation have not been fulfilled because the ferry service is not adequate to give us continuous communication with the mainland. At one time Prince Edward Island was so dissatisfied she felt she had an action against the federal government for a breach of the terms of union. The province actually sued the federal government for something like $17 million and was able to obtain a judgment for about a million dollars. This judgment is recorded and can be seen by

anyone who wants to take the trouble to look it up.

We consider that the terms of union have not been fulfilled. I suggest that this causeway has been a political football for too long, and for too long have we suffered by reason of the fact the causeway has been made a political football. Feasibility studies were commenced in 1956. When those studies were completed in 1962, the then prime minister of Canada, Mr. Diefenbaker, announced that the causeway would be built. I am confident that had the Conservative government remained in power the causeway would be almost completed today. However, this did not happen. In 1962 we had a minority government, and unfortunately in 1963 the Conservative government was defeated and the Liberal government took power.

An hon. Member: Good government.

Mr. McQuaid: Good government? Let us see what happened to the causeway. On July 8, 1965, the present Prime Minister announced that tenders would be called. He called a press conference and I should like to quote from the press report:

> Prime Minister Pearson announced today that tenders will be called later this year for a combined tunnel, bridge and causeway between New Brunswick and Prince Edward Island.
>
> Construction is expected to start next April.

I do not know to which April he was referring, but apparently that April has not come as yet.

> Construction is expected to start next April and Mr. Pearson said at a press conference he hopes it will be completed in late 1970.

Now, Mr. Chairman, I want the Minister of Public Works to assure this house and the people of Prince Edward Island that the expectation expressed by the Prime Minister in July, 1965, will be fulfilled, and that this causeway will be completed in 1970. The press report goes on to say that when the Prime Minister made the announcement he was flanked by new mines minister J. Watson MacNaught, Prince Edward Island cabinet representative, and works minister George McIlraith, the same man occupies the position of Minister of Public Works today.

Then, they picked the mines minister, Mr. MacNaught, up from the bowels of the earth, brushed the coal dust off his feet and sent him over to Prince Edward Island to announce to the people that the Liberal government was going to build the causeway. Mr. MacNaught flew to Prince Edward Island in a Department of Transport Viscount to make the announcement to the people of Prince Edward Island, and when making the announcement he was flanked by huge diagrams of the proposed project.

• (9:10 p.m.)

We have seen these diagrams ever since 1956. I ask the Minister of Public Works to tell his men to put their crayons back in the boxes and give us something to walk on instead of pictures. We are sick to death of looking at pictures of the proposed causeway. Mr. MacNaught, flanked by these pictures, said at the time this was a proud moment for him to be in his native province and to indicate that finally the dreams of the people were about to be realized. He said a project of this magnitude was above politics and there was absolutely no connection between the announcement and any plans the government may have for an election in the near future. This was in August, 1965, and it just so happened there was an election in November of the same year.

Then, not satisfied with that, and perhaps believing the people of our province were not convinced, the government sent down the master of them all, the then minister of transport. He is a man who in opposition always championed the cause of the people of Prince Edward Island, but who when he joined the government was not listened to so attentively. However, the then minister of transport ran up and down the island like a dog looking for a telephone pole. Everywhere he stopped he assured the people that the causeway would be built. Then in October 1965, exactly one month before the election, he said in Kensington that there would be no further hold-ups. Mark that, Mr. Chairman—no further hold-ups.

Mr. MacEwan: He ran out of poles.

Mr. McQuaid: He said that the work was being pushed ahead. According to him, this was not to be a gift to Prince Edward Island. This was not an election bribe, but a sound economic investment for Canada. We want to know now where this sound economic investment for Canada is.

Mr. McIlraith: It is growing very rapidly.

Mr. McQuaid: If it was a sound economic investment one month before the November 1965 election, I suggest it is a sound economic investment now and must not become a victim of operation broadaxe.

Then the minister of external affairs—yes, Mr. Chairman, they loaded their big guns and sent them down—came to the island on October 26, two weeks before the election, and he told the people of the island that this causeway would do more to stimulate economic growth in Prince Edward Island than anything since confederation. And did that ever go over good, Mr. Chairman.

Then the minister of mines was sent down to the island with his bulldozer, a couple of days before the election, and he started the road; but that is practically all we have heard of this causeway since then.

Mr. McIlraith: The hon. member should get his facts straight.

Mr. McQuaid: Nothing concrete has been done since. We want some action. Let me say to hon. gentlemen across the way: Come alive, get on to yourselves. They have no seats in Prince Edward Island, and they will get none the next time if they do not do something to build this causeway. We want the causeway before the next election; we want something to be done right away.

I agree there are people who argue against the causeway on the basis that it is too expensive. I am half inclined to believe that the government itself is coming to the conclusion that it will cost too much money. All I can say, Mr. Chairman, is that that is not a valid argument. Some people would like to divide the number of people on the island into the cost of the causeway, and to point out that it will cost so much per capita; but I contend that this approach is ridiculous.

This is a causeway that will benefit not only the people of Prince Edward Island but all people in Canada. Even if it did benefit only the people of Prince Edward Island, they are still entitled to it. We are a province of Canada and want to be joined to Canada. There are provinces today asking to be separated from Canada; all we want is to be given the chance to be joined to Canada and to become part of this great country.

When people say the causeway will cost too much, did anybody complain about the $350 million to build the St. Lawrence seaway? For example, who today complains about the Columbia river development in British Columbia? Who complains about the Mactaquac in New Brunswick? Who complains about the atomic power establishments in Ontario and Manitoba. No one. These projects are all part of our national investment. Therefore, no one should complain about the cost of the causeway to Prince Edward Island. We need it, it is necessary for our economic development.

Mr. Churchill, who apparently is now an agent of the Department of Public Works, set the thing out very clearly, I think, when he spoke in Charlottetown a few days ago, and I should like to place on record what he said at that time:

> The cost of building and operating the nine mile Northumberland strait crossing could be recovered within 50 years.

That is true, Mr. Chairman. The ferry is today operating at an annual deficit of $5 million. At a loss of $5 million a year, within 50 years the causeway would be paid for. Mr. Churchill continued:

> But even without such savings, the benefit to the isolated economy of Prince Edward Island, now joined to the mainland by ferry service, could be enormous.
>
> "I am tempted to believe that there can be no real improvement in income and standards of living on the island unless easy and continuous access to markets is arranged"—

I say amen to that.

> "As a Canadian project, the crossing will rank with construction of the St. Lawrence Seaway,"—
>
> Although it would cost less to construct than the $550 million Churchill falls power project in Labrador, "the technical problems appear more difficult."
>
> Despite the difficulties of building in the ocean and despite heavy costs to the federal government, "less tangible benefits might be found in the effect on the general business climate in eastern Canada and the renewed interest that might be shown in locating in the Atlantic region."
>
> "I think these points are perhaps not given the weight they should have when people consider the economics of providing the crossing"—
>
> "If the economy of this island is improved to the point where reduction of federal subsidies to the provincial government in the amount of only $5 million a year can be achieved, capital and capitalized operation of the crossing might well be recovered within 50 years—
>
> Any difference that now exists between the wage earnings in Prince Edward Island and the rest of the region or of Canada will tend to be equalized during the period of heavy labour demand occasioned by the construction itself"—

That is what Mr. Churchill had to say, Mr. Chairman. As far as we can find out, Mr. Churchill is an accredited representative of the Department of Public Works, and he says that the causeway will be of terrific economic advantage to our province.

In closing, Mr. Chairman, I should like to urge upon the government as strongly as I can to delay this project no more, because if they do they will be in trouble with the people of Prince Edward Island.

Mr. McIlraith: It has not been delayed at all.

Mr. McQuaid: It has. The minister continues to say that the project has not been delayed, yet when the project was announced in 1965 the government of the day promised to spend $30 million per year over a five year period.

Mr. McIlraith: It did not. See the text of the press release.

Mr. McQuaid: The government promised that $30 million a year would be spent. As a matter of fact, I have the press release here if I can take the time to look it up. The minister now says that the project is not being delayed. We cannot see any real, sincere effort being made to construct the causeway at the present time. Two years have passed since 1965, and although the minister promises that the causeway will be built we want him to announce now when construction is going to start in earnest. Then and only then will the people of Prince Edward Island be satisfied that this government has lived up to the promise it made early in 1965.

Mr. McKinley: Mr. Chairman, I have two or three items on the public works estimates that I should like to mention; they are mostly constituency problems.

I am one of the members of this house who has respect for the Minister of Public Works, mostly because of the co-operation I have received from him in the many requests I have made in the house during the short time I have been here. I took the opportunity to say as much when I was given the job of introducing the minister at an official function at the opening of our new arena, a centennial project in Clinton this past year.

Might I say that the people of Bayfield are sincerely grateful for the reconstruction of the north pier, part of the cost of which appears in the estimates last year, the remainder being in these estimates. The job is either completed or close to completion.

• (9:20 p.m.)

The success of the project was marred by an accident in which two local boys lost their lives. We were all saddened. I am sure that the accident was not caused through any negligence on the part of the department.

Another item I wish to speak about is the reconstruction at Snug Harbour, in Goderich. This reconstruction was promised as an election promise in the election previous to that of 1965. Because of the publicity this announcement received at that time I followed it through. I am happy to say that the contract, which was also on the estimates of last year, was finally let on May 17 of this year. It is to reconstruct the Snug Harbour pier, and the estimated cost was $130,000. The actual cost will be over $186,000. Work is under way and should be completed shortly, and for that I thank the minister. I also wish to thank him for another $270,000, to be set beside the original $130,000, which will make up the $400,000 to be spent this year on Goderich harbour.

Goderich is about 20 miles from where I live, is one of the largest towns in the riding, and has a fair volume of vessel traffic. The $270,000 is required for reconstruction of the outer end of the north pier. Steel sheet piling and reinforced concrete are to be used, as this section now is in a state of deterioration, and concrete sections along the south face occasionally are falling into channels. During the spring run-off the Maitland river flows partly underneath the existing structure. The proposed work will consist of reconstructing a 640 foot long section of the north pier in steel sheet piling and reinforced concrete.

I received a press release earlier with regard to the reconstruction at Snug Harbour. It advised us that the contract had been let, at an estimated cost of $270,000. I wish to know when the work is to be completed, or if it has been completed. I have faith enough in the minister to know that if he has not that information, he will advise me as soon as possible when he has it.

I wanted to bring this matter to the minister's attention. I realize that this item is in the estimates, but I am anxious to see this work carried out. I also wanted to take the opportunity of thanking the minister for the co-operation he has extended to me during the short time I have been a member of this house.

Mr. Hopkins: I wish to address a few remarks to the Minister of Public Works, and to clarify something that has arisen recently. First of all, I may say to the hon. member for Kings that, in speaking on this matter for Renfrew county tonight, Renfrew county is larger than Prince Edward Island. If we had four members of parliament and four senators representing Renfrew county, we would have had a majority government from the beginning of this parliament.

Some hon. Members: Hear, hear.

Mr. Webb: Don't be too sure of that.

An hon. Member: They might not have got in.

Mr. Hopkins: During the past several months several meetings have taken place between officials of the town of Pembroke, officials of the Department of Public Works and the minister. The intention has been to demolish the dock that was built shortly after the first world war, the estimated cost of the demolition being between $90,000 and $100,000. This demolition has been badly needed for the past few years, as the dock has presented a great hazard to the area.

Recent estimates show an amount of $50,000 set aside for the demolition of this wharf. So that the officials of Pembroke will be fully aware of the department's plan with regard to this wharf, I wish to ask the minister whether it is the intention to have an additional amount of money included in the estimates for the year 1968-69 to complete this job satisfactorily to both parties concerned.

Mr. McIlraith: The simple answer is yes, Mr. Chairman.

Mr. Winch: My colleagues from Vancouver Quadra asked a question about the sea wall around Stanley park. That leaves only one question that I wish to direct to the Minister of Public Works. Some time ago the announcement was made that a new federal building was to be constructed in Vancouver. That building was required urgently. Many Vancouver organizations—the downtown businessmen's association, Vancouver city council, and others—repeatedly made representations that the new federal building should be constructed either in the Queen Elizabeth theatre area or in the new post office area. I understand that the minister has decided to have the federal building constructed in the old post office area, the Hastings and Granville streets area. That decision opposes the unanimous recommendations of city council and the business organizations of Vancouver. That is the first phase of my question. I want to know how the minister reached this decision.

• (9:30 p.m.)

Let me come to the second phase of my question. If the minister is to stand by his present view that the federal building is to be constructed in the old post office building area, can he indicate what took place to influence him in his decision? Let me make it clear that I have had the opportunity of discussing this matter in some detail with the minister. It is my understanding that the new federal building in Vancouver is to be constructed in three or four phases. I believe it is called a tower structure, and the first tower is to be built on the northern end of property which is owned by the federal government. However, a peculiar situation arises. If my understanding is correct, in accordance with the plan for the development of the harbour area a freeway is to go through the land on which it is proposed to build the first tower. Can the minister tell us whether the federal government is going to build and lease the freeway or whether private enterprise is to build it and the federal government intends to lease the tower? Has a decision yet been reached on this question and, if not, when does the minister believe a decision is likely to be reached? I ask this because until this question is answered construction of the federal building cannot proceed—and we are hoping that construction will not be long delayed.

Mr. Bower: If in the remarks I intend to make I sound repetitive, I make no apologies whatever. On the contrary, I can assure hon. members opposite that I shall continue to hammer away at these subjects until the constituents I represent get some satisfaction and consideration in connection with the problems they are facing.

Speaking on the estimates of the Department of Industry I made an appeal to the Minister of Industry assuming he was as interested in keeping industries from going to the wall, or disappearing for lack of certain facilities, as he was in encouraging new industries. I got no reply. Then, *sotto voce*, I heard him mention my constituency when he said he intended to reply only to those members who were sufficiently interested to remain in their seats. I can assure the minister that I was in my place when he began his remarks, I was there while he was making them and I was still there when he concluded. I have not heard from him.

Accordingly I intend to start with another minister because it is my purpose to try, somehow or other, to get some co-ordination into the conglomerate government we have opposite—ministers who apparently do not speak to each other or who never bother to relate economic factors in the slightest degree.

Long before the Minister of Finance announced that expenditures should be curtailed, and before it became apparent to him

that deficit financing would inevitably contribute to the inflation we are now facing, I was among the first to recognize the realities of the situation. However, when curtailing expenditure I maintain that cuts should not be made where the economy is feeblest. These are the areas which must be sustained, while cuts are made in the more exotic and less fruitful expenditures that I observe going on in the country.

The hon. member for Gaspé said he had hoped to see the Minister of Public Works in his constituency this summer but was disappointed because that hon. gentleman failed to arrive there. Well, I am informed that the minister did visit my constituency. I never saw him, though. When I learned he was there, and went to Yarmouth, he had disappeared although he had in tow a group of political lame ducks and other characters who were liable to become lame ducks because their constituencies would disappear as a result of redistribution. I hope this will ease the soul of my hon. friend from Gaspé in some sort of way: it probably would not have made a bit of difference, to have had a ministerial visit.

My constituency depends principally on the fisheries, on tourism and on the secondary industry which is slowly developing there. I want to place the emphasis now on fisheries. I should like to draw attention to some of the more glaring difficulties which we are at present disenjoying—there are many others, but time will not permit me to go into them—by putting forward a brief catalogue of these highlights in geographical succession. On Christmas day last year the new wharf at Saulnierville was washed out by a very bad storm. As far as I know, nothing has been done to repair it. We are now approaching another winter of storms. Having had some background in engineering and some experience in construction also, I would say this is a bad situation because the storm which wrecked the wharf in the first place may well be succeeded by an even more severe one this year and I hardly think that a damaged wharf will stand up to another severe attack.

I ask the minister what he is planning to do. I look at the estimates, realizing of course that the estimates for the year did not anticipate this brand new wharf going to pieces. I look at the supplementary estimates and I see not a cent for the repair of this wharf. Apparently the minister's motto is that of Wilhelm II of Germany—"Gott mit uns." Mr. Chairman, this wharf is the basis upon which the fishing industry in the northern part of Clare operates. With its disappearance hundreds and hundreds of men will be deprived of an opportunity to earn their livelihood in the one business they know.

• (9:40 p.m.)

I drop down the coast now to the Meteghan river, one of the few semi-natural harbours on the exposed coast of St. Mary's bay. This is the site of a large shipbuilding industry. This port has been neglected. With a relatively modest investment it could be revived and placed in such a condition that the shipyard company would be able to rig their vessels after they are launched and conduct repair jobs. The company to which I am referring has had on the stocks at one time eight big ships, and employs about 180 men. I see nothing in the estimates, supplementary or otherwise, which indicates that any effort is being made to revive what once was a very fine little harbour. This harbour could play a very vital role in the economy of Clare.

There is another matter which I have mentioned previously to the minister, and in the house, and that is the situation in Yarmouth. Some two or three years ago a very fine public wharf was built at Yarmouth. Today it is dangerously overcrowded. Large purse seiners have been built in the last year or two and they are crowded in at the wharf seven or eight deep. If one of these should explode in the middle of one of these clusters, the whole fleet might go up in flames and there could be a real catastrophe. Certainly they are crowded to the point where effective operations cannot be carried out.

Here again we have an example of an industry in this constituency which, although on the point of being developed, is being restricted because of inadequate infrastructure. I have proposed to the minister and also to the house the idea of acquiring the old Evangeline wharf property which has been abandoned for a number of years. The wharf no longer is suitable but the site is one which could be used appropriately for another wharf. I do not see any evidence of any move being taken in this direction. The first thing to do would be to acquire the property. Then a wharf could be built which would enable the people in the area to take part in the fisheries which are being developed in the area. I am always told such things as: Oh, well, we are digging a basin out there. I

should like to read about this marvellous basin. This is an article in *The Light Herald* of Yarmouth dated September 28, 1967:

> The dredging of the inner basin at the public wharf which began this spring, was expected to provide some relief for small seiners by deepening the basin to 12 feet. The depth was made 4 feet only which is suitable only for lobster boats. The construction of a retaining wall along the land side of the basin was to have provided a place where the boats could tie up and have space to work on their gear.
>
> The wall is not yet built, and the bank of the basin is falling in with every tide and filling up the basin where the dredging was done. Not only is this a matter of too little too late, but the money spent on the improvement has been wasted by the filling in of the basin.
>
> In the meantime the huge MacNamara dredge sits idle at the public wharf while fishing boats search for berthing space at the wharves, and sometimes find themselves crowded out into the narrow channel of the harbour proper.

In addition to not being dredged to a depth which would be adequate for the purpose of providing a space for the big off-shore boats to anchor, this basin is not satisfactory even for the smaller boats. The fishing industry thus still remains restricted.

The government has informed me that the policy now is not to have a "wharf for every fisherman" but rather to have a number of large strategically located fishing ports. Certainly Yarmouth is qualified to benefit from such a policy, but nothing is being done.

I should like to move on now to Cape Sable island which traditionally for many years has been one of the great fishing areas on our coast. Here there is a real need for a deep water wharf so that the plants on Cape Sable island may be supplied with fish by the big off-shore ships. Cape Sable island has 3,500 to 4,000 people who obtain their living from the sea. About 4,000 more people on the mainland derive their living from the Cape Sable islanders activities. This wharf has been the subject of a great deal of argument, but no appropriations have been made and no building projects have been undertaken. The whole matter has developed into the chicken and egg sort of argument, in which it is said that if the companies put in the plants the wharf will be built, and the companies say they will not build the plants until they see the wharf. In the meantime my understanding is that there is already a surplus fish processing capacity on the island and that this would warrant a start being made on the wharf. If this is done, then we will see the processors move in with additional plant.

In so far as Shelburne is concerned, it has one of the most magnificent harbours on the Atlantic coast. At one time it was a great centre for yachting. Hundreds of yachts from the United States used to put in at this port. Supplies were purchased and this provided considerable business for the merchants in the town. At the present time there is a good public wharf there, but it is utilized entirely by the fishing industry. There is not a wharf at which a yacht could tie up. A breakwater-wharf should be built on the west side of Shelburne harbour. The town has already acquired a shore property and this they would be disposed to turn over to the government if the government would put in the facility I have mentioned.

I should like to point out to hon. members that the constituency of Shelburne-Yarmouth-Clare is the largest fishing constituency in the whole of Canada. The landed value of the fish is the greatest. We are speaking of a major industry which is being throttled because of the lack of repairs in some cases, the enlargement of existing facilities in other cases and the construction of needed new elements in the infrastructure. I should like to quote again from *The Light Herald* of September 28. While the statement which I should like to quote refers in particular to Yarmouth, it applies to all the areas I have mentioned:

> The hopes of the town lie with the board of trade, and if their action is not successful in getting action from the Departments of Transport and Public Works for additional facilities along the waterfront, the government can look forward to having the fishing industry of Western Nova Scotia turn into another Cape Breton coal industry where the costs to rescue the area from economic ruin will far exceed that of aiding our fishing industry now.

• (9:50 p.m.)

Mr. Howard: Mr. Chairman, there has been much conversation here about cutting expenditures and slashing the estimates. Apropos of this fact I think I should point out that part of the reason for these large government expenditures can be associated with certain cabinet ministers lauding as something virtuous, the large amounts of money under their authority and expended by this departments. I have read press statements in which cabinet ministers have from time to time extolled the tremendous contributions they are making to Canada because of the large sums of money they control. Let me hasten to add that I have not read any such press statements issued by the Minister of Public Works. Some of his colleagues have very hefty propaganda machines in their offices for this purpose.

The government is at fault here for not expressing concern about the value received from the money expended or from what has been accomplished. The members of the cabinet simply refer to the large amounts under their control. References are made to previous years to show the millions of dollars more to be spent by their departments in the current year. They do so in an attempt to develop some sort of political support for the degree to which they spend the public money.

We should expect a different set of responsibilities than those expressed so far, in that the government should cut back on the spending of some of these spendthrifts who are not so much concerned with the welfare of the public as they are in how much money they can spend, in the manner of the often referred to drunken sailor. These huge expenditures seem also to be associated with a claim for political support. The Department of Public Works falls heir to this sort of exploitation. Members of constituencies who happen to be representative of the party in government also laud the virtue of high government expenditure on public works within their own constituencies, and demand such expenditures on the basis of gaining additional political support.

All of this misuse of public funds leads to the situation we face today, in which the Minister of Finance is sharpening his axe to the proper hone in order to slash, slice and slit the estimates of every department; and one he is aiming at is the Department of Public Works. I am sure the minister knows this very well. His department may have relatively little impact upon some urban constituencies. Earlier I asked some of my colleagues in the house from urban ridings what effect public works spending meant to them. They had to grope and think, but eventually arrived at the answer that post offices and federal buildings represent the extent of public works spending.

The expenditures of this department have a tremendous impact on constituencies which I represent and the constituency represented by the hon. member for Shelburne-Yarmouth-Clare, as well as those of other coastal or maritime areas where the men work in the fishing or shipping trades. In these areas breakwaters, wharves, docks and floats are all of tremendous assistance, both to the economy of the area and the safety of the workers.

Let me give you an example of the value of public works projects to these areas, both from the point of view of the number of projects and the value to politicians in the area. I am sure this is true in certain communities in Skeena and other parts of my constituency. Let me show one example of what I have in mind.

Prior to the 1962 election the public works estimates contained an appropriation for a breakwater at the Indian community of Kitimat. This project was approved in 1962, according to the officials within the department. You will remember that during that year the then prime minister returned following the election and said that things were in a terrible state, and that the government had to curtail public works expenditure. Apparently this had something to do with the extremely dangerous balance of payments situation. Various projects provided for in the estimates of the Department of Public Works and other departments were cut.

The Indian community to which I have referred depends to a great extent on fishing, and depends for safety upon adequate breakwaters. They had a breakwater almost within their grasp in 1962, but lost it because of some financial difficulties the federal government faced. The appropriation for that project did not find its way back into the estimates until this year, five years later. What sort of system of revision and priorities must exist within a department such as this? What sort of planning must take place? How can any community have admiration or respect for a department or government when they realize that a worth-while project such as this, having once been approved, is cut out because of financial problems of the government of the day? Perhaps they accept this as being one of those things which occur, but having to wait for five years before the project comes back within reach is something that should not happen.

Let me say that this project is being proceeded with at the moment, for completion sometime next spring. There do not appear to be any impediments in the way of its completion. Surely there should be greater understanding of the responsibility of government to communities such as the one to which I have referred. I am sure that the situation in respect of this project has been duplicated in many other areas. Many projects have probably reached a certain stage of priority only to be cut back for some financial reason, and presumably lost in the shuffle which goes on within the department.

Proceedings on Adjournment Motion

The Assistant Deputy Chairman: Order, please. It is my duty to rise, report progress and request leave to sit again at the next sitting of the house.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Starr: Mr. Speaker, I should like to ask the government house leader what business we will take up tomorrow, Wednesday, Thursday and Friday?

• (10:00 p.m.)

Mr. MacEachen: Mr. Speaker, tomorrow we propose to take the Treasury Board estimates. Wednesday we will begin with the broadcasting act. On Thursday we are obliged to complete the remaining estimates, and on Friday we will continue with the Broadcasting Act. If it is completed or given second reading we will continue with legislation. On Monday it is proposed to start on the capital punishment bill.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the house under provisional standing order 39A deemed to have been moved.

CANADIAN BROADCASTING CORPORATION—POSSIBLE USE OF EXPO BUILDINGS AS MONTREAL HEADQUARTERS

Mr. R. Gordon L. Fairweather (Royal): Mr. Speaker, this afternoon I asked the Prime Minister (Mr. Pearson), in the absence of the Secretary of State (Miss LaMarsh), whether any consideration had been given in the city of Montreal to using the very fine Canadian broadcasting centre, the theatre and the administrative building, all having to do with the magnificent Expo '67, for the nucleus of the operations of the C.B.C. in the city of Montreal. First of all I would say that I am not one of those who criticize one five cent piece of the expenditure on Expo '67. I think history will prove this was a magnificent exhibition.

Some hon. Members: Hear, hear.

Mr. Fairweather: That should be made clear immediately. Neither am I one who is against the Canadian Broadcasting Corporation having a new building in the city of Montreal. It goes without saying of course, because I have raised this question, that neither am I against federal expenditures in the city of Montreal, the most civilized city in Canada.

Mr. Bell (Carleton): Don't forget Ottawa.

Mr. Fairweather: I am mentioning civilized cities. I did not think the two were in the same sequence. But there have been doubts about the usefulness of the new building in downtown Montreal. These are not the doubts of those who are anti the expenditure of public money; they are the doubts of people who have seen the techniques of television production overleap the architects' plans for this very large building in the city of Montreal. In other words, the plans were drawn several years ago and the techniques of programming have advanced to such a stage in the intervening years that the architects' plans are obsolete, it is suggested, before the site is cleared or the construction starts.

I think also that there is a second question about the C.B.C. building in downtown Montreal. It is that there is far too much parking space in a very valuable site in downtown Montreal. I think that about one third of the 23 acres is for parking, and this I suggest is an uneconomic use of prime land. So that even without the austerity program that was described earlier tonight as the Sharp broadaxe, the C.B.C. construction in Montreal merits very careful re-examination.

I hope the minister realizes that this is not just a criticism of the plan, but is rather a seeking of information as to whether, in view of the advanced techniques of programming, it would not be a piece of very good housekeeping if we used the nucleus of the buildings which I have mentioned on the site of Expo before we build what may well be a white elephant in downtown Montreal.

[*Translation*]

Mr. Albert Béchard (Parliamentary Secretary to Secretary of State): Mr. Speaker, the building housing the International Television and Radio Center which was built at the Cité du Havre by the Canadian Broadcasting Corporation has not been designed—I must say to the house and to the hon. member for Royal (Mr. Fairweather)—for the present or even the future needs provided for in the broadcasting complex now under construction in the eastern part of Montreal.

The present building, that is the International Television and Radio Center of the

C.B.C. has been built to enable the corporation to cover this magnificent and colossal event of Expo 67, so properly noted by the hon. member a while ago, and to also enable the various foreign radio and television outfits which came to our country, particularly to Montreal during Expo to broadcast to their country this tremendous achievement and its various events.

The Canadian Broadcasting Corporation required this permanent building to relieve the pressure on the various premises currently occupied in Montreal and which are scattered in various buildings, until the broadcasting complex is finished.

The C.B.C. intends, I think, to use this building as a training centre for personnel for both English and French networks.

[*English*]

FISHERIES—INQUIRY AS TO ESTABLISHMENT OF GEOGRAPHICAL CO-ORDINATES

Mr. Ron Basford (Vancouver-Burrard): Mr. Speaker, my question on the adjournment proceedings arises out of a statement of the first list of geographical co-ordinates establishing the straight base lines for purposes of demarking our territorial seas and fishing zones. In this matter Canada has acted, in my view, in accordance with the practices and the conventions of international law, and throughout we have negotiated and consulted with the nations that historically have fished within the waters which we will be endeavouring to enclose within our territorial and fishing zones. In particular we have negotiated throughout with the United States and have assured them of their historic and treaty rights. But the United States has protested the Canadian position, and the United States protest and rejection of our position is in my view unacceptable. It is on this matter that my question arose. I hope it is equally unacceptable to the fishermen and the congressmen from the states of Alaska, Washington and Oregon who have as much at stake in the establishment of the concept of straight base lines and territorial and fishing zones as we in Canada have.

Canada has no alternative in this matter but to enforce the law as it has been passed by this sovereign parliament and enacted by regulation of the cabinet of Canada. However, coming from the west coast as I do I am particularly concerned about and interested in Canada's jurisdiction over the Dixon entrance, the Hecate strait and Queen Charlotte sound. First we are entitled to a full and frank statement from the government outlining the future of these waters, and second, before such a statement is made—and this is why I rose the other day—I want once again to impress upon the government that we on the west coast want the fisheries jurisdiction over these waters, and I am quite sure will be satisfied with nothing else. We are primarily but not exclusively concerned with our salmon stocks which spawn in our rivers and range far out to sea. It is essential in the long term that we have a treaty binding all the nations fishing in the Pacific, providing for the protection and conservation of those fisheries stocks. But I am not an optimist and I do not see such a treaty being agreed upon in the very near future. In the meantime we require as an absolute essential fisheries jurisdiction over the waters I have mentioned.

• (10:10 p.m.)

Some internationalists tell me that we will never be able to establish as a principle of international law that these waters can be the territorial waters of Canada. May I suggest, Mr. Speaker, that we are interested, and I speak for myself, really only in the fisheries protection aspect of these waters, and not the other aspects of sovereignty over these waters, such as the right to defence. We are solely concerned with our fisheries jurisdiction over these waters. If we cannot gain acceptance by international law of these other territorial jurisdictions over waters, may I suggest to the government that they attempt to work out a deal with the other nation involved under which we could draw base lines, including those waters for fisheries jurisdiction only. I believe this would be acceptable to me and to the fishermen at home whose livelihood is related to this question. I believe the Russians and the Japanese will be encroaching upon these waters. We are not so much concerned that they should be the territorial waters of Canada, but we are concerned that they be protected by Canada for fisheries purposes. If we cannot work out a deal one way, may I suggest we try to work out a deal by which these waters become protected for fisheries purposes only?

Hon. H.-J. Robichaud (Minister of Fisheries): Mr. Speaker, in his remarks the hon. member referred to salmon stocks which, as he well knows, are found far beyond the bodies of water he mentioned. The approach which has been given to the introduction of co-ordinates based on headland to headland has been that it is for fishery purposes only.

The last part of the hon. member's question, therefore, has been well covered during the negotiations.

During his remarks the hon. member has been referring to certain bodies of water, and in some cases I must remind the house that if a line is drawn from headland to headland it would be about 100 miles out, which is far beyond the distance normally recognized by international law. At this time I can do no better than to quote the word of my colleague, the Secretary of State for External Affairs (Mr. Martin) when he appeared before the standing committee on external affairs on October 26:

> The Canadian government entered into a series of bilateral negotiations with those countries that would eventually be affected by any such establishment of base lines to ascertain whether or not the proposed straight base lines would be acceptable to them from the point of view of international law. Although the drawing of straight base lines is a matter that can only be undertaken by Canada, such a system cannot be implemented unless it is carried out in accordance with the applicable rules of international law.

My colleague, the Secretary of State for External Affairs, also referred to the fact that if agreement could not be obtained by the countries most directly affected, implementation by Canada could give rise to protests and possibly to international litigation. As we all know, this could lead to a case for decision before the International Court of Justice.

The Secretary of State for External Affairs also added that further lists of co-ordinates will shortly be issued. Negotiations are well under way and we are looking for the eventual establishment of a more rational régime of conservation and exploitation of the living resources of the sea through which coastal states would receive greater protection.

FREIGHT RATES—CREAM—REQUEST FOR RESCISSION OF RECENT INCREASE

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, if you had been in the habit of travelling from your apartment building by bus, how would you like it if one morning you were told that instead of paying a 25 cent fare normally charged, the fare would be $2.50? If you were in the habit of travelling by car, how would you like to drive to the service station and instead of being charged 45 cents for a gallon of gasoline be requested to pay $4.50 in order that you may continue to use your car? My question this morning was directed to the Minister of Agriculture (Mr. Greene), although it did relate to problems which the Minister of Transport (Mr. Hellyer) must resolve. I wanted to know what the government was doing about rescinding an order issued by the transport commission which allows the railways to charge a 1,000 per cent higher rate for the shipment of cream. From a charge of 65 cents to deliver a can of cream to the creamery and back, the railways are now allowed to charge up to $6.35 and more. After several trips to and from the creamery you might as well throw away that can. It costs about $11 or $12 for the can, and after four trips, as I say, you might as well throw it away.

They say that power corrupts, and the more absolute the power the more absolute the corruption. That may not be entirely true of the commission, but when parliament authorized the board of transport commissioners to permit a reorganization of the railways and dealt with the transportation bill, I stated at the time that it was not a transportation bill but a railway bill. The bill was not going to solve our transportation problems; it was going to try to solve the problems of the railways.

Perhaps the railways are going to be happy with this new rate, but I suggest that the commission has gone hog-wild in allowing the railways to charge such a ridiculous rate as this. If this rate proves exorbitant to the users of the railway, then what revenue can the railways possibly derive from it?

In Saskatchewan it is estimated there are between 1,500 and 2,000 cream shippers who will go out of business. They will not be able to ship their cream by truck; they normally depend on the railways. They depend on a few trucks to ship their cream and maintain their farm operation.

Many of them pay the fuel bills for their tractors and cars with money earned the hard way. They get up early at dawn to milk the cows, and send off their cream before the kids go to school on the bus. Then after the kids come back from school they milk the cows, well on into the night. These are the people who will have to pay $6.35 on their cream.

The members of the commission who have made this order arrive at their offices at eight or nine in the morning, even ten o'clock, and at four or five o'clock their day is finished. The man who allowed himself to be appointed commissioner receives $40,000 a year. I asked the former minister of transport last

July when he was going to appoint a commission which would put some teeth into a provision to retain some rail lines, and more particularly to replace the bridge which had been destroyed west of Chelan. The minister said at the time that he hoped this would be done some time in September. I am sure he was aware then that he was going to be appointed to his new post, and when I asked this question I did not realize that we were going to end up with a commission which had the fangs of a werewolf. I did not realize it would consist of people who were willing to sacrifice hundreds of farmers who were trying to make a living the hard way.

This afternoon we spent a lot of time discussing the estimates of the Department of Industry, a department that does not seem to be aware of Parkinson's law. These are the people who surround themselves with men, whether they are needed or not, to build an empire. In Saskatchewan alone between 1,500 and 2,000 people have been sacrificed; I do not know the figures for the other provinces. When I asked for the commission to be given teeth, I meant what I said.

• (10:20 p.m.)

When the railways made their application they did not heed the needs of many small communities for rail service. The merchants do not want slow deliveries, incomplete arrivals, and payment for compensation. They want service. But when the railways, on top of everything else, apply for a tenfold increase, the only conclusion one can draw is that they wish to eliminate rail services—

Mr. Speaker: Order, please. I regret to interrupt the hon. member but his time has expired.

Mr. J. A. Byrne (Parliamentary Secretary to Minister of Transport): Mr. Speaker, the hon. member for Mackenzie has brought a serious matter before the house. It is too serious to be discussed in the language the hon. member has used this evening. To indulge in personalities, as the hon. member has, will not solve any problem.

I wish to tell him that I, too, know something about rising at four o'clock in the morning and milking cows. I have had a good deal of experience in these occupations and am in complete sympathy with the farmers. But this is no way to solve their problems.

I wish to tell the hon. member that the minister of agriculture of Saskatchewan brought this matter to the attention of the Minister of Agriculture of Canada back on October 5. Of course the minister has also corresponded with the farmers, who are still getting up somewhat earlier than the hon. member for Mackenzie gets up.

The matter has been taken up with the Express Traffic Association of Canada by the director of traffic of the railway transport committee of the Canadian Transport Commission. The whole question of express rates on cream and returning empties was the subject of a review by senior express officials on October 24 and 25. The Minister of Transport hopes to be in a position to advise further within a week or ten days.

Motion agreed to and the house adjourned at 10.25 p.m.

HOUSE OF COMMONS

Tuesday, October 31, 1967

The house met at 2.30 p.m.

CANADIAN CONSTITUTION

FEDERAL PARTICIPATION IN PROPOSED PROVINCIAL CONFERENCE

On the orders of the day:

Hon. Michael Starr (Leader of the Opposition): Mr. Speaker, I wish to address a question to the right hon. Prime Minister. Will the Prime Minister pay heed to the strong demand from across Canada for federal government leadership and personally attend the confederation of tomorrow conference as a means of showing some interest in a matter which is of concern to all Canadians?

Mr. Speaker: Order, please. I wish to bring to the attention of the Leader of the Opposition that the question is obviously couched in the form of an argument. That is not in accordance with the rules. The question should be asked directly.

Mr. Starr: I shall rephrase the question, Mr. Speaker. Will the Prime Minister personally attend the confederation of tomorrow conference that is being held and which is of such great interest to all Canadians?

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker. This, of course, is an interprovincial conference. I do not know of any such conference which has been attended by the prime minister of this country, important though such a conference undoubtedly is. It has been made quite clear by the premier of Ontario that this is an interprovincial conference at which matters of provincial co-operation will be discussed by the governments of the provinces. Perhaps as a result of that discussion the provinces, or some of them, will be able to put on the agenda of the federal-provincial conference in January some subjects that can be discussed there on a federal-provincial basis.

Meanwhile the government will be represented by observers as is customary at provincial conferences. The four federal observers will be Mr. Jean Beetz, assistant secretary of the cabinet; Mr. Carl Goldenberg, special adviser to the Minister of Justice on constitutional matters; Mr. A. W. Johnson, assistant deputy minister of finance; and Mr. Marc Lalonde, special adviser to the Prime Minister.

Mr. Starr: I have a supplementary question, Mr. Speaker. Does the Prime Minister not think Canada's confederation is far too important to be left to officials, and that the sooner he stops making speeches and starts attending these conferences the better it will be for Canada?

Mr. Speaker: Order, please.

Mr. Pearson: No one is more concerned with the confederation of Canada than I am.

Mr. Speaker: Order, please. I wonder if the Leader of the Opposition does not think his question is more an argument than a question formulated according to the custom of the house.

GRAIN

PROPOSED INCREASE IN AMOUNT AVAILABLE FOR CASH ADVANCES

On the orders of the day:

Mr. Ed. Schreyer (Springfield): Mr. Speaker, my question is directed to the Minister of Trade and Commerce. Now that the pattern is clearly emerging according to which grain delivery quotas will not be opened up significantly, can the minister say whether the government is giving immediate attention and consideration to the request for an increase in the amount available to farmers through cash advance legislation?

Hon. Robert Winters (Minister of Trade and Commerce): Mr. Speaker, this matter has been under consideration at a conference as recently as this morning. We are watching developments, and I may or may not have something more to say on the subject in due course.

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, I have a supplementary question for the Minister of Trade and Commerce. In view of the recent statement made by Charlie Gibbings, president of the Saskatchewan wheat pool, would the government consider advancing credit to prospective wheat

importing countries so they could buy wheat now and raise their standard of living, and at the same time improve the Canadian grain situation?

Mr. Winters: There has been no call for that so far. We have a well developed and well recognized aid program around the world. We also have a very aggressive marketing organization. This has been a highly competitive year in the marketing of wheat, but a pattern is developing for a more orderly market now, and our wheat is moving in a stronger flow than it was a short time ago.

Hon. George Hees (Northumberland): I have a supplementary question, Mr. Speaker. In view of the difficulty which the government or the wheat board are having in marketing our wheat, has the government given consideration to following a policy of cash advances on grain such as was brought into effect by the Conservative government a few years ago under similar circumstances?

Mr. Winters: Mr. Speaker, we will develop policies to suit the circumstances, but at the moment we are pursuing a very aggressive policy of marketing wheat and I think the activities of the wheat board are bearing some fruit.

Mr. Woolliams: I have a supplementary question, Mr. Speaker. In view of these remarks would the minister advise the House of Commons of the names of the people representing the wheat board either in Hong Kong or Peking, and does he not feel that his own presence at the negotiating table is important?

Mr. Speaker: Order, please.

[*Translation*]

POST OFFICE DEPARTMENT

REPORTED INTENTION TO REDUCE DELIVERY SERVICE TO FIVE DAYS WEEKLY

On the orders of the day:

Mr. Réal Caouette (Villeneuve): Mr. Speaker, I have a question for the Postmaster General. He stated yesterday that, some time in the future, the delivery service will be on a five day week basis, and that this would represent a yearly saving of seven and a half million dollars for the Post Office Department. What are the minister's grounds for stating that there will be such savings?

Hon. Jean-Pierre Côté (Postmaster General): I did not make such a statement, Mr. Speaker. I can only say that the department is now looking into this matter following Mr. Justice Montpetit's recommendations.

[*English*]

Mr. Robert Simpson (Churchill): I have a supplementary question, Mr Speaker. Can the Postmaster General tell the house whether the five day week would include the transportation of mail?

Mr. Côté (Longueuil): The transportation of mail from where to where?

Mr. Simpson: The first question concerned the possibility of the delivery of mail being put on a five day week basis. I should like the minister to say whether the proposal includes the transportation of mail in Canada on a five day a week basis.

Mr. Speaker: Order, please.

[*Later:*]

Mr. Jack Roxburgh (Norfolk): Mr. Speaker, I should like to ask the Postmaster General something which really has to do with a previous question. If his department decides on a five day week for the postal service, is consideration being given to enabling people in rural areas to obtain their mail on Saturdays if they so desire?

Mr. Speaker: Order. The question of the hon. gentleman appears to be hypothetical.

UNITED NATIONS

MIDDLE EAST—PROPOSAL THAT REPRESENTATIVE OF SECRETARY GENERAL SEEK PEACE SETTLEMENT

On the orders of the day:

Mr. A. B. Patterson (Fraser Valley): I should like to ask the Secretary of State for External Affairs if he is able to report any progress in his attempts to have the Secretary General of the United Nations granted authority to send a special representative to the Middle East to seek a peace settlement in that area.

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the ten non-permanent members of the security council have been meeting this morning and are meeting this afternoon to deal, first of all, with the suggestion that the Secretary General should have a representative in the Middle East to bring the parties together. The difficulties, however, in the discussion arise over the terms of reference of such a representative, and in particular the failure of both sides to agree on certain principles

involved in the settlement. The discussions are taking place this afternoon and I continue to hope they will be successful.

Mr. H. W. Herridge (Kootenay West): May I ask a supplementary question. If this effort fails, and we hope it does not, can the Secretary of State for External Affairs say whether the government of Canada has any further proposals to make to get this matter settled properly?

Mr. Martin (Essex East): The discussion that is taking place amongst the ten non-permanent members has to do with a Canadian-Danish proposal. If this proposal does not succeed we shall certainly continue to put forward ideas which we hope might be accepted.

CANADIAN NATIONAL RAILWAYS

PROPOSED LAY-OFFS IN ATLANTIC REGION

On the orders of the day:

Mr. Thomas M. Bell (Saint John-Albert): I should like to ask the Minister of Transport a question further to the questions that were asked yesterday about lay-offs by the Canadian National in the Atlantic region. Will the minister bring about a stay of these lay-offs until meetings are held in Moncton between railway officials and the government in connection with these lay-offs?

Hon. Paul Hellyer (Minister of Transport): All I can undertake to do is to continue the discussions with management and with the minister of manpower which have been going on to ascertain in what way we can be most helpful under the circumstances.

Mr. Bell (Saint John-Albert): Has the minister any more information along the lines of my question on Friday as to when these men will be laid off, where are they located, and what is the reason for this action aside from the rate increases the government brought about recently?

Mr. Hellyer: I have received no additional information. It has been confirmed that the reason for the lay-offs is directly attributable to a reduction in freight loadings. This year the loadings were something of the order of 100,000 cars fewer than last year, which in terms of trains of 100 cars each represents 1,000 trains. This is a very significant reduction in the tonnage carried, and the reduction is directly reflected in the requirements of personnel to maintain the service.

Mr. Bell (Saint John-Albert): Since the minister of manpower took objection to the short notice in connection with these lay-offs, will the minister see that the notice is lengthened to cover the period during which these meetings may be held?

Mr. Hellyer: Mr. Speaker, I will certainly bring it to the attention of the management of the Canadian National Railways for their consideration. This is a question which is primarily the responsibility of management, but I will be glad to point out to them the national concern that has been expressed here.

Mr. Andrew Brewin (Greenwood): I should like to ask the Minister of Transport whether he or other members of the government have received notice of a mass meeting at Moncton to discuss not only the lay-offs on the Canadian National but also the closing of the steel plant at Sydney and the whole impact on the economy of the maritime provinces. Does the minister or any other minister intend to be there so the point of view of the government can be brought to the attention of the meeting?

Mr. Hellyer: Mr. Speaker, on the way into the house one of my colleagues indicated that he had received such an invitation. This was just stated casually on entering the chamber. I have no knowledge whether any other members of the government have received invitations or what their reply will be.

Mr. Brewin: A further supplementary question, Mr. Speaker. In view of the importance of this matter to the whole economy of the maritimes, would the minister consult with his colleagues and try to make sure that someone attends the meeting?

Mr. Robert C. Coates (Cumberland): A further supplementary question, Mr. Speaker, to the Minister of Transport. In view of the short interval between the time the telegrams have been received in connection with the meeting at Moncton and the actual date of the meeting, I was wondering whether the minister would consider meeting with a delegation of railway employees and others interested in this matter before any lay-offs take place.

Mr. Hellyer: Mr. Speaker, we have under constant consideration in what ways we might be helpful; but I can tell my hon. friend that no one has taken a more direct interest in this matter than the hon. member for Westmorland, who has been pressing on

every possible occasion for some action to be taken by the government.

Mr. Coates: Mr. Speaker—

Mr. Speaker: Order. We have had a number of supplementary questions on this matter. Perhaps we could go to a different constituency and another question. If the hon. member wants to return to the subject he will be given that opportunity in a short while.

Mr. Coates: On a point of order, Mr. Speaker, I rose to ask the Minister of Transport a question and all he did was to tell me about what the hon. member for Westmorland was doing. I am not interested in that. What I am interested in is what the minister is doing about these railway employees and those who are out of jobs.

[*Later:*]

Mr. David Orlikow (Winnipeg North): I wish to direct a question to the Minister of Transport in connection with the Canadian National lay-offs in the maritimes. Will the minister discuss with the Canadian National its policy of farming out work, so that further lay-offs in the Atlantic area which result from work being farmed out may be eliminated?

Mr. Hellyer: We have already discussed this at some length, but I would be glad to bring the hon. member's representations to the attention of the company.

[*Later:*]

Mr. Robert Muir (Cape Breton North and Victoria): In view of the serious unemployment situation on Cape Breton island, the cloud which at present hangs over the steel industry and the lay-offs by the C.N.R. in the Atlantic regions, would the minister request the Canadian National Railways to delay the implementation of their new facilities at the port of North Sydney for a further considerable period of time in order that further lay-offs at that port may be avoided?

Mr. Hellyer: I will be glad to discuss this question with the management and ask for their comments on it.

FINANCE

REQUEST FOR DETAILS OF PROPOSED REDUCTIONS IN ESTIMATES

On the orders of the day:

Hon. George Hees (Northumberland): Mr. Speaker, I should like to address a question to the Prime Minister. Would the Prime Minister use his well known powers of conciliation to persuade his colleagues to agree on the reductions to be made in the present year's estimates so they may be announced to the house before the consideration of these estimates is completed on Thursday?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I will use my well known powers to try to persuade my hon. friend not to ask such meaningless questions.

Mr. Hees: A supplementary question. If the Prime Minister can set aside his snide remarks for a short space of time would he not consider it important that these reductions that have been talked about by the government for many weeks be announced before the completion of the examination of these estimates?

Mr. Speaker: Order. The question as asked is argumentative.

Hon. Michael Starr (Leader of the Opposition): A supplementary question to the Prime Minister, Mr. Speaker. In giving his answer does the Prime Minister mean that reductions in the present estimates are meaningless?

Mr. Speaker: Order.

Mr. Pearson: I was referring to the hon. gentleman's method of asking questions.

Mr. Speaker: Order, please.

MEASURES TO MEET ALLEGED MONEY CRISIS

On the orders of the day:

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, my question is for the Minister of Finance and is based on a report appearing in this morning's *Gazette*, in which the minister is reported as having said that within a few days he plans to make an announcement with regard to measures the government is going to take to deal with the present money crisis.

In view of the fact that this announcement was made outside the chamber, Mr. Speaker, I should like to ask the minister whether we can be assured that when he comes to announce the measures he will do so inside this chamber to this gathering.

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, I deny that there is any money crisis, but I can assure the hon. member that when the government brings forward its measures, they will be announced in this house.

Mr. Cameron (Nanaimo-Cowichan-The Islands): I wonder if the minister has read the item which I have referred to, which says there is a money crisis.

Mr. Speaker: Order, please. The hon. member knows he cannot ask for a confirmation or denial of a statement appearing in the press.

Mr. Hees: Does the minister not consider the lowest bond prices and highest interest rates to be a crisis?

POLLUTION

ADOPTION BY CABINET OF TRADE MINISTER'S PROGRAM

On the orders of the day:

Mr. P. B. Rynard (Simcoe East): Mr. Speaker, I should like to address a question to the Minister of Trade and Commerce. Will his one man crusade on air pollution be adopted by his cabinet colleagues and become government policy?

Hon. Robert Winters (Minister of Trade and Commerce): Mr. Speaker, I was projecting some thoughts into the future which I think will have unanimous approval.

[*Later:*]

Mr. Bud Germa (Sudbury): I wish to direct a question to the Minister of Trade and Commerce, Mr. Speaker. In view of the statement made by the minister when speaking to the sales and marketing executives club in Toronto recently, at which time he is quoted as having said "The air we breathe is said to be increasingly unfit for human use," can he tell this house what if any steps he plans to expedite pollution abatement legislation?

Mr. Speaker: Order, please. This sort of question has already been asked in the house on a number of occasions.

Mr. Knowles: But it has not been answered.

REQUEST FOR COMMITTEE CONSIDERATION OF PROPOSED LEGISLATION

On the orders of the day:

Mr. Stanley Haidasz (Parkdale): May I ask the Minister of National Health and Welfare, in view of his concern for the abatement of air pollution, to kindly refer public bills No. C-25 and No. C-171 to the appropriate standing committee of the house.

Inquiries of the Ministry

TAX INCENTIVES TO PLANTS INSTALLING CORRECTIVE DEVICES

On the orders of the day:

Mr. P. B. Rynard (Simcoe East): Mr. Speaker, I would like to direct a question to the Minister of Energy, Mines and Resources. Would the minister like to take another look at his answer as recorded in *Hansard* of October 26 at page 3497, in which he said that incentives are available to industry for air pollution measures? I have checked this, and in the light of the information I have received I wonder whether the minister would not wish to amplify or correct his answer.

Hon. Jean-Luc Pepin (Minister of Energy, Mines and Resources): Unless I am wrong, Mr. Speaker, the hon. member's question also referred to water pollution.

Mr. Rynard: No, it did not.

Mr. Pepin: I am sorry. I drew that conclusion when the question was addressed to me and said that such incentives exist in the field of water pollution.

[*Translation*]

INQUIRIES OF THE MINISTRY

On the orders of the day:

Mr. J.-A. Mongrain (Trois-Rivières): Mr. Speaker, I have a grave and serious question to put to the Minister of National Health and Welfare.

Could the minister or, in his absence, his parliamentary secretary, inform the house whether the hon. member for Lapointe (Mr. Grégoire) had been well inoculated before he left for France, so that he may be immune from attacks of stupidity which might lead him to cry out "Long live free Brittany" on French soil?

[*English*]

Mr. E. Nasserden (Rosthern): Mr. Speaker, I have a question for the Minister of Finance. It arises out of the statement by the Minister of Transport which indicated a decrease of 100,000 freight carloads during the past year. Does the Minister of Finance consider this phenomenon to be a good indicator of the state of our economy?

Mr. Speaker: Order, please. The hon. member is asking for an expression of opinion. His question is not proper.

Inquiries of the Ministry

FISHERIES

REQUEST THAT NEW SHIPS HAVE CANADIAN CREWS

On the orders of the day:

Mr. Lloyd R. Crouse (Queens-Lunenburg): Mr. Speaker, I wish to direct a question to the Minister of Industry. The Canadian Tuna Company Limited has built a tuna cannery at St. Andrews, New Brunswick, and ordered five tuna seiners some 200 feet in length, three to be built at the works of Canadian Vickers in Montreal and two at the Yarrows shipyards at Victoria, British Columbia. Since this entire operation has been heavily subsidized by the Canadian government through the Department of Industry, can the minister say whether his department has made certain that all personnel employed by these ships are Canadians?

Hon. C. M. Drury (Minister of Industry): No, I have not, Mr. Speaker.

Mr. Crouse: A supplementary question, Mr. Speaker. Since the *Atlantic JAG* is already under the command of a Portuguese, Captain Santos, who commands a full Portuguese crew, and since there is unemployment in Canada, will the minister investigate the possibility of hiring Canadian personnel for ships such as the ones I have spoken of which are engaged in deep sea tuna fishing operations?

Mr. Drury: I shall be glad to look into that, Mr. Speaker.

HEALTH AND WELFARE

REQUEST FOR INCREASED SUPPORT FOR FOOD AND DRUG DIRECTORATE

On the orders of the day:

Mr. L. M. Brand (Saskatoon): I wish to direct a question to the Minister of National Health and Welfare, Mr. Speaker. In view of the ever increasing role of the food and drug directorate in safeguarding the quality of drugs in Canada, and in view of the Harley committee recommendations that the funds and personnel available to this directorate be increased, would the minister consider rescinding the recent order which cancelled the recommended increase in funds and personnel to the food and drug directorate?

Hon. A. J. MacEachen (Minister of National Health and Welfare): I shall be glad to consider any reasonable request that is made by the hon. gentleman.

[Mr. Speaker.]

COMMITTEE CONSIDERATION OF BILLS RESPECTING CIGARETTE SMOKING AND ADVERTISING

On the orders of the day:

Mr. Barry Mather (New Westminster): My question is directed to the Minister of National Health and Welfare. Last week the minister indicated that he was giving consideration to referring to the appropriate committee the questions of cigarette smoking, cigarette advertising and disease. Is the hon. gentleman now in a position to say whether he has reached a decision?

Hon. A. J. MacEachen (Minister of National Health and Welfare): Consideration of this matter has progressed to some extent since this question was last asked, and I hope I shall be in a position to decide definitely one way or another very soon.

Mr. W. M. Howe (Wellington-Huron): A supplementary question. In view of the national importance of this matter will the government take steps to ensure that all new types of devices or processes being devised to remove harmful ingredients from cigarettes will be examined, to make certain that if beneficial they will be available to the Canadian public?

Mr. Speaker: Order. The hon. member is making a representation.

USE OF SAFETY LIDS ON HAZARDOUS HOUSEHOLD SUBSTANCES

On the orders of the day:

Mrs. Grace MacInnis (Vancouver-Kingsway): I believe this question should be directed to the Minister of National Health and Welfare, but the Registrar General may be the minister responsible; I am not sure. In view of the tragic deaths of two Toronto babies this month from internal burns caused by household poisons, is the minister now prepared to enforce the use of safety lids on containers of such substances?

Hon. A. J. MacEachen (Minister of National Health and Welfare): The question of protection from hazardous substances is presently under consideration, and if the legislative program permits we hope to introduce measures this session to deal with the problem.

VOCATIONAL AND TECHNICAL TRAINING

INQUIRY AS TO INCLUSION OF BUSINESS COLLEGES

On the orders of the day:

Mr. P. V. Noble (Grey North): I wish to direct a question to the Minister of Manpower and Immigration. Is it the intention of the manpower department to eliminate business colleges from the manpower training program?

Hon. Jean Marchand (Minister of Manpower and Immigration): We have no such intention, Mr. Speaker. I should like a clearer definition of the types of colleges the hon. member is referring to.

Mr. Noble: I may inform the minister that I shall send him a letter which will define them.

NORTHERN AFFAIRS

ROADS TO RESOURCES—INQUIRY AS TO SUBSTITUTE PROGRAM

On the orders of the day:

Mr. Robert Simpson (Churchill): Now that the government has reached a decision not to reinstitute the roads to resources program, can the Prime Minister advise the house whether a similar type of program is being considered, as has been suggested on occasions in this house?

Right Hon. L. B. Pearson (Prime Minister): We are considering the provision of assistance to the provinces of an appropriate kind in this field when economic conditions make this desirable.

INDUSTRY

BRITISH COLUMBIA—SALE OF VICTORIA MACHINERY DEPOT

On the orders of the day:

Mr. Ron Basford (Vancouver-Burrard): My question is for the Minister of Manpower and Immigration. Yesterday the hon. member for Vancouver East asked the minister whether his officials in Vancouver would attend to the situation which might result from possible lay-offs at the Victoria Machinery Depot in Victoria, and the minister promised to look into the matter and report today. Has he anything further to tell the house?

Hon. Jean Marchand (Minister of Manpower and Immigration): I thought I could report today, but I am still waiting for some information. I hope I shall get it later and be in a position to report tomorrow.

TRANSPORT

TRENT CANAL—REQUEST FOR CANCELLATION OF PROPOSED FENCING OF LOCKS AND DAMS

On the orders of the day:

Hon. George Hees (Northumberland): Mr. Speaker, on Thursday last my hon. friend from Hastings-Frontenac asked the minister to state the intentions of the government with regard to fencing off the Trent canal system. The hon. gentleman said he would take this matter under consideration. Has he an answer to give the house now?

Hon. Paul Hellyer (Minister of Transport): Not at the moment.

Mr. Hees: Would the minister give this matter serious consideration and report to the house as soon as possible in order that the public—

Mr. Speaker: Order.

COMMONWEALTH RELATIONS

RHODESIA—PLANS TO DEAL WITH APPARENT SANCTIONS FAILURE

On the orders of the day:

Mr. Andrew Brewin (Greenwood): I have a question for the Secretary of State for External Affairs. Has consideration been given to the suggestion made by Mr. Garfield Todd and a number of others that Canada should take the initiative in calling an informal meeting of commonwealth leaders to co-ordinate plans to deal with the apparent failure of sanctions to put an end to U.P.I. and bring about majority rule in Rhodesia?

Hon. Paul Martin (Secretary of State for External Affairs): I discussed this matter with Mr. Garfield Todd last Thursday. I would point out to the hon. member that the sanctions committee of the commonwealth countries continues to meet and that there are, of course continuing consultations among commonwealth countries at the United Nations. The Secretary General will shortly be making a report to the security council on the record of sanctions to date. If sanctions are proven to be ineffective there is no reason why they cannot be widened, and this course will undoubtedly be considered by the security council, the body which can most effectively deal with this matter at the present time.

Mr. Brewin: I do not think the minister dealt with the particular point I raised, whether a meeting of commonwealth leaders

to formulate plans on this issue was under consideration.

Mr. Martin (Essex East): I think I did, Mr. Speaker.

FISHERIES

COMMITTEE CONSIDERATION OF B.C. HERRING FISHERY CLOSING

On the orders of the day:

Mr. Frank Howard (Skeena): I should like to direct a question to the Minister of Fisheries. In view of the closure of the herring fishery on the Pacific coast and the demand on the industry for meal and oil, would the hon. gentleman be prepared to introduce an appropriate motion in the house so this subject might be examined by the fisheries committee?

Hon. H.-J. Robichaud (Minister of Fisheries): The closure of certain areas off the west coast to herring fishing is not new. This fishery has been closed from time to time, and I see no overriding reason at this time to accept the suggestion made by the hon. member.

PROTEST BY U.S. RESPECTING NEW FISHING LIMITS

On the orders of the day:

Mr. Lloyd R. Crouse (Queens-Lunenburg): Yesterday I directed a question to the Prime Minister in the absence of the Secretary of State for External Affairs. Today I should like to address the same question to the hon. gentleman. It is as follows. Is the minister in a position to state whether he has received a formal protest or communication from Washington with regard to the proposed 12 mile limit? If so, what was the nature of the protest and of Canada's reply?

Hon. Paul Martin (Secretary of State for External Affairs): There has been no formal protest, Mr. Speaker.

Mr. Frank Howard (Skeena): Mr. Speaker, yesterday I asked a supplementary question, and I wonder if today the Secretary of State for External Affairs might be in a position to announce the location of geographical co-ordinates on the Pacific coast.

Mr. Martin (Essex East): Mr. Speaker, I indicated in a statement before the external affairs committee that we had begun this work with regard to certain sections of the east coast. When I am in a position to announce further progress I shall announce it in the house.

[Mr. Brewin.]

MANPOWER

SUDBURY, ONT.—REPORTED SHORTAGE OF MINE LABOUR

On the orders of the day:

Mr. Bud Germa (Sudbury): I wish to ask the Minister of Manpower and Immigration whether he is aware that there is an immediate need for one thousand miners and smelter workers in the nickel mines in Sudbury and, if so, what steps he is considering in order to alleviate this shortage of labour.

Hon. Jean Marchand (Minister of Manpower and Immigration): I am aware that there is a need for labour in the mining industry; I do not know whether one thousand or two thousand men are required, but this is a problem we are trying to solve. The mining companies have sent recruiting teams overseas to find miners if we cannot find them here in Canada.

Mr. M. W. Martin (Timmins): Would the minister ensure that if this recruiting team is successful the men will not be denied employment simply because they do not speak English?

Mr. Speaker: Order.

[*Translation*]

WEIGHTS AND MEASURES

INQUIRY AS TO ADOPTION OF METRIC SYSTEM

On the orders of the day:

Mr. J.-A. Mongrain (Trois-Rivières): Mr. Speaker, I wish to put a question to the Minister of Industry and Defence Production.

Apart from some inquiries made in the house recently, could the minister say whether he has received requests from other sources asking that he take measures as urgently as possible concerning the adoption of the metric system and if so, have studies been initiated along this line?

Mr. Speaker: I think this question should be put on the order paper.

Mr. Mongrain: At ten o'clock, Mr. Speaker.

[*English*]

EXTERNAL AFFAIRS

VIET NAM—USE OF WOMEN FOR COMBAT DUTY

On the orders of the day:

Mr. Ed. Schreyer (Springfield): I have a question I should like to address to the

Secretary of State for External Affairs. I wish to ask the minister whether his humanist and internationalist values and instincts have impelled him to make representations to both parties in the war in Viet Nam protesting the use of womenfolk for combat duty, or does the minister regard this development with equanimity?

Hon. Paul Martin (Secretary of State for External Affairs): I would be glad to look into that.

Mr. Schreyer: Mr. Speaker, I put the question to the minister in all seriousness, and I should like to know whether he has any response to make.

Mr. Martin (Essex East): I did say, though I am sure the hon. member did not hear me, that I intended to look into this matter.

WATER RESOURCES

PEMBINA RIVER—REPORT OF INTERNATIONAL JOINT COMMISSION ON PROJECT

On the orders of the day:

Mr. George Muir (Lisgar): Mr. Speaker, I wonder if the Secretary of State for External Affairs would be good enough to give me an answer to the question I asked in his absence yesterday.

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I regret that I was not here yesterday to deal with my hon. friend's question. The International Joint Commission sent its report on the cooperative development of the Pembina river basin to the Canadian and United States governments on October 26. The report is now being carefully considered by the authorities in both countries before any conclusions can be reached on the action to be taken in response to the commission's recommendations.

HIGHWAY SAFETY

RECALL OF DEFECTIVE VEHICLES

On the orders of the day:

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, yesterday the hon. member for Brome-Missisquoi asked a question in respect to certain categories of G.M. motor cars that had been recalled. May I say that no formal notice was given to the government of the action taken by the manufacturer in this case. There exist, however, informal lines of communication and the government was made aware of the recall.

As yet there are no mandatory requirements in Canada for the automotive industry to communicate with the government officially. Consideration is being given to including this requirement in the over-all regulations being drafted for consideration in the development of our auto safety program.

GRAIN

REPRESENTATION OF PRODUCERS ON TRANSPORTATION SUBCOMMITTEE

On the orders of the day:

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, yesterday I was asked a question by the hon. member for Kindersley with respect to the representation of producers on the transportation subcommittee. In reply may I say it will be recalled that the grain transportation committee was established under the chairmanship of the chief commissioner of the Canadian Wheat Board. Members of this committee include representatives of the prairie wheat pools who speak for the interests of western grain growers. This is a subject, however, that comes more within the jurisdiction of the Minister of Trade and Commerce in his capacity as minister responsible to parliament for the wheat board.

DRUGS

REQUEST FOR PROHIBITION OF L.S.D. AND OTHER HALLUCINOGENS

On the orders of the day:

Hon. A. J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, some time ago the hon. member for Simcoe East asked what steps the government proposed to take in connection with the regulation of L.S.D. and other mind expanding drugs. As my hon. friend will recall, a bill in connection with this matter was introduced in the other place in the last session, and it is hoped that bill will be revived and dealt with in this session.

Mr. P. B. Rynard (Simcoe East): As a supplementary question, Mr. Speaker, will the minister see to it that this is done?

Mr. MacEachen: Mr. Speaker, it is proposed that it will be reintroduced in the other place this session.

Mr. L. M. Brand (Saskatoon): Mr. Speaker, I would like to ask a supplementary question. Since the minister has described L.S.D. as a mind expander, is he giving consideration to allowing the use of such mind expanders by other members of the cabinet on a permissive basis?

Supply—Treasury Board

SUPPLY

The house in committee of supply, Mr. Batten in the chair.

The Chairman: Order. House again in committee of supply, estimates of the Treasury Board for the fiscal year ending March 31, 1968. Vote No. 1. This vote will be found on page 560 of the blue book. The details are found on page 561.

TREASURY BOARD

1. Departmental administration, including grants as detailed in the estimates, $4,478,700.

The Chairman: Shall vote No. 1 carry?

Hon. E. J. Benson (Minister of National Revenue and President of the Treasury Board): Mr. Chairman, I do not intend at this time to make a general statement with respect to Treasury Board activities. I made a rather long statement during the budget debate concerning activities in the area of government administration carried out by the Treasury Board. Due to the limited time available for consideration of estimates I believe it would now be better if I allowed hon. members opposite and on this side to raise any questions they may have with respect to the Treasury Board estimates, and then I will do my utmost to answer them.

However, I would like to pay tribute to Dr. Davidson, secretary of the Treasury Board, who has done a tremendous job in reorganizing the Treasury Board and in obtaining assistant deputy ministers in the persons of Mr. Cloutier, formerly of the civil service commission, Mr. Doug Love and Mr. Don Yoemans, who are looking after the three divisions of the Treasury Board, the personnel, management organization and program branches. I think they are doing a very good job putting into effect the advances in administrative techniques which were suggested first of all in the Glassco commission report and which have been carried further by the introduction of computer equipment in many departments, and by the introduction of finance officers and a new system of financial management in various departments of government.

I would be more than pleased to deal with any questions hon. members may wish to raise with respect to these estimates.

Mr. Bell (Carleton): Mr. Chairman, the core of fiscal management and responsibility in government is Treasury Board. This is the afternoon of Hallowe'en, and perhaps it is as good a day as any to discuss our existing financial status. It needs no spooks or banshees, no seers, to determine that something is radically wrong at the core.

Some hon. Members: Hear, hear.

Mr. Bell (Carleton): Let me put it this way, sir. Government competence or incompetence can be most directly and immediately determined by the activities of that compact group of cabinet ministers who constitute Treasury Board. There, within that small, exclusive body lies the test of fiscal responsibility, of administrative efficiency, of the utility and practicality of most government plans and operations. As well, Treasury Board decisions affect directly all aspects of the national economy in both the public and private sectors.

With no wish to be severe on the genial President of the Treasury Board I submit that Treasury Board has been weighed and found desperately wanting. Its failures, which I intend to describe this afternoon, deserve the outright censure of this committee and in the proper time, the sooner the better, will be repudiated by the country.

• (3:20 p.m.)

There is a variety of reasons; the variety is equalled only by their abundance. I am disappointed by the absence this afternoon of any useful or meaningful statement from the President of the Treasury Board in introducing these estimates. This is the clearest indication of the growing arrogance of the government and its lack of concern for financial responsibility. There is one thing about which I can agree with the minister, and that is his tribute to the secretary of the Treasury Board. Dr. George Davidson is a man in whom I have unbounded confidence. I only wish the ministers who sit on the Treasury Board had the wisdom to follow his judgment and advice.

Last Thursday the Leader of the Opposition, in rather vivid and eloquent terms, exposed the fiscal incompetence of this government. The fact is that mistaken fiscal policies centring on the total failure to establish priorities in expenditures, resulting in an almost complete lack of genuine fiscal or monetary control, are gravely endangering the future of the nation and if persisted in could bring about a disastrous financial crisis. I do not use these words lightly, sir. For these factors the President of the Treasury Board and the Treasury Board itself must share the responsibility equally with the Minister of Finance. It is the function of the

Treasury Board to establish priorities, to weigh one requirement against another, to exercise a strong and firm rein upon runaway spenders. My plea this afternoon to the President of the Treasury Board is to change course at once, to set up genuine priorities and stick to them, and to restore adequate control over governmental expenditure. I ask him to do so before it is too late.

I do not wish to sound in any way an alarmist, for I have unlimited confidence in Canada. But informed economic observers are genuinely alarmed, and with good reason. It is not just a case of spend, spend, spend; it goes much beyond that. They neglect even to try to control inflationary pressures; we have actual encouragement of the establishment of the highest interest rates in history, rates which have become unconscionable usury; disregard of what Fraser Robertson describes as "an incipient old fashioned money panic"; failure even to attempt to restore confidence and faith in the investment market. These are all symptoms of the extent to which the President of the Treasury Board and the Minister of Finance, as well as the Treasury Board itself, have avoided responsibility and positive action. I suggest they prove that the government is bankrupt equally of ideas and responsibility. The respected London *Economist* speaks of the massive indifference to the symptoms. My submission is that we cannot afford longer to mask our eyes to the realities of the incipient crisis which this government has brought upon the nation.

The estimates which this Treasury Board has submitted to this committee for this fiscal year, with supplementaries, amount to $9,646 million, to which must be added $645 million in loans and advances for a total of almost $10,300 million. Additional supplementaries for the year will no doubt boost this figure to approximately $10,600 million. This is the amount which must be raised from the taxpayers and from the market.

Mr. Benson: Perhaps the hon. member would permit a question. He tied in loans and advances. Of course he realizes the latter do not have to be raised from Canadian taxpayers.

Mr. Bell (Carleton): I did not catch exactly what the minister said, but I think he will find that I said this amount will have to be raised from the Canadian taxpayers or the market. The minister knows perfectly well that he is having even greater difficulty in raising it from the market than in raising it from the taxpayers.

The last full year of the previous government showed total expenditures of $6,364 million, broken down between $6,230 million in expenditures and $134 million in loans and advances. In other words the demands of this government upon the taxpayers and the market over a period of approximately 4½ years have grown and increased by almost four and a quarter billion, or at a rate of almost a billion dollars per year. If this government were to remain in office for two more years, a fate from which Canada should certainly be protected, and the rate of growth of government expenditures should persist, this government will have doubled the level of spending in just six years.

Someone in the government is feeding out leaks about allegedly massive cuts to be made by the Treasury Board in next year's estimates of up to three quarters of a billion dollars. Indeed, I read this morning that cuts of $825 million were to be made. What is not said is that these are supposedly cuts from the estimates as submitted by each department for next year, and not cutbacks from this year's estimates. This three quarters of a billion is just a phony, unrealistic figure plucked from the air. My experience as a member of Treasury Board and earlier as parliamentary assistant to the Minister of Finance indicates that it is very rare that Treasury Board cuts amount to less than 10 per cent of the estimates of the various departments as first submitted. So the alleged three quarters of a billion dollars is not any more and is perhaps less than would be normal in any year as a cutback from the original submission of estimates.

The latest leaked gossip is that $175 million or $200 million is to be cut off the estimates now before the committee of supply. Yet the Minister of Finance and the President of the Treasury Board have declined to answer the questions of the hon. member for Perth and others or to say whether these cuts will be made and, if so, where. This, despite the fact that the guillotine will fall on Thursday night and parliament will be deprived of any further right of discussion. In any event, a cut of even $200 million would be less than 2 per cent of these estimates. What a fabulous success that would be—2 per cent.

What I am pleading for this afternoon to the President of the Treasury Board and his colleagues on that board is the establishment of a genuine system of priorities. I am not asking for a cut in all expenditures right

across the board. Indeed, there are some expenditures I should like to see increased, and I will mention one before I conclude this afternoon. There is nothing inconsistent in that approach. What I want the President of the Treasury Board to do is to establish priorities and take this house as well as the public into his confidence by telling us what priorities have been established, and the target dates. I suggest that only such action can bring about a restoration of confidence, an easing of the financial uneasiness existing among economists and on all the markets, a halt to inflationary pressures and bring about a rationalization of the interest structure.

The government has its choice; establish priorities and do so now or face fiscal and economic disaster. I use strong words because the times require plain speaking. This is the time to say no to the big spenders. I venture to submit that one of the biggest problems is that the Prime Minister is almost congenitally incapable of saying no. Indeed, if he had been born of the other sex it would have been quite disastrous.

I wish to deal briefly with the government's attitude toward parliamentary control of the estimates and of expenditures. The very bedrock of our parliamentary institution is the absolute control by this chamber of the public purse. The misuse last autumn of the contingency vote and the abuse by transfers from other votes drove a horse and cart through every known principle of responsible parliamentary government. I suggest it was of the most dubious legal validity, but irrespective of that it was constitutionally unacceptable. It was "an erosion of parliament's traditional role in controlling public funds", to quote the words of the Auditor General of Canada.

• (3:30 p.m.)

Professor Norman Ward, on page 1 of his book "The Public Purse", states the theory and practice of parliamentary control of finance to be as follows:

> Underlying all the others are two principles, both of which have to be supported by a number of subsidiary principles and practices:
>
> (1) The executive should have no income which is not granted to it, or otherwise sanctioned by parliament.
>
> (2) The executive should make no expenditures except those approved by parliament in ways approved by parliament.

W. Ivor Jennings, in his great work on parliament, indicates that the principle of control of expenditures on behalf of the public is to be found in Magna Carta and therefore existed even before a parliament in modern form was known. R. McGregor Dawson, at page 229 of his book, "The Government of Canada", speaks of these principles and adds:

> —collectively they place the cabinet in a position where its responsibility in all financial matters is complete and ineluctable.

Sir, the contingency item, which until this last year was under the Department of Finance, was intended to be nothing more nor less than the petty cash account of the government to provide for minor unforeseen expenditures of the government. For quite a number of years the amount was $1½ million and the language of the item was very strictly confined. When this government came to office the amount was $3 million. In these estimates the President of the Treasury Board asks that we vote $45 million for petty cash, $45 million for unforeseen contingencies. Poor old Mr. C. D. Howe got into such great difficulty when he said, "what's a million."

Judged by the government's other irresponsibilities perhaps this can be understood, but I suggest it is something to augment an item in the estimates 15 times over in just four years and to change its language and purpose. The change in the language of the item is too clever by half; it is an attempt to deceive parliament. Some of my colleagues will deal with this later in the debate. What I say now is that a petty cash account of $45 million is intolerable. An item worded in the form to which the present item has been changed is a denial of the basis of House of Commons control of the executive. Imagine the arrogance of a government which admits its incompetence in estimating to such an extent that it needs a $45 million contingency fund for minor unforeseen items!

I agree most wholeheartedly that provision should be made for the payment of public service salaries in days of parliamentary warfare, and I introduced a private member's bill last autumn which would so provide. I believe the pay lists should be separated from the other items. Civil servants and their livelihood should never be made the pawn of political infighting and should not suffer from parliamentary brinkmanship. I assert with the greatest confidence, however, that this Commons chamber must now reassert its basic purpose, its right to deny supply and to bring a government to its knees. If we vote a

petty cash item of $45 million and if transfers within items are unlimited by the Financial Administration Act, as this government arrogantly asserts, then the Commons has lost its most fundamental purpose. The executive will have made themselves the masters not only of parliament but of the people.

Earlier I mentioned that the establishment of a genuine system of priorities in governmental programming might in some cases require increased spending. I should like to discuss briefly one subject in respect of which I have some difficulty in using measured and moderate language in view of the government's dilatoriness and neglect.

Members of this house have been urging year after year and month after month an adjustment in pensions for retired public servants, including the members of the armed forces and the R.C.M.P. Finally, a reluctant President of the Treasury Board and the government yielded to the request and agreed to a reference to the special joint committee on the public service. Last May 8 that committee reported unanimously in favour of such increases. It was a knowledgeable and responsible committee of senators and members. But what has happened to the report? Apparently it has been pigeonholed in the deepest recesses of the east block. A score of times there have been questions on the orders of the day addressed to the Prime Minister, to the Minister of Finance and to the President of the Treasury Board; twice there have been adjournment debates. All this has resulted in the same inconclusive result—"under cabinet consideration", "decision in due course."

"Due course" is so long overdue that it is clear the government is off course. It is an open secret that the President of the Treasury Board would like to adopt the committee's report to which his parliamentary secretary was a party. I thought that when the former minister of transport fixed up his own increased pension by becoming president of the Canadian Transport Commission we had lost the chief enemy in the cabinet of effective action. But no. Somewhere, somehow, there remain in the cabinet men or a woman who oppose justice for our retired public servants. What about the Minister of Public Works, a man who represents so many public servants? I reiterate what I have said previously. He has a special obligation in this matter and he should either persuade his colleagues in the cabinet to accept the just demands of his constituents or he should resign in protest. I suggest that the time for action is long past. Other countries have acted long ago. Other countries, and indeed our own provinces, have instituted a variety of systems of pension adjustment.

Time after time—and I shall not do it again this afternoon—I have placed on the record details of the increases achieved in other countries which face the same problems and are confronted with the same issues with which we are confronted. In Britain a formula increase is and has been for many years an accepted legislative fact; equally is such the case in the United States, in France, in Italy, in Australia and in New Zealand. What these countries have done can be done here in Canada without violation of any principle. I submit that it is a special obligation of the government to be an exemplary employer and to set the example for private industry.

It has been the action, or lack of action, on the part of this government which I described earlier that has promoted the unprecedented skyrocketing of the cost of living and has resulted in the eroding of pensions which frugal persons thought wholly adequate for their retirement. Pensions paid for in hard dollars have been eroded by creeping inflation which has accelerated to runaway inflation. The dollars drawn in the form of superannuation in many, many cases are worth less than 50 per cent of the dollars which were used to buy the pension entitlement. Elderly men and women who gave their best in other days watch hopelessly while their lifetime contributions to superannuation dwindle into insignificance. I submit that precedents for action across the world are manifold and that only the Canadian government refuses to act.

• (3:40 p.m.)

I plead this afternoon with the President of the Treasury Board to end this day this charade of inaction and to bring hope and renewed belief in Canada to the thousands of former public servants who have served her so well.

One of the results of the legislation at the last session regarding the public service has been to transfer classification in the public service to the Treasury Board. I have grave reservations about this. I do not separate so casually the alleged managerial function of classification and the allegedly totally independent function of recruitment and appointment. Perhaps that is because I do not bow down to and worship all of the Glassco report.

The classification review of the public service has been a morale destroyer and a source of major personal tragedies from its inception, and it does not improve. "Red circling" is a familiar term. It bears no sinister connotation to those who have not experienced it. What I am unable to understand is how the very best personnel officials in our country have been guilty of some of the greatest public relations gaucheries respecting their own fellow employees.

We were told at the outset that a complete classification review was a prerequisite to the institution of collective bargaining in the public service—indeed, a *sine qua non*. Now there has been a total reversal of this argument. According to the return tabled on September 25, 1967 to my question No. 335, the completion of the classification review will depend upon the progress of collective bargaining negotiations. Such a chicken and egg argument I have seldom heard. While this goes on there have been many public servants who have been shifted into blind alleys and allowed to languish in the still waters of official neglect. I suggest to the President of the Treasury Board that the clean-up of the "red circle" program is long overdue. Through the loss in morale Canada has lost much more than if the classification review had never been undertaken. I suggest that a stop to this wastage of resources in the public service should be made now.

However, I want to return to my opening theme, the fiscal incompetence and the financial and economic mismanagement by this administration in general and by the Treasury Board in particular. It has been suggested that a new budget before the end of the year may be required and would be the solution—new taxes, new restraints, something new instead of the old fashioned virtue of thrift. Mark you well, sir, a new budget would mean three budgets in less than 12 months. No wonder there are difficulties when the public and the financial community are subjected to such uncertainties, to so frequent changes of course and pace. What this country needs is not a new budget but a new government.

Mr. Knowles: Mr. Chairman, it is obvious that we are going to have a very interesting discussion of the estimates of the Treasury Board. I want to support the contention that during today's debate the government should take the House of Commons into its confidence and tell us something about its plans so far as financial and fiscal management are concerned. I think I must also say that during the course of this debate our friends to the right, the members of the official opposition, should zero in and tell us where it is that they think cuts in expenditures should be made. If they are telling us that we should base our financial operations on the basis of priorities, I wish they would come out in the open and give us their list of priorities. I cannot help but have the feeling that the areas in which they would want to save money are precisely those where we think the public has a responsibility, particularly in the fields of health and social welfare. I would feel much happier about the demands of the Progressive Conservatives for cuts in government expenditures if they would pinpoint the places where they think there is waste and in particular if they would have something to say about a department where we feel there is huge over-expenditure, namely, the Department of National Defence.

However, for reasons that I think will be obvious, and taking a position that I am sure would be predictable in every quarter of this house, I wish to spend my few minutes this afternoon on one question, one that the hon. member for Carleton touched upon briefly but effectively. I refer of course to the way in which this government has delayed with respect to increasing the pensions of retired civil servants, including retired R.C.M.P. personnel and retired armed forces personnel.

At the risk of putting on the record something that has been said a good many times but because I think this is the day when we should get an answer from the President of the Treasury Board, may I point out that this subject has been under discussion for a great many years, indeed for well over 20 years to my own knowledge. May I also point out that the President of the Treasury Board ever since June of 1966 has made it quite clear that he is in sympathy with our demands for an increase in the pensions of retired civil servants. He has been good enough to make this clear in private conversation, but everything he has said in private conversation he has said publicly.

It all started in June of 1966 when the President of the Treasury Board expressed his personal willingness to have the matter referred to last session's special joint committee on the public service of Canada. He indicated of course that he would have to get the approval of his colleagues in the government before that reference could be made. He received that approval and the reference was

made in January of 1967. I insist that the reference of that question by the government after six or seven months of consideration was a clear indication to the members of the House of Commons and to our retired civil servants that they could count on something being done if that committee came up with a reasonable recommendation.

The committee spent many meetings in the early part of this year going over this problem. We had excellent chairmen in the person of my good friend, the hon. member for Ottawa East, and our good friend from the other place Senator Bourget. The result of our deliberations was that we came up with a unanimous report. Let me emphasize again that all parties and both houses were represented on that committee, and it came up with a unanimous recommendation that increases in the pensions of the three groups to which we have made reference should be made forthwith.

Since that time we have had a succession of assurances by the President of the Treasury Board and by the Prime Minister that this matter is under active consideration by the cabinet. I have the questions and answers here on my desk, but it is hardly necessary to put them on the record again. No one would deny the fact that we have been told the matter is still on the agenda of the cabinet and is still under active consideration. We have been told that a decision would be made soon. In fact we have been given every right to believe that this issue had some importance in the eyes of the government. But despite the fact that we have had all this consideration, nothing has been done.

Hon. members will recall that the report of the committee was made on May 8 of this year, the last day of the old session, and that some of us had hoped and indeed were led to believe that we would get action on it before we broke for the summer recess. We were disappointed in this hope. When during the first week of July and in particular of July 7, the last day before the recess, I pressed for action before we broke the assurance was given from the other side that this was a matter which could not be dealt with then but in very guarded words it was indicated to us we would get action in the fall.

• (3:50 p.m.)

We came back on September 25, over a month ago, and still nothing has been done. We are still receiving answers that the matter is under active consideration and is still on the cabinet agenda. However, it appears as though the whole question has been stalled. I should like to put in a word to other members of the house, particularly some of those who spoke to me outside the house on July 7 asking me why I was so impatient. They said it was only a matter of a couple of months, and why did I feel so dejected because we were not getting action in July; after all, we were going to get action in September. But here it is October, and tomorrow it will be November. Many people who might have benefited from a pension increase have passed away in the meantime. It begins to look as if many more will pass away before the government acts on this matter.

There is involved in this whole matter the word of the government, the integrity of the democratic, parliamentary process. I suggest that for the Prime Minister of the country and for the President of the Treasury Board to give the impression something was going to be done and then to disappoint these people is a disservice not only to the people themselves but to the whole parliamentary process. One thing that is necessary if the parliamentary process is going to work is integrity, keeping your word. I submit, Mr. Chairman, that has not been done in this case.

It is very nice to learn from the lips of the President of the Treasury Board that the matter is still on the cabinet agenda, and that as yet a negative decision has not been taken. However, this subject can remain on the cabinet agenda indefinitely with nothing being done for these people. So, Mr. Chairman, I insist that on this day, before we conclude discussion of these estimates, we should have a full statement from the minister that action is going to be taken, not at the end of the session, not next year, but right away.

I do not believe we need to go into a long argument to justify an increase in the pensions of retired civil servants. The justification for such action is set out in the report of the committee that was filed on May 8. The hon. member for Carleton has added to it in the remarks he has just made. The only argument ever put forward against such action is something like this: If we are going to do it for these people, then it may have to be done for others. Well, I agree. As a matter of fact, I feel this is one of the most important questions with which we are going to have to deal in the whole pension field. The government has begun to move in that direction just a little. It has one eye slightly opened down at one corner. The

government has accepted the principle of the escalation of pensions under the Old Age Security Act and under the Canada Pension Plan. It is a rather miniscule escalation people are going to get in January, 1968, but at least the principle has been recognized. I submit the time will come when all pension arrangements will have to include escalation after pensions are put in pay.

A great many people in this country have learned from experience that what looked like a decent pension when they were five or ten years away from retirement, what might even have looked like a decent pension when they went on retirement, was not much to live on five or ten years after retirement. If we are going to maintain the value of the pension principle, if we are going to support the general idea that people in retirement who helped to build up the country have a right to share in what has been built up, we are going to have to go for pension escalation across the board. I submit, Mr. Chairman, that the place for the government to start is with its own employees.

As the hon. member for Carleton pointed out, other jurisdictions have done this. It has been done by most, if not all, provincial governments. It has been done by a number of municipal governments and it has been done in other countries. There is no valid argument against taking this course and taking it now.

One of the things that we, as members of parliament, often would like to be able to do is to listen in on cabinet meetings. This is an opportunity we do not get. Do I see the President of the Treasury Board inviting us to attend some of these meetings?

Mr. Benson: No, I simply say you would never sit in on them while you are a member of that party.

Mr. Knowles: I believe that when this subject comes up there must be some pretty strong opposition. I do not mean opposition in terms of a great many cabinet ministers because the only two who have spoken out on the issue have been the President of the Treasury Board and the Prime Minister. Both of them have said they are in favour of it. It is my guess, therefore, that the opposition comes from somebody like the Minister of Finance. This is really no secret because he never was partial to it. I suspect that last spring the Minister of Finance was able to persuade his colleagues to put the matter off until fall just by arguing against hasty action. Now he is using the so-called financial crisis, which he denies but which everybody knows is upon us, as an excuse. He says, we cannot spend money here, we cannot spend money there, so we cannot spend money on these people either.

I find it quite immoral, Mr. Chairman, for a minister to take that position. If he is faced with a financial crisis and he has to be concerned with saving hundreds of millions of dollars, then it is immoral to decide that the people who must suffer will be the little people like our own retired employees living on pensions that they had reason to believe would provide them with a decent living in their retirement. The value of these pensions has been so eroded the people are having great difficulty in getting along.

So, Mr. Chairman, I suspect my guess is not far off, that it is the Minister of Finance who is holding things up, who is making it impossible for the cabinet to give a favourable decision on this question. However, this does not excuse the President of the Treasury Board. After all, this matter does come under his ministerial responsibility. The item in the estimates covering the superannuation account is in the estimates of the Treasury Board. I submit, Mr. Chairman, that the President of the Treasury Board having agreed to let this matter be referred to a committee, having given us the assurance the committees' report was being studied, having told us that the matter is on the cabinet agenda and that he has made proposals to cabinet, has a responsibility to get the matter through cabinet or to take the blame himself for having disillusioned and disappointed the 45,000 or more civil servants and their widows, plus the retired R.C.M.P. personnel, plus the retired armed forces personnel.

I submit that unless he is able to get action he is the person who has to take the final responsibility for getting nothing done. He is a very nice fellow. I forget the adjective the hon. member for Carleton used to describe him, but I will go along with it like other hon. members, I like him. He is genial, very easy to talk to about these matters. He answers our questions on the floor of the house. But when it comes down to this issue, niceness and geniality do not count; what matters is the goods one delivers.

Therefore, Mr. Chairman, because the President of the Treasury Board has not yet delivered on this issue, because I believe it is so extremely important not only to the people concerned but to all our people, especially to the people who realize that pensions must be escalated, the people who realize that your

word given in parliament must be kept, I feel it is time for this committee of supply to express itself very clearly to the President of the Treasury Board with regard to this matter. I realize that the salary of the President of the Treasury Board is provided in the estimates of the Department of National Revenue. He holds two portfolios but he does not get two salaries. This limits us somewhat as to what we can do, Mr. Chairman but as a mark of non-confidence in the President of the Treasury Board for failing to "deliver the goods", for failing to bring in legislation increasing the pensions of retired civil servants, I wish to move:

• (4:00 p.m.)

That Treasury Board vote No. 1 be reduced by $17,000.

That figure, Mr. Chairman, is the amount of the minister's salary and car allowance apart from what he gets as a member of parliament. One recognizes, of course, that the motion itself is a symbolic one. I have moved it to indicate our lack of confidence in the minister over this issue. It may be there are only 45,000 civil servants and widows and a certain number of R.C.M.P. and armed forces personnel who are involved directly. But we are all involved in the integrity of parliament. We are all involved in the importance of this issue, the escalation of pensions to meet rising living costs. I hope that before the day is out the minister will indicate that he is going to be able to bring in this legislation. If so, I can withdraw the amendment. If not, I hope the committee will vote for this amendment as a mark of condemnation of the minister for failing to act on this very important issue.

[*Translation*]

Mr. Caouette: Mr. Chairman, the purpose of the amendment moved by the hon. member for Winnipeg North Centre (Mr. Knowles) is to make the minister walk instead of travelling by car. It is a useless amendment which will be rejected by the house.

Moreover, I would like first to draw the attention of the hon. members for Winnipeg North Centre and for Carleton (Messrs. Knowles and Bell), who both praised the minister for his kindness and for being easily available to discuss their various problems, to the fact that neither of them has set forth a plausible and acceptable solution.

Priorities have been mentioned; the Treasury Board was held responsible for distribution of crumbs throughout the country. However, no concrete solution is proposed.

The member for Winnipeg North Centre said: When the time comes for action, the minister gets flustered.

Mr. Chairman, every member of this house would like to obtain the most for his riding, everyone agrees, but it is up to the Treasury Board to decide. For instance, when we ask for the construction of wharves or federal buildings, priorities come into play and it is up to the Treasury Board to distribute the proceeds of taxes levied by the government, income tax, corporate tax or various other sources of taxation. It is a fact that the Treasury Board administers the country in conjunction with the government. And it is according to the amount of taxes collected that the government decides about such and such a project.

For instance, we have heard the Minister of Finance (Mr. Sharp) maintain at one time that the Canadian people were living beyond their means. What do the Minister of Finance (Mr. Sharp) or the President of the Treasury Board (Mr. Benson) mean by "living above their means"? And that leads to the present situation where public works, construction, the country's economic growth and the development of its vast resources are slowed down.

We witness for instance the laying off of C.N.R. employees with 15, 17 and even 20 years of service; they were dismissed barely four days ago. They will lose their jobs, as of tomorrow, November 1. Why? It is alleged that there has been a reduction in the use of freight trains. Well, I dare the government to prove there has been a reduction in the use of C.N.R. freight trains in my area. None has occurred. Yet, 22 employees will lose their jobs tonight. Tomorrow, on November 1, these men will no longer be employed with the C.N.R. Why? Because the C.N.R. wants to cut expenses.

People live beyond their means, according to the Minister of Finance. So, let us discontinue all the services, let us prevent, as I said earlier, the normal economic development of our country, let us shrink down every department to the barest minimum, and we shall create a national problem that nobody wants.

Why this situation? Precisely because the Department of Finance, inspired by Treasury Board and the government, is caught in the system which has created this state of affairs.

I wish to call the attention of the minister concerned, the President of the Treasury Board, to the fact that this year our national product is expected to reach $65 billion, and

that this compares with a total national revenue expected to reach approximately $47 billion, which makes a difference of $18 billion between the Canadian national product and the Canadian national revenue. And then the minister will say that we are living beyond our means.

• (4:10 p.m.)

But to realize that we have the physical means, the tangible means, in short, the real means, all we have to do is pay a visit to the various business firms and industries in Canada. At this time, industries are cutting production because they are unable to find buyers. Let us go on a tour of the stores and warehouses; they are bursting with goods but, faced with this real abundance, we see the array of financial restrictions imposed on the whole population by the Treasury Board.

The stores inventories are the highest ever. But the people are unable to buy because they do not have the buying power, and the government has announced a "mini budget" to increase taxes. Why? The President of the Treasury Board admits it, the government only administers taxes and can operate only inasmuch as taxes are collected.

If we were concerned with a municipality, I admit that the question might be discussed more seriously. The same would be true if a province were involved, because a province has no monetary powers. They have taxation powers, but there is a world of difference between monetary power and taxation power. The province is helpless. But to have a sovereign government called the government of Canada content to administer through tax collection, Mr. Chairman, that is beyond understanding.

Who has such absolute control of credit beyond the government? Who has more power than the government? We saw it during consideration of the Bank Act last spring when parliament decided to reduce the bank reserves from 8 to 6 per cent, enabling the banking system immediately to create $4 billion in additional credit without a single cent of additional reserve.

The minister is aware that the situation in which we are living may still hold for some time but that it cannot hold forever. The minister also is aware that when the Canadian government issues a million dollars in bonds, the Bank of Canada buys them and, from that moment, the chartered banks have the power to create immediately a $14 million credit for every million in government bonds.

[Mr. Caouette.]

The government borrows from the banks instead of taking its credit at the very source, that is, from the Bank of Canada. The power to control the whole Canadian economic system is given to a few individuals and these individuals, this year, bill us for a debt on which the interest alone will reach the sum of $1,273,906,400. This represents a slight increase of $88,417,500 from last year, and federal members swallow it. Nobody rises to tell the President of the Treasury Board: Cut down the interest we are paying on the debt. No. Let us rather bear down on the pockets of miners, settlers, on the little Canadian worker. Bear down and crush him, but let us show respect and veneration for the interest on the national debt created out of nothing by a handful of individuals.

Mr. Chairman, the interests on the national debt only have increased by $88 million. Nobody complains, nobody disagrees. But the people are subject to restrictions. It is strange that no minister, no government member rises to protest against that outright theft, the interest on the national debt. And none of them protest against the restrictions and the control of priorities by the Treasury Board that the government is about to lay upon us in a few weeks by means of a mini-budget. On the other hand, that same Treasury Board will cost the Canadian people $183,908,000 this year or $40 million more than last year. Nobody objects to that. We find normal that the government should spend right and left, while failing to face realities in our country. The hon. member for Winnipeg North Centre was talking earlier about pensions and social security. Nobody is against those things. On the contrary, we are all in favour of the most elaborate, adequate and satisfactory form of social security for the whole population.

But nobody asks, for instance, where will we get the money for that. That is the problem. Everybody is willing to grant a pension to our old or needy people, to increase civil service salaries. Everybody wants it, but our financial system does not allow it. Instead of thinking in terms of physical possibilities we have in Canada to develop our resources and produce even greater wealth, we are thinking in terms of dollars.

Our administration depends on the revenues we get from taxation. What a lovely sovereignty for a government which calls itself sovereign. Is it sovereignty to have to kneel before financiers and ask their permission to grant a pension, to raise social security or to increase civil service salaries?

Mr. Chairman, nobody is opposed to these raises but, there again, has the hon. member for Winnipeg North Centre told us of which department he would like to see the expenditures drastically reduced in order to allow for the salary increase? Could the hon. member for Carleton tell us later on to what department the government should go to get the funds for one priority or another? Neither of them suggests a solution.

Mr. Chairman, when we suggest a solution —because the Créditistes have one which they have advocated now for thirty-five years—some still attempt to ridicule it rather than try to understand it. Quite often we give them conspicuous examples. If the war were to break out tomorrow, do you think that those restrictions would exist? Of course not. We would then call upon the Bank of Canada to set up war plants all across Canada. There would be no question of any lack of funds. But, for peace, for the security of our fellow citizens, for the safety of the Canadian people, it is immediately a monetary problem and nothing else but that.

Mr. Chairman, what have we been suggesting for a long time? That the whole public sector be financed directly by the Bank of Canada, that a branch of the Bank of Canada be established in every Canadian province so that each one may look after its own administration according to its possibilities, its aspirations, its physical possibilities. And then we would no longer hear anything about separatism or independence, hatred among ourselves in Canada. The whole question of separatism, so topical in Canada today, is due to nothing but an economic, financial and even monetary situation.

That is where the problem lies and everyone will recognize it. In fact, it is the No. 1 problem in any riding but also at the provincial level, and it is so real that the premier of Ontario, Mr. Robarts, said in London two days ago that the discussion at the interprovincial conference on constitutional matters, which will be held in Toronto in the latter part of November, would boil down to a matter of dollars and cents for each of the provinces. Those are not my words, they are those of Mr. Robarts, the premier of Ontario. Are we beginning to open our eyes or are we simply talking through our hat? Are we afraid to deal with the problem, to get to the bottom of the matter, in short, to do as suggested by the great French general: Let us get to the bottom of things.

• (4:20 p.m.)

Mr. Chairman, the Creditistes suggest that the public sector of our economy should be financed by the Bank of Canada, free of interest, so that when a road or a school is built, we do not have to pay three times the cost thereof, twice to finance companies and once for us. That is inflation. There is no need to fear social credit for inflation, because we have inflation right now under the present system. Indeed, that is what we are living now.

Mr. Chairman, we suggest that the private sector should remain as it is; let it finance itself as it does now. If I have a business and I need credit, it is normal for me to pay interest when I borrow from a chartered bank. But how can the public sector, which is non-profit, afford to pay interest to develop or to build something enduring, something which the people need?

Mr. Chairman, the Treasury Board has the responsibility of distribution throughout the country, but until now it has not distributed abundance, just crumbs remaining after financiers have taken what they want. Mr. Chairman, when we come to the point where ⅙ of the national budget constitutes the interest alone on the national debt, it is time for the members of parliament in general and the government to face up to what is going on in the country and the serious situation where we find ourselves.

People are afraid of separatism, of independentists, of this hatred arising between various parts of Canada at this time, but when one travels throughout Canada, one sees that the same problem is facing us everywhere, that is to say, in all the provinces, there are poor people in the midst of affluence. Each province is deeper in debt than it can afford to be, whether it is Quebec or Ontario, in short any province except Alberta and British Columbia which are the only ones without a direct provincial debt.

Mr. Chairman, Canada has no reason for being so heavily in debt. And above all, it has no reason for paying $1,273,906,400 in interest only on a fictitious national debt, on a national debt created by those who have the right to increase fourteenfold the reserves on deposit with the Bank of Canada, that is the chartered banks in Canada.

These points are not dealt with on radio, on television, in the press, Mr. Chairman. No. The financial manipulations of the country must be hushed up.

Those who would cast light on the shameless exploitation of the financial system must be hushed up. Well, let it be hushed up. Such organized and systematic silences have bred revolutions in European countries. To avoid revolution here in Canada, on our Canadian soil, it is high time that we face the problem, not shy away from it, and accept a sensible solution which will, at long last, enable the Canadian people to unite, to see the whole of the country and to realize the wealth it owns. Nowadays, because people are growing less aware of their wealth, they rise against each other. As far as the financial question is concerned, the federal government lacks the courage to settle it, to bring finance in step with reality and have it serve the Canadian people.

Mr. Chairman, I will end on this note: as long as we have a system which forces men to serve money interests, we will be bogged down. But the day when a government, either Liberal, Conservative or Social Credit, decides to make money interests serve human beings, then the problem will be solved and there will be harmony and good feelings right across this great country.

[*English*]

Mr. Patterson: Mr. Chairman, I rise to speak this afternoon on one particular issue. In beginning my remarks, however, I should like to say that if the Canadian people ever had any faith in the ability of the present government to administer in an effective way the monetary and fiscal policy which Canada requires, that faith is being rapidly undermined. The actions of the government have shown clearly that it is either unaware of the effect of its policies on the national economy or that it is struggling vainly and desperately to find an answer to problems which are too great for it to tackle.

I do not intend this afternoon to discuss the whole realm of monetary and fiscal policy. I think the views of this party were put in clear perspective at the time the banking legislation was before us and I shall not repeat the arguments which were used then. However, I believe the time has come for the government to take a realistic view of the economic situation and that instead of continuing to follow old programs and policies which have been tried over and over again and proven futile it should be bold and adventurous enough to try something different.

I recall speaking to a supporter of the government some years ago about monetary and fiscal policy. He said: "We all know that the present system is not satisfactory or adequate to meet modern needs but I am not confident yet that you people have the right answers." So we are suggesting now that the minister and the government be bold enough to try something different. Even if it does not work 100 per cent as anticipated, such a plan, provided it brings advantages to the Canadian people, would be a step in the right direction.

I indicated when I began that it was my intention to deal with one particular matter this afternoon. It is one which has already been raised by the hon. member for Carleton and the hon. member for Winnipeg North Centre—the attitude of the Treasury Board and the government in relation to superannuated federal civil servants. A review of the record will show how often this question has been raised in the house and the many occasions upon which the President of the Treasury Board has indicated that the subject was receiving active consideration. It reminds us of what is said by the Minister of Veterans Affairs when we call attention to the need for increases in disability pensions, war veterans allowances and so on. He always said that the government is giving careful consideration to these matters, but so far nothing concrete has been done.

Similarly, nothing concrete has been done with respect to the pensions of superannuated civil servants despite all the recommendations which have been made and all the arguments which have been advanced in the house. I was a member of the public service committee while this question was before it for consideration. At that time there was general agreement that something ought to be done to increase these pensions. I do not recall even the government members on the committee raising any particular objection or questioning the desirability of increasing the pensions of superannuated civil servants. Perhaps I was naïve, but I was of the opinion that after the tabling of our recommendations we could look forward to early action on this matter. However, as has been pointed out by the hon. member for Winnipeg North Centre, we have waited and waited in vain. Even now we have no indication whatsoever that favourable consideration is going to be given to this matter.

• (4:30 p.m.)

It is not necessary to present all the arguments in favour of such an increase. The

minister knows them very well. The government knows them very well. Each hon. member is well aware of the reasons why consideration should and must be given to this matter. Therefore I do not think anything will be gained by repetition of those arguments today. But I just want to add my voice and the voices associated with me in this chamber to the opinions already expressed that the time is long overdue when the minister and the government should give favourable consideration to this request.

During the course of the debate on the estimates of the Department of Veterans Affairs I said that if the government was considering economies I did not think it proper that those who had served in our armed forces should be called upon to bear the brunt of those economies. If the government is convinced that it must curtail and cut back expenditures I do not think this is an area in which cut-backs should take place. The levels must be maintained and improved.

I urgently request the minister to give immediate consideration to this matter and at least indicate that he is determined that the government will give favourable consideration to it. I hope that within the next few days he will announce that legislation will be introduced in line with the committee recommendations that increases be given to superannuated civil servants, to superannuated members of the armed forces and to retired members of the R.C.M.P.

Mr. Lambert: Mr. Chairman, I cannot let this occasion go by without drawing attention to a practice that has arisen within the past few weeks in connection with the consideration of estimates and which first made its appearance last June and July under the so-called allocation of time for consideration of estimates. We have seen a flagrant refusal on the part of certain ministers of the crown to answer questions and arguments put forward until the point of guillotine was reached and they did not have to answer them. I trust this minister will be given and will take the opportunity to answer the legitimate questions and points put forward in this debate. If he is agreeable to this, perhaps he will go to his colleagues and twist their arms in order that they may share the same frame of mind.

I am not going to indulge in the naming of particular ministers—

Mr. Churchill: Why not?

Mr. Lambert: —because we know that a number of them deliberately abstained from answering questions. In fact encouragement was given to other members on the government side to take up the time so that a minister would not have to answer. As a matter of fact it is common knowledge around here that one minister who did want to answer questions had his coat tails pulled by one of his supporters who asked him, "Are you foolish enough to want to get into the debate? Why do you want to answer? The guillotine will fall at six o'clock."

The main purpose of parliament is the voting of supply, and on this there must be no equivocation. However, finding some inspiration in what I think is a misguided view of the Glassco commission of the functions and purposes of parliament, newspaper writers, commentators and other people have started to worship at the altar of that great god efficiency. They say we must tidy things up. We must make the parliamentary process slick and work like the board of a tightly knit, smoothly operating corporation. To those people I would comment—as a matter of fact I say it should be required reading —volume No. 28 of the minutes of proceedings and evidence of the public accounts committee of November 23 last, and in particular the testimony of the Auditor General.

The Auditor General is not a servant of the government. He is responsible to this house and—

Miss LaMarsh: He is not responsible—

Mr. Lambert: He is responsible to this house, and the Secretary of State need not mumble under her breath that there is something wrong about the position of the Auditor General. Perhaps if she heeded the strictures of the Auditor General a little more, this government would be in better shape.

Miss LaMarsh: But he is wrong all the time.

Mr. Lambert: Oh, the Auditor General is wrong? I am glad to see the hon. lady has that opinion but I will tell her she epitomizes the position taken by the cabinet that the cabinet and Treasury Board are above parliament. This is not so and it must never be so.

Miss LaMarsh: The Department of Justice says he is wrong.

Mr. Lambert: I have known the Department of Justice to be wrong just as often as they are right—

Miss LaMarsh: We have to take their word.

Mr. Lambert: —and there is no question in my mind that the Auditor General is responsible to parliament. There is also no question in my mind that the Treasury Board, by its actions during the past few years, has set itself up as a counter authority to parliament and has sought to take away control of the public purse from the authority of parliament. I make that assertion knowing full well that there may be some opposite who will not share it and it may not even be shared by some of the gentlemen who work for the Treasury Board and whose personal abilities and capabilities I respect. But this spirit has grown up in the Treasury Board, as in the cabinet, that it and it alone shall have the control. That must not be the case.

As an example I would refer to the form of the estimates themselves. In 1963-64 there was a great consolidation of titles of estimates, presumably for the sake of efficiency. If hon. members will but look at what the Auditor General has to say about this, then I gainsay anyone on the government side or elsewhere to say that he is wrong in this particular instance. For example, under the present form of the estimates over 80 per cent of the expenditures of the Department of National Defence appear under one vote. We believe that parliament does have control, but by the proposed step we are giving the ministry a blank cheque. The same applies to other departments.

What has happened to the salary item under the Department of Finance, which is now contained within a contingency item in the Treasury Board estimates? In its present form it is asking the house to give the cabinet and the Treasury Board a blank cheque in order to get away from control of expenditures by parliament.

• (4:40 p.m.)

Let us look back to 1963-64. As my colleague the hon. member for Carleton indicated, there was what he called a petty cash account amounting to some $3 million or $4 million. Let us refer to what this contingency item actually says. It refers to "miscellaneous contingencies or unforeseen expenses, subject to approval of the Treasury Board including the authority to re-use any sums repaid to this appropriation from other appropriations, for awards under the Public Servants Inventions Act". There is a similar item providing for contingencies in respect of salary increases, and that is quite understandable. Salary increases which are retroactive cannot be determined and spelled out in the estimates of a department ahead of time. We know how long it takes to approve the estimates at the departmental and Treasury Board levels and print them in the blue book. We understand this but we do not agree to the transferring of this item to salary account generally in relation to the determination of amounts to make up for deficiencies or impending pay increases for public servants, particularly in the event that interim supply is not granted. Interim supply is in effect one of the means of parliamentary control of estimates.

I feel that such a transfer would be wrong both for the government and for the opposition. We should not in this way make the salaries of civil servants a shuttlecock in a struggle between the government and the opposition regarding government policies. In this way there might come a time when the government would use this lever, which is in effect a blackjack, to force the opposition to allow interim supply in order to pay the salaries of public servants who are the innocent parties in such a struggle. I believe this puts everyone in an unfair position and I do not accept the present wording which is even worse.

What is now being said is: "Contingencies —Subject to the approval of the Treasury Board, to supplement other votes or paylist and other requirements"—it says "and other requirements"—"and to provide for miscellaneous minor and unforeseen expenses." In other words, it refers to petty cash requirements. In 1965-66 there was a supplementary or contingency item with regard to paylists and other unforeseen expenses. At that time $6 million was provided for possible pay increases. However, in 1967-68 we have this new version which refers to other requirements. The item is for $45 million. If we look at the contingency item in 1966, vote 15 of the Department of Finance, we find that in actual fact by the time we had the main estimates and the supplementaries the amount was $110 million.

Let me refer to pages 1260 and 1261 of the committee reports in relation to the Auditor General's statement. In this year's estimates there is a provision for $45 million but we have not seen the supplementary estimates that are to come down.

Mr. Benson: Of course you have.

Mr. Lambert: We have not seen all of them. We will not know how much this contingency amount will be by March 31 next. At that time it might amount to $145 million instead of $45 million, and for this reason I think this method is quite wrong.

Mr. Churchill: Would you permit a question?

Mr. Lambert: Certainly.

Mr. Churchill: At page 560 of the estimates book under item number 5 the estimate is shown as $45 million. Last year's estimate for this item was $29,651,300. In spite of this the Auditor General has pointed out that the item amounted to $110 million.

Mr. Benson: Those were the main estimates.

Mr. Lambert: The main estimates showed a figure of $45 million. I presume this represents a comparison of the main estimates.

Mr. Benson: So there is no doubt, that is the case. I should point out that of the $110 million to which my hon. friend has referred $106,226,670 represented salary revisions. Obviously all but a small amount was used in this way.

Mr. Lambert: We know there are these pay contingency items for revisions. However, as my colleague points out, the blue book is in fact misleading when it suggests there was only $45 million required for last year. The amount required was $110 million. I do not care really what the purpose was but the amount should be shown. The minister has given an explanation but the blue book does not give that explanation.

Mr. Benson: The supplementaries are shown.

Mr. Lambert: That is true, but we are being asked to look at this year's blue book to find the expenditures of last year in order to make a comparison, and this is quite wrong. I intend to quote as extensively as my time permits me from the statement of the Auditor General. Unfortunately the evidence before the committee does not enjoy as wide distribution as his report to parliament. For that reason I think as much of the pertinent sections of his testimony as possible must be put on the record. At page 1254 of the minutes of proceedings and evidence of the public accounts committee for November 23, 1966 we find the following statement by the Auditor General:

• (4:50 p.m.)

> The straight proposition of reducing the number of votes was and is very important because it touches directly on parliament's control of public funds. It may render life much easier administratively for the management, or the executive in this case—

This is what I said—the executive is the cabinet; the management is Treasury Board.

> —but it also can reduce parliamentary control because fewer votes can result in fewer opportunities being available to parliament to discuss proposed expenditures, e.g., supplementary estimates.

This again is the point I have been making. The Auditor General goes on further to say that he has considered it his duty to follow closely the implementation of the recommendations of the public accounts committee. He said:

> The first results are to be found in paragraph 51 (page 22) of my 1965 report to the house which, as you know, is still awaiting discussion on this committee's agenda.
>
> From this you will see how the vote pattern actually adopted for the 1964-65 estimates differed in a number of instances from the pattern which had been seen and approved by the committee. You will see here examples of transfers made of funds between services which would not have been possible under the previous vote pattern. Last year it seemed to me important that I bring this to the attention of the house and I may say that similar differences have been noted again this year and will be the subject of further comment in my forthcoming report to the house for 1965-66.

We await this with anticipation. Then, at page 1257 the Auditor General said:

> The Finance contingencies vote as it appears in 1966-67 itself represents a consolidation of votes. Up to and including 1963-64, two of the Finance votes had been vote 70 for the supplementing of salaries, wages and other paylist charges and vote 50 for miscellaneous minor and unforeseen expenses. These were combined by the Treasury Board into vote 15 in 1964-65 under the revised vote pattern I have described, and for that year and 1965-66 the vote was worded: "Contingencies—Subject to the approval of the Treasury Board, (a) to supplement the paylist provisions of other votes; (b) for miscellaneous minor or unforeseen expenses; etc." Now in the estimates and the supplementaries tabled in the house for 1966-67 the wording is simpler: "Contingencies—To supplement other votes and to provide for miscellaneous minor and unforeseen expenses . . . and authority to re-use any sums repaid to this appropriation from other appropriations."

As I have indicated to hon. members, in this year there has been a reversion and also an addition so that we have not only the requirement for paylist but other requirements. This to me is quite unacceptable and I

say to hon. members that it should be unacceptable to this house because this form of preparing the estimates is a guarantee of absolute control in the hands of the executive and Treasury Board.

The hon. member for Winnipeg North Centre moved an amendment which in effect is a criticism of the office of the President of the Treasury Board. This was the only way that was open to him at the time. Had we reached it, I would have moved an amendment to vote 5 to reduce that item. However, for the reasons I have given I shall support the amendment put forward by the hon. member for Winnipeg North Centre.

I shall conclude by saying what I think is the purpose of the Treasury Board. The Treasury Board acts within the authority given to it by parliament and must never be permitted to set itself up as an authority in conflict with parliament. I am not attacking personalities within the Treasury Board. However, there has been an evolution, a progression, to more and more centralized control away from parliament. This is a movement which must be reversed if the democratic form of government is to persist and grow. Again I urge hon. members, as I think members on this side of the house will do without question, to support the amendment put forward by the hon. member for Winnipeg North Centre.

Mr. Grafftey: Mr. Chairman, not only in respect of the discussion of these estimates but also on many other occasions since this house reconvened a number of weeks ago members from all parties on this side of the house have stated time and time again that because of the government's ill-timed fiscal and monetary policies it has consistently destroyed many of the options open to it to move the economy of Canada forward as it should be moved forward at the present time. Nowhere is this statement more true than in relation to what is happening in the Treasury Board under the present minister at this time. Canadians have been told, through a series of leaks planned or otherwise, that the present government is now advocating a number of major cuts in expenditures. I do not intend to argue about this. I believe the present administration will find much agreement on this side of the house and from the people of Canada that major cuts are necessary at the present time.

Mr. Orlikow: Tell us where. Which cuts?

[Mr. Lambert.]

Mr. Grafftey: I do not think that is necessary. I do not have any specific cuts in mind at the present time. We will hear the hon. member in due course when he takes part in this debate. I again repeat that it is apparent that major cuts are in order at the present time and apparently are being made. Most members of this house and many Canadians are asking why there is a necessity for wholesale cuts at the present time. They are asking why this disorganization has arisen which has necessitated this activity by the Treasury Board.

• (5:00 p.m.)

I shall not preface my very brief and general remarks on priorities with any notion that government per se is just business, big or otherwise. Far too many people when discussing governmental activities say that government should be run like a big business. I do not agree with this, although I do agree that we need more business attitudes in the running of government day to day. The main question that I want to put briefly this afternoon, one that has already been mentioned, is: What is the reason for this cutting back activity by the Treasury Board at the present time? The simple reason is that the present administration is guilty of a lack of long term or even medium term thinking about where this country is going and how its economy should be planned. How else could the government have found itself in the mess it is in today? Is it the result of long term or medium term planning? Of course not. It is the result of a leaderless, rudderless government going from crisis to crisis. I am sure the hon. lady knows what I am talking about. She has been looking for a president for the C.B.C. for a year now. That is not the result of long term planning.

Miss LaMarsh: Ask the Prime Minister about it. I have nothing to do with it.

Mr. Grafftey: The hon. lady is blaming the Prime Minister. He will probably blame her. The surprising thing about this government is that in their state of inactivity they blame everyone but themselves. The fact is that the chaos in the Treasury Board today is the result of a lack of long or medium term economic planning. It is also the result of the government's refusal to allocate priorities in the economic and social fields.

What do we mean when we say this? Let us not bandy this expression about. What do we mean when we say modern-day governments must plan social and economic priorities not only within the federal sphere but in

co-operation with the provinces? Many people in public life are saying that modern-day governments must plan economic and social priorities. The government has been asked to give leadership in this regard in the last three or four years but has consistently refused to do so. It is not easy. I would be the first person to admit that planning social and economic priorities in a federal union such as Canada with its different levels of government spread over a large land area and with its small population, where we are trying to evolve year after year a viable federal system, is not easy by any stretch of the imagination. This is where leadership is needed, but this government will not give the people and the house the kind of leadership in this area that is a must if we are going to avoid the sort of situation in which the Treasury Board finds itself today.

If it is important today, as it has been in the past, that the government give leadership in terms of planning social and economic priorities, it will become more and more important in the future. The time has passed when a right wing parliamentarian could get up and be taken seriously when he said the less government we have the better. Everyone in every area of the political spectrum agrees that government will become bigger and bigger. Most parliamentarians agree that certain activities in the economic and social spheres will be allocated to governments. Years ago discussions were held as to who would undertake work in a certain field, the private or the public sector, but now we agree that it is government that must play a part in education, the building of schools, roads and hospitals, and so on.

So while we look forward in the years to come to government playing a bigger and bigger role, it is even more important that the federal government, in co-operation with the provinces and municipalities, start allocating economic and social priorities. Again I wish to underline the fact that this will not be an easy task, but I venture to suggest that if this government would give the kind of leadership that is needed in order to get on with the job of setting priorities, there would be much more basic agreement on what needs to be done first than we realize at the present time.

What do we mean by planning priorities? It is quite simple. There is a certain amount of money in the treasury and we have to use it to do first things first. We might even try to do all things at once to a greater or lesser extent, but when we do so we get into the kind of situation in which the Treasury Board finds itself today with cuts here, cuts there and cuts everywhere. Perhaps the government's heart is in the right place, but this is not good enough. First, your heart must be in the right place and then you have to do the job, and this government is not doing the job.

There is chaos in the Treasury Board today because the government is trying to be all things to all men and do everything at once. This is not the minister's fault. He is a victim of the bankrupt monetary and fiscal policies of the government, a government which has destroyed its options and placed the minister responsible for the Treasury Board in the position in which he finds himself today.

What do we mean when we talk about planning priorities in the social and economic field? We recognize that many things are important. Perhaps we will have to try to do them all at once, but certainly the most important things should get the major emphasis at any one time. When will the government realize this, and what will happen when no priorities are planned and we try to do everything at once?

Many ministers must feel grave disappointment when they see some of their sincerely planned and good programs being cut back because of the lack of planning by the government. Inflation runs rampant. The hon. member for Carleton mentioned that fact a few minutes ago. One of the major reasons for inflation and the high cost of living that we are experiencing today is the fact that there is no priority planning and leadership by the present government. As I have already said, the government's efforts to do all things at once has resulted in the virtual wiping out of the fiscal and monetary policy options that are necessary at the present time to move the economy forward.

What is happening at the local and regional levels? The uncertainty that is engendered by this kind of governmental activity cannot be overemphasized. Many projects are put forward by many associations and groups in the country which have every right to expect certain financial assistance from the government in order to carry out their plans and put them into effect. When a government does not plan either in the medium or the long term sense and does not organize its business, how can one expect people on the local level to follow its leadership?

The program of cut-backs being carried out by the Treasury Board today has a disastrous effect on the local level when people who had individual and collective plans find they will not get the kind of governmental support they had every reason to expect. Apart from that, as the hon. member for Carleton said there is also a likelihood that a third budget will be brought down by the government in a few months. That, plus the fact that the government is cutting here and there because of its lack of planning priorities, has created a high degree of unhealthy uncertainty all over the country.

Mr. Pepin: How can you plan without cutting?

Mr. Grafftey: How can the government cut without planning? If you plan in the first place you will find that you do not have to cut the way the government has been cutting. Can the minister really argue against that? Is that not happening now in the Treasury Board as a result of the government's efforts to do everything at once and to please everyone at once by ill-timed fiscal and monetary policies? All of a sudden it found there was not enough money to go around, and so it has to cut here and there. Will the minister tell me that this does not create uncertainty on the local level? How can citizens look forward in the long and medium term when they do not get the kind of leadership they are entitled to from the central government?

• (5:10 p.m.)

Mr. Benson: Would the hon. member permit a question? Does he realize that when this government was elected there were no targets set for departments? There were no budgets beyond one year. Now, however, every single department of government submits to the Treasury Board a five year forecast. This is long term planning.

Some hon. Members: Shame.

Mr. Grafftey: If I may paraphrase Robert Burns, did he not say that the best laid plans of men often go astray? The plans of this government have gone astray. There may be planning but there is no planning with the provinces. There is no planning with the people who count in terms of setting priorities.

I want to terminate my remarks by simply saying to the government that I hope we will not have to go through another period of wholesale cuts such as we are experiencing at the present time. I recognize that they are desirable right now because of the facts of economic life. I hope that sooner rather than later, because we have been appealing to the government along with many of the premiers of the provinces, the government will take time out to sit at the conference table with the heads of the different levels of government to get agreement on these things. In other words, there should be plans for priorities in the social and economic field. You will find there is much more agreement, as I said before, than we realize there is. If this is not done sooner or later, then we will be back in the house within another year listening to the kind of reports we have been getting from the Minister of National Revenue today.

Mr. Cameron (Nanaimo-Cowichan-The Islands): Mr. Chairman, I must confess I am a little confused in trying to ascertain what the position of the official opposition is with regard to government cuts, about which I have read in the newspapers. So far as one can determine from the last speaker for the official opposition, the Conservative party hopes the government will put on the brake and drive straight ahead with a foot on the accelerator. This is not usually considered a good method of driving.

Sometimes I am reminded of my long political career. Years ago, before many members of this house were born or were very old, I entered the legislature of British Columbia. At that time I thought, now I am really going to see the cream of the province of British Columbia, the real brains; they have to be here. I am going to see someone who will enlighten and impress me tremendously. I still remember the great shock that overcame me when I began to realize there was no one there any brighter than I was, and I was not very bright.

Mr. Churchill: Was it worse when you came here?

Mr. Cameron (Nanaimo-Cowichan-The Islands): I thought when I came here I was coming to the centre of information. Surely I was going to meet the really bright, intellectual lights of this country. I was ready to take a properly humble attitude toward these people whose names I had been reading in the newspapers all my life. They must be men of tremendous capacity. Again, I had the disconcerting experience of realizing that one after the other of these people I was prepared to set up as idols had feet of clay. They revealed that they were little, if any, brighter than I was, and again I admit that I

am not very bright. This was very disconcerting.

There was one person we used to hear about continually, but I had not met him. His name used to crop up all the time but he was almost a mysterious personage. His name popped up everywhere as the ultimate in competence, a man who really knew how to make the economy work, a man who had made it work during the war as one of C. H. Howe's boys. Here was a man who would finally put things on an even keel after the rather bad start that this government had had and the rather distressing experience of the previous government. Finally, of course, this mysterious personage emerged as the present Minister of Finance.

Again, I must confess to a feeling of considerable dismay because I believed the stories that here was competence incarnate. Well, we have to admit that today things are in a very bad mess. Even Peter Newman has had to wash his hands of the Liberal party and the Liberal government. Peter has really been a faithful apologist for this government. Admittedly he has had many disappointments as a great many of his idols have suddenly revealed their clay feet. Only recently has Peter finally thrown up his hands and said that the government is in a mess and does not know what it is doing. There is no doubt about it, things are in a mess.

It is all very well for the Minister of Finance to tell us, as he told us today in answer to a question of mine, that there is no such thing as a money crisis. I was quoting from a report of his speech in Montreal. I do not know whether he used that term in Montreal, but certainly he conveyed the impression to his audience that he considered there was something that could be termed a money crisis. This is a very bad expression, I admit, and one that rather offends my pedantic nature. However, we all know what is meant. Things are in very bad mess financially in Canada.

Our friends in the official opposition appear to think that the financial and economic troubles we are experiencing are caused solely by governmental extravagance. I have no dobut whatever that there is a great deal of governmental extravagance, a great deal of governmental waste. I submit, however, that this cannot be the real cause of the troubles that are now overtaking the Canadian economy.

In the first place, I feel we should be careful not to draw such sharp distinctions between public and private expenditures. They all come out of the same stream of wealth production. It is when you try to spend that wealth in the two places at once that you get into trouble. It is when you try to build the unnecessary sort of buildings that have been undertaken in Canada and at the same time have the government perform the necessary social services it has to look after that you begin to run into trouble. It is when the capital of the country is allowed to behave as it wishes, without any control from the central authorities, that we begin to run into trouble.

We are told almost ad nauseam, and have been for some years, how dependent we are on foreign capital coming into this country to keep our economy on an even keel and to enable us to expand. However, I have two reports here which indicate what has been happening to the Canadian economy and provide an answer to the questions I have been putting to a number of my economist friends who try to tell me our troubles have arisen because our level of investment has been falling. When I suggest to them this is a nonsensical, meaningless statement because investment cannot fall as long as the total money supply is expanding, they retreat muttering in their beards.

It may be that investment is not taking place in the spots in which they are accustomed to finding it. I suggest what we are seeing today is a flight of capital from Canada. This flight of capital in no way differs from other flights of capital in the past and is caused perhaps by the same reasons that have caused flights of capital in earlier times and in other countries. One of the reasons in this country has been that the government simply refuses to control and direct the economy.

There has been a sharp rise in the volume of Canadian trading on the Chicago and midwest stock exchange. Very interesting figures are contained in a report in today's *Globe and Mail*. These figures indicate that the transactions of Canadian stock brokerage firms who hold seats on this exchange rose from $58 million in 1966 to $325 million this year. These figures indicate where a lot of Canadian capital is going and it has to be replaced, of course, by importation of capital. Then we have the *Gazette* stating quite

unequivocally that there has been a flight of capital from Canada.

• (5:20 p.m.)

In a country already capital-hungry, the need will be intense. Will the capital be found?

It is unlikely to be found until Canada is able to present to Canadians and to the world a more confident outlook. The fact is that Canadian money is itself moving out of the country in enormous amounts, to seek more attractive opportunities for investment elsewhere.

This is an astonishing editorial comment, Mr. Chairman, when one realizes the level of interest rates in Canada. One can only assume it is a profound disquiet over the manner in which the government of Canada has been conducting our affairs that causes these funds to be flowing out of the country. I was warned some months ago by a man in a position to know that there was a serious flight of capital taking place via mutual open-end funds from Canada into the United States, and I presume that this is another example of that same tendency.

This is posing problems for us, Mr. Chairman, that the government is refusing to meet. Not long ago I asked the Minister of Finance whether he did not think that two policies to which this government is committed are mutually incompatible. One policy is the maintenance of a fixed exchange rate and the other is the maintenance of the $2,600 million maximum reserve that we have agreed to keep in our agreement with the United States. My question was prompted by a news item that the Bank of Canada had been obliged to get into the market in order to drive down the value of the Canadian dollar to the pegged level of 92.5 cents United States. It had been pushed up, of course, by the inflow of capital which we are repeatedly told is necessary in order to keep Canada going and to keep Canada expanding.

I am going to suggest, Mr. Chairman, that it is useless to belabour this government, as has been done from the official opposition benches, on the ground that they have brought troubles upon us by their extravagance and not to point out that the cure for these troubles lies much deeper than that. It lies in the fact that the government will not control the operations of our economy. I suggest that before long the Minister of Finance is going to have to make a choice. He is going to have to go to the International Monetary Fund and negotiate us back into a floating exchange rate or he is going to have to abandon the agreement with the United States to maintain only a maximum of $2,600 million in American funds in our exchange reserves. The two policies are incompatible and they are becoming daily more and more incompatible.

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

Whether the government is prepared to do that is another matter, Mr. Chairman. I would doubt that they are. I think we shall flounder along and probably the government will adopt, as the minister has hinted thus far that it will adopt, the crude method of turning the screws on the economy, allowing unemployment to rise, so as to overcome for the time being the problems that the government is facing. We certainly will not solve these problems by severe government cuts which are not compensated for elsewhere in the economy.

I can see a place where there could be a cut, Mr. Chairman, and I should like to ask my Conservative friends where they would cut. I can tell you where I would cut. I would cut the defence expenditures. It is 14 years since I first sat in this house and every year since then the government of Canada has spent $1,500 million, $1,600 million, $1,-700 million on so-called military defence. No minister of national defence and no government spokesman has ever been able to tell me what defence has been achieved for Canada by these expenditures. So I have no hesitation in saying that I would make cuts there if I thought cuts had to be made.

Even so, Mr. Chairman, I would not make cuts and leave it at that. I would transfer those expenditures to other fields which would develop the Canadian economy in a way in which we can continue to advance, expand and develop. But we are not going to do this merely by turning the screw now in a crude, undifferentiated and unselective way, or by going to departments, as the government is doing at the present moment according to the spokesman of the Conservative party who appears to know—I do not—and whittling a few million off here and a few million off there. All we do by that method is to further the decline in the Canadian economy and increase the problems of the Canadian people.

I hope the government will eventually realize that there is no distinction that can properly be made in an industrial economy between public expenditures and private expenditures, that it is a case of deciding what is best for the Canadian people. Those on the government benches tell us, of course, that they are helpless in the hands of our constitution. We have had pointed out to us several times that provincial and municipal

expenditures have been rising above federal expenditures, which I think they did for the first time last year or perhaps the year before. That is perfectly true. But I also suggest that any federal government worthy of the name can reach agreements with the provincial governments without too much difficulty. The fact is that provincial governments are obliged to make their policies conform to those of the federal government if the federal government wishes to ensure that outcome.

I have yet to see this government or any other federal government deal with the problem of reaching agreements with the provincial governments by advertising to the people of the provinces the answers that the federal government has to obstacles that may be put in their way by the provincial governments and thus bring provincial governments to the frame of mind which will induce them to co-operate with the federal government. These things, I am sure, can be done if we have a government that is prepared to govern. And to govern today means more than just holding the ring as a referee; it means direct participation in the economy of the country.

In a news item the other day there was a hint that the legislation relating to the Canada Development Corporation, if and when it comes before us, will be of a very different type from that envisaged by the former minister of finance. His concept of it, you remember, Mr. Chairman, was a sort of vast mutual fund which was to be used for purchasing back minority shares of foreign-owned corporations. The news item to which I refer, which had all the earmarks of an inspired leak, was that the present Minister of Finance has in mind using the funds of the Canada Development Corporation for that sort of rationalization and regrouping of Canadian industry that the members of this industry have been pressing upon him now for a year and a half.

I hope that this is the plan and that it goes beyond the sort of guide lines and pleadings that he suggests in his dealings with the rest of the economy. I hope that this means government participation and intervention in developing and controlling the Canadian economy. If our government will do that, Mr. Chairman, I think we shall no longer have the trouble we presently have of capital shortages, of continually increasing interest rates, of a rising consumer price index, of declining production, of a declining gross national product or rate or growth in Canada. We shall go ahead in the way in which anyone with any common sense realizes that this country can go ahead.

I say this because there are few people on the face of the earth so fortunate as the Canadian people, with resources that are unmatched anywhere on the globe. If we fail to take advantage of these opportunities in Canada to produce a society that will be an example for the rest of the world, then we should be thoroughly ashamed of having elected such an incompetent government.

• (5:30 p.m.)

I hope our Minister of Finance will realize this is an opportunity. I hope that for him this is not merely an unfortunate situation in which he finds himself without knowing how he got into it. I hope he and his colleagues are prepared to do the sort of thing that a modern government in a modern industrial society must do if democratic government is to survive in an industrial age.

Mr. Churchill: Mr. Chairman, I am impressed with the interest the members of the Liberal party have shown in this afternoon's debate. Their attendance is an indication of how worried they are about financial conditions in this country. The amendment before us may have induced them to be present. I hope that the minister whose estimates we are considering will not interpret the presence of so many of his party's members as enthusiastic support for his activities. He knows that the reason for their presence here is the amendment. It seems that the members of the minister's party are not sure when the vote is to come.

Mr. Lambert: We know that the vote is coming.

Mr. Churchill: It seems that when attendance of certain hon. members is desirable we should have a vote in committee.

An hon. Member: What about the Tories?

Mr. Churchill: Members of our party will appear at the appropriate moment.

Some hon. Members: Oh, oh.

Mr. Churchill: Members of the Liberal party do not seem to place great reliance on the President of the Treasury Board; they rush in to give him support. The members of my party, on the other hand, are quite capable of

looking after themselves and at the appropriate moment they will appear to support the amendment—I hope.

Some hon. Members: Oh, oh.

Mr. Churchill: The amendment is the only means available to us to express our dissatisfaction with the government's failure to take action with regard to retired civil servants and others who have been waiting patiently for the implementation of a certain report. The hon. member for Carleton has drawn this matter to the attention of the house on many occasions and the hon. member for Winnipeg North Centre followed his example. I support their point of view. I think this amendment is essential in order to drive home to the government that action must be taken in this regard.

Other hon. members have mentioned the ill effects of the stringent allocation of time for estimates. I have spoken on this subject on many occasions. At this time I believe that the mistake in setting a 30 day limit on the discussion of estimates has been brought home to all members of the house. We are facing a financial crisis which can most usefully be discussed on the estimates of the Treasury Board and those of the Department of Finance. Yet the limitation imposed on the house means that we have only another two and a half hours left today for the discussion of these major matters and the time that will be available on Thursday. Then the guillotine will operate and millions of dollars will be voted without a full discussion of whether it is advisable that this money should be spent.

Mr. Knowles: It is hundreds of millions of dollars.

Mr. Churchill: The hon. member says that the amount will run to hundreds of millions of dollars. I do not know. The total may be in the billions of dollars. This demonstrates the weakness of setting a time limit for the study of estimates, especially such a short time limit as 30 days. As other members have said, no subject is of greater importance to the House of Commons than the financial aspects of government. During the last two years these financial aspects have, unfortunately, been shoved into the background. Estimates have been taken on a hit or miss basis; sometimes they have been postponed. Year after year we have voted interim supply so that expenditures may be maintained.

Miss LaMarsh: The last time you were in office you did not call them at all.

[Mr. Churchill.]

Mr. Churchill: The estimates have not been subjected to the careful and close scrutiny they should have. Ministers of the crown have not been called on to defend their policies.

Mr. Lambert: The minister is in the house for one day and has a lot to answer for.

Mr. Churchill: Ministers have not delineated their policies. We saw an example of that sort of thing last night. The Minister of Industry failed to return to the house at eight o'clock even though his estimates were before the committee. The chairman thought that the committee was still dealing with the Department of Industry and called for the passing of item No. 1. The hon. member for Carleton properly objected. Then we had a change of business; we took up the Department of Public Works. The estimates of the Minister of Industry may not come before the committee again. Without any answers from him his estimates will go through. The guillotine will operate. The steam roller on the government side of the house will cooperate to push items through.

We talk about reforming parliament. Over the years one of the reforms advocated was shortening the time for the discussion of estimates. I and other hon. members of this party opposed that concept from the beginning. The idea was tried on a trial basis and we have been operating under the concept of limitation of time for discussion of estimates for two or three years. The idea is a complete failure. What has happened this year has shown it up in its stark reality. I am sure that members of the combined opposition will oppose making permanent the temporary rule that set a limit of 30 days for the study of estimates.

Several speakers outlined in considerable detail and with eloquence the financial troubles of this country. The hon. member for Nanaimo-Cowichan-The Islands said that we were placing too much stress on cutting back expenditures. I hope he approves of the suggestion to cut back reckless expenditures. That is not our only argument. It is one that we have been stressing today and we have stressed it for a simple reason. During the last three months we have had indications from the Prime Minister's office and elsewhere that great reductions in expenditures were to be made. It was said that hundreds of millions of dollars were do be cut from expenditures. Anyone who has been in the house for any length of time, and certainly anyone who has served on the government

side, knows perfectly well that is the phoniest, yes, the phoniest cutting back of expenditures that we have ever heard of.

Some hon. Members: Hear, hear.

Mr. Churchill: Normally, preparation of estimates begins in August. Officials in each department are required to put forward for the consideration of their minister and, subsequently, of Treasury Board the estimates which they think are essential to carry out the policies of the various departments. Of course, they set the figures in accordance with the policy dictated by the minister, saying that such and such an amount of money is required if the minister is to do those things that he has been talking about. Long examination of those preliminary figures follows and they are modified and reduced. I suppose that sort of thing has gone on in every year throughout Canada's history. When people tell us in August or early September that estimates are to be slashed by hundreds of millions of dollars, they are saying that simply to bemuse the people of Canada. The estimates that are referred to at that time of year are the preliminary estimates that departments are making with regard to their expenditures.

• (5:40 p.m.)

I think it is not sufficiently straight forward for members of the government to leak information to the press with regard to this operation, which is always going on, and pretend there is to be a substantial reduction in government expenditures. If there were to be a substantial reduction in government spending, that reduction would have appeared in the 1967-68 estimates which are now before us. But we have not heard a word with regard to such a reduction.

If we suggest reductions in expenditures our proposals are voted down. I am glad to see the genial Secretary of State for External Affairs present today paying such close attention to financial matters. Any prospective leader should do that, of course. The hon. gentleman used to be an expert on agriculture. He has had sufficient experience in external affairs now and should leave that field to someone else. The subject matter with which he should concern himself today is finance and I am glad that he is with us this evening.

He will recall that in June when we were looking at the estimates of his department in the standing committee on external affairs I suggested a reduction of those estimates and moved a motion accordingly. I did not want to cripple the activities of the Secretary of State for External Affairs because he has worldranging interests but I did suggest a reduction of $3 million in one item. It occurred to me that the government should have accepted that suggestion from the opposition. We are so frequently accused of asking for increased expenditures, but I was asking for a reduction in the expenditures. I would have accepted an increase through supplementary estimates of the amount I was proposing to reduce. I would have agreed to having it placed in some other category within the estimates of the department.

I refer specifically to a $3 million reduction which I advocated with regard to providing military advice and assistance to Tanzania. I found out that over a period of two years we were voting about $6 million for that country and over a period of five years $10 million to assist the country of Tanzania to develop a military establishment. Apparently we have people there who are training Tanzanians. We are also training some of them in this country and certain aircraft have been provided for them. Out of kindness to the minister I suggested that this estimate should be reduced.

If the money had been earmarked for hospital assistance or medical care I would have been all for it because I think these people need help of that kind. But they really do not need military assistance from Canada. We are a peace loving nation. We provide for our own defence, we do our part as a member of NATO and so on, but to go round the world assisting various countries to develop military power is not what I think should be the policy of the Canadian government. Nevertheless, the minister rejected my advice. His friends on the committee voted down my proposal, although I pointed out that in the capital city of Tanzania insurgents, guerrillas, were being trained for activity against Southern Rhodesia I suggested that we would not want to be mixed up in any way in anything of that nature, not that we were directly carrying out this type of training but the people we were training in Tanzania might perhaps be training other people to take action against Southern Rhodesia.

I thought this was quite wrong, and I still think so. But because of the guillotine which will fall on Thursday night the Secretary of State for External Affairs will not have his estimates before the committee again except for the "chop action" and we shall not have a chance to discuss this problem further. I am

sure the hon. gentleman has changed his mind about it and that he would like to get out of this activity in another country. However, this chance will not be given to us because of the operation of the guillotine on Thursday night.

You see, Mr. Chairman, how bad it is to have a set period for estimates. Some subjects which should be discussed cannot be dealt with, and much as I have been looking forward to moving in the House of Commons the motion I moved in the committee on external affairs, I shall not be given that opportunity. Nor will the minister have a chance to explain his position. He will not have a chance to say he was wrong in June, as he was, and that it would be far better to take those millions and use them for medical assistance for Tanzania instead of using them for military training in that African country.

This is just one example of bad expenditure. The hon. member for Nanaimo-Cowichan-The Islands suggested that as a means of cutting down expenditures we should slash the estimates of the Department of National Defence. That department has, of course, been badly managed over the years, certainly under the direction of the minister who has now become Minister of Transport, and if it were not for the fact that a former member of this house, the former member for Bonavista-Twillingate, is securely lodged in the transport field I am sure that the transportation area would suffer from the depredations of the minister who did so badly in national defence.

Despite the mismanagement over the years under his control, the expenditure on national defence, and it is large—a billion and a half year after year—is still in my opinion essential in the light of the experience which Canada and other nations had in the years between 1920 and 1940. We went through a 20-year period then when people talked in terms of cutting down armaments, cutting expenditure on national defence. In 1939 and 1940 we found what a terrible mistake that had been. I hope we never make that mistake again. I would rather spend $1.5 billion every year for another generation provided that in the interval we can prevent another world war.

I believe that if a nation is to play any part in international affairs it has to possess military strength. There are so many nations in this world which, unlike Canada, desire expansion, are careless of human life and will take advantage of weakness. So it is up to us to maintain strong military forces. Over and above that, it is essential that the young men of this country have an opportunity to go through a period of military training so that they will be fitted to play their part if called upon and in order that we may have constantly in Canada thousands of people who have knowledge of military matters and are prepared in time of emergency to take action. Therefore I do not accept the point of view of the hon. member for Nanaimo-Cowichan-The Islands who, I presume, was speaking for his party. I do not accept the view that that is where an immediate reduction should be made. There may be savings that could be effected and still retain efficiency, or restore the efficiency that was destroyed by the former minister of national defence, but that is not the field in which expenditures of the government should be slashed to the bone.

[Mr. Churchill.]

• (5:50 p.m.)

There are other areas where savings can be made. It is up to the government to indicate where those savings will be made. It is not up to the opposition to provide the program for the government. I think members of the government have reached the stage where they would like to hand over the reins to us without too much loss of face because they are in desperate financial straits. They would like the Tory party to carry the burden for four years so they could snipe at us in the midst of our difficulties, because the difficulties at present are immense.

Mr. Martin (Essex East): My hon. friend has a sense of humour.

Mr. Churchill: My genial friend, the Secretary of State for External Affairs, is paying close attention to me, as he always does. If he would only accept my advice from time to time he would have a much happier life.

Our attention has been drawn to the contingency fund under one item for the Treasury Board. I well recall the fight we had in the House of Commons a year or two ago when this fund was so badly misused. Now the minister in charge of Treasury Board has enlarged the amount. He wants to have a blank cheque for $45 million.

In 1966 we pointed out the background of this contingency item. That story has been repeated today by the hon. member for Edmonton West. The item should be restored to its former position of a contingency fund to meet unforeseen expenditures, and it must be remembered that there are always

unforeseen expenditures. Several times the Auditor General has drawn attention to the misuse of this fund and to the change in it with which he does not agree. As recorded in volume 28 of the minutes of proceedings of the public accounts committee for November 23, 1966, the Auditor General drew attention to this fund and made a recommendation which I think should be emphasized time and time again. I quote from page 1289 of the minutes as follows:

> I think in circumstances such as these it would be more meaningful and certainly more helpful to the house in its control of the money supply were the amount of the individual departmental requirements for the additional salary money to be the subject of supplementary estimates put in by each of the departments concerned—in fact it seems to me that this is precisely what the supplementary estimate procedure is for, namely to bring to the attention of the house unforeseen expenses encountered by a department, e.g., retroactive salary revisions. If a change like this were to be made, then the Finance—

It is now the Treasury Board.

> —contingencies vote could be returned to its original concept, namely that of a small fund to be retained for unexpected and unforeseen items.

This is what we are seeking. Let us go back to the proven system of a contingency fund that was used for a specific purpose, not a fund which is so enlarged now that in effect it is a blank cheque to the Treasury Board.

Despite the explanation offered to me privately by the minister in charge I still wonder why in the contingency item for 1966-67, as listed on page 560 of the blue book, there should appear just over $29 million instead of the $110 million that was voted for that item under the main estimates plus the supplementaries. If the minister had been smart he could have shown a reduction instead of an increase, but nevertheless he is badly misusing this fund and, as the hon. member for Edmonton West pointed out, it is all contained in the fine print which talks about the nature of contingencies. We have objected and we continue to object to three words which were emphasized by the hon. member for Edmonton West. Those three words are "and other requirements." They leave the field absolutely wide open for the minister and the Treasury Board to use this money for any purpose that may occur to them.

Consequently, sir, we feel that these estimates should not go through in their present form. We have given an opportunity to the minister to make a revision which I am sure the committee would quickly accept. In effect he could make a reduction. He could reduce this item by $40 million. I am being generous; he would still have $5 million left for contingencies, much more than used to be the case in the past. This item used to be $1½ million. Then it was raised to $3 million, and owing to the inflation that has taken place under this government I am willing to let it be raised to $5 million.

When we have reduced the minister's salary we could make a reduction of $40 million in item No. 5. Following that the Secretary of State for External Affairs could suggest that we save another $3 million on his military escapades abroad, making a total of $43 million to be saved. This is a saving which I have proposed in less than 30 seconds, and it shows how easily and quickly people can deal with saving money if they want to put their minds to it. That is what I suggest should be done, sir, and I will have great pleasure in voting for the amendment when the vote is called after eight o'clock.

The Assistant Deputy Chairman: Order. It being six o'clock it is my duty to leave the chair pursuant to section 3 of the standing order 15.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order. It is my duty, pursuant to provisional standing order 39A, to inform the house that the questions to be considered at the time of adjournment tonight are as follows: the hon. member for Broadview (Mr. Gilbert), Housing—Toronto—compensation in urban redevelopment project; the hon. member for Bow River (Mr. Woolliams), External Affairs—Viet Nam—reaction to United States offer to cease fire; the hon. member for Parkdale (Mr. Haidasz), Pollution—possible health hazard from fertilizer plant at Dunnville, Ontario.

It being six o'clock the house will now proceed to the consideration of private members business as listed on today's order paper, namely, private bills and public bills.

PRIVATE BILLS

COMMERCIAL SOLIDS PIPE LINE COMPANY

The house resumed, from Thursday, October 19, consideration of the motion of Mr. Basford for the second reading of Bill No. C-113, to incorporate Commercial Solids Pipe Line Company.

Private Bills

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, as I recall I had been speaking for about two minutes when the time ran out on the last occasion that this bill was before the house. It seems to me that in our centennial year it is very appropriate to recall some of our Canadian history for the purpose of giving us some guide lines for the future in the field of transportation. As I am sure every member of the house recalls from his study of our history, it is about 80 years ago that a transcontinental railroad was finally built across Canada which bound together the various parts of this country. This was a tremendous undertaking and one that was absolutely necessary if Canada was to emerge as a national entity. It was the means by which the very diverse parts of this enormous country could be welded together. One could not expect that at that period the railroad would be constructed in any way except by private enterprise or that the benefits of constructing it would accrue to anybody but private citizens or groups of private citizens. At that time the concept of social and communal rights was rather undeveloped.

• (6:00 p.m.)

After the construction of the Canadian Pacific Railway there was a spate of railway construction in various regions of the country which culminated, as I recall, in 1912 with the construction of the line to Prince Rupert on the Pacific coast in the constituency of my hon. friend from Skeena. Many members will recall the sad history of that vast railway construction period in our Canadian history. They will recall how grafting contractors, corrupt governments and greedy individuals and groups contributed to what became almost a national disaster which necessitated the government of Canada moving into the picture and cobbling together all the various ill-fated railway projects which had been constructed without any hope of an economically sound future.

We have not yet recovered from the results of that particular page in our history. Almost every year one hears complaints in the house about the cost of Canadian National Railways which was the result of the government taking over these bankrupt railway projects that had been built in that expansionary period. We still are paying the cost of allowing private interests to move into a field on which the whole of our economy rested, the field of transport upon which our whole national economy relied and depended. We allowed it to be the happy hunting ground for those who wanted to make profits from the development of the new Dominion of Canada. I suggest that this burden has been too hard on the Canadian people and it is only now that we are beginning to get on top of it.

For many years it has been pointed out that the government's action at that time, while in some ways commendable, was also very badly contrived because of its position that the best thing to do was to allow certain groups in our economy to profit from the operation of the economy. Therefore, instead of allowing these concerns to go bankrupt, instead of allowing their bonds to drop out of sight, the government of Canada on behalf of the taxpayers of Canada guaranteed them, and from that day to this we have been carrying a very heavy burden.

We are now moving into a new age with new methods of transportation. Perhaps the most striking and significant is the one outlined in Bill C-113, to incorporate the Commercial Solids Pipe Line Company. The purpose is to transport by modern methods commodities that hitherto have been transported by railroad or water and perhaps to a minor degree in recent years by air. In the main it will be commodities carried by railroads that will be transported.

We can be sure that technological advances will improve the scope, capacity and ability of these pipe lines to transport goods in pelletized or solid form as is now being attempted. I assume there is every anticipation on the part of this company that the operation is going to be very profitable; otherwise it would not have distributed the very expensive brochure I and other members have received from the sponsors of this bill. We can be quite sure that the moment it is demonstrated that pipe lines represent the modern method of transportation and that this is a means by which promoters can make fortunes for themselves, their colleagues and associates, we shall have a spate of pipe line construction as great as the railway construction which occurred 50 to 60 years ago. We may very well experience an even greater disastrous result. It may well be that we will have to come again to the rescue of bankrupt transportation companies because they have built pipe lines as the railroads were built, paralleling each other across this country. In my own province there are two railroads running down the Fraser canyon, one on one side and one on the other, periodically having to hop across

[Mr. Deputy Speaker.]

and change places before arriving at the same destination, Vancouver.

There has been a scandalous waste of resources so far as the Canadian National is concerned, and of course evidence of that is the very heavy load of debt placed on the Canadian people by the government which decided it had to rescue these bankrupt operators. I plead with the house to be very careful not to permit Canada to embark on another period of wasteful construction of a means of transportation and to realize that in this day and age there is no place in the field of transportation for private interests. This is too important a factor in our economy.

We have seen in recent years the transfer of virtually all electric power production and distribution from private to public hands. We have seen the various utilities across the country falling into public hands because private hands have proved incompetent or incapable of providing the services required. I submit that transportation, particularly transcontinental, which is the means through which our country is tied together, is too important a matter to be left in the hands of private interests or promoters whose concern, quite legitimately and legally, is to make profits by the transportation of goods in Canada.

I hope the house will decide not to pass this bill. I hope the government will thereupon take note of the refusal of the parliament of Canada to embark on what I think is a very misguided project and undertake the sort of research and development which will lead to public investment in a properly integrated pipe line transportation system in Canada. For that reason I move:

That Bill C-113, an act to incorporate Commercial Solids Pipe Line Company, be not now read a second time, but that it be read a second time this day six months hence.

• (6:10 p.m.)

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, we have just seen another example of the kind of action that will result in a refusal to hear people who are anxious to develop Canada's natural resources. I think it is a pity that it is possible for a very limited number of members to hold up that development, particularly in the field of research and transportation, which is so vital to the economic well-being of Canada as a nation. I say this because the passage of Bill C-113, as all hon. members know, would not in fact give any company the right to build a solids pipe line or any other kind of pipe line. Indeed, all it would do is set up a legal entity which could make application to the Canadian Transportation Commission and thereby have the opportunity to place before the commission its proposal and the economic arguments in favour of it.

If we should at this stage take the action suggested by the amendment the bill would not even be referred to the committee. The sponsors of this company would not have the right to be heard in any forum. I think that would be unjust and unfair. Anyone who has respect for the concept of justice and democratic discussion should at least provide an opportunity to the sponsors to state their case before members of this house. A bill similar to this one has been before the house now for nearly two years without being given second reading. If this bill were given second reading and referred to the committee, the officers of the company could be called before the committee to state their case.

Section 24 of the National Transportation Act which was passed by this house earlier in 1967 provides that subject to subsection 2 no company shall operate a commodity pipe line unless there is a certificate in force with respect to that pipe line. Therefore, even if the bill should pass through all stages in this house this would not permit the Commercial Solids Pipe Line Company to begin immediately construction of a pipe line or go into the pipe line business, in this case the moving of sulphur from Alberta to the west coast.

Other stringent conditions have also been laid down in the new National Transportation Act such as section 25 which provides that the transportation commission before it grants a certificate must study such things as the economic feasibility of the pipe line, the financial responsibility and financial structure of the applicant, the methods of financing the pipe line and the extent to which Canadians will have an opportunity of participating in the financing, engineering and construction of the pipeline, and any public interest that in the opinion of the commission may be affected by the granting or refusing of the application.

The company has already stated there will be a public offering of shares when they have reached the stage in their research where they find that the project is probably economically feasible. That, of course, is not certain at this time. I believe that in Canada we must pay far more attention to the modernization of our transportation industries so that we can remain competitive in international markets in respect of many commodities. Wheat, for

example, is very important but many other raw materials are produced in Canada, such as sulphur, which fall in this category.

In many other countries sulphur is produced much closer to tidewater than it is in Canada. Unless we find a more economical way to move this material from the point where it is produced to the coast we will be participating in the restriction of the expansion of our world markets for sulphur. Sulphur is a product which is basic to industry. It has been said that sulphuric acid is the work horse of the chemical industry. Sulphur is the major and essential ingredient of sulphuric acid. If Canada is to expand its industrial base, both in respect of the production of raw materials and also its secondary industries, sulphur will become one of our most important resources.

Therefore, Mr. Speaker, I certainly hope that hon. members will not prevent this bill from getting second reading so that it may be referred to the committee where we will have an opportunity to hear from the officers of the company. There will be plenty of time after the committee stage to disagree with the arguments which may be advanced. It seems to me that it will be a very serious miscarriage of justice in so far as this house is concerned if we refuse them the opportunity to state their case to certain members of this house.

Mr. Frank Howard (Skeena): Mr. Speaker, I have listened with a great deal of interest to the remarks of the hon. member for Medicine Hat (Mr. Olson). I appreciate, of course, that he is pretty well compelled to speak in the way in which he did.

Mr. Olson: Compelled by common sense.

Mr. Howard: He says he is compelled by common sense. That is the compulsion which caused him to be right where he is at this very moment. It was the common sense of abandoning the stupidity of the political philosophy to which he adhered before. His piety, however, seems to have increased since moving from one place to another in the house, a piety which is a bit glossy and does not go very deep because the arguments he has used just do not hold water. The hon. member, who for years has been the official spokesman on procedure for the government, should know the fallacy of his approach when he says that the representatives of the company will be denied a hearing simply because an amendment has been moved which would mean that the bill would be given a six months hoist. There will be an opportunity for all members to vote on this amendment. I cannot conceive that the hon. member for Medicine Hat has prescience in respect of the result of that vote.

• (6:20 p.m.)

Mr. Olson: No, but when is it going to be taken?

Mr. Howard: As I said, the hon. gentleman is the official or unofficial spokesman on procedure for the government and has been for many years. He does not need to ask me when the vote is or is not going to be taken. He has knowledge of the rules, as has anyone in the house. The question which he just asked from a sitting position indicates clearly that he was speaking with tongue in cheek when he tried to categorize certain members as participating in a denial of rights simply by exercising their opportunity to move a particular amendment in order to express an opinion about this bill. He said that it was shameful, or words to that effect, to hold up the development of research into the transport of solids through pipe lines.

I was here when the hon. member for Edmonton West (Mr. Lambert) spoke on second reading of the bill some time ago. I listened to him at that time and I took the trouble to find his remarks in *Hansard* because the hon. member for Medicine Hat made some reference to the fact that research was being held up simply by the moving of the six months hoist by my colleague, the hon. member for Nanaimo-Cowichan-The Islands (Mr. Cameron). There has been a fair amount of research into the transport of solids by pipe line. Undoubtedly there will be continuing research into this mode of transportation regardless of the passage or otherwise of the bill before us. I should like to quote what the hon. member for Edmonton West, a fellow Albertan of the hon. member for Medicine Hat, had to say on June 1 as reported on page 853 of *Hansard*:

> I think we should go further into the study of solids pipe lines and recognize that the basic work in this connection has been done, as indicated by the hon. member himself—

The hon. member who moved second reading of the bill.

> —through the research council of the province of Alberta, using not only funds provided by that province—

In other words, tax money.

> —but in addition funds made available by the Department of Industry.

I presume our federal Department of Industry.

The organizations taking part in this research are known as SPRDA—Solids Pipelines Research Development Association—and SPESA, standing for Solids Pipelines Economic Studies Association.

Here are two organizations in receipt of public funds from the province of Alberta, my hon. friend's own province, and from the federal Department of Industry which, according to the hon. member for Edmonton West—and I do not discount his words one bit—has already done the basic research work. With this knowledge, which I am sure the hon. member for Medicine Hat had because he is from Alberta and is knowledgeable about these things, for him to stand up and say that the simple moving of a motion by my colleague, the hon. member for Nanaimo-Cowichan-The Islands, for a six months delay will hold up research convinces me completely that I should discount his remarks as a lot of froth designed for one purpose only. I believe it is not his purpose to advance the transporting of solids in this manner but to protect some other interests which he did not reveal. Let me read further what the hon. member for Edmonton West said.

Mr. Olson: We all know what the hon. member for Edmonton West said. It is recorded in *Hansard*.

Mr. Howard: I have difficulty in understanding the hon. member when he is standing up and has the floor but it is impossible to comprehend what he is muttering from his seat. If the hon. gentleman has something to say or would like to ask me a question he knows the rules, having been an expert on the rules for many years, and he can inquire whether or not I want to yield to a question. It is only then that he will be intelligible, although I doubt it.

Let me read further what the hon. member for Edmonton West said.

Let us face it. Not only were government funds involved in these technical and economic studies but a consortium of about ten Canadian companies which are interested in transport was involved. The Canadian National Railways has an interest in SPRDA. So have the C.P.R., Canadian oil companies, and other industries.

Why should the C.N.R., the C.P.R. and the oil companies and other interested industries not have an interest in the transporting of solids by pipe line? They do not deserve to be in business if they do not have that sort of interest because this is a new mode of transport and its impact upon the transportation industry far transcends any knowledge the hon. member for Medicine Hat may have about the matter. Its effect upon the Canadian people may be such that it warrants every possible examination of this proposal, including the basic right of any hon. member to move a motion for a six months' delay without having to listen to the dull mutterings which we heard a moment ago about rights, duties and obligations.

Mr. Ron Basford (Vancouver-Burrard): Would the hon. member yield the floor for a question? I should like to say for the sake of the record that it is my information, and the hon. member might comment on it, that the work being done by the Alberta Research Council and the Solids Pipelines Research Development Association is in the field of transportation by pipe line in capsule form and that the proposal before the house is for a slurry pipe line, which is quite a different thing. I believe that the research which the hon. member referred to was research on capsule pipe lines.

Mr. Howard: I am glad the hon. member asked that question because the house will recall that although he is the sponsor of the bill he was, understandably and for a very good reason, absent from the house when second reading of the bill was moved and his colleague, the hon. member for Vancouver Quadra (Mr. Deachman), introduced the bill on his behalf. I was hesitant about the name of the constituency because of the redistribution, and I am not certain what the location of the hon. member is. Thus the confusion.

The house will also remember that the last time this bill was before the house, I think it was a week ago today, I took the course of asking whether the hon. member for Vancouver-Burrard would like to make some introductory remarks and explain his position with respect to the bill because he did not have the opportunity to do so the first time. I asked him to make that explanation without closing the debate as normally would be the case. The hon. gentleman then got up and said "I did not ask for any such opportunity". I submit to him that he did not ask for the opportunity then, he did not take it when it was offered to him, and members of the house were therefore not acquainted at an earlier time with the information he has now put forward by way of a question. However, I have no comment to make on whether or not the statement made by the hon. member is factual. I do not doubt his

word but I am just not aware of that situation.

Mr. Olson: May I ask the hon. member a question? I would like to have his permission first.

Mr. Howard: Nothing pleases me more than to give permission to the hon. member for Medicine Hat to do whatever he likes.

Mr. Olson: Would the hon. member tell the house whether or not he believes that all of the research and experimentation necessary to develop an economically sound pipe line for the transportation of sulphur can be done in a laboratory on a pilot basis or whether it is not also necessary for at least one company to find out whether or not it can be done successfully?

• (6:30 p.m.)

Mr. Howard: We all know there is a great difference between theory and practice. It may be necessary to conduct experiments in connection with the transportation of solids, in whatever form they may be, by whatever mechanism there may be within a pipe line. This does not carry with it the implication that we should place in the hands of the Shell Oil Company the sole responsibility for this method of transportation or say that we want this company to have this position in our economy. If the hon. gentleman had been listening he would have heard the parallel that was drawn between the development of our railroads in this nation, as described by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Cameron), and the position we are in at the moment with regard to solids pipe lines.

Mr. Olson: The railways are under the transport act.

Mr. Howard: The hon. member sits there muttering, and I cannot hear him. When he sat down here as a Social Crediter he was clear and understandable, but since he has been infected by those who have been vacuumed into the Liberal party he is not so clear. I do not want to delay the vote that may come on this bill. I expressed the view privately to some members who were interested in the bill that I really did not have too much concern about it one way or the other. After looking at the bill initially I thought if we desired to do this sort of thing it would not hurt to go into a few more details about it.

[Mr. Howard.]

Subsequently, and particularly after listening to the hon. member for Nanaimo-Cowichan-The Islands, who related to us the historical concept of the development of another mode of transportation in this country which is leaving us in a position of suffering, and after listening to him outline what should be done to preserve the public interest in this particular case, I was influenced to take a second look at the item. I wondered whether or not we should give any endorsation to the proposal at this time.

We have not had a great deal of explanation from the sponsor of the bill. In fact the only words he has uttered in support of it this session were the ones in which he said he did not want to say anything, and the words he uttered in reply to a question relating to the type of research that was being done. In the absence of some announcement of the philosophy behind the introduction of this bill—it may have been given in another session, but we are here now—I wonder whether we should proceed too hastily in the direction of giving the bill passage and referring it to a committee.

In closing, Mr. Speaker, I might add that I am not too strongly in favour of the amendment to give six months hoist. In fact at the moment I doubt very much whether I will vote for it. In the light of the way in which parliament has been operating lately we could be sitting here six months from today. Thus, if the amendment passed we would be committed to give second reading to the bill automatically six months from today. This may be an exaggerated interpretation of the rules, but it is an illustration of the way rules are altered in their application. Situations arise which were not foreseen at the time the original concept of the six months hoist was introduced.

I would not want to put myself in the position of supporting an amendment which, if carried, would mean that six months from today an hon. gentleman on the other side might rise on a point of order and say that the house ordered this bill for second reading six months ago. I cannot therefore support the amendment too strongly, although it may be that others who are more knowledgeable as to the rules will convince me it is the thing to do. I simply say that in closing.

Mr. Deputy Speaker: Is the house ready for the question?

Mr. Howard: Mr. Speaker, I think we should not have a vote between the hours of six and eight o'clock.

Mr. Basford: In view of the fact the hon. member for Skeena (Mr. Howard) is not particularly in favour of the amendment, I ask for unanimous consent to have the vote at this time.

Mr. Howard: As I pointed out, I am not supporting the amendment too strongly. However, I may change my mind and I should like to have an opportunity to think about it for an hour.

Mr. Deputy Speaker: It has been moved by Mr. Cameron (Nanaimo-Cowichan-The Islands)—

Mr. Howard: I rise on a point of order, Mr. Speaker. I have objected to a vote being taken between six and eight o'clock.

Mr. Deputy Speaker: May I read the standing order that is applicable. Standing order 6, paragraph 7 reads:

> No vote shall be taken between six o'clock p.m. and eight o'clock p.m. on Mondays, Tuesdays and Thursdays—

The Chair has to decide therefore whether or not there is going to be a vote. The Chair must proceed to the point where the house decides a vote is or is not to be taken. If the house decides a vote is to be taken, then that vote will be deferred until eight o'clock. This is my interpretation of the standing order. I must go along with the usual procedure to the point where the house decides a vote is or is not to be taken.

The question is on the amendment. Those in favour will please say yea.

Mr. Howard: I am still objecting to a vote being taken.

Mr. Deputy Speaker: I must advise the hon. member the Chair is not taking a vote. The Chair is determining whether the house wishes to take a vote.

Those in favour of the amendment will please say yea.

Some hon. Members: Yea.

Mr. Deputy Speaker: Those opposed will please say nay.

Some hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it; the amendment is lost.

The question is now on the main motion. Is it the pleasure of the house to adopt the said motion?

Some hon. Members: Yea.

Private Bills

Motion agreed to, bill read the second time and referred to the standing committee on transport and communications.

AETNA CASUALTY COMPANY OF CANADA

The house resumed from Tuesday, June 20, consideration of the motion of Mr. Cameron (High Park) for the second reading of Bill No. C-112, to incorporate Aetna Casualty Company of Canada, and the amendment thereto of Mr. Gilbert (p. 1746).

• (6:40 p.m.)

Mr. Frank Howard (Skeena): Mr. Speaker, on June 20, 1967 when this matter was last considered my colleague from Timiskaming (Mr. Peters) had the floor for a brief moment. Regrettably he is not able to be here at the moment to proceed with his remarks. I think it is common knowledge that he had the unfortunate experience to be hospitalized while attending a conference of the Commonwealth Parliamentary Association, that he is now in hospital in another country and accordingly not in a position to be here to proceed with his remarks about Aetna Casualty Company of Canada.

I spoke on this bill on second reading, as did other hon. members, and I cannot take the time of the house to go into the intricacies of detail in connection with the company because this would necessitate rereading from *Hansard* some of the thoughts expressed by the sponsor of the bill, and others who spoke at an earlier stage.

One of the interesting points about Aetna Casualty Company is that it is the subsidiary of a company based in Hartford, Connecticut. Most of its business is conducted in Canada, but the interesting point is that its business of insurance is carried on with companies that are also subsidiaries of United States corporations.

This, Mr. Speaker, is one of the very bad features of a corporate structure such as this, because there is a sort of closed circuit. One company sets up a subsidiary in Canada, owns and controls it and makes decisions with respect to it, whether it be a production company, a distribution company or what have you. These decisions are not based on the worth that may accrue to Canada but are based upon influences which are brought to bear upon the parent company in another country, in this instance in the United States.

This company based in Hartford, Connecticut has been operating in Canada through

its subsidiary for some years, and its subsidiary in Canada has been carrying on its business of insurance with other United States subsidiaries. In other words, there has been no involvement whatever in the day to day economic life of Canada; it is simply an engagement to insure items with which other U.S. subsidiaries would be involved.

I have remarked on another occasion what this bill covers in the way of insurance, Mr. Speaker, and perhaps I may be permitted to relate them to these remarks because they form the principal part of the bill. This company wishes to be incorporated to carry on and transact insurance business in the particular fields and classes of fire insurance, accident insurance, aircraft insurance, automobile insurance, boiler insurance, credit insurance, earthquake insurance, explosion insurance, falling aircraft insurance, forgery insurance, guarantee insurance, hail insurance, impact by vehicles insurance, inland transportation insurance, livestock insurance, machinery insurance, marine insurance, personal property insurance, plate glass insurance, real property insurance, sickness insurance, sprinkler leakage insurance, theft insurance, water damage insurance, weather insurance and windstorm insurance.

I have listed 26 classes of insurance coverage which this company is seeking to have authority to sell in Canada. Presumably they are the classes of insurance that the company has been selling up to now, it having been in existence in this country for some 40 or 50 years. You can see from the recitation of the types of insurance, encompassing the alphabet from A to Z, that almost every type of insurance coverage one can think of is included. In other words this company wants to become involved in the whole range of insurance, with the exception of medical coverage insurance, hospital insurance and the like, and life insurance. Every class of insurance relating to real property is, I presume, included here.

The indication is, Mr. Speaker, that this company wants not only to engage in the full range of insurance coverage but wants this range in order that it may carry on its activities of insuring every type of insurance coverage under the sun with only subsidiaries of United States corporations.

The 1965 premium income of Aetna Casualty increased 17 per cent over the year before, to $665 million. This is a fair sized amount of premium income and I am sure represents millions upon millions of dollars

of real property insured, all of it under the cloak of foreign ownership.

We know the position taken by the Prime Minister (Mr. Pearson) on foreign ownership. He told us on a nation-wide television broadcast that he is partial to Canadian ownership. We know what is the position of the President of the Privy Council (Mr. Gordon); he has clearly said on many occasions that he is partial to Canadian ownership. There are those in the cabinet who do not disagree in essence with the President of the Privy Council but disagree only about some of his methods. However, they too are partial to the concept of Canadian ownership.

As I have said before on a number of occasions, Mr. Speaker, I think it behooves this parliament to concern itself with Canadian ownership. The Canadian and British Insurance Companies Act requires that companies that sell certain classes of insurance, are newly incorporated and do not have an international connection prior to a certain date, must have the element of Canadian ownership in them that puts majority control in the hands of Canadians. This is the philosophy of the statute law of this parliament as it applies to life insurance companies. The government, through the Prime Minister and others, have clearly said that it is their hope, desire and intention that all companies in Canada will become Canadian owned. To this extent we want to assist in every way we can.

A moment ago, Mr. Speaker, we dealt with a company that fell into this category. We did not touch on the ownership aspect of that matter, but this will arise on another occasion.

• (6:50 p.m.)

I cannot conceive of this parliament even considering passage of a bill to incorporate a company which is owned and controlled in the United States. The policies of the company are determined by what is valuable for the United States company. The company is to sell insurance only to other subsidiaries of United States owned corporations.

It is bad enough that we are asked to incorporate a company that has shown no interest in becoming Canadian owned, or in being responsible to the Canadian economy and the Canadian society. Yet we are asked to incorporate a company that has not exhibited one iota of interest in becoming Canadian owned; it is to remain exclusively under the control of Aetna Casualty Company of Hartford, Connecticut. This company

which seeks incorporation under the aegis of the parliament of Canada will sell its insurance policies only to companies which also are subsidiaries of United States corporations. These subsidiaries in other words will take out insurance policies for any one of the 26 classes of insurance which the company seeking incorporation wishes to sell.

It may be seen that insurance money will be put into the hands of a company which has no direct responsibility to the Canadian economy, in the sense in which other companies that are wholly owned within the nation have responsibility to the economy. It is too much to ask parliament to consider incorporating such company.

Some time ago the Minister of Trade and Commerce (Mr. Winters) sent a letter to all such subsidiaries telling them what he thought was involved in good Canadian corporate citizenship—I think that is the term he used. The practice of good Canadian corporate citizenship should not involve, I think, one company being the subsidiary of a second company which sells insurance only to other subsidiaries, thus maintaining a closed circuit so far as money is concerned, with control of the company to be incorporated being retained in the hands of those who live in another nation.

Under such an arrangement insurance premiums paid are directed to a company which is controlled in the United States. I submit that we ought to look at a number of recent precedents that act as guide lines for companies that seek to be incorporated by parliament, or for companies that are subsidiaries of corporations of other nations. One example is that of the Mercantile Bank. I shall not go into details, but here was a situation in which the government of Canada expressed itself firmly and with determination with respect to the matter of Canadian versus foreign ownership, requiring Mercantile Bank within a certain period to comply with the rules of the game, so far as Canada was concerned.

Another precedent was that of United Investment Life Assurance Company, which was a subsidiary of a United States corporation. United Investment came before parliament seeking incorporation. After that company ran into the obstacle of being questioned about its good Canadian corporate structure and citizenship the parent company voluntarily said that within a certain period—and it is only reasonable that some time should be permitted for this to happen—it was prepared to divest itself of its ownership of the Canadian subsidiary. Failing that, under Canadian insurance legislation, the shares of that company held in the United States would lose their voting power

In other words, if United Investment Life Assurance Company did not comply with the rules as established for Canadian ownership, the shareholdings in the United States would lose their voting authority. That meant that shares held by Canadian shareholders would be the only ones with voting power; hence control of the company would rest in the hands of Canadians.

As I say, we have had two precedents in recent months. United Investment Life Assurance Company came before the house a few days before the summer recess. It was given third reading in July and went to the Senate. I do not know what the Senate has done, but the example of that company, I suggest, ought to be followed by the Aetna Casualty Company of Canada. I commend such a course of action to this company, through the hon. member for High Park, who follows diligently his responsibility in looking after such matters. I am sure that he will communicate with the company to tell them these thoughts—if they do not know them already—and I hope the company will come forward and say, "Yes, we voluntarily believe that what the Prime Minister says should occur, what the Minister of Trade and Commerce thinks should occur with respect to good Canadian corporate citizenship, and what the President of the Privy Council says should occur, will occur, and we shall become a Canadian owned company."

An hon. Member: Seven o'clock.

Mr. Howard: May I call it seven o'clock.

Mr. Deputy Speaker: Order, please. The hour for consideration of private members business has expired. The house will resume the business which was interrupted at six o'clock.

SUPPLY

The house in committee of supply, Mr. Batten in the chair.

TREASURY BOARD

1. Departmental administration, including grants as detailed in the estimates, $4,478,700.

The Chairman: Order, please. It being seven o'clock I do now leave the chair.

At seven o'clock the committee took recess.

[*Translation*]

AFTER RECESS

The committee resumed at 8 p.m.

The Deputy Chairman (Mr. Rinfret): Order. The house in committee of supply, estimates of the Treasury Board for the fiscal year ending March 31, 1968.

[*English*]

Mr. Winch: Supporting the amendment which is now before us in connection with these estimates, I should like to add an additional reason for believing that something is wrong and that the minister, the department and the government should be condemned rather than commended.

I make reference to what in my belief is the failure of the government to enforce its own regulations with respect to the terms of employment of civil servants. Information coming to my attention leads me to believe that the government is gypping its own employees—that in many cases it is not paying them for the work they are doing.

I should like to remind the minister of the actual wording of the government's own regulations with respect to the remuneration of employees:

Acting Pay

38. (1) Subject to these Regulations, acting pay shall be paid to an employee from the date on which he is required to perform the duties of the higher position than the one held by him.

(2) Except where the Commission otherwise authorizes, acting pay shall not be paid to an employee for a period in excess of twelve continuous months.

39. Acting pay shall not be paid to an employee who is required to perform the duties of a higher position than the one held by him for a period of less than two months.

40. (1) Where an employee is required to perform the duties of a higher position than the one held by him, he shall be paid acting pay

(a) if there is a scale of rates of pay for the higher position, in accordance with the provisions of section 22 as if he had been appointed to that position; and

(b) if there is no scale of rates of pay for the higher position, at the rate of pay for that position.

That is the actual wording of the regulations with respect to acting pay in the case of federal civil servants. Mr. Chairman, I have received complaint after complaint from members of the civil service that these regulations are not being carried out. Apparently if one is in the higher echelons employed in a supervisory capacity, and if one has to do the work of someone in a higher grade there is no difficulty whatsoever about getting acting pay, but if one happens to belong to a lower echelon—then just try and get it!

The delays go on and on forever. I was told as recently as last week by civil servants in both Montreal and in Ottawa that these people are kept waiting until either they drop their demands because they are fed up or else leave the job. These people tell me it is not only a question of gypping some of the employees—the practice is actually fraudulent; the government is defrauding its own workers by withholding their legitimate pay. I have personal knowledge of civil servants who have worked for more than a year in a higher grade without being paid the increased amounts to which they were entitled. I have in my possession statements signed by their superiors to the effect that they were doing good work and doing it in a responsible way. Yet when they asked for acting pay, they were refused.

I have seen some of the letters sent out by the deputy ministers and I maintain that these letters are full of evasion, endeavouring to circumvent the wording of the regulations and consequently cheating civil servants of their proper rate of pay. I think this is a disgraceful and disgusting situation. I can call attention to statements in my possession in which supervisors say, for example, "This man performs work over his grade in a satisfactory manner and his knowledge is presently sufficient for this type of work."

Again, I have statements such as the following: "Since this assessor works on the same types of files as a grade 3 assessor with satisfactory result, he is entitled to grade 3 pay." But the employee concerned does not get it—and he has been on this job for more than a year.

I saw a letter from the deputy minister about a week ago. I have read it and re-read it. It is nothing more or less than evasion, and I sincerely hope something will be done about this situation. Anyway, since our civil servants are receiving treatment of this kind from the minister, from the government and from the departmental heads I think there is an additional reason for voting non-confidence on this estimate.

• (8:10 p.m.)

[*Translation*]

Mr. Mongrain: Mr. Chairman, I shall probably disagree with my colleague and hon. friend, the mover of the subamendment, for a reason which I should like to explain as briefly as possible.

Day after day in this house, I hear honourable members ask the Minister of Finance (Mr. Sharp) or the President of the Treasury Board (Mr. Benson) for salary increases; others ask for the financing of the Dosco deficits, so that a few hundred or thousand people are not put out of work; I hear other members ask the government to take over a shipyard in order to keep in operation a concern which seems to have a deficit; others beg the government to prevent the Canadian National from laying off some employees because the railway wants to proceed with automation, to renovate its operations in order to do away with deficits.

I hear hon. members ask for higher pensions and generous scholarships; others complain that not enough money is allocated for research; some want protection along waterways; others anxiously await medicare; still others say that Expo has resulted in a large deficit and that centennial celebrations have cost a lot of money. All these hon. members would like to get subsidies for their ridings. Meanwhile, at another moment of the debate or at another time of day, I hear from all corners of the house members blame the government for the rising cost of living and the continuous tax increases and say that it is the fault of the government for allowing taxes to increase.

Hearing all those demands, Mr. Chairman, I conclude there is something wrong somewhere and that if we do not want the cost of living and taxes to go up, something will have to hurt somewhere in the present context.

And when I hear the official opposition chide the government for not fulfilling its duties towards the nation, I tell myself it is six of one and half a dozen of the other, because if the opposition were now in power, it would have to operate within the same financial system as the present government and it would have no more latitude.

Then, when there is talk of priorities, I feel that it is a matter of opinion, that if everyone continues to clamor for increases, as I mentioned earlier, everyone is going to pay for it; someone will have to foot the bill, because you cannot expect miracles.

We might do well to pause for a moment and to ask ourselves where such ever-increasing demands will lead us, while at the same time they cause some people to blame the government, rather illogically, with taxing away with one hand what it gives with the other, which cannot be avoided anyway. Whatever party is in power, I think this is unavoidable.

We might do well to remind ourselves that our national debt now stands at about $15,971 million, and this is our net debt; our gross debt totals about $26 billion, or something like that. This represents $792.22 per capita, not per family, in Canada. Another thing about which we should remind ourselves, this national debt—and I take my province as a typical case—plus the Quebec debt, which stands at $1,524,800,000, plus the total municipal debt, average out at this time to $2,062.83 per capita in Canada.

If we add to this private debts, that is, debts to banks, finance companies and other similar institutions, it would mean a further amount of $7,062,000,000, or approximately $353.10 per capita. Therefore, the total indebtedness of every Canadian would be $2,415.93. And then, I have omitted school debts, since I do not have those figures. I have not referred to mortgages either, because I did not have time to check the figures.

This means, therefore, if it is admitted for the purpose of this discussion that an average Canadian family comprises 4 persons, the father and mother and two children, that every Canadian family would be indebted for $9,663.72, and, with the interests added, that amount could be almost twice as high, at a conservative estimate, especially for long term commitments. This would represent, therefore, something like a $14,000 debt for every Canadian family.

Mr. Chairman, I think we are faced with a case where the question should be asked: Where are we going? How will all this end? Will we be able one fine day to pass the sponge and wipe out all these debts? We, who are responsible for the public weal, are we justified in continuing to ask the government for increases, benefits and subsidies without thinking that tax increases will be required? Or, Mr. Chairman, are we not faced with a drastic situation that will remind us once again that our financial system is becoming obsolete and that we will have to revise it? Please note that I am not trying to blame either the current government or the official opposition; I say that the two parties alternating at the helm are operating in the situation where they have little elbow room.

The question is probably more relevant than it might seem at first. Might it not be

time to revise in depth our financial and fiscal systems? Like most of my colleagues, I read the vehement protests that came up after the Carter report suggesting a review of taxation which, in some quarters, was considered as rather socialistic. I do not say that I personally approve all the conclusions of the Carter report, but I wonder if its impact might not open the eyes of all Canadians to this situation which will shortly become a dead end, a catastrophe, if not a financial bankruptcy.

Once again, Mr Chairman, I wonder, and I have said this before, if it might not be time to call what I would refer to in a term applied in other areas, the Estates General of high finance in the country, to ask them to submit to self-reform before the demands rise, before protests become more and more vehement, in short, before the demonstrations become violent in many cases due to the problems facing the Canadian people in meeting the demands of a rising cost of living and the rising taxes. Precisely due to everyone's demands, I wonder if it is not time for the Estates General of high finance to meet, examine their own conscience and say: Together with the government, we will undertake a financial reform from which will possibly ensue a parallel tax reform in depth. Possibly, the government might have to go further and borrow some of the ideas of our friends in the New Democratic party who claim that certain high-yield enterprises should be controlled by the government to help lighten the tax load? In this, I will support them more easily than in their demands to cut the minister's salary.

When I heard that, I was tempted to suggest a double salary for the minister who so patiently listened to everything which was said to him this afternoon, but then he would have to pay too much income tax. I shall be satisfied to suggest a salary increase of $1 as a reward for his patience and his good spirits without too much of a burden in terms of income tax.

Mr. Chairman, we are all serious-minded people in this house and the situation is not going to be corrected by talking like Tories or Grits, with that kind of racing game in order to know who will be in power tomorrow, who will have succeeded in further demolishing the party in power, who will have improved the situation, who will have helped to correct it. It will not even be with those insulting criticisms against the government from some high finance leaders, when in fact they take part in the formulation of the financial policy and share in the responsibility of the situation for which they blame the government.

I say that we are bogged down. All those of goodwill will have to get together and have a close look at the whole financial or taxation system. They will have to decide once and for all to propose basic reforms, fundamental reforms. Conservatives and N.D.P. suggestions will have to be used, and perhaps some from the Créditistes also, as they are not all wrong. Above all, anyone who is entrusted with the common good, all of us here, we shall have to forget our political or electoral ambitions for a few days and decide that we shall get at the root of the problem.

Mr. Chairman, I merely want to recall this: shall we wait till there is a popular uprising to strike at the root of the evil? Let us remember that it is no use preaching to a hungry man. And we already have alarming omens of a revolt threatening every day to generalize, to be increasingly violent.

I think it is time for everyone to sit down and to examine one's conscience, and that will not be done merely by blaming the minister for an alleged carelessness. I for one say that the present minister, who is on the carpet this afternoon, does his utmost, as did his Conservative predecessors—perhaps I was not here to judge them but I was keeping a close watch on the business of the house. I think that all members of this house are men of goodwill who try to do their best, but have to operate within a system leaving them very little latitude.

And I have no desire to blame the minister; I feel inclined instead to extend to him my sympathy and my co-operation, as I would do if a Conservative minister were in his place tonight and would probably be doing his best too, in the circumstances, and would not feel inclined to say that it is because of his inefficiency that things are going wrong.

• (8:20 p.m.)

[*English*]

Mr. Benson: Mr. Chairman, in view of the criticism that was raised this afternoon by the hon. member for Winnipeg South Centre and others in respect of ministers not answering questions I deemed that before the taking of the vote I should get up and say something about the questions which have been raised during this far-ranging debate.

The amendment proposed, and which will not be passed, really has no effect at all on my salary. The hon. member I am sure knows this very well and realizes that the result of taking $17,000 from my estimates is that 170 salaries will have to be reduced by $100 or that I fire perhaps a janitor, an elevator operator or a couple of secretaries, or something like that.

An hon. Member: That is eyewash.

Mr. Benson: The hon. member for Carleton spoke this afternoon about priorities and asked what are the government's priorities? Since we became the government we have instituted a system involving a five year forecast under which all departments are now submitting their objectives five years in advance. Let me assure the hon. member that when it becomes necessary or when we deem it necessary or in the interests of the country to limit expenditures, this is not done in a haphazard method. I am sure he knows that, having had vast experience on the Treasury Board. What is done is that the proposed expenditures of each department are considered carefully and only selected items of the various departments are removed or revised. This government has decided that it will not have the fiscal mess the Tories had in 1962. It is our responsibility to make sure that the fiscal and monetary policies of this country are handled reasonably and well and we are facing up to those responsibilities.

An hon. Member: When are you going to start?

Mr. Benson: Indeed, in 1963-64 after huge deficits under the previous Tory government we almost balanced the budget. In 1967-68 in the face of what looked to be a possibility of increasing unemployment in the country and a decrease in the expansion—

Some hon. Members: Oh, oh.

Mr. Benson: Everybody across the hall—across the chamber from me—warned us about unemployment more than six months ago.

Mr. Woolliams: Mr. Chairman, I rise on a question of privilege.

Mr. Benson: Mr. Chairman, there seems to be a great deal of—

Mr. Woolliams: On a question of privilege, Mr. Chairman.

An hon. Member: Tell the minister to sit down.

The Deputy Chairman: Order, please. The hon. member for Bow River is rising on a question of privilege.

Mr. Woolliams: I can be very brief, Mr. Chairman. I should just like to remind the minister that he is not speaking in a hall, and we are not all Liberals on this side of the house.

Some hon. Members: Oh, oh.

Mr. Benson: Mr. Chairman, if I may continue, this afternoon we heard a great many recommendations from across the hall, but not one except the one from the hon. member for Winnipeg South Centre, who is very responsible, included a suggestion as to how to reduce expenditures. He suggested that we take $40 million out of contingency vote number 5. That might be a good idea, but parliament has already granted us $26 million of that amount. He did not bring that to the attention of hon. members.

Mr. Churchill: Have you spent it already?

Mr. Benson: The contingency fund is cleared out at the end of each year by the repayment from other funds, and as everyone here knows, the only charges to that vote last year, except for some $800, were charges for salary and wage provisions, and additional establishments.

I should like to know from hon. members opposite what they would like us to cut. Would they like us to take away increases to old age pensions, which they suggested should be based on a flat rate of $25 a month?

Mr. Lambert: Be honest. That is not a budgetary item.

Mr. Benson: Would they like us to—

Mr. Ricard: It is up to you to determine your priorities.

Mr. Benson: Would they like us to take away the Canada Assistance Plan? Would they like us to take away supplementary payments on old age pensions? Would they like us not to proceed with medicare—and I believe there are many over there who would want us to do that.

Some hon. Members: That's right.

Mr. Benson: Would they like us not to contribute to the provinces the 50 per cent of the operating costs of post-secondary education, which we have taken on? Would they like us to cut off funds to the Atlantic Development Board, simply because they never provided them in the past?

An hon. Member: Hogwash. You are not telling the truth.

Mr. Benson: Do hon. members opposite want us to abolish the retraining program which we have expanded greatly this year at a cost of some $135 million? Do they want us to abolish youth allowances to boys and girls aged 16 and 17 who are continuing in high school?

An hon. Member: We want to abolish you.

Mr. Benson: Do they want us to stop putting funds into ARDA, which we have done to a much greater extent than they ever did?

Some hon. Members: Hear, hear.

Mr. Benson: Do they want us to stop our aid to industry, which is vital if this country is going to expand.

Some hon. Members: Nonsense.

Mr. Benson: Do they want us to cut back on C.M.H.C. loans—and this is not a budgetary item, but in respect of which hon. members opposite mentioned boastfully this afternoon they had only $100 million in loans some years ago? We have put over $600 million of government money into loans this year for housing alone.

Some hon. Members: Hear, hear.

Mr. Lambert: Be honest.

Mr. Benson: Perhaps, Mr. Chairman, they would like us to decrease the subsidies to milk producers, which we gave last year after urging from the other side?

Some hon. Members: Hear, hear.

Mr. Benson: Mr. Chairman, I cannot understand why members opposite are so upset. They asked me to reply to their questions, and I am attempting to do just that.

Mr. Lambert: Why not answer them honestly?

Mr. Benson: Mr. Chairman, there were a number of references from the opposite side of the house this afternoon to vote 5, and claims about its misuse. Vote 5 was used once last year to meet salaries and wages of civil servants. It was proposed by the hon. member for Carleton, and I agree with him, that civil servants should not be subjected to blackmail. I agree; but I also believe that the employees of contractors, who cannot be paid when the opposition attempts to blackmail the government, should also receive sympathy from the members of this house.

I can assure hon. members opposite that it would not have been necessary to use vote 5, although we did have legal opinion that this was quite proper, if hon. members opposite last fall had not been trying to blackmail the government at a time when they had something going on down at the Chateau Laurier.

• (8:30 p.m.)

Now, Mr. Chairman, there really were not a great many other items raised this evening, except the one raised by the hon. member for Winnipeg North Centre in respect of which he says he has based his amendment on the matter of pensions for retired civil servants. Members of the house know my position on this matter. They also know the position of the government at the present time is that this is a matter which is receiving consideration by the government. It is a government responsibility and an announcement will be made in due course.

Mr. Churchill: You said that last night.

An hon. Member: For the fiftieth time.

Another hon. Member: Give him a hankerchief.

Mr. Benson: Mr. Chairman, I think I have referred to all the questions that were asked this afternoon. Indeed there were not very many questions asked. There were a lot of very general statements made this afternoon about monetary and fiscal responsibility, and references to other things such as no forward planning, and so on. I believe that if members would look back at the speech I made during the budget debate they will find exactly what we are doing with regard to forward planning. I see no reason to repeat that speech at this particular time.

In conclusion I should simply like to thank the hon. member for Trois-Rivières for suggesting that my salary be increased by one dollar. Indeed, I would not mind having my salary cut by one dollar.

An hon. Member: Oh, how generous.

Mr. Benson: The motion before the house, however, really has nothing whatsoever to do with my salary. It is simply a motion which

expresses the dissatisfaction of the hon. member for Winnipeg North Centre with regard to the government's handling of the suggestion from the committee that pensions for retired civil servants be increased. He is perfectly within his right to put forward this kind of motion. I trust the house will make its decision on it.

Mr. Monteith: Mr. Chairman, I had not intended to participate in this debate on the estimates of the Treasury Board this afternoon and this evening, until I heard this very political speech of the minister. It reminded me of the first budget of the hon. member for Davenport, and the time the Secretary of State, the ex-minister of national health and welfare, introduced the first attempt at the Canada Pension Plan. There was nothing but politics at that time. I should like to say that there is only one thing which matters in respect of this particular situation; that is, the complete incompetence and irresponsibility of the government.

Some hon. Members: Hear, hear.

Mr. Monteith: The government has failed completely in its responsibility to the Canadian people. On June 1 last the Minister of Finance introduced a budget. At that time we told him he was facing a difficult situation so far as Canada was concerned. This situation has steadily developed along the lines we predicted at that time. Although he should have, the minister did not take our advice. He was told what we faced—inflation, a higher cost of living, and all these things with which the Canadian taxpayer is so concerned.

Today we are facing another mini-budget of some kind. As the hon. member for Carleton said, we have had three in less than a year, and this one undoubtedly will increase taxes. I am concerned tonight for Canada. These people across the aisle are not doing what they should be doing. They should be paying attention at this time to the estimates for the year 1967-68 and not for the year 1968-69, which they are only playing around with in cabinet. The Minister of Public Works last night suggested they are dropping a certain amount. How much is it? It is in this evening's Ottawa *Journal*. I will not take the time to look it up, but the amount I believe is many millions of dollars. He said they would cut off the construction of the garage underneath the hill. This is a presumed expenditure for 1968-69. We do not know what in the world it is all about. He said they would take tenders in November, and that there would not be any money spent on this until next year. There is nothing in this year's estimates.

Mr. McIlraith: The one dollar item was taken out.

Some hon. Members: Oh, oh.

Mr. Monteith: Mr. Chairman, it was not in the original estimates.

The Chairman: Order, please. Perhaps members of the committee will give the Chairman an opportunity to hear what is being said.

Mr. Monteith: One dollar in the supplementary estimates was taken out. What ridiculous nonsense; subterfuge and camouflage is all it is.

Mr. Chairman, as I said at the beginning, I had not intended to participate in this debate, but the sham which has been going on across the aisle in this chamber has got my goat; I can't take it. I refuse to accept the sham that is being thrown out by this government, when members of the government are trying to indicate that they are making savings to the credit of the Canadian people. If they want to talk about the 1968-69 estimates, then I say to them: Bring them out; tell us what you are reducing and from what figure. As the hon. member for Carleton said this afternoon, this is something which has been done throughout history; the original estimates are presented to the Treasury Board and they are pruned. Of course they are. As a member of the Treasury Board I know all about this. I should say, as an ex-member of the Treasury Board—excuse me. I would not want to be a member of this Treasury Board.

I shall say nothing more other than this: The government has been trying to bamboozle the Canadian people. The members of the government have been trying to indicate that they are making great savings. Not one saving has been indicated against the 1967-68 estimates. I want to see where they are making savings. It is just subterfuge on their part when they attempt to suggest they are making savings against the 1968-69 estimates. This is nothing but the greatest sham the Canadian people have ever had to face.

Mr. Winch: Mr. Chairman, may I ask a question of the minister. Will he take action to see that the civil servants are paid according to the work they are doing.

Mr. Benson: Mr. Chairman, I must apologize for not having dealt with this particular question. I have not had any particular instances brought to my attention by the hon. member. I can assure him that if he will bring these instances to my personal attention I will see that every single instance he brings up is looked into.

Mr. Churchill: Mr. Chairman, would the minister answer a question. The minister stated—

Some hon. Members: Hear, hear.

Some hon. Members: Oh, oh.

Mr. Churchill: Mr. Chairman, I am not sure whether members of the house are asking for a speech or a question. I will restrict myself to a question. The minister told us that he has already made use of $26 million out of the contingency fund. Would he indicate for what purposes that money has been used.

• (8:40 p.m.)

Mr. Benson: Mr. Chairman, I did not say I had made use of $26 million. I said that parliament had voted in interim supply $26 million of the $40 million amount.

Mr. Churchill: I have a supplementary question then. Why did the minister ask for a portion of that money in interim supply if he was not going to make use of it? What has happened to the $26 million?

Mr. Benson: I have here seven pages listing the amounts that have been used out of the contingency vote. When the estimates were granted they were repaid out of the estimates approved by the house.

Mr. Churchill: This is a double shuffle.

Mr. Monteith: In other words the minister used it at random.

Mr. Benson: Pardon me. The seven pages of items are from the 1966-67 estimates. As my hon. friend and those opposite who have been in the Treasury Board in the past know, the standard procedure is that items such as payments of $400,000 to milk producers in 1966-67 were financed out of the contingency vote and repaid when parliament approved the estimates. I would be very pleased to go over the whole list or to provide it to anyone who would want to read the 1966-67 items paid out of the contingency vote.

[Mr. Winch.]

Mr. Bell (Carleton): Mr. Chairman, if the President of the Treasury Board would undertake as soon as Mr. Speaker is in the chair to ask leave to table this document, so that it would be available to all of us, it would be acceptable to us.

Mr. Benson: I would be very pleased to do that, Mr. Chairman.

Some hon. Members: Question.

Mr. Lambert: Mr. Chairman—

An hon. Member: Here is the Chinese war lord.

[*Translation*]

Some hon. Members: Oh, oh.

Mr. Lambert: They are like crows on a fence, Mr. Chairman.

[*English*]

In other parts we call them the yapping jackals.

Perhaps the minister may be able to explain where reductions have been made in the increased costs. Yesterday a return was filed to a question that I had put on June 23 last which was formulated in the same way as a question which I had filed in February, and on which the return had been made on March 1. My question was as follows;

> As of June 15, 1967, how many persons in the employ of (a) the public service of Canada (b) the armed services (c) crown corporations or agencies, were being paid salary or pay and allowances, or emoluments in the following categories (i) $18,000-$20,000 per annum (ii) $20,000-$25,000 per annum (iii) $25,000-$35,000 per annum (iv) $35,000 and up per annum?

The answer is very illuminating. In the year 1966 there was a total of 1576 persons in that over-all category who were being paid $18,000 or more per year. In the public service category there were 522 at $18,000 or more; 397 at $20,000 to $25,000; 67 in excess of $25,000 and 23 in excess of $35,000. The armed services had 159 persons at $18,000 or more; 50 at $20,000 to $25,000; 12 at $25,000 to $35,000.

In the crown corporations there were 195 persons at $18,000; 116 at $20,000 to $25,000; 28 at $25,000 to $35,000; and 7 earning in excess of $35,000.

To that was attached a rider that Air Canada, the C.N.R., the Canadian Overseas Telecommunication Corporation and the Polymer Corporation advise that it has not been considered in the best interests of their

respective corporations to disclose data on employees' earnings other than what is available through the Dominion Bureau of Statistics.

Now comes the answer which was furnished to me on Monday last. May I point out that the total has jumped from 1576 to 2218 in the period of nine months.

Some hon. Members: Oh, oh.

Mr. Churchill: There is a 40 per cent increase.

Mr. Lambert: According to my calculations this is just in excess of a 40 per cent increase in the total number of people in the $18,000 a year category, and over. I am sure this is recorded in yesterday's *Hansard* but for the purpose of this record I will repeat it today. The answer to my question was as follows with respect to the Public Service: (i) 922; (ii) 576; (iii) 33; (iv) nil. I do not know what has happened in the interval to the 23 who last October were getting over $35,000. The Secretary of State will have to explain how that discrepancy has arisen.

In the armed services we have the following figures: (i) 157; (ii) 53; (iii) 10; (iv) nil. As a matter of fact there has been a slight diminution in numbers in the armed services.

In the crown corporations we have the following figures: (i) 274; (ii) 162; (iii) 32; (iv) 9. I agree that as regards the crown corporations these are not budgetary items but I suggest that all of the others are. Possibly there may be a slight exception where a statutory salary is paid, but most of the salaries are fixed by order in council or at the senior level of the public service. We must consider this answer in the light of the continued refusal to consider the retired civil servants, who have not had an adjustment since 1958, some of them not at all because they did not qualify for the revision at that time. I think the minister was patently dishonest with the house in that he was speaking about non-budgetary items, while we have been talking about budgetary items.

I also wish to refer to the Minister of Public Works. Last night no indication was given of the fate of the items that appear for the Ottawa area or in fact anywhere else that are listed in the estimates for this year. We are not speaking about next year's estimates. It has been repeated almost ad nauseam that it would be possible to work out a system whereby $3 billion could be cut from the estimates for next year. All one would have to do is to indicate to the departments that they bring in everything they have, and then these excessive proposals would be trimmed. This is a simple exercise. The frequent references in the press to the amounts that are cut back in the estimates are pure fluff and propaganda of the worst kind. What is interesting to Canadians as a whole is what the government is doing with this year's expenses, and what it is doing to encourage the provinces to cut back. For instance we want to know from the Minister of National Health and Welfare or from the Minister of Finance what has happened to the Health Resources Fund, the $500 million which was a condition prerequisite to medicare. Everybody had been complaining that there was a shortage of doctors and nurses. The government's answer was to propose the granting of $500 million over a period of, I believe, 15 years to the provinces and universities for the provision of medical facilities.

• (8:50 p.m.)

What has happened? Today the provinces are cutting back on precisely these items. In my home city of Edmonton there was an $88 million medical centre proposed, for the purpose of medicare as it now exists in Alberta. Capital construction programs had been forecast for the universities in Calgary and Edmonton for the next five years at a cost of over $300 million. The province has told the three unversities at Lethbridge, Calgary and Edmonton they will have to get along with $175 million among the three of them. The minister of health for the province has announced the indefinite deferment of most of the medical centre. Alberta is not an isolated case.

What happens now as a result of the deferment of these medical facilities, which are a condition prerequisite to medicare? Are we going to go on blindly, notwithstanding, and institute medicare? I think that would be the height of folly. Until we are ready to institute medicare on a proper basis, it would be better to carry on with the schemes that are in existence in the majority of the provinces. The provincial governments are coping with the facilities they have and doing the best job they can within their resources. In my opinion, this is an absolute must at this time; otherwise we can say to the government what the financial writers have been warning the government for some time. If the Minister of Finance and his colleague, the President of the Treasury Board, are unable to hear those warnings the crisis or storm which will occur

will make the 1962 crisis appear to be a soft, gentle breeze.

Mr. Gordon: Oh, oh.

Mr. Lambert: The President of the Privy Council dismisses this as airy, fairy stuff. I suggest to him that he should read what many financial authorities are saying. Their knowledge of finance is as great as, if not greater than his. These are the points I wanted to make with regard to the minister's speech.

Mr. Benson: I am sorry, but my hon. friend apparently wants me to hear complaints and not answer questions. I could not gather the exact implication of his reference to civil service salaries. I was wondering if he meant that civil servants were overpaid.

Mr. Ricard: Oh, you are a smart aleck.

Mr. Benson: I certainly don't think they are. I believe civil servants are reasonably well paid, and I think we should continue to be reasonable employers. I believe also the hon. member will find that the number of persons in the income categories he talked about, as compared with private industry, is much lower proportionately than is the case in private industry.

Then he mentioned the statutory items. The statutory items are in the blue book and form part of the budget, but we cannot cut them. The total expenditures include the statutory items.

Mr. Lambert: I am sure the minister did not want to impute a wrong motive to me. What I was talking about was the grossly overswollen numbers in the public service.

Mr. Knowles: Just before the vote is taken, if it is about to be taken, Mr. Chairman, may I say a further word. In the closing remarks of the speech the President of the Treasury Board made a short while ago he correctly described my amendment. The amount of the reduction suggested in the amendment happens to be the amount of his salary and car allowance as a member of the cabinet, not counting his indemnity and the allowance he gets as a member of parliament. The purpose of the amendment, as confirmed by the President of the Treasury Board, is to express the dissatisfaction of the House of Commons over the way in which the President of the Treasury Board and the government have handled a very important matter.

[Mr. Lambert.]

I take issue with him, however, when he refers to that important matter as merely a suggestion made by a committee. Yes, it was a suggestion made by a committee, Mr. Chairman; but to call it only a suggestion is an indication of the failure of the government to take it seriously. As the hon. member for Ottawa East, who I hope is with us on this issue, will confirm, this was a positive recommendation made unanimously by a joint committee representing all parties in this house and representing both houses of parliament.

The committee itself was given the subject by the House of Commons on a motion made by the government. The government took seven months to make the decision to present the motion for the whole question to be referred to that committee, from June, 1966 to January, 1967. The committee considered this matter in all its implications. There were witnesses representing the retired civil servants, the armed forces and the R.C.M.P. There were government people heard. We went into the whole question of the state of the superannuation fund, the cost, and all the rest of it. We considered all the possible ways of dealing with the matter. We came up with a unanimous recommendation which was presented to this House of Commons on the morning of Monday, May 8. That day the President of the Treasury Board said the matter would be given active consideration. Every week, and in fact sometimes two or three times a week, from May 8 until July 7, the President of the Treasury Board and the Prime Minister assured us the matter was receiving active consideration.

I have quotations here on my desk, including most of my questions and the answers I received, but I shall not take the time to read them into the record. The Prime Minister said several times that he hoped a decision would be made shortly. When we rose on July 7 and had to leave the matter over until the fall, we were assured that the matter would be dealt with when we met in September. Here we are in the fifth or sixth week of the fall session and the President of the Treasury Board asks us to accept his assurance that the matter will be dealt with in due course.

This is not good enough. Therefore, I hope the committee will support my amendment, and in so doing will register its dissatisfaction over the way in which the government has handled this important matter. If this vote says anything, I hope it will say to the government, in the name of the people for

whom we speak, that we want action on this issue. I hope we will have the support of all those who are concerned about this issue, and in particular the support of members such as the hon. member for Ottawa West, the hon. member for Ottawa East, the hon. member for Russell, and others who are aware of the seriousness of the problem. I commend this amendment to the support of the committee.

The Chairman: Is the committee ready for the question?

Amendment (Mr. Knowles) negatived: Yeas, 76; nays, 87.

• (9:00 p.m.)

The Chairman: I declare the amendment lost.

Item agreed to.

Government administration—

5. Contingencies—Subject to the approval of the treasury board, to supplement other votes for pay-list and other requirements and to provide for miscellaneous minor and unforeseen expenses not otherwise provided for including awards under the Public Servants Inventions Act, and authority to re-use any sums allotted for non-paylist requirements and re-paid to this appropriation from other appropriations, $45,000,000.

Mr. Lambert: Mr. Chairman, in view of what I have said previously I now move:

That item No. 5 of the estimates of the Treasury Board be reduced by the sum of $40 million.

The Chairman: Is the committee ready for the question?

Some hon. Members: Question.

Amendment (Mr. Lambert) negatived: Yeas, 73; nays 88.

The Chairman: I declare the amendment lost. Shall vote 5 carry?

Mr. Monteith: Just one point, Mr. Chairman. I know that this afternoon the minister was trying to explain to the hon. member for Winnipeg South Centre why in the 1967-68 estimates the expenditure for the previous year was $29 million, plus, whereas actually $110 million was voted. I am a very humble chartered accountant, as is the minister, and I am wondering whether he could explain this in simple terms so that I can understand it.

Mr. Benson: Mr. Chairman, the amount that appeared in the original estimates is the amount shown in the blue book. Vote No. 5, which used to be vote 15, is added to each time there is the necessity to make a salary revision or retroactive pay increase. During the year these came to a total of $96,187,420. Establishment additions and underestimates came to $10,039,250, giving a total of $106,-226,670. Each amount was included in the supplementary estimates, which accumulated to the total of $110 million. Allotted, and remaining a charge under this vote other than salaries, was only $808, and there were lapses of $3,772,502.

Mr. Monteith: Am I right in suggesting, then, that the $29 million was something that was not picked up from other departments by reason of supplementary estimates?

Mr. Benson: What happened was that the vote started out at $29 million. Then as we moved along it was added to by way of supplementary estimates as necessary in order to cover items that had not been reimbursed at that point through supplementary estimates. I have a list that I will table when we move out of committee, and I will table the list at the very first opportunity.

At the end of the year all items except the item of $808 and the salary adjustments had been repaid to the vote after approval by the house in the estimates.

Mr. Monteith: Well, Mr. Chairman, I do not want to hold up the committee, but I wonder whether the minister would sit down with me some time and kindly explain the whole situation.

Mr. Benson: My hon. friend is an accountant, and I am too, so we speak the same language. I would be very pleased to do that.

The Chairman: Shall vote 5 carry?

Mr. Churchill: On division.

Item agreed to.

6b. To provide that where a person referred to in subsection (3) of section 4 of the Statute Law (Superannuation) Amendment Act, 1966, has made an election referred to therein before the expiration of six months after the coming into force of this provision, such election shall be deemed to have been made within the time prescribed therefor by section 4 of the Public Service Superannuation Act, $1.

• (9:10 p.m.)

Mr. Bell (Carleton): This is another of those $1 items. Perhaps the minister would explain why the government is using this highly unsatisfactory device instead of following the suggestions which have been made with respect to a statute law amendment act?

Mr. Benson: I also believe that in due course we might consider the Statute Law Amendment Act with respect to such items. This item is to take care of a particular difficulty which, as my hon. friend knows, often arises under the superannuation account. There are some $1 items with respect to it from year to year. This is done to assist those who are unfairly treated in the superannuation law, because of some technicality. At some time in the future some amendments under a Statute Law Amendment Act might take care of this.

Mr. Bell (Carleton): Who are those who are being unsatisfactorily treated, and who require this $1 item to take care of them? I do not like to see such problems arising after the amendments made as recently as the last session of parliament.

Mr. Benson: I have not the details of the particular item here, but I shall be pleased to get them and let my hon. friend know what is involved.

Mr. Fulton: Can the minister tell me whether this item will cover those who were supposed to make an election with respect to special benefits? I am talking of a provision that is available to ex-members of the armed forces who have the insurance provision available to them, who joined the civil service and then, after leaving the civil service, were required to make an election within one month. Some of them failed to do so. Will they be covered by this provision?

Mr. Benson: If my hon. friend will wait for a moment I shall try to answer that question.

Mr. Churchill: Why not let that stand and take up item 10?

Mr. Benson: Could we let this item stand, and go on with item 10?

Mr. Bell (Carleton): While the minister is getting the answer to the point that has just been raised will he look at another point and perhaps deal with both at the same time? The item I refer to is the one immediately following item 10. It is also a $1 item and was put in, in order to deem "the expression 'regulations made under...the Public Service Superannuation Act' ". This includes certain regulations under the Financial Administration Act. Why, when we legislate by a $1 item, is it necessary to have in the estimates a situation whereby you take out of the estimates something. It may sound confusing, but does this mean that we no longer "deem". Why does this item arise. What is the reason for it?

Mr. Benson: Perhaps I can first answer the question about vote 6. It involves persons who did not get enough time to elect for civilian war service under existing legislation.

Mr. Bell (Carleton): My only point is that we legislate by a $1 in one year; then we come along and, as it were, unlegislate by a $1 item. This is getting to the height of ridiculousness.

Mr. Churchill: This is the only reduction in the estimates for 1967-68.

The Chairman: Shall item 6(b) carry?

Mr. Fulton: No, Mr. Chairman. I asked a question. I agree with my colleague for Carleton thoroughly that legislating by $1 items in the estimates is bad practice, and sloppy. It shows that the government has not anticipated those things it ought to have anticipated. Nevertheless, we are asked to legislate by this $1 item.

We are being asked:

> To provide that where a person referred to in subsection (3) of section 4 of the Statute Law—

And this item refers to the Superannuation Act:

> —has made an election referred to therein before the expiration of six months after the coming into force of this provision, such election shall be deemed to have been made within the time prescribed therefor by section 4 of the Public Service Superannuation Act.

Obviously, this provision is designed to ensure that those who have not made an election within the time prescribed by the Superannuation Act, will, if they make an election within six months of the coming into force of this provision, be deemed to have made the election in time.

It so happens that recently several cases have come to my attention involving ex-members of the armed forces. They were entitled to what is known as special death benefits by way of an insurance policy which is made available to the government through the veterans legislation. If such persons join the public service the premiums of that insurance policy, as I understand it, are paid by having deductions made from their salaries as public servants. If they retire from the public service—and I am afraid I do not know the details—there is some provision that they must make an election in order that their premiums may continue to be deducted

from the pension they receive. They have to make that election within 30 days of their retirement from the public service.

I have been informed of instances, and I am told that there are other instances, where persons retiring from the public service did not have this provision drawn to their attention. They assumed that automatically they would be restored to their former status and that the deduction would be made from their pension. They now find that, not having signed the form to make an election to be restored to their former status, their right to the special death benefit is being questioned. I wish to know whether the provision we are now being asked to legislate in this manner will apply to those former members of the armed forces who, being entitled to special death benefits, after joining the civil service and retiring from the civil service and not having elected within the time prescribed, are to have the provisions made available to them which appear to be available to ordinary members of the civil service.

Mr. Benson: This provision is not to cover the circumstances referred to by my hon. friend. This extension is to deal with persons who did not get enough time to elect for civilian war service, and is with respect to superannuation accounts. I shall be pleased to look into the situation my hon. friend has referred to, which is a different situation, and we shall see what if any action is justified.

With regard to the other item which was raised, the question was asked with respect to delegislating, as it were, with a $1 item in the estimates. We are not doing that. The $1 item is being shown in the 1966-67 column to record the amounts voted for that year. The $1 item was, in fact, voted for 1966-67 and no corresponding authority is required for 1967-68 since the 1966-67 authority continues into 1967-68. This item is put in for purposes of comparison only.

• (9:20 p.m.)

Mr. Monteith: On a point of order, I take exception to the wasting of the time of this committee while the minister waits for information from the gallery in answer to some of the questions which have been directed to him.

An hon. Member: Cheap.

Mr. Monteith: The minister cannot, of course, be expected to know all the answers and no one has suggested he should. But it used to be the case that a minister piloting his estimates through the committee had his officials before him and answers could be given much more rapidly. I object to the fact that we are wasting the time of the committee purely to satisfy the ego of ministers who imagine they can get their estimates through without any help.

Some hon. Members: Oh, oh.

Item agreed to.

10. Government's share of surgical-medical insurance premiums and government's contributions to pension plans and death benefit plans for employees engaged locally outside Canada who are excluded from the Public Service Superannuation Act, to the unemployment insurance fund in respect of government employees paid through the central pay office and to the hospital insurance (outside Canada) plan, $16,980,000.

Mr. Bell (Carleton): Before the final item carries may I direct a question to the minister and ask him as simply as possible whether there will be any reduction of any kind in any item of these present estimates? Will the appropriation bill which is to come before us on Thursday night be in the exact amount of the estimates which are before the house, or will there be any of these reductions about which there have been leaks to newspapers to the extent of $125 million or $200 million? If there are to be any such reductions, where will they appear? Will the minister say whether there are or are not such reductions? Will he, on this final estimate of the Treasury Board, take this committee fully into his confidence?

Mr. Benson: We have made it perfectly clear that we are dealing with the 1968-69 estimates in relation to items which are presently being reviewed. We have made it clear on every occasion—

An hon. Member: Except to the press.

Mr. Benson: —and also to the press that we are now working on the 1968-69 estimates. The Minister of Finance has said he feels that the budget of this year was quite appropriate in the circumstances of this year, and this is still our position. The estimates which will be approved tomorrow night or Thursday night, I believe, will be the estimates which have been passed by the house, including the supplementary estimates. If, due to a reduction of programs which would come into effect before the end of this fiscal year, and which would be in March, there is any lessening of the amount, this will of course be reflected in lapses in the estimates.

Mr. Bell (Carleton): The minister has now made it evident that there is no attempt on the part of the government to effect any savings with respect to the estimates for the current year—they are to be exactly what they were, and all these stories which were linked with the press, and which appeared in the newspapers about savings of $175 million and $200 million in the current year are total eyewash.

Some hon. Members: Hear hear.

Mr. Benson: On a question of privilege; no one to my knowledge has ever said that $175 million a year or anything else would be saved in the current year. It has always been clear to everyone involved that we were dealing with next year's estimates.

Mr. Bell (Carleton): We are talking about an entirely different situation. The figures which have been mentioned were in relation to the current year.

Some hon. Members: No.

Mr. Bell (Carleton): All right. Now the minister is telling us that the government is attempting only to cut off $175 million or $200 million next year. Is that right?

Mr. Benson: No, that is not correct. The amount is much greater than $175 million. We started off with cuts amounting to over $600 million in proposed expenditures for next year. That was the first round. The second round of cuts is now in progress.

Mr. Bell (Carleton): There. The type of eyewash, the type of propaganda which this government has fed to the newspapers, is now totally exposed. What they have been leaking to the newspapers is that in the current year there were cuts amounting to $175 million or $200 million. They were suggesting that in the next year the amount would be $750 million or $825 million. Figures for next year are totally meaningless because any cut mentioned would represent a reduction from a figure which was nothing more than the original spending proposals of the departments. The fact is, the minister has now made it abundantly clear that the government has no plan for saving and that it will merely carry on a propaganda war.

Some hon. Members: Hear, hear.

Mr. Deachman: On a point of order: What is abundantly clear is that hon. members opposite have been sitting here and voting without understanding what is going on in the committee.

Some hon. Members: Oh, oh.

Mr. Fulton: I should like to ask the President of the Treasury Board, now that my hon. friend from Carleton has smoked him out with regard to these so-called savings in expenditures, to tell us by what amount next year's estimates exceed this year's.

Mr. Benson: The Minister of Finance has said that in the next fiscal year we should balance our budget on a national accounts basis. He knows that the deficit for this year was estimated as some $740 million. He also knows that the deficit on an ordinary accounting basis will be between $200 million and $300 million if accounts are to be balanced on a national accounts basis.

Mr. Fulton: That does not answer the question. We are being told the government is pruning $750 million or perhaps $825 million off the estimates, which we now find are next year's proposed estimates. What I want to know is the amount by which the proposed estimates for next year exceed the actual estimates for this year. I expect they exceed this year's figures by probably $1.5 billion, so a cut of $825 million will still leave us with a substantial increase in government spending next year as compared with this year. I ask the minister to open up this subject. Let him tell us what was the increase in next year's proposed estimates as compared with this year's estimates.

Mr. Benson: The hon. member will have to wait until he sees next year's estimates, which we shall table in the house in due course as we are required to do when the amount of the estimates is finally determined.

Mr. Fulton: I do not propose to wait until the minister tables them next year. This afternoon—and I suggest it was a breach of the Privy Council oath—the Minister of Public Works made a statement that an item included in next year's estimates had been eliminated. Admittedly, it was not very large—it was a $1 estimate, not in itself a very great saving and a long way from $825 million. Now the President of the Treasury Board has referred to next year's estimates and the subject is before us for discussion. We do not propose to carry this year's estimates until he tells us by how much the proposed estimates presented to him exceed the total of this year's estimates, and thus determine the

extent of the bluff attached to the so-called savings drive by this government.

An hon. Member: Silence.

Mr. Fulton: I think the President of the Treasury Board forgets that the government is accountable to the House of Commons and to the committee of supply and that he is required to answer questions put by the committee before his estimates can be carried.

Mr. Benson: I am quite willing to answer any questions on the estimates which are before the committee, the 1967 estimates. I am not prepared to answer questions on estimates which have not been presented to the house.

Mr. Fulton: In view of this unprecedented refusal to answer questions—

Some hon. Members: Oh, oh.

Mr. Fulton: —with respect to matters which the minister himself has brought into discussion, I move that the committee do rise and report progress.

• (9:30 p.m.)

Some hon. Members: Question.

The Chairman: Order, please. May I have the motion in writing? During discussion of vote 10 of the estimates of the Treasury Board, Mr. Fulton moved that the committee rise, report progress and ask leave to sit again. Is it the pleasure of the committee to adopt the said motion?

Motion (Mr. Fulton) negatived: Yeas, 32; Nays, 89.

Mr. Webb: Mr. Chairman, the only reason I rise is to raise a point of order. One of the members who took part in this debate not too long ago contravened his oath in committee, another committee of the house.

Some hon. Members: Shame.

Mr. Webb: It is shame on the part of the hon. member for Vancouver Quadra who took part a few minutes ago in this debate and I do not think he should have been recognized by the Chair or by the house.

Item agreed to.

The Chairman: Order, please. This completes the estimates of Treasury Board. The committee will now take up the estimates of the Department of Agriculture for the final year ending March 31, 1968. Vote No. 1 will be found on page 8 of the blue book, and the details on page 11.

DEPARTMENT OF AGRICULTURE

1. Departmental administration including the Canadian agricultural services co-ordinating committee, contributions to the Commonwealth agricultural bureaux, and a contribution to the agricultural economics research council in an amount equal to one-half the contributions to the council from other sources during the fiscal year but not exceeding $50,000, $6,652,800.

The Chairman: Shall Vote No. 1 carry?

Hon. J. J. Greene (Minister of Agriculture): Mr. Chairman, no doubt it will be a pleasant change for the committee to move from the vitriolic fields of the Privy Council to the gentle, bucolic glades of agriculture.

Rather than take the time of the committee at the present time with a detailed review of the specific items in the estimates I feel it might be useful to spend a few moments reviewing very briefly some aspects of the situation in Canadian agriculture. The timing is particularly appropriate in that we now have available some of the data collected by the Dominion Bureau of Statistics in the 1966 census.

To me it is of particular interest to note the adjustments that have taken place and are taking place in Canadian agriculture, adjustments which will produce in Canada a more viable and effective agriculture and which should do much to correct the difficulties that have plagued not only Canadian agriculture but agriculture pretty well all over the world in the past few years. I think the generic problem of agriculture in the past few years has been the trend to larger units, the urban trend, the movement of population from the land to urban municipalities. This results not only from new opportunities in urban centres but from the new efficiencies in agriculture which enable a far higher rate of production than was possible in the past and which render a need for fewer people in agriculture than used to be the case in the past.

It is worthy of note that during the five years from 1961 to 1966 Canadian agricultural production has risen very significantly. Returns to farmers have moved upwards and this has all been accomplished with no significant increase of land under production, although there has been a spectacular increase in recent years in the percentage of improved land making up the total land area in Canada's farms.

Cash income from the sale of farm produce in the year 1961 totalled $2.89 billion. In 1966 the figure stood at $4.23 billion, a growth of 46 per cent.

In the same time total net income, that is, realized gross earnings minus operating and depreciation charges and adjustments for the value of inventory changes, rose from $935 million to $1,978 million, a growth of 112 per cent. But perhaps the most outstanding feature of these changes has been that these increases in farm income have been brought about by growth in productivity and efficiency on the part of Canadian farmers. This is well demonstrated by the fact that in 1961 the Canadian consumer spent 23.8 per cent of his or her income on the purchase of food, while in 1966 this dropped to 21.9 per cent, one of the lowest levels of all the countries of the world.

• (9:40 p.m.)

How was this accomplished? As I mentioned earlier, one important factor is the continued adjustment by the farmer himself. While I think it is true that from time to time there has been consumer unrest, when they have complained regarding the increasing cost of food, in fairness to the farm community it should be pointed out, as I have tried to point out today, that the Canadian wage earner is spending a smaller and smaller percentage of his income on food. This can be attributed to the efficiency and greater productivity of the farmer. Surely the Canadian consumer cannot expect to find higher and higher wages in the marketplaces where he or she labours, and at the same time not expect that the farmer should have a commensurately increasing income for his efforts.

Looking first at average farm size, in 1961 the average Canadian farm consisted of 359 acres. By 1966 this had risen by 13 per cent to 404 acres. While the figures vary greatly from area to area, with farms in Saskatchewan averaging 763 acres, all areas showed distinct growth in farm size.

In respect of livestock and poultry products, specialization has continued to be the order of the day. For example the average number of hogs on farms has risen almost 50 per cent in 5 years from 24 head to 35 head. In respect of dairy cattle a like trend is indicated. While adjustments were slower a 20 per cent increase in average herd size was experienced during the period 1961 to 1966.

The importance of this adjustment in livestock production units can best be realized

when one notes that returns from livestock make up about 55 per cent of the farm cash income that Canadian farmers received in 1966. Beef production continues to grow in importance, with the percentage of farm cash income from livestock and livestock products attributable to the beef enterprise rising in the past ten years from 28 per cent to 38 per cent.

Although as a result of climatic conditions wheat production has fluctuated, and 1967 represented a downward fluctuation, without exception the agricultural community has been astounded by the actual crops grown. This would not have been the case were it not for the changed technology, the improvements that farmers have wrought and the results of research. Normally western farmers can expect 9 to 12 inches of rainfall during the growing season. This year in Alberta and Manitoba this was down 31 per cent and 27 per cent respectively below normal. Saskatchewan received an average of only 4.55 inches which is 50 per cent below normal. This was lower than our traditionally bad year of 1937 when an average of 5.8 inches of rain fell in Saskatchewan from April to September. That year Saskatchewan farmers produced only 36 million bushels of wheat at 2.6 bushels per acre. This year the average for this big wheat province is forecast at 15.8 bushels per acre.

These adjustments and the technological changes have been assisted by government policies, in part through the operations of the Farm Credit Corporation. In view of some comment the other day in this house I should like to point out that last year Canadian farmers grew the biggest wheat crop in history. While they and they alone can claim the credit for that magnificent production, I suggest that government policy and the general burgeoning of the economy of the country have brought about some effect, and certainly contributed to the farmers' confidence in growing that size of crop.

Also last year the largest wheat crop in Canadian history was sold. Certainly in the past few years the order of the day has been not only for more and more production but greater sales of wheat. When we think of the past I think the largest sale was one of 340 million bushels. Last year we were playing an entirely new game in sales when they exceeded 500 million bushels on the export markets.

Hon. gentlemen opposite were most concerned last year about the price of wheat.

An hon. Member: We still are.

Mr. Greene: Since this government took office the price has been higher than it has ever been, and certainly higher than it was during the administration of hon. members opposite. This year hon. members opposite were concerned about the sales of wheat. I suggest that they should whistle both tunes at the same time, or stop whistling from one side of their mouths on one occasion and from the other side on another.

Very clearly the farmers are not only concerned with price but also with volume sales. Certainly it would be of little benefit to western farmers to have a very high price if that high price pushed them out of the world markets. For those of us who have the responsibility of government and for sales on behalf of the western farmer, our aim must ever be to achieve the best possible price consonant with the maximum volume of sales. That has been this government's policy.

Hon. gentlemen opposite made some suggestions the other day in respect of the Kennedy round and the world wheat agreement. There was criticism of the officials attending the Kennedy round and an implication was made by one hon. member to the effect that a satisfactory agreement had not been arranged. There was also the suggestion that the prior world wheat agreement should have been renewed, rather than negotiating a new wheat agreement under the aegis of the Kennedy round. If the prior world wheat agreement had been renewed there would have been a 21 cent loss in minimum payments to the Canadian farmer. If that is the policy of hon. gentlemen opposite, they have changed their minds since last year when they were advocating higher prices. Since hon. gentlemen opposite sometimes express the view that they are the only ones who are in any way concerned with the welfare of the western farmer, let me point out that for all their protestations, during their tenure in office they never did see fit to guarantee payments to the western wheat farmer at the minimum new world wheat price, as this government has done.

An hon. Member: We never had to do that.

Mr. Greene: I might also point out that the agreement has been made at $1.95½ a bushel, not $1.64 a bushel which was the minimum during the tenure of office of hon. gentlemen opposite. Even at $1.64 the government of that day was not prepared to guarantee the minimum payment to the western farmer.

A comparison of data with data from previous census figures gives some concept of the range and pace of the changes taking place in agriculture. The most remarkable feature is the increasing rate of adjustment toward larger farm businesses. For example the exceptional increases can be seen in the number of farms with sales over $15,000. As we can see, these have more than doubled in number in the ten years from 1951 to 1961. This number has more than doubled again in the five years from 1961 to 1966. This is not only a credit to the ingenuity and efficiency of the Canadian farmer, but in some way it must be concerned with the general prosperity and well-being of the country. Surely that had something to do with making this possible within the last five years.

The number of farms with sales between $10,000 and $15,000 has followed a similar pattern. It is also significant, although the total number of farms continues to decline, that all classes of farms with sales of $5,000 or more have increased substantially and the numbers in all classes below this level have decreased. The 1951 census showed over 85 per cent of all farms with sales of less than $5,000. Only 55.2 per cent were in these classes in 1966, the greatest decline being those farms with the lowest level of sales. In numbers of farms, 21.2 thousand had sales of $10,000 in 1951, while 95,000 farms were in this category in 1966.

• (9:50 p.m.)

There are, of course, a great many factors involved in these changes but there is little doubt that the availability of capital on appropriate terms has greatly assisted these improvements in the structure of agriculture. Without indulging in complacency, we have good reason to believe that the operations of the Farm Credit Corporation have been a strong influence in encouraging—and more importantly—facilitating these necessary changes. Without detracting from the essential contributions of improved crop varieties and livestock, better machinery and technology or the improving managerial ability of farmers, the advantages of any of these can only be fully realized if there is capital available so they can be combined into efficiently organized farm businesses.

In this connection it is of interest to note that in the fiscal year 1961-62 the Farm Credit Corporation made a total of just under 6,000 loans in an amount of about $69 million. In 1966, doubtless due to the increased awareness of farmers as to the need for and validity of the utilization of technological advances, the loans had risen to over 12,000,

with $248 million being involved—in five years a doubling of the number of loans and an increase to the extent of three and a half times in the amount loaned.

While most of the gains that farmers have experienced in total returns over the past several years have been the result of increased productivity and increased efficiency for many items, prices have shown some upward movement. Perhaps the one that is most in the limelight at the present time, and perhaps the one that is most often quoted because of its implications in terms of overseas trade, is the wheat price. In the five crop years 1962-63 to 1966-67 the average price of No. 1 Northern wheat in store at the lakehead ranged from a low of $1.96⅛ to a high of $2.12 per bushel. During the five previous years, 1957-58 to 1961-62 the range of the annual average was from $1.62⅜ per bushel to a maximum of $1.89⅞.

At the same time the returns to dairy farmers have not stood still. While it is true that part of this has resulted from increased levels of subsidization, it is also true that the basic price received from the marketplace has shown some significant growth. Over all, the increase has been large—currently $4.75 per hundredweight for manufacturing milk f.o.b. factory, less whatever portion of the 11 cent holdback will be used for export assistance, as compared with $3 or less a few short years ago.

Other areas in which significant governmental steps have been taken with a view to stabilizing and strengthening farm income have been an improved support program for sugar beets, a diversion program for surplus potatoes and a supplementary purchase program for shell eggs.

Farmers across Canada have made increasing use of the crop insurance program, government assistance for which was significantly amended upwards, effective this year. In 1961 only some 3,800 farmers paid policies with a face value of $7 million. In 1966, the last year for which complete data is available, some 24,500 farmers obtained protection valued at $52 million under this program.

By all this I would not wish to imply that either I or my department is satisfied with the current position of the farmer. It is evident that in these booming times many sectors of agricultural production have been left behind. Earlier today I met with representatives of farm organizations whom I had called together along with representatives of the indsutry, and the provinces, to discuss with them the future of the Canadian dairy industry and the policies and programs best suited to the development of a dairy industry designed to meet Canada's and the dairy farmers' needs. I may say that there appears to be little difference of view as to where the Canadian dairy industry should be going and what its ultimate destiny should be, but the major problem with which we must grapple is how quickly we can move toward the structure that all believe is needed. Some steps were taken in the implementation of the dairy policy for this year, and we must continue our movement toward the rationalization of this most important segment of Canadian agriculture.

I am sure that this group working with the various segments of the industry—producer, processor, agri-business—will bring into focus the goals and aims toward which we must strive and against which we must measure and align policies in the years to come, whether this be federal, provincial, farm or industry. In the development of this task force and in the discussions that have preceded its formation I have been most heartened by the degree of co-operation that I have received from provinces and all portions of agriculture. I am most hopeful that the discussions and dialogue that will flow from the work and consultations of the task force will be of continuing benefit, will be a focus that will bring together Canadian agriculture to meet its common goals, and will be of assistance in respect of the policy of the government toward greater efficiency, greater productivity and a better income picture through the entire ambit of Canadian agriculture.

Mr. Nasserden: Mr. Chairman, may I call it ten o'clock.

Resolutions adopted in committee of supply this day reported and concurred in.

BUSINESS OF THE HOUSE

Mr. Starr: Mr. Speaker, may I ask the house leader whether there has been any change in the program he announced last night?

Mr. MacEachen: No, Mr. Speaker; the program is the same as outlined last night. I should like, however, to fill in the department which we propose to call on Thursday, which is the Department of Finance. It, when completed, will be followed by the Department of Justice.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the house under provisional standing order 39A deemed to have been moved.

• (10.00 p.m.)

HOUSING—TORONTO—COMPENSATION IN URBAN REDEVELOPMENT PROJECT

Mr. John Gilbert (Broadview): Mr. Speaker, a short while ago I asked the following question which was recorded in *Hansard* of September 25:

> My question is directed to the Prime Minister in the absence of the Minister of Labour. Have the Minister of Labour and the officials of Central Mortgage and Housing Corporation approved the formula of compensation devised by the city of Toronto and approved by the provincial authorities for home owners whose homes were expropriated in what is known as the Donmount urban renewal area in Toronto?

The reason for that question was that the commissioner for development in the city of Toronto had devised a complicated formula for additional compensation to owners in the Donmount urban renewal area and had received provincial consent for this formula for which he was now awaiting federal consent. What has happened in the meantime is that on the advice of a city solicitor it has been determined that under the law this formula could not be used in determining the compensation, and that the home owners are bound by the provisions of the expropriation procedures act, which is an Ontario statute.

The reason for my concern is that Donmount is one of the many urban renewal areas across the country which has had to deal with the major problem of compensation to home owners. This problem in the designated areas has arisen because of certain confusion among the city officials in determining due compensation. The owners in these urban renewal areas have found that when they received compensation for the homes they own and have then gone out to the marketplace to find another home they were paying from 15 to 25 per cent more for an equivalent home in another area of the city. Many of them have had to assume larger mortgages than existed on their former homes and have had to pay larger mortgage payments, which include the high interest rates that people have to pay for homes in Canada today.

Of course the people most seriously hurt have been old age pensioners and people on fixed incomes who had no intention of moving and were satisfied to remain in the area for the rest of their lives, but have found themselves forced to move, have received low payments for their homes, and then had to pay high prices for homes in other areas, at the same time having to make payments from incomes on which they could get along quite well in their former homes.

As a result a great public clamour arose not only from the owners in the urban renewal scheme but from the public at large.

As a result, the principle of a home for a home has emerged. This has caused a great deal of concern to city officials, and it needs clarification because many people thought that the term "value to the owner" only meant the market value, and many people were led to believe by city officials and others that this was the basis of compensation for these people.

The principle has been expressly set forth in the Exchequer Court of Canada in the decision on the National Capital Commission v. Millen. There are five main principles with regard to due compensation which must be taken into account. First is the acquiring of equivalent premises, which is why the slogan "a home for a home" has achieved such prominence today; second, the payment for temporary accommodation and storage of furniture during the period involved while finding equivalent premises; third, the payment of moving expenses and fourth, the payment for the almost certain impossibility of utilizing the furnishings which had been acquired for the expropriated property. Then, fifth, and this is the important part, Mr. Speaker, compensation should be paid for personal inconvenience if people have had to acquire this new property, for miscellaneous expenses and for the general destruction of family life incidental to moving a family from one neighbourhood to another.

The question arises, Mr. Speaker, just what is the government doing to give leadership to the implementation of these principles with regard to compensation in connection with these urban renewal schemes? Thus far the onus has fallen on city officials, and there have been occasions when city officials have asked the Minister of Labour (Mr. Nicholson) what principles apply with regard to compensation for these people. The general disruption theory and the theory of a home for a home have not been clarified by the Minister of Labour. I ask the minister just what leadership he has given in connection with this problem of deciding the proper principles for compensation for homes in these renewal scheme areas, so that the schemes

may move forward without prejudice or financial injury to the owners, and at the same time ease the housing crisis somewhat?

Mr. B. S. Mackasey (Parliamentary Secretary to Minister of Labour): Mr. Speaker, the hon. member for Broadview (Mr. Gilbert) primarily asked a question, but naturally he took advantage of the seven minutes to insinuate there had been a lack of leadership on the part of the Minister of Labour (Mr. Nicholson) in this whole field. This is rather unfair, since I have only three minutes to answer these insinuations, but I suppose the hon. member would be mainly interested in my answer to the main question.

The formula for compensation that will apply to the urban renewal program has been approved by the Minister of Labour. The hon. member shakes his head, but until I am notified otherwise I take it as a fact. I checked this aspect at six o'clock in anticipation of the question, and I was a little perplexed, in view of the answer, as to why the question was still on the late show. I was assured by the department that the answer was, yes.

The question of lack of leadership which the hon. member infers may be more a question of ignorance on the part of provincial and civic authorities, not only in Toronto but across Canada, in not being aware of the legislation available to them. I wonder whether, under his definition of leadership, we are obliged to take the civic authorities by the nose and acquaint them with a law of which their own legal departments should be well aware.

The original formula, which my friend has failed to point out, was unsatisfactory to the people affected. I agree that the principle of market value is not good enough. Some compensation must be paid for disruption, and a home for a home is a fair exchange. If, as a result of inflation or any other factors, the compensation paid is not sufficient to permit a person to acquire another home, then additional compensation should be paid to these people. Certain people in Toronto took such strong objection to the original compensation that they fought the battle for additional funds.

I must remind the hon. member that if the original formula was unsatisfactory it was not the fault of the federal government. We agreed to absorb 50 per cent of the compensation paid. The formula was designed by the provincial and civic authorities, and we had no jurisdiction over it. Provincial law was to establish what the compensation should be and we agreed to go along with it. We waited until the new formula was introduced, and we readily agreed to the new formula and to the additional compensation to which the hon. member has alluded.

I apologize if he has not been notified directly that this additional compensation has been approved by the federal government. Again I assure the hon. member I am giving him the information I received as late as six o'clock. I suggest to him that this is not a question of lack of leadership, perhaps, so much as a lack of understanding of the legislation that is available to civic and provincial authorities. They should take a second look at it and check on what does exist.

• (10:10 p.m.)

EXTERNAL AFFAIRS—VIET NAM—REACTION TO U.S. OFFER TO CEASE FIRE

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, on October 12, 1967, as reported at page 3012 of *Hansard*, I asked this question:

> In view of the minister's statements yesterday and today in reference to the government's position, does the minister take the position that if they do not come to the negotiating table the United States should withdraw from Vie Nam?

Then the Speaker said the question was somewhat argumentative, through an almost identical question was then asked and answered. With respect, any question asked by the opposition that has any potential political sensitivity or that seeks to find out information where a government stands in reference to any domestic or international problem can be categorized as argumentative. I feel that we have been prevented from getting information from a government which refuses informative answers. To say the least, they are evasive. Gag the opposition and no real information will be forthcoming.

To come to the subject, every Canadian, in particular all members of parliament, desires peace with all his heart, and abhors war and all the barbarism that it encompasses, and I firmly believe that so do all Americans. However, world power is in a far different position than a country which has not that status. Difference of opinion on this matter arises as to the method to be used to achieve peace and security in this world. Sir Winston Churchill once said the devastating atomic weapons themselves are the greatest deterrent against war. World war II brought war to the civilian women and children. Those

who have seen evidence of attack by bombing are always reminded of the words "man's inhumanity to humanity".

Does the minister believe that the United States of America should not have become embroiled or entangled in Viet Nam? Does he believe if the bombing stopped Ho Chi Minh would come to the peace conference table? Does the minister believe that if Ho Chi Minh fails to come to that conference table the United States would get out of Viet Nam? Does the minister agree with Prime Minister Wilson's position in reference to Viet Nam? Do Australia, Japan and other SEATO treaty members agree with the minister's position? If not, why not? Will Ho Chi Minh come to the peace table if the United States agrees again to the cessation of bombing?

It must not be forgotten in considering all these difficult questions—and I do not know the answers—that in January-February of 1966 the United States did cease bombing for 37 days. And did not Ho Chi Minh and the Viet Cong build up their forces in consequence and infiltrate the South Vietnamese area? Were there not five pauses by the United States in bombing over a period of two years and eight months?

But have not the United States and the U.S.S.R. some common ground in that both believe in some form of containment policy in reference to China? Surely Canada's interest must always be for permanent peace, and international affairs must transcend narrow political partisanship. In considering these questions, may I quote from a statement made by the secretary of state of the United States on October 12, 1967. This is what he said on that occasion, and I am sure these words are well known to the minister:

> President Johnson has emphasized, time and time again, his interest in a prompt and peaceful settlement of the present struggles in Southeast Asia. Just two weeks ago, in San Antonio, he said:
>
> "The United States is willing to stop all aerial and naval bombardment of North Viet Nam when this will lead promptly to productive discussions. We, of course, assume that while discussions proceed, North Viet Nam would not take advantage of the bombing cessation or limitation."
>
> Can there be a more reasonable proposal? Is there anything unfair about such a simple proposition? Is it not clear that if Hanoi is interested in peace it could say "yes" publicly or privately to the President's offer?
>
> A rejection, or a refusal even to discuss such a formula for peace, requires that we face some sober conclusions. It would mean that Hanoi has not abandoned its effort to seize South Viet Nam by force. It would give reality and credibility to captured documents which describe a "fight and negotiate" strategy by Viet Cong and the North Vietnamese forces. It would reflect a view in Hanoi that they can gamble upon the character of the American people and of our allies in the Pacific.

I know the minister will agree with me when I say that the United States, which is our neighbour, is a world leader. It is the leader of the western world, and that country is in a difficult position. But I felt that I asked a reasonable question.

The minister was complimented for taking a firm position. He left the quiet diplomacy about which the Prime Minister and he himself boasted, and took a position against the United States at a very sensitive time. I should like to know what the answers are. Where does the government stand? If Hanoi would not come to the conference table previously when the United States ceased bombing, what evidence has the minister tonight that Hanoi would come to the peace table if the United States stopped bombing now?

Has the United States now taken a hard position, with respect to trade, against Canada? These matters are all interlinked. I also wish to know the minister's position so far as the Prime Minister of Great Britain is concerned?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, in three minutes it will not be possible to answer all questions which have been asked but I should like to answer the essential question which was asked of me the other day and again tonight.

I have made it clear on a number of recent occasions that there is no absolute guarantee that a suspension of the bombing will necessarily and immediately bring about a beginning of talks leading to peace in Viet Nam.

What seems to me to be very clear, and what I am convinced of, is that talks of any kind cannot get started unless the bombing is stopped. If it is stopped I believe that an entirely new situation will then exist in which considerable pressure can be brought to bear on North Viet Nam to enter into peace talks. A situation in which the bombing is no longer being carried out would force the North Vietnamese to react, especially since they and their closest friends have placed such overwhelming emphasis on this point. If this point were met, I should think that a number of countries which have particularly close relations with North Viet Nam would use their influence constructively and in the interests of peace.

I think it can be assumed, too, that Canada and other countries like Denmark, Norway and Sweden which have spoken out as Canada and other like minded countries have, would appeal urgently to Hanoi to seize the opportunity opened by the suspension of bombing to meet for talks. An inflexible position on the part of North Viet Nam, and an adamant refusal on their part to show a willingness to break out of the prevailing tragic and destructive impasse would, I think, place a serious responsibility on them for the war's continuation.

If however they did not respond in the way world opinion would urge them to do, I admit that the resulting situation would be serious. As I have said before, it could run the risk of reversion to exclusively military measures of perhaps a more powerful kind and, in this sense, I recognize that there is a calculated risk. If it fails—and in all realism I think it is only right to keep this possibility in mind—there will be new problems and new anxieties to deal with, but it would be impossible to forecast what precise possibilities would then be open to countries which have consistently tried to help to foster the beginning of negotiations.

As I said to the external affairs committee last week, any foreign minister and any government can shape a country's foreign policy only in the light of the actual circumstances before them at the time. In the hypothetical case under consideration this might well include some new factors; much would depend on what had happened in the period immediately following the suspension of the bombing.

POLLUTION—POSSIBLE HEALTH HAZARD FROM FERTILIZER PLANT AT DUNNVILLE, ONTARIO

Mr. Stanley Haidasz (Parkdale): Mr. Speaker, I appreciate the opportunity given to me tonight to pursue the question I raised a few days ago in the house about the important issue of air pollution in the Port Maitland-Dunnville area of southwestern Ontario.

The crux of my question the other day was to find out whether the federal government through its responsible officials is investigating the reports of alleged harmful effects to man, livestock and vegetation attributed to fluoride fumes which have been emitted from a chemical fertilizer in the Port Maitland-Dunnville area.

[Mr. Martin (Essex East).]

• (10:20 p.m.)

Serious accusations, charges and counter charges have produced alarm and confusion among the people concerned. It has been reported in the press that the damaging effects of fluoride in the atmosphere over the Port Maitland and Dunnville area were known to the responsible provincial authorities as early as 1963.

It is also known that under an arbitration decision taken last year, the chemical fertilizer plant in the Port Maitland area was ordered to compensate the local farmers for livestock and plant diseases caused by fluoride fumes. Recently local farmers have made serious complaints about damage to human health.

A lung specialist from Detroit has been reported as saying that fluoride fumes are poisoning farmers, cattle and crops. I am interested in finding out tonight whether federal officials are investigating the charges and claims made by the affected parties in the Dunnville area; whether any federal assistance in this matter has been offered or requested; whether any federal monitoring centre has been established in this area and whether any air sampling from the Dunnville area has been studied by federal technicians. We want to know what specific steps have been taken.

I would like to encourage the Minister of National Health and Welfare (Mr. MacEachen) to be bold, innovating, and reformist in the fight against air pollution.

Mrs. Margaret Rideout (Parliamentary Secretary to the Minister of National Health and Welfare): On behalf of the Minister of National Health and Welfare I wish to express thanks to the hon. member for Parkdale (Mr. Haidasz) for bringing this matter to the attention of the house this evening.

I am sure we all appreciate the seriousness of the problems that air and water pollution pose not only for Canada but for almost every country in the world. Air pollution is now a common problem affecting cities in nearly every country of the world, and is the result of human failure to realize that the atmosphere has a limited capacity to receive the impurities we have poured, and still continue to pour, into it. Not long ago we talked of air pollution in terms only of smoke and grime of factories, steam locomotives, and dirt and stench from industrial processes. Even these we were inclined to tolerate as a sign of our prosperity. These still exist but there are additional sources of pollution

resulting from the operation of motor vehicles and airplanes, which have appeared on the scene in great and increasing numbers to add substantially to the problem of air pollution.

As to the particular question brought up this evening by the hon. member for Parkdale (Mr. Haidasz), the emission of fluorides from chemical fertilizer plants, phosphate types, is a well known cause of air pollution problems. Typical effects of such emissions are burning of leaves on trees and vegetables, and bone damage to cattle. The main route of fluoride to the animals is by ingestion of grass which can accumulate large quantities of these compounds without being itself affected. Recent reports of the situation at Dunnville appear to be identical to others concerning cases which have been well documented elsewhere.

In Ontario emissions from such premises are covered by the Ontario clean air act. This is administered by the Ontario government, but the Department of National Health and Welfare would be prepared to assist by advice or active participation if requested by the province. However, to date the Department of National Health and Welfare has not been asked to intervene and it is assumed that the province of Ontario does not consider outside assistance to be needed.

Motion agreed to and the house adjourned at 10.26 p.m.

[The following items were passed in Committee of Supply this day:]

TREASURY BOARD

1, 5, 6b, 10.

HOUSE OF COMMONS

Wednesday, November 1, 1967

The house met at 2.30 p.m.

FINANCE

TABLING OF LETTERS TO PROVINCIAL FINANCE MINISTERS

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, with the permission of the house I should like to table copies of letters dated October 24 that I have written to the provincial ministers of finance. I am tabling one copy of the letters in English and one copy in French of the letter to Mr. Dozois, the Quebec minister of finance.

Mr. Speaker: Has the minister leave to table this correspondence?

Some hon. Members: Agreed.

SHIPPING

TABLING OF REPORT OF COMMISSION ON ST. LAWRENCE PORTS

Hon. J. R. Nicholson (Minister of Labour): Mr. Speaker, I wish to table two copies in English and two in French of the report of the inquiry commission on the St. Lawrence ports. Hon. members will recall that this commission was established in June of last year to inquire into the size and make-up of work gangs employed in the three major St. Lawrence ports and at the same time to inquire into job security in these ports and related matters.

In tabling the report I should like to thank the commissioner, Dr. Laurent Picard, for the time and effort he put into this important work and more particularly for his patience in the conduct of the inquiry.

Mr. Speaker: Has the minister leave to table this report?

Some hon. Members: Agreed.

TRADE

LEGISLATIVE RESTRICTION ON IMPORTATION OF CERTAIN FOOD PRODUCTS

Mr. E. F. Whelan (Essex South) moved for leave to introduce Bill No. C-177, respecting the restriction on importation into Canada of certain commodities.

He said: Mr. Speaker, I enter this bill mainly on account of the many representations I have received from farm organizations associated with the products mentioned in the bill which were omitted in the previous bill, No. C-166, which I entered for first reading on October 16.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

RESTORATION OF SAMBRO LIGHTSHIP, NOVA SCOTIA

Question No. 409—**Mr. Forrestall:**

1. Has the government received communications from residents of Nova Scotia calling for restoration of the Sambro lightship?

2. If so (a) have the communications been reviewed by the Department of Transport (b) what decision has been reached?

Mr. J. A. Byrne (Parliamentary Secretary to Minister of Transport): 1. Yes.

2. (a) Yes. (b) Changes and improvements in aids to navigation in the Halifax area are under continuing review, but information gathered to date does not indicate necessity for reinstatement of lightship.

AIR CANADA FLIGHTS, MONTREAL-HALIFAX

Question No. 413—**Mr. Forrestall:**

1. Is a reduction planned in the frequency of flights this fall and winter, by Air Canada, between Montreal and Halifax over last year?

2. If so, what is the extent of the proposed reduction and what are the reasons for such action?

Mr. J. A. Byrne (Parliamentary Secretary to Minister of Transport): The management of Air Canada advises as follows: 1. No.

2. Not applicable.

ROUTE SUBSIDIES TO AIR CARRIERS

Question No. 434—**Mr. Muir (Cape Breton North and Victoria):**

1. Are there any air carriers receiving route subsidies or assistance to the route from the Air Transport Board at the present time?

Questions

2. If so, what are the names of the companies and in what amounts?

3. Were these subsidies or assistance to the route approved by a formal hearing before the board?

4. Are there any applications pending before the board at the moment and, if so, what are the names of the applicants and on what dates will hearings be held?

Mr. J. A. Byrne (Parliamentary Secretary to Minister of Transport): The Canadian Transport Commission advises as follows: 1. Yes.

2. TransAir Limited, Winnipeg. Payments for the first half of 1967 are expected to amount to $151,000.

3. No.

4. An application by Eastern Provincial Airways (1963) Limited is pending. It is not intended to hold a formal hearing to deal with this application.

PUBLIC SERVANTS ON LEAVE TO LEARN LANGUAGES

Question No. 446—**Mr. Goyer:**

1. How many civil servants are now on leave with pay in order to learn the French or English language and what is the sum total of their salaries?

2. How many university graduates were hired by the various departments over the course of the last fiscal year?

Hon. Judy V. LaMarsh (Secretary of State): I have been given the following information by the Public Service Commission: 1. Civil servants learning the French or English language on a part time basis are expected to perform the duties of their positions and are therefore in no sense "on leave with pay". Those who are learning the French or English language on a full time basis are not expected to perform their regular duties. On October 11, 1967, the number participating on a full time basis for periods of three weeks, three months, or one year was 116, and the sum total of their monthly salaries was about $105,000.

2. The Public Service Commission maintains statistics only on the number of university graduates appointed as a result of the special university recruitment program designed to bring recent graduates into the service. The total number of these recruited in the last fiscal year was 646.

ABILITY OF AIRFIELDS TO ACCOMMODATE LARGE PLANES

Question No. 453—**Mr. Forrestall:**

1. Is the government, through any of its branches or agencies, conducting studies on the present capabilities of our large airfields to accommodate movement in the realm of supersonic and jumbo jet travel?

2. If so, have any early or interim conclusions been determined and what are they?

Mr. J. A. Byrne (Parliamentary Secretary to Minister of Transport): 1. The Department of Transport is conducting studies on the capabilities of our major airports to accommodate the large capacity aircraft and supersonic aircraft. These studies involve numerous other agencies such as inspection services, (customs, immigration and health), community planners, as well as the air lines. The entire system is being examined in relation to this subject.

2. No interim conclusions have been determined as yet.

IMPROVED AIR TO GROUND RADIO FACILITIES FOR AIR LINE COMPANIES

Question No. 454—**Mr. Forrestall:**

1. Is the government, through the Department of Transport or any of its agencies, at present studying the need for more efficient air to ground radio facilities for use by our air line companies involved in trans ocean flights?

2. If so, in co-operation with what other countries are such studies being made and when might a conclusion be reached?

Mr. J. A. Byrne (Parliamentary Secretary to Minister of Transport): 1. The efficiency of air to ground radio facilities is kept under continuous review by the Department of Transport in keeping with the state of the art.

2. Standards for air-ground communications in transocean flights are established through the International Civil Aviation Organization and involve co-operation with various countries on a regional and worldwide basis. Conclusions in respect of specific systems can be obtained from the various reports issued by the International Civil Aviation Organization headquarters in Montreal.

AIRPORT ASSISTANCE UNDER FEDERAL PROGRAM

Question No. 462—**Mr. Brand:**

1. Have requests for assistance under the federal airport program been deferred until April 1, 1969?

2. If so, what are the reasons for such deferral?

3. Will consideration be given to special circumstances such as the provision of landing strips for ambulance planes even if the answer to part 1 is in the affirmative?

4. Has an application for assistance under the above program, submitted by the village of Neilburg, Saskatchewan, been deferred by the Department of Transport and, if so, for what reasons?

Mr. J. A. Byrne (Parliamentary Secretary to Minister of Transport): 1. No. The deferment is for an indefinite period.

2. The airport contribution vote is currently limited to one million dollars per annum for all such contributions throughout Canada and is already committed for at least a full year in advance. Therefore, in view of the large number of applications for airport assistance from all parts of Canada which have been received during the past two years, and of which many have yet to be submitted to necessary economic and technical studies, the department placed a temporary freeze on the assessment of applications, effective August 15, 1967.

3. The potential use by ambulance planes is one of a number of guide lines utilized in assessing an application for airport financial assistance, and consideration could be given if special circumstances, supported by federal or provincial health authorities, appeared to warrant such action in the light of funds available.

4. An application has not yet been received from the village of Neilburg, Saskatchewan. If one is received it would be noted for future consideration for the reasons explained in (2) above.

CONSTRUCTION OF C.B.C. HEADQUARTERS, MONTREAL

Question No. 489—**Mr. Valade:**

1. How far advanced is the work on Place Radio-Canada in Montreal?

2. When did construction begin and what type of work has been completed to date?

3. What contracts, if any, have been awarded to date and what is the amount of each?

4. When is construction to be completed?

[*Translation*]

Hon. Judy V. LaMarsh (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows: 1. Foundation excavation and piling is in progress and detailed working drawings for tendering purposes have been completed.

2. Excavation and piling commenced on October 1, 1966 and this work is scheduled for completion December 1, 1967.

3. One construction contract has been awarded for excavation and piling in the amount of $3,125,000.

4. The target date for completion is early 1972.

*PENSION TO FORMER JUSTICE LANDREVILLE

Question No. 548—**Mr. Brand:**

1. Is the former Justice Landreville receiving a pension and, if so, how much?

2. If not, was he granted any pension, compensation or *ex gratia* payment?

Hon. P.-E. Trudeau (Minister of Justice): 1. No.

2. No.

[*English*]

Hon. Michael Starr (Leader of the Opposition): I rise on a point of order, Mr. Speaker, and it is an important point of order which I wish to draw to the attention of the Prime Minister. Last week I asked the Prime Minister if he would prevail upon ministers to pay more attention to the written questions on the order paper and expedite the answers. At that time there were some 138 unanswered questions and today a week later, there are 144. I noticed that on Monday only 12 questions were answered and only 9 questions were answered today. The questions are piling up faster than the answers are being given.

It is true that some answers may be lengthy, but the answers to a great many of these questions could be given very expeditiously. I appeal again to the Prime Minister to ask the ministers to be more industrious in this connection so we can expedite the business of the house.

Right Hon. L. B. Pearson (Prime Minister): My hon. friend, Mr. Speaker, is quite wrong. There are outstanding 133 questions, and 440 have been answered. There are 10 outstanding starred questions and 85 have been answered. A large number of these questions will take weeks to answer because of the way in which they have been asked and the information requested, and they will cost thousands of dollars to answer.

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

Mr. Speaker: Order, please. If the hon. member wants to rise on a question of privilege I should like to speak to the point of order and wonder whether much can be gained by pursuing the matter. However, if the hon. member wants to rise on a question of privilege I will recognize him.

Mr. Starr: My question of privilege is this. The Prime Minister is not giving an answer which helps in the programming, something

the Prime Minister himself has advocated to expedite the business of this house. He is giving me the same answer that he gave last Wednesday.

Mr. T. C. Douglas (Burnaby-Coquitlam): May I speak to the point of order. May I ask the Prime Minister or the house leader if they would look at question No. 131 which was placed on the order paper on May 26. It does not seem to call for a great deal of research, and I ask if that answer could not be expedited.

Mr. Pearson: Yes, Mr. Speaker, this is one that I think could be answered.

Mr. Starr: And there are many others.

[*Translation*]

MOTIONS FOR PAPERS

Mr. Albert Béchard (Parliamentary Secretary to Secretary of State): Mr. Speaker, motions for papers Nos. 25 and 27 are acceptable to the government, subject to the usual reservations concerning privileged papers and authorization by the governmental authorities concerned.

Would Your Honour be so kind as to call notice of motion No. 23?

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

[*English*]

Mr. Speaker: Subject to the reservations that have been expressed by the parliamentary secretary to the Secretary of State, is it the pleasure of the house that notices of motion 25 and 27 be deemed to have been adopted?

Some hon. Members: Agreed.

HOME MAIL DELIVERY, PORT ALFRED AND BAGOTVILLE, QUE.

Motion No. 25—**Mr. Grégoire:**

That an order of the house do issue for copies of all official correspondence between the Post Office Department and the municipalities of Bagotville and Port Alfred, and all correspondence relating to the introduction of home delivery service from the post offices of Port Alfred and Bagotville, commencing October 16, 1967.

Motion agreed to.

CONTROL OF POLLUTION, OTTAWA RIVER

Motion No. 27—**Mr. Bell (Carleton):**

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, memoranda or other documents exchanged since January 1, 1967, between the minister or any official of the Department of Energy, Mines and Resources and the responsible ministers, boards, commissions or agencies of the provinces of Ontario and Quebec relating to a plan for the abatement and control of pollution in the Ottawa river.

[Mr. Starr.]

Motion agreed to.

TRANSFER OF FISHERIES STAFF, QUEBEC

Motion No. 23—**Mr. Keays:**

That an order of the house do issue for a copy of all correspondence exchanged between the personnel of the fisheries department in Quebec city and the minister or his departmental officials, concerning the transfer to the Quebec city office of a majority of the Gaspé staff.

Hon. H.-J. Robichaud (Minister of Fisheries): This notice of motion concerns correspondence exchanged within the department between departmental officials. It is not customary to table such correspondence. However, I am prepared to give confidentially to the hon. member all the information available regarding this problem.

Mr. Keays: With the assurance from the minister that he will give me as much information as possible, I am willing that the motion be dropped.

Mr. Speaker: Is the motion dropped?

Mr. Keays: Dropped.

Order discharged and motion dropped.

FINANCE

TABLING OF NON-PAYLIST ITEMS IN CONTINGENCY VOTE

Hon. E. J. Benson (Minister of National Revenue and President of the Treasury Board): On a point of order, Mr. Speaker, if the house would give unanimous consent to revert to motions I should like to table the non-paylist payments from vote 5 for the year 1966-67.

Hon. R. A. Bell (Carleton): Do I understand that what the minister is tabling is the non-paylist payments only? I thought he was going to table everything under the contigency item.

Mr. Benson: Last night I agreed to table the non-paylist items. I think you will find the paylist items in my answers last night, as recorded in *Hansard*.

Mr. Bell (Carleton): The language the minister used was "I will give everything, the whole list." I do not believe there was any qualification whatever upon it. What the minister seeks to table is not in accordance with what he said in the debate last night.

Mr. Speaker: Order. There should not be a debate. The minister is asking for leave to table certain documents and I have to ask whether the house gives leave.

Mr. Bell (Carleton): Mr. Speaker, I am prepared to give leave and to ask my colleagues so to do, but I point out that this is not in accordance with the commitment that was made.

Mr. Benson: Mr. Speaker, on a point of privilege, if I made a commitment I would be glad to live up to that commitment. We on this side of the house always live up to our commitments.

Some hon. Members: Oh, oh.

TRADE

PROPOSED U.S. QUOTA RESTRICTIONS ON IMPORTS

On the orders of the day:

Hon. George Hees (Northumberland): I should like to direct a question to the Minister of Trade and Commerce. In view of the mounting pressure in the United States congress for import quotas to nullify Canada's freer access to the United States market due to Kennedy round tariff reductions, will the minister advise the United States government that Canada has no intention of lowering tariffs on United States products entering Canada from January 1 on unless we first receive a clear cut assurance from the United States government that import quotas will not be imposed against our products?

Hon. Robert Winters (Minister of Trade and Commerce): Mr. Speaker, this is a very important question that might more properly have been addressed to the Minister of Finance. However, I was in touch with Washington this morning and am therefore able to inform the house that I have had assurances from the United States, which as I say have been confirmed as recently as today, that the United States intends to implement its Kennedy round tariff concessions beginning January 1, 1968.

As regards the bills now before the United States congress for the imposition of import quotas, as the house is aware the Canadian government has indicated its serious concern in a note which I tabled in the house October 19. While not minimizing the nature of these pressures, we have received assurances from the highest levels in the United States government that the administration is doing and will continue to do everything possible to ensure that restrictive measures are not brought into effect.

Mr. Hees: A supplementary question, Mr. Speaker. In view of our unfortunate experiences in this regard when import quotas were imposed in the past, will the minister make sure that we receive a clear cut assurance that these import quotas will not be imposed?

CRIMINAL CODE

REQUEST FOR AMENDMENT TO PROHIBIT GLUE SNIFFING

On the orders of the day:

Mr. Max Saltsman (Waterloo South): Mr. Speaker, I should like to address my question to the Solicitor General. In view of the growing incidence of glue sniffing and its serious effects on young people will the government give consideration to the introduction of amendments to the Criminal Code making glue sniffing an unlawful act, subject to control by law enforcement agencies?

Hon. L. T. Pennell (Solicitor General): Mr. Speaker, in dealing with this question I should first point out that the hon. member for Carleton also raised this question with me in a letter. I can advise the house that the Department of National Health and Welfare, the Department of Justice and officials of my department are now giving this matter active consideration.

Mr. Saltsman: A supplementary question to the Minister of National Health and Welfare. Will the minister ask his department to take whatever measures are necessary to regulate the use of the offending substance, toluene, in products that can be bought by young people and which are the cause of the serious problems being created by glue sniffing?

Hon. A. J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, I think a bill was introduced yesterday in the other place—if not it is proposed to introduce such a bill—dealing with the question of hazardous substances, and there is one provision in that bill that deals with the very point that has been raised by the hon. member. It will

give us authority to prescribe the conditions of sale and method of advertising such substances that may be harmful.

Mr. Eldon M. Woolliams (Bow River): A supplementary question, Mr. Speaker. I was wondering whether one of the ministers, be he the Minister of Justice or the Solicitor General, would consider setting up a special committee now to review all the terms and conditions of the Criminal Code, since it is some years since it was last reviewed.

Hon. P.-E. Trudeau (Minister of Justice): Mr. Speaker, as the hon. member knows, there will be an omnibus Criminal Code bill introduced at this session which will contain a great number of amendments. I suggest that to add to those at this time would perhaps delay its introduction. After this omnibus bill has been dealt with, through co-operation with hon. members perhaps we could as the next step follow the suggestion of the hon. member.

CANADA LABOUR CODE

INQUIRY AS TO EXEMPTIONS GRANTED TO TRANSPORT INDUSTRIES

On the orders of the day:

Mr. Howard Johnston (Okanagan-Revelstoke): Mr. Speaker, I should like to direct a question to the Minister of Labour. As we are approaching the end of the year will he inform the house what are the intentions of his department regarding the exemptions under the federal labour standards code granted to various branches of the transport industry? Will the exemptions that terminate in December of this year be extended?

Mr. Speaker: Order, please. I am wondering whether this question is of immediate urgency or whether the hon. member is seeking information which should be given by the minister on motions.

[*Later:*]

Mr. Johnston: Mr. Speaker, considering the urgency because of the time involved and the complications in respect of the application, I wonder whether I might rephrase my question to the Minister of Labour and ask whether any application has been made to extend the exemptions granted to some parts of the transport industry in respect of the labour code, particularly the 40 hour week.

Hon. J. R. Nicholson (Minister of Labour): Mr. Speaker, this is a question, which in my opinion, should not be answered on the orders of the day. If it is placed on the order paper I shall be glad to supply the information requested.

FINANCE

INQUIRY AS TO PRESENTATION OF ADDITIONAL BUDGET

On the orders of the day:

Hon. J. W. Monteith (Perth): Mr. Speaker, I should like to direct a question to the Minister of Finance, asking whether he can now announce the date of a supplementary budget to effect a large reduction in the budgetary deficit, as suggested by the governor of the Bank of Canada in Winnipeg today.

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, this is obviously one of those "When did you stop beating your wife" questions. Let me inform the hon. member that no decision has been made and when one is made it will be announced.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, in view of the fact that inflation is pushing up the price levels in Canada more than twice as fast as in the United States, with all the associated problems this creates, will the minister undertake to make a statement tomorrow when he introduces his estimates as to what fiscal, monetary or economic policies the government proposes to grapple with this problem?

Mr. Sharp: No, Mr. Speaker. I expect that when my estimates are before the house tomorrow I shall be cross-examined and I shall do my best to answer all questions put to me. It is not my intention to make a definitive statement on this matter at that time.

Mr. Douglas: Is it the minister's intention to make a definitive statement to the house in the near future regarding this matter, which is causing widespread concern, particularly in the business community?

Mr. Sharp: As I have said on a number of occasions, Mr. Speaker, it is my intention to do so.

LABOUR CONDITIONS

WORKERS AFFECTED BY U.S. CUTS IN DEFENCE SHARING PROGRAMS

On the orders of the day:

Mr. Jack A. Irvine (London): Mr. Speaker, I should like to direct a question to the Minister of Manpower and Immigration. In view of his absence perhaps I could direct it to his parliamentary secretary, who was here

a moment ago, or to whoever is acting for him, and ask him to take it as notice. Can the minister advise whether anything will be done for workers affected by widespread layoffs in industries as the result of cutbacks by the United States in defence sharing programs?

Mr. J. C. Munro (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, I will bring this matter to the minister's attention for an early reply.

INDUSTRY

GEORGIAN BAY—CONSIDERATION UNDER DESIGNATED AREA PROGRAM

On the orders of the day:

Mr. P. V. Noble (Grey North): I should like to direct a question to the Minister of Industry. In view of the fact that the removal of the southern Georgian bay region from the list of designated areas discriminates against the Owen Sound area, which now has close to 2,100 men and women seeking employment there, will he give consideration to restoring this region to the list of designated areas or to making special provision for the Owen Sound employment area?

Mr. Speaker: Order, please. It is my impression that questions in respect of designated areas should not be accepted, as they have not been previously, and I think the hon. member might consider putting his question on the order paper. If there are special reasons for immediate debate on this question perhaps the hon. member would consider it appropriate to debate the question during the adjournment proceedings.

Mr. Noble: Ten o'clock, Mr. Speaker.

SYDNEY, N.S.—FEDERAL ASSISTANCE IN MAINTAINING OPERATION OF STEEL PLANT

On the orders of the day:

Hon. Michael Starr (Leader of the Opposition): Mr. Speaker, I wish to address a question to the right hon. Prime Minister, asking whether he can now say that a decision has been reached by the federal government as to its participation in cost sharing with the government of Nova Scotia in order to keep the Sydney steel plant operating.

Right Hon. L. B. Pearson (Prime Minister): No final decision has been reached on this matter, Mr. Speaker, but discussions are still continuing on this matter of urgency.

Mr. Starr: Since no decision has been reached, may I ask whether this failure to reach a decision is the result of a split in the federal cabinet on this important matter?

Mr. Speaker: Order. I would think the supplementary question is acceptable.

Mr. Pearson: There is no substance to that story, I may say.

BRITISH COLUMBIA—UNEMPLOYMENT RESULTING FROM SALE OF VICTORIA MACHINERY DEPOT

On the orders of the day:

Mr. Harold Winch (Vancouver East): It had been my wish to direct a question to the Minister of Manpower and Immigration; in his absence I should like to direct it to the parliamentary secretary. Last Monday the minister said he would reply on Wednesday to a question I asked him regarding possible unemployment occasioned by the sale of the Victoria Machinery Depot to the Burrard Drydock Company. Since I was told I would receive an answer today, may I ask the parliamentary secretary if he is now in a position to report on the results of the inquiries the department has made.

Mr. J. C. Munro (Parliamentary Secretary to Minister of Manpower and Immigration): I can only assure the hon. member that I will try to have an answer ready tomorrow.

Mr. Ron Basford (Vancouver-Burrard): Will the parliamentary secretary make efforts to assure us through his minister's answer tomorrow that the team employed by this firm which built the offshore drilling rig called "Sedco" will be maintained so we may be able to build another on the west coast?

CANADIAN BROADCASTING CORPORATION

SASKATOON—STATEMENT ON STATION CONSTRUCTION

On the orders of the day:

Right Hon. L. B. Pearson (Prime Minister): I should like to take this opportunity to answer a question asked several weeks ago by the hon. member for Saskatoon; I am glad to be in a position to answer his question now. Bearing in mind the fact that the Saskatoon area is already served by a C.B.C. affiliate, and having regard to our efforts to reduce public expenditures, the government has regretfully come to the conclusion that

the establishment of a C.B.C. television station at Saskatoon at the present time cannot be approved. Action on the recommendation of the Board of Broadcast Governors, in its report, will therefore be deferred.

I should add that the government does not reject the recommendation of the Board of Broadcast Governors and continues to favour the establishment by the C.B.C. of television facilities in Saskatoon. We hope that, in due course, circumstances will permit the government to authorize the expenditures involved for this purpose.

Mr. L. M. Brand (Saskatoon): In the light of that statement by the Prime Minister may I ask the right hon. gentleman this question. Since the C.B.C. has now been hogtied by the government in this connection, would the Prime Minister consider allowing a private group to set up a television station in Saskatoon instead of the C.B.C.?

[*Later:*]

Mr. E. Nasserden (Rosthern): Mr. Speaker, I wish to direct a supplementary question to the Prime Minister. It relates to the announcement made today of the government's decision to defer the establishment of a C.B.C. station in Saskatoon. Would the Prime Minister tell us whether this decision reflected the advice he received through consultation with Premier Thatcher?

HOUSING

INQUIRY AS TO AGENDA FOR PROPOSED CONFERENCE

On the orders of the day:

Mr. Reid Scott (Danforth): I have a question for the Minister of Labour in his capacity as part time housing minister. In view of the mounting evidence of a continuing housing crisis, as shown by cases of family breakup due to inadequate accommodation, can the minister now tell us the agenda to be submitted to the important housing conference he intends to hold?

Hon. J. R. Nicholson (Minister of Labour): I think I stated earlier in the week that the agenda for the conference had not been settled. The Prime Minister has communicated with the premiers of the ten provinces. Their ideas have been invited and we are now working on the agenda, but it is likely to be at least another two or three weeks before it is finalized.

[Mr. Pearson.]

Mr. Scott (Danforth): In view of the differences which exist between the municipalities and the provincial governments about the nature of the housing shortage and its solution, is the minister considering any method by which the views of some of the larger cities and large urban areas might be ascertained?

Mr. Nicholson: Well, for one thing the union of mayors and reeves is presenting to the cabinet some ideas on the subject on Monday morning. Further action, if any, will, I imagine, depend on the nature of the discussions which take place next Monday.

Mr. J. R. Keays (Gaspé): Mr. Speaker, I wish to direct a supplementary question to the minister responsible for the housing corporation. I base my question on the fact that families are being separated because of the housing shortage. In order to help members of the house obtain information as to the psychological reasons that many money-lenders are not putting money into the mortgage market, can the minister say whether the standing committee on housing, urban development and public works will be reconvened soon?

Mr. Nicholson: Mr. Speaker, I cannot accept the great majority of the premises included in the so-called question. It sounded to me more like a speech than a question. So far as I am concerned, if the committee wishes to meet to consider this matter there is no reason why it should not do so.

BUSINESS OF THE HOUSE

REQUEST FOR EARLY CONSIDERATION OF BUDGET RESOLUTIONS

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is directed to the Minister of Finance. In the light of persistent reports that we are soon to face the semi-annual budget, would the minister prevail upon his colleagues so that we may deal now with the budget resolutions and the bills that follow, as shown in item 2 on the order paper, giving them priority over items such as No. 38? Otherwise we shall be caught up in the nonsense of having a new budget before dealing with the provisions of the previous budget.

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, this gives me an opportunity of adding a bit of information to that already before the house. It is my intention early

next week to table the resolutions dealing with the implementation of the Kennedy round, which will also be placed before the ways and means committee as I indicated in my budget message in June. I have told the house leader that I am ready to proceed at any time with all the resolutions.

HEALTH AND WELFARE

EQUIPPING OF MOTOR VEHICLES WITH EXHAUST CONTROLS

On the orders of the day:

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, in view of the speech made a few days ago in Toronto by the Minister of Trade and Commerce and the information recently placed before the Minister of National Health and Welfare, I now ask the Minister of National Health and Welfare if he is in a position to report to the house his department's findings in relation to making exhaust control features for motor vehicles a national standard.

Hon. A. J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, I attempted to give a résumé of the situation in the speech I made to the house a week ago Monday. The situation is that the control devices that have been developed are not fully effective even for the vehicles to which they may be attached. They are not applicable to the larger vehicles which are the greater sources of pollution. Of course it is desirable to use now whatever device is available that can reduce pollution to any extent, but we have to continue efforts in order to get a more effective device for multipurpose use.

Mr. Grafftey: Without being contentious, Mr. Speaker, I would simply ask this supplementary question. In view of the fact that the United States federal authority and the province of Ontario have already ordered these standards as the best we have, would the minister not consider ordering the installation of whatever devices we do have as soon as possible?

Mr. MacEachen: Yes, Mr. Speaker. In so far as I am able to order any automobile manufacturer to instal these devices I will be quite happy to do so, but I understand that already automobile manufacturers are attaching and propose to attach these devices to automobiles.

Mr. E. Nasserden (Rosthern): Mr. Speaker, I wish to address a supplementary question to the Prime Minister. It arises out of the announced decision of the government to defer establishing a C.B.C. station in Saskatoon—

Mr. Speaker: Order. The hon. member is asking a supplementary to a previous question. We are now dealing with a question raised by the hon. member for Brome-Missisquoi with reference to a matter on which the Minister of National Health and Welfare has made a statement. I believe the hon. member for New Westminster has a supplementary question on that subject.

Mr. Barry Mather (New Westminster): Yes, Mr. Speaker. I would like to direct a supplementary question to the Minister of Transport. Would the minister consider making an early statement as to the progress being made to implement the motor vehicle safety regulations which were announced a week or two ago?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I will be prepared to report to the house in due course. It will take some time for the department to determine which steps we should take, but I can assure my hon. friend that we are pursuing this matter with keen interest and vigour and I hope it will not be too long before we have something concrete to report to the house.

OLD AGE SECURITY

INCLUSION OF SAVINGS BOND ADVERTISEMENTS WITH PENSION CHEQUES

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Minister of National Health and Welfare. I have received several inquiries as to why the letters enclosing the monthly old age security payments also include pamphlets suggesting that the pensioners should purchase Canada savings bonds, and I think this matter should be explained in public. In view of the fact that many pensioners in receipt of old age security have to live on the pension, or little more, can the minister inform the house of the reason for this practice?

Hon. A. J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, the practice of including advertisements for Canada savings bonds was begun in 1960, I think on the occasion of the massive conversion, and I believe the practice has been continued ever since. It is not suggested that all old age pensioners are in a position to buy

Canada savings bonds, but a certain proportion of them may be in that position. The practice has continued since that time, and I intend to have it reviewed to see whether it ought to be continued.

UNITED NATIONS

RHODESIA—VOTE ON USE OF ARMS TO ENFORCE SANCTIONS

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I wish to direct a question to the Secretary of State for External Affairs. Has a vote yet been taken at the United Nations, in the fourth committee, concerning the subject of Rhodesia? The debate concerns the use of armed force to enforce sanctions against Rhodesia. If a vote has not already been taken can the minister tell us what Canada's position is to be in the matter?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I would like to take my hon. friend's question as notice. His questions always deserve careful examination.

POLLUTION

TAX INCENTIVES TO PLANTS INSTALLING CORRECTIVE DEVICES

On the orders of the day:

Mr. P. B. Rynard (Simcoe East): Mr. Speaker, I would like to address a question to the Minister of National Health and Welfare. In view of the galloping dangers from air pollution will the government immediately consider granting tax incentives to any plants that instal anti-air pollution devices, similar to what is done already with respect to water pollution?

Hon. A. J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, I would be glad to draw my hon. friend's suggestion to the attention of the Minister of Finance.

EXTERNAL AFFAIRS

REPORTED DISCOVERY OF ARMS ON ISRAELI SHIP IN CANADIAN PORT

On the orders of the day:

Mr. H. Russell MacEwan (Pictou): Mr. Speaker, I wonder if the Prime Minister or the Secretary of State for External Affairs is in a position to answer the question I asked on Monday regarding the report of arms being found on board an Israeli ship which called at the port of Pictou, Nova Scotia?

[Mr. MacEachen.]

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the facts of this situation are that late Friday afternoon officials of the government were advised by an anonymous telephone call that a number of small arms were included in the cargo of a vessel due to leave Pictou, Nova Scotia, that same afternoon. It is, of course, the government's policy not to permit the export of any military equipment to the Middle East area of tension. No export permits have been granted for the export of small arms to the area nor have there been any applications for such permits. This matter is being investigated, and if I have any further information for my hon. friend I will give it to him.

Mr. MacEwan: I take it that the ship was followed by two R.C.M.P. cutters but before it was overtaken it got into international waters. Is that correct?

Mr. Martin (Essex East): I believe that is the case.

[*Translation*]

TRANSPORT

REQUEST FOR QUICKER ELIMINATION OF LEVEL CROSSINGS

On the orders of the day:

Hon. Martial Asselin (Charlevoix): Mr. Speaker, may I put a question to the Minister of Transport?

In view of the record number of accidents at grade crossings this year and also of the disquieting findings about the Dorion tragedy reported last night, have the minister and his department tried to convince the railway companies to build grade separations at grade crossings in order to prevent such tragedies in the future?

[*English*]

Hon. Paul Hellyer (Minister of Transport): As my hon. friend knows there is a continuing program to which the government and the parliament of Canada contribute very substantially. My hon. friend will be pleased to know that the number of level crossing accidents has dropped very substantially over the years. I believe this program should be accelerated. I think it is a matter of interest that the total amount available was not taken up last year due to the fact that the provinces and municipalities were not in a position, for one reason or another, to take up all the funds which were available. I can assure

my hon. friend that I will press those concerned to continue with this very valuable program in a determination to reduce the number of accidents both on the highways and at level crossings.

FISHERIES

INQUIRY AS TO PROSPECTIVE PRICES FOR SEALSKINS

On the orders of the day:

Mr. Andrew Chatwood (Grand Falls-White Bay-Labrador): Mr. Speaker, I have a question for the Minister of Fisheries. I should like to ask him whether, as a result of the discussions the officials of his department had in Europe, he can now give an assurance that the sealers will be able to obtain a fair price for pelts during the coming season.

Hon. H.-J. Robichaud (Minister of Fisheries): Mr. Speaker, it is true that sealskins presently are moving slowly and are being sold at reduced prices. In fact the area where there is the greatest difficulty in selling is in the disposition of white coats. While we expect the production of white coats to be reduced during the coming seal season, I cannot at this time give assurance that the damage done to this industry by exaggerated and distorted publicity will not have some adverse effect on the market in the months ahead.

CANADIAN NATIONAL RAILWAYS

FEDERAL REPRESENTATION AT MEETING RESPECTING ATLANTIC REGION LAY-OFFS

On the orders of the day:

Mr. Thomas M. Bell (Saint John-Albert): Mr. Speaker, I have a question for the Minister of Transport. As a new minister who is energetic and desirous of learning about the transportation problems of the maritimes, will the minister be attending the meeting to be held tomorrow night in Moncton concerning C.N.R. lay-offs and, if not, why not?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I am interested. I try to be energetic and try to learn as quickly as I can, but I regret that I will not be able to attend the meeting tomorrow night.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, can the minister say whether any of his colleagues will be attending the meeting, since it seems to be an important one affecting the economy of the whole Atlantic region.

Mr. Hellyer: Mr. Speaker, I think the hon. member for Westmorland and the hon. member for York South will be attending. I am not sure who else will be able to go, but I do know that the hon. member for Westmorland will acquit herself very ably.

Mr. Reid Scott (Danforth): I have a further supplementary question, Mr. Speaker. Does that mean that the hon. member for York South will be representing the government too?

Mr. Hellyer: It will depend a lot on what he says.

HEALTH AND WELFARE

REPORTED LINK BETWEEN CONTRACEPTIVE PILL AND THROMBOSIS

On the orders of the day:

Mr. H. R. Ballard (Calgary South): Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare. I wish to bring to his attention a report by a very eminent English coroner to the effect that there is a direct link between the contraceptive pill and thrombosis which causes death.

Some hon. Members: Oh, oh.

Mr. Ballard: When I hear the laughter I wonder whether the same people were laughing when the thalidomide pill was discussed in this house. With that preface I should like to ask the minister to inform the house whether officers of his department are investigating this report in an attempt to determine any detrimental or fatal effects of this pill.

Hon. A. J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, I shall be glad to discuss the question with the officers of my department and report later to my hon. friend.

GRAIN

PROPOSED INCREASE IN AMOUNT AVAILABLE FOR CASH ADVANCES

On the orders of the day:

Mr. R. R. Southam (Moose Mountain): Mr. Speaker, I have a question for the Minister of Agriculture which I believe involves a matter of urgency. In spite of the glowing report given by the minister last evening on the state of agriculture in Canada, in view of the dire cash shortage suffered by western farmers due to the loss of wheat markets would the minister give serious consideration

to immediately amending the legislation on interest free cash advances on farm stored grain so that double the amount, namely $3,000, can be made available to our hard pressed farmers?

Mr. Speaker: Order. The hon. member is making a speech rather than asking a question. I do not think it is acceptable in that form.

Mr. Southam: On a point of privilege, Mr. Speaker, I should like to say this is an urgent matter. I could put the question simply by asking—

Mr. Speaker: Order, please. If the hon. member considers the matter to be urgent and wishes to have his question answered immediately, he should ask the question.

Mr. Southam: Ten o'clock, Mr. Speaker.

Mr. E. Nasserden (Rosthern): Mr. Speaker, may I ask the Minister of Trade and Commerce whether he will make an announcement in respect of amendments to the cash advances legislation.

Hon. Robert Winters (Minister of Trade and Commerce): Mr. Speaker, at the moment I am not anticipating making any announcement.

BROADCASTING

IMPLEMENTATION OF CANADIAN POLICY

Hon. Judy V. LaMarsh (Secretary of State) moved the second reading of Bill No. C-163, to implement a broadcasting policy for Canada, to amend the Radio Act in consequence thereof and to enact other consequential and related provisions.

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

An hon. Member: Does the minister not intend to make a statement?

Miss LaMarsh: Mr. Speaker, I thank my hon. friend for being desirous of hearing my remarks in respect of this legislation. As hon. members know, the bill before us today for second reading represents a further step in what I think can fairly be called a process of legislation by consensus.

In formulating this bill we have tried as far as possible to seek out the views of those most interested and involved in this complex business of broadcasting, and to take those views into account in drafting the precise provisions of this legislation. It has been a very lengthy process, but I submit a very worth-while one in arriving at the bill which is now before the house and which I truly believe incorporates the best judgment not just of the government and its officers but of numerous interested groups both within the industry and within this house. I am sure it is a better bill for the contributions of all these parties.

Our starting point, of course, was the report of the special committee on broadcasting headed by Mr. Robert M. Fowler of Montreal. This bill may differ in detail in a number of ways from the recommendations in the report of 1965, but it does draw much of its basic philosophy from the work of that committee. For this we are very much indebted to Mr. Fowler and to his fellow committee members, Mr. Marc Lalonde, now a member of the Prime Minister's staff, and Mr. G. G. E. Steele, under secretary of state.

• (3:20 p.m.)

I should like to express again my appreciation to the members of the standing committee on broadcasting, films and assistance to the arts for their contribution to this consensus. In our discussions of parliamentary reform we hear considerable talk about the role of our committees and the potential which exists within them for constructive work on behalf of parliament as a whole. I think there can be no better example than that displayed by the broadcasting committee during its hearings last spring on the white paper on broadcasting. Because this was indeed a committee free of narrow partisanship, a committee which sought only to find through the experience of its many witnesses the best course for broadcasting in Canada, its report was particularly valuable to us. So I would like to compliment members on all sides of the house who contributed to the work of this committee and particularly those who headed it, the hon. members for Hochelaga (Mr. Pelletier) and Vancouver-Burrard (Mr. Basford) who were its first chairman and vice chairman, and the hon. members for York-Scarborough (Mr. Stanbury) and Montmagny-L'Islet (Mr. Berger) who succeeded them.

I should like to mention those who gave us very valuable advice before both the standing committee and the cabinet committee on broadcasting, the senior officers of the C.B.C., B.B.G., Canadian Association of Broadcasters and the Canadian Broadcasting League. These men are the experts and without their help during the formative period of this

legislation it would have been difficult, if not impossible, to arrive at a bill which we can be certain is, in fact, workable.

From all these sources, and from the many other individuals and groups who have given us their views, we have arrived, as I have said, at a consensus, not on every detail of this lengthy and complex bill but a consensus certainly as to the main principles which should underlie it. Perhaps I might for a moment mention these agreed upon principles as a starting point and try to outline to the house how we have tried in this bill to carry each of them through to fulfillment. The report of the standing committee on broadcasting stated:

> Although the ultimate authority and responsibility of parliament is clear, it is equally clear that parliament cannot administer or supervise broadcasting. Nor do we believe a minister of the crown should have such power. A reconstituted B.B.G. should provide an assessment of our broadcasting system. In order to do so, it must have clearcut directives from parliament as to how it will be expected to act on parliament's behalf.

The bill accordingly sets out in clear language a broadcasting policy for Canada which includes, for the first time, a mandate for the national broadcasting service operated by the C.B.C. It should be clearly understood that this is a new technique in broadcasting policy. The mandate set out is more than a preamble; it is an integral part of the measure, expressing the intentions of parliament, and it will have all the force of law. Thus, the whole of the rest of the bill must be considered in the context of this declaration of policy. The objects of the regulatory authority, the proposed Canadian radio commission, will quite simply be to regulate and supervise all aspects of the Canadian broadcasting system with a view to implementing this policy. Similarly, the objects of the C.B.C. are to provide the national broadcasting service in accordance with the mandate which forms an integral part of that policy. Each of these two bodies can exercise its powers only in furtherance of the policies established by parliament.

The first of these policy principles is that the airwaves are public property and that the broadcasting undertakings using them constitute a single system. There is, I believe, generally widespread agreement that the regulation and supervision of the broadcasting system should be delegated to an independent regulatory authority, and that this body and its decisions should be as free as possible from partisan political influence and the pressures of vested interests. But the system as a whole, including both public and private elements, constitutes a public asset and it is clear, therefore, that the ultimate control of the system must rest with the government, since only the government is immediately—and I stress the word "immediately—answerable to parliament. It is for this reason that parliament is asked to reserve to the government of the day the power to give directions to the commission with regard to the number of channels or frequencies that may be used, and the reservation of channels or frequencies for the use of the C.B.C. or for special purposes such as educational broadcasting.

The standing committee has said "a distinctly Canadian broadcasting system is essential to our national identity, unity and vitality in our second century" and also that "in future, broadcasting may well be regarded as the central nervous system of Canadian nationhood." It follows that the system must be effectively under Canadian ownership and control. It is simple enough to say that a single person owning or controlling a broadcasting undertaking must be a Canadian citizen, but the problem becomes much more difficult when we attempt to arrive at a statutory definition of what is meant by the effective ownership or control of a corporation. In practice, it has been found in other contexts that a statutory definition invariably opens the door to evasion. Consequently, in order to retain flexibility, and as forecast in the white paper, parliament is now being asked to reserve to the government the power to give directions to the commission aimed at preventing foreign control of Canadian broadcasting facilities. These directions will, of course, be made public and will thus be available for scrutiny by parliament.

The third principle embodied in the statutory declaration of policy reflects the opinion of the standing committee that "the privilege of exclusive use of any channel or frequency must be subject to the clear responsibility of serving the public interest as expressed through national policy." Obviously, every broadcaster must conform to the law of the land with regard to such matters as obscenity and libel, and the commission must have power to make regulations, as at present, with regard to the standards of programs and the nature and quantity of advertising that is to be permitted. Beyond these reasonable limitations, broadcasters must be allowed the right to freedom of expression; that is to say, censorship and pre-editing of programs are not only undesirable but impractical.

None the less this privilege of free speech carries with it a heavy responsibility and must be exercised with due regard to the public interest. It will therefore be a function of the commission to observe and assess the degree of responsibility shown by each broadcaster in exercising his privilege of free expression, and to take this factor into account when the renewal of his licence is under review. The Canadian Broadcasting Corporation has, of course, a very special responsibility to maintain objectivity as a corollary to freedom from censorship and pre-editing of programs. This is a matter of great concern to the public and was raised by several hon. members in the debate on the resolution introducing this legislation as well as at other times in the past few years. Therefore I would like to deal with that problem when I come to the control and management of the Canadian Broadcasting Corporation under the new legislation.

One of the most important objectives of the commission will be to ensure that Canadian audiences have a reasonable freedom of choice, and to see that the programming provided by the whole system, but not necessarily by a particular broadcaster, is varied and comprehensive and balanced in controversial matters. The prohibition of political broadcasts immediately before elections is to be continued, with some modifications, and the commission will be empowered to make regulations ensuring that broadcasting time for political broadcasts shall be assigned on an equitable basis. But it has to be recognized that straight political broadcasts are not the beginning and end of the matter. In considering applications for licences the commission will have to take fully into account the relationship between broadcasting and other mass media of communication in a particular area so as to avoid monopoly situations. In cases where a monopoly of communications media cannot be avoided for one reason or another, the commission will have to incorporate into the conditions of the broadcaster's licence a requirement for a balanced presentation of news and opinions.

The conditions of licence will also be used by the commission to establish the obligations of each broadcaster with regard to the quality and variety of programming and the all-important matter of Canadian content. Under the 1958 legislation Canadian content on television has been established by regulation at 55 per cent, and no such requirement has been imposed on radio stations. But in practice the whole concept has become confused with what might be termed public-interest programming, with the result that under the current regulations such events as the world series and Winston Churchill's funeral have been treated as Canadian content while a concert given in New York city by a Canadian artist might not be.

• (3:30 p.m.)

The Canadian radio commission will now have a great deal more flexibility in determining the nature and proportion of Canadian content required from each broadcaster. The reason for this provision is quite simple. The production of Canadian programs is apt to be much more expensive than that of imported programs which are bought here at a substantial discount. It is therefore reasonable to require a greater effort in the direction of Canadian programming from the more profitable stations. The commission will thus deal with each broadcaster independently in setting the conditions of licence, having regard to all the circumstances of profitability and availability of Canadian talent resources. We all know that these vary greatly from one station to another and from one population centre to another.

The over-all percentage formula for Canadian content has failed in practice to implement what parliament clearly intended in the 1958 act when it empowered the B.B.G. to make regulations "for promoting and ensuring the greater use of Canadian talent". Since the only measure from that date to this of Canadian content has been the amount of broadcasting time, many broadcasting stations have seized the opportunity to meet the quota imposed on them by regulation by broadcasting Canadian programs that cost the least possible amount of money at times when the audience is negligible or non-existent, that is, from twelve midnight to one o'clock when they may have some individual playing an organ in an empty studio and this has been able to qualify as a Canadian program. But obviously if we mean what we say as individual parliamentarians and as parliament, this approach clearly is insufficient and under the new legislation the commission will be required to impose licensing conditions which would ensure that the programming of both the C.B.C. and the private broadcasters shall be of high quality, using predominantly Canadian resources.

This means that the standards to be applied by the commission cannot be measured only by broadcasting time. Both the quality and the nature of Canadian content will have to be taken into account as well so that the best possible use can be made of the abundant resources of Canadian talent which in the present unsatisfactory situation is all too often fleeing to New York, Hollywood or London. There is also no particular reason, so far as I can see, why the provisions with respect to Canadian content should not also be applied to commercial messages. The B.B.G. so far has not exercised its statutory authority under the present act for this purpose, but I would expect that the new commission will give this problem close and careful attention.

With regard to licences issued to the C.B.C., there is one important qualification. A private applicant who comes to the B.B.G. for a licence is perfectly free to consider the conditions which the commission proposes to impose upon him, and if he is not willing to accept these conditions to get his licence then he can withdraw his application. This option, however, is not available to the C.B.C. which is required to broadcast the national service, and a conflict of views on licensing conditions might well lead to an impasse between the two bodies. The legislation therefore provides that the conditions of licences issued to the corporation must conform to the requirements of the national broadcasting service as defined in the statutory declaration of policy.

Even so, it is conceivable that the commission might seek to impose a condition that the corporation finds unacceptable or impractical for financial or other reasons. It is therefore provided that if, after full consultation between the two bodies, there is still disagreement, the matter may be referred to the minister for decision. I should tell the house that no minister takes on lightly that kind of reference to him or her with regard to a disagreement between two senior governmental agencies. The standing committee has said:

> We emphasize our conviction that the areas of authority and responsibility of the B.B.G. and the C.B.C., and the nature of the relationship it is intended to establish between them, be fully understood and clearly defined in the legislation.

Unhappily, it is not possible, as we all know, to take care of every possible eventuality in a statute, and it is therefore essential to provide some means to resolve legitimate differences of opinion about licensing conditions in an orderly fashion. I cannot really conceive that the senior officers of two such responsible bodies will indulge in constant bickering on licensing matters, so I do not think this procedure will ever be used or, if at all, it will be very infrequently.

The standing committee on broadcasting has said that it is essential to avoid monopolization of prime time by foreign programs and that public affairs programs should be included among those shown during prime time. I think this is a feeling that all of us in parliament echo. The commission will accordingly be given a new power to regulate scheduling policy in relation to any category or categories of programs. This, we believe, will permit the implementation of the standing committee's wishes in this regard. The commission will not be able to tell an individual broadcaster to put on a particular program at a particular hour, but will be able to require complementary programming by competing stations and to insist on a reasonable proportion of prime time being given over to public affairs programs and true Canadian content.

I should also mention that the legislation indicates that community antenna television systems will also be subject to licensing by the commission. The conditions of licence, which will also be laid down by the C.R.C., will have to take into account the need for comprehensive and varied service. However, —and I think this should be made very clear—C.A.T.V. systems are quite different in many respects from other broadcasting operations, and thus we expect the regulatory commission's requirements for these systems to be quite different from those applied to what are regularly called broadcasting undertakings. It is appreciated that the C.A.T.V. operators are not normally program producers and therefore their obligations as regards Canadian content cannot be more than to carry all available Canadian channels in a particular area. Provision is made for the exemption of certain classes of community antenna from the licensing requirements, for example, the roof-top antenna on an apartment block, but in general the commission, when considering an application for a licence for one of these systems, will have to take the whole local situation into account, including the interests of the local broadcasters.

The wide powers given the commission to make regulations and determine conditions of licence can be effective only if the regulatory agency also has the power to impose significant penalties on those who fail to meet its requirements. Under the 1958 act a breach of B.B.G. regulations is an offence against the

Criminal Code carrying a maximum penalty of $500 or three months imprisonment. I cannot foresee a situation where it is likely that a prison sentence would ever be imposed, and in the few prosecutions that have been undertaken the fines inflicted have been no more than $50 and in most cases $25.

Considering the nature of the offences involved and the potential damage to the public interest inherent in the violation of these regulations, we believe that it is necessary to have more adequate penalties if the commission's regulations are to command the proper respect by licencees. Accordingly the new legislation provides for fines on summary convictions up to a new maximum. I do not think it is ever to be expected that the maximum penalty would be levied, and certainly never in cases of minor infractions or accidental violations. But there could be violations of these regulations which are neither minor nor accidental, and if you want to prohibit something then you must impose a fine high enough to show that parliament is serious when it means to prohibit it. In the area of advertising regulations, for instance, I am told by my officials that as much as $240 is charged for a ten second commercial in prime time. One does not have to know much about the new mathematics to show that a broadcaster could make as much as $10,000 a week over and above his ordinary income just by slipping in one additional minute of advertising each day over and above what is permitted under the current regulations.

• (3:40 p.m.)

I am not suggesting for a moment any present licencee is guilty of such conduct. In fact, I am assured by the Canadian Association of Broadcasters that the prosecutions to date in this regard have dealt with minor, accidental infractions of commercial regulations, particularly ones that took place because of the system of measuring time by the "clock hour". They do not believe there is a predilection amongst Canadian broadcasters to deliberately break the law, particularly in order to obtain an illicit profit.

However, the potential for abuse is there and the regulations, I think, must therefore exist. I believe that the commission must possess powers which are sufficiently punitive to make sure no one will attempt to take this way, the short way, to additional profits. It should be noted that it will not be the commission itself, of course, which will impose fines. The commission will have to proceed in the ordinary way through the courts, and it will be the courts that will be called upon to impose whatever fine is decided upon in the circumstances. The commission will be empowered to suspend or revoke licences, but only after a public hearing. It was, indeed, at the request of the C.A.B. initially that a scale of fines was placed within the new legislation, since it was indicated there was too abrupt a transmission from having a licence to suddenly having it suspended.

These are powerful sanctions and, there has been some question as to why they are not applied in the same way to the C.B.C. What would happen if you applied them to the C.B.C., particularly if you suspended or revoked a licence, would be that the public would be deprived in that area of access to the national broadcasting service. The bill therefore provides that if the C.B.C. fails to conform to its licence there will be a report made on the matter by the Canadian radio commission and that report will have to be tabled in parliament. I do not believe we should underestimate the efficacy of that sanction, for, if parliament agrees that the Canadian radio commission report is justified, it is clear that cause will have been established for the dismissal of those responsible within the corporation.

Mr. Lewis: May I ask the minister a question? Even if parliament agrees there is no provision, is there, in the legislation which would enable the report to be lifted off the table?

Miss LaMarsh: It would be tabled and the subject would have to arise in debate, I suppose, perhaps on a supply motion. If the infraction were considerable I suppose the government might provide time. There is no such mechanism in this legislation and that would have to be taken care of by the rules of the house.

Mr. Fairweather: It is really meaningless, then?

Miss LaMarsh: And anything in the broadcasting act would be meaningless with regard to the rules of the house.

The bill therefore provides that this report will be tabled in parliament. If it is tabled and it is demonstrated that the commission is correct and the C.B.C. is incorrect then, as I say, it will be indicated that those responsible will lose their positions. We hope that this will mean that the hope of the standing committee that the total delegation of authority over programming will end parliament's

frequent involvement with broadcasing matters. If the Canadian radio commission does its job properly it should be possible then to concentrate the attention of parliament as regards programming matters on failure to comply with the broadcasting policy which parliament itself has laid down.

The next principle on which I believe there is general agreement is that all Canadians are entitled to broadcasting service in English and in French and, in particular, to the national network service of the C.B.C. The principal limiting factor here, of course, is cost, for the smaller and more remote the community the higher the per capita cost of providing service. We are still a very long way from achieving complete coverage, although we are steadily moving ahead each year to cover more of the outlying areas. At present the C.B.C. still works on the formula under which an English speaking or French speaking community or group of 2,000 is entitled to television service and of 500 to radio service. The priorities are allocated in accordance with the lowest per capita cost of providing service. Moreover, in saying that the national network services should be available from coast to coast, it should not be supposed that this can be done within any reasonably foreseeable period of time except through the use of affiliate stations. In other words, it is not the intention of this legislation to indicate that the C.B.C. should start out today and set up nationally operated stations in all parts of Canada. Thus the declaration of individual rights to service through this legislation is necessarily qualified by reference to the availability of funds. It will be for parliament to determine the priorities to be accorded to these expenditures in relation to other urgent national needs.

As I have already said, the statutory declaration of policy includes a definition of the national broadcasting service to be provided by the C.B.C. No definition was attempted in the 1958 act, so it was left to the corporation itself to lay down the requirements for the national service, to lay out the rules for itself. This caused a certain ambiguity to be created since the authority of the B.B.G. over the corporation has been vitiated by this division of responsibility. Under the legislation now before the house, both the commission and the C.B.C. will be governed by a common definition for the purposes of the national broadcasting service as established in this legislation by parliament.

Provision is also made to give effect to the recommendation of the standing committee that there should be clearer recognition that the C.B.C. is the principal agency for carrying out public policy through broadcasting. The commission will accordingly be required to give priority to the needs of the national broadcasting service if and when these conflict with the interests of the private broadcasters. I would ask hon. members particularly to look at the wording of that section where the two words "objects" and "interests" are opposed. Any attempt to be precise in this matter would almost certainly be more limiting than a statement of general intention. There is no denying that the commission may from time to time be faced with very difficult problems to be resolved. However, in this connection I agree completely with the statement of the standing committee that the responsibility of the regulatory authority in the first instance should be to amplify the broad principles for Canadian broadcasting laid down by parliament.

There are two other aspects of national broadcasting policy to which I should like to refer very briefly. The first is that the broadcasting facilities which will be provided for educational purposes will be the subject, as I mentioned at the resolution stage, of a separate measure. It will be part of the broadcasting system as a whole and therefore will be subject to regulation and supervision by the Canadian radio commission.

The second point is that the commission should adapt its regulation and supervision of broadcasting to scientific and technical advances, the effects of which cannot be foreseen in detail at this time. In particular, it should be noted that the ground transmitting and receiving stations in connection with satellite operations will be subject to licensing, while an amendment to the Radio Act incorporated in this bill will extend the authority of the Minister of Transport (Mr. Hellyer) to radio apparatus on space craft under Canadian control. Another amendment to the Radio Act, which is relevant to both these points, provides for regulation of the technical requirements for radio apparatus offered for sale in Canada, as for instance a requirement that all television sets offered for sale should be capable of receiving u.h.f. as well as v.h.f. channels.

• (3:50 p.m.)

I should like to deal now with the constitution and powers of the Canadian radio commission, the regulatory authority which is to replace the Board of Broadcast Governors. However, before I say anything else I might

say that the name "Canadian radio commission" seems to have aroused considerable comment. In the view of the government a new name for the regulatory authority is desirable to underline what we believe is an important change in climate and accent. Having decided that, Mr. Speaker, we searched for a name which would best represent the actual functions of this agency and which would be the same, at least so far as its initials are concerned, in both our official languages. I know that some people consider the word "radio" somewhat archaic in terms of today's broadcasting system, even though it can be defined in dictionary terms to embrace both radio and television. It may be that there is a more modern name which will meet our requirements, such as the proposed Canadian radio-television commission that has been suggested to me, or the Canadian communications commission. Suffice it to say, Mr. Speaker, that no one is wedded to the name "Canadian radio commission" and I would be interested to hear any suggestions from the committee with respect to the name. At the same time members of the standing committee or later members in committee of the whole might wish to consider whether it is time to find a new and perhaps more streamlined name for the C.B.C., taking into account the same considerations I have mentioned in this respect.

Whatever the name, Mr. Speaker, the proposed commission will have wider powers than the current B.B.G. and it will be backed up with significant means of enforcement. These powers will be exercised for the sole purpose of implementing the broadcasting policy to be established by parliament in this bill. Obviously the C.R.C. will need a little larger staff than the B.B.G. has, and this is one of the reasons for increasing the number of full time members from three to five.

There will also be a large increase in the number of matters which can be decided only after a public hearing. It is therefore proposed that hearings may be undertaken by small groups of members; it does not necessarily have to be the whole commission. However, no decisions are taken at hearings. They are to provide only the means for public discussion of licensing and other problems in different parts of the country and they would have to be reported back for decision.

Although the white paper proposed that there should be seven part time members and the standing committee recommended six, we have now on more mature consideration come to the conclusion that so small a number of part time members would not be sufficient to provide proper representation of public interests. It is therefore proposed in this bill that there should be ten part time members of the commission but that a quorum has to include at least three of the five full time members.

The government has been giving much consideration to the distribution of powers between the full time and the part time members, ranging from having no part time members to having part time members with the same powers as full time members. It will be recalled that the white paper proposed that the powers of the commission should be exercised by the full time members alone but after consultation with the part time members. The standing committee did not agree with this proposal and recommended that the part time members should have the right to vote. It was never the intention of the government that the part time members should be treated as no more than an advisory committee. After all, their purpose is to represent the public in various regions and walks of life. Having now had regard to the opinion of the standing committee, this bill provides a division of the powers between the full commission and the full time members, and I believe that this will give a balance of authority which will best fulfil the public interest.

Thus, Mr. Speaker, the right to make regulations lies with the whole commission. That should not be underestimated as to importance, for the part time members will be sharing in the responsibility for establishing standards of programs, for regulating scheduling policy for classes or categories of programs, for controlling the nature and quantity of advertising, for prescribing the conditions for operating networks, and other important matters including the revocation of a broadcaster's licence.

However, Mr. Speaker, since in making appointments it is necessary to exclude from part time membership those who have a pecuniary interest in broadcasting, the full time members will represent the principal body of expert knowledge on the commission. It is therefore proposed that the regulatory power of the full commission can be exercised only on the recommendation of the full time members. This very practical requirement is designed to ensure that the full time members will never be placed in the position of having to administer a regulation carried

against their advice by the part time members which might prove in the event to be unworkable.

So far as the power to issue licences is concerned, the government is convinced that the public interest will best be served by reserving the power of decision to the full time members. As permanent statutory officials with security of tenure they should be in a better position to make objective judgments than the part time members who could be unduly influenced by local and sectional considerations. Nevertheless, the part time members will have an important role to play in participating in public hearings. It is essential that they should have free opportunity to express their views and to make representations on behalf of local and sectional interests when licensing decisions are under consideration. It is equally essential, Mr. Speaker, that the full time members should give full and careful attention to these representations before they arrive at licensing decisions. In licensing matters, therefore, and when suspension of a licence is under consideration, the full time members will be required to consult with the part time members before they conclude their deliberations.

There is one important matter with regard to the licensing power to which I should refer. It was stated in the white paper that the licensing power would be delegated to the regulatory authority—that was a proposal with which the standing committee concurred—but that provision would be made for appeals against licensing decisions to the governor in council. Although it has happened very seldom in the past that the recommendations of the B.B.G. have been rejected by the governor in council, the important thing to remember is that there have been occasions in the past when such recommendations were deemed to be contrary to the public interest, and it is certainly not without possibility that such a situation could occur again in the future.

On closer consideration, Mr. Speaker, it was concluded that formal appeals to the governor in council would not be practical, but it is proposed that the governor in council should have the power, within a period of 60 days after a decision by the commission, to set aside a licensing decision or to refer it back to the commission for another public hearing. It should be noted that this does not give the government any power to issue a licence, nor does it give the government any power to nominate an acceptable licensee.

There is also a provision that any such decision by the government, and indeed any direction by the government to the commission, must be published forthwith in the *Canada Gazette*. Thus there will be no opportunity for undisclosed misuse of this power or for the exercise of hidden persuasion, since any action taken by the government under the powers accorded to it by this bill would immediately become public knowledge and open for parliamentary or public discussion. Among the matters to which this powerful sanction will apply will be the proposed authority to give directions for the pre-emption of time for broadcasting programs of peculiar Canadian significance or public interest.

On the subject of appeals, Mr. Speaker, the white paper proposed that there should be provision for appeals to the courts on questions of law but not of fact. The bill accordingly provides for appeals to the supreme court on questions of law or jurisdiction.

The transfer of the licensing authority to the regulatory body does not, of course, remove broadcasting from the necessity to comply with the technicalities governed by the Radio Act, for the administration of which the Minister of Transport is still responsible. The present procedure is that the Minister of Transport cannot issue a radio licence to a broadcasting station except on the recommendation of the B.B.G. and with the approval of the governor in council. Under this legislation it will still be absolutely essential that the construction and operations of broadcasting undertakings comply in all respects with the technical requirements of the Radio Act, and this has necessitated a reversal of the previous procedure.

Under the bill now before the house, Mr. Speaker, the commission, before issuing a licence, would have to be satisfied that the Minister of Transport has issued or will issue a technical construction and operating certificate under the Radio Act. That procedure is necessary in order to ensure that broadcasting undertakings in using the airwaves will not interfere with each other or with other radio traffic.

• (4:00 p.m.)

I would like to thank hon. members for bearing with me on such a lengthy statement. I now turn to part III of the bill which deals with the Canadian Broadcasting Corporation. It may be a matter of surprise to hon. members that most of the changes from part II of the present act are matters only of detail or

amendments in the interest of clarification or simplification. The reason for this is that there is not very much wrong with the provisions of the present act with regard to the powers of the C.B.C. The principal weakness of the 1958 act is its failure to establish a proper relationship between the corporation, the regulatory authority, and parliament. Thus the changes that will have the largest effect on the operations of the C.B.C. are those relating to the authority of parliament, the government, and the commission, which are set out in part II of the bill and with which I have already dealt.

The most important of these is, without doubt, the establishment of a statutory mandate for the national broadcasting service, a matter which was previously left to the discretion of the corporation itself to the exclusion of the B.B.G. Under the new legislation the commission's authority over the C.B.C. will be clearly defined and will be exercisable only by regulation or conditions of licence, all of which must conform to the broad policy enacted by parliament. The standing committee agreed that the C.B.C. should be subject to such regulation and control on the understanding that this does not imply any power to give directions in respect of specific programming except by general regulation or conditions of licences. The only exception to this is the reserve power to direct the pre-emption of broadcasting time in an emergency or for special purposes, to which I have already referred.

The standing committee also stipulated that the responsibility for programming must rest with the C.B.C. board and management but also recommended that a reconstituted B.B.G. should provide an assessment of our broadcasting system. All these requirements are met precisely in the bill. If the commission is of the opinion that the C.B.C. has not complied with the conditions of its licences—and it is to be remembered that these must conform to the policy enacted by parliament—a report must be made to parliament so that the alleged failure of the C.B.C. in its responsibility to parliament may be openly discussed and adjudicated.

Let us see how this system might work if hon. members were dissatisfied with some particular or general aspect of C.B.C. programming. All that would be necessary would be to call upon the commission, through the minister, to report whether the corporation had in fact failed to comply with regulations or the conditions of its licences. If it has so failed the C.B.C. board and management should be called to account and, if necessary, dismissed. Should the commissioner's report show that the C.B.C. had not committed any breach of the regulations or conditions of licence, then it is clear that the blame, if any, would be attributable to the commission, for the only possible conclusion would be that the commission had failed to interpret the intentions of parliament correctly in framing the regulations or conditions of licence. There is reason to believe that this procedure would eliminate a good deal of parliamentary discussion on programming matters, while still affording more practical means for parliament to assert its ultimate authority over programming, to be fully informed on matters which appear to be contrary to statutory policy, and to pass judgment on whoever may be shown to have been responsible. This is a very complex matter and members of parliament have been concerned about how parliament in that sense can control this important corporation.

What we are faced with here, Mr. Speaker, is a paradoxical conflict between two perfectly legitimate lines of thought. On the one hand, ever since the inception of the public broadcasting system in Canada almost everybody has agreed that the responsibility for programming must be left to the C.B.C., which must be totally protected from outside influences and pressures. On the other hand, almost everybody at one time or another, including many hon. members, has been shocked or infuriated by some aspect of C.B.C. programming, and the natural reaction is to demand that something should be done about it. The plain fact is that in broadcasting, more than in almost any other field of activity, absolute delegation of authority and responsibility is inevitable. In news and public affairs broadcasts, where urgency and topicality are often paramount reliance must be placed on the judgment of the individual producer or announcer, and his judgment must often be exercised instantaneously. On the entertainment side the choice of programs is very often a matter of personal taste, which can never be absolute or tied to precise standards. What is acceptable to you may not be acceptable to me.

For these reasons, for its performance and reputation the C.B.C. as a whole necessarily depends on the judgment and taste of a host of individuals who must be given the maximum practical freedom of expression if the corporation is to fulfil its duty to provide a

live national broadcasting service. It is precisely in this area that most of the recent criticism of the corporation has arisen. Perhaps the most important feature of the C.B.C.'s mandate in the new bill is the obligation to contribute to the development of national unity and, as I said before, its employees have an overriding responsibility to be objective and balanced in its presentation of news and commentaries on public affairs. But I do not believe that this can be achieved by legislation or by sporadic interference from this chamber or from outside. The responsibility for this, particularly under the new bill where this is clearly set out in its obligation to contribute to the development of national unity, lies fairly and squarely on the C.B.C. board and management, and that is where it is going to remain. The only other course is to turn to censorship, which I think is repugnant to all of us, or to total pre-editing, which is absolutely impossible.

The late Mr. Adlai Stevenson once said:

> Freedom demands infinitely more care and attention than any other system. It puts consent and personal initiative in the place of command and obedience. How are we to defend freedom if, for the tyranny of external control, we substitute the clattering, cluttering tyranny of internal aimlessness and fuss?

Now I should like to deal very briefly with the internal organization of the corporation. Organization in itself is not an end but a means. Nor is it just a matter of boxes and lines drawn on a chart; it is a framework for personal relationships. In other words, good organization means competent managers and clear communications, neither of which can be secured by prescriptive legislation. I cannot imagine anything more likely to destroy the creative value of the C.B.C. than the rigidities and frustrations that would result from an organization structure prescribed by law.

With one exception to which I shall refer in a moment, the bill therefore has nothing to say about the internal organization of the corporation. It does not, for example, incorporate the recommendation of the standing committee that there should be a senior executive responsible for programming and production in the English and French networks, even though this recommendation subsequently was accepted in principle by the present C.B.C. board. Our view is that it is precisely with that body, the C.B.C. board, that decisions should be left involving the internal organization of the corporation. I am certain that this will be one of the major subjects of consideration by the new board to be appointed under this legislation. Its members will have available to them the recommendations of the standing committee, as well as those put forward by such groups as the Glassco commission and also the president's study group prepared within the corporation itself, although we do not know much about it, and the Fowler committee. It will be for the board, in line with its responsibilities under this bill, to decide which of these recommendations are most appropriate for the kind of corporation required to carry out their own policy decisions. They are in a far better position to do this than members of parliament.

• (4:10 p.m.)

The standing committee also supported the formation of two groups within the board of directors of the corporation, each one to concern itself more particularly with the English or French network. Under the bill the corporation will have full power to establish standing or special committees of the board and to delegate responsibility and authority to them. But a statutory requirement that the board should split itself up into two would, in the opinion of the government, be undesirable. If the C.B.C. is to be an instrument for the development of national unity and the continuing expression of Canadian identity, it must have a clear identity of its own that is neither English nor French but Canadian.

The one matter of organization about which the bill is explicit is the relationship between the two most senior officers of the C.B.C. The standing committee recommended that they should be known as the chairman and general manager respectively, but it has been represented to the government that these titles would have a restrictive effect on the titles available for senior officers of the corporation at a lower level.

It has also been represented to us, notably by the press and by the present president of the C.B.C., that in dealing with other North American corporations it is desirable that the senior officers of the C.B.C. should have titles recognizable by those corporations. It is therefore proposed in the bill before us that they should be known as the president and the executive vice president. The president is designated as the chief executive officer of the corporation, which means that he must take full responsibility for every aspect of the C.B.C.'s activities. The responsibilities of the executive vice president are defined as

the management of broadcasting operations. This must be read in the context of the definition of broadcasting which is incorporated in the bill. The effect is that by law the executive vice president will be responsible for all the production and transmission of programs, that is to say, for the technical operations of the corporation and everything that goes out over the air. This is a less comprehensive responsibility than that of the president and does not include such functions as, for instance, public relations and accounting, which can be handled by other officers reporting directly to the president.

It is also worth noting that although the executive vice president is responsible to the president for the management of broadcasting operations, the authority of the president in this regard will be limited by law to policies prescribed by the corporation, that is to say, the board of directors.

When I was addressing the house a week or so ago on the resolution introducing this legislation, Mr. Speaker, I referred to the government's intention to bring in separate legislation later in this session to provide for the financial requirements of the C.B.C. on a five year formula. I should like to take this opportunity to reassure hon. members that there is nothing in the bill now under consideration which commits parliament one way or another on this matter, although the financial clauses of the bill do provide a base on which formula financing could be established.

These, then, are the principles on which this bill is based and the proposals in it by which those principles are translated into action. I should like to thank again all the people who have been responsible—and they have been many in the two years, at least, during which I have been in charge of this slow birth—particularly hon. members of the house and members of the standing committee.

An hon. Member: Midwife, but no mother.

Miss LaMarsh: I think the Canada Pension Plan was my baby and I do not intend to have one every two years. It is too difficult, especially when they are as complex as this.

Perhaps I can say one more word before sitting down. It seems to me that although this is a complex measure we have arrived at something very close to a consensus. I believe the legislation is much clearer than the present act and represents a considerable improvement on it, though it will not, of course, settle the question of broadcasting in Canada for all time.

[Miss LaMarsh.]

For one thing, we are very close to the leap into the future which is foreshadowed by the satellites and all this will entail. We do not know how long the kind of broadcasting which is familiar to all of us will continue to exist. We hope the bill before us will at least last into the new era. The provisions and principles outlined in it will have to be fleshed out by those appointed to the major full and part time positions on both the commission and the corporation. It will be their capabilities, their attitudes and their efforts which will make or break broadcasting in the future.

I know that all hon. members join with me in the hope that we shall shortly be able to announce the appointment of the very best and most qualified people for these positions. This means people who are ready to make sacrifices—not just financial ones—and in the particular case of the president occupy what has for many years been a hot seat, and do this not only for the benefit of Canadian broadcasting, but for the sake of the growth and strength of this country. I believe that if we can obtain the services of such people, hon. members will agree that the bill before us provides them with a clear and positive framework within which to operate and to work toward the goal of a strong and unified Canada with the full co-operation and good will of the House of Commons. It is a goal which we all share as one which will lead to a great future for this country. Having all these things in mind I recommend this legislation to the favourable consideration of hon. members.

Mr. R. Gordon L. Fairweather (Royal): Mr. Speaker, first I should like to compliment the minister on a most helpful explanation of the legislation. As one interested in the reform of the procedures of parliament I think she would agree it is a mistake—and this does not detract from the merits of her speech—to introduce a bill of such major importance on a Wednesday afternoon when the number of speakers is obviously sharply limited. For instance, unless I as spokesman for the official opposition sit down now, no one else will be able to speak.

Some hon. Members: Hear, hear.

Mr. Fairweather: A breathtaking response. But this is an important consideration.

I would not be fulfilling my duty if I were to agree with everything the minister said, nor would she expect me to. I do agree with her that the intent of parliament is contained

in the objectives of the bill. I should like to say also, without equivocation, that I welcome clause 2 which gives legislative authority for providing broadcasting services in both the major languages of this country. This, I think, is good evidence of the earnestness with which many Canadians pursue the objective of national unity. The cost involved is a very small price to pay on a long term basis if these objectives can be reached. I have not heard about the great city of Toronto falling into dust because of the advent of CJBC. I would hope that when the C.B.C's French service starts early in November in the city of Vancouver, even that outpost of empire will be able to survive the advent of two languages.

• (4:20 p.m.)

The flexibility of the provisions for Canadian content is a good change. I think the nine years that have elapsed have proven that artificial formulae in that area did not work.

As to public affairs broadcasts in prime time, speaking for myself I say, Amen, and repeat, Amen. I hope that the new provisions will bring to an end the scandalous absence of public affairs programming, particularly on the national broadcasting system, during those hours. Even the president of the C.B.C. had to admit a very minute amount of public affairs broadcasting in prime time when he appeared before our committee.

I feel we will have to improve the system for the reporting of infractions by the C.B.C. I think the minister is following her well known generous disposition in thinking that once a report is made parliament will go into high gear and deal with it. I have been here only five years but I have waited a long time for high gear on most matters. I suppose it would be a reform if the minister would agree that there be a reference to the broadcasting committee to deal with such a report. Other speakers will probably have better ideas.

As the minister said, the white paper recommended that licensing be the responsibility of the regulatory authority and the broadcasting committee concurred. But I think we will want the broadcasting committee to examine the minister's words on this aspect in the light of Bill C-163.

I add just one word about the mandate of the C.B.C., the object of which I am sure we all share, and the progress of national unity. I think that this summer the corporation did a very remarkable job in trying to fulfil that mandate. The minister herself, many agencies of government and private people have helped in this evocation of national unity, and I would like publicly to pay tribute to the C.B.C. and the private networks for responding to this surprising evidence of our assurance that suddenly has come upon Canadians. They found it was not such a bad idea every once in a while to look inward on themselves and see that there is indeed a bit of purpose to our nation.

"The most remarkable and most poorly utilized invention since the printing press is television"—so said Walter Lippmann. Douglas M. MacDonald in a recent thesis entitled, "A History of Broadcasting Regulation in Canada," had this to say:

> Generally speaking one can safely state that the first and prime problem of Canadian broadcasting has been solved, that of providing the technical facilities necessary to blanket the nation with an effective Canadian voice. The more difficult one is giving it something to say.

Giving broadcasting something to say has absorbed the time and talents of countless Canadians from the advent of radio through the addition of television, past countless columns, commissions and committees until this juncture in the on-going search for quality. There have been great moments, and many more times a shallowness of performance and emptiness of content. Bill C-163 is not the final word on the subject, as the minister herself admits. In fact, because of a curious absence of study—and I attach no blame here—on such topics as what one commentator has called the potential avalanche of cable television and satellites, it may be dated even before its purposes get fully under way.

I myself rather find that these comprehensive bills—and here I speak as a lawyer—which attempt to amend several acts as well as to invoke new principles, are a somewhat awkward way of dealing with legislation, but that is just a passing comment. I would now like to make a general observation or two about the bill and then discuss television and pay a passing tribute to radio, a much neglected feature of our culture.

I regret that the sensitivities of French speaking and English speaking Canadians are such that the name of the new regulating body is to be the Canadian radio commission. The minister says we can think up a new name, and I will follow her suggestion. As a

matter of fact, mine is the same as one of her own. But surely it is puerile in the extreme to use a totally outmoded phrase or series of words as a sop to bilingualism. The type of bilingualism to which we aspire in Canada is surely made of sterner stuff. Surely the ultimate in bilingualism can withstand the use of a modern and relevant phrase. I myself think that "Canadian communications commission" would at least have the merit of being a more accurate expression of the purposes of the commission.

I am troubled by the ambivalent position of the C.B.C. both in its relations to the regulatory authority and to parliament, although I admit that the minister in her speech clarified my mind on some points. It seems to me to be basic that the corporation should not become embroiled in political controversy and should be shielded from improper governmental interference. Yet the appeals procedure which is available to the C.B.C. could well have the effect of embroiling the minister in a clash between the conflicting interests of the new commission and the C.B.C. At the very least the minister becomes a referee or arbitrator between two protagonists both of whose ambitions the minister should share.

Clause 6, dealing with the primacy of public broadcasting, might be strengthened if we added that really the interest we are trying to protect is the public interest. I think the minister agrees that that is the purpose behind the bill and that there may be instances where in fact it would be in the public interest to license a private outlet. Only this afternoon we heard of a freeze on facilities in one of our western cities. I am only making a suggestion.

Other hon. members will deal with the positions of the presidency and vice-presidency of the C.B.C. We in the opposition are concerned lest the very situation which forced governments to appoint numerous advisory committees, royal commissions, Mr. Stuart Keate—and the C.B.C. itself had a president's advisory committee—may be perpetuated in the new bill. The Winnipeg *Free Press* in an editorial on October 21 said that the proposal could have the effect of perpetuating the two solitudes of bureaucracy and talent which have so bedeviled the C.B.C. in recent times. I am sure it is the aspiration of all of us to end those solitudes.

The House of Commons committee on broadcasting which reported last March 21 on the white paper had this to say about the organization of the C.B.C. board, its officers and management:

> The committee concurs with the proposed composition of the board and the provision for a chief executive officer to be appointed by the board. We have noted with approval the relationship between the chairman and the director-general in the British Broadcasting Corporation which might well be emulated in the C.B.C.
>
> We recommend that the chairman be known by that title rather than as president. We consider this a position of high prestige and responsibility to be filled by an outstanding Canadian prepared to devote his energies fully to the C.B.C.
>
> We recommend that the chief executive officer be called the general manager and that he not be a director. We feel he should be a highly respected person experienced in program production administration and finance capable of giving creative and positive leadership in the keystone of our broadcasting system.
>
> We reiterate the committee's recommendation in its ninth report, dated June 29, 1966, that there should be a senior executive responsible for programming and production in the English and French networks respectively, each reporting to the general manager.
>
> • (4:30 p.m.)
>
> We agree that directors should be experienced in management matters, but we would not wish to see "management" in this context equated entirely with "housekeeping".

These recommendations represent the considered opinion of two parliamentary committees and were adopted unanimously by those committees. I regret that the government has seen fit to fly in the face of them. In my opinion the C.B.C. chairman, and in fact the new head of the regulatory authority, well might have the same relationship to parliament that the Auditor General and, for example, the Chief Electoral Officer have, that is, appointment by parliament and not by the governor in council.

Here may I be permitted to add a word or two about the unseemly backing and filling which I must admit, although I know the minister does not agree, is so characteristic of this government in regard to the C.B.C. senior appointments. The government has gone through list after list of potential candidates and finally, having been rebuffed at every turn, we are informed, is about to settle on a senior public servant for the post of president of the corporation. I am quick to admit that I have nothing but respect for the senior echelons of the public service in Ottawa but, frankly, I would have expected that after a year long world-wide search the government would have met with success in finding a candidate in a location other than under a desk marked crown property here in Ottawa.

All in all it has been a most extraordinary game of tag conducted by a rather dispirited and out of breath Prime Minister whose every move is known in the corridors of power but not always, as the minister admitted yesterday, by the Secretary of State herself. I wish to be fair to her. I think it is time that she should be given a chance to be "it" in the game of tag, or perhaps the name of the game is "blindman's buff" and not a game of tag after all. I sincerely hope that an end will soon come to this most extraordinary search for talent. Indeed, as she interjected in yesterday's debate, the minister placed the blame where I know it belongs, in the office of the Prime Minister of Canada.

In speaking of appointments I should like to say I am sure the public will be anxious to know whether the staffing of the new regulatory commission will be by Canadians who have experience in the field of broadcasting or who have demonstrated that they have a real contribution to make to the board. The grubby antics which surrounded the proposed move of channel 3 from Barrie to Toronto have meant that the public is more than a little suspicious of the true independence of the membership of the Board of Broadcast Governors. Here, of course, I am not criticizing the permanent members and staff, but rather those useful extra supernumeraries who are added to the board at the pleasure of the governor in council from time to time and whose knowledge of broadcasting is rarely extensive.

Part of the reason a helpful discussion of the implications of this bill is difficult is that two major areas—I admit that the minister underlined them but they are still important—educational television and the proposed five year C.B.C. budgeting, are left for future legislative action. This makes the debate a bit unreal. Because the views of the minister and the government on these issues are largely unknown, it is rather extraordinary to be attempting to give a considered opinion on the whole issue of broadcasting without seeing those pieces of legislation. As an example, the minister herself mentioned satellites. Can we be assured—and I hope we can—that the government has by now approached a responsible international agency in order to reserve space in space? In other words, have we taken a lease on a part of a satellite so that Canadian broadcasting purposes can be fulfilled? I hope when the time comes that Canadians themselves have a satellite or a share in one that it will be a public, or a mixture of a public and private, endeavour with control in the public domain.

The white paper states on page 14 that the government accepts the recommendation of the advisory committee that the C.B.C. be financed by way of a five year statutory grant. I do not know why that is not in the bill. I wonder whether the government has had a change of heart in respect of these recommendations. I think that a good many of us, and perhaps the government too, have had serious misgivings about the five year plan because it may well mean a diminution of responsible control. I do not mean narrow nitpicking but rather responsible control of the financing of this corporation on an annual basis by parliament.

Educational television in Canada is at—I was going to say at the threshold of time but that is a cliché which I should like to avoid—the beginning of an exciting era. The subject is to be studied by the broadcasting committee, but it is too bad that the new bill could not have covered this new development also.

As one example of the problem, we do not know whether the government is going to licence v.h.f. or u.h.f.—these notes were prepared before the minister's announcement but I am delighted to see that it will be mandatory for all manufacturers of television sets to provide for ultra high frequency reception.

When the members of the committee were studying the white paper they were deeply concerned about the regulation and supervision of programming. They were of the opinion that the regulatory authority should not be involved in the corporation's day to day decision making or in policy making concerned with the internal workings of the corporation. This must be the responsibility of the C.B.C. board of directors. The responsibility of the B.B.G. in the first instance would be to amplify the broad principles for Canadian broadcasting laid down by parliament and to set general standards following public hearings. I am quoting from the report. The legislation must say, with a good deal of precision, what these principles are as they apply to the various components of the system, both public and private. Obviously the most important of them will concern programming. In the case of the C.B.C., responsibility for programming must rest with its board and management.

The report also states that as "auditor general" of broadcasting the B.B.G. should assess the performance of all components of the system under its supervision, including the C.B.C. In assessing the C.B.C., the B.B.G. should take into account the financial resources available to the corporation, its mandate and its vital importance as the prime instrument of national policy in broadcasting.

The governor in council, rather than parliament, is given too much power in this bill. In legislation dealing with such a powerful medium of information and propaganda it is of the utmost importance, and parliament has a clear duty to insist, that every evidence of unwarranted government interference should be removed. May I cite three examples which come to mind. First, there is the obligation placed on the minister to be arbiter in any conflict between the C.R.C. and the C.B.C. Second, there is the right given to the governor in council to pre-empt broadcast time if it is decided that the program is of special importance to all Canadians. Third, there is the right given to the governor in council to overrule grants of licences. I admit that the minister has given an interesting explanation of this latter provision.

In the case of a pre-emption of the airwaves it is my opinion for what it is worth, that regulations should be prepared which spell out clearly and carefully the circumstances in which this extraordinary power will be authorized. I would much prefer that this be done by the regulatory authority which must be privy to national emergencies and as sensitive to them as is the governor in council.

• (4:40 p.m.)

Another obvious improvement in the bill would be a provision requiring reasons for decisions of the regulatory authority being made public.

Some hon. Members: Hear, hear.

Mr. Fairweather: I hope the minister, who is a distinguished counsel, will agree with me on this. I hope at a later stage to produce an amendment making that compulsory. It will become increasingly important for those who have applications or matters before the C.R.C. to have some jurisprudence, not in any sense to hamstring the authority but rather to ensure that full disclosure is made of the rationale of decisions. This is a reform that I am sure will commend itself to the minister.

[Mr. Fairweather.]

There is a further serious departure from the recommendations of the parliamentary committee's report in clause 5 dealing with the setting up of the regulatory authority. The white paper, paragraph 4, said in dealing with this subject:

> The extended powers and responsibilities of the board will, in the opinion of the government, require the attention of more full time members than at present, but there should continue to be a number of part time members sufficient to provide a broad cross-section of Canadian opinion.

The parliamentary committee on page 8 of its report said that it approves of the licensing procedure, etc., but it believes that the authority of the board should not only reside in the full time members but part time members should have the right to vote. We also recommended that the total number of members be 11. I am not going to play a numbers game with the minister, whether it should be 7, 8, 10, or 11. I have not given very much attention to the adequacy of the number, but I believe that the full board should be part of the decision making process.

I will be anxious to hear the minister's explanation for ignoring—I suppose she has some explanation—the recommendation of the parliamentary committee which made, I think, a pretty careful examination and study of what I believe to be the essentially undemocratic proposals in the white paper. As an aside, may I interject that it is curious how often governments and their legislative draftsmen prefer the less democratic way of doing things. There seems to be an innate suspicion of parliament itself in a good deal of the drafting of provisions for orders in council and so on. However, I suppose that this statement is made more easily when sitting on the opposition benches than when one is in the seats of power.

The insistence by the committee that the right to vote be given to all members of the regulatory authority was not lightly taken. As was pointed out in a signed article by Mr. Claude Ryan in *Le Devoir* of October 19, and I have done my best to put this into passable English, "As we know, the bill puts aside this wish of the committee. It comes back, by a 'bias' which will not deceive an experienced observer, to the first idea of the government. As all permanent members of the C.R.C. will be named by the government, and subject to renewal of their mandate, there is evident risk that the independence of the C.R.C. will be reduced as much."

I believe this bill should go back to the parliamentary committee because in so many

ways it differs from the report of the special committee. Here I should like to suggest, and I do so quite sincerely, that it be sent to committee before approval in principle. The committee has the competence and ability, I say with respect, to improve this bill and make it a more democratic evocation of what the policy of the government should be. I think it would be a landmark in the long and perilous journey toward parliamentary reform if the Secretary of State would agree to what I suggest is an imaginative and proper procedure. If we really mean that the parliamentary committee system is to be effective, the minister will jump to accept this suggestion. I assure her that it is not a delaying tactic; it is a reforming tactic. It is not a device to kill the bill; it is a genuine attempt to use the latent talent and experience of parliamentarians for the improvement of the bill at an early stage of its passage through the house.

Just as surely as the bill is approved in principle on second reading, we will be told in committee: No, you cannot have any amendments; you have approved this bill in principle; be good boys, go away and don't bother us. The better procedure, and it will come some day—I should like to see it come on this bill—is for bills such as this to be considered before and not after second reading.

I leave it to other spokesmen of this party, and I suppose other parties, to discuss the helpful suggestions of the Association of Canadian Television and Radio Artists who have such a stake in a program for better broadcasting. The list of artists, writers, actors and other broadcasting professionals who have had to seek employment outside Canada is a veritable honour roll of talent. But unlike most honour rolls, the ACTRA list is made up of living people, people who want to work in Canada and contribute to its cultural greatness, people who seek quality of content and share aspirations for promoting the unique quality of the Canadian contribution to our national expression. If we in parliament, those in the new regulatory authority, in the C.B.C. and the private networks, fail them now—this is perhaps being dramatic—I say that our children will live to rue the day for we shall have dissipated our heritage.

Within the ACTRA submission to members of parliament there are a couple of proposed amendments that I hope the minister will accept without too much debate. One which is to be found at the bottom of page two of ACTRA's submissions is as follows:

> —we recommend the addition of sub-subsection (v) to read:
>
> co-operate with the Canadian Council, the National Arts Centre, the National Film Board, the Canadian Film Development Corporation and other such bodies in the encouragement of Canadian cultural expression in all its forms.

The minister more than any other person knows of the proliferation of culutral activity in this country. It seems to me it is time this proliferation was harnessed, not in the restrictive sense but in the sense that one area of cultural betterment will know what another area is doing. There should be a cross-fertilization, if I can use that term after the—well, I had better leave it there.

Some hon. Members: Oh, oh.

Mr. Fairweather: The various agencies should be given an opportunity to serve one another. The ACTRA submission contains another proposed amendment as follows:

> The private element of the Canadian broadcasting system shall offer an alternative choice to the service provided by the national broadcasting service emphasizing local and regional programs and the maximum utilization of local creative talent consistent with high quality programming.

That is a worth-while objective which I think very well fulfils a major responsibility in the private area of broadcasting. Canada is fortunate in having several first-rate television critics. Pat Pearce, Roy Shields and Bob Blackburn come to mind. These people and others through the years like Austin Weir, who spent his life in public broadcasting and has since retirement written the most important book on Canadian broadcasting, Graham Spry, Roger Plaunt, and very many others, knew what E. B. White meant when he said in 1938:

• (4:50 p.m.)

> I believe television is going to test the modern world, and that in this new opportunity to see beyond the range of our vision we shall discover either a new and unbearable disturbance of the general peace or a saving radiance in the sky. We shall stand or fall by television—of that I am quite sure.

He said those words about 29 years ago and I do not think one single phrase or sentence need be changed. The only sad part is that there is so little evidence of saving radiance.

One of the great American broadcasters, Edward Murrow, said in 1958, 20 years after White's statement:

> This instrument can teach, it can illuminate; yes, it can even inspire. But it can do so only to the extent that humans are determined to use it to those ends. Otherwise it is merely lights and wires in a box.

I would have liked to have the opportunity to speak about Canadian radio and about the great contribution to national unity and national sanity made every morning at 8.35 by that great radio man, Max Ferguson, who takes on the sacred cows.

Miss LaMarsh: I will make him pay me a commission.

Mr. Fairweather: We will speak about that later, I expect.

C.B.C. radio at last seems to know its purpose. It seems more free of the fetters of commercialism and it is all the better for it. Sometimes I wonder, when attacks are levelled against public broadcasting, what would happen in this country if very early on a Monday morning all of C.B.C.'s television and radio broadcasting closed down and we then asked those in favour of R. B. Bennett's vision of public broadcasting to stand up. I think we would then have a real understanding of what this great national service has done for the country.

I would also have liked to speak about the great experiment starting this Saturday night in the United States. They are finally catching up with us. Because of the findings of the Carnegie commission on educational television and the $10 million grant from the Ford foundation, the first network series of public broadcasting will take place in the U.S.A. It will take place because the private interests have failed the viewers in that country and because people who are interested in this great facility want to do something to improve its content. I think that Mr. White, Mr. Murrow and hundreds of others have an understanding—and I would like to pay the minister the compliment of saying that I think she also and many others in parliament have an understanding—of the obligation that we have to the country to ensure that by standing for what could be the splendid purposes of this media we help to teach, to illuminate, yes, even to inspire.

Mr. R. W. Prittie (Burnaby-Richmond): Mr. Speaker, the minister was criticized when she introduced the resolution preceding the bill for not giving us very much information and for speaking too briefly. Today she gave us a very full explanation, perhaps too full for my purposes because as a result I have only four minutes left in which to speak today. However, I congratulate her for her speech. It was very comprehensive and explained much of the thinking behind the new legislation.

Let me say first that I think the bill is generally good. This does not mean amendments will not be suggested when we get down to the clause by clause study in committee. There are many points in the bill which I think bear looking into. The whole question of the relationship of the Canadian radio commission and the C.B.C. is certainly one of them. The position of the minister with regard to the C.B.C. and the regulatory authority is another very important one. However, the bill is a good one in many ways. It lays out the objectives of broadcasting in Canada. I cannot find very much to quarrel with there. It also gives the C.B.C. particular responsibilities. One of its responsibilities is to promote national unity in the country, and one can hardly be against that.

However, in that connection there is one fear in the back of my mind. I have noticed that on the part of members of this house, French speaking members in particular, there has been a great deal of criticism of the French network of the C.B.C. We hear the charge that it is riddled with separatism and that these people are promoting disunity in the country. This may or may not be true. I simply do not know. But I would not want to see a witch-hunt started because there is something in the bill saying that national unity must be promoted which would enable the government to go to anyone who was not doing exactly what was wanted and say: You are not promoting national unity; you are a separatist and therefore you are out. There is a possible danger there. However, one cannot quarrel with the aim of promoting national unity in Canada.

There is also the declaration that the airwaves are public property. Legally there has never been any doubt about this, but perhaps those people who are given the privilege of using the airwaves need to be reminded of this. I notice that in Great Britain this year some of the broadcasters were so reminded. A number of the people who had permission to operate under the independent television authority had some of their rights withdrawn. This was a reminder to those companies—

Miss LaMarsh: —that they cannot print money any more.

Mr. Prittie: I also believe a former Canadian lost some of his rights in regard to television in Scotland. However, it is a useful reminder that the airwaves are public property and are subject to review.

I am also pleased to see in the bill the statement which was recommended by the broadcasting committee about the pre-eminence of the public system. It recognizes the existence of the private system. The public part of the system has been important in the past in Canada and I think it will have to be the most important in the future.

There has been some criticism that the new broadcasting authority has too much power. I do not agree with that at all. Experience in other countries shows that a broadcasting authority has to have legal power and, what is more important, has to use its power. The United States had a very sad experience with the federal communications commission and there has been a great deal of criticism of that organization. Some people have wondered why it bothers to exist at all, because it has simply reflected the views of the people in the industry rather than those of the public. I think we have always had a stronger authority in Canada. It needs to be stronger and it also needs to exercise that authority.

Before you see the clock, Mr. Speaker, I would like to make one other point. No matter what kind of broadcasting legislation we pass in the house, much of the success of broadcasting in Canada will depend upon the people appointed to carry out the job. That goes almost without saying. I should like to conclude with one comment to the minister. The Ottawa *Citizen* of October 19 made a very good point in its leading editorial entitled "Can We Keep Politics Out?". In the last paragraph it said:

> In any case the appointments to the C.B.C. must be of the highest quality. The unfortunate precedent set in the Board of Broadcast Governors, where past service to the party in power is the chief qualification for membership, should be renounced from the inception of the new body. Otherwise, we are only playing alphabet soup with a meaningless change of initials.

I commend that to the minister. I will have more to say about this subject when I have the opportunity to resume my speech. In the meantime, may I call it five o'clock?

Mr. 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 and public bills.

• (5:00 p.m.)

[*Translation*]

OLD AGE SECURITY ACT

PROPOSED PAYMENT OF PENSIONS TO HUSBAND AND WIFE AT THE SAME TIME

Mr. Gérard Laprise (Chapleau) moved:

> That, in the opinion of this house, the government should consider the advisability of introducing a measure which would allow the husband or the wife of a person who is entitled to a pension under the Old Age Security Act to become eligible at the same time even if his or her age does not meet the requirements of the act.

He said: Mr. Speaker, my purpose in introducing this motion is to enable the house to act on a shortcoming of our social legislation which fails, in certain cases, to grant the wife the same rights as the husband. The motion reads as follows:

> In the opinion of this house, the government should consider the advisability of introducing a measure which would allow the husband or the wife of a person who is entitled to a pension under the Old Age Security Act to become eligible at the same time even if his or her age does not meet the requirements of the act.

It is known that in this country—and the same is true all over the world—it is customary for a man to take as a wife someone younger than he is. It may be a good way to ensure superiority over the other sex.

While I did not make any extensive research on the subject—besides, I do not know of any definite statistical data—in order to determine to what extent the wife is younger than her husband, I made a few phone calls at random, and out of 20 families interviewed, 18 wives were younger than their husbands. This means, therefore, that the ratio of that marital status is quite high.

Since I came to the House of Commons more than five years ago, I have met people from every level of society, but especially those faced with financial problems who find it hard to make both ends meet after retirement, particularly when there is only one cheque at the end of the month to support two persons during the next thirty days.

I have received many letters from my constituents asking me to appeal on their behalf to the federal or provincial governments, as the case may be. We will admit that the $75 cheque received by the husband, and which

now, for almost a year, reaches sometimes $105, is inadequate to pay the rent, the fuel, the electricity, the telephone, the food, the clothing, the medical bills, the entertainment, and so on.

When we happen to assist them in their budget, as I have done myself so many times, we easily realize that they cannot possibly live decently with so little, mainly when a retired couple is involved.

We know, Mr. Speaker, that when our workers, farmers, in short all middle class people, get to the retirement age, few of them have managed to set aside a reserve which will allow them to face the difficult years of retirement.

The 1966 December issue of the *Canadian Worker* reads as follows:

—according to the 1961 Canadian census figures, a third of the 2,720,276 Canadian families, with the head of the family earning a salary, live in poverty.

Also in the May 1967 issue of this magazine, Mr. Émile Gosselin, an incumbent professor at the Department of Industrial Relations in the Faculty of Social Sciences of the University of Montreal, who headed a survey called "The Third Solitude", defined poverty in the following terms:

"Poverty is the status of people whose needs, as deemed necessary in terms of the standards and values defined by their physical environment, cannot be reasonably satisfied, because of resources insufficiency. Needs and services deemed necessary, under these standards, to minimum adequate living conditions are unavailable to the poor and beyond their material conditions; they cannot, therefore, be provided by means of the resources available to the poor."

A little further in the same article, we can read this:

—1,032,000 people, of 48.6 per cent of the total population of the metropolitan area, who are living in misery, poverty and deprivation, or whose living conditions are precarious or marginal.

And it continues:

More than 55,800 families out of 217,000, or 20 per cent of the families in the city of Montreal are plunged into poverty and more than 27,000 families in the suburbs, or 14 per cent also live in poverty. For the metropolitan area, that percentage is 17 per cent of the families and 20 per cent of the population.

Besides the families living on less than the vital minimum "needed" for a bearable social and human life, there are still in the city of Montreal 50,000 families, or an additional 18 per cent who live in deprivation and which "a simple recession or any unemployment which goes on ever so little can plunge into a state of poverty, which was their lot during the depression". In the suburbs, 29,000 families, or nearly 15 per cent of the population, live in deprivation.

[Mr. Laprise.]

Therefore, this means, Mr. Speaker, that for all those people with a low income—I gave the figures for the Montreal area, but I think that the same proportion could easily be found in practically all urban centres and even in most rural areas in Canada—it is useless to think of saving money for their old age. Besides, in view of the personal income tax and the taxes of all kinds that a worker pays during his lifetime, it seems to me that the government has the duty to give retired people a little social justice, because I think that refusing to recognize the same rights to a married couple at the time of retirement represents a social injustice that should no longer be tolerated in a country which prides itself on its progress in the field of social justice.

If this motion were passed, Mr. Speaker, the resulting act would therefore enable the wife, who is younger than her husband, to receive her own old age pension when he retires, even if she has not reached retirement age as stipulated in the act.

It might be added here that the government could, in agreement with the provinces, pass a similar law with regard to old age assistance when the husband, for instance, is declared disabled or blind.

And so, many financial difficulties would be spared these couples, because women have trouble finding work even at an earlier age than men. At fifty five, and often much earlier, even if work is available, her health often does not allow it.

In a study published a couple of years ago, this is what the National Welfare Council had to say:

The inadequacy of the financial means of old people is even better illustrated by the data on revenue by age group. The average yearly income of men in the high sixties falls by slices of slightly more than $2,000 per year to approximately $1,500 per year when they reach 70 or over, and settles at approximately $900 somewhat before 90. For the women, the situation is even more precarious.

It is already rather precarious for men but for women, the situation is still worse.

They have an average income of slightly less than $500 at the end of their sixties; this income increases to about $800 at 70 and slightly over and remains almost level from then on. The poverty of the average old woman is all the greater in that she tends to live longer than man in similar circumstances; she makes up an increasing proportion of old people in the last 10 years of life. As a result, the situation is particularly difficult for the majority of old women whatever their age group—

• (5:10 p.m.)

It might be objected that if legislation to this end, were to be passed, it would cost several million dollars each year to the treasury.

I admit, Mr. Speaker, that it would increase the budget of the National Health and Welfare Department. If we stop to consider the dollar sign, this motion will obviously not go very far, but we should rather consider whether it is possible to supply the goods and services which these new pensioners will require. I have no doubt that Canadian producers could supply and could meet the demand of all those who would benefit from legislation that might follow this motion now under consideration.

So, Mr. Speaker, we must stop and look at the problem of the third age of the females of the species and we should look upon it as a human problem which demands a humane solution.

I do not doubt that hon. members in this house tonight will support this motion and I leave it up to them to express their views.

Mr. Gaston Clermont (Labelle): Mr. Speaker, the notice of motion we have before us, moved by the hon. member for Chapleau (Mr. Laprise) reads as follows:

That in the opinion of this house, the government should consider the advisability of introducing a measure which would allow the husband or the wife—

And the hon. member spoke mostly of the wife, but the motion mentions the spouse.

—of a person who is entitled to a pension under the Old Age Security Act to become eligible at the same time even if his or her age does not meet the requirement of the act.

I admit, Mr. Speaker, that the motion of the hon. member deserves the attention of this house but I think also that we should study it and consider why the Old Age Security Act has been established in Canada. When this legislation was voted by parliament, it was intended to allow elderly people—at the inception the minimum age was 70 and more, but it is now 68—to have and maintain a definite income.

Since then, Mr. Speaker, that is, since December 20, 1966, the house has granted a guaranteed income supplement to the extent of $30 per month, thus ensuring any person of 68 and over a minimum annual income of $1260.

It is also known that parliament has amended the Old Age Security Act by providing an automatic increase proportionate to the increased cost of living and, as announced recently in a joint release by the Minister of National Health and Welfare (Mr. MacEachen) and the Minister of National Revenue (Mr. Benson), as from January 1, 1968, the old age security pension, as well as the supplementary pension, will go up by 2 per cent, which means that since that legislation was passed in 1952, pensions have gone from $40 to $75; in addition, and as from January 1, 1968, those pensions will increase by $1.50 per month, and the supplement will reach $30.60 per month for certain persons instead of $30.

The house also passed in December 1966 a comprehensive medicare legislation, which will come into force on July 1, 1968.

Of course, Mr. Speaker, some will object that only if provinces are individually adopting that plan according to the provisions of the federal legislation, will that system be implemented. We must remember that since parliament adopted the Canada Pension Plan, residence requirements have been made more flexible.

It is difficult, Mr. Speaker, to assess the number of married couples where the wife or the husband does not have the age required by the act to receive this pension. If the motion introduced by the member for Chapleau, were agreed to, would this amendment to the old age security act be on a universal basis, or would it be necessary for the departmental officials to make investigations concerning those families and I would even say in separate homes, to ensure that their request meets the requirements and is justified, because there could be cases where either the husband or the wife—according to figures mentioned by the member—especially the wife, would be 45 or 50 years old only, and would be eligible to a pension under the Old Age Security Act?

Also, if parliament is justified, Mr. Speaker, to agree to the motion of the hon. member, why not include any single person who is not old enough to be entitled to old age security but is in want, since he also would have reasons to expect such a pension?

We could also include in this category widows aged 60 to 68.

As the hon. member for Chapleau knows, I agree that in Quebec a widow or an unmarried woman between 60 and 65 who is in need may receive a welfare allowance.

Mr. Speaker, I also know many couples where the wife is younger, and the families I have in mind right now have urgent financial needs. The scope of the Canada Assistance

Plan was extended in 1966 by the house to help even more people receiving an old age assistance pension, the blind, the disabled or those receiving unemployment assistance, including needy mothers and their families, children getting social assistance payments. Moreover, needy people can benefit from a joint medical expense program, because one knows that under the plan the contribution of the federal government amounts to 50 per cent.

The hon. member told us that we should not only consider the cost of this project but that we should also take into account human misery and the human being. However, I think that consideration of the cost is of prime importance since those cases can sometimes be assisted by other means. Such a motion might be passed and I sincerely admit that I am quite in sympathy with it but, in several cases, it would mean a duplication of effort and it would also add rather heavy expenses to the federal budget. I say then that the cost is very important since, in the 1967-68 budget, the estimated expenditures for the payment of pensions to old people and for the guaranteed supplement, amounts to $1.4 billion. To support those figures, I refer to question No. 485 placed on the order paper by the hon. member for Gatineau (Mr. Isabelle) and to which the Minister of National Health and Welfare (Mr. MacEachen) answered on October 25 last as follows, and I quote:

• (5:20 p.m.)

1. How many persons are receiving old age pensions (a) in Canada ...

Answer: 1,241,261.

2. How many of the pensioners are receiving the supplement of $30.00 per month (a) in Canada ...

Answer: 435,284.

3. How many are receiving only a portion of this supplement (a) in Canada ...

Answer: 265,967.

As I was saying earlier, if this motion is passed by the house, we should also think of needy bachelors and widows who are not old enough to be eligible for old age security.

I have made inquiries and I have been told that to provide this assistance would cost over $300 million a year. The hon. member for Chapleau might perhaps say that there is no need to raise taxes in order to cover this expenditure, but merely to turn to the Bank of Canada. In this respect, Mr. Speaker, I should be glad to quote two paragraphs from a speech made by the French minister of economics and finance, Mr. Michel Debré, in Rio de Janeiro on September 26, 1967, at an annual meeting of the International Monetary Fund and the International Bank for Reconstruction and Development. When speaking of additional credit, he said:

It is true that no credit system can ever entirely satisfy the needs of young countries and, generally speaking, of countries whose rapid development has top social priority.

How can one think that the artificial creation of paper money can be a solution? To hand out small amounts of money does not solve anything, and to give out large sums would soon cause incredible upheavals the first victims of which would be the developing countries.

In line with the motion presented by the hon. member for Chapleau (Mr. Laprise), there is another aspect of social security which might have priority over that suggested by the hon. member and, even if this priority is very important—

Mr. Laprise: Would the hon. member permit a question?

Mr. Clermont: Yes, certainly.

Mr. Laprise: The hon. member has quoted a statement made by a minister of finance of France. I do not know if he wants to connect this statement with the ideas put forth by the Social Credit party. And I will have him know that never, under any circumstances, has Social Credit ever called for the creation of an artificial currency.

Mr. Clermont: No, but Social Credit has called for a national discount.

Mr. Laprise: That is not artificial money.

Mr. Clermont: I have accepted the question. But I remember very well certain interventions in the committee on finance, trade and economic affairs last year when we were revising the bank charter. I remember these interventions and to me, that also meant easier money.

I was going to say, before being interrupted by the hon. member for Chapleau, that, in the field of social security, I feel that priority should also be given to the matter of family allowances.

To my mind, a government should assume its responsibilities toward society as a whole, toward every population sector, and this is not always easy. We should not, however, put too heavy a burden on taxpayers who try to provide for their personal and family needs. I sympathize with the motion of the hon. member, but the Old Age Security Act was voted by the Canadian parliament in

order to assist the aged, and other means of assistance are actually available for those in need that do not qualify for the old age security program, such as the Canada Assistance Plan, for instance.

[*English*]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to support the principle of the motion presented by the hon. member for Chapleau (Mr. Laprise). Let me make it clear that if the principle were translated into legislation certain details would have to be worked out and certain limitations would have to be accepted. However, it is not an effective answer to the problem raised by the hon. member, nor is it an answer for the hon. member for Labelle (Mr. Clermont) to wander all over the social security field in order to find some basis on which to say that we should not consider this proposition.

I recognize the suggestion by the hon. member for Labelle that without certain age limitations some rather strange situations could develop. We might have the story book experience of an old man marrying a teenager who would then receive the pension. But let us not get deflected by that kind of an argument. The hon. member for Chapleau does not want that; neither is he concerned about the 40-year old individuals mentioned by the hon. member for Labelle. What my hon. friend from Chapleau is concerned about is the standard, usual case in our society where a husband is two or three years older than the wife, or at least two or three years older than her stated age—

An hon. Member: You mean four years older.

Mr. Knowles: Someone has suggested four years older. Are there any higher bidders? In any event the husband is usually the breadwinner, and in many cases the husband can go on pension at age 68. But because his wife is only 64 or 65 there is no possibility of her receiving the old age security pension and, as has been pointed out, only if dire poverty is involved and the wife is 65 can she apply for old age assistance. However, in my experience it is not good to have one member of a couple on a pension without a means test and the other on a pension with a means test.

It is my suggestion that we do not get involved in the unusual cases, that we not become concerned about the details the hon. member has not written into his resolution, but that we look squarely at the normal problem that arises when the breadwinner goes on pension and the other member of the couple is a year or two short of pensionable age. Sometimes it is the wife who is the older one; sometimes it is the wife who is the breadwinner. In all cases it seems to me that there is merit in the proposition that a retired couple, within certain age limits, should get the pension for both of them. This could be achieved by fixing a minimum age perhaps 60, below which a pension would not be paid, or by determining a margin between the husband's age and the wife's age. Or it could be solved by deciding that pensions for women should be paid at the age of 60.

• (5:30 p.m.)

In any event, I agree with the hon. member for Chapleau that there is a real problem here. It is not only a problem of economic need; it is one which relates to our way of life. And just as we have argued in favour of this principle in the past I should like to indicate our support for the proposition that is placed before us in this motion.

I was a little surprised that the hon. member for Labelle should have thought that the way in which to answer these points was to tell us of all the things the Liberal government has done in the old age pension field and, of course, to indicate to us that everything was wonderful. In particular, I was surprised he should have made such a point out of the fact that the government will be increasing the old age security pension in January under the automatic clause in the act. That clause is a good one; it is a good principle to have recognized. But I suggest that when the hon. member's constituents eventually get an increase of $1.50 a month he will not be deluged with mail thanking him for what the government has done. As a matter of fact I had a letter the other day from a woman in Nova Scotia asking for my advice in connection with the $1.50 which she will be getting in January. She says: "I shall be able to buy either a toothbrush or a tube of toothpaste. I cannot buy both. Which do you recommend?"

The hon. member for Labelle also gave as his answer to the request made from this side, the fact that the government had passed medicare legislation. I think any boasting about medicare legislation should at least be delayed until we see whether the provinces take up the legislation on July 1, 1968, or whether they are discouraged from doing so by the kind of talk we are hearing these

days from the Minister of Finance (Mr. Sharp).

Another argument which the hon. member from Labelle used was that if we paid pensions to married women who were two or three years younger than their husbands, why should we not pay them to single women of the same age. Well, why not? On many occasions some of us have advocated setting the eligible age for old age pensions at 65 for men and 60 for women. In other words, the problems which the hon. member raised do not set aside the points which were brought forward by the hon. member for Chapleau. Rather, they simply pose other problems which should be dealt with.

I wish to say, therefore, that I think it was a good idea for the hon. member for Chapleau to raise this matter. I think it is good that we should be called upon to discuss the whole question of the needs and problems of our older people. One of the unfortunate things about parliament in 1967 is that under the leadership of the present government, if you can call it leadership, the idea has been spread around that the pension problem has been solved and that it can be forgotten for at least a few years. It has not been solved. These people need higher pensions; they need pensions free of the means test.

As I say, I think any legislation based on this resolution ought to have some minimum age or certain protective clauses in it. But as far as the principle is concerned it is a good one and I am happy to indicate our support.

[*Translation*]

Mr. Auguste Choquette (Lotbinière): Mr. Speaker, after having carefully considered the resolution of the hon. member for Chapleau (Mr. Laprise), we come to the conclusion that it is of course a bill which reflects a magnanimity which is all to the honour of the mover.

Nobody wishes to cast any doubt on the generosity of his intention. I think such a proposal deserves to be seriously examined, but there is a long way to go before we proceed to pass such a bill. There are provisions of the budget which must be considered before we can say whether this proposal can be immediately approved.

• (5:40 p.m.)

It is a good idea to point out in passing, without introducing political partisanship in this debate, that our good friends of the Ralliement des Créditistes are those who advocate most vigourously at all times that taxes must be cut and even abolished if possible. But, on the other hand, they are the first to propose measures sometimes expensive, and prohibitive, and those who are responsible for the government feel a certain regret, a certain nostalgia, because if one day—I cannot see that it will happen—we were in opposition—I repeat that it will not happen—we would be so happy to harass the government with all kinds of requests.

[Mr. Knowles.]

You may be sure, Mr. Speaker, that if, 25 or 30 years from now, circumstances have us in the opposition, we will be the first to beg, to show great generosity, to ask the government without cease to do more for the pensioners and to ease as much as possible the taxpayers' burden. Then also, 30 or 35 years from now, the gentlemen opposite will say: Live up to your responsibilities, be serious, analyse the funds available in the budget, to see whether or not we can afford to make such outlandish promises, to launch out on such costly ventures that they could lead to the bankruptcy of the government.

Mr. Speaker, a very summary analysis of public accounts shows that for pensions, veterans allowances, family allowances, allowances to disabled and blind persons, etc., the government spends $3,350,000 for the disabled and blind persons allowances, and, according to the estimates for 1967-68, $15 million will be paid to the disabled and family allowance payments will reach $610 million.

I wish to bring to the attention of our Créditiste friends, who were shouting across Quebec the slogan: "Double our family allowances", that this would require an expenditure of $610 million for the government and that they have never suggested where such a tremendous amount would come from, in order to pay the cost of ridiculous promises.

Concerning old age security, my hon friend and colleague, the member for Labelle (Mr. Clermont), has clearly indicated for the year 1967-1968 an estimated expenditure of about $1,400 million.

Mr. Speaker, if that does not show how the government is concerned with social security, I wonder what should be done to convince our people that no other government has ever demonstrated such concern for the security of our Canadian population.

As I said a while ago, I believe the steps suggested by our hon friend, the member for Chapleau, to be most generous in spirit but

rather difficult to enact in terms of the budget. Of course, the miraculous and key solution which has always been advocated by our friends of the Ralliement Créditiste, is the Bank of Canada. The Bank of Canada is the answer to unemployment.

One day, I asked the leader of the Ralliement Créditiste, the hon. member for Villeneuve (Mr. Caouette), who is a dear friend of mine, and a very good, eager and stirring speaker, what would happen to unemployment if, some day, the Social Credit theory were put into practise, and he replied that unemployment would completely disappear in the province of Quebec. I am glad that the leader of the Ralliement Créditiste can delight in such imaginary situations, but I do not think there are, in the world, a great many economists who could accept that theory, namely that once the Ralliement Créditiste would be in power, unemployment would disappear completely and forever.

But there are people who like to dream, who delight in utopia and day-dreams. So let us not disturb them, Mr. Speaker.

So, what is the solution for all those problems? The Bank of Canada: solution for unemployment; the Bank of Canada: solution for governments' debts; the Bank of Canada: solution for individual debts; the Bank of Canada: solution for inadequate productivity; the Bank of Canada: solution for the sterility of women; the Bank of Canada: solution for everybody's problems.

As for us, we are much more realistic and cautious and I must say that some of the theories set forth, namely that in wartime, the required money is found, whereas in peacetime, it is not found, are terrible fallacies. If money is found in wartime, it is because the government borrows it; it borrows because it is an emergency.

Mr. Speaker, I understand the hon. member for Compton-Frontenac (Mr. Latulippe): we admire him for fighting in this house and for waging war on poverty. I might tell him that the first to conceive the wonderful idea of waging war on poverty was a representative on the government side, and the slogan of war on poverty was invented by a member on this side of the house. The government appropriated this idea in a recent speech from the throne, in 1965. The government started an anti-poverty program.

We are also extremely interested in this program which could be not only speeded up but intensified as much as possible in order to eliminate poverty. We are also conscious of that problem. However, instead of advocating senseless theories, we remain with the issue, which is to say that we are realistically considering the solutions necessary.

All the measures introduced by the government are certainly meant, one way or the other, to fight poverty, and it is with pride that we, members of the party in power, can say that the whole social legislation of Canada is the work, the exclusive work of the Liberal party.

Mr. Speaker, one could make witty remarks about the hon. member's motion. I wonder whether this would not be a means of encouraging middle-age urge. Some old men are on the look-out for young blond girls, because they know that at 70 or 75, besides receiving a pension, they will be able to double their pension if they find an attractive young wife. That would be encouraging middle-age urge and it would be unwholesome.

But to speak in a more serious vein, let us say that in addition to all the expenditures made by the government in the field of social security, if the measure proposed by the hon. member were passed immediately, the following expenditures would have to be incurred in the following order. First of all, it would be necessary to institute a full inquiry to determine the exact number of married men entitled to old age pension benefits and that of the men whose wives are younger and not entitled to those benefits. According to a rough estimate, I think that such an expenditure would total $150 million. Moreover—there I come to the idea of the hon. member for Winnipeg North Centre (Mr. Knowles) whose answer is this. The widows of the same age, that is those who are not yet entitled to old age security benefits but who are of the same age as the wives of those who are entitled to them, would have to be granted that pension according to the same principle. This would mean an expenditure of about $140 million added to the expenditure I have mentioned of $150 million for a total of $290 million.

• (5:50 p.m.)

Furthermore, Mr. Speaker, in addition to the widows, we have to deal with the bachelors and the old maids whose age is between 60 and 65, list them and give them an old age pension to which people aged 68—67 this year—will be entitled. That would be an additional expenditure of about $50 million always approximately. On the whole, this means that the motion introduced by the hon.

member will involve an additional expenditure of $340 million.

Can the hon. member tell us exactly what budget expenditures will have to be cut to find these $340 million. If the hon. member, for instance, who is entitled to post offices this year in his constituency, were to tell us that he does not want those post offices but that the money should be earmarked for the spouse of those entitled to old age pension, that they should be given this money, that the post offices would be cut off, then we are all for it. If the hon. member is asking us to cut down on the building of television stations in his riding, we will. If the hon. member has other works which should be carried out in his riding we shall cut all that. All he has to do is to indicate clearly where he wants us to cut down in his riding. Let him tell us whether he wants to give up his salary and we will be very happy to oblige.

As far as I am concerned, I would be highly in favour of cutting the hon. member's salary. That does not affect me, Mr. Speaker, but it might affect others, because when one has no money, it does not change anything to have less, because one has none at all. Perhaps the hon. member is a rich man; I do not know whether he would accept to have his salary reduced, but I say to him that, personally, I look with favour upon the reduction of hon. members' pay.

I am very frank with the hon. member, Mr. Speaker. The leader of the Ralliement Créditiste was the first to say, on a television program broadcast throughout the province, that $18,000 was too high a salary for members. I wonder when the member gave up part of his indemnity, gave it to charity.

All this to say that demagoguery is easy, that it is easy to say that members receive too high a salary, that farmers are not as well paid. Still, when the time comes for action, we see that those who preach great principles with ardour show far less sincerity in applying them.

In closing, Mr. Speaker, I say the member has a very generous idea, which deserves to be studied with care, but those who are responsible for the administration are entitled to make what normal objections come up from the point of view of practical application, of budgetary economic realities. They must make people understand that there are financial problems which need to be tackled, and knowing as I do the goodwill of the hon. member, I am convinced he will be the first to co-operate and to admit that, for the time being, his proposal cannot be taken into consideration, precisely because of the present budget situation.

[Mr. Choquette.]

Mr. Henri Latulippe (Compton-Frontenac): Mr. Speaker, I am very happy to second the motion of the hon. member for Chapleau (Mr. Laprise). This motion is rightly called for, in my estimation, because we must ask that a pension be paid to those people who do not receive any, because, under the present system that governs us, credit and full income have been taken away from the people through taxation and assessment, also through unemployment caused, in fact, by the system applied by the hon. members on the other side.

Unemployment was rife for 10, 15 years, for decades, then was followed by the war. After all that, an extreme burden was placed on everyone through various taxes and assessments. Taxpayers saw their whole income taken away from them, and the reason why everyone is penniless and clamours for wage increases, it is that people are no longer able to live, having been fleeced by previous administrations. The Liberals are in power—and when the hon. member for Lotbinière (Mr. Choquette) says that it feels good to be with the opposition—well, if it feels that good, I suggest that he resign and come with the opposition. It is easier to be with the opposition? The way things are, nothing can be done. He says that there is nothing for him to do on the government side, and that anything can be done on the side of the opposition? Well, he should come with his wise suggestions to the opposition side.

I do not know what is wrong with him, but anyhow he says there is nothing he can do about the economic situation, to find funds. The Créditistes are talking about the Bank of Canada, he says, but would it not be better to lend money interest free through the Bank of Canada to finance public goods, instead of merely encouraging the big concerns and the big financiers, whose profits amount to billions every year?

I could name institutions which have billions in revenue every year but which pay nevertheless about a quarter of the taxes paid by the small taxpayer. At this time and in the present system—not the Social Credit system—the little people are the ones who pay taxes. The big shots are given the right to all sorts of reserve funds: hidden reserves, direct reserves, indirect reserves. They also enjoy the right to every kind of depreciation. The tax schedule is terribly unfair.

There are great injustices, but the hon. member does not mention them. If he wanted to be honest, he would simply tell us: the money is not to be found. Then, I would answer him: Think about the $18 billion surplus that has been capitalized this year and will amount to $22 billion in 1967-68. It is possible in some places to find a few millions in order to enable certain people to live decently. Under our present system, we would not have to tax everybody in general, to keep on accumulating debts, to increase the budget, to go deep into debt and to have a deficit of over $1 billion this year.

We have had deficits since the end of the war. The member for Lotbinière tells us that it is all right to borrow money in wartime and to spend it. But we should do the same in peacetime. If it is permissible to live in times of war, while killing our fellow-men, it should be all the more so in times of peace when it is the right time to live. When the time comes to live, all we are given is taxes and more taxes.

When old age pensions are increased, taxes are increased also by about one and one-half times what is needed for those pensions, because the coffers of the government must be filled and deficits reduced.

When there is a deficit, when the administration is always financed by taxes, when no solution is found to manage and promote the economy, at least you should have the courtesy of not laughing at those who have found solutions and who can prove it with figures in black and white. I can erase Canada's debt within ten years and reduce taxes by 50 per cent. Is that enough for the hon. member? Can he find such solutions himself? No, but he finds that ridiculous. The present debt is ridiculous and the present taxes are also ridiculous.

Since I do not want to kill this motion, I conclude by saying that I strongly support it. I commend its sponsor and ask that the question be put.

[*English*]

Mr. Knowles: Question.

[*Translation*]

Mr. Ovide Laflamme (Quebec-Montmorency): Mr. Speaker, we have just a few minutes left. I just want to say in those few moments that the attitude of the hon. member for Winnipeg North Centre (Mr. Knowles) who finds in this motion a principle with which he agrees comes as a surprise to me. I should like him to show me what kind of a principle is featured in this motion, which says: If one spouse receives something, his partner must receive the same thing.

For too long, there has been an effort in this house to destroy the basis, the fundamental principle of our social security, which is not the material and financial needs of the individual, but all social security measures considered as assistance, whether they be directly related to our national income, our national product and our general resources.

All in all, Mr. Speaker, when a motion of this kind is introduced, I know they are presented with honourable intent, but it really makes me wonder, and this is directed to the hon. member for Winnipeg North Centre, it is quite proper, and also quite easy, to approve everything when one is seated on the other side of the house, it is all in the game.

But I really wonder why, if he has a sense of responsibilities, and above all the ability to set priorities, he did not have the courage to stand and say in this house: This principle cannot be accepted.

The opposition tells us: You spend too much. The N.D.P. tell us exactly the same thing, and I have known it for quite a long time. Every time there is talk of increasing one thing, everything must be increased; increase on the one hand and spend less on the other. Why, he should join the Social Credit party. If that party really wants to set up priorities, what then is it doing with that policy? Of course, it can be quite fair. I repeat, Mr. Speaker, my—

[*English*]

Mr. Deputy Speaker: Order. The hour for the consideration of private members' business has expired.

BUSINESS OF THE HOUSE

Mr. MacLean (Queens): Mr. Speaker, I should like to ask the acting house leader whether we are correct in assuming that the business for tomorrow, Friday and Monday will be as has already been announced?

Mr. Nicholson: No change is contemplated, Mr. Speaker.

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

HOUSE OF COMMONS

Thursday, November 2, 1967

The house met at 2.30 p.m.

HOUSE OF COMMONS

ROYAL ASSENT TO MARK ONE HUNDREDTH ANNIVERSARY OF FIRST PARLIAMENT

Mr. Speaker: As hon. members know, on Monday, November 6 we mark the one hundredth anniversary of the first sitting in the first session of the first parliament of Canada, and it has been decided to take note of this occasion by holding a ceremonial royal assent.

The house will meet as usual at 2.30 in the afternoon, and I am given to understand that the various party leaders will make suitable remarks following which we will go ahead with our ordinary proceedings, which will be interrupted at about four o'clock for the purpose of proceeding to the Senate and the giving of royal assent.

[*Translation*]

The hon. members have no doubt already received an invitation which the Speakers of the Senate and of the House of Commons have sent to a reception which will be held today from 6 to 8 p.m. in Confederation Hall.

I am also advised that a film on the parliament buildings will be shown in the railroad committee room at 1.30 p.m. for the English version and at two o'clock for the French version.

CANADA ELECTIONS ACT

PROVISION FOR NAME OF SITTING CANDIDATE TO HEAD BALLOT

Mr. Fernand E. Leblanc (Laurier): I beg leave to introduce Bill No. C-178 entitled: "An Act to Amend Canada Elections Act (Form of Ballot)".

Some hon. Members: Explain.

Mr. Leblanc (Laurier): Mr. Speaker, in order to identify clearly to the voters the candidate representing the population of a constituency, this bill asks that the outgoing member be listed at the top of the ballot.

This position on the ballot would help to curtail the tricks of some petty politicians who might try to run in the same riding, an opponent having the same name as the former member.

Motion agreed to and bill read the first time.

• (2:40 p.m.)

BRITISH NORTH AMERICA ACT

PROVISION FOR LIMITATION OF POWERS OF SENATE

Mr. Réal Caouette (Villeneuve) moved for leave to introduce Bill No. C-179 entitled "An Act to amend the British North America Act, 1867 (Grants of Aids and Supplies)".

Some hon. Members: Explain.

Mr. Caouette: Mr. Speaker, the purpose of this bill is to include, under section 53 of the British North America Act, standing order 63 of the house which stipulates that it would be advisable to insert in the constitution rather than in the standing orders the restrictions laid upon the Senate.

Motion agreed to and bill read the first time.

[*English*]

CANADIAN BROADCASTING CORPORATION

REPORTED STATEMENTS BY STATE SECRETARY RESPECTING MANAGEMENT

On the orders of the day:

Mr. R. Gordon L. Fairweather (Royal): Mr Speaker, I have a question for the Prime Minister. Does the Prime Minister believe that the sweeping indictment of the C.B.C. management and board of directors by the Secretary of State on a television appearance, when she accused management of rottenness and the board of having been "buffaloed" will help his efforts to recruit qualified people for the presidency and vice presidency of the corporation?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I do not think there was anything sweeping about this statement.

Inquiries of the Ministry

Mr. Fairweather: Mr. Speaker, may I direct a supplementary question to the Secretary of State. Does the minister wish to leave unrepentant her blanket accusation that C.B.C. management is rotten—

Mr. Speaker: Order, please. I had some doubt about the original question. The hon. member knows he can ask questions relating to statements outside the house only of the Prime Minister, and can ask only if such is government policy. I am not sure whether this is what the hon. member wanted in asking his first question, but his supplementary is purely argumentative.

Mr. Fairweather: Ten o'clock, Mr. Speaker.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I direct a supplementary question to the Secretary of State. In view of the fact that for the past two years she has been the minister answering to the house for the C.B.C., may I ask her when it first came to her attention that there was some rotten management in many places in the C.B.C.; whether she drew these instances to the attention of the C.B.C. officials, and what response she received from them.

Mr. Speaker: Order, please. The hon. member will recognize that the comment I made about the question put by the hon. member for Royal applies equally to this question. Hon. members cannot ask questions about statements made outside the house except of the Prime Minister, and then only to determine whether they represent government policy.

Mr. Douglas: On a point of order—

Mr. Starr: Mr. Speaker, I rise on a point of order. I can readily—

Mr. Speaker: Order. The hon. member for Burnaby-Coquitlam.

Mr. Douglas: On a point of order, Mr. Speaker, I am not asking a question about policy. The minister has made a very sweeping indictment regarding the administration of an agency of the government for which she is responsible. I am asking the minister now whether these instances came to her attention during the past two years and whether she drew the attention of this agency to the fact that there was rotten management. I am not asking for a statement of policy, I am asking the minister what she has done and what response she has received from the agency in question.

[Mr. Pearson.]

Mr. Speaker: Order, please. The question as restated appears more in order than the question asked in the first instance. I shall allow the minister to answer.

Hon. Judy V. LaMarsh (Secretary of State): Mr. Speaker, in the first place I am not responsible for the C.B.C. in the way that responsibility might be construed from the hon. member's question.

As to the substance of what he is asking I have, as is my responsibility, come to know more and more about this corporation, as about other agencies for which I have reported to parliament, over the past two years. It is really in the past two weeks that from some exceptionally knowledgeable people I have been given some examples which cause the use of language which might otherwise be considered too colourful.

Some hon. Members: Oh, oh.

Miss LaMarsh: Such instances have not been brought to the attention of the individuals concerned since the bill is now before the house and there is at least a reasonable probability that within the next few weeks or months there will be some changes in personnel and presumably some very great changes within the corporation's management.

Some hon. Members: Hear, hear.

Mr. Douglas: In view of the blanket nature of the minister's denunciation, and since there may be those who are not responsible for rotten management, does the minister intend to be more specific and give the house or the broadcasting committee more information regarding this matter?

Miss LaMarsh: While my present inclination is that when the new appointments are made both as to board and senior management the most efficient course would be for those individuals who have brought me this information to discuss the matter with the new appointees. This is a matter of internal management and should be corrected inside the corporation.

Some hon. Members: Hear, hear.

[*Translation*]

[*Later:*]

Mr. Réal Caouette (Villeneuve): Mr. Speaker, I wish to put a supplementary question to the hon. Secretary of State.

When the hon. minister states that most of the people in charge of programs must be

radicals, progressists interested in the lesser values and all that evolves, in short, that type of alert people, does she mean that only radicals can produce interesting programs on television? I would like to know exactly how she feels in this regard.

Mr. Speaker: I believe the hon. member's question is out of order.

[*English*]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I ask the Prime Minister as a supplementary question whether he approves of the statement of the Secretary of State, which in the meantime smears everybody in the C.B.C.

Mr. Pearson: My hon. friend has been in this house for a long time, and he knows that question is out of order.

Mr. Knowles: Mr. Speaker, it is not half as out of order as the smear by the Secretary of State.

Mr. Fairweather: The indictment of the Secretary of State was out of order and grossly unfair.

Mr. Knowles: And the Prime Minister approves it, too.

[*Later:*]

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, I should like to ask the Secretary of State this question. As the C.B.C. is accountable to parliament, would the minister now be prepared to disclose the name of the knowledgeable people she mentioned; and were they working within the framework of the C.B.C.?

Miss LaMarsh: Mr. Speaker, I am sorry my hon. friend was not listening earlier.

HOUSING

REQUEST FOR REDUCTION IN MORTGAGE INTEREST RATES

On the orders of the day:

Mr. Raymond Langlois (Mégantic): My question is directed to the Minister of Labour and arises from the statement by the governor of the Bank of Canada that inflation in Canada has been caused mainly by the high cost of borrowing money, at high interest rates. Following this statement by the governor of the Bank of Canada does the government intend in the near future to lower interest rates for National Housing Act mortgage loans, so that at least in one sector of the economy we can begin to reduce costs?

Hon. J. R. Nicholson (Minister of Labour): I am glad this question was asked, Mr. Speaker, since I can reiterate that the government has not set any interest rates. The government has set a ceiling under which lending institutions may operate.

Some hon. Members: Oh, oh.

Mr. Nicholson: Many of these institutions are lending at rates considerably below the ceiling.

Mr. Grafftey: The minister gets better all the time.

Mr. Nicholson: As a result of government action housing starts are up. As a matter of fact private funds going into housing have increased and there have been more housing starts in the last six months that in any six month period in Canada's history.

Some hon. Members: Hear, hear.

Mr. Langlois (Mégantic): Then now that the government has got half the job done, would the minister consider lowering the ceiling in order to produce an over-all beneficial effect upon the whole economy?

Mr. J. R. Keays (Gaspé): I have a question for the Minister of Labour supplementary to the one asked by the hon. member for Mégantic. The minister took advantage of the opportunity to make the statement that all is going well in connection with the housing situation. How can he reconcile this with the fact that there have been 30,000 fewer starts than Canada's anticipated requirement?

Mr. Speaker: Order, please. This is an argument, not a question.

FINANCE

REQUEST FOR DETAILS OF PROPOSED REDUCTIONS IN ESTIMATES

On the orders of the day:

Hon. George Hees (Northumberland): I have a question for the Minister of Finance. In view of the minister's letter to the provincial treasurers, tabled in this house yesterday, in which he said—

> We in the federal government have already reassessed the spending programs and the lending operations of government departments and agencies for the balance of the current fiscal year and for next year.

Inquiries of the Ministry

—will the minister advise the house when he intends to announce the reductions in expenditures for the present fiscal year which are to result from the reassessment he has made?

Hon. Mitchell Sharp (Minister of Finance): As I have said on a number of occasions, it is my intention to do so shortly.

Mr. Hees: Could the minister be a little more specific and advise us what he means by "shortly"?

Mr. Speaker: Order. The hon. member is now rephrasing the question he has already asked.

Hon. R. A. Bell (Carleton): Will the hon. gentleman do so today, before the guillotine falls on the estimates tonight?

Mr. Pearson: A 30-day guillotine.

Mr. Sharp: No, Mr. Speaker. Estimates are simply a ceiling on the amounts which can be spent. They are not always spent, and they very seldom are.

Hon. E. D. Fulton (Kamloops): A supplementary question to the Prime Minister. Will the Prime Minister advise the house how we are to reconcile the statement just made by the Minister of Finance that there have been reductions in this year's estimates with the statement by the President of the Treasury Board the day before yesterday that there have been no changes in this year's spending plans?

Right Hon. L. B. Pearson (Prime Minister): That reconciliation is quite simply made.

Mr. Fulton: The Prime Minister says it is quite simple. I wonder whether the right hon. gentleman would help us by giving a short answer.

Mr. Speaker: Order. This is obviously a debate.

Hon. Michael Starr (Leader of the Opposition): The Minister of Finance has just told us that estimates are rarely all spent. In these circumstances can he explain to us why it is necessary to have deficits?

TRADE

WHEAT—INQUIRY AS TO NEGOTIATIONS WITH EAST GERMANY

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): I wish to direct a question to the Minister of Trade and Commerce and ask him whether negotiations are currently under way, either on the part of the wheat board or any other Canadian agency, with the government of East Germany or any agency of that government for the sale of wheat under a long term agreement.

Hon. Robert Winters (Minister of Trade and Commerce): The wheat board is in communication with agencies of the East German government in connection with our existing contract, but we are not negotiating any new contract at the present time.

BUSINESS OF THE HOUSE

PROPOSED INCREASED USE OF SENATE COMMITTEES

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to direct a question to the Prime Minister based on letters I repeatedly receive from various persons who suggest that royal commissions be appointed to inquire into this and that. I usually reply that royal commissions are becoming more and more expensive and that a long time elapses before their reports are published.

Mr. Speaker: Order, please. The hon. member should ask a question, not give us a reply to his own question.

Mr. Herridge: My question is this. Is the Prime Minister not of the opinion that in view of the good work done by committees of the Senate in connection with land use, the Criminal Code and so on, more use might be made of committees of the Senate to investigate problems which arise from time to time?

Right Hon. L. B. Pearson (Prime Minister): Yes, Mr. Speaker.

Mr. Speaker: Order. Questions asking for an expression of opinion are not in order.

AIR TRANSPORT

TORONTO—REFUSAL OF LANDING RIGHTS TO ROYAL DUTCH AIRLINES

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I wish to direct a question to the Minister of Transport. In view of today's report that the government of The Netherlands has expressed its intention to abrogate its current air agreement with Canada because of the refusal of the Canadian government to grant landing rights to Royal Dutch Airlines at

Toronto international airport, will the minister give reconsideration to the government's decision in this regard so that air transport between Canada and The Netherlands will not be greatly curtailed or even terminated? I ask this question because of the many thousands of Canadians of Netherlands origin living within a few hundred miles of Toronto who use this air service constantly.

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I would be surprised if The Netherlands government terminated the bilateral agreement. If at any time that should be the case notice would have to be given. I believe the service at the present time is quite satisfactory to both parties involved, and I hope in the years to come it will continue to provide the well known connection between our two countries.

Mr. Nesbitt: As a supplementary question, has not the expressed intention of The Netherlands government been brought to the attention of the minister today?

Mr. Hellyer: Yes, it was, Mr. Speaker, but the subject is much too complicated to discuss at length on the orders of the day.

LABOUR CONDITIONS

WINNIPEG—LAY-OFF OF WORKERS AT CEMENT PLANT

On the orders of the day:

Mr. L. R. Sherman (Winnipeg South): Mr. Speaker, in the absence of the Minister of Manpower and Immigration and his parliamentary secretary may I ask the Prime Minister whether the government, through the Department of Manpower and Immigration, has any plans to aid in the plight of 112 employees of the Canada Cement Plant at Fort Whyte, in Winnipeg, who learned this week that they are going to be laid off their jobs for the next four months starting at the end of November?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I will be very glad to discuss this with the minister.

[*Translation*]

CANADIAN BROADCASTING CORPORATION

MONTREAL—REPORTED CONDITION OF BROADCASTING STUDIO

On the orders of the day:

Mr. Réal Caouette (Villeneuve): Mr. Speaker, I wish to direct a question to the Secretary of State.

Has the minister received complaints to the effect that the C.B.C.'s studio 43 located at the back of the Laurentian hotel in Montreal looks like an abandoned barn and has been a public hazard for at least three years?

Mr. Speaker: Order. If the hon. member wants to call the attention of the government to a situation which, in his opinion, has been existing for three years, I do not think the question is that urgent.

Mr. Caouette: Mr. Speaker, on a point of order. I am asking this question in the house because I want the press and the public to know that studio 43 in Montreal looks like an abandoned barn.

Mr. Speaker: The hon. member has now made his representations.

[*English*]

FINANCE

SUGGESTED DELAY IN REFUND OF CORPORATION INCOME TAX

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, may I direct a question to the Minister of Finance. It relates to the special refundable 5 per cent corporation income tax, which I understand comes to about $220 million. In his attempts to curb inflation has the minister considered postponing the repayment schedule of that refundable tax, which presumably is to start in December?

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, this is a question of government policy, and government policy in a matter like this is disclosed when decisions are made.

BANK OF WESTERN CANADA—PROTECTION OF SHAREHOLDERS

On the orders of the day:

Hon. E. D. Fulton (Kamloops): Mr. Speaker, I have a question for the Minister of Finance regarding the position of shareholders in the Bank of Western Canada. In the light of the fact that shareholders are in this position as the result of the granting of a bank charter by parliament, could the minister say whether the government has any plans to protect innocent shareholders, that is those outside the powerful groups now struggling for control with respect to the bank?

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, as I have explained to the house, I believe on a number of occasions,

the inspector general of banks took special precautions to see that the assets of the bank were protected during this period of uncertainty.

NORTHWEST TERRITORIES

INQUIRY AS TO NAMING OF APPOINTED COUNCIL MEMBERS

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, I direct a question to the Prime Minister. In view of the fact that the Northwest Territories legislative council is to sit less than two weeks from now, when does the government intend to name the five appointee members who are to sit on that council, in order that they will have an opportunity to study legislation coming before its next session?

Right Hon. L. B. Pearson (Prime Minister): I would hope very shortly, Mr. Speaker, and before the council meets.

NATURAL GAS

CANADIAN OBSERVERS AT U.S. UNDERGROUND EXPLOSION

On the orders of the day:

Mr. H. R. Ballard (Calgary South): Mr. Speaker, I would like to direct a question to the Minister of Energy, Mines and Resources. I wish to draw to his attention an experiment of vital importance planned by the United States atomic energy commission involving the use of an underground atomic explosion scheduled to take place in the San Juan basin on November 14. If the project is successful the developed natural gas reserves of the United States could be increased by as much as 100 per cent.

Mr. Speaker: Order, please. The hon. member knows he has to ask a question. I have the impression that this is more a statement than a question.

Mr. Ballard: I am just at the point of asking the question, Mr. Speaker. In view of the impact this experiment could have on the future production of Canadian natural gas, does the minister plan to send an official of his department to observe and report on this experiment?

Hon. Jean-Luc Pepin (Minister of Energy, Mines and Resources): Mr. Speaker, an invitation has been received by the National Energy Board and is now being considered by the chairman, who has just returned from hearings in Vancouver.

[Mr. Sharp.]

IMMIGRATION

INQUIRY AS TO USE OF NEW APPLICATION FORM

On the orders of the day:

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I intended to address a question to the Minister of Manpower and Immigration, but I will address it to his parliamentary secretary who will perhaps take it as notice. Is the purpose of the new form that is being used or authorized by the department, requiring applicants for immigration to Canada to state their social and political affiliations, to open the gates a little wider to immigration from behind the iron curtain and to simplify security screening?

Mr. Speaker: Order, please. I would think this question is of general nature and could very well be placed on the order paper.

INDUSTRY

BRITISH COLUMBIA—UNEMPLOYMENT RESULTING FROM SALE OF VICTORIA MACHINERY DEPOT

On the orders of the day:

Mr. J. C. Munro (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, in response to questions raised in the last few days by the hon. members for Vancouver-Burrard and Vancouver East in connection with the lay-off of some 150 workers from the Victoria Machinery Depot Company, I can report that the department's discussions with the company indicate that the employees affected will be phased out gradually.

My information is that given the present level of activity in the shipbuilding industry in the area, it would be very difficult to keep the laid off crew working together on another project. We have made arrangements for their registration in keeping with their individual lay-off dates. The full services of our Canada manpower centres will be available to these men, including training and mobility provision if the workers so wish.

SYDNEY, N.S.—ASSISTANCE OF FEDERAL OFFICIALS IN STEEL PLANT CLOSING

On the orders of the day:

Mr. Robert Muir (Cape Breton North and Victoria): Mr. Speaker, my question is for the Prime Minister. May I ask the right hon. gentleman whether Mr. Harry J. Waisglass, former United Steelworkers of America research director, who I understand is now a

member of the Prime Minister's staff, has been selected by the Prime Minister to lend his talents to assist in consideration of the steel problem at Sydney?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, as far as I am aware I have nobody of that name on my staff.

[*Later:*]

Mr. Pearson: Mr. Speaker, the hon. member for Cape Breton North and Victoria asked me a question a few moments ago. I do not want to mislead him in my reply. Mr. Waisglass is not on my staff. He is a member of the special secretariat in the Privy Council office. I think they report to parliament through me. It is true that he has been transferred to the Department of Labour, where he is now one of the senior officials. I know his qualifications for the work, but I am not yet sure whether he is actually going to be used in the Cape Breton discussions.

Mr. Muir (Cape Breton North and Victoria): A supplementary question, Mr. Speaker. I thank the Prime Minister for not splitting hairs any longer. Would the Prime Minister do his utmost to have this man who is knowledgeable in steel and steel work put on this most grave problem in Sydney?

Mr. Pearson: I shall be very glad to do what I can in that respect. If we can use him in an appropriate capacity, naturally we will be glad to do so.

FREIGHT RATES

CREAM—REQUEST FOR RESCISSION OF RECENT INCREASE

On the orders of the day:

Mr. Lawrence Watson (Assiniboia): Mr. Speaker, I should like to direct my question to the Minister of Agriculture. Is the minister aware that starting today the dairy farmers and dairy producers of western Canada who ship by rail will be required to pay $6.35 to ship a can of cream, as a result of the increased freight rates; and what plans has the minister to rectify this situation?

Mr. Greene: Mr. Speaker—

Mr. Speaker: Order, please. A similar question was asked previously by the hon. member for Mackenzie and other hon. members, and the matter was considered during the adjournment proceedings.

Inquiries of the Ministry

AIR TRANSPORT

INQUIRY AS TO ADVANCED PILOT TRAINING PROGRAMS

On the orders of the day:

Mr. Lloyd R. Crouse (Queens-Lunenburg): Mr. Speaker, I wish to direct a question to the Minister of Transport. In view of the fact that Canada's requirements for commercial pilots on our six major air lines will increase by some 1,100 each year, has the transport department initiated any study to ascertain what may be done to establish advanced pilot training programs?

Mr. Speaker: Order, please. This question is of a very general nature, and I suggest to the hon. member that it could well be placed on the order paper. If there is an emergency in the hon. member's question which escapes me, the hon. member could give notice and have this matter considered during the adjournment debate.

HUMAN RIGHTS

ALLEGED VIOLATION BY RUSSIA OF UNIVERSAL DECLARATION

On the orders of the day:

Hon. Michael Starr (Leader of the Opposition): Mr. Speaker, I wish to address a question to the Prime Minister and ask whether he has received a letter dated October 31 from national Canadian organizations whose membership is from eastern and central Europe, in which they ask whether Canada will adhere to their request and commence diplomatic action in connection with the violation of the universal declaration of human rights by the Soviet union.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I cannot recall receiving such a message but I shall be glad to look into it.

Mr. Starr: A supplementary question to the Secretary of State for External Affairs. After the Prime Minister has had a chance to look at this request will the Secretary of State for External Affairs take direct action through our delegation at the United Nations to bring this matter to the attention of the general assembly?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I shall be glad to immediately look at the problem posed by my hon. friend's question.

Inquiries of the Ministry

AGRICULTURE

LEGISLATION TO PROVIDE LOANS FOR AGRICULTURAL FAIRS

On the orders of the day:

Mr. J. E. Pascoe (Moose Jaw-Lake Centre): Mr. Speaker, I wish to address a question to the Minister of Agriculture. In a press interview the minister stated that legislation for loans to agricultural fairs and exhibitions for the construction of multi-purpose buildings is likely to be dealt with this session. Can the minister inform the house when such legislation will be introduced?

Hon. J. J. Greene (Minister of Agriculture): Mr. Speaker, it will be introduced as soon as the financial condition of the country is such that these loans should be brought in, which we anticipate, in view of the government's wise measures, will be soon.

TURKEYS—PROTECTION AGAINST EXPORTS FROM U.S.

On the orders of the day:

Mr. W. H. A. Thomas (Middlesex West): Mr. Speaker, I have a question for the Minister of Agriculture. Has any formula been found to protect the turkey producers in Canada in respect of importations from abroad?

Hon. J. J. Greene (Minister of Agriculture): Mr. Speaker, I met with turkey growers' association representatives from all over Canada yesterday. Representatives of the government are on their way to Washington today to discuss this matter with officials there. I am very hopeful that action can be taken which will alleviate the difficult position in which turkey growers find themselves.

HOUSE OF COMMONS

INQUIRY AS TO STAFF HOLIDAY ON REMEMBRANCE DAY

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, this morning a number of the employees of the house requested that I direct a question to the right hon. Prime Minister and ask whether the arrangements made for a civil service holiday on Remembrance day will also apply to the employees of the House of Commons.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, if the house sits on that day, as I hope it will, it will naturally require certain assistance. But we will do our best to meet the point of view expressed by my hon. friend.

[Mr. Martin (Essex East).]

FINANCE

COMPENSATION TO VENDING MACHINE OPERATORS FOLLOWING COINAGE CHANGE

On the orders of the day:

Mr. Raymond Langlois (Mégantic): Mr. Speaker, my question is directed to the Minister of Finance. In view of the interest caused by the intention to increase the alloy content of Canadian coins in the near future, in view of reports that have been written in United States and Canadian newspapers, and because the businessmen who employ automatic vending machines will lose money when coinage of a different composition is used, is the government contemplating some sort of compensation to these businessmen while the change in coinage is in process?

Mr. Speaker: Order, please. I think this question should be placed on the order paper.

Mr. Langlois (Mégantic): I will redraft my question, Mr. Speaker, because it is fairly urgent in that it involves a period of perhaps only a few days. These people will be losing millions of dollars, and they are looking for an answer.

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, I have had a number of discussions with this industry. Our decisions will be made known shortly, I hope.

[*Translation*]

DOMINION-PROVINCIAL CONFERENCE

INQUIRY AS TO PROPOSED AGENDA

On the orders of the day:

Mr. Auguste Choquette (Lotbinière): Mr. Speaker, I should like to direct a question to the hon. Minister of Justice.

In view of the appearance on the Quebec political foreground of Mr. Faribault, who convinced the hon. member for Carleton (Mr. Bell) and the Progressive Conservative party to recognize the two-nation theory, I should like to ask the minister if the Quebec government has expressed its intention to include, in the agenda of the next federal-provincial conference, the recognition of the two-nation concept, in accordance with Mr. Daniel Johnson's theories?

Mr. Speaker: Order. I feel that this is an argument rather than a question.

Mr. Choquette: Mr. Speaker, if I may rephrase my question. The hon. member for Winnipeg South Centre (Mr. Churchill)—

Mr. Speaker: Order. I do not think that the question is in order. If the hon. member believes that there is an emergency, he may give notice thereof.

Mr. Choquette: Ten o'clock, Mr. Speaker.

Hon. P.-E. Trudeau (Minister of Justice): Mr. Speaker, I rise on a question of privilege. I would rather answer now than come back at ten o'clock.

Mr. Speaker: Order. If the house will allow the hon. minister to answer—

Mr. Trudeau: The answer is very simple, Mr. Speaker. I think the Progressive Conservative party should be given a little time to convince the Union Nationale party to become "bi-national".

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I would like to direct a question to the Minister of Justice. Has the minister read the speeches of his leader when the latter recognized the two-nation concept in Canada, and especially his 1961 speech in this respect, at the time he was leader of the opposition?

Mr. Speaker: Order, please. I feel that the decision I made originally was quite justified, and I suggest that this supplementary question should be considered during the adjournment debate.

[*English*]

TRANSPORT

BRITISH COLUMBIA—INQUIRY AS TO HARBOUR DEVELOPMENTS

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I direct a question to the Minister of Transport regarding his recent announcement that the federal government intends to proceed with the development of the deep sea port at Roberts Bank, British Columbia. I sent the minister notice of this question. In view of the fact that his predecessor outlined an extensive program for development of facilities in Burrard Inlet, will the minister assure the house that his recent announcement does not mean the abandonment of that project announced by his predecessor?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I am not sure which project my hon. friend is referring to, but I made it very clear at the time of the announcement that the two developments would go forward together as a complement to each other. On that basis I think they can serve the needs not only of British Columbia but of all western Canada in the most effective and competitive way possible to yield to the Canadian taxpayer the greatest dollar value on the investment.

Mr. Douglas: How soon is it anticipated that the expansion and modernization of the facilities in Burrard Inlet will be under way?

Mr. Hellyer: We are proceeding on a continual basis. I announced simultaneously a $15 million development in the inner harbour on the north shore for containerization, and this will proceed immediately. I think the first berth will be available, if the engineers and others are forecasting accurately, about April 1, 1969.

TRADE

INQUIRY AS TO STEPS TO MEET REPORTED DEFICIT

On the orders of the day:

Hon. George Hees (Northumberland): Mr. Speaker, I should like to direct my question to the Minister of Trade and Commerce. In view of the fact that Canada's trade deficit for the month of September as announced this morning is double the trade deficit we had in August, will the minister take the first opportunity on motions to advise the house what steps the government intends to take to reverse this serious trend?

Hon. Robert Winters (Minister of Trade and Commerce): Mr. Speaker despite the difference in September this year as compared to last year, our trade performance for the year to date has been good. I believe we will attain the target of $11¼ billion that was set for this year.

Mr. Hees: I have a supplementary question. Was the minister's answer not reminiscent of the answers given by the government prior to the disaster which occurred in 1957?

[*Translation*]

INQUIRIES OF THE MINISTRY

On the orders of the day:

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

Would the hon. minister tell us whether it is true that, following the last transport

strike in Montreal, Mrs. Jeanne Sauvé is thinking of leaving the management of the C.N.T.U.?

Mr. Speaker: Order, please.

[*English*]

Mr. H. R. Ballard (Calgary South): Mr. Speaker, in view of our recent experience in the house in having a member of the government front benches desert the service for greener fields I should like to direct a question to the Secretary of State, asking whether she will assure this house and the Prime Minister that no applications will be received for the presidency of the C.B.C. from members of the government.

Mr. Speaker: Order, please. The question is not in order.

[*Translation*]

CANADIAN NATIONAL RAILWAYS

PROSPECTIVE LAY-OFFS IN QUEBEC AND MARITIMES

On the orders of the day:

Mr. Maurice Allard (Sherbrooke): Mr. Speaker, my question is directed to the Minister of Transport.

In connection with the lay-off of 460 employees by the C.N.R. yesterday in the St. Lawrence area, has the Minister of Transport received some complaints from labour unions or from the employees dismissed? Has he also ordered an investigation to learn the reasons of those dismissals?

Mr. Speaker: Order. I have the impression that the hon. member is repeating a question already asked in the house.

[*Later:*]

Mr. Réal Caouette (Villeneuve): Mr. Speaker, I wish to put a question to the Minister of Transport.

Since the lay-off of C.N.R. employees, the minister has contacted the C.N.R. authorities. Further to these talks, is the minister in a position to tell us whether the crown corporation has reconsidered its attitude, so that those people who were fired yesterday may keep their jobs?

[*English*]

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, the company has reiterated its position, which is that the total decline in rail traffic this year is of such substantial nature that the number of people required to provide the service is less and they feel, therefore, that these lay-offs are essential.

I think the number of lay-offs is just about in proportion to the decline in service. I also know that in some areas of the country, if not all—and I have asked them to provide these figures for me—employment in the railway system today is higher than it was a year ago. But last fall in order to meet the special circumstances of the extraordinary movements of bulk commodities, including wheat, extra men were hired. Now that the movement is less voluminous a smaller number of employees and less equipment are required than previously, and that is really the basic cause of the lay-offs at this time.

[*Translation*]

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

Can the minister tell the house if the C.N.R. has given adequate notice to the minister, to the department or to the government before laying off all these workers?

Mr. Speaker: This question is out of order.

[*English*]

FINANCE

LOANS BY BANKS UNDER FARM IMPROVEMENT ACT

On the orders of the day:

Mr. Ed. Schreyer (Springfield): Mr. Speaker, my question is directed to the Minister of Finance. I should like to ask whether he has received a significant number of submissions in recent days complaining that because of the escalating interest rates in our economy the chartered banks have become very reluctant to extend loans under the Farm Improvement Loans Act, and can he say whether the government has any plan to deal with this particular problem?

Mr. Speaker: Order, please. I do not think this question is in order. The hon. member is asking whether the minister has received a significant number of complaints, and that to my mind cannot be considered an urgent question.

Mr. Schreyer: May I then rephrase the question. In view of the escalating interest rates in our economy has the Minister of Finance any evidence to show that chartered banks are becoming more and more reluctant to grant loans under the terms of the Farm Improvement Loans Act?

Mr. Speaker: Order, please. This question is much too general in scope, and I feel it should not be asked on orders of the day.

Mr. E. Nasserden (Rosthern): Mr. Speaker, my question is to the Minister of Finance. Has the government issued a directive to the banks to the effect that they should slow up on the issue of farm improvement loans?

Hon. Mitchell Sharp (Minister of Finance): No, Mr. Speaker.

EXTERNAL AFFAIRS

REPORTED U.S. INTENTION TO IMPOSE IMMIGRATION RESTRICTIONS ON CANADIANS

On the orders of the day:

Mr. H. Russell MacEwan (Pictou): Mr. Speaker, I have a question for the Secretary of State for External Affairs. In view of the fact that for the first time in history the United States is preparing entry curbs on emigration from Canada, which at an earlier date were designated by the minister as a regressive step in Canada-United States relations, will the minister advise whether he is holding talks with the Canadian counterpart in the United States to see that these curbs will not be placed on Canadian emigration?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I think I should like to look at that question to make sure I understand correctly the interpretation my hon. friend wished to give to it.

POST OFFICE DEPARTMENT

INQUIRY AS TO TRANSFORMATION INTO CROWN CORPORATION

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I should like to ask the Postmaster General whether he can say, as is being reported, that he is giving consideration to the proposition that the post office become a crown corporation?

Mr. Speaker: Order, please. The question should be placed on the order paper.

VETERANS AFFAIRS

INQUIRY AS TO REPORT ON PENSION COMMISSION

On the orders of the day:

Mr. Jack McIntosh (Swift Current-Maple Creek): Mr. Speaker, I have a question for the Minister of Veterans Affairs. Now that the minister is in receipt of the Woods report, can he inform the house when veterans may expect some action as a result?

Hon. Roger Teillet (Minister of Veterans Affairs): I am not certain, Mr. Speaker, if I understood the hon. gentleman to say that I have seen the Woods report. Unfortunately I have not as yet seen it.

PUBLIC WORKS

OTTAWA—HEIGHT OF PROPOSED NATIONAL DEFENCE HEADQUARTERS BUILDING

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Public Works. Now that the commencement of construction of the national defence tower in Lebreton flats has been postponed, will the government reconsider the question of the height of this proposed building in the hope that it will not be as high as the peace tower?

Mr. Speaker: Order, please. This question should be placed on the order paper.

Mr. Knowles: I think it might be better to bring it up at ten o'clock, Mr. Speaker.

SUPPLY

The house in committee of supply, Mr. Batten in the chair.

The Chairman: Order. House again in committee of supply, estimates of the Department of Finance for the fiscal year ending March 31, 1968. Vote No. 25. This vote will be found on page 142 of the blue book. The details are found on page 154.

DEPARTMENT OF FINANCE

Tariff Board—

25. Administration, $358,000.

The Chairman: Shall vote No. 25 carry?

Mr. Lambert: Mr. Chairman, vote No. 25 deals with the Tariff Board, and I trust that in our discussions this afternoon we will be given some latitude because I should like to speak on a wider range of subjects than would be normally permitted. In any event I think it is quite proper that we should come back this afternoon to the discussion of the estimates of the Department of Finance.

First of all, I believe it is expected there will be some discussions concerning the Kennedy round, and I intend at the beginning of my exposé this afternoon to deal with some

aspects of the Kennedy round of negotiations and some of the problems which Canada will face as a result thereof. Mr. Chairman, I have some difficulty in competing with the voices all around me.

The Chairman: Order. I wish to bring to the attention of the house that there is a little more noise in the chamber than is usual. This makes it difficult for the Chairman to hear what is being said and for the hon. member who now has the floor to make his remarks.

Mr. Lambert: Thank you, Mr. Chairman. May I say first of all that I believe it is apposite for us to discuss these estimates at this time notwithstanding the fact that not so long ago we concluded the budget debate, and we also had a discussion on the estimates of the Treasury Board. However, as has been pointed out, there are some estimates of the Department of Finance to which we must come back.

I do not know how long the debate will take today, but we all know that the guillotine is to fall at the end of the day and there are still a number of points that have not been answered by the government in any way. For instance, the minister has not indicated, even when he had the chance to do so this afternoon in answer to a question put by my colleague the hon. member for Kamloops, what expenditures would be cut back in this year's estimates. In speaking of this business of dressing up the so-called cutbacks in the estimates I am reminded of an article in today's *Globe and Mail* entitled "Ottawa Not Retrenching Despite Talk of Pruning" written by Fraser Robertson. We find there the following statement:

> On close examination, and it need not be so very close at that, it becomes plain that the government is not really bent upon retrenchment. So far, about all it has done is restrain ministers who were determined to increase departmental expenditure.

This point of view has been put forward in the house time and time again in the last few days.

The real reason I am glad to see the minister here this afternoon is that if we waited until next week to see him we might have difficulty in finding him, because he is likely to be in Edmonton. The house might be interested to know that the Minister of Finance, the Minister of Transport and now I understand the Registrar General are all to be in Edmonton on November 10 and 11. I understand there is to be a Liberal annual meeting there at that time. I rather suspect this will be a trotting out of show horses or an appearance before the public in the light of possible events in the coming year. I would be interested to know whether each of them will have a hand on the wreath which presumably may be laid by one of them at the cenotaph in Edmonton on November 11. It will probably take the combined strength of all three of them to carry it.

To come back to the Kennedy round, I should like to caution the minister against any haste in introducing legislation with regard to any agreements concerning anti-dumping legislation, or any haste in deciding what Canada will do with regard to the Kennedy round. Let us face it; the key to the success of the Kennedy round lies with the United States. Canada, because of its peculiar trading pattern, cannot engage in across the board or straight line reductions in tariffs, and has had to do it on a bilateral basis with the United States or on a commodity for commodity basis.

• (3:30 p.m.)

However, the Kennedy round negotiations were instituted by the late President Kennedy as a result of a presidential election. President Johnson has inherited them. Unfortunately, the presidency does not control everything in the United States. Recently we have seen efforts being made in the congress, and particularly in the senate, toward the introduction of measures which call for the imposition of quotas on the importation of certain commodities in which Canada is very interested. In fact, if these measures reach the status of law, then frankly the whole of the Kennedy round is literally washed out. In connection with steel, oil and a great many other commodities in which Canada is vitally interested, there is no doubt that the action now being taken will frankly sweep away any hope of benefit that Canada may have had as result of the Kennedy round. I say to the minister, therefore, there is no rush for us to get on the statute books those changes which we might be required to make as a result of the Kennedy round.

Having made that point, I would like to go back to some other things I have said in the house. First of all, the other day I asked the minister, in view of rumours, whether it was true a budget would be presented in the next few weeks. Reading between the lines of some of the speeches made by the minister of late, as well as the speech made by the governor of the Bank of Canada yesterday, I think there is a good deal of truth in these

general forecasts about a budget within the next three or four weeks. If this is to be the case, then I say to the minister and the government house leader who is present today, it is high time we dealt with the budget resolutions and the bills flowing from them arising out of the June budget before we get into the nonsensical position of having a new budget without having dealt with the measures arising out of the June budget. In the light of economic conditions in the country, these budgetary measures are even more important than some of the other legislation which seems to have been given priority.

For instance, I think of the bill dealing with capital punishment which seems to have been given priority. The question of capital punishment will engender considerable debate in the house. The broadcasting measure is another which will take a large share of the time of the house. There are others, too, in the hopper that are given greater priority than the budget resolutions. I say to the Minister of Finance and his colleagues that immediately upon the termination of the debate on the broadcasting measure, which I think we should complete for the sake of orderly discussion of business, we should then move to the budget resolutions and the bills that flow from them before we do anything else.

Since the minister spoke in the budget debate, a great feeling of uneasiness has developed in the country. I need only point, for instance, to the speech which was delivered by the chairman of the Canadian Imperial Bank of Commerce. I trust the minister will see fit to comment on Mr. McKinnon's remarks because they are a damning indictment of government policy. I will not say fiscal policy because there is no such policy. It was rather strange to have the minister tell the House of Commons he was quite sensitive to criticism of government policies, did not think the strong language used by Mr. McKinnon was helpful and rather thought the situation might be worsened. On the other hand, I do not believe Mr. McKinnon said anything much different from what was implied in the speech by the governor of the Bank of Canada yesterday. I am not going to go through Mr. McKinnon's speech, but here it is. I know he has been commenting over a period of years, and I intend to agree—

Mr. Sharp: I rise on a point of order, Mr. Chairman. The hon. member who is beginning the discussion of the estimates of the Department of Finance today was, I believe, fairly relevant in his earlier observations to the item under discussion, namely the Tariff Board. He made some quite relevant remarks about the Kennedy round. However, I believe he is beginning to stray into a much larger subject. The reason I raise the point now, Mr. Chairman, is that if I let these remarks pass it may be suggested I am in agreement that they are pertinent to the item under discussion. As the hon. gentleman himself has pointed out, we have had one day of general debate on the Department of Finance. We have had a budget debate of several days' duration, which was restarted by a statement I made to provoke discussion on the current situation. This statement was debated for the full length of the budget debate. The budgetary resolutions are still to come, at which time all these comments would be quite pertinent. As I have indicated in the house, I intend to make a statement soon. I can assure members that whichever form the statement takes, it will be debatable. In other words, the government itself will see that time is available for debate.

I know some question has been raised in connection with the short time available for discussion of the remainder of the estimates. I raise the question now, Mr. Chairman, whether this is the best use of that time, and I would welcome from you some guidance to the committee on whether the debate should be permitted to go on in this way.

The Chairman: May I point out to the committee that I have been listening to the remarks that have been made. I know we are on vote No. 25 of the estimates of the Department of Finance. Usually there is a rather general discussion on vote No. 1, but on vote No. 25 I would expect the committee to confine its remarks to the item which is before the committee.

Mr. Lambert: I fully realize, Mr. Chairman, that I have strayed slightly but I indicated at the start of my remarks that I might want to stray somewhat from item 25. I was hoping the minister might, under certain tolerant circumstances, perhaps allow a little wider debate. Since he and you, Sir, have called me to order, I am going to comply and I will limit my remarks to item 25 dealing with the Tariff Board. This involves the levels of tariff and perhaps some of the customs procedures. Admittedly, these are under the Minister of National Revenue, but it is rather difficult to separate the two.

Before I was brought back to order I was discussing the Kennedy round. I am hopeful that we will have a further opportunity to discuss the Kennedy round, and I agree with the proposal of my friend that this should be done before the banking and commerce committee or a joint committee of the Senate and House of Commons. Here I come back to the suggestion made by the hon. member for Kootenay West, that perhaps this would be a good opportunity to appoint a joint committee which could proceed at a rather more leisurely pace, since the house standing committee itself is rather heavily overburdened with work in the future to tackle the Kennedy round. In addition, I believe that as a result of the negotiations certain industries have already made representations to the government with regard to the Kennedy round, and I think any others who are interested should be able to make their representations to the government on the basis of what they see ahead for them.

• (3:40 p.m.)

A number of our industries are going to be rather hard hit. I think primarily of secondary industry. As an indication of this, Mr. Chairman, I saw a report this morning about a very fine secondary industry based in Letbridge, a city in southern Alberta, which as a result of action by the United States government in the imposition of a tariff is now reported to close its doors. This firm says it has lost over $100,000 since the month of September. It manufactures belts for agricultural equipment. The complexities of the United States tariff machinery and its meshing with the provisions governing the importation into Canada of farm machinery mean that in the supplying of belts for agricultural machines brought into Canada from the United States the Canadian manufacturer of the belts is now paying a duty even though the machines are brought back into Canada duty free. With an imposition of about 17½ per cent duty on these belts the Canadian manufacturer is being shut out of the market.

Here again, Mr. Chairman, I should like to make the strongest representation to the minister that in our dealings with the United States there should be some relaxation in the non-tariff barriers imposed on Canadian trade with the United States. It looks as though the authorities are not so assiduous in the application of these non-tariff barriers because there are all sorts of interpretations in specific cases. We observe these on our side as well, and I hope that we can eliminate this as much as possible.

Before closing my remarks, Mr. Chairman, I should like to ask the minister whether before he concludes today he could give us a list of the references to the Tariff Board that are still outstanding and tell us when he expects reports on them. He might also indicate to us the commodities that he is thinking of referring to the Tariff Board in the immediate future for examination, so as to see what is their position within our tariff structure and whether certain industries should be protected or certain tariffs should be removed.

Let us face it, Mr. Chairman. In the matter of the importation into Canada of certain productive machinery I feel we are doing a disservice to the whole of the Canadian economy by placing a general tariff on these items. In other words, our approach is negative. The approach is that all machinery shall be subject to a 17½ per cent duty with the exception of certain kinds.

I am wondering whether this philosophy is really pertinent today. One thing we in Canada will have to face in the future is an increase in our manufacturing productivity. Lord only knows, vis-à-vis the United States Canada's relative position has worsened in the past several months as a result of a number of factors. As far as we in Canada are concerned, with our heavy reliance upon export trade and the seemingly competitive market within Canada from foreign goods, we are doing ourselves a disservice by imposing tariffs and taxes on production machinery which only serves to increase the cost of production.

One may argue about the various elements that enter into the cost of production. However, there again, if there is good will on the part of organized labour in accepting improvements in methods of production, if management faces up to the challenge to organize itself, to be creative, to really develop and conduct research into the best methods of production, and if government policy does not saddle industry with a crushing burden of taxation, then it might be possible to maintain our position in the economic markets of the world. If not, Mr. Chairman, nothing we in Canada can do will assist us in this regard. We can provide for the most salutary type of welfare programs based on productivity, etc., but if we are unable to sell our commodities and there is a curtailment in economic activity, our productivity will

decline and the whole exercise will have been for nothing.

I have asked for specific information from the minister, Mr. Chairman. I hope he is able to give us some clarification of the government's program with regard to the Kennedy round, and I also hope he will take heed of the remarks that I have made in connection with the taxation of industry and the imposition of artificial customs barriers.

Mr. Sharp: Mr. Chairman, I thought I might answer briefly the specific questions put to me by the hon. member for Edmonton West. He will find an answer to his first question at page 1143 of *Hansard* for June 12, which he must have forgotten when asking the same question now.

Mr. Lambert: That is possible.

Mr. Sharp: At that time I gave a list of the references to the Tariff Board that were still outstanding. The situation remains unchanged though we have had more of the chemical reference reports in the meantime.

As I said in answer to a question on the orders of the day, it is my intention to table on Monday or Tuesday of next week the resolutions on the Kennedy round which will not only include the tariff changes to which we have agreed but also the timetable for the implementation of the changes. In addition, there will be some other resolutions which will give the government flexibility in dealing with these changes in the event, say, that the United States shows any tendency to delay the implementation of theirs. We hope this will not happen, but I think the committee will agree with me that some such provisions are desirable.

• (3:50 p.m.)

I find myself in general agreement with the philosophy expressed by my hon. friend. Indeed, since we were both born westerners, I am sure that we have inherited some of this philosophy. I agree that wherever possible we should use the tariff, that we should use all means to improve our own costs of production and that wherever possible we should avoid taxing the means of production. That is one of the reasons for the government's step to eliminate the sales tax on production machinery. We did that as soon as we could afford it.

Mr. Lambert: That tax should never have been imposed. May I ask another question? In his answer, and I thank the minister for it, he did not say which committee will examine the government's resolutions. Will that be the committee on finance, trade and economic affairs or a joint committee of the other place and this house?

Mr. Sharp: It had been my intention to refer this matter, of course, to the committee of ways and means. I can say this much now. The resolutions consist of a book of several hundred pages. I am open to all suggestions as to how to deal with the matter when I table the resolutions and move the motion.

Mr. Lambert: Why ways and means?

Mr. Cameron (Nanaimo-Cowichan-The Islands): Mr. Chairman, like the hon. member for Edmonton West I had hoped that you would be more lenient in permitting discussion of these estimates on a wider basis rather than confining it to vote 25. After all, the minister has not spoken on these estimates since June 12 last. His remarks of June 12 are interesting reading now. He was more optimistic then than he seemed to be today. Changes have taken place.

Since Your Honour has said that we must confine ourselves to the item under discussion, the Tariff Board, I wish to make some comments about the probable effect of the Kennedy round if, indeed, as the hon. member for Edmonton West has suggested, it will be effective in the face of projected developments in the United States congress. I and other members on this side of the house have told the minister on a number of occasions that while the Kennedy round is welcome, nevertheless we should not overlook the problem that it will create for Canadian industry.

I was interested to see—and I will not say more since I do not know whether the newspaper report I saw was reliable—that the ideas of the present Minister of Finance with regard to the Canada Development Corporation are different from those of his predecessor. Apparently the present minister intends to use the funds that will be accumulated by the Canada Development Corporation to reorganize and rationalize Canadian industry along the lines that I and other members of this party have suggested on a number of occasions in the house. Before long I hope that we shall see legislation regarding the Canada Development Corporation before the house, since it will have a great bearing on our tariff position.

I have said several times in the house that Canadian industry needs to be reorganized and restructured and that the government

must take an active part in the reorganization and restructuring. It will not do to rely on guide lines and exhortations. In all probability the investment of public funds will be required in these newly grouped industries if we are to compete in the world and face the winds of competition that the Kennedy round will present to our industry. I hope that before long the minister will be more forthcoming on what his purposes are with respect to the fund.

Before these estimates are passed I hope we shall hear a commitment from the minister about the sort of statement he will make to the house on the economic condition of the country. From what he said today that statement might be made on motions. In that event only two or three of us will be permitted to comment on it. On the other hand, the minister may have in mind the presentation of measures that will enable members of the house to debate the economic condition of the country. That condition, as I said when I began talking, is radically different from that of June 12 when the minister spoke in such cheerful and optimistic terms. I am sure he would not repeat now what he said then.

I expect that we will be taking up another item before long and I hope to be allowed to make some remarks with respect to it without being ruled out of order by Your Honour.

Mr. Baldwin: Mr. Chairman, since we are discussing vote 25 which deals with the Tariff Board we may discuss a number of matters, I take it, which are of relevance directly, indirectly or by implication, to tariffs, trade and trade relations.

If I may deal with a point that my hon. and learned friend from Edmonton West raised with regard to the method of proceeding, I hope the minister will, after reasonable consultation with the opposition parties, provide an opportunity for the entire range of the Kennedy round proposals to be discussed in a committee.

I sometimes wonder whether the minister does not long to return to the relative security of his former portfolio. I wonder whether he would not prefer that to the more exciting portfolio he now holds. During the Kennedy round negotiations I asked him if an opportunity could be provided for the house to discuss them. I prefaced my statement by the admission that we should be careful not to endanger in any way the sensitive negotiations which were then being carried on at Geneva. Had that opportunity been provided for a general discussion and had the various components of industry in Canada had the benefit of a white paper, we would have been better prepared for the final discussions in this house and industry too would have been better prepared.

During the nine and a half years I have been a member of the house I do not think there has been an exhaustive debate on the issue of foreign trade. We have touched on the question when discussing external affairs or trade relations, but such discussion has been the tail of the kite, so to speak. We have dealt with the question occasionally on the estimates of the Minister of Trade and Commerce and on the estimates of the Minister of Finance. Nevertheless, this issue has never been raised effectively in a full scale debate.

• (4:00 p.m.)

I know that the great distinction which once existed between the major parties has become submerged in the course of time, and submerged far more deeply than I should like, coming from the place I do. I am strongly convinced that there will never be any certainty about economic conditions within the countries of this world until the whole question of international trade has been placed upon a far more manageable basis. In this light, the operations of the Tariff Board must be carefully considered and the extent to which references are made to the board must be regarded as an indication not only of the inflow of goods to this country but of the amount of exports leaving Canada. Trading relations must always be a two-way street, and in this sense I hope I shall live to see the day when the barriers which have done so much to restrict the free flow of goods to and from various parts of the world will be largely removed.

One of the most serious problems of all relates to the developing countries. Whether or not they can raise their living standards depends largely on the flow of trade, either bilateral or multilateral. Only if they are able to export can they obtain the supply of capital goods required for the development of their natural resources and the expansion of their own industries so that ultimately they are in a position to deal with the developed countries on a better basis than that which presently exists. With this in mind, it is imperative that we, for our part, should be prepared to offer substantial concessions to the developing countries with respect to the products they have to offer and allow them the exchange and the capital which they

require in order to proceed with their own development.

I have the impression that the minister sympathizes with this point of view. I, for my part, believe it is an important factor in the preservation of world peace. The troubles which have arisen in Asia and Africa, and which may yet come to pass in South America, could in my view be prevented, or at least reduced to a minimum, if we were to encourage the type of trade relations which would permit a far freer flow of goods from the developing countries to countries elsewhere.

For these and other reasons, I urge the minister to make sure that the terms of reference to the committee are of the widest, enabling it to engage in a fruitful discussion of this whole field, involving consideration of the Kennedy round and the type of legislation necessary to implement it. There should be an opportunity for all those who are interested to make known their views to members of this house. In this way I suggest we shall later be able to benefit from a more intelligent discussion in this chamber as well as throughout the nation. I am hopeful, therefore, that having heard the words of wisdom poured out this afternoon the hon. gentleman will make certain that no unreasonable restriction is imposed on the type of discussion which is to take place within the committee of this house which would be seized with jurisdiction in this regard.

The question of trade relations is predicated upon not only the inflow of goods to this country, something with which the Tariff Board is directly concerned, but with the outflow of such goods, and this outflow of goods must in turn be closely connected with productivity. The question of productivity brings us to one of the main issues which confront the government today, the extent to which the fiscal policies of this country are restraining and damaging the activities of those of our people who are engaged in export.

Reference was made to this subject in the house at question time today. This is not the occasion on which to go into those exchanges in any detail, but I think the question about which our people generally are worrying most at this moment is: What is to be the fiscal policy of the government? President Roosevelt said: "We have nothing to fear except fear itself." This is what most concerns me—the psychology which is taking hold among so many of the influential and knowledgeable people who are connected with industry and labour across Canada.

What does the government intend to do? It is all very well for the minister to say, as he did in answer to a question earlier, that expenditures do not always equal the amount indicated in the estimates. One has only to look at the reports of the Auditor General year after year listing expenditures actually made compared with the amounts contained in the estimates to be persuaded to the contrary. I do not know whether there were instances of this under the former government. In any event I have not been able to find one example during the administration of the present government when expenditures were less than the amount estimated. Perhaps the minister is able to refer me to one.

Mr. Sharp: So that there may be no misunderstanding about this, I said that the government could only spend the amount of money which parliament voted, and governments very seldom spend that much. If we were to spend more than parliament voted it would be illegal.

Mr. Baldwin: I am glad to hear that. I would hate to think that the minister would try to spend more than had been provided by parliament, though I know that in the past the government has done everything possible to spend at least the amounts voted. However, I would point out that the estimates of expenditure shown in the blue book represent merely one phase of the government's expenditures. What we are worrying about now are supplementary estimates. We know that in 1966-67 a certain amount was voted in the main estimates. But we find that the government spent $1,100 million more than that through supplementary estimates. And this was quite legal.

We know how much the estimates amount to. We also know that two sets of supplementary estimates are being brought down. But what do we know about the government's intentions between now and the end of the fiscal year? Can the minister tell us that between now and March 31, 1968, the government will not bring down further supplementary estimates? If the government intends to do so, can he say how much will they amount to?

• (4:10 p.m.)

We know that the government states it is doing this and that in pruning expenditures. Sometimes I think the minister must appreciate the task which Hercules undertook when he had to clean out the Augean stables as he

attempts to persuade his colleagues to cut their estimates. Later on we will know how successful he has been when the blue book containing the estimates for the next year is presented. However, we do not want to be faced with the possibility of an extra $1 billion or $1½ billion in the form of supplementary estimates following presentation of the blue book. What the people of Canada need from the government is the assurance that this will not happen, that when the reduced estimates are presented they will not be substantially augmented by supplementaries before the end of the next fiscal year. In my opinion such an assurance would have a great effect in restoring the atmosphere of reason and confidence which the people of the country so badly need at this time.

Mr. Rynard: Mr. Chairman, I would like to know how the Kennedy round tariff negotiations are going to hit our economy. Are we going to reduce our tariffs and then see what the reaction of the United States, our biggest competitor, will be? Are we going to get our feet in and then not be able to get them out before we are bitten?

Mr. Sharp: Mr. Chairman, may I give some reassurance to the hon. gentleman before he begins elaborating on this point. The resolutions that will be brought before the house next week are the result of a negotiation between Canada, the United States and other members of GATT. These are multilateral arrangements which we and the United States are bound to honour, and if we do not honour them then there are penalties involved.

Mr. Rynard: We would all like to see tariffs cut so that there would be free trade, but we know that this may hurt some of our Canadian industries and this causes me a great deal of concern. What proposals are there for dealing with underdeveloped countries? For instance, they manufacture certain goods, they are hard up for money and we have to keep giving them assistance in one form or another. Is there any plan whereby we would be able to accept their goods on a preferential basis and in turn sell them the goods we make?

Another point which bothers me is the position of factories and industries which have come from the United States to designated areas in Canada but which have their parent organizations in the United States. I realize that for every $1 million we put up they put up $4 million, and I support this

[Mr. Baldwin.]

program because it is a good thing. However, what will be the situation with respect to tariffs on the goods they produce and on the goods their United States counterparts produce? Will the reduction of tariffs mean a cut-back in the products produced by American subsidiaries operating in Canada? I know of one industry which said it would employ 600 people in Canada. Now it has decided to employ only 200 because its parent company in the United States is turning out the same product.

I am also concerned about the fact that Canadians are taxed about 35 per cent compared with the 30 per cent payable by citizens of the United States. Further, our productivity is 35 per cent lower than that of the United States and wages in the United States are about 32 per cent higher. How are these things going to be ironed out through changes in tariffs?

Mr. Pugh: With respect to the Kennedy round, Mr. Chairman, there is a great deal of uneasiness in regard to fair market value for duty purposes in the fruit and vegetable industry. The arrangements under which we operated previously did not take into account cost of production in the country of origin. Fruit and vegetable tariffs were based on average imports to Canada over a period of years. If we start taking the cost of production in the country of origin as the basis for duty what bothers me is that when imports to Canada are harmful to Canadian producers it is almost impossible to find out whether they actually represent the dumping of goods in Canada.

If the duty is to be based on fair market value it will be almost impossible to stop the damage being done once imports start coming in. It takes very little to depress the price of fruit and vegetables. Even a threat of imports will sometimes do it. In manufacturing the flow of goods is more normal, but fruit and vegetable imports are an end of the year operation and they can hit our industry extremely hard. I would appreciate any remarks the minister would care to make on the protective measures that he intends to incorporate into Canadian legislation.

Mr. Sharp: Mr. Chairman, the hon. member for Simcoe East asked me questions about the Kennedy round. These could be more appropriately asked when the resolutions are before the house but perhaps I might make one or two general comments.

The underdeveloped countries of the world engaged in this negotiation and in so far as the tariff cuts related to products that they export it was valuable to them. In addition, however, the underdeveloped countries of the world have been making proposals, particularly in the United Nations Conference on Trade and Development, UNCTAD, for preferential arrangements. These proposals have been under discussion, not in the Kennedy round and not specifically within GATT but within this new organization.

As for the tariffs that apply to American subsidiaries, Canadian tariffs apply generally to all kinds of enterprises whether they are owned in Canada, in the United States or elsewhere. My general assessment of the Kennedy round is that it is of very great net benefit to industry as a whole, although of course there will be particular industries that will be adversely affected. This I have said from time to time, and in due course the government will be bringing forward some suggestions as to how assistance might be given to such industries to enable them to move into areas of industry where opportunities have been enlarged by the Kennedy round.

• (4:20 p.m.)

The hon. member for Okanagan Boundary asked about the fair market value for duty purposes on fruits and vegetables. I would prefer to answer that question when we deal with the budget resolutions where this matter would be more appropriately considered and when I will have with me the Minister of National Revenue who is more concerned with the administration. I am concerned with the law and he is concerned with the administration. As the hon. member knows, both of us are involved in this question and I think it would be more satisfactory if I dealt with it later. However, I have taken note of his remarks.

Mr. Pugh: Mr. Chairman, I should like to ask the minister for some reassurance. Does he think that any changes contemplated will be less beneficial to Canada than is the case under the legislation now in effect? I am referring specifically to fruit and vegetables.

Mr. Sharp: I can only say that in these negotiations we have tried to make everything of more benefit to Canada. But whether everyone in every industry will agree, I am not certain. Certainly the attempt was made to enlarge the opportunities for Canadian industry. I cannot say that everybody will be satisfied. At any rate, the changes being proposed will be before the house very shortly, when there can be a general discussion of this matter.

Mr. Cameron (Nanaimo-Cowichan-The Islands): Mr. Chairman, I wanted to ask the minister a question with regard to the possible effect of the imposition of import quotas by the United States. Would that be a contravention of the Kennedy round agreement? The reason I ask the question is that I have had correspondence with Washington and my correspondent, who has been covering the senate hearings on the first piece of such legislation, reported that while it has been headed off at the pass there is a mass of other bills in the hopper to much the same effect, any one of which might slip through at some time when people are not watching carefully. I wondered whether they could go through and not be in contravention of the Kennedy round agreement.

Mr. Sharp: In general, Mr. Chairman, I should think they would be in contravention of that agreement. If they have not been negotiated with us or other countries concerned, any changes that are made which are not in accordance with our agreements would be in contravention of an undertaking made by the United States. I think that is the general answer I must give. I am hopeful, however, that most of the threats to the Kennedy round, or most of the threats to take action which is contrary to the undertakings of the United States government, will not be realized. The information that we have is that since the United States government has made these agreements it will do everything in its power to see that they are observed.

Item agreed to.

Royal Canadian Mint—

30. Administration, operation and maintenance, $3,100,000.

Mr. Cameron (Nanaimo-Cowichan-The Islands): Mr. Chairman, perhaps before I start to lay out what I presume to be the scope of this vote I should get a ruling from the Chair. The vote concerns the Royal Canadian Mint and thus deals with our currency. Therefore, presumably the protection of the value of our currency is also relevant to this vote. It is on that basis that I should like to proceed to discuss the threats to the value of our currency which have been emerging in recent months and which have caused so much anxiety to the minister and members of the Canadian public. I see the minister

looking thoughtful and I wonder whether he is going to raise a point of order on which you could rule, Mr. Chairman, before I proceed.

Mr. Sharp: Mr. Chairman, I thought that some member of the house would be tempted to raise a very broad argument based on the fact that the Royal Canadian Mint makes our currency. I should point out to the committee that the Royal Canadian Mint makes only the silver and nickel coinage that serves for hand-to-hand transactions, but the great majority of the currency is of course in the form of bills which are not made by the Royal Canadian Mint. Moreover, the Royal Canadian Mint has no responsibility as such for the stability of the currency. It is concerned only with the making of coins and not with the preservation of the value of the currency. For that reason alone, Mr. Chairman, I would say it would be a very far-fetched argument to base a speech on general financial policy upon the institution that is instructed by parliament to grind out the coins.

Mr. Cameron (Nanaimo-Cowichan-The Islands): Mr. Chairman, I would point out that while it is perfectly true, as the minister says, that the mint produces only a certain proportion of our currency, nevertheless it is part of our currency and it seems to me that a discussion of the protection of the value of that currency would be in order here. For that reason I propose to make reference to the speech of the governor of the Bank of Canada, who is obviously very much concerned about the maintenance of the value of our currency and made a speech just yesterday in Winnipeg on this score. In fact, one might say that the governor of the Bank of Canada has joined the baying at the heels of the unfortunate Minister of Finance, suggesting in more, shall I say, gentle and muted terms than some others that the government's policies of expenditure are threatening the value of the Canadian currency.

Mr. Sharp: Mr. Chairman, may I rise on the same point of order that I raised at the beginning today, and really to ask your guidance. I pointed out that there have already been several opportunities to discuss financial policy and that several more will be arising immediately. It is for this reason, and not only because the Royal Canadian Mint is not a very safe foundation upon which to base such a broad argument, that I appeal to the Chair and to hon. members, since they have so little time left to discuss many other departments that have not yet had an opportunity of defending themselves in the house, and point out that it would be a better use of the time of the house if the discussion were to be limited to the obvious intention of the items before us.

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

We have devoted a day to the Department of Finance. We have had a budget debate. We still have the budget resolutions to consider, upon which a discussion of this kind would be much more in order. There will be another opportunity soon to discuss this whole matter. I appeal to hon. members as well as to the Chair. If hon. members really believe what they say, that they are being unduly restricted in their discussion of other matters that are still before us, I ask them to limit their remarks to the particular items that are here.

The Deputy Chairman: I notice that the hon. member for Nanaimo-Cowichan-The Islands is not rising in his place and I gather, therefore, that he does not want to pursue this point.

Mr. Cameron (Nanaimo-Cowichan-The Islands): I do not intend to pursue it, Mr. Chairman.

Mr. Pugh: Mr. Chairman, as the minister knows, I have been interested in the production by the mint of centennial coinage. I have been assured that the mint is running full blast and grinding out centennial coins. In answer to an argument I raised at ten o'clock the other night I was assured that the mint was working to its full capacity producing these coins and sending them out through the regular channels all across Canada. I have received a number of letters over the past few months, ever since I raised this question last spring, from people asking where all these coins are that are being produced and are, we are told, being farmed out all over the country.

• (4:30 p.m.)

One simply cannot go into a bank and get a silver dollar, and many Canadians want them. They are not in normal currency use but are wanted as keepsakes of the Canadian centennial year. One always has the opportunity of writing to the crown and asking for a set, but many people do not want to do that because they just want to get a silver dollar. I understand that the 50 cent piece cannot be obtained at all.

Mr. Bell (Carleton): With this government people cannot afford one.

Mr. Pugh: One would think that in view of the fact the dollar is only worth about 50 cents there would be plenty around. Without any levity at all I should like to ask the minister once again if there is going to be any production of centennial coinage after January 1 or are we going to revert to the old familiar coins produced in 1966? I should also like to ask whether there is going to be distribution of any more silver dollars and 50 cent pieces.

Here in the east there appear to be a great many more silver coins of 25 cent value and less but certainly the centennial coinage project, which I admit was a good one, has fallen far short of requirements. There should have been a direction that this currency be distributed quickly throughout Canada. I first recognized the situation when I found I could not get any centennial coins in the west. The minister suggested there had been some fault in distribution. That was in June and any fault should have been corrected quickly. The minister indicated that shipments of new coins this year took exactly the same form as last year, but he did not tell me whether the shipments of new coins also contained old coins of the type available prior to 1967.

Mr. Sharp: Mr. Chairman, I can assure the house that there has been an enormous demand for our coinage and particularly for silver dollars and 50 cent pieces. These are no longer being produced for ordinary use. They are being produced in sets which are sold mainly for numismatic purposes. They are no longer being produced for use by the public because the price of silver has gone up to such an extent it would no longer be economic to do so.

Let me give hon. members some figures as to actually how many silver dollars have been distributed this year. I will give the figures in relation to places from which the distributions have been made. In regard to silver dollars, and these are in dollar value, being the same, the figures are: Winnipeg, $249,000; Regina, $287,000; and Calgary, $424,000; Vancouver, $769,000; Toronto, $1,800,000; and Montreal, $1,500,000. A great many silver pieces have in fact been circulated. I am not surprised that it is very difficult to get them. I have no special privileges in this respect but my bank manager the other day asked me if I would like to have one as a memento and I took him up on his offer.

Mr. Pugh: Would you name the bank?

Mr. Sharp: To give the house an indication of the demand for other forms of currency I will give the figures for 25 cent pieces, and I refer to 1967 centennial coins. In Winnipeg the amount was $145,000, Regina, $308,000; Calgary, $372,000; Vancouver, $254,000; Toronto, $554,000 and Montreal, $1,400,000.

To show how much greater the demand was over last year, the Montreal figure of $1,400,000 compares with $355,000 for last year. That is some indication of the enormous demand there has been for coins. I am quite sure it is related somewhat to the fact that there is a special centennial issue. In any event it is not the intention to continue the centennial issue for ordinary purposes beyond the end of this year. Of course, orders put in by dealers and people who want to buy them for numismatic purposes will be filled.

Mr. Pugh: I should like to ask one more question in this regard. The minister stated that because the cost of silver had gone up the cost of producing the Canadian silver dollar had also increased, making it impractical to put these coins into general production. Is it the intention of the government to continue producing a silver dollar for general use or is this to become a collectors' item? I am referring to 1968 and thereafter.

Mr. Sharp: Mr. Chairman, as I have already announced it is our intention to have nickel coinage as soon as possible. However, as has been pointed out by some members, there are problems relating to vending machines. In order to bridge the gap we have issued some of the smaller coins in a 50-50 silver-copper form. As I have said, those coins will eventually, although one cannot tell the difference now, become somewhat yellower looking than the silver coins issued up to that time. Whatever form of coin we issue in 1968, we will discontinue the 1967 design. Even if we continue to mint some silver-copper coins they will revert to the pre-1967 design and the centennial issue will be unique as such. We do not propose to issue dollar and 50 cent pieces until 1968 when we will issue nickel coins. This will be authorized by the amendment to the Currency, Mint and Exchange Fund Act which was placed before the house the other day.

Mr. Howard: Mr. Chairman, I do not wish to make any inquiries of the minister as I realize he is perhaps not in a position to make specific announcements about some of these matters. However, I should like to put

on record some suggestions about the 1968 coinage.

Let me say at the outset that I understand that both in the United States and Canada it is impossible to predict the demand for coins. On one occasion I understand some consultants were engaged in the United States to advise its treasury department as to how it should gear its production to meet the expected demand. The advice they gave resulted in the production of about 150 per cent fewer coins than were actually demanded. I am sure the same situation exists in Canada. No one seems to be able to say what forces come into play at any given time which soak up the coins produced and distributed.

• (4:40 p.m.)

With respect to what we usually refer to as the silver dollar I should like to ask the minister to consider, if it is not too late, the minting of a silver dollar with a 50 per cent silver content as a special item, perhaps with a special design on it if there is sufficient time to do so. I understand that next year will be an important anniversary of the establishment of the Royal Canadian Mint and this would be a good way of commemorating that event. I suggest that such a dollar, even if made with the 50 per cent copper-nickel alloy that is used now in dimes and quarters, be produced in time for next year and sold by the mint as a special item, in the form of what we loosely call a proof-like dollar in collectors' idiom, for a couple of dollars a piece. I am sure this would result in a number of these coins being purchased by collectors while none of them would actually be in circulation in the business world. As a result we would have two dollars, one nickel and one half silver, with two different values. So far as I know, none of the proof-like dollars issued as single dollars in past years has ended up as currency. They have all been retained as collectors' items and are issued in a special sealed pliofilm holder.

I think that the setting of a price of $2 or thereabouts for such a coin would allow numismatists to add to the series of dollars with a silver content and would be a way of celebrating the anniversary of the mint. There is another reason which might appeal to the minister in his intensive search for income for the treasury. This would be a profitable undertaking for the mint which would not only make money from minting these dollars but also from their sale as collectors' items. I think that the practice of circulating such coins in a sealed pliofilm holder should be continued in the future because this would result in a continuity of items for collectors and would also bring profit to the mint.

I do not particularly wish to have an answer from the minister at this time because the decision would depend on the availability of silver and on whether or not it should be used in coins at all. I believe that we should be able to predict within reasonable bounds on the basis of past experience how many proof-like silver dollars might be required and sold, and we should purchase the silver in advance at its present price of $1.90 an ounce. There is every indication that silver will continue to increase in price in view of its high consumption for space activities in the United States.

The minister is well aware of these facts. However, I wished to make these comments publicly and to expand on what I have written in a letter to him so as to impress upon him the necessity of making a decision in this matter and announcing it at the earliest possible moment in the interests of the mint and of the business community.

Mr. Pascoe: Mr. Chairman, I should like to address a question to the minister as a follow-up to the question asked by the hon. member for Okanagan Boundary. The minister has said that 287,000 silver dollars were shipped to Regina for distribution. Has any arrangement been made for the distribution of these dollars across the province or are they intended only for Regina? I understand there is a great scarcity of them throughout Saskatchewan. I have received many letters with regard to this matter, as has the hon. member for the Okanagan Boundary.

At the same time I hope the minister will answer another question. I have noticed in different souvenir shops both here and in Regina that special mint sets containing a gold $20 piece which were being sold for $40 are now on sale for $72.50. Could the minister tell us the source of these supplies in view of the fact that it is so difficult for individuals to get these sets?

Mr. Sharp: The distribution of coinage is made through the banks which fulfil the needs of their customers. The Bank of Canada ensures that they are made available at various points. The amount available to Regina is presumably the amount that is available for distribution throughout the area served from Regina city.

Mr. Pascoe: They were sent by the Bank of Canada?

Mr. Sharp: That is right. I am quite sure that under the present circumstances the distribution of these silver dollars must have been very difficult because of the enormous demand for them. I gave the figures to show that in fact very large quantities have been distributed. The sets are on sale at the mint which intends to fill all orders as they are received. This is a profitable business for the mint which will continue to supply these sets until the demand is satisfied. Of course, there is no way of preventing people from paying more for these sets than the price for which they would get them from the mint.

Mr. Mongrain: I have a single question for the minister. A few minutes ago the minister indicated there has been a great increase in the sale of coins in Montreal. Has the minister any definite indication that this was due to Expo '67?

Mr. Sharp: No, Mr. Chairman. I think that business has been very good in this country, as the government has pointed out on a number of occasions, and a great deal of coinage is necessary to finance it.

Mr. Herridge: Mr. Chairman, I wish to tell the minister that I have received complaints similar to the ones about which the hon. member for Moose Jaw-Lake Centre spoke. Several people have written to me and said they were unable to get these sets. Is there a possibility that a racket is being established in this connection? Why are these people not able to get the sets? These are people who simply want a set for their own collection.

Mr. Sharp: The mint has filled an enormous number of orders and it is still accepting them. I do not know whether any racket is involved but I would doubt it very much.

Mr. Herridge: I am not suggesting a racket on the part of the mint.

Mr. Sharp: Certainly not on the part of the mint. The mint does its best to ensure a fair distribution by restricting the number of sets it supplies to any particular individual until such time as the demand is satisfied.

Item agreed to.

• (4:50 p.m.)

The following items were agreed to:

Royal Canadian Mint—

30b. Administration, operation and maintenance, $700,000.

35. Construction or acquisition of equipment, $150,000.

Municipal development and loan board—

45. Administration, $75,000.

Special—

50. Payments in the current and subsequent fiscal years to the government of each Commonwealth Caribbean country or territory of an amount which in respect of each such year is equal to the lesser of

(a) the amount of customs duties payable and collected on raw sugar imported into Canada from that country or territory during the calendar year ending in the fiscal year; or

(b) the amount determined by the Minister of Finance to be that country's or territory's pro rata share of an amount that would be equal to the customs duties payable and collected on 275,000 metric tons of raw sugar imported during the calendar year referred to in paragraph (a) from the Commonwealth Caribbean countries or territories;

estimated amount required for the current fiscal year, $2,200,000.

L40. To provide for the purchase, acquisition, and holding by the Minister of Finance of securities issued by the Canadian corporation for the 1967 world exhibition pursuant to subsection 1 of section 12 of the Canadian Corporation for the 1967 World Exhibition Act and to subsequently dispose thereof, $20,000,000.

L40a. To provide for the purchase, acquisition, and holding by the Minister of Finance of securities issued by the Canadian corporation for the 1967 world exhibition pursuant to subsection 1 of section 12 of the Canadian corporation for the 1967 World Exhibition Act and to subsequently dispose thereof, $10,000,000.

Administration—

4b. Grant to the endowment fund of the Vanier institute of the family—L'institut Vanier de la famille, $533,021.

INSURANCE

1. Departmental administration, $1,271,000.

Item agreed to.

AUDITOR GENERAL'S OFFICE

1. Salaries and expenses of office, $2,217,000.

Mr. Bell (Carleton): May I ask the Minister of Finance if he shares the views which were expressed the other day by his colleague the Secretary of State with regard to the Auditor General?

Mr. Sharp: Mr. Chairman, the hon. gentleman would have to inform me of the views of the Secretary of State. I may have missed one of her utterances.

Item agreed to.

The Deputy Chairman: This concludes the estimates of the Department of Finance for the fiscal year ending March 31, 1968. We will now consider the estimates of the Department of Justice.

DEPARTMENT OF JUSTICE

1. Administration, including grants and contributions as detailed in the estimates, gratuities to the widows or such dependents as may be approved by treasury board of judges who die while in office and authority to make recoverable advances for the administration of justice on behalf of the governments of the Northwest Territories and the Yukon Territory, $13,513,800.

Mr. Trudeau: Mr. Chairman, as hon. members know, the estimates of the Department of Justice were examined by the standing committee on justice and legal affairs on June 27 and June 29. The standing committee examined the main estimates of the department and its report is tabled. I refer to pages 3 and 4 of the minutes of proceedings and evidence, No. 3, dated June 29, 1967. I doubt that anything I said before the standing committee bears repetition here. I am, therefore, prepared to deal with any questions hon. members care to put to me in this connection.

Mr. Woolliams: Mr. Chairman, in opening my remarks on the estimates of the Department of Justice I am sure that my colleagues would join me in congratulating the minister. This is the first time we have had an opportunity of congratulating him upon his appointment. I believe all of us like to see a young man get such an important portfolio. Of course, I believe it has to be thoroughly understood that when the department was divided there was not a large degree of responsibility left with the Department of Justice compared with the responsibility the department had previously.

The main responsibility of the department, of course, is the administration of justice itself. I want to deal with three points and I should like the minister to give some answers. Before doing so I should like to say a few preliminary words concerning the procedure on estimates. When I spoke on the estimates of the Department of Manpower and Immigration I said that I was one of those who looked with some scepticism on the new rule which applies the guillotine to the consideration of estimates. When one asks the minister important questions about his department, the new rule allows no time for answers. The new gambit is to say, "I could not help it, the time ran out." Then the minister writes letters to various members and those letters are published in the newspapers. Hon. members are then able to read the answers in the newspapers but there are no further questions or explanations.

If this method is going to continue, and I cannot see any way it can be avoided if these rules remain, then so far as I am concerned the real function of the opposition to examine government expenditures is gone. After all, I think the main function of the opposition is to scrutinize every expenditure carefully and get answers from the various ministers. We have failed in our attempts to get the answers on these estimates. When the clock strikes ten tonight the guillotine will fall, since this is the last day for estimates. It will not matter whether ministers have answered questions with regard to expenditures or not; we will just start all over again next year.

So far as I am concerned, these rules really usurp the power of the opposition. I am one who has said privately and in the house that I am against this gagging of the opposition. When you take away the function of the opposition to scrutinize government expenditures you take away the power of the opposition. If we cannot carefully scrutinize all expenditures of the various departments we may as well lock the doors of parliament. Parliament is dead and democracy has actually been destroyed.

Following those remarks I want to deal with three subjects this afternoon. The first is the jurisdiction of the Exchequer Court of Canada. The second is a review of the Criminal Code and why it should be effected. The third is the important matter of the administration of justice and the increase in crime in Canada.

The first point I want to deal with is the jurisdiction of the Exchequer Court. When the Exchequer Court was set up it was set up as a special federal court. It was felt that it should have a special jurisdiction because the other courts were either too busy or not capable of doing the job. What is that special jurisdiction? Apart from practically all matters that affect the crown, the main jurisdiction of the Exchequer Court is in reference to expropriation cases and tax appeals. I want to deal for a few moments with the expropriation jurisdiction of the Exchequer Court.

First of all, it is true the Exchequer Court does meet in various places across the country. However, all applications with reference to any matter that is going to go to trial are generally heard in Ottawa.

Let us consider what happens in expropriation cases. For some reason, generally a public work, the crown takes over certain land owned by a citizen of this country or by a company in this country. Then there is always a period during which the crown negotiates a price for the property. If the crown is unable to negotiate a price, then generally the citizen has to commence the action. In my opinion, this is wrong. The onus should be on the crown. If the crown has expropriated land and cannot come to an agreement with the citizen as to the value of that land, then surely the cost of initiating that action should be on the powerful state rather than on the individual.

I am going to deal with a particular case with which I had some experience. It lasted a considerable length of time and came before the Exchequer Court. The crown offered these people approximately $13,500 for about 60 acres of land near Lake Louise. The three people concerned were between 70 and 80 years of age and were unable to come to grips with the crown with regard to a price for their land. They were never notified when the expropriation took place. All that happens is that the government—this is not an attack on this particular government —passes an order in council and the plans of the land plus the order in council are then filed in the land titles office. The crown is then the owner in fact and in law, unless there is something wrong with the procedure. Finally, the citizen finds out he has lost his land and he tries to negotiate. If he does not take the price the crown offers, then he has to prove the value of the land. He has to hire appraisers, and they do not come at a dime a dozen. They are highly skilled, high-priced people.

• (5:00 p.m.)

If a person loses land which happens to be his only possession and he has no other assets or money behind him, he has to take the price offered by the crown. His only alternative is to find someone who will lend him money to finance a lawsuit against the crown.

In the particular case I am referring to these people had to get an appraiser who understood the value of land in the national park—I am not going to get into that matter—and it cost between $5,000 and $7,000 to get the land appraised. Then three or four applications followed, each of which called for the litigants and lawyers to go to Ottawa from Calgary. The distance by car is 2,600 miles and by air about 2,000 miles, so I am sure the minister will have sympathy for this sort of difficulty.

First of all, Mr. Chairman, the crown refused to produce the director of the park for Examination for Discovery and so counsel had to make an application to a judge and obtain an order to force the crown to produce the director. This application had to be argued in Ottawa, as I say. After the director of parks was produced for discovery he refused to answer some 187 questions put to him. As everyone knows, an examination for discovery is an examination of an officer of a company or of the crown by the other side to the suit.

Following this refusal counsel again had to go to the judge and get an order that the director of parks answer the questions. That was done. Counsel then had to get an order to settle the issue under the new rules of the court. These rules are more like the British rules, not so streamlined as the rules in Alberta that govern the Supreme Court trial division. This all added to the expense.

In most cases, Mr. Chairman, the litigant will withdraw before he finally gets to court simply because he cannot afford the cost. However, if he does take an expropriation case to trial he has to find an appraiser, which as I said in this particular case cost $7,000, and go through all these procedural matters.

I am not blaming the crown for all of the delay in this case, but there was considerable delay. Under the new rules that have been drawn up litigants are now required to file a certain kind of pleadings. However, the two sides have to settle the issue and this is narrowed down by another application. Finally the matter comes on for trial.

To illustrate why the litigants in this case had to have their own appraiser I point out that the final judgment awarded—the matter has been settled and the judgment paid so I can discuss it now—the sum of $85,167.53 for one parcel of land, $8,131.73 for another parcel, $3,696.24 for another parcel and $14,-982.78 for the fourth parcel. To be fair, there is some interest involved in these figures and the judgment awarded approximately $96,-000. However, if the litigant had taken the offer made by the crown he would have ended up with $13,500.

As I say, Mr. Chairman, the litigant had to fight, and it was quite a fight. The crown hired several appraisers. It does not matter to them how much they spend to beat a citizen. They hired a Mr. Robinson of Calgary and he came up with an amazingly high figure. I know what his figure was. They also hired appraisers in the Department of Transport and another appraiser in another department. What figures did they produce at the trial, Mr. Chairman? They came up with $20,000 instead of $85,000, which includes interest, for the first parcel. Actually the principal amounted to $55,000, so there was a difference of $35,000. They recommended $5,000 for a small parcel, $2,400 for another parcel, and $5,800 for the fourth parcel. Their total offer was $33,200 at trial, there having been all this delay, expense and frustration.

When you are a lawyer fighting the crown, Mr. Chairman, let me tell you you are really fighting. Remember that the Exchequer Court is a court set up for the crown; let us make no mistake about that. Therefore my first recommendation is that the jurisdiction of the Exchequer Court should be reviewed. I have always maintained that we are overgoverned and that we should make some cuts in our expenditure in governing Canada, and likewise we have too many courts. There is no reason why the high trial courts in the provinces, to which are appointed as judges some very able lawyers, should not have the jurisdiction that the Exchequer Court has in the matter of expropriations.

What would be the advantage of this, Mr. Chairman? First of all, the judges in the provinces have more appreciation of the local geography and the people of the province and more understanding of the circumstances than do the judges of a court that sits in a high and mighty place here in Ottawa. Therefore I would hope that this new and youthful Minister of Justice will review the jurisdiction of that court.

Many great counsels throughout the country whom I dare not name have said to me over and over again that in tax cases, another matter within the jurisdiction of the Exchequer Court, it is very difficult to succeed in the Exchequer Court, which I repeat is a court set up for the crown. It is also expensive to go to this court.

Why do I say that the jurisdiction of the Exchequer Court should be reviewed and certain aspects of it transferred to the high courts of the provinces. First of all, it would save expense. Lawyers will not have to travels 2,500 miles across Canada to plead clients' applications and cases. The litigant himself would also be saved the expense of coming a long distance for the trial.

I want to be fair to the Exchequer Court and to say that when the judges, particularly the president of the court, became seized with the matter they did everything they could to cut costs and to have the trial held in Calgary. Nevertheless, all the applications had to be heard in Ottawa and the litigation was too expensive.

When dealing with lawyers employed by the Department of Justice, Mr. Chairman, it is much more difficult to get down to the issues than when dealing with lawyers for firms engaged in private enterprise.

Mr. Schreyer: Would the hon. member permit a question?

Mr. Woolliams: Certainly.

Mr. Schreyer: I simply want to ask the hon. member for Bow River whether he is advocating the abolition of the Exchequer Court and making the superior court of each province the court of final appeal? If so, with respect to what kind of cases? Does he mean only those cases which normally come before the Exchequer Court at the present time?

Mr. Woolliams: My answer to that question is yes, Mr. Chairman, in some fields. I would want to look at this question very closely. I have thought it through and talked to many lawyers, and I think the Canadian Bar Association should review the matter. But so far as expropriation cases are concerned, my answer would be "absolutely yes". The court of appeal in each province could review the case and if the litigants were not satisfied and the amount in issue was large enough, over $10,000, they could go to the Supreme Court of Canada.

That brings me to my next point, Mr. Chairman. If a litigant is not satisfied with the decision of the Exchequer Court, what happens then? I will tell you what happens.

Mr. Trudeau: Mr. Chairman, before the hon. member goes to his next point could I ask him a question? The hon. member mentioned the difficulty of dealing with the lawyers of the Department of Justice. I do not think he had finished that point when another hon. member asked him a question. Could he give a supplementary explanation of that matter?

Mr. Woolliams: I did not say that I personally had had this difficulty. I said that in

dealing with others I had found this experience. But when you are dealing as a member of one enterprise with a member of another enterprise, two lawyers who are free enterprisers in the same city, you are able to make decisions over the telephone and reach expedient agreements. The lawyers in the Department of Justice work under a great disadvantage. They are always responsible to some other person and cannot act or conduct their affairs as an average lawyer can when dealing with a local lawyer.

• (5:10 p.m.)

You will find when you get into the higher courts, and I have been in the high courts of the provinces, that the higher the court is the simpler the procedure and the better the quality of justice. In the Supreme Court of Canada you will find the greatest grace in the judges. I am not being critical, but the department's lawyers do not expedite matters as quickly as outside lawyers would. To illustrate what I mean let me say that I wrote to the department of northern affairs over two months ago with respect to some land. They said, "We must refer this to the Department of Justice". It was a matter in which Mr. James Boyce of Banff was interested. I have yet to get a reply. I might have to wait for a year. We are told that they have a great volume of work to do or that the matter must be strained through many fingers before an answer can be given.

An hon. Member: They are not efficient.

Mr. Woolliams: They are not efficient. The department's lawyers have to be very careful. They cannot say as an outside lawyer would say, "Look Eldon, I think this will happen; let us take a look at this thing." Within 24 hours of writing you have the answer. You are lucky to get an answer from the department or from any crown agency within 24 days. Delays like that lead to frustration.

Let me come to my next point. If you are not satisfied with an Exchequer Court decision you may want to appeal to the Supreme Court of Canada. There is one law for the rich and one law for the poor, and this has never been more apparent than today. You must pay the court reporter at so much per line or so much per page. In the instance I am thinking of where land use was in question and a town was to be built on a tract of land, it was thought that an appeal might help. When the cost of appealing was looked into the appellant said, "We cannot go on; we have no more money."

Let me tell hon. members what it would have cost to buy the evidence, forgetting about the lawyers entirely. The cost of printing the exhibits for the Supreme Court of Canada would have been $2,464. The pleadings would have cost $430 to print and the proceedings at trial were estimated to cost over $2,000. Altogether we had to raise $4,894 to buy the evidence before we could even proceed with the appeal. When they heard of these amounts the appellants said, "We have heard enough." That illustrates what I mean when I say there is one law for the rich and another for the poor. Those without means cannot litigate against the all-powerful state. Those who legislate in parliament and those who draft legislation do so keeping the interests of the crown uppermost in their mind. The poor citizen, the litigant, has everything stacked against him. The onus is on him to buy the evidence. To fight the sort of case I have just spoken of would cost $25,000. I say that the ordinary citizen cannot afford to litigate in the Exchequer Court and cannot afford to go to the Supreme Court of Canada if he is not satisfied with the Exchequer Court's decision.

In all seriousness let me say to the minister that I am glad to have this opportunity, as chairman of the justice committee of the Conservatives, to speak of these matters. The jurisdiction of the Exchequer Court must be reviewed. The fees of court reporters must be reviewed. It cost so much a line or so much a page to buy the evidence of any proceedings recorded in the Exchequer Court.

The criminal courts are administered by the provinces. Judges are appointed by the federal government and paid by the federal government. Over the years a system of legal aid has been evolved whereby those who need legal help are able to obtain it. The attorney general of a province will buy the evidence of a preliminary hearing for someone who cannot afford to buy it. Do you know, Mr. Chairman, that a volume of evidence as thin as this volume which I hold in my hand will cost you from $90 to $100? Not only will the attorney general buy the preliminary hearing evidence but he will also appoint a defending lawyer. That is all very well in criminal cases, but where is the money to come from for those who want to fight the all-powerful crown agencies? What a difference there is in the chances of those who, facing criminal proceedings, have the means to gather evidence and to hire their

own detectives to fight the all-powerful crown.

The law is the same for everybody but the cost of presenting a case at law means that the rich have an advantage over the poor. Take the instance of a man with a small company who disagrees with his tax assessment and takes his case before the Exchequer Court. Perhaps the whole matter rests on the interpretation of some unknown regulation he did not know about. He goes to the Tax Appeal Board, after which he appeals to the Exchequer Court. Unless he has money he must either pay the tax or face the consequences. Unless he has money he cannot take the matter higher. Obviously there is one law for the rich and another for the poor.

Let me give another instance that shocks me. In the Exchequer Court, for example, where a court reporter is employed—often you do not realize the court reporter is charging the litigant—you will be presented with an unexpected bill for half the cost of the evidence. That is authorized by some obscure rule. The district courts of Alberta, or supreme courts in some provinces, supply court reporters. The court pays for the reporter's cost for the trial. They are appointed to take the evidence. Clearly, reforms are needed with respect to the employment of court reporters. Again we see that there is a law for the rich and another for the poor.

My next point has to do with the Criminal Code. When the code was reviewed ten years ago Mr. Justice Emmett Hall, now of the Supreme Court of Canada—I think he was then chief justice of Saskatchewan—said that really only certain procedures had been reviewed. Our criminal laws are archaic and I shall deal with some of them in a few moments. The minister was most gracious with me when I spoke to him about setting up a committee of the house to look into this matter. I think all bar associations agree that we should take another look at the Criminal Code to see if we cannot streamline procedures and do away with some of those discriminations which deny justice to the poor while making it available to the rich. Do you know, Mr. Chairman, what section 12 of the Criminal Code says? Laymen who read the section are shocked. It says:

Child under seven

No person shall be convicted of an offence in respect of an act or omission on his part while he was under the age of seven years.

[Mr. Woolliams.]

• (5:20 p.m.)

As soon as a child reaches the age of seven years and one day he may be brought before the courts of this land, provided that he was aware of the nature and quality of the offence, and tried in the same way as adults are tried. Surely the laws of this nation should be set up in such a way that they do not apply to children in the same manner as they apply to adults. Take the famous Truscott case which involved a boy of 14. Then there have been other cases involving, as the department knows, children of 12, even children of seven years of age, including a boy so small that he could not be kept behind the bars. This is all because of an outdated, archaic section going back to the days when children worked in the mines.

We shall shortly be debating a bill with reference to capital punishment, but that is another matter. Let us consider the crime of murder which has now been divided into capital murder and non-capital murder. If it is capital murder, planned and deliberate, and the jury so finds, the sentence is hanging. Of course, such sentences have always been reviewed by the cabinet and, since this government came to office, commuted. But I am not going into that aspect. Then there is non-capital murder. When parliament was dealing with this matter it overlooked the fact, says the chief justice of our province, that the former crime of attempted murder was abolished. It is in a vacuum, so to speak. Is it an attempt to commit capital or non-capital murder? How can one tell? This, Mr. Chairman, demands further review and examination.

I know the Minister of Justice is paying attention. I have talked to him privately and I believe he knows the code must be reviewed. What about the law concerning insanity, the M'Naghten rule. The defence is twofold; it is said on behalf of the accused that either he did not know the nature and quality of his act, which is one defence, or that he did not know that what he was doing was wrong, which is the second defence. In the light of the fact that since the famous M'Naghten case our knowledge of psychology and psychiatry has advanced to such an extent as to give us far greater insight into the nature of human behaviour, surely it is time to bring some of this knowledge to bear on the law as it now stands as far as it governs the question whether the accused was insane or sane.

What about suicide? A person can be charged with attempted suicide. But surely anyone who attempts to take his own life is mentally ill, suffering from some kind of depression. It is true that the courts are generally kind when dealing with these cases, but the law exists and we know what the sentence could be. What usually happens is that the person concerned is charged and taken to gaol. Remember, the person concerned is already ill and depressed. I see that my hon. friend from Athabasca agrees with me. He was a member of the R.C.M.P.; he knows that what I am about to say is correct. He has seen such people incarcerated, and if they are depressed when arrested how are they likely to feel when they are put in a cell? In practice the case is generally reviewed by a judge, the accused goes to a mental hospital and sentence is suspended. Nevertheless, in many cases the person concerned will have been found guilty of an indictable offence and there will be a record against him, preventing him from leaving the country.

What about bail? Again, there is one law for the rich and another for the poor. What usually happens is that a magistrate sizes up the circumstances and sets bail accordingly. If the accused does not have the wherewithal to pay it, he stays in gaol. In many cases the accused should never have been arrested in the first place. I am sure these people would appear at their trial. They may have gone off the rails; may be they have drunk too much. But if they are summoned they will appear. However, unless they get a counsel who can arranged for them to have a speedy trial it is possible for them to be kept in goal from July to September throughout the legal holiday before a judge is ready to hear the case. Recently this was the subject of comment in the *Albertan* after the accused in a case in which I was concerned did receive a speedy trial while others waited in gaol. I know that perfection cannot be expected, but one look at the bail system should be enough to convince us that it is a case of one law for the rich and another for the poor.

I intend now to mention a few other things which it seems to me are in need of remedy as I see the code through working with it. On summary conviction, in cases where a magistrate has absolute jurisdiction, it is possible to appeal to the district court and obtain what is called a trial de novo, that is, a brand new trial. But there are circumstances involved here which have always bothered me. Why should an appeal from a summary conviction be the most difficult appeal one to perfect? Many possibilities of error or omission are attached to it. Notice of appeal must be filed and served within a time limit, a certain sum must be set aside for costs and so on, the crown must be served with notice within so many days. Failure in any one of these respects means that the case is "out", that it fails for lack of jurisdiction. Surely this section should be reviewed.

The Assistant Deputy Chairman: Order. I regret to interrupt the hon. member but the time allotted to him has expired.

Some hon. Members: Go on.

The Assistant Deputy Chairman: Does the committee give unanimous consent?

Some hon. Members: Agreed.

Mr. Woolliams: The Minister of Justice is no doubt in possession of these facts. The department is probably well aware of what I am saying. I make this case for an early review of the code. Let people with experience, knowledge and intelligence produce a new code to streamline our legal procedure and do away with discrimination—one law for the rich and another for the poor.

I was talking about the steps necessary to secure a trial de novo. Let me point this out. Suppose a man is charged with murder and found guilty. If he did not have a lawyer—in practice the court would appoint one—he could appeal to the court of appeal in any of the provinces simply by writing a letter and asking for the appeal. But the lower the court the tougher the procedure required. This is ridiculous. Hon. members may say a lawyer ought to know how to carry out this procedure. But what about a man who has been convicted and who cannot afford a lawyer? He cannot possibly be expected to be familiar with this process. Indeed, many young lawyers are worried about the procedure. They keep checking what they have done with their senior partners and asking: Am I right? They are concerned because they know that if they do not do everything perfectly, the case is out of court.

Again, expenses in connection with the appeal book are too high. In my own province the attorney general is co-operative. But this is not good enough. We must streamline the code to make it work for our citizens. Expenses generally are too high and the cost of court reporting is too high. Maybe it is time court reporters were paid entirely on a salary basis.

• (5:30 p.m.)

I wish to deal now with one other point. Under the provisions of the code the police court records of young people are registered. A lad of 13 or 14 may get into difficulty and plead guilty; perhaps he has taken somebody's car to go for a joy-ride and pleads guilty to the theft of the car. Many of these pleas are made because the infant does not know his rights. Anyway, he then has a conviction for an indictable offence against him and the consequence is that when he grows up he cannot go to the United States. He may get a big scholarship to attend a university there. But what happens? He bounces into your office or my office, as members of parliament, but he cannot go if he has been convicted of an indictable offence. Surely the time has come in this nation, particularly on our one hundredth birthday, for some kind of reform. We must consider the pressures on youth today and do away with the keeping of records against youth for a long time, yes, even against adults when after a period of time they have proven themselves rehabilitated in society. This is another point that should be looked at and another reason why the code should be reviewed.

Here is another thing that happens. When a boy or young woman who has previously been convicted of an indictable offence comes before a magistrate and seeks bail, up steps a softspoken crown counsel to read out the record. He says that the boy was found guilty of assault at Western high school, he did this, and he did that. If the person involved has any record, up goes the bail. The price of justice rises. What has that to do with bail? The purpose of bail is that somebody will guarantee that a man will appear at the bar of justice on such and such a day to stand trial.

Another matter I wish to mention is the vagrancy section of the code. If any section is being misused it is this one. If the police are suspicious that a boy, girl, man or woman is guilty and they have no evidence, they can hold the person in jail even though they have no evidence. They are not supposed to do so, but they charge the person with the crime of vagrancy. They hold him for two or three days and hope that in that period they will get a confession from him. When they get a confession they have some evidence. Alternatively they will bring a little pressure to bear here and there and build up a case.

I would like to have a record of all instances in police courts across Canada when a vagrancy charge was laid against a man or woman who was not even near the scene of the crime and the charge had to be withdrawn. If we are going to hold people on a holding charge let us tell them that it is a holding charge. Let us tell them the reason for it. Let us say: We have reason to believe you are mixed up in this affair and we shall hold you. But let us not call it vagrancy because a vagrant is a person found in a public street with no visible means of support. There are other definitions of vagrancy but that is beside the point. It is high time that this matter was reviewed.

I now wish to say a few words in reference to drugs. I am glad to see that the hon. member for Cartier has introduced a bill dealing with drugs because this means that the whole question will be reviewed. I am one of those who believe—and I said this the other day—that it would be easy to get headlines by saying narcotics have become a terrible menace for our young people. But I do not know that. There may be more use of drugs per capita, but surely when one reads the article written by a noted doctor in the United States, not published in the best magazine by any means, in which he talks about the difference between marijuana and narcotics, one comes to the conclusion that it is time we took a reasonable look at the Narcotic Control Act.

Is marijuana the same as other drugs such as heroin and so on? I am not going to take the time today to go into that question because it would take too long to refer to the difference, but scientists agree that a person does not become addicted to marijuana. That does not say for one minute that I believe young people should be using it. I think it is eroding the moral fibre of young people who are using it or even contemplating using it. Men in high places are saying that marijuana is no worse than alcohol or tobacco. Young people read such statements. They argue with their parents and say, "Some scientist says it is not dangerous so I am going to use it." That is bad propaganda.

This summer I defended three university scholarship students charged with using marijuana. The judge, a distinguished citizen of Calgary, said that they probably took it for kicks. I should mention that these students came from another country. If they had been charged with importing it and had sold some of it to their friends, the minimum sentence under the Narcotic Control Act would have been seven years. However, they were charged with possession and use.

I pleaded before the judge that they should be fined and not incarcerated because they wanted to go back and finish their term at university. I am not naming the university. But under the penalty section of the Narcotic Control Act our court of appeal has taken the position that on conviction a person cannot solely be fined. The judge must sentence him to some period in jail. In this case we had a very learned and understanding judge, because he has a family of his own. What did he do? He looked at the matter and said, "All right. If that is what the court of appeal says I will sentence them to one day in jail with a $500 fine, and as it is past noon they do not have to serve their one day." I do not know where the provision about it being past noon comes from but it is used. Basically, we got a fine for them instead of prison.

But do you know what happened, Mr. Chairman? Counsel for the federal crown called the immigration department and said, "We now have three people in Canada who have been convicted of an indictable offence and we want them arrested under the Immigration Act." Air Canada was better than usual and we made a quick reservation and got them out of the country.

With regard to a student who is caught smoking marijuana, if we are going to make it an offence let us look at it from the point of view of education and re-education so that he will cease using it. If we are going to make it an offence let us amend the law so that it serves the kind of justice we expect and allows persons convicted to live within the institutions of our society with some kind of dignity.

One last thought, Mr. Chairman, with regard to corporal punishment. I have heard the hon. member for Vancouver East make excellent speeches on this subject and he will probably have something to say about it today. He was bringing this matter before the house long before I became a member. Some 15 or 20 years ago a royal commission dealt with the matter of corporal punishment and thought it was terrible. Here is what section 641 of the Criminal Code says in part:

> Where a person is liable to be sentenced to be whipped, the court may sentence him to be whipped on one, two or three occasions within the limits of the prison in which he is confined.
>
> A sentence of whipping shall specify the number of strokes to be administered on each occasion.

Have we not reached the time in our civilization when a man should not cause another man, for whatever he may have done, to be stretched out and brutally beat him in the most sadistic fashion? Is it not time to review the details and wording of the Criminal Code? The Minister of Justice is a young man. If he can accomplish this job he will go down in history as one of the best ministers of justice, apart from politics. I am glad, Mr. Chairman, I have had the opportunity to deal with this point.

Before sitting down may I mention one last thought. Ex-R.C.M.P. Commissioner Harvison made a statement the other day. I do not think he is a reckless man. Over the years that I have practiced law I have been more often on the defence side than on the other side, and I have developed a tremendous respect for the R.C.M.P. I do not think there is a nation in the world that has a police force of which it can be more proud than we can be of the R.C.M.P.

Just a week or so ago ex-Commissioner Harvison said that American syndicate criminals are moving into Canada, into Vancouver, Montreal and other big centres. He said they have been doing this for a long time. In this respect I say that the administration of justice is a joint responsibility of the federal and provincial authorities. I ask the Prime Minister if he would set up a royal commission to find out what is going on in regard to corrupt bankruptcies, because there has to be some investigation carried out. I think Lafayette Payette was the name of the man who, because he dared to raise a question about a fraudulent bankruptcy, was found dead in the trunk of his car. This is syndicate crime.

• (5:40 p.m.)

We prosecute the poor girls and boys and men and women who take drugs. But what about the pushers? What about the fellows who are bringing these drugs into the country? The R.C.M.P. have done a terrific job in this respect. They have caught up with people who had several millions of dollars worth of drugs in their possession. These people are making money from the demoralization of our youth and older people. Let us investigate this problem in view of the commissioner's statement. Let us not play politics and say: This is not the way I would handle the matter. I say to the Prime Minister with the greatest respect—he is not here at the moment but I do not make anything of that—that we must do something to solve this extremely serious problem. The Minister of Justice is here. He is a member of the cabinet and I asked him to talk to his cabinet colleagues about it.

Is the minister going to sit idly by in the hope that the officials who administer his department will be more efficient tomorrow than they are today or is he going to be dynamic in this portfolio? Is he going to be an effective Minister of Justice who will look into this problem and get to the bottom of it? This is the kind of action we hope to get from a new Minister of Justice, because a new broom sweeps clean.

I have spoken longer than I should have, Mr. Chairman, but this is a very important subject. I should like to summarize the recommendations that I place before the minister. The jurisdiction of the Exchequer Court should be completely reviewed. A complete review should be carried out in the matter of appeals from the Exchequer Court to the Supreme Court of Canada. I recommend that the Criminal Code be reviewed now, not tomorrow. We must get away from some of these archaic laws which lay down age limits in regard to offences. We must get away from some of the archaic laws with respect to insanity, corporal punishment and attempted suicide. Many of the provisions of the Criminal Code were written under the old, ecclesiastical law. We need a code that fits present day conditions and mankind.

Let us consider the Narcotic Control Act. Let us not back away from amending the act because we may lose some votes if we take marijuana off the list of prohibited drugs. Most of us have families, no matter what position we hold in life, and our boys and girls are getting into difficulty. As a member of the Liberal party said the other day much better than I can, juvenile delinquency today seems to be moving into all strata of society. Let us enact laws that we can be proud of, which will help the youth of today and which will enable them to say later in life that our generation changed the law and gave it a greater degree of dignity. The laws we enact should be tools that serve society. Let us make sure, above all, that we appoint to the bench the very best men available.

Before this session began I noticed in the newspapers that the minister said he was going to talk to the Canadian Bar Association. This has some advantages and disadvantages. We have in the past done a pretty good job in appointing to the bench the very best men with wide experience. However, perhaps the time has now come when judges should receive special training in psychiatry and psychology so that when they hand out sentences they will know something about our youth. We have in this country judges who have never had a family. I am not being critical of that. Some of our judges have been involved in incorporated companies all their lives, and when they have to pass sentence on an accused they tell me it worries them. Perhaps it is time we set up special schools for judges. Let us become progressive and change some of our old laws that have outlived their usefulness.

I appreciate the committee having extended my time, particularly the Minister of Justice who has listened very carefully to my recommendations.

Mr. Winch: Mr. Chairman, I should like to speak briefly on the estimates now before us. The remarks I desire to make follow exactly the theme of the previous speaker, namely, that there is a law for the rich and a law for the poor. I admit I am not a lawyer and therefore cannot give the same kind of discourse as the hon. member who has just resumed his seat. But over the years, because I have a great interest in the matter of penology, I have had the opportunity of interviewing hundreds of the inmates of our jails and penitentiaries. I have received correspondence from hundreds of inmates incarcerated all over the country. Very rarely a week goes by without my receiving a letter from an inmate of a penitentiary setting forth his problems and grievances.

It is absolutely heartbreaking to receive one of these letters, investigate the matter and find proof of what the previous speaker called a law for the rich and a law for the poor. I fully appreciate that there is in matters of justice split jurisdiction as between the federal and provincial authorities. However, we must recognize that although the provinces have jurisdiction in the administration of justice, a great many of our laws are made federally. We must also remember that the Minister of Justice appoints our judges. Therefore a responsibility rests on the shoulders of the Minister of Justice irrespective of the question of jurisdiction.

We ofttimes read of meetings of the bar associations across Canada and see what matters they discuss and the views they hold. We know that upon occasion there are meetings of magistrates and judges. I note that these meetings are often addressed by the attorney general of a province or, as a general rule, by the Minister of Justice. Therefore I am taking these few moments to say to the minister that, even though there is split

jurisdiction in these matters, I hope the minister will make his views known and will convey them to the judges, magistrates and those in the legal profession in the provinces in the hope that we may to a considerable extent get away from one law for the rich and another for the poor.

It is most disturbing when we find that individuals, juveniles or adults with no previous criminal record or even with a record, charged with a criminal offence for which they could be sentenced to several years' imprisonment if found guilty have not had, from the time of the charge being laid to conviction and perhaps appeal, one minute of legal aid. I have in the files in my office on the sixth floor of this building details of case after case of this sort. I have letters from people serving long terms of imprisonment in our penitentiaries who never had a lawyer from the time they were arrested until the time they were convicted.

We know that in the provinces there is free legal aid, but time after time we receive evidence that although application is made for legal aid these people do not necessarily get it. If their application for legal aid is refused they have to face the judge and the possible loss of years of freedom without having a lawyer to advise and assist them. It is wrong, despicably wrong, that a person faced with a charge, particularly a serious one, should have no legal assistance because he has no money. I believe that federally and provincially, individually and collectively, something has to be worked out in this regard in the name of justice whereby legal aid is supplied when the individual charged is not in a position to afford a lawyer.

• (5:50 p.m.)

Another most important question is the difference in sentences. This matter has been spoken of in the house time after time by members of all parties, but for one reason or another nothing has been done to correct the situation. We find that even for the identical offence there is a terrific disparity in the sentences passed by magistrates and judges. This is definitely not fair. We find a law for the rich and a law for the poor within the same jurisdiction. This is an absolute disgrace which brings the name of justice into ill repute.

Not too long ago in the city of Vancouver a pawn-broker and his companies endeavoured to avoid the payment of $160,000 in income tax. He was charged and found guilty of trying to defraud the federal government of this amount. He was fined $48,000 but there was no jail sentence. The kindly judge told this wealthy man who tried to defraud Canada that he would give him the time he needed to pay the fine.

During that same week in the city of Vancouver a hungry drifter tried to steal two cans of sardines valued at 35 or 40 cents. He was hauled into court, was found guilty and was sentenced to six months in jail. This hungry man who tried to steal two cans of sardines was sentenced to six months in jail but a fine, with no jail term, was imposed on a man who tried to defraud the government of $160,000.

This example can be repeated time and time again in Canada and I have many of them documented in my office. There is no question that there is a law for the rich and a law for the poor, and this is not only related to the fact that some can hire lawyers while others cannot. One's status in our society makes a difference. If you are wealthy and are found guilty of a crime you receive a fine without a jail term. If you are poor like the man who was charged with stealing two cans of sardines you are likely to receive six months in jail.

This situation should not be allowed to exist. I sincerely hope that the minister, newly in this portfolio, will recognize this fact and do everything he possibly can within his power and within his influence to correct this most miserable and despicable situation which now exists in Canada under the name of justice.

[*Translation*]

Mr. Mongrain: Mr. Chairman, I would need three minutes only and I must admit that I will not always be in order but as members of the loyal opposition have, in the last two days, spoken freely on the subject that I want to raise and the Chair has been indulgent by allowing them to continue their remarks, I suppose that I will be treated with the same leniency.

First of all, I would like to make a short remark to commend the member for Vancouver East (Mr. Winch) for what he just pointed out. He did not develop his thoughts because, I suppose, he did not want to take too much of the time of the house. He is so right that I feel bound to support his remarks and say: The minister is not at fault, evidently, but it is high time that legislation should be reviewed, so that there might not be laws for the poor and different laws for

the rich. The law is for the poor and the rich, and he is perfectly right.

Mr. Chairman, I am out of order but I noticed that the hon. member for Bow River (Mr. Woolliams) spoke for 50 minutes.

The hon. member for Bow River is a lawyer and an extremely brilliant expert in criminal law for whom I have the greatest respect. He is a parliamentarian and a debater I would prefer to have on my side rather than against me. He is very effective in the way he conducts a debate. Therefore, I would not like my remarks to be taken as a breach of good manners; I am simply raising a matter of principle.

The standing orders stipulate that hon. members may speak for 30 minutes, but in the two years I have been here, no one has paid much attention to them I noticed. I would not object if three, four or five additional minutes were granted to those who have not finished stating their argument, although I think it could be done in one or two minutes, because anyone appearing on radio or television, where time is restricted, at a few seconds notice is cut down to half a minute without any consideration, because time must be limited.

I feel that the attitude of some members is illogical. For example, when I hear members of the opposition speak about the guillotine, I must say that I have always understood that standing orders, even if some provisions are temporary, had been passed with the approval of the leaders of all parties. Therefore, I cannot see how one can rightly say such a thing, unless one wants to stir up the electorate, or kid around, or give the public at large the wrong impression, which to my mind is akin to false pretences. I feel it would be dishonest to say that the guillotine will come down this evening. If the rule is not good, then the leaders of all the parties should meet and say: We are changing the rule, and that will be the end of that.

The same goes for limiting the speeches, Mr. Chairman. I too am opposed to that. The hon. member benefited from the fact that I was out of the house for a few minutes when he asked for the unanimous consent.

I appeal to all the members of the house and say this: Do standing orders exist? If they exist, why are they not adhered to? If the rules are no good, why are they not improved? But if we ourselves disobey the rules, we do not, as parliamentarians, set a very edifying example.

[Mr. Mongrain.]

Mr. Chairman, I understand that—again, I should like it to be understood that I do not, in my remarks, necessarily refer to the hon. member for Bow River because I say that he is one of the parliamentarians whom I listen to with most pleasure; I could listen to him for hours, although I am a little blasé as to—

The Deputy Chairman: Order, please. I am sorry to interrupt the hon. member, but I was trying to see whether his remarks were in order; I do not think they are. Moreover, it is six o'clock and I think it would be wise not to make comments which might be found unpleasant.

Mr. Mongrain: In any event, Mr. Chairman, I had finished.

[*English*]

The Assistant Deputy Chairman: Order. It being six o'clock, it is my duty to leave the chair in order that the house may proceed to the consideration of private members' business, pursuant to section 3 of standing order 15.

Mr. Deputy Speaker: The house will now proceed to the consideration of private members' business as listed on today's order paper, namely private bill, notices of motions papers, and public bills.

PRIVATE BILLS

PRINCIPAL LIFE INSURANCE COMPANY OF CANADA

Hon. Marcel Lambert (Edmonton West) moved the second reading of Bill No. S-11, respecting Principal Life Insurance Company of Canada.

• (6:00 p.m.)

He said: Mr. Speaker, the sole purpose of Bill S-11 is to ensure that chapter 21 of the statutes of 1965 will be deemed not to have expired or to have ceased to be in force after the thirtieth day of June, 1967, and to extend the expiry date to the thirtieth day of June 1969.

Hon. members may remember that this company was incorporated by a private bill that was passed in June of 1965 and, according to the provisions of the Canadian and British Insurance Companies Act, the certificate to commence business must be issued by the superintendent of insurance within two years of the effective date of the charter; otherwise the charter expires and the company must be wound up. However, in December, 1966, a petition was filed, after consultation

with the superintendent of insurance, to extend the life of the charter for a further two years. The sole purpose of this bill is to extend the charter until June, 1969.

The reasons for this appear in Minutes No. 6 of the Senate standing committee on banking and commerce and in the speech made by Hon. Donald Cameron in the other place on Wednesday, June 14, when he moved second reading of the bill. I would commend this material to hon. members.

In essence the reason why the company did not apply for its certificate to commence business within two years was the tightening up of regulations within the provinces of Alberta and Saskatchewan. Bill S-9 which incorporated this company received royal assent in June of 1965 with the understanding that the company would not commence its business of insurance until at least $500,000 of its capital stock had been subscribed and that amount paid in advance together with a contribution as a capital surplus of $500,000.

The Principal Life Insurance Company is one of three companies controlled by Principal Holdings Limited and is composed of the following companies: First Investors Corporation Limited, Associated Investors of Canada Limited, Principal Savings and Trust Company, and the Principal Life Insurance Company. The company has its head office in Edmonton. It is entirely Canadian owned and its officers are all Canadians living in or around, Edmonton.

The Principal group actually controls assets of some $68 million as evidenced by the consolidated balance sheet of the company dated December 31, 1966. Since the incorporation of the company in 1965 there were a number of developments in the financial world which caused all governments to tighten up and raise their requirements of financial backing before permitting companies to go into business.

The effect of the tightening up of the regulations so far as the Principal Life Insurance Company is concerned can be explained by the following illustrations. One of the member companies of the Principal group is Principal Savings and Trust Company, incorporated with $250,000 of paid-up unimpaired capital. In the spring of 1966, amendments to the governing legislation by the province of Alberta raised this requirement to $500,000. The legislation provides that this requirement will be further increased by mid-1967 to $750,000.

The other two member companies of the Principal group, namely Associated Investors of Canada Limited and First Investors Corporation Limited, both dealing in investment savings certificates and operating in the province of Saskatchewan, were required by legislative changes made in that province in mid-1965 to increase the minimum required net worth to approximately one twentieth of the statutory reserves of the company. This is the value of the qualified assets according to the Canadian and British Insurance Companies Act, less the statutory reserves and other liabilities. In order to qualify under the new standards in Saskatchewan, Associated Investors of Canada Limited required an additional $388,000 and First Investors required a further $112,000 making a total additional requriement of $500,000 additional capital.

The third factor was a change in the capital test under the trustees act of Alberta. In order to be an approved corporation under the amended act, the unimpaired paid-up permanent capital must be increased from $500,000 to $1 million.

The Principal group has been putting into effect these increased capital requirements and reserves. Therefore the $1 million that it had earmarked for the insurance company in 1965 has had to be put into the other funds in order to meet the statutory requirements. Having done so, it is now in a position to proceed within the next several months to apply for its certificate to commence business. It has also had to attend to a reorganization because of better control through computer equipment.

The Principal Life Insurance Company intends to write all kinds of life insurance, but it is to deal primarily with the group security that is attached to its savings certificates.

I have indicated to hon. members what is the purpose of this bill. I wish to point out again that the company is entirely Canadian owned and Canadian operated. The Principal group has been operating for 10 to 12 years in Edmonton and they have another associated company which operates in the United States. It may be of further interest that this group repatriated a Canadian investment company which had been bought by Americans and was repurchased by the new Canadian group in 1962. I am referring to Associated Investors of Canada, a company of which I have thought well and which had been sold, because of our rather odd estate tax laws, to American interests in 1959 or

1960 and was then repurchased by this group in 1962.

I commend this bill to hon. members. As we know, it will go to the committee on finance, trade and economic affairs for further discussion where, if members of the committee see fit, witnesses may be examined. However, witnesses have been examined *in extenso* before the committee of the other place and that evidence is available to hon. members.

• (6:10 p.m.)

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, I have often voiced my misgivings about the incorporation of endless life insurance companies. I may say that my misgivings are increased when we find, as in this case and another case we had, that these life insurance companies are closely connected with other financial institutions such as mutual funds, trust companies and so on. I am particularly concerned at this time, Mr. Speaker, when we are undergoing very severe economic and financial strains in this country, about the investment policies of these private institutions to whom we grant the privilege of collecting the savings of the Canadian people.

As I pointed out the other day, there is right now a considerable outflow of Canadian savings from the country. This raises in my mind, sir, the question of just what effect that has had in promoting and creating the financial and economic difficulties over which the Minister of Finance (Mr. Sharp) is now scratching his head. There is, of course, a very close connection. A great deal of the troubles of the government and the minister stem from the necessity of adjusting domestic policies in the light of our balance of payments problem and because of our idiotic retention of the fixed exchange rate.

Because of our ill-advised agreement with the United States regarding the maintenance of a certain level of exchange reserves, our government and our financial and monetary authorities have very little room to manoeuvre. When on top of that we have a drain of capital from Canada in the form of investment outside the country, then the troubles of the government and the monetary authorities are compounded. I have no intention of trying to stop the second reading of this bill. It will get second reading. However, when the bill is before the committee on finance and economic affairs we should be given a very clear and honest picture of just where these funds are invested. I get somewhat annoyed when economists tell me, as some of them have been telling me of late, that the level of investment has dropped badly and this has caused our trouble. When the money supply is rising, investment cannot be dropping. It may be changing its locale, and I suspect this is one of the reasons we are in trouble.

It is only two days ago that the Montreal *Gazette* pointed out in an editorial there is now a serious outflow of Canadian capital to the United States. In the opinion of the financial writer for that paper, this is one of the major components of our economic problems at this time. I should like to stress again, Mr. Speaker, what I have stressed in the past, the great danger of allowing this vital function in our econony, the pooling of the savings of the Canadian people, to be left in private hands. I had occasion a few months ago to speak about the investment policy of mutual open end funds with a man who is very closely involved with the investment policy of a large one as an officer of one of the major chartered banks. He was concerned about the investment policy and called it to my attention. He informed me that this could be duplicated right across the board with these trust investment funds. I say, therefore, it is a dangerous principle to allow private individuals to have control of pooling the savings of the Canadian people and deciding where they are going to be invested because direction of investment is another of the factors that creates economic and financial problems for the Canadian government.

I know, of course, that a government such as ours and an official opposition such as we have in this house are both wedded to a doctrinaire view of the economy which abhors the idea of this function being assumed by the public authority. Again I put in my plea which I make periodically, sir, for a complete change of attitude toward the control of the savings of the Canadian people. I urge that parliament should look with a very dubious eye on the continual expansion of the number of life insurance companies in this country. It is a fragmentation of the same pool of savings; you do not increase it at all. It cannot be considered for a moment that this proliferation of life insurance companies is likely to result in cheaper insurance for the policy-holders of Canada. On the other hand, there is every reason to suspect it will increase the cost because you add to the body of personnel who are engaged in selling life insurance policies

throughout the country. I plead with parliament and with the government to adopt a more reasonable method of pooling the savings of the Canadian people by expanding the operations of the Canada Pension Plan to offer options to the Canadian people of every variety of life insurance, which the public authority could do at a fraction of the cost of this horde of commission agents. I say, therefore, that I am not going to stop second reading of this bill, but I do want to point out the dangers of continuing along this path.

Mr. M. W. Martin (Timmins): Mr. Speaker, I should like to say a few words on this bill. First of all, I should like to give my endorsation to the remarks of the hon. member for Nanaimo-Cowichan-The Islands (Mr. Cameron). I must frankly confess that I am not an expert in this field. There was a time some years ago when I had an opportunity of gaining a little more knowledge of this field, and I should like to relate that experience to underline the remarks made by the hon. member for Nanaimo-Cowichan-The Islands. This experience goes back some years, in fact to a time before I had the privilege of entering this august chamber. At that time I was the president and chairman of the bargaining committee of the firefighters local. A pension plan had been shoved down the necks of the employees of our municipality by an insurance company along with the council of the day. We did not like it. We did not know too much about pension plans but the more we read about this plan the less we liked it. We proceeded, therefore, to get together to study it and various departments of the municipality raised certain objections. Finally we were treated to a display by the district troubleshooter of this insurance company. He gave us a real pep talk. However, we had delved deeply enough into the plan that we were not impressed and our questions got him into some pretty tough sledding.

The upshot was that he came around the next day to offer me a job with his insurance company. I was not too interested but I was curious. I asked him what they had in mind. He said that they would take me and train me for six months and while I was being trained they would pay me something like $100 a month more than I was receiving at that time as a firefighter, first class. At the end of six months the company would open a local office. They did not have a local office in my community. I would service the various pension plans they had, pick up any new ones I could and start selling life insurance. They said they would pay me a salary for the first six months, plus commission. At the end of six months I would go on straight commission. I asked him what the commission was and he informed me the commission would be 90 per cent of the first year's premium, 15 per cent in the second year, then 5 per cent per year for five years and 2 per cent as long as the policy was in force. This seemed to me to be completely out of line. Perhaps I overestimated my ability, but I thought I had enough selling ability that if I had gone out and really "turned on the steam" for a few years I would be able to retire on my 2 per cent.

• (6:20 p.m.)

I discovered after searching further into the matter that this was not exactly the case. The company had another little scheme which prevented this state of affairs occurring. It seems that the company set a quota each year. The quota was the amount you sold the year before plus a certain percentage. For example, if a salesman sold $100,000 of insurance this year, next year his quota would be $150,000. When he reached $500,000 his next year's quota would go up to $600,000. If he really had ability and got his sales up to $1 million his quota would be raised again the following year. I also found, that the 2 per cent or 5 per cent or 15 per cent applied only as long as you met your quota. That possibly explains why there is such a tremendous turnover of salesmen in life insurance companies.

One matter referred to by the hon. member for Nanaimo-Cowichan-The Islands, which I believe almost amounts to false pretences on the part of insurance companies in this country, involves the fact that when a policy is sold to a customer the 2 per cent is supposed to be the salesman's commission. But once a salesman ceases to work for the company the 2 per cent does not revert to the customer but goes into the coffers of the insurance company. I have seen cases time and time again of men who were top salesmen and had worked for years for a particular insurance company all of a sudden moving to another company and not obtaining any credit for previous sales.

What angers these salesmen is that the customer does not even get a rebate on his policy, and to me this amounts almost to false pretences. This is one of the causes of proliferation to which the hon. member referred. The more companies there are in the insurance field, the more 2 per cents will be taken from the customers, the people of

Canada, and piled up in the pockets of various companies.

In speaking to the bill, Mr. Speaker, the hon. member for Edmonton West (Mr. Lambert) listed some reasons to account for the two year delay. I was looking through the transcript of the proceedings of the Senate standing committee on banking and commerce for Wednesday, June 28 last, No. 6, and I noticed that different reasons were listed. For example, as reported on page 24 the president of the Principal group, Mr. D. M. Cormie, Q.C., said:

> Mr. Chairman and honourable senators, I might just point out that the basis under which the original charter was granted has continued in force. I should like to run over the development of the group since the time of the granting of its original charter in 1965 for the life insurance company.
>
> The Chairman: Does that development relate to the delay in completing the organization of this company?
>
> Mr. Cormie: Partially.
>
> The Chairman: Well, to the extent that it does, it is relevant.
>
> Mr. Cormie: Well, we found in 1965, shortly after this charter was granted, that it was desirable to have a little tighter and neater organizational pattern in the group, so it was decided to organize in the same pattern as the Investors Group in Winnipeg with primarily a holding company that was at the same time a principal management company—

As I said, Mr. Speaker, I am a novice in the field but that is not the same reason.

Mr. Lambert: Mr. Speaker, on a point of information, would the hon. member look at the reasons given by the mover in the Senate, which preceded the testimony given by Mr. Cormie? The hon. members of the Senate banking committee had already been given the reasons by Senator Cameron. These are additional reasons. Mr. Cormie's reasons are not being discounted at all.

Mr. Martin (Timmins): I see. I also noted the reason given on the following page where Mr. Cormie is reported as follows:

> We have just introduced an I.B.M. 360 system, and the programming on this for the life insurance company is estimated by our accounting department to take from six to eight months.

So the period will run into next year.

One point which does puzzle me is that, as reported on page 23, Mr. Humphrys, the superintendent of insurance, said:

> Mr. Chairman and honourable senators, I have very little to say about this bill. Its purpose is to extend the life of a bill that was adopted by parliament two years ago to incorporate this company, and under the provisions of the Canadian and British Insurance Companies Act, which is an act of general application to insurance companies, it is provided that if a company is incorporated and does not become registered under the insurance act to transact business within two years, then its act expires. This company was incorporated in 1965, effective June 30, but the company was not able to get organized—

To my reckoning, Mr. Speaker, this bill is now null and void as of July 1 of this year. I do not know. Perhaps the introduction of the bill in the other place extended the life of the previous bill, but I should like to know what is the position. If the bill is dead, then why are we discussing it today?

Mr. Lambert: On a point of information, Mr. Speaker, may I tell the hon. member that the petition to extend this bill was dated December, 1966, and I believe was filed in February, 1967, with the full consent and agreement of the superintendent of insurance. As a matter of fact, the procedure that was adopted was the procedure suggested by the superintendent of insurance.

Mr. Martin (Timmins): Like my colleague from Nanaimo-Cowichan-The Islands, I have no intention of holding up the bill but I did want the few points I have raised to receive some attention.

Mr. Frank Howard (Skeena): Mr. Speaker, I receive with gratification the applause of the Postmaster General (Mr. Côté) and others at my recognition. I take it to mean that in anticipation of my remarks hon. members are endorsing them.

Mr. Côté (Longueuil): I will not endorse them unless they make sense.

Mr. Howard: The hon. member for Edmonton West (Mr. Lambert) pointed out that the purpose of this bill is simply to extend the deadline by which this company that is seeking to be incorporated can obtain its certificate, licence, or whatever the correct word is, from the Department of Insurance. It seeks to extend the life of the bill that was assented to on June 30, 1965, being chapter 21 of the statutes of that year, when the company was incorporated by parliament.

• (6:30 p.m.)

It might be interesting to note that the classes of insurance which the company has permission to sell are life insurance, personal accident insurance and sickness insurance. I mention that because, as the hon. member for Edmonton West (Mr. Lambert) has said, the company is Canadian controlled. As I understand the Canadian and British Insurance

Companies Act, the company by law must remain under the control of Canadians. Apart from looking at the investment policies of insurance companies we feel, as the Prime Minister has said, that it is desirable to bring insurance companies which are controlled in other countries under Canadian control, so far as their share ownership is concerned. That matter is not germane to this bill because this is a Canadian owned company and, from my knowledge of the law, it must remain under Canadian control.

It will be interesting to put on the record the ability of this company, or of the group of which it is a part, to increase its assets. Speaking on June 15, 1965, when he moved second reading of the bill which became the act to incorporate the company, the hon. member for Edmonton West said:

> Let us look at some features of this group.

He was talking of the whole complex of companies which are involved in these arrangements:

> First of all, what is the management team? This group, in operation for about 11 years, has shown itself to be quite a successful one. Its assets have increased more than 2,400 per cent since 1956 and in fact they amount to some $56 million according to its 1964 balance sheet. In eight years the number of holders of the group's investment contracts has risen from 4,700 to more than 63,000. The group has its own selling, administrative and investment divisions.

Then he makes other references to the company, saying that the administrative ability of those in the group is high with respect to the demands of the business world. He gave us some understanding of the investment policies which a group such as this follows. I believe the hon. member for Nanaimo-Cowichan-The Islands (Mr. Cameron) also spoke of this matter.

There is one difference between this company and other insurance companies. Shares of the company are not to be sold to the public. If the hon. member for Edmonton West made a contrary statement today in his remarks on second reading, they escaped me. I assume that what he said previously is still true. The public will not be invited to participate in any capitalization or shareholding with respect to Principal Life Insurance Company of Canada. The company, as I understand the matter, is to be a wholly owned subsidiary of the holding company which also has the words "principal holdings" or similar words in its name. This brings me to the matter of the intimate relationship which may exist between the two insurance companies which, I understand, are held by the same holding company. Indirectly, a trust company and a mutual fund management company, from my reading of the record with respect to the bill in the other place, indirectly are held by the same holding company.

This at once raises the question of so-called arm's length dealings between companies which are of the same family, or of the same ownership. This matter was raised before the standing committee on banking and commerce of the Senate, when this bill was being considered. There is extensive reference to it. It was initiated by a question of Senator Leonard, and answered by Mr. Cormie who is president of Principal Life Insurance Company of Canada, and by Mr. Humphrys, the superintendent of insurance. The remarks of Mr. Humphrys, a highly qualified and extremely knowledgeable public servant, as they relate to these so-called arms length dealings, are of interest. On page 26 of the minutes for Wednesday, June 18, 1967, Mr. Humphrys says:

> I would say that the investment contracts as such bear a contract under which the purchaser pays a series of instalments over five, ten, fifteen or twenty years and the contract promises to return the purchaser the face amount at the end of the period. They are not the kind of investment instruments that will be used for investment of funds of a life insurance company, and I do not think that we could find anything in the life insurance act which would render them eligible. The mutual fund in so far as it isuses shares, and they can be regarded as common shares and have a dividend record, might be technically eligible under the provisions of the act; but as a matter of good practice the department—

And here is the declaration of public policy in this regard:

> —very strongly discourages any life insurance company from investing its funds in a circumstance that is not completely an arm's length one. We would be critical of a company that invested funds in the affairs of an associated or affiliated company.

Mr. Humphrys had made similar pronouncements on other occasions. After being asked whether something stronger than the disapproval by the superintendent of insurance might be brought to bear, he went on to say:

> Mr. Chairman, to date we have felt that we have been able to avoid any serious problems in this area. I may say, however, that my own feeling is that one of the principal dangers that we now face in these growing financial groups in Canada is this question of investing in public funds, that is, money that has been borrowed in situations that are not arm's length, where people making investment decisions cannot be sure that they are

making the best decision for both companies concerned. That is a matter which should be recognized more specifically in the legislation dealing with companies of that kind than is now the case.

In other words Mr. Humphrys says that this is the principal danger. The danger is to the investing public, to those individuals who have a contract, whether with a life insurance investment or with respect to mutual funds, with any company that is part of a group or closely related complex of companies. Mr. Humphrys went on to say that he was making recommendations to the minister who had authority over the department for the introduction of law to deal with this matter.

I hope that such law will be introduced before this house soon, because the danger of which Mr. Humphrys speaks has not arisen during the last week or the last month. It has existed in this nation for many years and, were Mr. Humphrys' words not heeded, the result might be the collapse of any one of the intimately involved trust and insurance complexes that exist in this nation.

• (6.40 p.m.)

This may be one of the features involved in the collapse of such groups. I do not think we can simply trust to the hope of the department of insurance that its highly critical view of such arm's length dealings should be relied on in the future to carry the weight which Mr. Humphrys says it has done in the past. This is a very real danger.

When the bill was considered earlier there was an injection of politics into our discussion. I would only say in passing that the hon. member for Medicine Hat (Mr. Olson) also spoke on June 16, 1965, and since this is an Edmonton based company the hon. member for Medicine Hat pointed out that this was obviously the result of farsighted policies on the part of the government of Alberta, and that no company could possibly go broke under those conditions. I say this in passing. I do not see the hon. member for Medicine Hat here today and I doubt whether he would have the same remarks to make today, in any event.

I wish to follow up some of the remarks made by my hon. friend from Nanaimo-Cowichan-The Islands (Mr. Cameron) about the state of our economy and the effect upon it of the activities of groups such as the one whose affairs are before us now, carrying out a certain type of investment program, a type of program which my hon. friend has clearly stated to be injurious to Canada's interests. By this, I mean purchasing policies which result in an outflow of Canadian savings for investment in other countries. This is one of the most important factors contributing to the difficulties we are experiencing in this country today. If the Minister of Finance (Mr. Sharp) would only pay more attention to this aspect and less to slashing expenditures, raising taxes and introducing price and wage controls, we might be better off. Let me quote from the proceedings in the Senate committee in connection with investment outside Canada. Senator Isnor raised this matter, as reported on page 26:

> Mr. Chairman, perhaps what I am going to say has no direct bearing on the bill itself, but I am wondering about the mutual funds statement. I notice there are $2 million in various securities—common stocks, and that of a total of $7 million, $5 million is invested in common stocks. Is this the usual percentage that you use?

To which Mr. Cormie replied:

> Well, no; I would say this varies according to the recommendations of the investment advisers, the name of whom at present is Davis Palmer Company, New York, and this will vary according to the judgment of the investment advisers. There is a tendency to move more heavily into United States stocks.

So there is a group of investment advisers in New York upon whose judgment the investment policy depends. The report continues:

> Senator Isnor: Yes, in stocks in a mutual fund.
>
> Mr. Cormie: Yes.
>
> Senator Isnor: In other words, you have 80 per cent investment in common stocks?
>
> Mr. Cormie: Yes, that is correct.

Mr. Lambert: Mutual funds.

Mr. Howard: Yes, indeed. That is why I quoted Senator Isnor's original question—because he talked about mutual funds and $5 million of the $7 million being in common stocks. The report goes on:

> Senator Isnor: That struck me as very high.
>
> Mr. Cormie: This will vary. It has moved up. I believe six months ago it was close to 62 per cent in common stocks. Now it has moved up recently to the time of this statement—

June 28, 1967.

> —and you will notice in November a big change in the proportion in common stocks between November 1966 and February 1967, so that would indicate I believe what we are saying that the movement into common stocks has only occurred recently.

Then the committee goes on to discuss the percentage guide lines and so on. As we see, Mr. Cormie himself indicates that the company's investment advisers are a firm in New York and that there was a tendency recently to move more heavily into United States

stocks. We have been aware of this for some time. I would be reluctant to go too far in discussing the purposes of this particular company in the investment field. I have no objection to the formation of the company or to its operation. We have been trying to buttress the position taken by the Prime Minister (Mr. Pearson) and to help him in every way we can, because we know he is encountering difficulties in his cabinet with regard to some of these things.

This is a Canadian-owned company and since it is a life insurance company it is required by law to remain one. We take the position that this bill should proceed to the committee, but that these aspects of its investment policy to which I have called attention should be examined in a great deal more detail than has been the case up to now, with a view to ascertaining whether they could not have a damaging effect upon the economy.

• (6:50 p.m.)

[*Translation*]

Mr. J.-A. Mongrain (Trois-Rivières): Mr. Speaker, once again, I shall speak only three minutes.

I must say that the arguments of my colleagues of the New Democratic party have a considerable impact on me in the financial circumstances facing the country at this time.

I have had the opportunity of mentioning several times that the government should be inspired by certain suggestions provided by certain parties. I mean especially the third parties, because I have the impression that the two traditional parties are being guided in their legislation by the existing financial situation and do not seem inclined to get out of their environment or, to use a more up-to-date expression, to swing to the left.

I think this is a case where the government should definitely swing to the left and seriously consider whether it would not be of considerable benefit for the government in solving the difficult financial circumstances in which the Canadian people find themselves at this time, to require as a strict minimum all such companies to invest to a very high degree in the economy of the country.

I simply want to say that, on this point, I support unreservedly the remarks of my colleagues of the New Democratic party that there is a weakness here and that a review, a reorganization of the fiancial situation is necessary in that field, as in some others, precisely to relieve the fate of Canadian taxpayers and put a stop to the flow of our capital into American investments simply because they are more profitable for the company.

Some consideration must also be given to the finances of the country which are at stake and which require those people to invest more in the country.

I emphasize this part of my remarks to say that I support them completely, even if I do not object in principle to the incorporation of this company. I suggest that the government should look closely into the remarks of members of the New Democratic party and keep them in mind when the basis of our whole financial system is revised. Furthermore, it is very urgent that the major companies such as these should sit around a table and consider our financial situation in the light of its social repercussions.

[*English*]

Mr. Deputy Speaker: Is the house ready for the question?

Some hon. Members: Yes.

Motion agreed to and bill read the second time, and referred to the standing committee on finance, trade and economic affairs.

BRITISH NORTHWESTERN INSURANCE COMPANY

Mr. Warren Allmand (Notre-Dame-de-Grâce) moved the second reading of Bill No. S-14, respecting British Northwestern Insurance Company.

He said: Mr. Speaker, I will be very brief. Prior to 1964 there were four insurance companies belonging to the Eagle Star Insurance group operating in Canada. All these companies carried on a general insurance business. One of these companies was British Northwestern Insurance Company, which is being considered in this bill. The other three companies were Eagle Star Insurance Company, the Security National Insurance Company and British Crown Insurance Corporation Limited. Eagle Star Insurance Company Limited was an English company, and was the holding company for the other three companies. Since 1964 the Security National Insurance Company and British Crown Insurance Corporation Limited have transferred their business to the British Northwestern Insurance Company, and the purpose of this bill is to change the name of the British Northwestern Insurance Company to Eagle Star Insurance Company of Canada. Once that is done the holding company, which is called the Eagle Star Insurance Company Limited, will

also transfer its business to the company under consideration so that there will be only one company under the name of the Eagle Star Insurance Company of Canada.

The reason for keeping that name is because it is a well known name in the insurance business. It is a business that has been carried on under that name for years. The only other purpose of the bill is to increase the number of shares to allow the one company to carry on the business that was previously carried on by four.

Mr. Frank Howard (Skeena): Mr. Speaker, with all respect to the direct explanation given by the sponsor of the bill and the relative brevity of the proceedings before the Senate committee on banking and commerce on June 28, there are a couple of aspects of this bill that need a little more exploration. Because of the structure of the company, because of the fact that it falls within that class of companies which is foreign controlled, foreign owned—at least that is my understanding—and the fact that it is one that is exempted from the provisions of the public law relating to Canadian ownership, I think we should not be hasty in giving the bill passage and referral to a committee.

I was reading the proceedings before the banking and commerce committee of the Senate, held on June 28, with reference to this company, and quite frankly I am a bit confused. I think there is obviously a typographical error in the report of the proceedings. I think it is necessary to read a few statements from it in order to point out where the confusion arises.

As recorded at page 29 of the proceedings, Senator Leonard asked Mr. Humphrys, the superintendent of insurance, the following question:

> Mr. Humphrys, what happens to the British Eagle Star in Canada?
>
> Mr. Humphrys: Its insurance will be either allowed to run out and be re-written as it comes up for renewal, in this company, or there will be a portfolio transfer where this company will take over the policies which have been written by the Eagle Star.

Then comes this important question by Senator Leonard:

> The Canadian people will not be offered an opportunity to insure in either a British company or a Canadian company by the name of Eagle Star?
>
> Mr. Humphrys: No. My understanding is that the activities of this group in Canada will be channeled through this company alone.

I do not know whether Mr. Humphrys was saying no to the negative sense in which the question was posed, in other words saying no to the proposition that the Canadian people will not be offered an opportunity to insure in either a British or Canadian company, or saying no and meaning that they cannot insure through a British company by the name of Eagle Star.

I say that because the bill seeks to change the name of British Northwestern Insurance Company simply to Eagle Star Insurance Company of Canada, and in the French version Eagle Star Compagnie d'Assurance du Canada. Either the Senate committee printed proceedings in this respect must contain a typographical error, or the question was posed in an incorrect way by Senator Leonard, because the reading of the proceedings would lead one to believe it is not possible to have any insurance through a British or Canadian company called Eagle Star once this bill receives passage.

The other aspect of the bill is the one I mentioned earlier, namely that it is not a Canadian company at the moment, and the public declarations of the Prime Minister (Mr. Pearson), the President of the Privy Council (Mr. Gordon), and others on the government side indicate that it is government policy to have companies achieve and maintain a Canadian identity. Because there is no procedure at the moment for this to happen with respect to this company, except the procedure followed in the precedent set by the Mercantile bank group, and another investment company bill which passed through the house this year, I do not think we should give second reading to this bill until some of these assurances can be provided.

Mr. Allmand: For the information of the hon. member this company is a Canadian company, originally incorporated in Manitoba in 1906, and subsequently incorporated under chapter 70 of the statutes of 1910. The original company, Eagle Star, was a British company.

Mr. Howard: Mr. Speaker, I think you should note what is being permitted here. It is difficult to have two hon. members proceed at the same time. If the hon. member wants to ask a question and incorporate this in his question I shall be very glad to allow him the opportunity, but it being seven o'clock I think it might be better to wait for another day.

Mr. Deputy Speaker: Order. The hour for consideration of private members business has expired. The house will now resume the business interrupted at six o'clock.

SUPPLY

The house in committee of supply, Mr. Batten in the chair.

The Chairman: Order. The house again in committee of supply. It being seven o'clock I do now leave the chair.

At seven o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

[*Translation*]

The Deputy Chairman: Order. The house in committee of supply, estimates of the Department of Justice for the fiscal year ending March 31, 1968.

Mr. Choquette: Mr. Chairman, my first words will be to pay a well deserved tribute to the Minister of Justice (Mr. Trudeau) and it is always a dangerous business to do that in view of his great humility. I do not think it is too much to say that he is one of the most brilliant newcomers to government in recent months and we are proud to see him work in public life in such an effective and dynamic manner.

Here are the few questions I want to ask. First of all, I would like to ask the Minister of Justice to what extent the federal government is willing, while respecting the jurisdictions concerned, to take the initiative or to suggest to the provinces to set up a compensation system on behalf of the individuals or families who have been the victims of criminals.

In recent years, several measures have been proposed to alleviate the lot of criminals, of prisoners. It is clear that science, like sociology, has made enough progress to indicate that certain steps in that direction are imperative.

Furthermore, or rather along the same lines, we should have generous thoughts for victims of criminals.

Often we see films and television programs showing the acts that weigh on the conscience of a convict shortly to be led to the scaffold. But never are we shown in such films or programs the sorry fate of the families of policemen who died on the field of honour, in the accomplishment of their duty.

So I urge, with all possible energy, the government to take the necessary steps to have in Canada a system of compensation to help the victims of criminals or the families of those victims who died as a result of a crime being committed.

My second question to the minister is as follows: he is aware that the province of Quebec recently established a commission to inquire into the administraton of justice? Could he tell me to what extent the Department of Justice is co-operating with the commission recently appointed by the provincial government in this connection?

Thirdly, could he tell me whether in the master legislation he intends to bring before the house shortly, for the purpose of revising the Criminal Code, it is considered to abolish section 149 of the Criminal Code, thus following the example of the British parliament when it passed a legislation regarding homosexuality? And I can speak about it with complete objectivity since I can never lay myself open to malicious criticism.

Mr. Chairman, another quesion I should like to put to the minister deals with the constitutional problem. The Minister of Forestry and Rural Development (Mr. Sauvé) announced some time ago the intention of the federal government to show the greatest possible latitude during the forthcoming federal-provincial conference and to accept discussion on the widest possible subjects necessarily related to the constitutional problems. Proceedings will not be restrictive but rather made as general as posible.

I should like to know if since its new intention has been announced through the Minister of Forestry and Rural Development the federal government has received from the various provincial authorities recommendations or suggestions regarding the subjects to be discussed at the federal-provincial conference in January of next year.

This afternoon, I had the opportunity of asking the minister if the famous two-nation concept, which is the basic policy in constitutional matters, has become the major theory of the Conservative party. The member for Winnipeg South Centre (Mr. Churchill) and the others supported the two-nations theory. I should like to know to what extent the provincial governments have indicated to the federal Minister of Justice their intenton of undertaking the study of that matter and the

eventual application of the two-nation concept.

For my part, Mr. Chairman, in reading from cover to cover the book written by the premier of Quebec, Mr. Daniel Johnson, I found some very interesting suggestions and a truly exhaustive definition of the two-nation concept. However, I would like to know to what extent the Progressive Conservative party endorses the views of Mr. Daniel Johnson, who maintains that federal-provincial conferences should be replaced by others where representativs of the French-Canadian nation would join representatives of the English-Canadian nation. This is a theory of the Conservative party, and I would like to know to what extent this problem will be considered at the next federal-provincial conference.

Finally, Mr. Chairman, with regard to capital punishment, the Solicitor General (Mr. Pennell) has informed the house of the gist of the bill he intended to introduce. Up to a point, if the bill of the Solicitor General is passed, this could bring back the death penalty, as it has now been abolished for all practical purposes.

We know the cabinet majority philosophy in that respect. The cabinet has shown its majority to be against maintaining the death penalty, and it would be against their principles not to proceed with the commutations we have seen since 1966, when the bill was introduced in the house, which decided in favour of maintaining the death penalty. But if the bill introduced by the Solicitor General is passed, it will mean that the death penalty will not be abolished, as it would be applied in the case of those who kill or murder a policeman.

I wonder if the minister is able to tell us, as this is a government measure, whether capital punishment will be reinstated or whether commutation practices will be systematically continued. Should the latter be the case, that is, if death sentences are to be automatically commuted, I fail to see any need for reintroducing in the house the motion of the Solicitor General. I would only suggest that provincial justice authorities be requested to exercise as they see fit this royal prerogative, instead of the governor in council. This decision would be left with the lieutenant governor in council; thus, we would be relieved of this constitutional burden. This would be quite logical, since, as I said earlier, the administration of justice is a provincial responsibility.

[Mr. Choquette.]

Now, I refer all those questions to the attention of the minister. In addition, I say that if the bill introduced by the Solicitor General is passed by the house and if the government really intends to enforce the legislation as drawn up, that is to impose the death penalty for the murder of a policeman, then I will be pleased to support the bill which the Solicitor General wishes to submit. Otherwise, I think it is useless to have the house waste its time and ask it to vote on a legislation which, for all practical purposes, will be inexistent.

• (8.10 p.m.)

[*English*]

Mr. Nugent: Mr. Chairman, I am very pleased to follow the hon. member for Lotbinière in speaking in this debate. A few moments ago I had the pleasure of meeting his brother, and I was pleasantly surprised to find that hon. gentleman to be a very agreeable sort of fellow. I am sure the whole committee will be very pleasantly surprised that not only is he an agreeable chap, he is also sensible.

Mr. Choquette: He is not a politician.

Mr. Nugent: I hope I will have more pleasant surprises about that family. Perhaps if the hon. member for Lotbinière took a few lessons from his brother we might hear a little less nonsense from him from time to time in this chamber.

[*Translation*]

Mr. Choquette: Mr. Chairman, I rise on a question of privilege. I do not have to know the brothers of the hon. member to know that he is unpleasant and that his behaviour is disagreeable.

[*English*]

Mr. Nugent: I am always pleased to note that the hon. member maintains his usual standard of intelligence, so that we can always hope for improvement.

I only wish to intervene for a few moments this evening because I have been greatly disturbed in the house to hear what I consider an unwarranted attack on the system of justice in this country, and what I consider to be an irresponsible attitude not only on the part of many citizens in the country but certain members of parliament regarding the administration of justice. I am one of those who has always felt it to be the duty of members of this house to uphold the institutions of this country, the system of justice, and our duty to back to the hilt our

method of doing things until we find them in error, and then searching as assiduously as we can to correct those errors.

What has really disturbed me is the Truscott case, and I wonder whether members have really thought about the amount of damage that has been done to public confidence in the system of the administration of justice in this country. Being a courtroom lawyer I am familiar with the public's attitude toward the winners and losers of court cases, and I am quite familiar with the expressions of opinions about the presiding judge, the parties and the lawyers when they win or lose. I have been damned for losing a case when I thought I had carried out my duty to the best of my ability and have done a good job, and I have been praised to the skies for winning when I really thought I had not done very well but that the opposing counsel or the prosecutor had made a glaring error. Yet I was considered a great counsel because my client was acquitted. These are human and natural feelings.

• (8:20 p.m.)

Our system of justice is not faultless. In every case where the judge has to make up his mind on the balance of probabilities as to whether there is guilt beyond a reasonable doubt, there certainly is room for questioning his judgment and ability. But after it goes through the court of appeal of a province, and after it goes through the last court of appeal, which in this country is the Supreme Court of Canada, where it has had the attention of some of the most brilliant legal minds of the country, men who take their duties very seriously and who work very hard, surely those of us who have any respect for our system of justice have the very stern duty of trying to uphold their judgment. Of course, there is always room for reservation of opinion concerning their judgment; but surely anyone knows that the market gossip, the sort of story that is repeated from house to house, and the housewives' gossip, can only be an amplification or a minimizing of the true facts.

This is the sort of thing that can demoralize the people. This is the sort of thing that, taken out of its proper context and not handled with that reserve of judgment which members of parliament are supposed to have, can do untold harm to the system of justice in this country. I know for instance, as does any practising lawyer, about the common suspicion among ordinary people, who have little or no occasion to resort to law, that a case was cooked because the defence counsel and the prosecutor were having lunch together, being such good friends. We insist on the adversary system in our courts. I know that when people are not familiar with the courts they find it very difficult to understand how two lawyers on opposing sides can go into court and wholeheartedly give of their best ability, experience, judgment and hard work for their respective clients. They find it difficult to understand how one counsel can fight very hard against a fellow counsel who in turn does his best for his client, even as we in the house who may be close friends outside the house can sometimes hit very hard at our friends, pulling no punches. We do this because it is our duty to do so. Some people can perhaps understand it better when it happens among politicians because we receive greater attention from the press than do the courts, and because this aspect of our lives is better known. The work of the courts is usually known to the public only for the spectacular, and the courts are talked about only by those who have a rankling sense of injustice.

I was therefore shocked and dismayed by the conduct of the hon. member for Winnipeg North Centre in the Truscott case. A book was written about the case by someone called LeBourdais. Anyone who read the book must have seen immediately with what inflamed passion it was written, and how unfair so many of her criticisms were. In fact many of her arguments were fallacious and one-sided. The hon. member then, on the basis of a five minute conversation with the accused, said: I will stake my seat on his innocence. He said this after the boy had been convicted by a jury of honest citizens doing their best to bring in an honest verdict. The verdict was upheld by the very competent court of appeal of Ontario, and then carefully reviewed by the Supreme Court of Canada. What sickens me even more is that after all this agitation, and because there is a fear that justice has not been done, the government made arrangements so that the Supreme Court of Canada could once again review the case. Arrangements were made to hear the added evidence which those on the side of the boy think should have swayed the jury so as to reach a different decision.

A very exhaustive hearing ensued, and after hearing the added evidence a judgment was delivered stating that the boy had a fair trial, that he was guilty and that in fact, except for the opinion of one dissenting judge, the added evidence only reinforced

and made stronger the case against him. To make doubly sure there was no miscarriage of justice, even after all this took place representations were made and voices were heard suggesting that this was a terrible thing and that something should be done.

I am very disturbed when I see petitions being passed around asking that something be done for the boy. As you know, I am not inhuman. I am one of those who has always been opposed to capital punishment. I do not believe in revenge for the sake of revenge. I do not believe in being extra tough or harsh; but I have always said that we should not mollycoddle anyone who has done harm and that justice must be justice, although I think it should be tempered with mercy.

We have a basic system of justice in which all our citizens place their faith and confidence. As I said, it is not faultless. Anyone who has been to the courts knows that there are many small factors which may sway the mind of a judge or a jury; but this is part of our life. These are the considerations with which we have to live day by day. These are things which we must and will accept because we have not arrived at a finer system and we know no finer system. We as citizens of this country realize there might be a slight miscarriage of justice here or there, or a certain feeling that a decision should have gone the other way, that mistakes might be made, but at the same time we know it is the best system we can devise and each of us must put up with slight mistakes. Each of us must bear any slight miscarriage of justice that might occur, because we know that by and large we can arrive at no better and no fairer system. Surely this is the attitude of any citizen of this democracy who wants to see our way of life continued and improved.

How much stronger then is the duty of a member of parliament who, because I believe he must, represents the finest of citizens, to make sure that he carries out his duty and to be wary of taking cheap political advantage of a situation which may build up his name but will at the same time shake the confidence of the people of this country in the system of justice which we have tried to make as good as we can.

• (8:30 p.m.)

I am glad to see the hon. member for Winnipeg North Centre is sitting in his seat. The judge and jury as well as the court of appeal, all dedicated people who try to be fair, gave weeks and perhaps even months of study to the facts of the case. I found it most repugnant, reprehensible and repulsive to hear this hon. member say, after five minutes conversation with that boy, "I will stake my seat on his innocence." It shows either such complete contempt for our system of justice that we cannot believe that a member of parliament is guilty of it, or such contempt for his position as a member of this house that we are surprised he is still sitting here.

[Mr. Nugent.]

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

Mr. Nugent: Yes.

Mr. Knowles: Is he aware of the fact that I did not make the particular statement which he attributes to me; I think it was another member who said that, but I too believe Steven Truscott is innocent. I visited this young man not just for five minutes, but twice for an hour each time.

May I ask the hon. member also if it is not in keeping with our system of justice that a man is not guilty until he is proven guilty, and that when he has a jury trial the verdict must be unanimous? In view of the fact that one of the Supreme Court justices of this country felt this young man had not had a fair trial, does it not serve the interests of justice best to take the position that there is reasonable doubt and that this young man's case should be reconsidered?

Mr. Nugent: I want to apologize to the hon. member for misrepresenting his case. In fact, I understand that perhaps it was the hon. member for Kootenay West who said he would stake his seat on the young man's innocence. I withdraw any suggestion the hon. member only had a five minute conversation. However, I do not believe two one hour conversations make that much difference. The essential point is that the hon. member is putting up two one hour conversations against the patient hearing of all the evidence by men and women of the jury, plus the judges on appeal, judges who certainly cannot be suspected of the political motives, the jumping on the band wagon for political achievement, that we may suspect in this case, not only of the hon. member for Winnipeg North Centre but of the hon. member for Kootenay West.

Mr. Byrne: The hon. member for Kootenay West had no connection with this case so far as I know; it was the hon. member for Kootenay East.

Mr. Nugent: I do not want to labour the point. I just thought it was worth while drawing to the attention of the members of this house certain facts, and asking them if we could not remember our responsibility to our system of justice, to judges and juries who try to do their job as best they can. Surely we must understand that whenever we have a winner and a loser we are going to have grumbling. We must live with this, and it is our job to make sure that since this system of justice is an integral part of the society in which we believe so much, we are wary of criticism.

I recall the Coffin case, for instance. There was an investigation in that case. It is very easy to arouse public opinion. I think perhaps it is a good thing that in our society public opinion can be aroused as it was in the Truscott case and the Coffin case, and that it is possible to have this sort of investigation. I have no quarrel with this. I think the Department of Justice did the right thing in trying to clear up these doubts. My only quarrel is with those who, even after the very careful investigation and after everything that was done to reassure us, still try to make our system of justice suspect.

They say, obviously it must be wrong. This can do nothing but harm to our country. I should like to go on to another subject for a few minutes. I come from the province of Alberta in which we have six man juries. This system was initiated at a time when the west was sparsely settled. It is true that even now we do not have a large population—only about a million and a quarter, I believe. However, it does seem archaic to me that the city of Edmonton, for instance, with a population of approximately 400,000, is still tied to the six man jury. The difference between a six man jury and a 12 man jury does not seem very much. Perhaps it only impresses counsel who has found one dissenter on a 12 man jury and who says that if he had had six they would have been unanimous whereas, having 12, there was a hung jury or a disagreement.

It is not strictly the defence lawyer who says: Give me another six men so that I have one more chance to get someone who disagrees. This statement comes from a defence lawyer who says that everything must be fair. I do not believe those who are charged with criminal offences in the province of Alberta should be treated any less reasonably or any differently from those in the province of Ontario who are charged with criminal offences. I do not believe that human nature in Alberta is any different from human nature in Ontario. If it is necessary to have a 12 man jury in Ontario, then it is necessary to have a 12 man jury in Alberta. I simply suggest to you that today we have enough people in Alberta to enable us to go to the 12 man jury system. I simply suggest that we should now pretend that the west is inhabited, and ask whether it is not time that we were all treated equally in Canada.

You know, this question of jury trials is not too simple. There is a certain penalty attached to asking for a jury in criminal cases. I am not sure that I have any solution to this problem. I can recall the dean of our law school saying no lawyer who has a case should want to pick and choose between judges if he has confidence in his case and his client. This may be good theory, but it is lousy practice. If you ask for a jury trial when you could have had a trial by judge, and if your client is found guilty, then your client is going to get double the sentence because you have insulted the judge by asking for a jury trial. I am not saying this applies to all judges, but it certainly does to many. In fact I feel that the human element is so prevalent among our judges that perhaps we should take another close look at the Criminal Code and at the provision for election for trial by judge alone rather than by judge and jury. Perhaps the only time a man should be allowed trial by judge alone should be by the speedy trial method, so that there is no connotation of lack of faith in the judge. It would be just a matter of formality.

• (8:40 p.m.)

I do not know whether I am guilty of what I accuse the public of, namely not having enough faith in our system of justice, and perhaps in our judges. However, I have always felt duty bound to advise my client, in the event that he asked for a jury trial, that if he is found guilty the odds are that his sentence will be much higher than if he were tried by judge alone.

Mr. Brewin: Would the hon. member permit a question?

Mr. Nugent: Yes.

Mr. Brewin: Does he not think that by suggesting that judges would habitually double or increase sentences out of mere pique he is expressing a very great disrespect of the judiciary, much more so than the disrespect that he expressed when he castigated them earlier in his speech?

Mr. Nugent: I thought I had expressed my own hesitation about this. I am not sure whether my revealing this practice does not make me guilty in a way. But I feel it my duty to apprise my client of the prospects for his future, rather than to achieve the cheap political gain of which I accused the hon. member for Winnipeg North Centre. I think there is a difference there which should be apparent even to the hon. member for Greenwood.

Perhaps the hon. member for Greenwood finds that the judges who try his cases are all perfect. I do not think I suggested that the judges double the sentence every time; I simply said this was possible. I know that this factor I have mentioned works on the mind of a judge to such extent that I feel it necessary to warn my client that the sentence might be more severe if he asks for a jury trial. I will go so far as to say that I know of one judge in Alberta who told me—no one will get his name out of me—that if a client of mine was found guilty in a jury trial he would give him double because, as he put it, "we can't waste time with juries".

Judges are only human and this does happen infrequently. However, I did suggest to the Minister of Justice that having weighed these human elements and other factors which unfortunately do come into the situation, whether we like it or not it might be as well to have the option of a speedy trial by judge alone. If you want a speedy trial you ask to be tried by a judge alone; but certainly any case going to the supreme court should be tried by judge and jury. This procedure is not so expensive in Alberta where we use six man juries.

I do not pretend to have much experience of jury trials, Mr. Chairman. In fact I was on the first and only murder trial in the history of Canada that was tried by judge alone. I remember I found it rather amusing in our last debate on the subject of capital punishment in this house, being an exponent of the abolition of capital punishment, to realize that the vote on the matter was held on a Tuesday evening and that the man I had defended was due to be hanged on the Wednesday. So many of my friends accused me of fighting a little beyond the court of last resort, to which most lawyers usually go in order to save a life. But it did not matter, because this government commuted the sentence.

I should like to say something about that subject. I appeared on a television program

[Mr. Brewin.]

with the hon. member for Nanaimo-Cowichan-The Islands—he will forgive me if I have mistaken him for somebody else—and we were asked about the commutation of sentences. The hon. member said: "Well, you know, if you break down the vote and see those who voted for abolition and those who voted against, you will find that those who voted for abolition represented the more populous constituencies and therefore represented the most people, and that really the popular vote was for abolition".

I remember that I rejected that out of hand. I think it is ridiculous for hon. members of this house to look behind the qualifications of any member of this house in the sense of how many people he represents. I remember that on that program I went so far as to say that when parliament has spoken with a majority voice, if we have responsible government—and there is much reason to doubt it these days—a government that believes in being responsible to the people, then the government must obey. On the last vote on this question parliament said "We want them to hang". But the government said "Parliament be hanged", and that is all.

I am an abolitionist but I would rather abolish this government. I think the welfare of this country necessitates the abolition of this government. I would not care if the house spoke against what I hold nearest and dearest to my heart. I would urge the government that they must obey parliament—and I have nothing but contempt for this government that, in turn, shows contempt for this house, which represents the voice of the people.

Hon. gentleman opposite say we are going to have a free vote on the next bill to come before us. Let me tell you what I think of that free vote, Mr. Chairman. Let me tell you what I think of the honesty of the people over there who support such a dishonest government. How can you expect an honest vote?

Some hon. Members: Shame.

Mr. Nugent: I will vote for abolition, but I am going to be ashamed to vote when I see the switch in voting that takes place over there. I am sure they are going to vote, not from the heart but for political considerations.

Some hon. Members: Oh, oh.

• (8:50 p.m.)

[*Translation*]

Mr. Loiselle: Fanaticism, fanaticism.

Mr. Caouette: Mr. Chairman, we are studying the estimates of the Department of Justice, which department, in the mind of the people, is of prime importance. When looking at the total amount requested, namely $13,514,000, we note that, in terms of government expenditures, this is one of the less costly departments.

This, Mr. Chairman, is due to the fact, as mentioned a while ago by the hon. member for Lotbinière (Mr. Choquette), that the administration of justice falls more within the jurisdiction of the provinces than that of the federal government. We have a Department of Justice here for the whole of Canada, which leaves to the provinces the administration of justice within their jurisdiction and their boundaries, whether they are out east, out west, or in central Canada.

In fact, the Civil Code comes under the provincial government, whereas the Criminal Code comes under the federal government. I should like to point out to the Minister of Justice (Mr. Trudeau) actions now being perpetrated in the province of Quebec which, to my mind, are absolutely of a criminal nature.

For instance, when driving around in the province of Quebec, we read on the viaducts we have to follow signs such as these: Vive le Québec libre! Vive le R.I.N.! We even see them on private properties. I wonder then, whether there is any law whereby those organizations, those political parties could be forced to pay the damages caused by their members. It is not that I want to keep anyone from becoming a member of the R.I.N. if he so wishes. Not at all. That is not my goal.

If those who shout: Long live free Quebec, long live freedom, take the liberty of damaging the property of others, of committing vandalistic acts throughout the province, I really wonder what kind of freedom we would enjoy under the administration of R.I.N. supporters in the province of Quebec.

Mr. Boulanger: It would no longer be freedom, but slavery.

Mr. Caouette: Mr. Chairman, besides, I was myself the victim of such an act. During the night of October 12 to 13, after I stated that we were a single Canadian nation made up of various cultures and that both official languages should be recognized throughout the country, some members of the R.I.N. wrote on the foundations of my Hull home in letters about a foot and a half high, the words: "Caouette, colonized, defector and traitor".

I stated that I held the members of R.I.N. responsible for this act of vandalism. The next day, in *Le Droit*, there was a reply to the effect that it was probably members of the R.I.N. but that they had no orders to act in this way even if they had reasons to do so. They had reasons to deface with paint not only private homes but overpasses, streets, roads, the great traffic highways in the province of Quebec paid for by the taxpayers. Then, they have motives.

Mr. Chairman, obviously all kinds of reasons can be put forward. But I feel that the government should pass legislation to force these people to pay for the damages. If they lack the courage and the guts to give their names, to sign their names or show their faces, at least let them respect other people's property in the country and in the province of Quebec.

Mr. Loiselle: Hear, hear.

Mr. Caouette: Imagine a province like ours being administered by such irresponsible hot-heads.

Mr. Boulanger: More than that, extremists.

Mr. Caouette: Yes. more than that, extremists and madmen. This goes a little beyond extremism, they are anarchists. There is no authority for these people. They want to rule, and they talk eloquently about freedom, while failing to recognize the freedom of others. If we do not happen to think like them, if we do not want to make a mess of our country, if we do not want Quebec outside of confederation, we are colonized turncoats, traitors to our nation.

Mr. Chairman, on behalf of justice in Canada—and I say it here, in parliament—I do not think any French Canadian within the R.I.N. party could give me lessons in French-Canadian principles or patriotism, either in my province or in my country. However, one can be a French Canadian and patriotic without making virulent speeches, without trying to crush one's neighbours.

We have seen in Algeria experiences such as those the R.I.N. would like to put us through in Quebec. In fact, I met not so long ago a senior official from Algeria, where mutual hatred was spread, where they were at war for seven years and blood was running in the streets, to get independence. They got independence, but this official told me

this: We are worse off than before and 90 per cent of our economy is still under French control. That is the kind of independence they now have in Algeria, after a bloody seven-year war.

This is the kind of fight the R.I.N. would like to start in the province of Quebec and we refuse, in Canada, and specially in our province, to follow the example of Europe.

Mr. Mongrain: Mr. Chairman, would the hon. member permit me a question?

Mr. Caouette: Yes.

Mr. Mongrain: Does the hon. member, the leader of the Ralliement Créditiste include in his remarks the Ralliement National, or does he speak only of the R.I.N?

Mr. Caouette: Mr. Chairman, if the Ralliement National has dispositions identical to those of the R.I.N., I put it exactly in the same group as the R.I.N.

Whether one is called the hon. member for Lapointe (Mr. Grégoire) or any other name, it is not by shedding blood that we shall save Canada. That is not true. We shall save the country by good understanding, comprehension; not by understanding only in one corner of the country, but by understanding in every corner of Canada.

Mr. Chairman, the English speaking members from the west or from the maritimes should try to understand our point of view, as we in the province of Quebec understand theirs, and we will then see that everything will be fine even in the York-Humber constituency.

Mr. Chairman, it is a point on which—

Mr. Thomas (Maisonneuve-Rosemont): The hon. member for York-Humber (Mr. Cowan) did not understand.

[*English*]

Mr. Caouette: I just said one thing. I said that when our English speaking members of parliament from the west, from central Canada and from the maritimes understand those of us from Quebec as we understand them, we shall have co-operation and understanding—even in the riding of York-Humber.

Mr. Cowan: You have that co-operation and understanding in York-Humber now.

[*Translation*]

Mr. Caouette: Mr. Chairman, I would like to draw the attention of the Minister of Justice to some conditions prevailing in the province of Quebec. No protection is granted to those who are molested or assaulted by those new modern savages: there seems to be a lack of interest in such behaviour. Public and private property is damaged but this is overlooked.

• (9:00 p.m.)

I think action should be taken. I do not, I repeat, wish to prevent anybody from joining the R.I.N. if he wants to do so—if someone wants to waste his time, let him join—but I do not think anyone should be allowed to tamper with the property of others. We do not want dictatorship, from the R.I.N. or from any other organization.

Having said that, Mr. Chairman, I wish to add that I agree with what the hon. member for Edmonton-Strathcona (Mr. Nugent), who spoke before me, said a while ago on the subject of capital punishment. The hon. member said that he himself was in favour of abolishing capital punishment but that a vote had been taken here in parliament, a free vote, and that the house had declared itself to be in favour of retaining capital punishment. It is a fact that the government did not care a rap about the vote taken in the House of Commons. So little store is set by the free vote that another has been announced in the house, to take place in a few weeks.

Are they now trying to prepare a free vote which would not actually be one? I, for one, am having in my riding a referendum on the matters of capital punishment and separatism, so as to know the opinion of my constituents.

As far as capital punishment is concerned, out of 856 answers received, 475 were in favour of maintaining capital punishment, 310 were for its abolition and 71 were undecided. That is the result to date. This means that opinions are rather equally divided; 475 against 381, the difference is less than 100 between those who are in favour of maintaining capital punishment and those who want its abolition. However, the fact remains, Mr. Chairman, that when a vote is taken here in the House of Commons, a free vote, when parliament decides by a majority vote to maintain capital punishment, then the government should take this result into account. We are told that we will be called upon to consider an amendment providing that if a policeman or a prison guard is killed, then the murderer of that policeman or prison guard could be executed.

Mr. Chairman, I know that being a policeman or a prison guard is a dangerous, delicate and exacting job; I know that. However, my wife, my children, the hon. members' wives and children, any Canadian citizen is a human being just as much as a policeman or a prison guard. If we accept the principle of hanging the murderer of a policeman, I would like the murderer of my wife to hang also, because he would have killed a human being.

I feel that the principle is false even if we are told that for five years, we will try that method, we will not impose capital punishment on the murderers of ordinary citizens but we will execute the murderers of policemen or jailers. Let us be logical; why have one law for the rich and another for the poor? We are equal citizens, we are all Canadians, regardless of our situation. Now, if the population is for maintaining capital punishment, let us maintain it; if it is in favour of its abolishment, let us abolish it. But let us not overlook the wishes of our fellow citizens, of the electorate. And when parliament—

Mr. Mongrain: Would the hon. member allow me a question.

Mr. Caouette: Certainly.

Mr. Mongrain: Mr. Chairman, I presume the leader of the Ralliement Créditiste is talking about the maintenance of the death penalty for crimes proved beyond any doubt and not on circumstantial evidence.

Mr. Caouette: Quite so, Mr. Chairman. I say to the hon. member for Trois-Rivières (Mr. Mongrain) that quite obviously in the past, there have been some terrible miscarriages of justice; innocent people have been hanged, it is true. But some evolution must take place necessarily.

Whether it is capital murder to the first degree, if there is no shadow of a doubt that we have the true murderer, I feel he should hang. We should maintain capital punishment for those people. But if a single doubt arises, if we have one single doubt, the least doubt in our mind, then no capital punishment but imprisonment, possibly life, 25 or 20 years, according to the doubt the jury may have. It seems to me that it would be the logical way to apply capital punishment in Canada, not only for one class of society, not only for a few civil servants, but for the whole of Canadian citizens.

Mr. Chairman, the hon. member for Lotbinière (Mr. Choquette) was saying a minute ago that to all practical purposes, capital punishment was already abolished. It is true. There have been horrible cases and not only in one province, in Quebec. What has happened in these typical cases is that the government has not acted upon the will of the House of Commons. This, it seems to me, is an insult by the government to parliament, not to take the vote of parliament into account.

Another question I wish to bring to the attention of the minister is that of the rehabilitation of those who have been, let us say, for two years or five years in prison. You know that it is very difficult nowadays for a prisoner to get rehabilitated into society, because if he is a criminal, his record will accompany him for the remainder of his life.

We have at this time 18, 19 and 20-year old youths sentenced to five year or ten year terms. Once their sentence is served, they will leave the penitentiary dragging along their record until they breathe their last. Endless problems are encountered when trying to rehabilitate them. Who is going to trust a prisoner, a ex-convict? Who can expect him to become a good citizen after he has been in jail for two, five or ten years? There is a vicious circle here which prompts the ex-prisoner to commit other offences because nobody believes in him. We see that after six months or a year, the same man has reverted back to the same habits, because he was given no chance of rehabilitation.

I think that the Department of Justice or the government should set up a program to facilitate the rehabilitation of prisoners, of these people who have served a term, whether it be one, two, five or ten years, in a penitentiary or a prison. I think this would eliminate relapses into crime, the temptation or sometimes necessity for most former prison inmates to commit the same offences and continue to behave criminally, as happens today.

Mr. Chairman, parole also comes under the Department of Justice. I must confess to the hon. minister that all the discussions which I have had with the parole board have been very warm and the officials of the board are kind. They give good answers, their investigations to know whether so and so can benefit from a parole are cleverly carried out. I have but congratulations to offer to the department in that respect.

The situation is examined; serious inquiries are made before anyone is paroled. This, I have found out. There have been mistakes. But anyone, just like us, can make mistakes. In fact, as long as we are human, we will see mistakes made and we will make some ourselves. Those who never make any are not here with us, but in another department in Montreal.

Mr. Chairman, all this brings me to say to the Minister of Justice that his department is important, because when we speak of justice, in Canada or in a given province, justice in my view means the basis of a social structure that can stand up on its own, of a social structure that can gain in value, and that basis, which is equal justice for all, must be applied at all levels throughout this large country of ours.

Mr. Chairman, we shall certainly pass the estimates of the Department of Justice. However, I should like the minister to take into consideration the representations which I have just made with regard to our vandals in the province of Quebec, and also the rehabilitation especially of our young people or not so young who come out of prison or out of the penitentiary, not to mention the matter of capital punishment which must be voted on seriously, without partisan politics and in the best interest of the Canadian people who deserve all the protection we can give them, as their elected representatives, here in the House of Commons.

• (9:10 p.m.)

[*English*]

Mr. Brewin: Mr. Chairman, I intend to direct my remarks through you, chiefly to the Minister of Justice, but before doing so I would like to make a brief reference to the contribution of the hon. member for Edmonton-Strathcona. I am sorry he is not in the chamber at the moment but I have no doubt he will read what I have to say. The hon. member made an attack upon certain other hon. members in connection with the Truscott case. I do not propose to discuss that case, but I do want to suggest to the hon. member that respect for the courts of justice does not mean that one does not and cannot criticize in a respectful way the decisions of the courts, even of the very highest courts.

If a member has a profound conviction of the innocence of somebody, even though it may be that the courts have held him guilty, then it is the duty of that member to do all he can in the interests of justice to see that justice is done, even though this may involve something that some people may regard as disrespect for the courts. I would remind the hon. member, as I think has already been done, that one of the eminent judges of the Supreme Court of Canada took a different view of the Truscott case. I would also remind the hon. member that it is not just a few freaks and strange people who are still concerned about the Truscott case. I would call his attention to an editorial in the Montreal *Star* of October 28, again appealing for another look at the Truscott case and for his early release on parole.

The Minister of Justice, Mr. Chairman, has many important responsibilities. I agree with the implications of the speeches by the hon. member for Bow River and the hon. member for Vancouver East when they indicated that in their view there was a great need for the fresh winds of reforming zeal to sweep through the Department of Justice, and a very great need for that reforming zeal to be translated into modern, up to date and enlightened legislation, particularly in the field of criminal law, and no doubt in other fields as well.

The minister, as has been said, is a young man. He is an able minister. He has the reputation, which no doubt is well earned, of being a liberal with a small "l", and the more of those there are on the treasury benches the better it will be. I would like to say we all wish him well, in his very important task as Minister of Justice. However, Mr. Chairman, I want to discuss tonight what I think is the most important of all his duties. I refer to his responsibility as the principal constitutional adviser of the government. This is always important in a federal system, but it is absolutely crucial at the present time.

On September 28, speaking in a television interview, the Prime Minister said that the current national unity crisis is a threat to the survival of Canada, and he appealed to all political parties to follow the precedents set in wartime and to unite on basic objectives. Mr. Chairman, that is precisely what we in this party would like to do, but it is quite useless to expect us to unite on these issues and then deny the house any reasonable opportunity to discuss them.

Make no mistake about it, the current crisis of national unity has constitutional implications. These cannot be ignored. They cannot be avoided, shoved under a rug, or dealt with in a piecemeal way. They must be faced and the one place to face them is right here in parliament. I am going to invite the

Minister of Justice, who has spoken to the Canadian Bar Association on these transcendent and important issues, to speak to the house on these constitutional issues. Let him speak here and tell us where he and his government stand on the constitutional issues of the day. I want to tell him that in the minds of many Canadians they think there is a vacuum at the centre.

Quebec, as we all know, is seething with demands for constitutional change and the rest of us have no right to say now, as we used to say, that we do not know what Quebec wants. Naturally there is a multiplicity of voices. In fact, Mr. Chairman, as I am speaking there is a multiplicity of voices in the chamber. However, I understand that the Quebec Liberal Federation has demanded a new constitution, with a special or particular status for Quebec. The premier of Quebec has made it clear that in his opinion the future of Canada depends on constitutional change. I notice that he has recently taken on a special adviser to the cabinet on constitutional issues, a very respected businessman, Marcel Faribeault, who, in collaboration with Mr. Fowler has written a book on the vital importance of a new constitution, and just the other day repeated that he would not back down from anything he had said in that book.

As some hon. members know, *Le Devoir* on June 30 issued a special anniversary issue containing 23 articles, all but two written by people in the province of Quebec, setting out in detail the changes which the authors think are desirable. As we all know, the premier of Ontario has called a conference to discuss the future of confederation. Everyone will be at it but the people who should be there, who should be the most important of all, the elected representatives in the government of Canada. This conference is something like playing Hamlet without the prince of Denmark. I think it is absurd to discuss the future of the constitution of the country without representatives of the government of Canada being present, not just as observers but as the elected representatives to participate in the discussion that takes place.

I say there is an ugent need for the formulation of a federal Canadian point of view. I am not saying that the points of view of the various provinces are not Canadian, but I am saying there is a need for the federal authority to express its point of view, and this point of view, I suggest, should be definite, and about certain essentials it should be absolutely firm, although, there is room for flexibility in some matters.

Again I say that this chamber is the place where we have the right to know where the government stands on these matters. Speaking to the Canadian Bar Association on September 4 the Minister of Justice said that the federal government declares it is ready to discuss any constitutional changes proposed. I suggest that that is not good enough. The federal government must itself put forward its own proposals. In my view the proposal to discuss a constitutional bill of rights is just not good enough.

As the minister probably knows, I am enthusiastic about the general proposal to incorporate a constitutional bill of rights into the written constitution of the country. But if it is put forward in isolation, if it is put forward as a first and only step, I suggest it will be shot down. I think it should be part of a package deal.

I expect that the minister has read the article by Professor Edward McWhinney of McGill University. I do not seem to have his article with me, but I will invite the minister to reread it.

Mr. Trudeau: I have read it but I do not think I would care to reread it.

Mr. Brewin: Further, Mr. Chairman, I want to say that it is not good enough, as some ministers have been doing, to talk about educational and cultural rights alone. No doubt they are vastly important and I hope all English speaking Canadians, including the premier of British Columbia, will give a resounding yes to legitimate demands that the educational and cultural rights of French speaking Canadians be given precisely the same generous treatment in the provinces that are predominantly English speaking as the English speaking minority has enjoyed for some time in the province of Quebec.

• (9:20 p.m.)

I simply do not want to underestimate the importance of that, but I do suggest that this alone is not enough. In an admirable editorial in *Le Devoir* of September 26 Mr. Claude Ryan dealt with this matter. He said that two things were necessary. If the minister will forgive my poor pronunciation, I will read in French part of what Mr. Ryan said:

[*Translation*]

At the level of the whole federation, they want, within the fullest possible measure, to have the

assurance that their language and cultural rights will be recognized and respected, that they will not be treated as second class citizens because they speak French.

[*English*]

Some hon. Members: Hear, hear.

Mr. Brewin: Mr. Ryan goes on to point out that in addition to this it is necessary to deal with the problem of the constitutional position of Quebec within confederation. In this respect the contemptuous remarks by the minister in a press conference a few days later, or perhaps while he was still at the meeting of the Canadian Bar Association, directed to all those who saw a solution to some of these constitutional dilemmas in a particular status for Quebec, were not at all helpful. Once again I turn to an editorial of Mr. Claude Ryan on September 8 under the heading:

[*Translation*]

The deplorable attitude of Mr. Pierre-Elliott Trudeau.

[*English*]

I will read the last paragraph, although I am sure the minister has already read it and no doubt it has increased his humility to the proper extent, but I will read it again:

[*Translation*]

Basically, we blame Mr. Trudeau because he sets himself up as an outside judge, arrogant and unbending, when he should humbly, like everyone else, be seeking. What we deplore, in his case, is a hateful tendency to judge from on high and from afar, problems of which, if he were somewhat more humble, he might suspect that the understanding escapes him. Mr. Trudeau claims to serve the cause of Canadian unity by speaking as he does. We claim that he does a disservice by extreme language, to this cause which in our eyes remains worthy. He makes more difficult the task of those who seek, through actual moderation, effective solutions to very real problems which they have not invented but, which stem from history and life and are only aggravated by the blindness of some people whose first duty would be to realize it with seriousness and truth.

[*English*]

Some hon. Members: Hear, hear.

Mr. Brewin: I commend those words to the minister. I hope he will forgive my pronunciation. It is not quite what it should be, but I hope it is improving.

I want now to say a word about this matter of particular status. Of course it is possible to give a definition of that so confined that it does not mean anything more than we have at the present time in the British North America Act. It is perfectly possible, as some of the opponents of this idea have said, to give it such a broad and sweeping content that to talk of a federal system and to confer such a particular status on any one province would be absurd, and would destroy the whole federal system. Both these propositions are true. But I agree with the Minister of Manpower and Immigration when he said at the Montmorency conference in September—I do not agree with all he said; I simply agree with this—that the time had come for us to set aside slogans, to sit down and discuss concrete proposals. With that I entirely agree.

The device of a particular status is not regarded, by us at any rate, as a sort of concession made so as to please Quebec and denied to other provinces. It is merely a device whereby, if Quebec desires decentralization on certain matters that affect her language and culture, she may insist on that decentralization. But if the rest of Canada, the other nine provinces—and for very good reasons, I may say—want centralized administration of certain matters they, too, can insist on that without being held to the degree of decentralization that appears attractive to the province of Quebec. This is only a device; it is not a sacred formula or anything like that.

Our function is to discuss and work out what should be done. I say that the minister is doing a disservice—I am sure he does not mean it—when he waives a particular status aside and rules it out in a rather insulting way, as he did before. Perhaps he did not say what he was reported as having said; I do not know. I do not even understand the full significance of his words. They were translated from French. His words were translated as stupid but I understand that he used an even stronger adjective than that.

I want once again to appeal to the minister, and through him to the government, to bring these constitutional issues and the problems facing us to a committee of this parliament. I suggest that because I believe out of this parliament can be chosen, from all parties and all regions, a group of people who can sit down in good faith, intelligence and sense, consider some of these problems and perhaps arrive at the consensus which the Prime Minister said is so important to the unity of Canada.

Mr. Trudeau: Mr. Chairman, could I ask the hon. member a question?

Mr. Brewin: Yes.

Mr. Trudeau: I am afraid I may not have enough time to answer many of these questions but I should like to deal with this one. As I understood him, the hon. member for Greenwood quoted Mr. Claude Ryan, and I should like to know whether the special status which the hon. member described and which his party has asked this house to adopt is, in content, the one that Mr. Claude Ryan has spelled out at some length.

Mr. Brewin: I would not say it was exactly what I have read from Claude Ryan's article in the issue of *Le Devoir* from which I have quoted. We do not agree with all of it holusbolus. On the other hand, I thought it stated a perfectly reasonable negotiating position which I would be glad to discuss with Mr. Ryan, the minister or any other Canadian.

Mr. Trudeau: Is it the position of your party?

Mr. Brewin: It is not the position of my party. Mr. Ryan speaks for himself. We make our own statements. There is much that Mr. Ryan said with which I would agree, and there are certainly some things he said with which I would not agree.

An hon. Member: What about what Mr. Cliche said?

Mr. Brewin: I certainly agree with Mr. Cliche. I have no trouble at all in agreeing with Mr. Cliche.

Mr. Côté (Longueuil): Mr. Chairman, is the hon. member aware that Mr. Cliche said that Mr. Levesque's thesis was defensible, and is the hon. member ready to defend it?

Mr. Brewin: I dare say he said that. I think Mr. Levesque's thesis is worthy of discussion. It was discussed by the Quebec Liberal Association. They did not agree with it. We have the right to agree or disagree with Mr. Levesque, who is a very able Canadian, and I have no doubt that Mr. Levesque can defend his thesis perfectly acceptably. I do not happen to agree with him. But I agree with Mr. Cliche that Mr. Levesque's thesis is certainly defensible and very well put, although I have to disagree with him.

[*Translation*]

Mr. Choquette: On a question of privilege, Mr. Chairman.

• (9:30 p.m.)

[*English*]

He has said that we should make Quebec independent as soon as possible.

Mr. Brewin: Mr. Chairman, I shall try to conclude my remarks, I hope without further interruptions.

Mr. Choquette: Those who support the N.D.P. are almost separatists, and that is something this house should know. Those who support that party in the province of Quebec are, I repeat, almost separatists.

The Assistant Deputy Chairman: Order, please. There has been no question of privilege raised by the hon. member.

Mr. Brewin: There has been no question of privilege and I should like to assure the hon. member that we will soon have some members in this party from the province of Quebec to explain their point of view here in this house. I am sorry they are not here at this time to do so.

Mr. Choquette: There are many republicans in Quebec who are not separatists.

Mr. Brewin: Mr. Chairman, again I am going to try to make the rest of my speech, if possible, without further interruptions.

Mr. Woolliams: Andy, you have irritated them tonight.

Mr. Brewin: I have said a few things that have disturbed hon. members opposite and I am delighted to have done so, but let me now get back to the plea I was making. This parliament should have a chance through committee procedure to make a thorough examination of these constitutional issues.

What have we heard so far? We have heard the Prime Minister inviting the premiers of the provinces to come to a conference to be held in January or February to discuss a constitutional bill of rights. We in this house are not told what this bill of rights is to be, or what it might contain. We do not know what the discussions are going to be about. I suggest that with the crisis facing this country and with the Prime Minister calling on all of us to get together as in time of war, the time has come to use the procedures of this parliament to invoke a serious discussion and dialogue in respect of these constitutional issues.

At this point I should like to read into the record a letter I wrote to the Prime Minister on this subject. This was a public letter and I am sure he would not object to my reading it

at this point because it expresses precisely what I think is important.

Dear Mr. Pearson,

You will recall that over the course of the last two or three years I have written to you personally about the urgent need for a special all-party parliamentary committee to review the constitutional issues facing Canada in the light of the threat to Canadian unity.

The tenor of your replies has been an approval of the proposal, linked with an expression of opinion that the time had not yet arrived to set up such a committee. Questions in the house put by myself and others have elicited a similar response from you.

I am encouraged by your words on the TV program "Twenty Million Questions" on September 27th, to raise the matter once again and to urge you that it is now both timely and imperative to appoint such a committee. The time has come to take the initial steps towards seeking a concensus from the elected representatives from all parties and regions on the main lines of an adequate federal response to the insistent demand for constitutional change.

In the interview you said that the current national unity crisis is a threat to the survival of Canada and you urged political parties to unite on basic objectives to meet the crisis and to form a common political front on national unity.

This is a laudable, indeed a highly important objective, but how can it be achieved unless the real problems that are involved are carefully looked at together by the representatives of the different parties? An all-party parliamentary committee would be the means whereby the basic issues could be clarified, and perhaps a concensus arrived at as to the changes necessary to meet the aspirations of French-speaking Canada without undermining the essentials of functioning federal systems.

I am certain you could count on such a committee to adopt a non-partisan approach on a matter so vital to Canada's future existence.

I know that you have said that it is necessary for your government first to formulate its own approach, and for that purpose to await the recommendations of special advisers appointed to the Department of Justice.

But I suggest there is no time to lose. Mr. Claude Ryan, in an admirable editorial in *Le Devoir* of the 26th of September, entitled "Les conditions d'une solution federale acceptable et durable", adopting the English expression, "Time is of the esence," has said that there is scarcely a moment to lose.

He adds "It is not excessive to affirm that there remains no more than a few years—two, three, or four at the most—to find the essential elements of a moderate solution to the "Canadian Problem".

Mr. Chairman, I believe that this parliament and the members of all parties have a part to play in finding these essential elements of a moderate solution which requires to be found, by Mr. Ryan's estimate, within two, three, or four years at the most.

[Mr. Brewin.]

I went on in my letter to the Prime Minister to say:

You have recently announced a proposal to discuss a constitutional bill of rights with the provincial premiers in November. May I urge that this proposal should be discussed with the House of Commons first, if you are truly serious about a non-partisan approach at the federal level to constitutional problems.

I urged that this proposal should be discussed in the House of Commons first, if the Prime Minister was serious about a non-partisan approach at the federal level in respect of constitutional problems. I will not read the rest of the letter but hon. members will see that it expresses what I am trying to say in the house to the Prime Minister, to the Minister of Justice and to his colleagues, that surely the time has come for the elected representatives of all regions of Canada to be given an opportunity to wrestle with these problems and to evolve if possible, and I believe it is, a concensus as to the federal point of view. It seems absolutely ridiculous that we have conferences called by provincial premiers and demands made by provinces, political parties and a key province in Canada, while at the same time we have no means in this parliament to dig into this problem in an attempt to deal with it.

In closing my remarks, I suggest to the Minister of Justice, that notwithstanding his other responsibilities of importance, such as the whole administration of justice, it is absolutely vital to the future of Canada that the elected representatives have a chance to look at this problem. I am sure they will do so in a non-partisan way so that we may contribute, not as a party or a group of parties, to the solution of the problems which the Prime Minister has said threaten the very existence of Canada. I ask the minister to state what is his position. I hope he agrees with the Prime Minister that even though the time is not exactly ripe, and perhaps we should wait until after the Ontario conference, the time is coming soon when the matter must and indeed should be dealt with by parliament. Anything less I suggest would create the danger of wrecking confederation, with the electing representatives having no chance to contribute their share to the solution of these grave problems.

Mr. Macquarrie: Mr. Chairman, for a good many years I have sat through the estimates of the Department of Justice without making any comment. Tonight my time is limited, my interest is great and my anxiety broad. I should like to begin by doing something I did

not think I would be doing for a few years under any circumstances, and that is commending the hon. member for Villeneuve. He hit several nails firmly on the head tonight and I congratulate him. He is becoming a very perceptive spokesman for his part of the country, and a very perceptive person in reference to the whole of the country. He is quite right in suggesting you do not have to be a regional barrel thumper to be a good representative of any particular region.

• (9:40 p.m.)

I share too with the hon. member a feeling of unhappiness, or worse, about the question of capital punishment. I am not one of those so dedicated as being incapable of changing his mind on a question so important and so difficult of solution, while so far removed from certitude as this question. But I do resent very much any device by which members of parliament, no election having intervened, can be presented a second time with a similar question, the implication being that since a government measure is concerned, our disposition with regard to the subject might somehow be altered. I take this as a reflection upon our integrity. Indeed, to suggest that we are free agents when we vote, that we are simply seeking the best solution to the question before us, is not greatly conducive to the acceptance of the idea. All this disturbs me, and I quite agree with the hon. member for Villeneuve. I should have thought that in these critical and crucial times a better way might have been found when dealing with this very important question.

I wish there was an opportunity to discuss many other matters. Some of them have been touched upon by the hon. member for Greenwood who, I notice, is becoming quite a linguist. Some have been discussed by my hon. friend from Edmonton-Strathcona. The whole question of the laws in our society, and the judiciary as an institution, is one to which we should apply ourselves. The judicial institution in our free society is one of the great forces working for stability, and indeed, as a God-fearing Presbyterian, I might say, for enforced righteousness. But perhaps at times stability may seem to the body politic to be excessive conservatism with a small "c", and perhaps in a society, which is seemingly a very permissive one but also a restless and troubled one, the role of the judiciary and the courts is one upon which we should direct a little more thought.

As a layman in the field of law I am sometimes concerned about the variety of sentencing. I am speaking here in an academic and abstract sense, but when I see a bright young man who stole a boat being sentenced to four years in penitentiary, and another man, bright or otherwise, who ended the life of a couple of his fellow citizens, getting three years, I wonder. Sometimes I feel that there is often too great a regard for property and that the offence against property seems to be more heinous than the offence against life. Sometimes I wonder if in our present society we are concerned, as we certainly should be, about the life, the future and the prospects of rehabilitation for the offender and for the person who takes the life of his fellow man, but may be a little less than sensitive about his victims. In this field the hon. member for York-Humber, with whom I disagree on several things I may say, has shown some initiative and some sensitivity.

I wonder also if we are not at the stage where we should be giving some careful thought to and preparation in the whole realm of labour relations. I know that the history of labour courts in many parts of the world has been uncertain. There have been some great successes and some failures. But, as I have looked over the activities, the episodes, the incidents and the anxieties in the labour sector of society, I wonder if we should not be giving more thought to the judicial and institutional aspects in dealing with this important problem.

There are other fields which cause me great concern. As one who used to be involved in the field of sociology I am appaled at the great need for more adequately trained personnel in our corrective institutions. I often wonder about those who believe that the worst punishment that should be inflicted on anyone is life imprisonment, and are so disinterested in the establishment of adequate facilities in which to maintain these erring citizens. It is a long time since we looked in depth into our corrective institutions. We have passed the age of merely making a punishment fit the crime.

We have passed the retributive stage. But as I look at our institutions and as I hear stories of what happens in some of them, I wonder if in fact our preachments are not far beyong our practices. In this age, when we are looking again at our constitution, we should be looking at our role in the international scene and perhaps we should be doing some fundamental thinking in some of these areas.

At one time I had great expectations for prospects in this field under the minister who, I had thought, was a man of great spark, great ability and great intellectual capacity. I hope that he still has all of these qualities and I hope he will emerge as a progressive, aggressive and reforming Minister of Justice. I have not yet seen evidence of that, but I am not yet prepared to say he is not capable of producing some signs of this. I hope we will soon see evidence of it.

I will not deal with the subject mentioned by the hon. member for Greenwood, except to say that had the great province of Ontario in these difficult years been headed by a man such as Mowat or Hepburn, the frail fabric of confederation would have been tattered indeed, and Premier Robarts is to be commended. I hope we can move forward in this direction after the important conference which he has called.

The clock directs me to leave my remarks in the preliminary stage, and I hope my electors will leave me here long enough to go in greater depth into some of these matters which I think are of great importance.

• (9:50 p.m.)

[*Translation*]

Mr. Forest: Mr. Chairman, so as not to delay the comments of the Minister of Justice (Mr. Trudeau), I shall resume my seat and put off my questions to another time.

Mr. Ricard: Mr. Chairman, I should like to take only a few minutes on the occasion of the consideration of the estimates of the Minister of Justice (Mr. Trudeau) to discuss a matter that is surely of local interest. Since the minister has come here after 1965, in order to help him understand the situation. I should like to say a few words on the history of the matter I wish to deal with.

I would like for a few minutes, Mr. Chairman, to entertain the house and the minister, especially, about the proposed building of a penitentiary in St. Pie de Bagot.

When the minister arrived here, this project had been cancelled and, for his information, I would like to tell him that, because of a lack of space in penitentiaries, it had been decided to build one in St. Pie de Bagot. In fact, four farms where this minimum security penitentiary was to be built, had been purchased at a total cost of $85,000.

A survey had also been carried out on the site to ensure that the soil was appropriate for the proposed construction and that there was an adequate supply of water. Finally, all

arrangements had been taken. Enough water had been found on the site itself for the needs of the institution. As far as the remainder of the water needed is concerned, an understanding had been reached with the local municipal authorities which had agreed to supply it under conditions then acceptable to the department.

The plans and specifications were prepared and everything was ready to get under way. Then came the 1963 elections when we were defeated and a Liberal government took over here on parliament hill.

Hon. Lionel Chevrier was then appointed minister of justice and the first thing he deemed necessary was to reverse the previous decision and cancel the building of the said penitentiary.

That decision was surely unjustifiable, since the officials and the administrators of the Departments of Public Works and Justice had reached an agreement on the desirability of the project. That decision taken by the former minister of justice, Hon. Lionel Chevrier, represents in fact an injustice toward the people of the riding of Saint-Hyacinthe-Bagot, and particularly of the municipality of Saint-Pie.

With that institution hundreds of workers would have had a job. Besides, goods would have been bought in the area and services would also have been used, which would have been in the interest of the people concerned. Because of the partisan decision—I say this without fear—of the former minister of justice, Hon. Lionel Chevrier, the people of Saint-Hyacinthe-Bagot have been seriously discriminated against.

I strongly appeal to the minister who has all the necessary qualifications to properly assume his responsibility. I know that he wishes to act fairly and that he wants to be considered as a fair man. He has a wonderful opportunity to correct a very serious and gross injustice that the people of my riding have asked me to bring to his attention.

I know the disposition of the minister and I am sure that, when he has the opportunity to consider all the aspects of this matter, he will want, as soon as possible, to correct that injustice for which his predecessor, Hon. Lionel Chevrier is fully responsible.

[*English*]

Mr. Fairweather: I would be glad to yield if the minister wants to reply.

Mr. Trudeau: I thank the hon. member for his courtesy, but I can hardly reply in three minutes.

Mr. Fairweather: May I ask him one question, then? He and I have been carrying on an exchange about an individual by the name of Edward Somers. I know the matter has received a great deal of attention. I know the minister's great interest in civil rights. I know that Mr. Somers has made some sort of complaint to the Governor General of Canada, the Prime Minister of Canada, the commission for the administration of justice in Quebec, to the minister and others. I consider myself in distinguished company. Can the minister assure me that the files in this case, which involve a bankruptcy some years ago, will receive very careful consideration by the minister or departmental officials?

Mr. Trudeau: It is hardly fair, Mr. Chairman, to try to deal with all these questions and complaints in the time left. With regard to the last one, I can only say extremely briefly that these files have received that attention. Basically, the question boils down to where the administration of justice lies and where the redress can be obtained, at the federal level or at the provincial level. I would welcome a chance to discuss this at greater length at some other time.

For the time being, I can only try to touch on the very broad subjects that have been broached tonight. I want to thank hon. members for the level at which they have placed this debate. We have gone all the way from the philosophy of law and the sociology of law to concrete proposals for law reform. I must congratulate hon. members for their very constructive proposals. With regard to a great number of them, I should say they will find we have anticipated their desires. They will find that in the omnibus Criminal Code bill, which runs some 50 printed pages in length and which I understand will be brought before the house very soon, many of the points which they have raised have been settled. I would only add that we are, in the Department of Justice, insisting very strongly on the function of law reform which is one of the fundamental tasks of the Department of Justice. This subject of law reform will be applied not only to the criminal law but to many other areas.

A lot of the complaints which were made in the house tonight, as hon. members recognize, had to do with the administration of justice and cannot be solved by action at the federal level alone. Many of the complaints centred around unequal justice to the rich and the poor, and in this respect not only is there a problem of provincial jurisdiction, but I should add that under the type of constitutional bill of rights which we intend to discuss with the provinces, the question of access to counsel is one with which we hope to deal.

I see the clock is moving fast, and this brings me to the whole constitutional question. I am sorry that at this time I will not be able to reply to the remarks made. I must point out to members that I spoke at some length on the constitution before the standing committee in the month of June. The answers to many of the questions asked by the hon. member for Greenwood will be found there. Let me just say that he, and many other people inside and outside of this house, are labouring under a very grave misconception. Perhaps the fault is mine for not having explained frequently enough what we intend by this bill of rights.

Mr. Bell (Carleton): Ten o'clock.

Mr. Trudeau: This is the rule of the game, I suppose.

An hon. Member: You made the rules.

The Chairman: It being ten o'clock, it is my duty, pursuant to the provisions of special orders adopted April 26 and June 26, to forthwith put every question, without amendment or debate, necessary to dispose of the main and supplementary estimates now before the committee of supply. Accordingly, the Chair proposes to continue with the department now being considered and proceed in alphabetical order through those departments remaining.

Mr. Bell (Carleton): May I suggest to you, Mr. Chairman, it is ten o'clock and the rules do not provide for the continuance of this house after ten o'clock? I am submitting to you that the provisions of standing order 6 are mandatory that the house shall rise at ten o'clock. There are no exceptions made in relation to it by any special order and without a special order, the house cannot continue to sit. The special order of April 26, in paragraph 5(c) simply gives the number of days which may be allocated to the business of supply during the session. It does not, in any sense at all, abrogate the order dealing with the hour of adjournment.

This becomes quite clear, sir, when you consider the special order of June 26. This special order of June 26, which has no

application tonight, I submit with great respect, should not have been referred to and has no relevancy to our position as it now stands. The order of June 26 was designed to meet precisely the type of situation with which we are confronted. It provided:

That on Thursday, July 6, 1967, at 9.30 o'clock p.m., the proceedings of the house or the committee of supply or ways and means, as the case may be, shall be interrupted, and every question shall successively be put forthwith that may be necessary to dispose of the estimates of ten departments and any resolution or bill based thereon, and also such resolutions and bills as are necessary to provide for a fourth month interim supply;—

● (10:00 p.m.)

That paragraph was inserted into the special order of June 26, with great respect, Mr. Chairman, just because of a recognition of the total weakness of the order of April 26, 1967. The order of April 26 makes no provision whatever for the putting of the various items successively, as did that special order.

I venture to suggest to you that there is no provision whereby this house may extend its sittings beyond the time which is set forth so clearly under standing order 6, which provides that the house will rise at ten o'clock. It is ten o'clock, sir. The government has got itself into this box by its attempt to impose this type of guillotine on the house.

Some hon. Members: Oh, oh.

Mr. Bell (Carleton): The government has put itself in this situation. I submit that it is now ten o'clock.

Mr. Starr: Are we to submit to the arrogance of this government?

An hon. Member: It is the new look.

Mr. Côté (Longueuil): It is the old gang spoiling the new look.

Mr. Bell (Carleton): When the Postmaster General has finished with his snide remarks I will continue, Mr. Chairman.

The Chairman: Order, please. The hon. member for Carleton has the floor.

Mr. Bell (Carleton): I am putting to you clearly and directly, sir, that there is no special order that permits the house to sit beyond ten o'clock. There has to be such a special order. The Minister of National Health and Welfare well recognized that on June 26 and that a special order was so adopted then. Without such a special order we cannot sit beyond ten o'clock tonight.

[Mr. Bell (Carleton).]

I quite agree, sir that consideration of the estimates is now ended. We have had every hour that we can have on the estimates. However, under standing order 6 (5) (b) this house has no further authority to continue its sitting.

Mr. Starr: Ten o'clock.

Mr. Olson: Mr. Chairman—

Some hon. Members: Ten o'clock.

Mr. Olson: —speaking on the point of order may I say I am sure the hon. member for Carleton will have recognized that the Chair did in fact interrupt the proceedings at exactly ten o'clock and called the vote for that purpose.

An hon. Member: One minute after ten.

Mr. Olson: One minute, 30 seconds, that is not important.

Mr. Starr: It is not important to one who can move from Social Credit to the Liberal ranks.

Mr. Olson: There are dozens of precedents in this house showing that the vote has been called, and during the proceedings with respect to that vote the clock has gone past ten o'clock. Something like that happened a few days ago and no objection was raised to completing the vote being discussed while the clock went past ten o'clock. That is precisely the situation we face tonight. The vote was called. There are precedents in our history to show that votes, once they are discussed, are not necessarily interrupted at ten o'clock.

The Chairman: Unless there are further comments on the point of order may I read to the committee standing order 6(5) (b):

When a sitting is extended pursuant to section (6) of this order, or when it is provided in any other standing order that the business under consideration at the ordinary time of adjournment shall be disposed of or concluded, the adjournment proceedings in that sitting shall be suspended and that sitting shall not be adjourned except pursuant to a motion to adjourn moved by a minister of the crown.

May I also refer hon. members to *Votes and Proceedings* of June 24, paragraph 4 which, referring to paragraph 3 of the recommendations of the special committee on procedure adopted on June 26, says:

—the operation of paragraph (3) of this order shall not in any way preclude the adoption of all items in the committee of supply and the enactment of supply bills based thereon within the thirty-day period prescribed therefor in sub-paragraph 5 (c) of the resolution adopted April 26, 1967;

There was a further amendment changing that 30 day period to a 38 day period. I am advised by the officials at the table that the 38 days had expired.

Mr. Starr: No, thirty days only.

The Chairman: I should have said 30 days had expired. In carrying out the standing orders, therefore, with which the house has provided the Chairman, it is my duty now to proceed with the estimates that remain for all departments.

Mr. Bell (Carleton): With the greatest of respect, would Your honour be good enough to indicate where there is an order that business under consideration at the ordinary time of adjournment shall be disposed of or concluded. Respectfully I suggest there is no such order of the house. There is the order that 38 days shall be allocated to consideration to the business of supply. There is nothing else. Because of this weakness the Minister of National Health and Welfare—and he knows this very well—included paragraph (6) in the order of June 26. Without that, he knew that it would be impossible to carry the estimates as was done.

With respect, sir, I suggest that you owe it to the committee to set forth where there is an order of this house that conforms to the clear provisions of section 6(5)(b). I shall repeat part of that:

> When a sitting is extended pursuant to section (6) of this order, or when it is provided in any other standing order that the business under consideration at the ordinary time of adjournment shall be disposed of or concluded—

We must find somewhere in a standing order that the business under consideration at the ordinary time of adjournment shall be disposed of or concluded. That provision exists in no standing or special order of this house.

Mr. MacEachen: The Chairman ruled on a point of order raised by the hon. member for Carleton. I suggest that the committee should accept the ruling which is before us on two special orders of the house. The ruling is supported by the earlier paragraph which the Chairman read.

I wish to say that the house order specified that the vote would be taken at 9.30. That time was chosen so that all business of the house would be concluded at ten o'clock of that evening. That was not done, to avoid the pitfall that the hon. gentleman mentioned.

Mr. Churchill: It was not concluded until 10.19.

Mr. Bell (Carleton): Where is the standing or special order which permits us to carry on?

The Chairman: Perhaps I could refer hon. members to page 49 of our standing orders where it is stated, on the right hand side, that standing orders 56 and 57 are subject in the second session of the 27th Parliament to recommendations Nos. 5 and 7 of the second report of the special committee on procedure of the house adopted on April 26, 1967, as follows:

> That the house adopt the following resolution with respect to supply procedure:
>
> That for the duration of the second session of the 27th Parliament standing orders 56 and 57 shall be provisionally amended and interpreted in the light of the following procedures which shall govern the business of supply—

Then follows an enumeration of the various items recommended by the committee on procedure and adopted by the house on April 26.

Mr. Churchill: May I ask a question, Mr. Chairman? Have 38 days been given by this house to the business of supply?

Mr. MacEachen: I rise on a point of order, or to speak to the point of order. A ruling has been made by the Chair, and the hon. member who has just resumed his seat knows it is quite improper to ask questions of the Chair. We have had a ruling.

Mr. Churchill: Well, if a ruling has been made, what is the hon. gentleman doing now? Is he raising a second point of order on a point of order?

Mr. MacEachen: What I am doing is to suggest to members of the committee that the ruling of the Chair be accepted and that this improper procedure be not continued.

Mr. Churchill: If the minister of health and welfare can stand up and lecture the house on accepting the ruling of the Chair, I can get up and suggest that the ruling of the Chair be not accepted. If this type of debate is permitted I must be allowed the same privilege as has been accorded to the minister of health and welfare.

The Chairman: I am advised by the officials at the table that we have already had 30 days of supply. We have had six days of supply motions and there are two days

remaining for another special purpose, making a total of 38 days referred to in our standing orders.

Mr. Bell (Carleton): Mr. Chairman, with the greatest of respect for you, and the sincere affection I have for you personally, I must appeal the ruling and ask that you call Mr. Speaker.

Mr. Speaker resumed the chair, and the Chairman of the committee made the following report:

Mr. Speaker, in committee of supply the Chairman interrupted proceedings and stated that in accordance with the provisions of special orders made April 26 and June 26 last, he intended to proceed to put forthwith the question on all votes now before the committee of supply.

Whereupon, the hon. member for Carleton raised a point of order to the effect that no provision could be found in any standing order which would permit the committee of supply to continue sitting beyond ten o'clock p.m. The Chairman ruled that in his opinion the authority to sit beyond ten o'clock p.m. and to proceed with the business of supply was to be found in the provisional amendment to standing order 56 and under the terms of standing order 6(5)(b).

Thereupon, the hon. member for Carleton appealed the Chairman's decision to Mr. Speaker.

Hon. R. A. Bell (Carleton): The point has been stated with clarity and brevity and I appreciate the manner in which it has been presented to Your Honour. I shall endeavour to present my point of view with equal clarity and brevity because I believe an issue of very considerable significance related to responsible parliamentary government is at stake. My position, sir, is that the rules governing the adjournment of the house are mandatory and absolute. They are to be found in standing order 6. May I read subsection 4 of that standing order:

Subject to the exceptions stated in section (5) of this order, at 10 o'clock p.m. on Mondays, Tuesdays and Thursdays—

I do not need to point out that this is Thursday.

—and at six o'clock p.m. on Wednesdays and Fridays, Mr. Speaker shall adjourn the house, without question put, until the next sitting day.

The exception is in section 5 of the standing order. Section 5(a) reads:

When, pursuant to standing order 39A, a motion to adjourn is deemed to have been proposed at ten o'clock p.m. on Mondays, Tuesdays, and Thursdays, the house shall not be adjourned until the said motion is deemed to have been adopted.

I venture to suggest that section is irrelevant for our particular purpose, but subsection (b) is relevant, and especially so.

When a sitting is extended pursuant to section (6) of this order—

[The Chairman.]

I venture to suggest section 6 is not relevant.

or when it is provided in any other standing order that the business under consideration at the ordinary time of adjournment shall be disposed of or concluded, the adjournment proceedings in that sitting shall be suspended—

It is the adjournment proceedings that are to be suspended.

—and that sitting shall not be adjourned except pursuant to a motion to adjourn moved by a minister of the crown.

What we must find in this issue is whether there is any other standing order that the business under consideration at the ordinary time of adjournment shall be disposed of or concluded. Now, where is that? So far as I can see, the only place that it could possibly be would be in the special order of the house adopted April 26, 1967, which appears in our text of the standing orders opposite standing order 56. I go immediately to subsection 5(c), which reads:

• (10:40 p.m.)

Subject to the conditions specified below there shall be an over-all limitation of thirty eight days allotted to the business of supply during the session. For the purposes of this order the business of supply shall consist of supply motions; main estimates, interim supply with the exceptions noted below; supplementary and additional estimates with the exception noted below; and supply bills based on the foregoing.

I do not think any of the exceptions noted here are relevant at all to the argument that is before the chair at this time.

I venture to submit to Your Honour that in no way does that standing order provide that the business under consideration at the ordinary time of adjournment shall be disposed of or concluded. It simply specifies a certain number of days. Clearly the number of days have elapsed, the house has reached ten o'clock, and that is it. My colleague from Kamloops (Mr. Fulton) points out to me that 38 days have not elapsed, that in fact 36 days have elapsed; but I think that matter is probably governed by a special order of the house and I make no particular point of that.

However, Mr. Speaker, I do make a point of the fact that the Minister of National Health and Welfare (Mr. MacEachen), in attempting to meet exactly the point that has been raised, on June 26 prepared a motion which was adopted by the house. Subsection 5 of that motion reads:

That on Thursday, July 6, 1967, at 9.30 o'clock p.m., the proceedings of the house or the committee of supply or ways and means, as the case may be, shall be interrupted, and every question shall

successively be put forthwith that may be necessary to dispose of the estimates of ten departments and any resolution or bill based thereon, and also such resolutions and bills as are necessary to provide for a fourth month interim supply;

Clearly, Mr. Speaker, if there was a provision in the order of April 26 such as was inserted in the order of June 26, there would be no argument at all. The fact that this provision is absent makes it clear that nothing here comes within the very clear exception under standing order 6 (5) (b), which states there can only be an interruption of a mandatory adjournment if it is provided under a standing order that the business shall be disposed of or concluded.

That is putting the matter as simply and as plainly as it is possible to put it. It is put for a deliberate purpose, namely to demonstrate the fact that 171 votes totalling a billion and a quarter dollars have not had any consideration at all in this house, and that the guillotine is falling without there being any possibility of the House of Commons doing the basic job its members were elected. We have failed to do what we were sent here to do.

I am not taking advantage of this situation from any technical point of view but on the basis that we must achieve proper rules, rules which will govern and bring this House of Commons back to the type of institution that the Canadian people want to see.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I feel a bit out of character coming to the defence of the government, but it is late at night and I suppose anything has to be anticipated.

Mr. Fulton: Get back into character.

Mr. Knowles: I accept the correction I heard from the other side. I am supporting the position taken by Mr. Chairman in committee of the whole, and I am not out of character in doing that. The issue before us tonight is not whether we should or should not have a time limit on supply; that is a matter to be decided by the House of Commons. The issue is not how many departments we have finished and how many we have not finished.

An hon. Member: That's a good red herring.

Mr. Knowles: The issue is simply, do we finish the business of supply by taking the formal votes tonight or do we adjourn and take the votes tomorrow or on some other occasion.

I wish to point out that provisional standing orders 6(4) and 6(5) should be read in the light of standing order 6(4) of the old rules which existed before we adopted the present, temporary rules.

An hon. Member: Oh?

Mr. Knowles: Just a moment. Do not say "oh" so quickly. Standing order 6(4), before we adopted the temporary rules, read as follows:

When it is provided in any standing order that the business under consideration at the ordinary time of adjournment be forthwith disposed of or concluded, Mr. Speaker shall not adjourn the house until the specified proceedings be completed.

The point I wish to make is that it is a practice of long standing that when there is an order that something has to be concluded on a particular day, the adjournment time is ignored until that completion has been effected.

When we wrote temporary standing orders 6(4) and 6(5) we put together that old standing order and the provisions that we have made for the adjournment proceedings. If one will compare the language of the old standing order, which I have just read, with the exception that the hon. member for Carleton has read, temporary standing order 6(5)(b), one will see that this is what happened. It reads:

When a sitting is extended pursuant to section (6) of this order—

Which we are doing:

—or when it is provided in any other standing order that the business under consideration at the ordinary time of adjournment shall be disposed of or concluded, the adjournment proceedings in that sitting shall be suspended—

Of course, they are:

—and that sitting shall not be adjourned except pursuant to a motion to adjourn moved by a minister of the crown.

My point is that the new, temporary standing orders at that point combined the general practice, that we do not adjourn until we have finished the day's business, with the special provisions relating to debates on adjournment proceedings.

I think, sir, it is therefore clear that you should rule that we continue to sit under the basis of standing order 6(5)(b), provided some other order says that this is an item of business which should be finished.

That provision, I believe, is set out for us in paragraph 5(c) of the special order of the house that was adopted on April 26, 1967. That order provided us with our rules for the

second session of this twenty seventh parliament. I hope the house will forgive me for reading paragraph 5(c) again; the hon. member for Carleton I know read it a few moments ago:—

Subject to the conditions specified below there shall be an overall limitation of thirty-eight days allotted to the business of supply during the session. For the purposes of this order the business of supply shall consist of supply motions; main estimates; interim supply with the exceptions noted below; supplementary and additional estimates with the exception noted below; and supply bills based on the foregoing.

I submit that this is the order that says —subject to what I shall say in a moment —that when the 38 days are over all the things set out in that paragraph must be done.

Mr. Bell (Carleton): It must say so, surely.

• (10:50 p.m.)

Mr. Knowles: Now, Mr. Speaker, that provision was modified by this house in the special order which it passed unanimously on June 26 when it said, in paragraph 4, that the operation of paragraph 3 should not in any way preclude the adoption of all items in the committee of supply and the enactment of supply bills passed thereon within the 30-day period prescribed in the resolution adopted on April 26, 1967. I mention this because there is a reference to 30 days provided in the earlier order. How did 38 become 30? The reason is that in the meantime we had had two days on a supply motion, and we provided on June 26 that we would have the other six days at certain specified times in the fall. The combination of these things, however labyrinthine they may appear, means that we end with an order which says we must complete the business of supply, that is the estimates and the bills based thereon, in 30 days.

The hon. member for Carleton (Mr. Bell) agrees that we have had 30 days; they ended at ten o'clock tonight. Are we not, therefore, bound by an order made unanimously by the house which says that at the end of 30 days of supply, in view of what is provided in 5(c) of the order of April 26, 1967, we are bound to finish all these things including the supply bills?

I would be the first to admit that the order could be written a lot more clearly and I hope our committee will straighten this matter out. I admit there is an argument about the 30 days, but no one denies we are under an order this session to complete the work of supply in 30 days.

[Mr. Knowles.]

Mr. Churchill: It says 38.

Mr. Knowles: Shall I go back and go over that ground again for the benefit of the hon. member for Winnipeg South Centre (Mr. Churchill)? My hon. friend behind me wants me to dispense.

Mr. Churchill: Will the hon. member read out the section which says 30 days?

Mr. Knowles: The special order of June 26 in paragraph 4 makes a reference to the 30 days provided for supply. It makes this reference to 30 days in a paragraph which actually speaks of 38. What happened to the other eight days? Two of them had already been used and the other six are provided for in paragraph three of the resolution of June 26.

As I say, it would be hard to make things more complicated, but if one takes time and patience to look at it, it is all here. We have agreed by unanimous decision of the house that we were to have 30 days on supply this session and four supply motions of two days each. We had one of these motions before the summer recess. We have had another two of them already. We are to get the last within 45 days after we came back following the summer recess. So I submit the 30 day limit is there. The hon. member for Carleton does not argue about this. All he says is that there is no provision for sitting late to do it tonight. So, if there is an over-all limitation of 30 days on the supply resolutions and the bills based thereon, it seems to me we should deal with them during those 30 days, and that means dealing with them tonight.

I am afraid that I do not see this as a major parliamentary issue. If the hon. member for Carleton wins his point, all that happens is that we will take these formal votes on the resolutions and on the supply bill tomorrow or some other day. He, or no one else would argue that there is room for any more debate. I am not just relying on common sense, Mr. Speaker. You do not get very far in this house by arguing on the basis of common sense. It seems to me that the putting together of these various rules and orders does result in the clear indication that we are supposed to do all of this work, including the supply bills—I emphasize that to the hon. member for Carleton—within 30 days. Unless we do it tonight we will not have complied with our own order adopted unanimously by the house.

Hon. A. J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, I merely wish to repeat in a short form the argument made by the hon. member for Winnipeg North Centre (Mr. Knowles), with which I agree fully. The first point arises from the decision taken by the house and recorded in *Votes and Proceedings* of April 26, 1967, that there be established an over-all limit of 38 days for the business of supply. There is no debate or doubt about that.

In *Votes and Proceeding* of June 26 there is recorded a further decision of the house that the supply motions be segregated from the remaining business of supply, and because of that operation the time for supply, exclusive of supply motions, was limited to 30 days. There is no doubt about that. It is a matter of counting to decide when the 30 days are finished, and the count showed that the 30 days were finished at ten o'clock tonight. The hon. member for Carleton says that because there is another rule saying that the house adjourns at ten o'clock, this other rule supersedes the continuation of proceedings beyond ten o'clock and therefore we cannot proceed with the vote. That is the issue.

I think the hon. member for Winnipeg North Centre is correct when he refers to standing order 6(4) in the regular standing orders which says:

> When it is provided in any standing order that the business under consideration at the ordinary time of adjournment be forthwith disposed of or concluded, Mr. Speaker shall not adjourn the house until the specified proceedings be completed.

In other words this particular general standing order supersedes the operation of the normal adjournment proceedings because there is a business before the house to be completed.

I think it is made even clearer in provisional standing order 6(5)(b) which has already been read by the hon. member for Winnipeg North Centre, and which seems to me to provide the answer to the question raised by the hon. member for Carleton, which was: Are we entitled to continue beyond ten o'clock to dispose of all these resolutions? The answer is provided in this standing order, which reads:

> When a sitting is extended pursuant to section (6) of this order—

That is irrelevant, as the hon. member for Carleton says.

> —or when it is provided in any other standing order that the business under consideration at the ordinary time of adjournment shall be disposed of or concluded, the adjournment proceedings in that sitting shall be suspended—

That provides the method by which the house is enabled to supersede the ten o'clock adjournment and to continue with the motions that are involved in the passage of the resolutions and the supply bills based thereon.

• (11:00 p.m.)

Mr. Bell (Carleton): For the purpose of clarity would the minister indicate to me whether he is arguing that the old standing order 6(4) is still in effect? As I understand the situation that standing order, which was also referred to by the hon. member for Winnipeg North Centre (Mr. Knowles), is gone. It has been nullified completely. Such substance as it has is now in standing order 6(5) (b).

Mr. MacEachen: Mr. Speaker, I do not think anything turns on that point. I think that 6(5) (b) provides for a resolution of the dilemma raised by the hon. member for Carleton, namely that this particular provision provides for the continuation of business beyond ten o'clock in order to dispose of the business that has been laid down under other standing orders.

Mr. Bell (Carleton): Mr. Speaker, surely something turns upon the quoting of a repealed standing order as an authority?

An hon. Member: What about standing order 6(4)?

Mr. MacEachen: Nothing turns upon standing order 6(4), which has been read. It follows completely upon the standing order in effect now.

Mr. Knowles: Mr. Speaker, has not the language of the old standing order 6(4) been completely incorporated in the language of the new rule?

Mr. MacEachen: I said it was a foundation.

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I want to say a word or two on this matter. I am surprised that the hon. member for Winnipeg North Centre (Mr. Knowles) and the government house leader have to attempt to bemuse the house by reading standing order 6(4), which was revised and is no longer in existence. Their case is very weak indeed when they must rely on something which they, in their work

in the committee, struck out. It is quite obvious, too, that the hon. member for Winnipeg North Centre, who was so anxious to amend and restrict the rules of this house, is attempting to bail out the government in the mistake they have made. They have failed to bring into this house an order such as was presented on June 26 of this year, an order which I was responsible for proposing to the hon. member. I thought that with his experience he would be able to carry on this fall, and consequently I did not go to him yesterday and tell him what he should do. But he cannot now extricate himself from this point.

The sensible thing, in order to save the position of Mr. Speaker, and the Chairman, is for the government house leader to admit his error and say that he will straighten this matter out with the various house leaders tomorrow.

Mr. Speaker: If there are no other contributions to this interesting debate I will attempt to bring some light to a very difficult situation. I must say that I have a great deal of sympathy for all hon. members who have tried to piece together the rules as they are now. This is nobody's fault. I think an honest effort has been made in recent months and years by hon. members to attempt to improve our rules. Whether we have succeeded is a matter of opinion.

I can readily see that it is not easy in a circumstance such as this to find out exactly what our rules say. I followed with interest the opinion and argument of the hon. member for Carleton (Mr. Bell), when he made it originally with the Deputy Speaker in the chair and again when he stated it so clearly later on. He argues, among other things, a point which is of interest, that is, that when a similar situation arose previously, on June 26 last, it was required to be settled by an order to allow that all matters dealing with supply be concluded on that day.

It has been brought to my attention, and I believe this has been mentioned by hon. members in the course of the discussion, that in the original order of June 26 it was impossible to complete the 30 days that were allowed then until all departments had been called and the supply motions completed. It was then specified that one department would still be outstanding even if the fourth order was called. Under the order of June 26 as adopted, this provision was suspended, allowing the house to call all departments even before the four supply motions were called. Therefore, it seems to me we could complete the 30 days considering supply and even have one supply motion outstanding which perhaps could be called anytime between now and December 6.

[Mr. Churchill.]

While it was necessary on a previous occasion to have an order, this is no longer necessary since the 30 supply days could be called even before the four supply motions have been called.

Having dealt with this point to the best of my ability I have to refer hon. members, as has been done by the Deputy Speaker and by hon. members, to standing order 6(5)(b) which states, beginning at line 3 on page 5:

> —when it is provided in any other standing order that the business under consideration at the ordinary time of adjournment shall be disposed of or concluded, the adjournment proceedings in that sitting shall be suspended and that sitting shall not be adjourned except pursuant to a motion to adjourn moved by a minister of the Crown.

There must be a purpose for saying that the adjournment proceedings in that sitting shall be suspended, and that purpose in my mind is not just to allow members to go home at ten o'clock. Surely it must be for the purpose of doing business, and the business that has to be done at that point is the business of supply. I base my view in this regard on standing order 56 which deals with supply proceedings.

Standing order 56 was the subject of a suggested amendment in the report of the procedure committee which was concurred in by the house on April 26, 1967. In this resolution of the house there was a 38 day overall limitation during the session for the business of supply. This included four two-day debates on supply motions, leaving the balance of 30 days for supply. I shall not go into the question about the 36 days rather than 38 days because that has been explained quite clearly by hon. members who have taken part in this debate on the point of order.

If hon. members will now turn to page 50 they will read in the annotations to standing order 56, in the precise wording of the report and concurred in by the house, in paragraph (c):

> Subject to the conditions specified below there shall be an overall limitation of thirty-eight days allotted to the business of supply during the session. For the purposes of this order the business of supply shall consist of supply motions; main estimates; interim supply with the exceptions noted below—

As the hon. member for Carleton has said, these are not relevant here. It continues:

> —supplementary and additional estimates with the exception noted below; and supply bills based on the foregoing.

To my mind these words are extremely relevant; that is:

—supply bills based on the foregoing.

This means we must complete supply bills when the days expire. The standing order does not say we shall give consideration on supply during 30½ days, 30 days and one hour or 31 days, so the extra day can be used to vote on supply motions when supply motions may be discussed and passed. It simply says within 30 days, and this is the decision of the house.

Having regard again to standing order 6(5)(b), the provision is that the house shall not be adjourned except pursuant to a motion moved by a minister of the crown. I have not heard a minister of the crown make such a motion. Having read and considered the standing orders as objectively as I can I have no alternative than to sustain the judgment of the Chairman of the committee.

• (11:10 p.m.)

And the house having resumed in committee:

The Chairman: Order. The question before the committee is on Vote 1 of the Department of Justice.

DEPARTMENT OF JUSTICE

1. Administration, including grants and contributions as detailed in the estimates, gratuities to the widows or such dependents as may be approved by treasury board of judges who die while in office and authority to make recoverable advances for the administration of justice on behalf of the governments of the Northwest Territories and the Yukon Territory, $3,983,100.

Item agreed to, on division.

DEPARTMENT OF AGRICULTURE

The following items were agreed to, on division:

Administration—

1. Departmental administration including the Canadian agricultural services co-ordinating committee, contributions to the Commonwealth agricultural bureaux, and a contribution to the agricultural economics research council in an amount equal to one-half the contributions to the council from other sources during the fiscal year but not exceeding $50,000, $6,652,800.

Research—

5. Administration, operation and maintenance including Canada's fee for membership in the international society for horticultural science, an amount of $625,000 for grants in aid of agricultural research in universities and other scientific organizations in Canada and the costs of publishing departmental research papers as supplements to the "Canadian entomologist", $33,845,800.

10. Construction or acquisition of buildings, works, land and equipment, $6,000,000.

Mr. Fulton: Mr. Chairman, in order to expedite the procedure may I suggest that all the outstanding items should be deemed to have been carried, on division.

The Chairman: Is the committee so agreed?

Mr. Winch: Mr. Chairman, if my memory serves me correctly there is some rule somewhere which says that every vote must be passed by the House of Commons individually. Am I not correct?

The Chairman: I shall call the votes individually. Is Item 15 agreed to?

The following items were agreed to on division:

Production and marketing—

Administration—

15. Administration, operation and maintenance including the administration of the Agricultural Stabilization Act, and contributions to assist in the marketing of agricultural products subject to the approval of treasury board, $3,161,200.

17. Grants, contributions and subsidies as detailed in the estimates, $109,000,000.

Animal and animal products—

20. Administration, operation and maintenance including Canada's fee for membership in the international dairy federation, $7,950,300.

25. Grants, contributions and subsidies in the amounts and subject to the terms specified in the sub-vote titles listed in the details of the estimates, $12,922,200.

Plant and plant products—

30. Administration, operation and maintenance, $8,271,900.

35. Grants, contributions and subsidies as detailed in the estimates, $268,000.

35a. Grants, contributions and subsidies as detailed in the estimates, $65,000.

Health of animals—

40. Administration, operation and maintenance including Canada's fee for membership in the office international des épizooties, and authority, notwithstanding the Financial Administration Act, to spend revenue received during the year from packers requiring special services, $16,132,800.

45. Grants, contributions and subsidies as detailed in the estimates, $1,381,000.

Board of grain commissioners—

50. Administration, operation and maintenance including Canada's fee for membership in the international association of cereal chemistry and authority to purchase screenings, $8,128,200.

51. Construction or acquisition of buildings, works, land and equipment, $2,267,000.

Land rehabilitation, irrigation and water storage projects—

Irrigation and water storage projects in the western provinces including the South Saskatchewan river project, the Prairie Farm Rehabilitation Act program, land protection, reclamation and development—

55. Administration, operation and maintenance including Canada's fee for membership in the international commission on irrigation and drainage, $9,688,000.

60. Construction or acquisition of buildings, works, land and equipment, $14,645,000.

Canadian dairy commission—

65. Administration, operation and maintenance, $208,700.

Farm credit corporation—

70. Estimated amount required to provide for the operating loss of the farm credit corporation for the fiscal year ending March 31, 1968, $3,900,000.

DEPARTMENT OF DEFENCE PRODUCTION

L22a. To extend the purposes of the revolving fund established by loans, investments and advances vote L18e, Appropriation Act No. 4, 1966, to include

(e) the financing, in the 1967-68 and subsequent years, of the travel accounts rendered by carriers for services arranged by the central travel service on a recoverable basis for federal government departments and agencies, $1.

Item agreed to, on division.

DEPARTMENT OF ENERGY, MINES AND RESOURCES

The following items were agreed to on division:

A—Department—

Research and investigations on water resources—

75a. Construction or acquisition of buildings, works, land and equipment, $2,150,000.

B—Dominion coal board—

91a. Acquisition of equipment for installation in the Princess colliery of the Nova Scotia Steel and Coal Company Limited and the collieries of the Dominion Coal Company Limited in accordance with agreements to be entered into, with the approval of the governor in council, by the dominion coal board and the said companies, $2,000,000.

L25a. Advances in accordance with agreements entered into pursuant to the Atlantic Provinces Power Development Act, $13,000,000.

ATOMIC ENERGY OF CANADA LIMITED

L8a. Advances to Atomic Energy of Canada Limited, subject to such terms and conditions as the Governor in Council may approve, to make an advance payment to Deuterium of Canada Limited based on the value of one year's production by that corporation of heavy water, $16,400,000.

Item agreed to, on division.

[The Chairman.]

DEPARTMENT OF EXTERNAL AFFAIRS

The following items were agreed to on division:

A—Department—

1. Administration, operation and maintenance, including payment of remuneration, subject to the approval of the Governor in Council and notwithstanding the Civil Service Act, in connection with the assignment by the Canadian government of Canadians to the staffs of the international organizations detailed in the estimates and authority to make recoverable advances in amounts not exceeding in the aggregate the amounts of the shares of those organizations of such expenses, and authority, notwithstanding the Civil Service Act, for the appointment and fixing of salaries of commissioners (international commissions for supervision and control in Indo-China), secretaries and staff by the Governor in Council; and authority, notwithstanding the Civil Service Act, for the appointment and fixing of salaries of high commissioners, ambassadors, ministers plenipotentiary, consuls, secretaries and staff by the Governor in Council; assistance and repatriation of distressed Canadian citizens and persons of Canadian domicile abroad, including their dependents; cultural relations and academic exchange programs with other countries, $42,260,000.

10. Construction, acquisition or improvement of buildings, works, land, equipment and furnishings, $5,085,000.

15. Assessments, grants, contributions and other payments to International (including Commonwealth) organizations and international multilateral economic and special aid programs as detailed in the estimates, including authority to pay assessments in the amounts and in the currencies in which they are levied, and authority to pay other amounts specified in the currencies of the countries indicated, notwithstanding that the total of such payments may exceed the equivalent in Canadian dollars, estimated as of January, 1967, which is, $34,437,700.

External aid office—

30. Salaries and expenses, $2,521,700.

A—Department—

External aid office—

30b. Salaries and expenses, $427,000.

35. Economic, technical, educational and other assistance as detailed in the estimates, $130,100,000.

35b. Economic, technical, educational and other assistance as detailed in the estimates, $139,000.

B—International joint commission—

40. Salaries and expenses of the commission and Canada's share of the expenses of studies, surveys and investigations of the commission, $489,200.

External aid office—

L30. Special loan assistance for developing countries in the current and subsequent fiscal years, subject to such terms and conditions as the governor in council may approve, for the purpose of undertaking such economic, educational and technical projects as may be agreed upon by Canada and the developing countries or recognized international development institutions, $90,000,000.

DEPARTMENT OF FISHERIES

Fisheries management and development—

15b. Grants, contributions and subsidies in the amounts and subject to the terms specified in the subvote titles listed in the details of estimates, $3,350,000.

Item agreed to, on division.

DEPARTMENT OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

The following items were agreed to on division:

Administration—

3a. Contribution to the province of Alberta, pursuant to an agreement entered into with the approval of the governor in council by Canada with the province, of amounts equal to one-half of the amounts confirmed by the province as having been spent by it for camp ground and picnic area developments; amount required to complete the payments to the province, $77,580.

Indian affairs—

5b. Administration, operation and maintenance including grants, contributions and special payments, $2,770,000.

Northern program—

20a. Administration, operation and maintenance—To extend the purposes of Indian Affairs and Northern Development vote 20 of the main estimates for 1967-68 to include the grants and contribution detailed in these estimates, $1.

25a. Construction or acquisition of buildings, works, land and equipment—To increase to $27,547,000 the authority, notwithstanding section 30 of the Financial Administration Act, to make commitments for the current fiscal year, $1.

30b. Northern mineral assistance grants—To extend the purposes of Indian affairs and northern development vote 30 of the main estimates for 1967-68 to increase to $18,000,000 the authority to make commitments in respect of northern mineral development assistance grants in the current and subsequent fiscal years, $1.

33a. Payment to the government of the Northwest Territories in accordance with an agreement to be entered into by the Minister of Finance, with the approval of the Governor in Council, on behalf of the government of Canada, and the commissioner of the Northwest Territories on behalf of the government of the Northwest Territories, such agreement to provide (on such terms and conditions as may be agreed upon) that the government of the Northwest Territories will not impose, levy or collect individual income taxes, corporation income taxes, corporation taxes or succession duties, as defined in the agreement; the payment to the government of the Northwest Territories under the agreement to be calculated on the following bases:

(a) A subsidy of eighty cents per head in respect of the population of the Northwest Territories as determined by the 1961 census;

(b) A grant in aid of the government and council of the Northwest Territories of $30,000; and

(c) An operating grant in the amount of $4,740,780 which, when added to the payments under paragraphs (a) and (b), will equal the estimated operating deficit of the government of the Northwest Territories in the current fiscal year;

together with payments in respect of amortization payments on outstanding loans for capital expenditures in the Northwest Territories, as provided in the agreement: (the amount payable in respect of the current fiscal year to be reduced by the aggregate of all interim payments made pursuant to Indian Affairs and Northern Development vote 32 of the main estimates for 1967-68), $270,780.

Indian Affairs—

L44a. To provide that the total amount of outstanding advances at any one time with respect to loans to Indians under section 69 of the Indian Act, notwithstanding subsection 5 thereof, shall not exceed $2,000,000, $1.

Northern program—

L46a. To increase to $640,000 the amount authorized for loans to the government of the Yukon Territory by loans, investments and advances vote 672, Appropriation Act No. 2, 1962, which vote authorizes the making of mortgage loans for low cost housing to residents of the territory; additional amount required, $400,000.

L50a. Loans to the government of the Northwest Territories in the current and subsequent fiscal years in accordance with terms and conditions prescribed by the Governor in Council for capital expenditures during the period of April 1, 1967 to March 31, 1969 to be provided for in the financial agreement to be entered into between the government of Canada and the commissioner of the Northwest Territories pursuant to Indian Affairs and Northern Development vote 33a of these estimates, $2,234,105.

L51a. To extend the purposes of Indian Affairs and Northern Development votes L51a, Appropriation Act No. 9, 1966, and L51g, Appropriation Act No. 2, 1967, to authorize loans and advances to Eskimos on the same terms and conditions, for the same purposes and subject to the same provisions, including authority to forgive repayment thereof, as loans made to Indians pursuant to the said votes, $1.

L52a. Loans to the government of the Northwest Territories in accordance with terms and conditions approved by the Governor in Council for capital costs incurred in establishing the government of the Northwest Territories in Yellowknife, Northwest Territories, $800,000.

L54a. To increase to $820,000 the amount authorized for loans to the government of the Northwest Territories by loans, investments and advances votes 674, Appropriation Act No. 2, 1962 and L24a, Appropriation Act No. 10, 1964, which votes authorize the making of mortgage loans for low cost housing to residents of the territories; additional amount required, $250,000.

Northern Canada power commission—

L55b. Advances to the Northern Canada power commission for the purpose of capital expenditures in accordance with section 15 of the Northern Canada Power Commission Act, $941,000.

DEPARTMENT OF INDUSTRY

The following items were agreed to on division:

1. Departmental administration, including grants as detailed in the estimates, $10,568,300.

1a. Departmental administration, $801,000.

5. To sustain technological capability in Canadian industry by supporting selected defence development programs, on terms and conditions approved by the treasury board, and to authorize, notwithstanding section 30 of the Financial Administration Act, total commitments of $60,000,000 for the foregoing purposes during the current and subsequent fiscal years, $25,000,000.

10. To advance the technological capability of Canadian manufacturing industry by supporting selected civil (non-defence) development projects, on terms and conditions approved by the treasury board, and to authorize, notwithstanding section 30 of the Financial Administration Act, total commitments of $40,000,000 for the foregoing purposes during the current and subsequent fiscal years, $13,000,000.

15. Capital subsidies for the construction of commercial and fishing vessels in accordance with regulations of the Governor in Council (formerly under Canadian maritime commission), $30,000,000.

15a. Capital subsidies for the construction of commercial and fishing vessels in accordance with regulations of the Governor in Council, $12,000,000.

20. Payments, subject to the approval of the treasury board, for certain programs to assist defence manufacturers:

(a) with defence plant modernization, by paying one-half the cost of acquisition of new equipment; and

(b) in the establishment of production capacity and qualified sources for production of component parts and materials, $12,000,000.

L60. Loans, in the current and subsequent fiscal years and in accordance with terms and conditions prescribed by the governor in council, to assist manufacturers of automotive products in Canada, including materials suppliers and tooling manufacturers, affected by the Canada-United States agreement on automotive products to adjust and expand their production; such loans to be made for the purpose of acquisition, construction, installation, modernization, development, conversion or expansion of land, buildings, equipment, facilities or machinery and for working capital; and to authorize, notwithstanding section 30 of the Financial Administration Act, total commitments of $60,000,000 for the foregoing purposes during the current and subsequent fiscal years, $30,000,000.

L65. Advances, subject to the approval of the treasury board, to assist defence manufacturers with defence plant modernization in amounts not to exceed one-half of the cost of the acquisition of new equipment, such advances to be recovered on sale of the equipment to the defence manufacturers, $12,000,000.

[The Chairman.]

NATIONAL RESEARCH COUNCIL OF CANADA
INCLUDING THE MEDICAL
RESEARCH COUNCIL

The following items were agreed to on division:

1. Administration, operation and maintenance, $40,693,000.

5. Construction or acquisition of buildings, works, land and equipment, $9,300,000.

10. Scholarships and grants in aid of research, $66,000,000.

15. Assistance towards research in industry under terms and conditions approved by the Governor in Council including authority, notwithstanding section 30 of the Financial Administration Act, to make commitments for the current year not to exceed a total amount of $6,900,000, $5,700,000.

DEPARTMENT OF LABOUR

The following items were agreed to on division:

A—Department—

1. General administration, including grants as detailed in the estimates, $1,972,000.

Labour relations—

5. Administration including the promotion of labour—management consultation, $1,385,000.

Labour standards and benefits—

10. Administration, including the government's contribution to annuities agents pension account in accordance with regulations made pursuant to vote 181, Appropriation Act No. 5, 1961, and to deem, for the purposes of sub-paragraph (ii) of paragraph (c) of subsection (1) of section 2 of the Government Employees Compensation Act, any international commission with headquarters in Canada and any international commission with headquarters in another country, who employs Canadian citizens, to be a commission established to perform a function or duty on behalf of the government of Canada, $2,703,000.

Research and development—

15. Administration including the co-ordination and advancement of Canada's role in international labour affairs, the development and co-ordination of departmental emergency plans, and the administration of transitional assistance to workers in automotive manufacturing and parts industries, and related activities, $1,576,000.

20. Grants, contributions and subsidies as detailed in the estimates, $1,749,000.

B—Central Mortgage and Housing Corporation—

35. To reimburse Central Mortgage and Housing Corporation for expenditures on housing research and community planning, for the amounts of loans for sewage treatment projects forgiven to a province, municipality or municipal sewerage corporation, for contributions made for an urban renewal scheme or pursuant to an urban renewal agreement, for losses resulting from the operation of public housing projects, and for net losses resulting from the sale of mortgages from its portfolio, $25,300,000.

L70. Advances to Central Mortgage and Housing Corporation in respect of housing and land development projects undertaken jointly with the governments of the provinces, in respect of loans to municipalities for the construction or expansion of sewage treatment projects, in respect of loans made to assist in the implementation of an urban renewal scheme, and for the acquisition, development, construction or improvement of land and buildings, $63,900,000.

L71b. To increase by $225,000,000 the aggregate amount that may be advanced by the minister out of the consolidated revenue fund under subsection (1) of section 22 of the National Housing Act, 1954, for the purposes set out in that subsection; and to authorize Central Mortgage and Housing Corporation, in the case of any loan made to a province or a provincial agency under section 16A, 35C or 35D of the act, to take debentures as security for such loan in lieu of any other security required by those sections, $1.

UNEMPLOYMENT INSURANCE COMMISSION

1. Administration of the Unemployment Insurance Act, including recoverable expenditures on behalf of the Canada pension plan, $42,480,000.

Item agreed to, on division.

LEGISLATION

The following items were agreed to on division:

The Senate—

Members of the Senate—

1. Allowance in lieu of residence to the Speaker of the Senate, $3,000.

5. General administration, $1,360,500.

House of Commons—

Members of the House of Commons—

10. Allowances in lieu of residence to the Speaker of the House of Commons, and in lieu of apartments to the deputy speaker of the House of Commons; allowance to the deputy chairman of committees, $8,500.

10b. Allowances—To extend the purposes of legislation vote 10 of the main estimates for 1967-68 to include an allowance at the rate of $4,000 per annum to the assistant deputy chairman of committees; amount required for 1967-68, $3,100.

15. Expenses of the Canada-United States interparliamentary group, of delegates attending other inter-parliamentary conferences, expenses connected with visits of delegates to and from other legislatures, Canada's share of the expenses of the Commonwealth parliamentary association including the assessment for membership in the association, and grants as detailed in the estimates, $187,800.

20. General administration, $7,803,900.

Mr. Knowles: Are these items of the House of Commons being carried on division? Are they not unanimous?

Mr. Starr: He is just wasting time. Let us carry on.

The Chairman: Carried on division.

Item agreed to, on division.

Library of Parliament—

25. General administration, $639,300.

Item agreed to, on division.

DEPARTMENT OF MANPOWER AND IMMIGRATION

The following items were agreed to on division:

Departmental administration—

1. Administration, operation and maintenance, $4,206,600.

Development and utilization of manpower—

5. Administration, operation and maintenance, including the administration of the manpower mobility regulations and payments in respect of persons who are being afforded occupational training under the audit occupational training program in accordance with regulations approved by the Governor in Council, $73,635,000.

6b. Payments in accordance with terms and conditions approved by the Governor in Council to provinces and in respect of Indian bands under the municipal winter works incentive program during the 1967-68 and 1968-69 fiscal years of amounts not exceeding fifty per cent of the cost of labour incurred in a five-month period commencing either November 1 or December 1, 1967, as selected by the province or Indian band, and in the case of projects in designated areas within the meaning of the Department of Industry Act, sixty per cent of such cost; and to authorize payments in those fiscal years to provinces in respect of previous municipal winter works incentive programs, $5,000,000.

10. Grants, contributions and subsidies in accordance with the terms and conditions specified in the sub-vote titles listed in the details of the estimates, $206,825,000.

10b. Grants, contributions and subsidies in accordance with the terms and conditions specified in the sub-vote titles listed in the details of the estimates, $25,000,000.

12b. To deem for purposes of the Public Service Superannuation Act and the public service terms and conditions of employment regulations that Mrs. Mina Popovich was, from January 11, 1957 to October 16, 1961, inclusive, employed in the public service and on leave of absence without pay as if order in council P.C. 1957-53/626 of May 3, 1957, had not been passed, $1.

Supply—Privy Council

Immigration—

15. Administration, operation and maintenance, including trans-oceanic and inland transportation and other assistance for immigrants and settlers subject to the approval of treasury board, including care en route and while awaiting employment; and payments to the provinces, pursuant to agreements entered into with the approval of the Governor in Council, in respect of expenses incurred by the provinces for indigent immigrants and $35,000 for grants to immigrant welfare organizations, $20,641,000.

Program development—

20. Administration, operation and maintenance, $3,751,600.

25. Grants, contributions and subsidies as detailed in the estimates, $3,525,000.

Immigration appeal board—

30. Administration, operation and maintenance, $311,000.

DEPARTMENT OF NATIONAL DEFENCE

Pensions and other benefits—

49a. To authorize the treasury board, for the purpose of calculating pensions under sections 13 and 14 of the Defence Services Pension Continuation Act, to prescribe the pay and allowances deemed to have been received on and after October 1, 1966 by men of the Canadian Forces below the rank of warrant officer, $1.

Item agreed to, on division.

DEPARTMENT OF NATIONAL HEALTH AND WELFARE

Health insurance and resources—

8a. Administration, operation and maintenance, including grants as detailed in the estimates, $182,000.

Item agreed to, on division.

POST OFFICE DEPARTMENT

1b. Postal services, $10,435,300.

Item agreed to, on division.

PRIVY COUNCIL

The following items were agreed to on division:

A—Privy council—

1. Maintenance and operation of the Prime Minister's residence, $40,600.

Ministers without portfolio—

5. Payment, notwithstanding anything in the Financial administration Act or the Senate and House of Commons Act respecting the independence of parliament, to each member of the Queen's privy council for Canada who is a minister for whom no salary or allowance in addition to the allowances under section 33 and section 44 of the Senate and House of Commons Act is provided (the acceptance of which shall not render such member ineligible or disqualify him as a Member of the House of Commons) of a salary of $7,500 per annum and pro rata for any period less than a year, $15,000.

10. General administration including $40,000 for research grants and contributions, $2,501,300.

A—Privy council—

10a. General administration, $1,107,500.

15. Expenses of the royal commissions listed in the details of estimates, $2,058,300.

15a. Expenses of the royal commissions listed in the details of estimates, $600,000.

17. Expenses of the science council of Canada, $190,000.

17a. Expenses of the science council of Canada, $255,500.

18. Expenses related to the 1967 visits of state, $1,577,000.

18a. Expenses related to the 1967 visits of state, $765,100.

19. Payments to the Company of Young Canadians, $2,445,000.

B—Economic council of Canada—

20. Administration, $1,522,800.

20a. Administration, $100,000.

GOVERNOR GENERAL AND LIEUTENANT-GOVERNORS

1. Office of the secretary to the Governor General, $540,600.

Item agreed to, on division.

5. To authorize reimbursement to the Lieutenant-Governors of the provinces of Canada of the costs of travelling and hospitality incurred in the exercise of their duties up to a maximum per annum for each as detailed in the estimates, $145,000.

Item agreed to, on division.

DEPARTMENT OF PUBLIC WORKS

The following items were agreed to on division:

A—Department—

1. General administration, including grants as detailed in the Estimates, $19,734,600.

Accommodation services—

5. Maintenance and operation of public buildings and grounds, including the provision, on a recoverable basis of accommodation and related services for Canada pension plan purposes, and authority to provide assistance to (a) the international civil aviation organization in the form of office accommodation at less than commercial rates and (b) the Ottawa civil service recreation association in the form maintenance services in respect of the W. Clifford Clark memorial centre in Ottawa, $76,615,000.

[The Chairman.]

5a. Maintenance and operation of public buildings and grounds, $8,947,00.

10. Acquisition of equipment and furnishings other than office furnishings, $1,485,000.

15. Construction, acquisition, major repairs and improvements of, and plans and sites for, public buildings (including expenditures on works on other than federal property); provided that no contract may be entered into for new construction with an estimated total cost of $50,000 or more unless the project is individually listed in the details of estimates, $48,165,000.

15b. Construction, acquisition, major repairs and improvements of, and plans and sites for public buildings (including expenditures on works on other than federal property); provided that no contract may be entered into for new construction with an estimated total cost of $50,000 or more unless the project is individually listed in the details of estimates, $1.

15b. Construction, acquisition, major repairs and improvements of, and plans and sites for, public buildings (including expenditures on works on other than federal property); provided that no contract may be entered into for new construction with an estimated total cost of $50,000 or more unless the project is individually listed in the details of estimates, $885,000.

Harbours and rivers engineering services—

20. Operation and maintenance, $7,924,000.

25. Construction or acquisition of equipment, $925,000.

30. Construction, acquisition, major repairs and improvements of, and plans and sites for, harbour and river works (including expenditures on works on other than federal property); provided that no contract may be entered into for new construction with an estimated total cost of $50,000 or more unless the project is individually listed in the details of estimates, $31,430,000.

30a. Construction, acquisition, major repairs and improvements of, and plans and sites for, harbour and river works (including expenditures on works on other than federal property); provided that no contract may be entered into for new construction with an estimated total cost of $50,000 or more unless the project is individually listed in the details of the estimates, $1.

30b. Construction, acquisition, major repairs and improvements of, and plans and sites for, harbour and river works (including expenditures on works on other than federal property); provided that no contract may be entered into for new construction with an estimated total cost of $50,000 or more unless the project is individually listed in the details of estimates, $3,137,000.

Roads bridges and other engineering services—

35. Operation and maintenance including authority to make recoverable advances in amounts not exceeding in the aggregate the amount of the operating expenses of the New Westminster bridge, $6,901,000.

40. Construction, acquisition, major repairs and improvements of, and plans and sites for the roads, bridges and other engineering works listed in the details of estimates, provided that the amounts within the vote to be expended on individually listed projects may be increased or decreased subject to the approval of treasury board, $19,965,000.

40a. Construction, acquisition, major repairs and improvements of, and plans and sites for, the roads, bridges and other engineering works listed in the details of estimates, provided that the amounts within the vote to be expended on individually listed projects may be increased or decreased subject to the approval of treasury board, $1.

40b. Construction, acquisition, major repairs and improvements of, and plans and sites for, the roads, bridges and other engineering works listed in the details of estimates, provided that the amounts within the vote to be expended on individually listed projects may be increased or decreased subject to the approval of treasury board, $1.

Trans-Canada highway—

50. Construction through national parks, $1,860,000.

Testing laboratories—

55. Operation and maintenance, $1,303,700.

B—National capital commission—

60. Operation and maintenance, general administration and interest charges on outstanding loans that were made for the purpose of acquiring property in the national capital region, $8,450,000.

65. Payment to the national capital fund, $14,650,000.

L85. Loans to the national capital commission in accordance with section 16 of the National Capital Act for the purpose of acquiring property in the national capital region, excluding property being acquired for the purpose of establishing what is commonly referred to as the "Greenbelt", $4,850,000.

L90. Loans to the national capital commission in the current and subsequent fiscal years in accordance with section 16 of the National Capital Act for the purpose of acquiring property in that area of the national capital region commonly referred to as the "Greenbelt", $2,000,000.

• (11:20 p.m.)

The Chairman: This completes the estimates of the Department of Public Works.

REGISTRAR GENERAL

The following items were agreed to on division:

1. Departmental administration, $625,100.

5. Bankruptcy Act—Administration, $734,000.

10. Combines Investigation Act—Administration, $1,241,200.

15. Corporations branch, $239,200.

20. Patent division, copyright and industrial designs division and trade marks office including contributions to the international office for the

protection of literary and artistic works and the international office for the protection of industrial property, $4,158,500.

PUBLIC SERVICE STAFF RELATIONS BOARD

1. Administration expenses, $998,000.

Item agreed to, on division.

The Chairman: This completes the estimates of the Registrar General.

DEPARTMENT OF SECRETARY OF STATE

The following items were agreed to on division:

A—Department—

1. Departmental administration, including grants as detailed in the estimates, $1,648,900.

2. Construction or acquisition of buildings, works, land and equipment—national arts centre, $12,500,000.

Citizenship—

5. Administration, operation and maintenance including grants and contributions for language instruction and citizenship promotion, and grants to organizations as detailed in the estimates, $3,429,600.

Translation—

10. Translation bureau, $4,054,900.

National Museum of Canada—

15. Administration, operation and maintenance, $3,722,500.

B—Centennial commission—

35. General administration, including the national conference on the centennial of Confederation, $5,294,000.

35a. General administration, including the national conference on the centennial of confederation, $579,000.

40. Programs and projects of national significance including grants towards such programs and projects, $12,291,800.

40a. Programs and projects of national significance including grants towards such programs and projects, $3,068,400.

45. Payment to the centennial of Confederation fund to enable grants to be made to the provinces for local projects of a lasting nature (the total of such grants made from the said fund not to exceed $18,935,000) and to enable grants to be made to the provinces for projects included in the federal-provincial confederation memorial program, $6,235,000.

45a. Payment to the centennial of confederation fund to enable grants to be made to the provinces for local projects of a lasting nature (the total of such grants made from the said fund not to exceed $18,935,000) and to enable grants to be made to the provinces for projects included in the federal-provincial confederation memorial program, $7,000,000.

[The Chairman.]

D—National arts centre corporation—

50. Payments to the national arts centre corporation to be used for the purposes set out in the National Arts Centre Act, $1,020,000.

E—Canada council—

55. Grant to the Canada council, within the meaning of section 20 of the Canada Council Act, to be used for the general purposes set out in section 8 of the act, $16,900,000.

BOARD OF BROADCAST GOVERNORS

1. Salaries and other expenses, $1,040,800.

Item agreed to, on division.

CANADIAN BROADCASTING CORPORATION

The following items were agreed to on division:

Canadian broadcasting corporation—

1. Grant in respect of the net operating amount required to discharge the responsibilities of the national broadcasting service, $140,147,000.

International broadcasting service—

5. International broadcasting service including authority to credit to the appropriation revenue from the rental of facilities in Montreal, Sackville and Vancouver to an amount of $470,000 and to re-expend these monies for the purposes of the international broadcasting service, $3,813,000.

Canadian broadcasting corporation—

L20. Loans in accordance with terms and conditions prescribed by the governor in council to the Canadian Broadcasting Corporation for the purposes of capital expenditures including capital expenditures relating to the international broadcasting service, $30,398,000.

OFFICE OF THE CHIEF ELECTORAL OFFICER

1. Salaries and expenses of office, $140,900.

Item agreed to, on division.

NATIONAL FILM BOARD

The following items were agreed to on division:

1. Administration, production and distribution of films and other visual materials, $8,108,300.

5. Acquisition of equipment, $661,700.

NATIONAL GALLERY OF CANADA

1. Administration, operation and maintenance, including the payment of $750,000 to the national gallery purchase account for the purpose of acquiring works of art in conformity with section 8 of the National Gallery Act, and grants as detailed in the estimates, $2,571,000.

Item agreed to, on division.

PUBLIC ARCHIVES AND NATIONAL LIBRARY

The following items were agreed to on division:

A—Public archives—

1. General administration and technical services, $2,035,000.

B—National library—

5. General administration including a payment of $250,000 to the national library purchase account for the purpose of acquiring books, in conformity with section 12 of the National Library Act, $1,620,000.

Public archives and national library—

L80. To increase to $50,000 the amount that may be charged at any time to the revolving fund established by vote 529, Appropriation Act No. 6, 1956 for the purpose of producing, processing or dealing in micro film, additional amount required, $22,500.

PUBLIC PRINTING AND STATIONERY

The following items were agreed to on division:

1. Administration, publishing, selling and distribution of official documents and publications to departments and the public, and the purchase for sale of such other publications and related material as the treasury board may approve, $4,206,500.

1b. Administration, publishing, selling and distribution of official documents and publications to departments and the public, and the purchase for sale of such other publications and related material as the treasury board may approve, $488,000.

PUBLIC SERVICE COMMISSION

The following items were agreed to on division:

1. Salaries and contingencies of the commission including compensation in accordance with the incentive award plan of the public service of Canada, and the public service bilingual and bicultural development program, $13,530,400.

1a. Salaries and contingencies of the commission—To extend the purposes of public service commission vote 1 of the main estimates for 1967-68 to include the grant detailed in these estimates, $1.

5. Construction or acquisition of buildings, works, land and equipment, including the public service bilingual and bicultural development program, $1,197,000.

The Chairman: This completes the estimates of the Department of Secretary of State.

DEPARTMENT OF THE SOLICITOR GENERAL

The following items were agreed to on division:

A—Department—

1a. Departmental administration, and grants as detailed in the estimates, $6,250.

B—Correctional services—

12b. To authorize payments in the current and subsequent fiscal years to or on behalf of Frank Newton and Norman Newton in respect of personal injuries sustained by them in an explosion at North Surrey, B.C. on December 23, 1966,

(a) in the case of Frank Newton, in an amount equal to the amount that would be payable under the Government Employees Compensation Act if the act were applicable less any amounts payable in respect of the injury by any insurance plan under which he was insured; and

(b) in the case of Norman Newton, in an amount equal to such part of the amount that would be payable under the aforementioned act if the act were applicable as is determined by the workmen's compensation board of British Columbia to be required for his medical aid and rehabilitation less any amounts payable in respect of the injury by any insurance plan under which he was insured, $1.

The Chairman: This completes the estimates of the Solicitor General.

DEPARTMENT OF TRADE AND COMMERCE

Special—

32b. Grant to the Pacific National exhibition, Vancouver, towards the cost of constructing a trade fair and sports building at exhibition park, Vancouver; the government of Canada's share not to exceed $2,000,000, $641,243.

Item agreed to, on division.

The Chairman: This completes the estimates of the Department of Trade and Commerce.

DEPARTMENT OF TRANSPORT

The following items were agreed to on division:

A—Department—

Railways and steamships—

25b. Payments under the Maritime Freight Rates Act and for supplemental pension allowances to railway employees in the amounts and subject to the terms specified in the sub-vote titles listed in the details of the estimates—To extend the purposes of transport vote 25 of the main estimates, 1967-68 to include payments to the Canadian National Railways equal to the calendar year 1967 deficit, as approved by auditors of the Canadian National Railways, of the intercolonial and Prince Edward Island Railways employees' provident fund and a further payment to the Canadian National Railways in an amount equal to the final deficit of the Canadian government merchant marine self insurance fund, $6,800,000.

Air services—

30b. Administration, operation and maintenance, $1,463,000.

G—Atlantic development board—

95a. To authorize expenditures in the current and subsequent fiscal years, not exceeding in the aggregate $25,000,000, as the federal share of costs of a

trunk highway program for the provinces of Newfoundland, Nova Scotia, Prince Edward Island and New Brunswick in accordance with agreements entered into by the Atlantic development board and the respective provinces with the approval of the Governor in Council; estimated expenditure in 1967-68, $8,000,000.

100a. To authorize expenditures in the current and subsequent fiscal years, not exceeding in the aggregate $1,750,000, in accordance with agreements entered into by the Atlantic development board and the province of Newfoundland with the approval of the Governor in Council,

(a) to cover the federal share of the cost of special housing assistance to any person who was a resident of and the owner of a home on Bell Island on June 30, 1966 and who on or after that date moved or moves to any other part of Canada; and

(b) to provide mobility assistance similar to that provided under the manpower mobility program in respect of any resident of Bell Island who moves to any other part of Canada and who does not meet the requirements of the manpower mobility program; estimated expenditure in 1967-68, $1,000,000.

H—Canadian transport commission—

105a. Administration and to provide that upon proclamation of part I of the National Transportation Act the unexpended portion of the funds provided by any appropriation act with respect to the Air Transport Board, the Board of Transport Commissioners for Canada and the Canadian Maritime Commission shall be transferred to the control of the Canadian Transport Commission, $200,000.

National harbours board—

L106b. To provide for the purchase, acquisition, holding and disposition by the national harbours board in the current and subsequent fiscal years of debentures issued by the Saint John harbour bridge authority in accordance with the agreement entered into between Canada, the province of New Brunswick, the city of Saint John and the Saint John harbour bridge authority dated July 7, 1966, and referred to in loans, investments and advances vote L101e, Appropriation Act No. 4, 1966, and to authorize advances to the national harbours board in the current and subsequent fiscal years, subject to the provisions of section 29 of the National Harbours Board Act, for such purpose, $18,000,000.

Air Canada—

L112a. Subject to terms and conditions approved by the Governor in Council;

(a) to provide for loans to Air Canada for the purpose of enabling Air Canada to make loans to British West Indian Airways Limited; and

(b) to authorize Air Canada to make loans to, and to acquire, hold and dispose of notes of, and other securities issued by, British West Indian Airways Limited, $3,250,000.

General—

L114b. Acquisition of Twin-Otter Aircraft for leasing to Leeward Islands Air Transport Services Limited, in accordance with an agreement entered into with the approval of the Governor in Council, at a rent that will reimburse the crown for the cost of acquisition, and that will include an option to purchase the said aircraft, notwithstanding anything contained in the Surplus Crown Assets Act, $529,000.

[The Chairman.]

The Chairman: This completes the estimates of the Department of Transport. Shall I rise, report certain resolutions, and request leave to sit again at the next sitting of the house?

Some hon. Members: Agreed.

Resolutions adopted in committee of supply this day reported and concurred in.

WAYS AND MEANS

The house in committee of ways and means, Mr. Batten in the chair.

Mr. Benson moved:

Resolved, that toward making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending 31st March, 1968 the sum of $1,134,395,455.83 be granted out of the consolidated revenue fund.

The Chairman: Shall the resolution carry?

An hon. Member: On division.

Resolution reported and concurred in.

Mr. Benson thereupon moved for leave to introduce Bill No. C-180 for granting to Her Majesty certain sums of money for the public service for the financial year ending the 31st March 1968.

Motion agreed to and bill read the first time.

Mr. Deputy Speaker: When shall the bill be read a second time?

Some hon. Members: Now.

Mr. Churchill: No, not until the bill is in our hands. We want to see whether it is correct, or whether the enormous sum of $1 billion should be passed without full consideration.

An hon. Member: Start reading.

Mr. Churchill: I hope the bill I have been given is in both languages.

Some hon. Members: Oh, oh.

Mr. Churchill: I have two English copies. I wish to compare the English with the French version.

Mr. Hellyer: Read one with each eye.

Mr. Benson moved the second reading of the bill.

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

Some hon. Members: On division.

Motion agreed to on division and the house went into committee thereon, Mr. Batten in the chair.

The Chairman: Order, please. House in committee of the whole on a bill entitled an act for granting to Her Majesty certain sums of money for the public service for the financial year ending 31st March, 1968.

On Clause 2—*$1,134,395,455.83 granted for 1967-68.*

Mr. Choquette: How is the French version?

Mr. Churchill: I think there is a mistake in the French.

Mr. Bell (Carleton): Will the minister assure us that the bill is in the usual form and contains nothing which is not customary in such bills?

Mr. Benson: Yes, Mr. Chairman.

Clause agreed to on division.

Clauses 3 to 6 inclusive agreed to on division.

Schedules A to C inclusive agreed to on division.

Clause 1 agreed to on division.

Title agreed to on division.

Preamble agreed to on division.

Bill reported.

• (11:30 p.m.)

Mr. Benson moved the third reading of the bill.

Hon R. A. Bell (Carleton): I believe I have a right to make a speech this time to point out what a travesty of parliament we have experienced in the last hour and a half.

Some hon. Members: Oh, oh.

Some hon. Members: On division.

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

BUSINESS OF THE HOUSE

Mr. MacEachen: Tomorrow we shall be considering the broadcasting bill, and if that measure gets second reading we shall move it to committee and take up capital punishment on Monday. If we do not complete second reading of the broadcasting bill I should like to have some consultation with the house leaders tomorrow on the question of whether we ought to continue with that bill or go on with capital punishment.

Mr. Speaker: I understand this is the point at which, according to the rules, a minister of the crown should move that the house adjourn.

Mr. Drury: I move that the house do now adjourn.

Some hon. Members: Agreed.

An hon. Member: On division.

Mr. Speaker: Carried on division.

Motion agreed to and the house adjourned at 11.35 p.m.

[The following items were passed in committee of supply this day]:

DEPARTMENT OF AGRICULTURE

1, 5, 10, 15, 17, 20, 25, 30, 35, 35a, 40, 45, 50, 51, 55, 60, 65, 70.

DEPARTMENT OF DEFENCE PRODUCTION

L22a.

DEPARTMENT OF ENERGY, MINES AND RESOURCES

75a, 91a, L25a.

ATOMIC ENERGY OF CANADA LIMITED

L8a.

DEPARTMENT OF EXTERNAL AFFAIRS

1, 10, 15, 30, 30b, 35, 35b, 40, L30.

DEPARTMENT OF FINANCE

25, 30, 30b, 35, 45, 50, L40, L40a, 4b.

INSURANCE

1.

AUDITOR GENERAL'S OFFICE

1.

DEPARTMENT OF FISHERIES

15b.

DEPARTMENT OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

3a, 5b, 20a, 25a, 30b, 33a, L44a, L46a, L50a, L51a, L52a, L54a, L55b.

DEPARTMENT OF INDUSTRY

1, 1a, 5, 10, 15, 15a, 20, L60, L65.

NATIONAL RESEARCH COUNCIL OF CANADA INCLUDING THE MEDICAL RESEARCH COUNCIL

1, 5, 10, 15.

Business of the House

DEPARTMENT OF JUSTICE
1.

DEPARTMENT OF LABOUR
1, 5, 10, 15, 20, 35, L70, L71b.

UNEMPLOYMENT INSURANCE COMMISSION
1.

LEGISLATION
1, 5, 10, 10b, 15, 20, 25.

DEPARTMENT OF MANPOWER AND IMMIGRATION
1, 5, 6b, 10, 10b, 12b, 15, 20, 25, 30.

DEPARTMENT OF NATIONAL DEFENCE
49a.

DEPARTMENT OF NATIONAL HEALTH AND WELFARE
8a.

DEPARTMENT OF POST OFFICE
1b.

DEPARTMENT OF PRIVY COUNCIL
1, 5, 10, 10a, 15, 15a, 17, 17a, 18, 18a, 19, 20, 20a.

GOVERNOR GENERAL AND LIEUTENANT-GOVERNORS
1, 5.

DEPARTMENT OF PUBLIC WORKS
1, 5, 5a, 10, 15, 15a, 15b, 20, 25, 30, 30a, 30b, 35, 40, 40a, 40b, 50, 55, 60, 65, L85, L90.

DEPARTMENT OF REGISTRAR GENERAL
1, 5, 10, 15, 20.

PUBLIC SERVICE STAFF RELATIONS BOARD
1.

DEPARTMENT OF SECRETARY OF STATE
1, 2, 5, 10, 15, 35, 35a, 40, 40a, 45, 45a, 50, 55.

BOARD OF BROADCAST GOVERNORS
1.

CANADIAN BROADCASTING CORPORATION
1, 5, L20.

CHIEF ELECTORAL OFFICER
1.

NATIONAL FILM BOARD
1, 5.

NATIONAL GALLERY OF CANADA
1.

PUBLIC ARCHIVES AND NATIONAL LIBRARY
1, 5, L80.

PUBLIC PRINTING AND STATIONERY
1, 1b.

PUBLIC SERVICE COMMISSION
1, 1a, 5.

DEPARTMENT OF SOLICITOR GENERAL
1a, 12b.

DEPARTMENT OF TRADE AND COMMERCE
32b.

DEPARTMENT OF TRANSPORT
25b, 30b, 95a, 100a, 105a, L106b, L112a, L114b.

HOUSE OF COMMONS

Friday, November 3, 1967

The house met at 11 a.m.

FISHERIES

ANNOUNCEMENT OF RESTRICTIONS RESPECTING LOBSTER FISHERY

Hon. H.-J. Robichaud (Minister of Fisheries): Mr. Speaker, as the result of a general demand among lobster fishermen I am announcing today a program of limitation of the number of lobster traps per boat which will be introduced in all lobster fishing districts in the maritime provinces commencing with the 1968 lobster fishing seasons. The number of traps will be reduced further in most districts in 1969. I also wish to point out that the majority of lobster fishermen in all districts favour some limitation of the numbers permitted to engage in the fishery and, in addition to the trap limits consideration is being given to means of restricting entry into the lobster fishery in an equitable manner.

Earlier this year I made it quite clear that lobsters are a vital resource for thousands of Canada's inshore fishermen. It is imperative that this resource be managed as wisely as possible to ensure its continuance on a profitable basis to the fishermen.

I wish to make it very clear that this trap limit, as well as the restrictive measures which will be introduced, will not affect before 1968 the fishermen in district No. 3 where the fall season opened on October 15, in district No. 1 where the season will open on November 15 and district No. 4 where the season will open on December 1. These three areas will be affected, as will other areas in the maritimes, at the opening of their 1968 fishing seasons next fall. I thought it advisable to warn the fishermen now of the restrictions which will be imposed on them next year.

As the description and the variation of trap limits are different in different areas and would mean a rather lengthy report to give on motions, I would appreciate it if I could receive unanimous consent of the house to have a release which I am issuing today tabled and printed as an appendix to *Hansard* for this day.

27053—244

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

[*Editor's note: For text of release referred to above, see appendix*].

Hon. J. A. MacLean (Queens): Mr. Speaker, the announcement the Minister of Fisheries has just made is one of great importance to the lobster fishing industry in the Atlantic provinces. It stems, of course, from the fact that this is a limited resource and in recent years the product has become high priced, tending to attract into the industry a greater amount of equipment and personnel than is rationally needed to harvest the crop.

• (11:10 a.m.)

When government steps into a field and decrees regulations governing how private citizens may earn their living, the regulations must be drawn with great caution. I know and fishermen will recognize that if there is little regulation of the numbers of men and the amount of equipment to be used, the problem facing their industry in the overexploitation of their resources and the difficulty of controlling and harvesting that resource in an equitable and efficient manner will worsen. I trust, nevertheless, that the minister will exercise great caution. I hope the fishing industry and the department have co-operated in every possible way in deciding what the limitation should be and how limitation of entry into the industry is to be brought about so that undue hardship will not result for any individual. I presume the experiment to limit gear in some areas has been satisfactory.

We note with consternation that the lobster fishing industry in some areas has had a difficult and unproductive year. We hope that this measure, if it is wisely and carefully implemented, will result in benefits to the industry generally.

Mr. Frank Howard (Skeena): Mr. Speaker, probably more than any other group in our society, fishermen over the years have come to accept governmental impingement on what one normally considers the right to pursue one's vocation. The impingement I refer to here is the impingement by the government

on the right of lobster fishermen to fish when and how they see fit.

Conservation in the fishing industry is of paramount importance, and exploitation of any fishery resource may only be allowed within the bounds permitted by conservation. The minister indicated that he thought it wise to warn lobster fishermen as far in advance as possible that there would be a curtailment of the numbers of lobster traps which could be used within the next couple of years. Warning the fishermen as far in advance as possible was a commendable action.

Some years ago Dr. Sol Sinclair of Manitoba undertook an extensive examination into the prospect of limiting licences of certain fisheries on the west coast. While the lobster fishery on the west coast is not what it should be at the moment there is an expectation, because of transplanting of lobsters, that this resource may be expanded and developed. Dr. Sinclair's report dealt with limiting licences on the west coast. I hope, in one sense, that the minister's statement about limiting traps in the lobster industry is not a prelude to a proposal to limit licences with respect to lobster fishing on the west coast. Other measures, we feel, could be undertaken far more sensibly, namely the proposition to expand the fishing fleet, thereby allowing fishermen to travel farther in their quest for different sorts of fish.

SENATE AND HOUSE OF COMMONS ACT

AMENDMENT TO DEFINE EXPRESSION "PUBLIC OR OFFICIAL BUSINESS"

Mr. H. W. Herridge (Kootenay West) moved for leave to introduce Bill No. C-181, to amend the Senate and House of Commons Act (days of attendance).

He said: The purpose of this bill is to define the expression "public or official business" appearing in section 36 of the Senate and House of Commons Act so as to allow members of parliament to execute with a clear conscience the necessary affidavit of attendance each month.

"Public or official business" is restricted to work of a member as representative or work related to the matters coming within the jurisdiction of the parliament of Canada. This subsection means that any time spent on private or professional business or on any recreational activity will not be considered as public or official business.

[Mr. Howard.]

This amendment will require the redrafting of the present antique statutory declaration on attendance as it does not conform to the present act or the proposed amendment.

Motion agreed to and bill read the first time.

CANADIAN BROADCASTING CORPORATION

RESIGNATION OF ACADIA UNIVERSITY PRESIDENT AS DIRECTOR

On the orders of the day:

Mr. R. Gordon L. Fairweather (Royal): I have a question for the Secretary of State. Has the hon. lady received word of the resignation of the distinguished president of Acadia University, Dr. J. M. R. Beveridge, as a director of the Canadian Broadcasting Corporation and have any other directors indicated their intention to resign?

Hon. Judy V. LaMarsh (Secretary of State): I think Dr. Beveridge indicated six months or a year ago that he was desirous of resigning and maybe he has done so.

REQUEST FOR GOVERNMENT STATEMENT ON COMPETENCE OF ADMINISTRATION

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): I wish to direct a question to the Acting Prime Minister with reference to a statement made on national television last night by the Prime Minister, who said he had congratulated Mr. Ouimet, president of the Canadian Broadcasting Corporation, on the work of that organization and thanked him in the course of an interview for the great services he had rendered.

In view of a statement by the Secretary of State during a previous broadcast that there had been "rotten management" in the C.B.C., I want to ask the Acting Prime Minister whether there is a divergence of views within the cabinet with respect to the competence of the administration of the Canadian Broadcasting Corporation.

Mr. Speaker: Order. I do not think it is in order to ask the question the hon. member has just posed in that form. He asked whether there is a divergence of views within the cabinet and I do not think such a question is acceptable.

Mr. Douglas: Then may I ask the Acting Prime Minister what is the government's view with respect to administrative competence within the C.B.C?

Hon. Paul Martin (Secretary of State for External Affairs): Well, Mr. Speaker, I think the last question contains the same formula but does not lend itself to the kind of answer which should be given on orders of the day.

Mr. Starr: Never mind analysing the question. Give an answer.

Mr. Douglas: As a supplementary question, Mr. Speaker, in view of the fact that a very serious charge has been levelled at the C.B.C. I would ask the Acting Prime Minister if he does not think that in fairness to those members of the corporation who are doing a competent job, the government should make a statement at an early date with respect to whom the Secretary of State had in mind when she described the administration as being rotten.

Mr. Martin (Essex East): Mr. Speaker, I am sure the Prime Minister will be very pleased to note what my hon. friend has said.

Mr. Frank Howard (Skeena): As a supplementary question I would like to ask the Acting Prime Minister whether he considers there is a female George Brown within the cabinet.

[*Translation*]

[*Later:*]

Mr. J.-A. Mongrain (Trois-Rivières): Mr. Speaker, I wish to put a question to the Secretary of State. It is similar to three or four questions which have been put, except that I want mine to be more objective.

Has the minister any details to give the house further to the visit made by Mr. Alphonse Ouimet yesterday to the Prime Minister (Mr. Pearson)?

[*English*]

Mr. Speaker: The hon. member for Timmins.

[*Translation*]

Mr. Mongrain: Mr. Speaker, on a point of order.

I have the impression that the minister has possibly not grasped my question through the translation. May I repeat my question in English to make sure that the minister understands it?

Mr. Speaker: Order, please. I hardly think that it is permissible for an hon. member to repeat and translate from French to English, or from English to French, a question he has put solely because he is under the impression that it has not been understood by the minister concerned.

[*English*]

Hon. Judy V. LaMarsh (Secretary of State): Mr. Speaker, it is true that I did not catch all the question. I should like to thank the hon. member for sending me a note concerning what he intended to ask, but it is hardly appropriate for me to comment on the Prime Minister's visitors.

[*Translation*]

INDUSTRY

SUGGESTED INCREASE IN STEEL AND NICKEL PRODUCTION

On the orders of the day:

Mr. Roland Godin (Portneuf): Mr. Speaker, I had intended to put a question to the hon. Minister of Energy, Mines and Resources, but in his absence I shall address it to his secretary.

Does the government intend to give some assistance with a view to increasing the production of steel and nickel in Canada? An increase would allow us to reduce our imports of stainless steel.

Mr. Speaker: Order. I suggest to the hon. member that his question is much too general in nature to be put at this time, and that instead, it should be put on the order paper.

[*English*]

NATIONAL DEFENCE

WINNIPEG—THEFT OF ARMS FROM MINTO ARMOURIES

On the orders of the day:

Mr. L. R. Sherman (Winnipeg South): Mr. Speaker, my question is for the Minister of National Defence but in his absence I will direct it to the Acting Prime Minister. Can the hon. gentleman tell the house how it was that Minto Armouries in Winnipeg proved vulnerable a few days ago to thieves who escaped with seven army machine guns and a quantity of ammunition?

Mr. Speaker: Order. The question is not in order.

Mr. Sherman: Then may I rephrase my question and ask the Acting Prime Minister what steps are being taken at national defence establishments across Canada to ensure that military arms and ammunition will be safe from raids by thieves, vandals, and possible subversive elements?

Inquiries of the Ministry

Mr. Speaker: Order. This question is very general in nature and should be placed on the order paper.

Mr. Sherman: Then I direct a related question to the Solicitor General. Has he any information to support the view that the arms and ammunition stolen from Minto Armouries might be ticketed for delivery to separatist groups?

Hon. L. T. Pennell (Solicitor General): Mr. Speaker, I am not in a position to confirm the suggestion made by the hon. member. I can only add that the R.C.M.P. are co-operating with the municipal authorities in the city of Winnipeg.

LABOUR CONDITIONS

WINNIPEG—LAY-OFF OF WORKERS AT CEMENT PLANT

On the orders of the day:

Hon. J. R. Nicholson (Minister of Labour): Mr. Speaker, yesterday the hon. member for Winnipeg South inquired of the Prime Minister whether there were any plans to assist in the plight of employees of the Canada Cement plant in Manitoba who had learned that they were to be laid off, and the Prime Minister undertook to look into the matter and discuss it with the Minister of Manpower and Immigration.

As acting minister I would like to say that the Department of Manpower and Immigration knows of this impending lay-off which it is intimated may last for a period of four months. Plans are being laid for alternative employment for these men. It has also been suggested that our manpower counsellors be brought into the picture and, where possible, the men will be referred for retraining courses, with provision of course for usual training allowances.

Mr. Speaker: The hon. member for London.

Mr. Jack A. Irvine (London): Mr. Speaker, I had a question I wished to pose but in the absence of the Minister for Manpower and Immigration I shall defer it until the start of next week.

CANADIAN NATIONAL RAILWAYS

REQUEST FOR REPORT ON DISCUSSIONS WITH RAILWAY MANAGEMENT

On the orders of the day:

Mr. David Lewis (York South): Mr. Speaker, I have a question for the Minister of Transport; in his absence may I direct it to the acting minister. In view of a statement made by the hon. member for Westmorland in Moncton last night that within a week the Minister of Transport was going to announce a change in freight tariffs by the C.N.R., would the minister inform the house when we may expect such announcement; and at the time it is made would the Minister of Transport inform the house fully of his discussions with railway management with respect to railway lay-offs, particularly in the Atlantic region?

Hon. John N. Turner (Registrar General): Mr. Speaker, because of the nature of the announcement I think I had better leave it for the minister himself on his return to the house.

PARLIAMENT HILL

DISPOSITION OF COINS COLLECTED FROM FOUNTAIN

On the orders of the day:

Mr. M. W. Martin (Timmins): Mr. Speaker, my question is directed to the Minister of Public Works. Is it true that only one third of the coins collected in the fountain on parliament hill are going where they are supposed to go, that is to the Canadian Association for Retarded Children?

Hon. G. J. McIlraith (Minister of Public Works): No, Mr. Speaker—

Mr. Speaker: Order, please. I do not believe the question is appropriate at this time. It should be placed on the order paper.

Mr. Martin (Timmins): I believe, Mr. Speaker, that because of the publicity in this regard there is a reflection on the government and on parliament itself.

Mr. McIlraith: I should perhaps explain that there was a piece of misinformation published yesterday on this subject. All the coins in the fountain are going to the Canadian Association for Retarded Children.

EXTERNAL AID

VIET NAM—REPORTED ABUSES RESPECTING MEDICAL ASSISTANCE

On the orders of the day:

Mr. Heath Macquarrie (Queens): Mr. Speaker, my question is for the Acting Prime Minister and has to do with an important subject which is currently very much in the public domain, namely Canadian medical aid to Viet Nam. In the light of the very

serious allegations made by a most experienced medical man, Dr. Hall, can the Acting Prime Minister assure the house and the country that he and the officials of his department are taking advantage of Dr. Hall's knowledge in an effort to find out how they can improve the situation in this area and whether they are making every effort to correct the serious abuses which Dr. Hall pointed out?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, it is a well known rule of the house, of course, that it is not open to hon. members to comment on what is transpiring in a committee of this house. My hon. friend is a member of the committee and was present this morning. He put some questions himself—

Hon. Michael Starr (Leader of the Opposition): Mr. Speaker, I rise on a point of order—

Mr. Speaker: May we have order, please. I understand that the Leader of the Opposition is rising on a point of order.

Mr. Starr: Mr. Speaker, my point of order is that a perfectly legitimate question, not a comment, was asked of the minister of external affairs as to whether he would take advantage of and profit by the experience of a certain noted individual who is an expert on this matter. All we are getting from the minister is a repudiation of this question.

Mr. Speaker: Order, please. This is not a point of order. The hon. member is being argumentative. The minister expressed an opinion about the rules of the house. I do not think this should be the basis for a point of order raised by the hon. member at this time.

Mr. Martin (Essex East): Mr. Speaker, I should like to assure my hon. friend, for whom I have the greatest esteem, that the assurance he is seeking from me was very ably given this morning by the external aid director, Mr. Strong, supplemented by me.

Mr. Starr: What did you supplement?

Mr. Martin (Essex East): Mr. Speaker, I should like to simply say to my hon. friends opposite, in the kindest way, that the impression of urbanity and civility of the new Tory leadership does not jibe with the noisy and carefree attitude of some hon. members of the official opposition.

Mr. Speaker: Order, please. I suggest that the minister postpone the answer to the question asked by the hon. member.

Mr. Macquarrie: Mr. Speaker, I rise on a point of order. While we recognize that any minister may decide not to answer a question, I do not think he should couple a refusal to answer with the suggestion that an hon. member is out of order. The committee had before it a document, namely the report of the Secretary of State for External Affairs on foreign policy. If this interpretation by the minister were carried through there would be no question on any aspect of foreign policy which would be allowable in this house.

EXTERNAL AFFAIRS

CYPRUS—POSSIBLE RETURN OF CANADIAN TROOPS

On the orders of the day:

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, having so successfully dealt with that matter in a friendly way I should like to deal with another question asked by the hon. member for Chapleau.

[*Translation*]

Now, I want to answer the question which was put to me the other day by the hon. member for Chapleau which I had promised to answer right away.

The hon. member for Chapleau asked me on October 26 whether, in my opinion, the situation in Cyprus was such that we could expect our troops to return at the end of the year, when the present commitment expires.

Although the situation in Cyprus has slightly improved during the last months, no progress has been made towards a political solution and serious tension still remains on the island. Therefore, I shall expect a continuing need for the peace-keeping force when, on December 26, of this year, the present commitment comes to an end.

However, I must say to the hon. member that a final decision on this matter will have to wait until the next report of the UN secretary general is filed with the security council on Cyprus.

[*English*]

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I have a supplementary question in respect of the answer the minister gave having regard to the situation in Cyprus. May I ask the minister what steps are being taken by the government of Canada to effect a political settlement in Cyprus.

Inquiries of the Ministry

Mr. Martin (Essex East): Mr. Speaker, as a member of the security council Canada now has both the opportunity and I think the obligation to try to bring about a political settlement. We have taken the view up to now that as a country contributing to the force we should not enter into support of one side or the other. We will not change that view, but we believe the time has come when certain steps should be undertaken to try to encourage a settlement. We are now discussing with the country concerned and certain other countries a proposal which would have to carry their support in order to be adopted. I am not in a position to report acceptance of our idea as yet; however, we are putting forward certain proposals.

Mr. Douglas: I should like to ask the minister whether this proposal of the Canadian government is being discussed by the security council.

Mr. Martin (Essex East): This proposal is one which will have to be resolved by the security council if it is put forward. Whether it will be put forward will depend on consultations which are now under way.

Mr. D. V. Pugh (Okanagan Boundary): I should like to ask the secretary of state whether Canada is still paying the full cost of her peace keeping force in Cyprus?

Mr. Martin (Essex East): Mr. Speaker, Canada is one country that is paying for the support for her troops in the United Nations force in Cyprus. We are doing this because the United Nations does not have the necessary funds. I think this is a useful kind of contribution to make in an area where we want to strengthen the peace-making role of the United Nations.

[*Translation*]

Mr. Gérard Laprise (Chapleau): Mr. Speaker, I should like to put a supplementary question to the Secretary of State for External Affairs and ask him whether there has been any request for assistance from the government of Cyprus other than for military aid and whether Canada will provide it?

Mr. Martin (Essex East): I think that I should take this question as notice. I am not sure, but I will answer next week.

[Mr. Douglas.]

[*English*]

HEALTH AND WELFARE

MEDICARE—MEETING WITH PROVINCES RESPECTING IMPLEMENTATION

On the orders of the day:

Hon. Michael Starr (Leader of the Opposition): Mr. Speaker, I intended to pose this question to the Acting Prime Minister, but in view of the fact that he has not given answers to a majority of the questions posed to him today I shall direct this question to the Minister of National Health and Welfare. What is the date of the meeting between the provinces and the federal government to discuss implementation of the medicare program?

Hon. A. J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, if I understood the question to relate to a possible meeting, there has been no date set as yet.

Mr. Starr: Have there been no requests from the provinces for such a meeting?

Mr. MacEachen: Mr. Speaker, the premiers met in the summer and a letter was addressed to the Prime Minister suggesting a meeting on medicare. The Prime Minister has told the house that his reply to Premier Robichaud, who made the request on behalf of the premiers, was under consideration.

Mr. Starr: When will a decision be rendered for a meeting to take place prior to the date now set by legislation for the implementation of medicare?

Mr. MacEachen: Mr. Speaker, no date has been set for any meeting and no decision has been taken in respect of such a meeting. I gather the Prime Minister will be able to report on his reply to Premier Robichaud next week.

Mr. Starr: Mr. Speaker, I wish to address another question to the Minister of National Health and Welfare. In view of the powerful policy statement made last night by the President of the Privy Council, is the minister now prepared to give the assurance to this house and the country that medicare "will not be sacrificed on the altar of economy"?

Mr. MacEachen: The greatest assurance the hon. member could wish to have is the fact that the law of the land clearly states the commencement date of medicare.

QUEBEC—APPLICATION OF FEDERAL FUNDS FOR HOSPITAL PURPOSES

On the orders of the day:

Mr. Ralph Cowan (York-Humber): Mr. Speaker, I have a question for the Minister of National Health and Welfare of which I have given him due notice. The annual report of the Montreal Children's Hospital contains this statement by Eliot S. Frosst, president:

> We are facing the worst financial crisis in our hospital's history.

The report also contains this statement by Douglas Lennox, the honorary treasurer:

> This means for the bulk of our suppliers, that we are now ten months behind in paying for goods and services without which the hospital cannot continue to operate.

Mr. Speaker: Order, please. The hon. member should ask his question.

Mr. Cowan: I simply wish to ask the minister whether he has yet been able to persuade the minister of health for the province of Quebec to apply the federal funds provided them for hospital purposes.

Hon. A. J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, I should like to discuss this matter with the Minister of Finance and make a reply later.

Mr. Cowan: Perhaps the minister and I could discuss it at ten o'clock.

BUSINESS OF THE HOUSE

REQUESTS FOR MEETINGS OF COMMITTEES ON CROWN CORPORATIONS AND CONSUMER AFFAIRS

On the orders of the day:

Mr. Reid Scott (Danforth): I should like to address a question to the Minister of National Health and Welfare in his capacity as house leader. In view of the government's announced desire that committees function efficiently, does the government intend to refer anything at all to the committee on crown corporations so we might have an opportunity to meet and examine these very important bodies?

Hon. A. J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, I will be glad to consider the suggestion made by my hon. friend to see whether anything at all can be referred.

[*Translation*]

Mr. Auguste Choquette (Lotbinière): Mr. Speaker, I wish to put a supplementary question but I do not know whether I should address it to the house leader or to the Registrar General. Will steps be taken shortly so that the special joint committee responsible for investigating consumer credit may resume its activities?

Hon. John N. Turner (Registrar General): Mr. Speaker, I recently discussed the terms of reference of this committee with the former joint chairman, the hon. member for Vancouver-Burrard (Mr. Basford) and with hon. Senator Croll, and I think that we will be able to reconstitute the committee soon, with terms of reference quite interesting for the country.

[*English*]

IMMIGRATION

REQUIREMENT THAT IMMIGRANTS STATE PAST POLITICAL AFFILIATIONS

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I should like to address a question to the Acting Prime Minister. In order to protect the good name of Canada as a country of freedom of political expression, will the government give immediate consideration to changing the immigration policy in effect since October 1 which requires prospective immigrants to declare their past political affiliations?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, that question was asked yesterday, I think, and it has been referred to the Minister of Manpower and Immigration. I thank my hon. friend for asking it again.

BRITISH COLUMBIA—NON-PARTICIPATION IN REFUGEE SETTLEMENT PLAN

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct a question to the Acting Minister of Manpower and Immigration. I ask the minister whether a statement can be made as soon as possible as to why the province of British Columbia is not participating with the department to bring handicapped refugees and their families to Canada this year, as is the situation with eight other provinces.

Hon. J. R. Nicholson (Minister of Labour): Mr. Speaker, I will see that the matter is taken up with the minister right away. The minister's parliamentary secretary is here and he will follow through on the question.

Inquiries of the Ministry

AGRICULTURE

MILK—INQUIRY AS TO NATIONAL SCHOOL POLICY

On the orders of the day:

Mr. R. A. Webb (Hastings-Frontenac): Mr. Speaker, I should like to direct my question to the Minister of National Health and Welfare. Has the government taken action, and if so with what success, in introducing a milk program for schools?

Mr. Speaker: Order, please. This is again a question that has been asked on a number of occasions in previous weeks and months. I suggest to the hon. member that the question is much too general in scope and cannot be asked again.

Mr. Webb: I realize the question has been asked, Mr. Speaker, but it has not been answered.

Mr. Knowles: So what's new?

[*Translation*]

EXPO '67

SUGGESTED ERECTION OF MONUMENT TO HUMAN FRATERNITY

On the orders of the day:

Mr. Alcide Simard (Lac-Saint-Jean): Mr. Speaker, my question was intended for the Prime Minister but in his absence, I shall put it to the Secretary of State for External Affairs.

In view of the wish expressed by a large proportion of the people of Canada, is it the intention of the parliament of Canada to recommend the erection of a monument to "The Brotherhood of Man" at the entrance of Expo 67?

Mr. Speaker: The question of the hon. member should be put on the order paper.

[*English*]

HOUSING

ATTENDANCE OF OPPOSITION MEMBERS AT PROPOSED CONFERENCE

On the orders of the day:

Mr. Reid Scott (Danforth): Mr. Speaker, I should like to address a question to the Minister of Labour in his capacity as Canada's part time housing minister.

Some hon. Members: Order.

Mr. Scott (Danforth): What is wrong with that?

[Mr. Nicholson.]

An hon. Member: It's true.

Mr. Scott (Danforth): He is our part time housing minister.

Mr. Speaker: Order, please. The hon. member should ask the question.

Mr. Scott (Danforth): Well, protect me from these people. How can I protect myself against this type of conduct? Maybe they don't care about the housing crisis, but we do.

Mr. Speaker: Order, please. If the hon. member will not ask the question I will call orders of the day.

Mr. Scott (Danforth): I will ask the question, but I was just appealing for some sort of order on the government benches.

Some hon. Members: Order.

Mr. Scott (Danforth): Mr. Speaker, can we have order in the house on the government side?

Mr. Speaker: Order, please. Will the hon. member kindly ask his question and not make a speech.

Mr. Scott (Danforth): That is what I am trying to do.

An hon. Member: Sit down.

Mr. Scott (Danforth): I should like to ask our part time housing minister—

Some hon. Members: Order.

Mr. Ricard: Noise is their contribution. They cannot do anything else.

Mr. Scott (Danforth): Mr. Speaker, I will ignore the disorder on the government benches this morning.

Some hon. Members: Order.

Mr. Trudeau: The disorder is in your mind.

Mr. Speaker: Order, please.

Mr. Starr: The Minister of Justice is getting disorderly in the house.

Mr. Speaker: Order, please. We have lost what I suggest is precious time in the House of Commons. The hon. member has been on his feet for a few minutes to ask a question and has not yet asked it.

Mr. Starr: There is too much noise from the government side of the house.

Mr. Speaker: Will the hon. member resume his seat. There is not perfect order in the house at this time, but I am sure the hon. member will be heard by the minister and the Chair if he asks his question now.

Mr. Scott (Danforth): Thank you, Mr. Speaker. I am trying to ask a question in my usual unprovocative manner.

Some hon. Members: Oh, oh.

Mr. Scott (Danforth): I should like to ask the minister whether, in view of Canada's continuing housing crisis and in view of the coming conference, the government has given any consideration to our request that members of opposition parties have a right to attend that conference if only in the capacity of observers.

Hon. J. R. Nicholson (Minister of Labour): Mr. Speaker, in reply to the part time member for Danforth—

Some hon. Members: Hear, hear.

Mr. Nicholson: —I will say that his suggestion will be considered.

Mr. Speaker: Order, please. May I as a corollary suggest to hon. members that this type of appellation is not in order. I suggest it is very close to being offensive to call a minister a part time minister or an hon. member a part time member. I suggest that all hon. members keep this in mind.

Mr. Scott (Danforth): Mr. Speaker, when I call the minister a part time minister I do not wish to suggest that I am casting any personal reflection whatsoever on him. We all know he is the Minister of Labour. We have objected to the fact that we do not have a full time minister of housing. It is no reflection by me, nor would I wish it to be so taken, upon the minister himself.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Raymond Rock (Jacques-Cartier-Lasalle): Mr. Speaker, concerning the by-election in Nova Scotia, has the Secretary of State received any information on bribery charges?

Hon. Judy V. LaMarsh (Secretary of State): Not yet, Mr. Speaker.

[*Translation*]

BANKRUPTCY

INQUIRY AS TO INTRODUCTION OF LEGISLATION

On the orders of the day:

Mr. Henri Latulippe (Compton-Frontenac): Mr. Speaker, I wish to direct a question to the Minister of Justice.

Under the former ministers of justice, the Bankruptcy Act was to be revised. Can the minister tell the house what progress has been made in this regard?

Hon. P.-E. Trudeau (Minister of Justice): Mr. Speaker, the matter of bankruptcies now comes under the Registrar General.

[*English*]

PENITENTIARIES

REQUEST FOR EARLY CONVENING OF JOINT COMMITTEE

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, may I direct a question to the Solicitor General. Now that the other place has reconvened would the minister give his support to the joint committee on penitentiary matters being called together at an early date, as I understand that both co-chairmen would support an early meeting?

Hon. L. T. Pennell (Solicitor General): Mr. Speaker, following an earlier appeal by the hon. member I contacted the chairmen and was given assurance that the committee would be convened in the very near future.

BROADCASTING

IMPLEMENTATION OF CANADIAN POLICY

The house resumed, from Wednesday, November 1, consideration of the motion of Miss LaMarsh for the second reading of Bill No. C-163, to implement a broadcasting policy for Canada, to amend the Radio Act in consequence thereof and to enact other consequential and related provisions.

Mr. R. W. Prittie (Burnaby-Richmond): Mr. Speaker, I should like to summarize briefly a few of the things I said on this subject before the debate was adjourned on Wednesday. I referred to the new broadcasting act having in clause 2 (g) (iv) a reference to national unity. This is what the clause says:

> the national broadcasting service should . . . contribute to the development of national unity and provide for a continuing expression of Canadian identity;

One can hardly argue with that as an aim of the broadcasting system, but it will have very many meanings; national unity means so many different things to so many different people. I expressed the other day one little fear at the back of my mind. I have heard a great many complaints about people in the C.B.C., particularly the French network, supposedly being leftists, separatists and so on. I do not know whether this is true, and I am not sure that the people who make the accusations know whether it is true. But I would not want this phrase "national unity" in the legislation to be used as any sort of excuse for witch hunting within the corporation.

While the object of the national broadcasting system in its public and private sectors should be to promote national unity I hope we will always allow for dissent in this regard; that is, allow for other ideas on what kind of country we should be. I see the hon. member for Lotbinière is in the house. The hon. member believes that Canada ought to be a republic. That is a view held by a number of people in the country. There should always be room for that view to be expressed on our broadcasting system. So let us watch this particular point about national unity which is now written into the new act.

• (11:50 a.m.)

We have this rather difficult problem, Mr. Speaker, of running a public broadcasting system which has not become a state system. There are many countries in Europe, and I am not referring to just eastern Europe, in which the broadcasting systems are obviously state systems dominated by the government. We do not want that here. This leads me back to another point I was discussing the other day, having to do with the kind of persons appointed to be in charge of our broadcasting system, those people who will be members of the Canadian radio commission or whatever name the regulatory authority will have and the people who will run the Canadian Broadcasting Corporation.

Just before adjournment of the debate on Wednesday, I quoted an editorial from the Ottawa *Citizen* of October 19, I believe it was, which was to the effect that these appointments should be non-political. I quite agree with that. I feel very much about these appointments as I do about the appointment of judges. This does not mean that anybody who has been identified with the party in power is automatically ruled out. There has been some criticism of the present board of directors of the C.B.C. The broadcasting committee has an opportunity to meet all these people last year or earlier this year. Some of these people, I think, might well be on the new board.

The point is that people of the highest quality who have stature in their own particular regions or nationally in this country should be considered regardless of their political background. If I may just take an example, I should think Mr. Robert Fowler would know a great deal about broadcasting now as a result of all the experience he has gained investigating it. I am told that Mr. Fowler is a Liberal. I believe Mr. Fowler would make an admirable appointee to one of these agencies, either the Canadian radio commission or the Canadian Broadcasting Corporation. We have to try to avoid the suspicion which can be aroused in the public mind if all the appointments come from one particular point of view.

I am not going to labour at any length the statements made by the Secretary of State about the management of the C.B.C. I thought the title of the editorial in *La Presse* of November 2 was very apt; it read "Une Déclaration Bizarre". I am sure the minister has heard a great deal about it both from this side of the house and the other side. I should simply like to say that presumably the new act will be invoked very shortly and new appointments will be made. It would have been better leave these things unsaid. It would have been better to make the new appointments, have the new people get on with the job and make whatever changes may be necessary. As it is, reflections have been cast upon some innocent persons. Perhaps the minister did not intend that, but this is inevitably what has happened.

Now, Mr. Speaker, I want to address myself to one particular aspect of broadcasting which I think is a very important one which we have to face. I stress this important principle of broadcasting, and it is this question. Do Canadians want Canadian programs on Canadian television stations? This question has been asked quite recently by a number of people who comment on radio broadcasting in this country. On October 21 the Toronto Daily *Star* had an article written by Mr. Roy Shields entitled "Satellites and cable TV threaten networks". I should like to quote briefly from it:

> Within five years CTV may be out of business and the C.B.C. reduced to the status of educational television in the United States.
>
> This is the threat from new horizons opening to cable TV and the imminent arrival of domestic satellite broadcasting.

These fears were expressed openly to me by Gordon Keeble, president of CTV and Murray Chercover, general manager of the private network. Furthermore, they are echoed by other major broadcasters.

What it means simply is that all the American programs available on CTV and the C.B.C. may soon be available everywhere in Canada via a combination of cable TV and domestic satellites and later directly by satellites to home receivers. The possibility of CTV existing on its Canadian programming alone then becomes remote.

These fears have been expressed by other people. Mr. Dennis Braithwaite, who writes on television in the Toronto *Globe and Mail*, has expressed the same fears and in effect has said "Canadian content, who wants it"? Again in the *Globe and Mail* Ian Porter recently had an article from which he wrote:

We buy from Britain, France, commonwealth countries and most of all from the United States. For business reasons the figures are never released, but it is a safe bet that last year the C.B.C. alone spent more than $5 million importing U.S. programs. By comparison, the C.B.C. happily announces it made $220,000 last year peddling its own TV goodies abroad.

The article goes on to mention that Canadian viewers prefer United States programs. Mr. Blackburn of the Toronto *Telegram* made a comment on a speech by Dr. Andrew Stewart of the Board of Broadcast Governors, and said that Dr. Stewart was not too worried about this question of Canadian programs and Canadian talent.

Hon. Judy V. LaMarsh (Secretary of State): Mr. Speaker, I wonder if I might do something which I would not ordinarily try to do. I know the column to which my hon. friend is referring, and Dr. Stewart sent me a transcript of that he had said. There seems absolutely no basis in the transcript for the comment. I have a great deal of respect for Mr. Blackburn, but in this case he seems to be quitte wrong. I am often enough attacked for things I have not said, and I do not believe this should happen to Dr. Stewart in this case.

Mr. Prittie: I thank the minister for that information and the information about Dr. Stewart. I therefore withdraw any reference to him, but the other references still stand. We do have this expression of opinion that Canadians do not want Canadian programs.

We also have the point of view that you cannot keep Canadian talent in Canada, that it will inevitably go somewhere else. I suggest, Mr. Speaker, that this is not a new situation. In the area from which I come, the lower mainland of British Columbia, the first television broadcasting available came from United States stations. Later we had a C.B.C. station, and still later a private station. Now cable television is widely available in the area. I think experience has shown that about one third of the people watch C.B.C. during prime time, about one third the private station and about one third United States stations. In other parts of Canada such as Toronto, Winnipeg and Montreal, United States programs are available. This does not bother me one bit. We hear the view that eventually there are going to be satellites, and these satellites will broadcast directly to the home receiver. Presumably when that day comes we will be able to see programs directly from Great Britain. I think this is interesting, and I am rather looking forward to that experience.

I believe people watch the television programs they like. They watch good programs. If they want to watch a comedy program they want a good comedy program, and the same may be said of drama. If they want to watch public affairs programs they want good public affairs programs. They want good mystery programs, good country music programs or whatever the case may be. I believe it is the quality of the program, not where the program originates, that is the key point. I suggest that we can produce programs in Canada of a quality which Canadians will want to watch and which will stand up in competition with programs which originate elsewhere.

• (12 noon)

What is the obstacle to more Canadian programs with Canadian talent? I suggest that we have been lacking the will to make them, and perhaps the money as well. Many of these programs which come from the United States are quite frankly dumped into this country at a very low price. I should like to quote briefly from an answer in the broadcasting committee made by the president of the C.B.C. This answer can be found in the minutes of the committee No. 28 for November 22, 1966.

The hon. member for Prince (Mr. MacDonald) asked the president of the C.B.C. this question:

You say 7 to 8 per cent of the original American cost, which I realize would not be much, but what would it be in comparison to an equivalent program? I know it is hard to assess these things because you really cannot put two programs side by side and say they are equivalent, but what would 7 and 8 per cent be as a figure?

In reply Mr. Ouimet said:

If we take a one hour program, we can get the best American ones for less than $10,000, probably around $8,000. On the other hand, this

represents an original cost of the order of $100,000 to $125,000. A Canadian program which we could place at the same time of sufficient polish and attractiveness would probably cost $30,000 or $40,000. Therefore you have to compare the $8,000 with the $30,000 or the $40,000.

This is what I mean, Mr. Speaker, when I say that United States program producers are dumping programs in this country. We have laws against dumping of other commodities and I suggest we should also have a law in this field as well. By all means let them sell programs in Canada, but not at cut rates. I suggest that Canadian broadcasters should have the same kind of protection that publishers of Canadian periodicals have as a result of the O'Leary report, except, of course, the two most important competitors, *Time* and *Readers Digest*. Nevertheless, I think this kind of protection of Canadian broadcasters is quite justified.

The C.B.C. is not the only broadcaster that is buying United States programs on the cheap. The private stations do it as well. Perhaps the Board of Broadcast Governors felt in the early days of private stations that this was justified when they might have had difficulty making ends meet. I should like to quote briefly once again from the minutes of the broadcasting committee, No. 31, for December 15, 1966. Dr. Andrew Stewart, the chairman of the B.B.G. was giving evidence at the time and I asked him this question:

May I ask if this has been the case in the past few years concerning the private television stations? Let me put it this way, were you rather easy on them in the first few years of their earnings, because you felt they may not have been able to do the things that they promised to do concerning Canadian talent, Canadian content?

Mr. Stewart replied:

The brief answer is, yes. If you want me to elaborate on it I can do that. Yes, this is so.

I went on to point out that the earning position of the private stations in the major centres of Canada had increased considerably and that they were now in a financial position to do more Canadian programming and employ more Canadian talent.

If I may return to the bill, Mr. Speaker, in clause 2, which defines broadcasting policy for Canada, subclause (d) states:

the programming provided by the Canadian broadcasting system should be varied and comprehensive and should provide reasonable opportunity for the expression of conflicting views on matters of public controversy, and the programming provided by each broadcaster should be of high standard, using predominantly Canadian resources;

[Mr. Prittie.]

So again it is stressed that we should use predominantly Canadian resources. I suggest that if we want to do this and are willing to pay the price we can produce good, predominantly Canadian programs that our people will want to watch.

Let me point out that we can retain talent in Canada. I am not ignorant of the fact that talented Canadians will always leave the country to work elsewhere. If your name is Lorne Greene and you are offered several hundred thousand dollars a year to go to Hollywood to make Bonanza, I suppose it is difficult to refuse. This sort of thing will always happen. Some people will go to London and New York. But there are others who are very competent and quite willing to stay. There are also people who have made a name in broadcasting and the theatre in other countries but have chosen to keep their homes in Canada and at least work part time in this country.

The obvious examples that come to my mind in this connection are Wayne and Shuster, who have their homes in Toronto and make programs in Canada and also in the United States. The very talented actress Kate Reid, is also in this category. Again, Barry Morse makes programs in Canada in addition to the United States and the United Kingdom. These well known people do this sort of thing, and we also have many lesser known people who will remain in Canada if there is opportunity in Canada for them to make programs. However, before this can happen the major broadcasters, the C.B.C. and the C.T.V. network, have to spend more money on Canadian talent. If they do this they will be able to produce programs that Canadians will watch, but they will have to be programs of quality.

We in parliament have a responsibility in this regard. We provide the C.B.C. with money for this sort of thing. One of the complaints of the corporation is that they have to take much advertising revenue and that the sponsors, the advertisers, want many of these United States programs. We frequently hear from members of this house of the tremendous cost of the C.B.C., but I do not think the cost is so tremendous. It amounts to about $5 or $6 per head per year, which is not too much to pay for a system which should do a job of broadcasting, Canadian broadcasting, for Canadians.

I suggest too that perhaps we should have legislation to encourage Canadian advertisers to back Canadian programs. Whether we do

this by special tax incentives for sponsors of Canadian programs or by way of tax penalty if programs of non-Canadian origin are sponsored I do not know, but there is room for something along this line so as to encourage sponsors to back Canadian programs. I am sure that if the programs are good and the Canadian people watch them, advertisers will be quite ready to do this sort of thing.

I have mentioned this subject particularly because I think there is a growing cynicism among the people who comment and write about television that Canadians do not want Canadian programs. I am convinced that if we produce good programs Canadians will want to watch them. In this regard our situation is not unique. Popular United States programs such as the Bonanza are shown in Britain, France, Italy and Japan, and there is nothing wrong with that.

An hon. Member: Don't forget The Beverley Hillbillies.

Mr. Prittie: Yes. The Beverley Hillbillies and Hogan's Heroes too. Other countries produce a significant number of programs that their own people like and I am suggesting that we must do the same thing in this country.

There are one or two other points I should like to make about the bill. The minister has said that consideration is being given to a five-year budget for the C.B.C. This provision is not included in this legislation but will be brought in later. I was interested to hear the remarks of the hon. member for Royal (Mr. Fairweather) the other night, who expressed for the first time some doubts on this move, though he was quite agreeable to it when the matter was discussed in the committee. However, if hon. members do have some fear that this will remove somewhat the necessary parliamentary supervision of the broadcasting system, I would remind them that two opportunities are provided to exercise control. First of all, the Auditor General examines crown corporations and makes a report which is considered by the public accounts committee each year. He can if he wishes examine the accounts of the C.B.C. and, knowing parliamentarians, I point out that members can discuss almost any aspect of the C.B.C. under that heading.

I would also remind the house that the broadcasting committee made this recommendation concerning the C.B.C. and the regulatory authorities, as found on page 8 of the committee report on the white paper:

> As creatures of parliament, both the B.B.G. and the C.B.C. should continue to report to parliament annually and the members of each board should be available to this committee for a review of their reports when their estimates are under consideration.

The next point is also important.

> A major parliamentary inquiry into broadcasting should not be necessary more than once every five years.

So there is still ample opportunity for a parliamentary review of the work of the Canadian radio commission and of the C.B.C. each year even if the C.B.C. is granted a budget for a period of five years.

• (12:10 p.m.)

Mr. Baldwin: May I ask the hon. member a question? With regard to the Auditor General's report and the public accounts committee, I think the hon. member has raised a legitimate proposal, but does he not realize that when the public accounts committee deals with the report of the Auditor General it is always at least one year late? In other words, not until next year will the public accounts committee have the opportunity to deal with this year's C.B.C. spending habits. That applies to any other crown corporation, for that matter. On that basis, the opportunities of the public accounts committee are strictly limited. They will continue to be limited unless arrangements can be made or legislation enacted under which the expenditures of the current year also may be examined.

Mr. Prittie: I will not argue with the hon. member on that point. He knows more than I do about the operation of the public accounts committee. What he says is true. We have just finished examining the spending estimates for the current fiscal year and it is more than half over. I suggest that if the annual reports of the Canadian radio commission and the C.B.C. were referred immediately to the standing committee on broadcasting, films and assistance to the arts when they are tabled in the house, hon. members would be given an earlier opportunity to question the directors of these two bodies.

In the last little while the C.B.C. has come in for a good deal of criticism from a number of sources. We hear charges of mismanagement and bureaucracy. These may or may not be true. I am not a management analyst and I do not know whether they are. But I

do say this that despite the charges of mismanagement and bureaucracy the corporation has done an excellent job during this centennial year.

Miss LaMarsh: Hear, hear.

Mr. Prittie: I have watched many of the corporation's programs and they are, as they should be, interpreting Canada to Canadians. Last evening I watched the program about the Yukon and I gathered much new information.

Miss LaMarsh: How did you manage that? The house did not rise until late.

Mr. Prittie: In the past I have been critical of the private broadcasters. It is true they have not done as they promised they would. One year ago the C.T.V. network changed its organization; nevertheless, they have not done everything they promised to do. But they too have made an effort to broadcast more programs with more Canadian content than they did before. Of course, our centennial year prompted them to do this. They and the C.B.C. covered that great entertainment, the Tory convention, which took place in Toronto in September. Both networks did a good job.

We understand that the bill is to go to the broadcasting committee for clause by clause study. In my opening remarks on Wednesday I said that the relationship of the minister, the regulatory authority and the C.B.C., among a number of other aspects of the bill, ought to be examined carefully. We must look hard at the entire field of relationships.

Today I deliberately dealt with the use of Canadian talent. We must make the effort to create Canadian programs which will be of a quality that Canadians will want to watch. If we spend our money, make the effort and then find after five or six years that Canadians do not want Canadian programs, that will present us with a situation that we must then examine. In the meantime I think we ought to make the effort and I do not think we have done so in the past.

[*Translation*]

Mr. Alcide Simard (Lac-Saint-Jean): Mr. Speaker, it was my privilege to sit on the committee that considered the reforms, the improvements and the radical changes which are the purpose of the bill we have before us.

Before coming to the core of my remarks, may I be permitted to congratulate the hon. member for York-Scarborough (Mr. Stanbury) and to remind the house that he has chaired these informative sittings with remarkable tact and understanding.

Since its inception in Canada almost fifty years ago, broadcasting has originated as much with private as with public enterprise. For almost half a century now, it has been extending its services and, at the present time, radio services reach 98 per cent and television services more than 92 per cent of the Canadian people.

To become such an integral part of the daily life of the people, broadcasting has to adapt to public needs, so as to learn to serve them according to the language and the separate culture of each ethnic group, without weakening the concept of national unity. It is not an easy task to achieve this accomplishment in a country extending from the Atlantic to the Pacific.

It was necessary to set up 360 radio transmitters and 221 television and satellite stations to reach a population spread over 4000 miles of territory. The combination and connection of radio and television stations enable almost all Canadians to listen to or witness events of national interest at the time they are happening. Such achievements have contributed to make our radio network one of the most highly considered in the world.

• (12:20 p.m.)

But our effort should not stop or be limited there, because there are certain values to be protected at the C.B.C. Fortunately, the present government has taken the worthy initiative of amending and changing the Broadcasting Act. We hope they will proceed objectively, always taking into account the best interest of the people who are always waiting for the reforms suggested in the bill.

Reading the resolution preceeding Bill No. C-163, I took particular note of the interventions by the hon. members for Chapleau and Trois-Rivières (Messrs. Laprise and Mongrain).

In his speech reported on page 3180 and 3181 of the French version of *Hansard* for October 17 last, the hon. member for Chapleau recalled the numerous protests sent to the C.B.C. because of the deceptive character of some programs shown in the past. In a petition addressed to the present Prime Minister (Mr. Pearson), 76,000 Canadian women have jointly expressed their strong disapproval of some programs shamelessly displaying morbid immorality, injurious to the soul and spirit of our young people especially.

Other authorized persons have called for a more effective censorship to suppress, at least

on our state-owned networks, programs which condone crime, violence and all types of immorality.

I endorse the words of the hon. member for Chapleau and I earnestly ask the C.B.C. to revise its philosophy and, particularly, its desire to offer Canadian taxpayers programs and newscasts that they have a right to expect from a corporation supported and financed by themselves.

The hon. member for Trois-Rivières limited his remarks to one specific point, namely the right every candidate to an election should have to speak over the air regardless of his financial means. Indeed, Mr. Speaker, like the member for Trois-Rivières, I am not ready to give a diploma for competence and smartness to a candidate, just because he has a fat pocket-book or because his election is financed by abundant election funds, often, of doubtful origin.

I support whole-heartedly the attitude which spurred the hon. member for Trois-Rivières into restating the question appropriately, giving it the hall-mark of the most elementary equity and social justice.

Now, Mr. Speaker, what are we to think of the omnipotence of the Board of Broadcast Governors? At this point, I feel it might be very useful to mention or to refer to what Mr. Frédéric Côté, assistant legal adviser to the B.B.G. had to say.

This is the article published in *Le Soleil* on October 13, 1966 under the title:

The B.B.G. is accused of hostility towards French Canadians.

The Board of Broadcast Governors was strongly attacked yesterday when a lawyer which it employed published a letter of resignation in which he criticizes the intellectual dishonesty and attitude towards French Canadians he says he found there.

Mr. Frederic Côté, barrister, native of Smooth Rock Falls, Ontario, was hired by the B.B.G. on November 1, 1965 as assistant legal adviser. Since December last, he had been the only lawyer working for the B.B.G., the chief legal adviser having resigned.

During all this period, Mr. Côté says that he single-handedly did all the work in the office, both in French and in English.

Mr. Côté admits that part of the reason for his resignation is the fact that he has not been appointed chief legal adviser, but he maintains that "this was only the straw that broke the camel's back".

In his letter to the B.B.G., he declares that he is resigning because he "can no longer stand" the following things:

1. "The anti-French Canadian atmosphere and attitude of the B.B.G.

2. "The behaviour, attitude, decisions as well as the indecision of the B.B.G. with regard to myself as an employee.

3. "The ignorance, the lack of interest and the unfairness of the B.B.G. as far as French Canadians and the province of Quebec are concerned.

4. "The fact that the province of Quebec has really no representation on the B.B.G.

5. "The intellectual dishonesty, if not the unlawful acts, of the B.B.G.

6. "The serious offence committed by the B.B.G. against natural justice."

Mr. Speaker, here is an example which confirms the charge made by Mr. Frédéric Côté. Radio-FM-Saguenay-Lac-St-Jean Ltée is the name of a business firm established in my constituency for the purpose of operating an FM radio station.

On April 27 last, two shareholders of this company appeared before the B.B.G. and applied for a licence or a permit to operate this kind of a radio station. During the same hearing, the B.B.G. heard an indictment of the local station manager against the issuance of this licence; in this case, the spokesman for those opposing the issuance of a new license found nothing better to do than to downgrade the Saguenay country and its inhabitants, on the grounds that, because of the precarious economy of this area designated as economically depressed, there was an exodus of people going to try their luck in big cities such as Quebec or Montreal.

I would not be surprised if this kill-joy had the gall to insinuate that an FM radio station would prove uneconomical, due to the low cultural and intellectual level of the Saguenay people.

Mr. Speaker, I would like to protest vigorously, and to brand and stigmatize, by my contempt and disgust, such a false argument advanced by men who are supposed to help, like and publicize their area and their community and present them in a true light on the air.

As a result of this fierce suggestion, tainted with the lure of easy gains and profits, the B.B.G. rendered its verdict: Refusal.

The reasons ascribed are shown in the report. It reads:

In the estimation of the board, this application was not well prepared.

I would interpret this to mean: People of the Saguenay and Lake St. John area, you are incompetent.

Mr. Speaker, are all the competent people in their place? I doubt it very much, because I imagine that certain of these so-called competent people owe the key positions they hold to well-lined purses or strong political connections.

Useless to say that this decision of the B.B.G. was not warmly received by the people of the Saguenay-Lake St. John area because all the towns in the area had fully supported this project conceived by a team of progressive and dynamic young people.

I conclude my remarks here, Mr. Speaker, but I wish to assure the house that we will follow carefully the consideration of this bill, with the intention of suggesting amendments, if necessary.

• (12:30 p.m.)

[*English*]

Mr. John R. Matheson (Parliamentary Secretary to Prime Minister): Mr. Speaker, there are stark and convincing reasons why this bill on Canadian broadcasting, and the C.B.C. in particular, should be both clear and unequivocal, and why the new heads of the C.B.C. must understand fully the intent of parliament in passing the bill.

Sir, on invitation and speaking entirely on my own behalf, I addressed the Canadian Club in Winnipeg on December 8, 1966. I said at that time:

> The problem which I wish to place before you today, after a long period of developing concern and heart searching, I believe to be of the greatest possible importance to Canada.

I expressed the conviction that the communications media is the nervous system of nationhood, that any defect or illness in this nervous system can be just as crippling to a country as to a human body.

I tried to develop in my thoughts at that time the importance of the Greek idea of balance to liberty and to the democratic idea. The Greeks were not content to leave things as they found them, but they employed restraint in the process of improvement and the result has been distinguished by the quality of balance and completeness. Then I made this point:

> By way of direct contrast to this Greek view of balance a "new" philosophy is now being expounded by a determined group in the communications media.

That was the one point that I developed, that Canadians were now being subjected to propaganda and, even more serious, to censorship by exclusion.

My address was made to a large room full of people but later there were thousands of requests for the address and I became quickly seized of the fact that this was one of the primary concerns to Canadians at large.

I had been told that this is a subject a politician does not discuss, that a man may pull down Canada, the church, the family, anything, but the one thing he cannot put his finger on and hope to survive is the real establishment in Canada, the opinion-makers who direct broadcasting output. I was told that if he does he is finished. I do not believe this at all.

The most important thing as we look at this bill is not to consider only the organization of this most important industry—this has been done thoroughly and very well —but to deal with the basics, the final product, the question of output. I am extremely proud of the government that I have the honour to support, of the Prime Minister (Mr. Pearson) and the Secretary of State (Miss LaMarsh), for what I think is courageous leadership at this time in this direction. I believe that this great Canadian creation, the C.B.C., is in very truth the nervous system of nationhood. It has stirred us with tremendous contributions during the last three decades. I can think of the compelling reporting of the war years, our recent centennial triumphs, the poignancy of the Vanier funeral, the excellence of its sports coverage, its over-all technical brilliance—these have all contributed to our becoming a nation. In many respects our C.B.C. is the finest national system in the world, and I have visited a number of national systems in Europe and Asia.

This past year has proved on many occasions just how good Canadian broadcasting can be at its best. But at the same time within the C.B.C. we have become aware of pockets of positive danger in important sectors of programming. Sir, I feel we dare not return now to the cynical defeatist, nation-dividing atmosphere of the immediate pre-centennial, pre-Expo era. Journalists tell us Expo has spelled the end of cynicism. I think Canadians are determined to move forward together from the celebrations of 1967 to new triumphs in a great new century.

Turning to the bill I particularly want to address myself to those clauses under Part I. I am delighted with the structure of the bill. It speaks of preserving and strengthening "the cultural, political, social and economic fabric of Canada." I think Mr. Lubor Zink suggested that the operative words might be "to safeguard, enrich and strengthen." Then, in clause 2(d) the bill goes on to speak of varied and comprehensive programming, providing "reasonable opportunity for the expression of conflicting views on matters of

public controversy." How absolutely vital this is to any viable democratic system.

In clause 2(g) (i) the bill speaks of a "balanced" service of information, and in paragraph (iv) it says that the system should "contribute to the development of national unity."

I refer to the language used by the Secretary of State when she said:

> Perhaps the most important feature of the C.B.C.'s mandate in the new bill is the obligation to contribute to the development of national unity.

Then she said:

> —the C.B.C. has an overriding responsibility to be objective and balanced in its presentation of news and commentaries on public affairs.

Later she referred to Adlai Stevenson's comment that freedom demands infinitely more care and attention than any other system.

That is why this bill is one of the most important that I have ever tried to discuss since entering parliament. Sir, I agree completely with the solid foundations laid by R. B. Bennett. I have read carefully the debates which took place when the bill was introduced originating the C.B.C. where, financed by the people of Canada, we produced an entity independent from government. This bill, I think, is an attempt to make broadcasting more truly the servant of the Canadian people, the perfect mirror of truth and culture.

When I use the word "culture" I like Somerset Maugham's statement:

> The value of culture is its effect on character. It avails nothing unless it ennobles and strengthens that. Its use is for life. Its aim is not beauty, but goodness.

Sir, in the 15 odd years of television we have had four voluminous volumes of evidence studying this problem, the Aird commission, the Massey commission, the Fowler commission and the Glassco commission, in addition to parliamentary committees at an average of one every two years. Yet today there is a widespread concern about the state of broadcasting in Canada.

The conclusions drawn by the Aird royal commission are still relevant. The first of these was that broadcasting should be carried out in the interests of Canadian listeners and in the national interest. The second was that where religious broadcasting is allowed there should be regulations prohibiting statements of a controversial nature. This is still important. I do not want to dilate on this point now but I think it is a matter of concern to many Canadians. The third was that broadcasting of political matters should be carefully restricted under arrangements mutually agreed upon by all political parties.

• (12:40 p.m.)

May I touch on what is one of the most grievous aspects of the general problem, the problem of national unity. When I came to the House of Commons as an opposition member in 1961 I was deeply concerned to discover that there were increasing misunderstandings and tensions between English and French Canadians. Having been brought up in Quebec and having many friends in that province, I found it difficult to understand how people who live together and love one another as much as the people of Canada do could become involved in such a family tangle. I started to examine the reasons for it. One thing which shocked me was that a man who appeared to be rather undistinguished, Dr. Chaput, the separatist, had more time on the national network than the then leader of the government, Right Hon. John G. Diefenbaker. I could not comprehend this. Then I found that for a period of months after my leader became Prime Minister the same thing obtained. Marcel Chaput, who appeared to represent virtually nobody, was more important to the media than either the former prime minister or the new prime minister. He stimulated a series of programs which seemed calculated to rake the French-English issue.

I received a letter from Quebec city dated May 26, 1966, written by one of the most progressive and highly qualified leaders in French Canadian university life today. I would prefer to withhold his name, but I may say that he is a man who is very greatly respected thoughout this country. He said:

> Far from being interested in seeing these grievances settled, they—

He is referring to the broadcasting producers.

> —are using every means possible to create friction between English and French Canadians. They are attempting to show a false image of the English Canadians even to the extent of distorting all that comes from Ottawa—the more animosity there is between the two ethnic groups, the more the success of their course is assured—this instrument that lives on our citizen's taxes is a far cry from contributing to national unity—certain proposals put before the parliamentary committee are purely anarchist when one reads between the lines.

He added this warning:

> Chaos can only increase—and the only ones to gain from the situation are those who wish the destruction of democracy and the confederation.

Some time ago the then prime minister of Quebec, Hon. John Lesage, planned to make a trip to western Canada. This, I believe, was a little embarrassing to some federal politicians because there was a federal election brewing at that time and reactions to such a visit could cause difficulty in many constituencies. I took the trouble to read very fully what Hon. John Lesage in fact said whenever he was in the west. I read this carefully in the western press. I was amazed at the difference between what appeared on national television and the reports which appeared in the daily press. They were not the same reports at all. This bothered me. Actually, by press reports Mr. Lesage got an excellent reception everywhere he spoke. I should like to go back a short period in order to show that there appears to be a pattern in this regard. A feature article by J. B. Lamb appeared in the Toronto *Star* of April 3, 1964. Mr. Lamb said:

> There is a very real need for some measure to be instituted which would bring the viewpoint of Canada's national broadcasting service closer to that of the people it purports to serve and represent—all kinds of programming is in effect unconsciously slanted to the left.

These are strong words coming from the Toronto *Star*. The lead article continues:

> Perhaps the most eloquent testimonial to the slanting of programming by the C.B.C. was Roger Lemelin's recent admission that Quebec separatists had been able to infiltrate the C.B.C. and had "succeeded in making the term private enterprise almost a dirty word of C.B.C. transmissions." Mr. Lemelin chuckled over the success of his friends in using C.B.C., a federal instrument, as the "unwitting vehicle for separatist sentiment".

I should like to remind hon. members that the date of that article is April 3, 1964. Now coming up to date, I have a letter which I received from the head of the department of communication arts of Loyola College dated October 21 last which takes strong exception to Mr. Patrick Watson's treatment of the Quebec Liberal convention on the production of The Way It Is on Sunday, October 15. I suppose one might have reasonably supposed that the almost unanimous rejection by Quebec Liberals of the separatist Levesque would have been received with sympathy on a Canadian network.

How did Mr. Watson handle this most important news item? I should like to quote from the letter of Rev. Dr. John E. O'Brien. He said:

> —what emerged finally was a most sympathetic treatment of Rene Levesque, a rebuke to the Quebec Liberal party for supposedly packing the convention, and the statement reiterated several times that with Levesque's departure the party in all probability had lost its dynamism.

In his letter to me he went on:

> Does not freedom of speech demand that there be no censorship by exclusion? In my opinion the public has been shortchanged consistently for the past few years through the informal censorship exercised by production teams who have been writing their own ticket—and policy be damned.

And that from the reverend gentleman, who incidentally holds his Ph.D. in the field of communications.

I should like to refer to an article by Frank Howard entitled "A Very Political Press" which appeared in the *Globe* magazine in which he discusses the annual convention of the Rassemblement pour l'Indépendance Nationale and says that it showed clearly the extent to which Quebec's separatists influence the news media. He said:

> There were at least half a dozen delegates to the R.I.N. convention in Trois-Rivières earlier this month who hold key positions in the French language media. Most of these came from Radio-Canada (the C.B.C.) but a few daily newspapers were also represented on the convention floor.

This, of course, does not take into account those who were official delegates.

It is not only the French language side but also the English language side of the C.B.C. which is involved in this. The English language network had more working representatives at the R.I.N. convention than the French network. I ask the question, what is this in aid of? Bruce West in the *Globe* of October 20, 1967, calls it the "numbers game" and shows a picture of Levesque at the mike. He says rather innocently:

> I am sure that there are many who would agree with me when I say that to my unstatistical eyes and ears the C.B.C.'s emphasis upon French Canadian hopes and aspirations and demands and charges has far outweighed that devoted to the principle that Canada should remain one strong and undivided nation.

He said:

> —one might be justified in asking the ridiculous question of how many times Quebec's Rene Levesque appeared on the C.B.C.'s national network as compared, say, with any politician of similar rank in Ontario?

I have taken a little trouble to work that out. I can assure you that there is absolutely

no comparison. Nor has C.B.C. been fair to the real representatives of Quebec.

I believe that every one of Canada's bogeymen has been created by television.

I should like to quote from a column in the Montreal *Star* headed "Television And Radio" in which Bernard Dubé, under the heading "Levesque's Separatism A Thorn For C.B.C.", says:

Levesque was employed under a 13-program contract as an interviewer-commentator on The Public Eye last season. Public Eye executive producer Richard Nielsen had spoken to him about rejoining the program this season.

The article continues:

It is no secret that separatist feelings are held by many employed in French C.B.C. here.

Then we find a lead article by Frank Howard in the *Globe and Mail* of September 15, 1967 under the heading "Separatist Element Of Radio-Canada Draws Bitter Attack". He mentions the contribution of a member of the Laurendeau-Dunton royal commission and writes that this commissioner said:

• (12:50 p.m.)

—somebody has to tell Radio-Canada that it has a duty to support Canadian unity.

If you will forgive me, I say thank God for Judy. I hope the whole country will join with me in respect for this gallant lady who served her country once in uniform and who is now doing her level best for the unity and freedom of Canada today.

Mr. Prittie: Would the hon. member permit a question? What is he driving at? Is he suggesting that Mr. Jean-Louis Gagnon should not be allowed to appear on C.B.C. radio or television in future?

Mr. Matheson: No, by no means. I think as my argument develops it will be obvious that I believe we have the kind of society which is strong enough to withstand every shade of political, ideological and social opinion. However, I do not want to hear just one side of an argument all the time, and therein lies the problem.

This article then states:

Mr. Gagnon's suggestion that the French network is being taken over by separatist sympathizers or sensationalists, is an accurate reflection of the things being said about C.B.C. news—

The article states that Mr. Gagnon said:

—the essential vice of radio Canada is that it has escaped public control.

The strange thing is that everyone in this house agrees that politicians should keep their hands off broadcasting. We do not want to censor broadcasting, nor do we want the people in this media steering Canada in directions that may be against Canada's interest in regard to either domestic or international policy. I think this is vitally important. Let me refer to the Montreal *Gazette* of October 26 which had this to say under the heading, "Person To Person":

Rene Levesque gets another chance to air his separatist views when he is interviewed on the Pierre Berton show come next Monday.

Don't we make great stars of these people.

Miss LaMarsh: They don't make a star of me.

Mr. Matheson: I have an editorial from CKMI-TV in which they speak of the danger of reporting only one group's opinion:

—Jean-Louis Gagnon stated in a speech ... at Montmorency House ... that the French network should not be a propaganda machine for clandestine groups.

The editorial continues:

Mr. Gagnon recalled a director from the network saying that: "he never believed and did not believe that the corporation owed allegiance to the cause of Canadian unity." This has all the earmarks of the Goebbels era.

A head of one key section of French language C.B.C. told Professor J. E. O'Brien recently that only a very small number of French Canadians agree with separatism. This is precisely what he said:

Our job is to educate and lead the rest to become separatists.

The Saturday *Citizen* of October 14, 1967 contained an article by Bruce Phillips which was carried by all Southam newspapers in Canada. The heading is, "Are Programs Being Slanted?" The subheading is, "Now It's Separatism Inside The C.B.C.". We have learned to respect Bruce Phillips who has been reporting for some time. He has this to say:

The presence of separatist sympathizers, and in some cases separatist party members, is an acknowledged fact. It is accepted as fact by Marcel Ouimet, vice-president in charge of the French language network, and has long been common knowledge inside the province.

Mr. Phillips then writes:

One current figure is that about 60 per cent of the news department is separatist-oriented.

Mr. Phillips continues:

—Roland Dugre, newly-elected president of the Quebec chamber of commerce, said in a speech last Saturday that C.B.C. programs are being slanted toward promotion of separatist and socialist ideas.

Canadian Policy on Broadcasting

"It seems completely illogical that the C.B.C., a public corporation functioning through taxes imposed on all Canadians, should become an instrument for destroying Canada"—

All this is backed up by current copies of newspapers just available.

The Montreal *Gazette* of November 2, 1967 carried an article by Claude Arpin about this same subject. He writes:

It's one of the first things you notice on entering Radio Canada's newsroom on the fifth floor of the C.B.C. building on Dorchester Blvd.

—the sign is one of those mini-plates introduced last February by Le rassemblement pour l'independence nationale.

Later in the article he states:

—after sticking around a few hours you learn that the sign is fairly representative of the feeling among the 40-odd French and English speaking writers, editors and newscasters in charge of C.B.C.'s Montreal news operation.

Then Mr. Arpin states that the vice president has said:

A thorough investigation into the matter has already been initiated.

If anyone would like a well documented story about this he should read the article in the Montreal *Gazette* of Thursday, November 2 under the heading "Radio-Canada Separatist Charges Make Purge Possible." The article sets out ten distinct incidents which seem to document the fact that the C.B.C., which is paid for at a pretty high price by all Canadians, is being used surreptitiously and clandestinely to destroy that which all of us here support, namely, Canada.

Mr. Laniel: Would the hon. member permit a question? Is he aware of the fact that not long ago the hon. member for Saguenay (Mr. Blouin) was asked by Pierre Bourgault, the leader of the R.I.N. party, if he was interested in appearing on C.B.C. programs and on Radio Canada in Montreal? The two were in a restaurant in Sept Îsles in that part of the province of Quebec where Mr. Bourgault ran for provincial election. Mr. Bourgault told Mr. Blouin that any time he wanted to appear on the Radio Canada network all he had to do was ask him because all his friends were there.

Mr. Matheson: That seems to confirm the conclusion reached in this article in the *Gazette* which says:

—on the French network, in the prime viewing time following the hockey game, we saw, in order, Francois Aquin, Rene Levesque, and the hon. member for Lapointe—

[Mr. Matheson.]

The latter is now trying to enlist sympathizers from outside Canada for the destruction of this country. The article in the *Gazette* then carries this statement:

No one here has forgotten how skilfully Dr. Marcel Chaput used his firing from the civil service several years ago to win sympathy for the separatist cause in Quebec.

John Steinbeck tells us that the changes of the last 20 years have been enormous but we have come finally to the entrenched core of rebellion which must be removed before we can travel on into a liveable future. He is referring to the continuation of our free democratic society.

Carl Mydans is one of the great photographers of our time. He is also something of a philosopher. He writes something I picked up in Bangkok.

One of the hackneyed phrases used about photography is that the camera never lies... it is far from true. Once a man has been attached to it, the camera immediately has a point of view. And once it has a point of view, we are all free to question what it says. The moment the photographer selects a position from which to take his picture... the mood he chooses to convey reflects his personal point of view. Indeed, he may utilize one of the most effective methods he knows to express himself... he may elect to make no picture at all. He just passes up the photograph which would present what he does not want to present, or which is in contradiction to what he has been presenting.

My criticism of the C.B.C. is summed up in three words—censorship by exclusion. May I call it one o'clock.

The Acting Speaker (Mr. Rinfret): Order. It being one o'clock this house is signing off until 2.30 this afternoon.

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2.30 p.m.

Mr. Matheson: Mr. Speaker, before the luncheon adjournment I was speaking about the importance of presenting, particularly in the realm of public affairs, truth; and truth involves the state of being complete, whole or unbroken. The Prime Minister gave an address in November, 1966, in which he spoke about Canada's aspiration to achieve not so much the great society but the good society, a nation not dedicated primarily to bigness and power but to more enduring values, a nation devoted to excellence in all things.

I covet for Canada excellence in communications based on the principle that our airwaves are, as this bill declares, public property. The view that there should be in the presentation of public affairs balance and completeness is, I regret, not shared by everybody. In fact there are well known personalities who express quite the opposite view. May I refer to an article which appeared in the Toronto *Star Weekly* of November 26, 1966. In that article Mr. Patrick Watson wrote:

> The C.B.C. now describes its public opinion responsibility as some kind of fantastic juggling act designed to produce balance among extremes whatever their value.

He added:

> A better job to undertake would surely be to destroy or confuse, or upset public opinion.

The hon. lady in her important policy speech declared:

> The C.B.C. has, of course, a very special responsibility to maintain objectivity as a corollary to freedom from censorship and pre-editing of programs.

Again I refer to the views of Mr. Laurier Lapierre. In an article which appeared in the spring, 1966, issue of *Actra* he indicated that he would have the immense resources of talent and energy which the C.B.C. possesses put to the task of questioning Canadians and their leaders on his oft-repeated theme, "our endorsement of the United States role in this dreadful affair, Viet Nam", and also of providing an analysis of what he described, from his party's viewpoint, as "the bankruptcy of Canadian political leadership." He proposes that the facilities of the C.B.C. be mobilized to convert public opinion throughout the nation to the views which he regards as socially desirable.

Farmer Tissington, who has been in the press gallery for a number of years and is a friend of many of us, speaking over the air in a report from Ottawa on May 27, 1966, described the trend in television programming which "has alarmed and dismayed many Canadians." He went on to say:

> The C.B.C. is, after all, a publicly owned and tax supported medium and yet it has been used increasingly to espouse moral, religious, social and political beliefs which are surely almost wholly at odds with those of a great majority of Canadians.

The minister declared in her speech:

> But this privilege of free speech carries with it a heavy responsibility and must be exercised with due regard to the public interest.

Let us not overlook the importance of prime time and what can be done with prime time in nation to nation broadcasting. There have been, we know, in different western countries persistent attempts to subvert our society. Let us never forget that Guy Burgess, a committed spy who delivered his country's most intimate secrets to Russia while serving in the foreign office and later as assistant private secretary to the foreign secretary, Mr. Hector McNeil, started out his career with three years' service in the B.B.C. The program feature he handled was called This Week In Westminster. It was the inspiration for a later British program called That Was The Week That Was.

Our C.B.C. Seven Days format was largely a follow-up of That Was The Week That Was. I have wondered, and I have heard this question asked in England, whether Burgess did more damage to his country by acting as an espionage agent or as a broadcaster. *Time and Tide* of October 3, 1963, called this program sinister. This article says:

> It is now sinister. To turn Catholics against the Jews is no service to the Jews or to the country. The young men let loose in "That Was The Week That Was" will find it easy to sow in shallow minds distrust of British institutions whether royalty, religion or morality. Does Mr. Carleton Greene realize the power he is letting irresponsibles use? If he does not, someone should tell him.

The problem continues to be serious in England. I have been interested in the development of that sad situation and read the London *Sunday Express* of September 17, 1967, in which there is very serious criticism of the television and radio programs in Britain, which appear to many people intended to undermine that country. The article states:

> • (2:40 p.m.)
>
> The fact that news bulletins and current affairs programs have a left-wing bias is hardly disputed . . . Day after day by omission, slant, innuendo or even a tone of voice, news is far from objectively presented.

I would commend this full-page article on the British situation to anybody who is interested. In the earlier part of my remarks I referred to what we know to be one of the major problems in Canada, the English-French problem and its television development. This is only illustrative of many other subjects in respect of which we have been subjected to quite unbalanced treatment with regard to public affairs, both domestic and international. I have been disturbed when listening to the news from Washington, which is delivered daily by Mr. James F. Minifie. Upon making detailed comparisons afterwards to ascertain the extent to which these reports harmonized with reports

in the New York *Times* and the key Washington press, I find that there has been a substantial and disturbing difference. Our influence on many problems, our ability to cope, is influenced by how much we know. It was Chairman Mao in his celebrated speech at the Yenan forum who declared that today the media is the greatest revolutionary weapon in the world. If we rely on this media to cover public affairs we must use it fairly and with balance.

I must speak now, sir, of the representations we have had from ACTRA. Of course, every Canadian wants more Canadian talent to be used. I think it is very important that the ACTRA people—I notice some of them in the gallery—as a group realize regarding this wonderful broadcasting team that has been developed with all their skill, that their future as well depends on the integrity with which their skills and abilities are actually used. The Toronto *Telegram* speaks about the C.B.C.'s strategic position for propaganda and refers to precious people like LaPierre, Watson, Haggan and Leiterman. "Without them in the strategic positions the indirect but very effective left-wing manipulation of public opinion in Canada could suffer a temporary setback". I feel that Canadians deserve to understand these influences and are entitled from now on to the fullest and fairest treatment of public affairs.

The great David Sarnoff, suckled on the Old Testament and the prophets, truly believed in his new country, America, in her people and goodness. He ushered the United States into the electronic age. Indeed, his faith helped build the modern United States. I would beg our C.B.C. producers to think better of themselves and their potential worth to our own good society. I would invite them to give leadership in the creation of what may become the first modern, technological, prosperous, humane and reverent civilization. They have a unique part to play in tracing the grand design for Canada, the design in which wholeness becomes holy, in which love leads to the mountain top. We would invite our producers to experiment, to risk, to be alive and to be relevant. Above all, we urge them to become involved in their country and to show by their works their faith in Canada and its people.

I recall the very moving message of the new president when President Kennedy was assasinated. He asked all who speak, all who teach, all who preach, all who publish, all who broadcast and all who read and listen to reflect upon their responsibilities to bind up our wounds, to heal our souls, to make our society well and whole for the task ahead of us. As a visitor to Expo declared, Canada's prospects are far greater than her problems. Now we must venture on to far greater achievements, confirmed by faith and hope in the search for ever larger freedom. Thus may we continue in that love of mankind and that loyalty which Ruskin said was the noblest concept that man had found in his long wanderings through the wilderness.

[Mr. Matheson.]

[*Translation*]

Mr. Roger-E. Régimbal (Argenteuil-Deux-Montagnes): I thank you, Mr. Speaker. The few comments which I would like to make are not exactly a criticism of Bill No. C-163 but are the thoughts coming to my mind now that the bill is before the house.

Due to the special character of my comments, allow me to continue in English.

[*English*]

When a member of this house rises to speak on the subject matter of a bill, especially as comprehensive as Bill No. C-163, his natural temptation is to try to cover every point made in the bill in order to offer his ideas and comments on each one which he accepts or rejects. I should like to resist that temptation, sir, and limit my remarks to two specific points, not because no more could be said but rather because I believe that other speakers will cover the other points adequately. My decision is made much easier by the fact that the Secretary of State (Miss LaMarsh) in her opening statement and the hon. member for Royal (Mr. Fairweather) in launching the opposition's stand have already pinpointed, and very creditably so, the main areas of agreement and disagreement and have also indicated the kind of treatment to which this legislation will be subjected in the ensuing stages of the debate.

My remarks, which will be brief, are almost entirely inspired by clause 2, subclause (g), paragraph (iv), which reads as follows:

> The national broadcasting service should . . .
> (iv) contribute to the development of national unity and provide for a continuing expression of Canadian identity.

A quotation from the objectives of the bill as detailed in the white paper reads as follows:

> The determination to develop and maintain a national system of radio and television broadcasting in Canada is an essential part of the continuing resolve for Canadian identity and Canadian unity.

A statement from the standing committee's unanimous report, already quoted by the minister, reads:

A distinctly Canadian broadcasting system is essential to our national identity, unity and vitality in our second century.

My first point, Mr. Speaker, I admit is a delicate one, and perhaps more so at this particular time. I hope all members will approach it in the same rational, realistic and patriotic spirit that I have. My point is illustrated in clause 40 of the bill, although many hundreds of other examples could be given to illustrate the same point. Clause 40 reads:

(1) Except as provided in subsection (3) of section 38, the corporation is, for all purposes of this act, an agent of Her Majesty, and its powers under this act may be exercised only as an agent of Her Majesty.

(2) The corporation may, on behalf of Her Majesty, enter into contracts in the name of Her Majesty or in the name of the corporation.

(3) Property acquired by the corporation is the property of Her Majesty and title thereto may be vested in the name of Her Majesty or in the name of the corporation.

(4) Actions, suits or other legal proceedings in respect of any right or obligation acquired or incurred by the corporation on behalf of Her Majesty, whether in its name or in the name of Her Majesty, may, subject to subsection (3) of section 42, be brought or taken by or against the corporation in the name of the corporation in any court that would have jurisdiction if the corporation were not an agent of Her Majesty.

The words "Her Majesty" are repeated nine times in 18 lines. Not once do the words "Canada" or "parliament" or "government" or "Canadian people" appear in this clause dealing with agencies; yet this is a bill which has the avowed intention of promoting Canadian identity, Canadian unity, Canadian content and Canadian vitality in our second century. I feel very much at ease in speaking on this matter, Mr. Speaker, because I am a monarchist. I am happy to be one because I believe it is the best system under which we can develop our particular diversity. I do not feel archaic in my belief when some of the most prosperous economies and stable democracies in the world today follow the same system. I refer to Great Britain, Sweden, Norway, Denmark, The Netherlands, Belgium, Luxembourg, Australia and New Zealand.

• (2:50 p.m.)

I am satisfied to offer allegiance to the Queen of Canada, but I do not feel that I need to be reminded of my allegiance nine times in 18 lines in a bill, or each time I go to the movies, a hockey game or a football game. Indeed, I need to be reminded no more than I need to be reminded at every opportunity that I am the son of Léo Régimbal and Emma Frappier, or that I adhere to the Catholic faith, or that I reside in Quebec, or that I am a French Canadian, no matter how dear each of these facts is to me or how proud I am of each of them.

In speaking about this to many of my colleagues, I was told that this was strictly a matter of form and quite acceptable as such. This would be a good occasion, to my mind, to verify whether it really is so acceptable to everyone or whether it is not a denial of identity and even a source of impatience. If it is simply a matter of form, I would like to suggest that we re-examine the form, and an appropriate place to do this would be in committee. Therefore I would hope that the minister will find this another valid reason to justify our suggestion that the bill be sent to the standing committee before second reading in order to give members an opportunity to find a better form for our second century of Canadian confederation, without our having to follow the usual procedure of amendments which must be voted for or against. I believe we have attained a sufficient degree of maturity to agree on certain changes without questioning our allegiance to the crown.

I am reminded, Mr. Speaker, of my visit to the British pavilion at Expo where, after two hours of deliberate search for a picture of Her Majesty or even a reminder of royalty, there was no trace to be found except in one reproduction of a typical old British home where an elderly woman, sitting in an antique rocking chair with her pot of tea and her pet cat, is watching the coronation ceremonies on her six inch "telly". I am also reminded of that very dramatic moment during the opening ceremonies of our party's national convention when 15,000 people in Maple Leaf Gardens, in full view of four to five million Canadians, listened very respectfully to our guest artist sing "God Save our Queen" and very spontaneously, wholeheartedly and naturally joined her in singing "O Canada". This is the very point I am trying to make, sir.

Second, in seeking what Bill C-163 calls "the continuing expression of Canadian identity", I would like to speak on the question of Canadian content and the use of Canadian talent. In her opening remarks, as recorded on page 3749 of *Hansard*, first

column, first paragraph, the minister had this to say:

> This means that the standards to be applied by the commission cannot be measured only by broadcasting time. Both the quality and the nature of Canadian content will have to be taken into account as well, so that the best possible use can be made of the abundant resources of Canadian talent which in the present unsatisfactory situation is all too often fleeing to New York, Hollywood or London. There is also no particular reason, so far as I can see, why the provisions with respect to Canadian content should not also be applied to commercial messages. The B.B.G. so far has not exercised its statutory authority under the present act for this purpose, but I would expect that the new commission will give this close and careful attention.

This part of the minister's statement is an obvious reference to the excellent report presented to members of parliament by the Association of Canadian Television and Radio Artists entitled "A Program For Better Broadcasting."

The fears of ACTRA are reflected in a letter to me from one of my constituents, Mr. Joseph Schull, of Cité des Deux Montagnes. Mr. Schull is a member of that association and a writer well known for his evocations of the drama in Canadian life. Without quoting the ACTRA report of Mr. Schull's letter of September 25, in order not to abuse the house's time and patience may I be allowed to paraphrase or summarize their viewpoints, which most members and the Secretary of State have already had an opportunity to study, and to offer my comments.

The report deplores the fact that more and more American programs are invading our Canadian network. Mr. Schull points out that "a Canadian national consciousness is not being fostered by this material; it is being dulled and deadened". He points to a C.B.C. press release on this season's programs on the English network which showed that there were to be less Canadian programs and more from the United States. The Canadian programs included ten in the series Hatch's Mill which were shot last year but not released until now, ten new Wojeck programs and none of the series Quentin Durgens, M.P., although ten are being made for release in the fall of 1968.

A full list of United States programs would take too long to recite, so I will give only some of them: The Danny Thomas Show, High Chaparral, Everywhere A Chick-chick, The Mothers-in-Law, Dundee and the Culhane, He and She, Gentle Ben, Moby Dick, Shazzam, Dragnet 1967, Mission Impossible, Walt Disney Presents, Green Acres, The Ed Sullivan Show, Bonanza, Search for Tomorrow, The Guiding Light, As the World Turns, The Edge of Night, Hogan's Heroes, The Man form U.N.C.L.E., Get Smart, Bugs Bunny, The Beverly Hillbillies.

Both Mr. Schull and the ACTRA report point out, among other things, that American sponsors are getting a good deal in cornering great segments of our prime radio and television time, that we as Canadians could tighten up on our allocation of prime time without losing the big advertisers, and that special allotments of time and money should be made available by the C.B.C. to encourage, foster and promote Canadian talent. They suggest a sliding rule of tax deductible expenses according to the degree of Canadian content in programs and commercials, and other incentives. All of these observations are well made and deserve our close attention, and I trust that the minister will take them into account.

I believe, however—and I am sure members of ACTRA would agree—that money and time and proper concern are not the only solutions to our ills. I believe they are willing to look at this whole situation very objectively and realize the very great effort which they themselves must put forth in the fostering of their own worth-while cause and the improvement of their outlook and of their craft.

As far as money is concerned, centennial year was the occasion of more grants and allotments than ever before. But outside of the very many valuable documentaries which were produced, do we find a proportionate increase in valuable cultural production? Did we get better plays for it? What happened, for instance, to the Canada centennial play? Is money the only answer?

So far as prime broadcast time is concerned, do we have the machinery and the facilities and the bodies to fill these item slots with entertaining, artistic Canadian products? Or can we hope to compensate for United States film-making facilities with a $10 million film development board? Will provision of a budget devoted to the development of new Canadian material be the end of our problem?

I have no doubt whatsoever that Canadian producers, actors, designers and technicians need not take second place to anyone in the world. As a matter of fact, wherever they go their talent matches the best in the world, only more so because they bring to their new

environment that special Canadian characteristic of being able to adapt to new circumstances and understand the point of view of others.

I believe that their greatest challenge today—and I am sure that they can pick up the challenge—is their professional proficiency. The best incentive to creativity, to new expressions, to higher quality, must be their own desire to perfect their art, their trade and their craft for their own sake. They must be culture-oriented much more than money-oriented. Their greatest endeavour must constantly be the production of beauty and entertainment, more than the saleability of their talent, and they must resist the financial appeal of the United States market which everyone seems to agree is not over-culturally inclined.

• (3:00 p.m.)

The experience of French speaking artists could be a good example to follow. They have had to ignore outside attractions because the market was not readily accessible to them. They had to concentrate on their own development to find new expressions which were attractive to their public. As a consequence, the result has been beneficial to them, to their art, to their public and to their culture.

For the closer consideration of both points which I have tried to make as well as for other points which have been made and will be made by other speakers, I appeal again to the hon. lady to refer the bill to the standing committee before which, in a clause by clause study, amendments might be moved without the partisan pressures of house votes. If that is done I am sure, as was the case in the study of the white paper, that unanimity will prevail and that the bill will have the enthusiastic and confident launching it deserves and which we all so earnestly desire.

Mr. J. C. Munro (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, the subject matter before us interests all of us because of the all-pervasive influence of broadcasting in modern times. Before going into details as to why I think this bill is excellent and why all members of the house should support it, I wish to deal with some points raised by the parliamentary secretary to the Prime Minister (Mr. Matheson). Hearing my colleague talk of the influence of separatists in Radio-Canada, and hearing other criticisms directed at the operations of the C.B.C, its programming, and especially that programming in the public affairs area, I felt fortified in what I had concluded for some time, that the two solitudes in the C.B.C., the division between management and the creative people in the corporation, are the crux of the problem.

Our conduct in this house shows that we do not accept the axiom of two solitudes in the corporation. Rather, we hold management responsible for what the producers do, and we should pay more than lip service to this view. Over the years as well as recently there has been much talk about the independence of the creative people. Much sympathy has been extended to the producers who have claimed that there has been unwarranted interference in their activities by management. In my mind it is impossible to reconcile—and I am talking about the C.B.C.—how one can hold management responsible for what the C.B.C. does by way of programming or anything else and on the other hand agree with the producers that management should not interfere in the creative side of productions. Anyone espousing these two viewpoints in my opinion holds views that are irreconcilable. From now on we must hold management responsible for all phases of C.B.C. operation. If we do that, and I see no alternative to this, then when we criticize the French network of the corporation, Radio-Canada, for its alleged attitude in allowing too many with separatist viewpoints to express their opinions over its network, we are obviously holding management responsible.

The C.B.C. has had a difficult time. Over the last eight to ten years there have been a series of investigations, parliamentary committees, commissions, and reports by bodies such as the Glassco commission with respect to the corporation. The time of the top people in C.B.C. management must have been largely devoted to supplying information, preparing briefs and appearing before such investigating bodies.

After this debate and when the bill becomes law perhaps we can draw the line and not investigate the corporation any further. Let us hope that the new management will take over the C.B.C. and that the corporation will operate under the new law without excessive interventions by politicians.

Mr. Nielsen: Speak to the minister.

Mr. Munro: It is crucial at the same time, if we believe that C.B.C. management is responsible for programs such as Seven Days

and for alleged separatist influences in Quebec, that from now on we desist from undermining management. If the general public thinks that we as parliamentarians and politicians have little confidence in C.B.C. management, it is unreasonable to expect management to deal adequately with contentious questions having to do with staff, programs such as Seven Days—I have used that example again—and the permissive attitude of Radio-Canada in allowing those with separatist viewpoints to express them. Our lack of confidence, if it becomes apparent, will not be hidden from the public or C.B.C. employees.

If it is evident that we lack confidence in the corporation, management will be undermined in dealing with those matters for which we hold it responsible. We must return to the position of many years ago. When there was disagreement in parliament about matters pertaining to the C.B.C., they were referred to the minister who reported for the corporation and he in turn took up the grievance with the C.B.C. That, so far as the public was concerned, was the end of the matter. Parliament showed it had confidence in the discretion of C.B.C. management that appropriate action would be taken with respect to the grievance and no further discussion was required.

If we are not prepared to follow such procedures we shall continue to undermine management. On the one hand we talk about the independence of producers and on the other we hold management responsible for the conduct of producers. We must return to our former attitude. Parliament must let all C.B.C. employees know that we have confidence in management, that we expect management to be responsible for productions, for programming, and for everything that comes over our television screens.

That brings us to the next logical step. If we are not happy with what is going on, parliament can indicate that it has no confidence in management. Management personnel may be fired and replaced. But it seems to me we cannot do this if we continue to display a schizophrenic attitude to public broadcasting.

• (3:10 p.m.)

I should like to deal for a few minutes with an article which has been referred to by my hon. friend the parliamentary secretary to the Prime Minister. He drew attention to an article by Mr. Gordon Pape which appeared in the *Gazette* on Thursday, November 2 and went to some length quoting various paragraphs from it indicating infiltration of the C.B.C. by separatists or by those who desire a far greater degree of independence for Quebec than exists at the present time. He indicated that this tendency must be stopped. I wish my hon. friend had had time to read the remaining parts of this article which indicate that management has been and is now taking what it feels to be appropriate action in this regard. To quote from the article:

> It appears, however, there is now action on two fronts aimed at improving the situation that M.P.s are complaining about.
>
> First, there is the inquiry which has been ordered by the top brass at Radio-Canada into the charges that some of their employees were delegates to the R.I.N. convention. C.B.C. employees, like civil servants, are not prohibited from belonging to a political party, but the feeling among top management is that a certain amount of discretion is required.
>
> "The value of an employee can decrease considerably if he takes a public position in favour of the N.D.P., the Liberals, the Conservatives, the separatists, or anyone else," is the way Mr. Ouimet puts it.
>
> Presumably then, if the report finds that some employees did take such a public position at the R.I.N. convention, their value will be found to have decreased to the point where they are no longer assets to the corporation.
>
> The second line of attack has been increased "consultation" in the past six weeks between Ouimet and the Radio-Canada production centre in Montreal—consultations clearly aimed at assuring better balance in programming, although no one wants to say so explicitly.

I go on now, to quote another part of this article which I believe to be worthy of note.

> But overriding all other considerations, and standing as the main obstacle to the kind of action the Quebec M.P.s want, is the fear that any strong action on the part of Radio-Canada management will create martyrs out of the separatists.
>
> The image of the oppressor is one neither the C.B.C. heirarchy nor the cabinet wants to assume. No one here has forgotten how skillfully Dr. Marcel Chaput used his firing from the civil service several years ago to win sympathy for the separatist cause in Quebec.

We all appreciate the problems which the C.B.C. management must be experiencing in this area. I, for one, am convinced that the separatist point of view has in fact received a disproportionate amount of coverage over Radio-Canada, and I agree with hon. members who point this out.

At the same time, before we become too critical we should recognize that any wholesale removal of these people would likely make martyrs of them and would certainly not improve the cause of unity in Canada. There is, of course, a further consideration.

Wholesale dismissals or demotion of people alleged to hold separatist views might well lead to protests that politicians and parliament and C.B.C. management, for that matter, were interfering along lines which have often been criticized in the past and were, in fact, imposing some kind of state control over news by undermining the independence of the disseminators of news. This is something which should be borne in mind.

There is a further element involved. I submit it is possible for a reporter, whether for television or a newspaper, to hold certain views which he is able in his own mind to separate from his attitude to his job as a newsman.

In the same paper, the *Gazette* of Thursday, November 2, there is an article by Claude Arpin in which some views are expressed on this question—Radio-Canada and Quebec.

One English speaking newsman said "I wouldn't hesitate a minute in hiring a separatist if he were a top reporter."

"And as far as this place is concerned," he continued, "I'd worry if we didn't have a few separatists on the French side; after all, we need intelligent, sensitive and inquisitive people in news and that kind of person is usually desperately involved in life around him. And if he happens to be French Canadian, he'll most likely be involved with the preservation of his culture and language."

The writer comments:

This kind of solidarity on the part of English speaking C.B.C. employees in the face of current criticism against Radio-Canada seems fairly widespread.

Granted this is a conclusion drawn after speaking with the rank and file personnel; editors and programme directors—because of their vulnerability to public disapproval—won't venture opinions. They refer you to the corporation's PR men who repeat what vice-president Ouimet has said about separatists and their alleged presence at Radio Canada: "A thorough investigation into the matter has already been initiated."

He is quoting authorities within the C.B.C. The writer goes on:

That there are French Canadians at Radio-Canada who hold nationalistic, "independentiste" or even separatist views is highly probable.

What isn't as likely, however, is that these people successfully use the corporation's broadcasting facilities to diffuse their propaganda across the province.

Then the writer gives an example.

"Suppose I'm a militant separatist," argued a French Canadian writer. "My assignment editor gives me a job and I come back and write it for broadcasting over both radio and TV. Now my story, before going out to the public, has to be approved by a news editor and by a program director for both media. That means four people look it over.

"So by the time my original story reaches the newscaster, it has been edited into a straight news item. The newscaster reads what is on the paper and then the paper is sent to Ottawa where it is filed. That incidentally—the filing system—is ample incentive for editors to make sure our newscasts aren't separatist propaganda."

The article goes on to say there are many competent people in the news department of the C.B.C., people who are proud of their role as newsmen and who recognize their obligations. So all these factors have to be considered. If retaliatory action is taken to clean out separatists and sympathizers without regard to the considerations I have mentioned, more harm would be done than good. Martyrs might be created. This brings us, again, to René Levesque to whom reference was made earlier. It seems to me that the C.B.C. strike some years ago was the big happening which launched him upon public awareness. We should not forget that it is possible to make martyrs of these people and win sympathy for the views they espouse. There is also the factor that we must not appear as though we are trying in a militant, dictatorial way, to restrict one viewpoint and have some type of censorship exercised at the top.

• (3:20 p.m.)

The third point we must recognize is that some of these men against whom allegations have been directed are men capable of separating their two functions, their personal beliefs from the role they fulfil. When confronted by these problems it is not difficult to see the hesitancy that not only the C.B.C. but we as politicians must and are exhibiting.

It is always a nice thing to look into our own house and put it in order before we are excessively critical of somebody else's. For instance, the hon. member for Lapointe (Mr. Gregoire) sits in this house as a member of parliament; yet he is espousing the separatist cause which, if successful, would totally undermine and destroy our country. As I say, he sits in our House of Commons. He has probably broken every major principle of his oath as a member. What have we, as politicians in this house, done about it? He is over in France preaching what is tantamount to treason in terms of inviting outside influences to assist him in the destruction of this country. What type of housecleaning have we done in our parliament to take care of this situation?

Mr. Prittie: On reflection would the hon. member not consider that the word "treason" is a bit strong in this case?

Mr. Munro: Well, perhaps in terms of parliamentary proprieties I could use a weaker word. I do not know how else to explain some of the statements made by the hon. member which I have read.

In any event, to get back to the bill in question, I think we have all agreed that broadcasting must have some distinction in Canada as one of the most investigated and studied areas of national concern in the past decade. Royal commissions and parliamentary committees, all involving hundreds of sessions, have filled thousands of pages. It is difficult for any member to say anything in this debate that has not been said before by a great many people.

The studies leading to the introduction of the present bill have been exhaustive. The Fowler committee, the many hearings and deliberations of the broadcasting committee, the numerous reports and briefs submitted to these bodies and to the government, and the sometimes enlightening, sometimes discouraging public debate that followed the introduction of the government white paper, have all played a major part in bringing us to the point we are at today.

Regardless of how any of us may feel about the contents of the bill before us and regardless of the reactions of the broadcasters of Canada, all of us, parliamentarians and broadcasters, must share some pleasure in the fact that we now have the long-awaited bill only a short distance from final passage. For myself I can only express my agreement with the principles laid down in the bill and the means by which they are to be implemented. And we can do little more than discuss principles and possibilities for no act, no piece of legislation, is capable of determining the final product that appears on our television screens. We cannot legislate programs; we can only set down those fundamental guide lines which will establish the broad concepts within which we shall expect those who determine programming to act.

The major point of this bill is the strengthening of the principle of public broadcasting in Canada. The bill reaffirms our faith in the ability and the opportunity of public broadcasting to act as the basic foundation of our broadcasting system. It means that the C.B.C., which in the past has earned distinction throughout the world for both programming and technical achievement, is to carry on its role as the kingpin of our national service. This is a highly desirable feature. We in Canada have no national press as do many of the European countries. We have no means by which a national viewpoint may be communicated to all of our citizens except through a coast to coast broadcasting system, radio and television, French and English, whose mandate above all is service before profit.

Broadcasting in Canada serves other purposes than the mere coverage of events which are of political significance. It serves not only as a reflection of the thinking of Canadians but indeed as a vital link in the actual existence of the country. It remains the greatest single means for fostering Canadian talent, the greatest single outlet for the creative energies of artistic persons in Canada, the vital link in the development of a national consciousness that supersedes provincial and parochial boundaries. It is the greatest single common experience of all Canadians. My reading of this bill leads me to believe that it is the strengthening of all of these responsibilities which the government has set down as the task of Canadian broadcasters, but particularly that of the Canadian Broadcasting Corporation.

Only the C.B.C. can accomplish these aims, and largely only the C.B.C. can be expected to do so. The private broadcasters have their responsibilities and their role to play in the broadcasting system. But they are limited in the extent of the kind of achievement I am talking about by economics and by the simple fact that the only other television network in Canada, the Canadian television network, C.T.V., has no French operation.

There is only one organ of truly national broadcasting character in Canada and that is our public system. I have argued on other occasions that the 55 per cent Canadian content regulation now in existence may be a mistake. It may be better that the private broadcasters produce a few truly good programs than that they produce a host of mediocre American copies that are neither Canadian in anything but name nor as good as the original foreign product.

There will be those who will see a serious fault in the absence from the bill of a clear statement respecting the purposes to which private broadcasters must address themselves. I do not entirely agree. All sectors of the private area affected by this bill have different capacities. There are many television stations in large markets in Canada which are abandoning their potential for public service and wallowing in the mire of relatively unrestrained profiteering. There are others that are conscientiously fulfilling

their role as best they can, and there are still others that are overextending their capacities with the result that in the process the communities they are serving are put at a disadvantage.

The best course for dealing with the private broadcasters is to judge them individually on the basis of the performance that can reasonably be expected of them, and penalize them severely if they do not reach such standards. Whether this means that they should be penalized to the extent of $100,000 is a matter on which I am sure there is less than unanimous agreement in the house. But the point is there in the bill as we have it that private broadcasters are to perform well or suffer. There is certainly nothing wrong with this concept.

The strength that has been assigned to the new Canadian radio commission should ensure that this policy is carried out. The commission—I do not propose to examine whether or not this name is suitable; that seems to me the least important of all the bill's aspects—is empowered not only to regulate with teeth the operations of the private broadcasters but has also some additional responsibilities which I am very pleased to see added.

First, the commission will have the sole authority for the granting of licences. While the government may refuse the recommendations of the commission it cannot, as is the case with the B.B.G., award the licences to someone else. This removes the stigma of political patronage or the allegation of political patronage from the granting of what are, after all, one of the most lucrative of all plums in this country. One can only applaud this step. While it might have been desirable for the bill to carry this principle to its full conclusion and remove power over licences entirely from government veto, it might also be argued that to do so would be to place too much power in the hands of the commission and eliminate any possibility of reversing what could be a bad decision. On occasion boards and commissions have been known to make mistakes. However, certainly any government is now forced to have very solid reasons for rejecting any recommendation from the commission.

• (3:30 p.m.)

Second, and of crucial importance, the C.R.C. is to have control over cable television. Had this not been included in the bill I for one could not have accepted it, because in the past we have grossly underestimated the potential role cable may play in the future of Canadian broadcasting. At the present time cable television serves to bring to the communities of Canada the signals of television transmission stations that, without cable, Canadians could not receive. What that means essentially is that cable brings United States television to Canadians. With such a function we cannot argue, whatever our personal preferences may be. Canadians want United States television and it is unfair that some should receive it while others cannot. So long as all Canadian signals are carried by community antenna services we shall have to accept the fact that more and more Canadians will have access to United States channels through cable.

In referring to the tremendous recognition of cable television we must look at the field of educational television. If educational television moves into the ultra high frequency channels, it will be unavailable to Canadians with regular television sets. It is possible that the only means through which they will be able to receive e.t.v. signals will be cable which can transfer the u.h.f signal to the v.h.f. home receiver channel. Conversion adapters are available, but the experience in the United States in the last decade does not lend optimism to the belief that the public will necessarily pay for them. Even if it is made mandatory, as it should be, that all set manufacturers include u.h.f. in all new sets, it will still be some years before Canadians will be fully able to receive u.h.f. signals without assistance of some kind, and cable is the most likely helper.

Given all these points and many others of a similar nature it seems to me it would be wise and forward-looking to include all cable operations under the terms of reference of a broadcasting commission. In all the private areas of concern, then, the C.R.C. is to have wide-ranging powers. I have yet to read of any real opposition to this principle. Indeed, I have been encouraged by the very favourable reaction which this bill has received from editorial writers across the country and from private broadcasters who, while disagreeing with minor provisions of the bill, have nevertheless greeted it without the severe words which they have employed on other occasions.

I repeat, however, that important as all these aspects are it remains that the singular feature of this bill around which our system is to be built is the role of the Canadian Broadcasting Corporation, the public system. To it has been assigned the challenge of

maintaining and improving the functions I mentioned previously. I have some suggestions I should like to make to the C.B.C. in this regard, because it is not entirely fulfilling its present role, let alone what we hope will be its new one.

Before I mention these, however, I believe it is important that we recognize the achievements of the C.B.C. in the past year. Much as we may consider public affairs programming to be of overwhelming importance and our own appearances on such programs as the highlights of the television week, I think we also must recognize that these programs have very low audience participation, not only in Canada but in every western country, and that the standard of a television system should not be judged on public affairs alone, which too often is the tendency here. Often more social attitudes are communicated through entertainment programs than will ever seep through the ponderous proclamations of public affairs quality broadcasting.

Apart from public affairs the C.B.C. has done a remarkable job in the past year. Its continuous and superlative coverage of Expo '67 and all the centennial events, its special coverage of such events as the visit of the Queen, its special centennial variety programs, and its general entertainment performance have indeed been of a very high standard. No broadcasting system anywhere has ever had so much to cover and done it so well while in the same year the conversion to colour had to be made which by no means is a simple operation. C.B.C. programs have continued, as in the past, to quietly receive international awards of excellence in all fields. C.B.C. radio has earned a quiet place in the lives of many Canadians as the only alternative to the mind diversion which in general is the function of other radio stations in Canada.

The C.B.C. has done a good job. It has done a better job than most of us give it credit for, primarily because we become concerned with the C.B.C. usually only when it has done something we consider to be wrong. Certainly it has far surpassed anything the private broadcasters have done, as of course it should, given its public financial support and its mandate. If it has not been sufficiently Canadian in content, that is something which has been incumbent upon it because of the old act. If it has not produced a public image of internal efficiency, this has a great deal to do with the amount of time spent—and I have referred to this—by its senior executives responding to the numerous demands of all those people investigating it and also has to do with the uncertainty with which the corporation has had to contend in awaiting this bill and, more important, the new officers.

At this point I should like to pay tribute to Mr. Ouimet who soon will retire after a lifetime of service to the C.B.C. He has made mistakes during his presidency; he would be superhuman if he had not. We all make mistakes. He has sometimes acted in a way which those of us who know less than he have condemned through our public statements. But I know of no Canadian anywhere in this country who is more passionately and sincerely devoted to a simple love of Canada and the cause of national unity than this very honourable man. He is one of the few who can live in either a French or English Canadian atmosphere and feel at home. He has led the C.B.C. through its most difficult periods of development and adjustment to new circumstances. He has served with a modest integrity which I find superlative. Above all, he has been a committed devotee to the concept of public broadcasting and its responsibilities; he has given his life to a realization of that concept. We owe him a debt of gratitude which cannot be repaid in words.

We must now look to the future of the C.B.C. I hope that somehow this beleagured corporation can now look forward to a few years of peace during which it can put its house in a new order, because a new order is called for and it must take place with swiftness. Too many people in positions of responsibility, whose motives are above reproach, in recent times, have indicated that the C.B.C. French network has strong separatist tendencies in some areas. This is evident from the programs which appear on the French system. I dealt with this at the beginning. With reference to the criticism in this area, I do not see how it will be possible for the C.B.C. to cope with this in a constructive way unless the present C.B.C. management and the new C.B.C. management have the complete confidence of parliament and of the government, because if that type of confidence is not established I reiterate that this fact will be swiftly known to the Canadian people and to the employees of the corporation. It is beyond me how one can govern a corporation with 8,000 employees and be held responsible for their conduct in respect of all these programs when the employees themselves are all too aware that the management

does not have the confidence of the government and parliament.

• (3:40 p.m.)

What must be said to the C.B.C. now is that we all expect that changes will come in the foreseeable future and that the responsibility which is being entrusted to the corporation will be lived up to and respected. Commercial considerations and high ratings should not be the motivating factors in the C.B.C.'s re-thinking in respect of its programming. Under this bill the C.B.C. will come under the general supervision of the C.R.C. but it, unlike the private broadcasters, will be free of the penalties which the C.R.C. has the power to impose on others. Rather, the C.B.C. will remain responsible to parliament. I agree with this aspect of the bill. There are some who, with what they consider to be good cause, would have the C.R.C. take responsibility for the C.B.C. in all matters. They would have the C.R.C. be the final body with control over C.B.C. operations. There are objections to this and, I think, realistic objections. First, I cannot imagine any morale surviving the complete emasculation of the C.B.C. An emasculation would be the result if the C.B.C. were to have its freedom of action and freedom of decision given to another body. Further, it would make meaningless the C.B.C. mandate, because it would be little more than a guide line to a puppet of a senior body, the C.R.C. Whatever may be the faults of the C.B.C., it has at least 30 years of experience in programming for Canadians and dealing with the demands that a mandate for national service implies. The C.R.C. has no such experience.

Second, much as I approve of the idea of a stronger regulating body, I would have serious objections to the C.R.C. having control over every outlet and thus every programming principle that is available to broadcasters and to Canadians generally. The power which would be delivered into the hands of this board, were it to have control over the C.B.C. as well, would be enormous. That type of enormous power I could not look upon gladly.

These arguments are academic, for the fact remains that the price that must be paid for the public broadcasting system, with the service that is the motivation and the rationale for such a system, is the inevitable responsibility of parliament for its performance. If we are to pay public money for the establishment and maintenance of a public system, if we are to give to a public system a mandate for national service, if we are to make a public service the paramount keystone of our broadcasting policy, then we cannot but accept the responsibility for what it does. There is no means by which we as parliamentarians can divest ourselves of the consequences of what we do.

For these many reasons I commend this bill to hon. members and I commend the minister for bringing it forward.

Mr. Erik Nielsen (Yukon): Mr. Speaker, we are dealing with a bill which has as its purpose to lay down the broadcasting policy of the government and it is upon this policy that we have to render our judgment. Certainly that is the manner in which I have looked at the provisions of the bill. As I have looked at the bill in this light I believe it has presented a number of features which should cause grave anxiety to those who believe in the free expression of opinion in this country. What actually has happened here, I believe, is that the government has been unable to control the C.B.C. and unable to make it a rubberstamp and is now trying to create a new device for the purpose of gaining that end.

Miss LaMarsh: Did you make it a rubberstamp?

Mr. Nielsen: I will have something to say about what the Conservatives did when they were in office in respect of the C.B.C.

I listened to the parliamentary secretary laud the president of the C.B.C. He suggested what a great Canadian he is and what a great job he has done. He went on to leave the impression that all members on the other side have great confidence in the president and the management of the C.B.C. Yet we were treated to the spectacle of the minister appearing on television and calling that management rotten. She was obviously embarrassed yesterday morning and this morning when attempting to deal with the questions directed to her. Some of her replies were astonishing.

Miss LaMarsh: They should not have been.

Mr. Nielsen: I call them astonishing. I cannot understand how members on the other side can stand in their places, laud the president of the C.B.C. and tell us about the great confidence they have in the management when the minister responsible for reporting to parliament can refer to the management in the way she has done.

By this time she has no doubt received the letter Mr. Ouimet has sent in connection with her statement. It is one of the strongest letters I have ever seen or which has ever come to my attention.

Miss LaMarsh: "Arrogant" is the word.

Mr. Nielsen: The letter may be arrogant and I can find some sympathy with the minister here because I remember when this gentleman, as great a man as he is, appeared before the broadcasting committee and was asked questions concerning the implementation of the recommendations of the Glassco commission. He told us that the C.B.C. had a Glassco commission of its own. In his letter to the minister I believe Mr. Ouimet has been quite fair in requesting the minister to explain her charges.

Miss LaMarsh: Would the hon. member answer a question? Is he now suggesting to this chamber that any head of any agency who is responsible to parliament through the minister can require anything of the minister or the government? Is he now suggesting that the president of this or any other agency is above the elected representatives of the people?

Mr. Nielsen: I believe the minister will realize that I am the last person to have that kind of an idea, having said what I have said in the past in this house.

Miss LaMarsh: Let us at least be in agreement on that point.

Mr. Nielsen: Surely the minister does not believe that of me after what I have said in this house about bureaucracy and the dangers of the increasing control of that bureaucracy in respect of our way of life. However, in these circumstances the charges which have been levied by the minister require explanation. We have asked for an explanation here in the house but it has not been forthcoming. I believe the president of the C.B.C. and the entire management of the C.B.C. now have a right to a clarification. Indeed, it would seem that the Canadian people as a whole would require that a responsible minister should give explanations of the statements she has made.

Having referred to this letter to the minister dated November 3, perhaps I should preface any further remarks on it by reading the last paragraph. It appears to bear the signature of the president and the paragraph reads in this way:

> Because you have made your charges public I deem it essential that the corporation's positions also be made public and I am sending copies of this letter to the news media.

The letter has become public. If I have a copy of it, for heavens sake, it has to be public.

An hon. Member: Not necessarily.

Mr. Nielsen: In any event, this is what the president says:

> My purpose in writing is to request that you provide the corporation with all the information in your possession on which you base the charges of "rotten management" within the corporation.

He is not asking this in respect of himself, the president. He then writes:

> When serious charges of this nature are levelled against the corporation or its people, it is our practice and duty to ask for substantiation of the charges by those making them, so that the corporation may take immediate steps to verify or disprove the charges and to take appropriate action.

There is nothing unfair about that sort of request being made by Mr. Ouimet, not as an individual but on behalf of the whole corporation. The president then writes:

> You will understand that the corporation cannot allow your public charges to remain unsubstantiated.

I draw the minister's attention to all the questions put to her in the house since the charges. The president then writes:

> Such accusations are capable of destroying public confidence in a national institution which must have the respect and confidence of the people it was created to serve.

Let me remind hon. members of the remarks just made by the parliamentary secretary when he was speaking about confidence. The letter then states:

> Further, such accusations cast serious aspersions on the entire management group of the corporation throughout the country and may do irremediable harm to the personal and professional reputations of all those within this group. If your charges are correct, they must be confined to those responsible and the corporation will take appropriate action.

Surely that is a highly responsible statement on the part of the president. The letter continues:

> If they are not justified then the reputation of the corporation and its people must be cleared at the earliest possible moment.
>
> The news reports state that you have had in your possession for two weeks or more the information "that there are some absolutely appalling

things that have gone on in the corporation" on which you presumably based your "rotten management" charges.

● (3:50 p.m.)

I am astonished that in the light of your particular responsibilities you did not see fit to immediately impart this information to the corporation so that your charges could have been proved or disproved and appropriate action taken. It is essential that the corporation be given all relative information which may be in your possession.

There is nothing arrogant about that request.

Mr. Lewis: Mr. Speaker, may I ask the hon. member a question? He may have said it, but I did not hear him. When was this letter sent?

Mr. Nielsen: I do not know when the letter was sent but the copy in my possession, which is a photostat, is dated November 3, today. One of the quotations in it from the minister's statement, particularly "that there are some absolutely appalling things that have gone on in the corporation," was made this morning on the orders of the day, I believe, or yesterday.

Mr. Martin (Essex East): Mr. Speaker, may I ask my hon. friend, is this a letter he got from the press gallery? Could he tell us the source?

Mr. Nielsen: There is a sheet attached to this letter headed "C.B.C. Information Services." The date is November 3, 1967, and this sheet says:

Attached for your information is a copy of a letter sent today to the Secretary of State by the president of the C.B.C.

C.B.C. Information Services.

Mr. Martin (Essex East): Thank you.

Mr. Fairweather: This is the minister's charge.

Mr. Nielsen: The minister should give the house answers to the legitimate queries she has raised. If she wishes to do that now, I will gladly resume my seat.

Miss LaMarsh: Finish your speech. Don't deprive us of that.

Mr. Nielsen: I think the minister really put her foot in it.

Miss LaMarsh: You and the member for Burnaby-Coquitlam (Mr. Douglas) seem to have the same phrase.

Mr. Nielsen: I am sorry for the minister because she is obviously one who is fed up to the teeth with politics. We all get that way once in a while. She has already announced her intention to resign, so perhaps she does not care what she says.

Mr. Turner: Did you not say the same thing, that you were not going to run again?

Mr. Nielsen: If hon. members were up on their reading of the press they would know that statement was refuted as soon as the opportunity afforded itself.

Mr. Martin (Essex East): All politicians get frustrated, even the hon. member for Winnipeg South.

Mr. Nielsen: The Secretary of State for External Affairs (Mr. Martin) must be the most frustrated politician in the house. He has ceased being a politician.

Mr. Martin (Essex East): I never get frustrated. I am always amused.

Mr. Churchill: I sustain his interest in politics.

Mr. Martin (Essex East): You helped me this morning.

Mr. Sherman: Mr. Speaker, I think when the minister made his reference to frustration he meant to refer to my colleague, and not the member for Winnipeg South.

Mr. Martin (Essex East): Yes, Mr. Speaker, I was referring to the hon. member's colleague.

Mr. Nielsen: In any event, Mr. Speaker, if this bill embodies government broadcasting policy, then I believe, and it is a personal belief, that it appears to be an extremely dangerous policy indeed. The bill sets up a commission with the archaic title of Canadian radio commission. To this commission it gives absolute powers over broadcasting, including the granting and revoking of licences. To make matters even worse, it delegates those powers to a five-man executive committee. The powers of this executive committee are indeed frightening. I am not going to say anything about program content because I do not think that is relevant to the deeper principle involved in the bill.

There are many, and I sometimes count myself among them, who believe there is nothing really wrong with the C.B.C. that

reincarnation would not cure. The parliamentary secretary said that the whole purpose of the bill was to take broadcasting away from the realm of political intervention, so it could operate freely and not be subject to political pressures. I wonder whether he has forgotten the provision whereby appeals from the decisions of the commission can be taken to the minister. This leaves matters in a very unsatisfactory position.

A national broadcasting policy is referred to in the bill, but nowhere is this co-called national broadcasting policy defined. Anyone in conflict with the aims and objectives of the so-called national broadcasting policy can be speedily punished. And what a provision for punishment is contained in the bill—a fine of $100,000. I ask you, Mr. Speaker, what private station will dare go against a decision of the executive committee, or the minister in her directions to that committee or the radio commission, if they have hanging over their heads the penalty of a fine of $100,000? What inducement is that to free speech and free programming in the country?

Miss LaMarsh: Read the act.

Mr. Nielsen: I have read the act. I have read it from cover to cover. The minister has one version of it and I have another.

Miss LaMarsh: Everybody in the country has one and you have another.

Mr. Nielsen: I do not believe I am alone in the views I hold.

Miss LaMarsh: Nobody in broadcasting agrees with you on this.

Mr. Nielsen: In effect what the act does is give the C.B.C. a mandate. That is what hon. members opposite have been saying. It gives the C.B.C. top priority over the private sector of broadcasting in this country. Hon. members opposite speak of that private sector as though it has a job to do, too, but that it is really incidental. This I believe is not the way to look at it at all.

This mandate is spelled out in clause 2 (h) of the bill, where the following words are used:

—where any conflict arises between the objectives of the national broadcasting service and the interests of the private element of the Canadian broadcasting system, the objectives of the national broadcasting service must prevail;

[Mr. Nielsen.]

Nowhere are the objectives clearly spelled out; nor is it spelled out who or what body will establish that such a conflict has indeed arisen. Who makes, for instance, a decision, and on what basis is a decision made, as to what constitutes a "balanced", and I think that is the word used in clause 2 (g),—service of information? Who makes the decision as to what is balanced and what is unbalanced?

Miss LaMarsh: Parliament.

Mr. Nielsen: The minister says parliament makes that decision. I respectfully submit to her that if this is her belief, she has not read the bill. The executive committee makes that decision, and the decision of the executive committee will be subject to political influence. The private sector of broadcasting is placed in a clearly disadvantageous and inferior position, not necessarily because it is less responsible than the C.B.C. but simply because it is private. This has long been one of the tenets of the bureaucrats in the Liberal hierarchy. That is why they are always going off the rails on matters of policy of this nature. They did it with respect to the minister of consumer affairs, as he has almost come to be known.

Mr. Turner: Mr. Speaker, the hon. member for Yukon (Mr. Nielsen) is not questioning parliament's decision on second reading of that bill, is he?

Miss LaMarsh: He is the same old hatchetman.

Mr. Nielsen: By gosh, Mr. Speaker, if I am a hatchetman I should take lessons from the minister, because I have not seen a better job than that done on the C.B.C. management in the last couple of days by the minister.

Mr. Churchill: The hatchetwoman.

Mr. Nielsen: We have had many examples of the awful urge of the Liberal party to control and regulate. I think they have a pathological compulsion to bureaucratize society. Under this bill they will make the C.B.C. supreme. The Conservative Government created the Board of Broadcast Governors in order that the C.B.C. might not be an uncontrollable octopus. I think that board has done a very good job. I may be alone in that opinion.

Miss LaMarsh: You are.

Mr. Lewis: You are.

• (4:00 p.m.)

Mr. Nielsen: Had it not been for the Conservative government under the former prime minister, there would be no private television in this country today. However, many of the best programs are broadcast over the private sector. We gave private television the opportunity to exist, and I believe private television is doing a good job in this country. This bill, if it is accepted in its present form, would relegate private television and private broadcasting to the back rooms in the decision making process. Indeed under this bill the private sector may be required to program anything that the executive committee might, to use the words of section 18, deem of special significance to Canadians. Who makes that decision? The executive committee does.

Mr. Churchill: Or the cabinet.

Mr. Nielsen: Or the cabinet, or the minister. The executive committee can literally tell any station in the private sector, "Well, we believe this program to be of special significance to Canadians, so you carry it." If the station does not, the result may be a $100,000 fine. Private television and radio are placed in the position where they must first come with their hats in their hands and placate the C.B.C. Then they must go on their hands and knees to this all powerful commission to which the members are appointed for seven years and from which they cannot be dislodged for seven years.

Private radio and television must appeal for mercy, for the right to live or the right to perform a service that I believe is on a great deal higher level than the parliamentary secretary, who spoke last, indicated. If these private stations do not do as they are told, if they are recalcitrant, then they can be fined $100,000. This is the big stick that will be wielded over private broadcasters, so they will not talk back. They will not even breathe back at this all-powerful executive committee.

Where does the power reside in this commission? It resides in the five members of the executive committee; that is where the power is, and they are in close consultation with the minister. We have the possibility and the strong probability under this set-up of direct intervention by government in every aspect of broadcasting. This of course is the dream of the Liberal party, to take over control, to regiment. This bill, if passed, will do nothing more nor less than set up a system of thought police in broadcasting. Not even the N.D.P. in their wildest dreams of a socialist heaven would dare lay the heavy hand of direct government control so heavily on the communications facilities of this nation.

Mr. Lewis: May I ask the hon. member a question? He will not object if we quote this generous statement of his?

Mr. Churchill: It just means you are not as bad as the Liberals.

Mr. Nielsen: Why are they calling it the Canadian radio commission? I believe the answer is very simple. It has nothing to do with bilingualism, as one of our members said the other day. If bilingualism rests on anything so shallow as the change in name from the Board of Broadcast Governors to the Canadian radio commission, simply because that name sounds the same in both languages, then we are in even more serious trouble than I thought. This change is sought because this government knows, and I believe the Canadian people know, that the most powerful medium of communications in Canada today, indeed in any country today, is television. This government wants to avoid any hint or any shadow of a suggestion that it is setting up a device which will in fact allow it to exercise supreme and total control over television broadcasting in this nation. That is exactly what this bill does. This is why the word "television" does not even appear in the title of the bill. It should be called the television control act, in my submission, because that is precisely what it does.

Mr. Turner: What is that in French?

Mr. Nielsen: I do not know what it is in French. I readily admit that I do not know how to speak French. I know what is being said about me when I am in the elevator, so things are not said now when I go in and out of the elevator. And now that the Registrar General (Mr. Turner) has raised the matter, I do not believe it is shameful to admit a lack in the other language. I would dearly love to be able to speak ten languages, but I cannot do that. I speak two languages.

The granting of licences, the revoking of licences, the renewal of licences, indeed the very programs which will appear, the scheduling of programs and their content, political broadcasts—all of these are under the direct control of this five man broadcasting junta; that is what it is. If they do not like I Love Lucy, off it goes. More important, if

they do not like a program which they consider to be political or partisan, off it goes. Under section 16 of the bill, these powers reside in the executive committee. This committee is given power to regulate and control the whole political character of national broadcasting patterns. The recent national convention of the Conservative party would have been subject to a broadcasting veto by this five man group, not only on the C.B.C. but on the private system as well, because section 18 clearly states if they deem it of special significance to broadcast The Twilight Zone, then it will be broadcast.

In my view, Mr. Speaker, nothing has presented such a challenge to freedom of speech and freedom of expression in this country as the provision in this bill for a fine of $100,000 for a breach of these regulations. Power of this kind, unusual, abusive and extreme penalties of this kind, are totally inconsistent with the existence of free speech in a free society. I agree that a broadcasting licence is something that belongs to the people, but so are trucking licences, so are newspapers, an air transport licence, and many other things. The newspapers of this country buckled under to the infringement of press freedom embodied in the press legislation passed two years ago. The broadcasting industry will no doubt, with the passage of this bill, buckle under to it. While I am in complete agreement that the licence to exploit a natural resource, and that is what we are talking about, is a privilege and not a right it must be subject to regulation. Once the privilege is granted the exercise of control, in my view, should remain within the purview of the people and not be subject to direct intervention by the government.

It is not the control to which I object, it is where the control is vested. In fact, the control will be in the hands of the minister who, through the five man executive committee, will be able to guide and to influence, to direct and govern broadcasting to his heart's content. How can anyone in the private sector object with the spectre of a $100,000 fine hanging over his head? The chain of authority leads directly to the minister's office. The power is absolute and there is no appeal beyond the minister.

• (4:10 p.m.)

Do not the minister and the government, in view of all their pious pronouncements about the sanctity of the national broadcasting service, feel that the private sector and what appears on it is equally important to Canadians and for that reason should have equal rights and treatment? Under this bill the private sector does not get that equality.

I am not prepared to accept the thesis that the C.B.C., simply because it is a state controlled network, is in some way more responsible than the private network. This has not been the case. The C.B.C. has been floundering for a lack of leadership and direction. There has been some improvement, though very little, in the last few months; but now even that appears in danger. The C.B.C. has become honeycombed with little fortresses and administrative cells which are completely beyond control.

We had an experience of this, Mr. Speaker, in the parliamentary committee last year when we heard the apostatizations surrounding the attempt to exercise internal control over one program, This Hour has Seven Days.

Miss LaMarsh: Would the hon. gentleman answer a question at this point. I wonder whether what he is describing is not an obvious manifestation of bad management?

Mr. Nielsen: Bad management? It is a lack of control and direction. I believe the finest example of this is the manner in which the minister has been replying to questions. No information has been given to us. I do not know whether this is because the minister has a lack of knowledge and does not know what is going on in management in the C.B.C., or whether it is typical—as indeed it is—to expect of the treasury benches that they do not care to give this house information. I do not think that the C.B.C. management, the president of which was so eloquently lauded by the parliamentary secretary, is the fundamental factor to be blamed here; it is a lack of direction and control.

Miss LaMarsh: He is charming but not always well informed.

Mr. Nielsen: Quite frankly, Mr. Speaker—

Miss LaMarsh: Just as the hon. member—only he is not so charming.

Mr. Nielsen: —I am in the group, regardless of the expressions to which the minister has given public expression concerning myself in my own riding, who think she is a very charming lady, and I should like to see her shut of this trouble she is in now; but she is in it, up to her neck.

Mr. Churchill: We do not want her as head of the C.B.C. though.

Mr. Nielsen: For months, Mr. Speaker, Canadians were treated over the C.B.C. to an unending parade of drug addicts, black power advocates, prostitutes, purveyors of filthy literature, Nazis and pseudo-Nazis. All of the scrapings and leavings of society sooner or later turned up on the C.B.C. No one in the C.B.C. apparently was able to exercise any control over what went on.

According to the Auditor General, even elementary financial controls are lacking in this organization, which is now on its way to gobbling up $100 million and more of the taxpayers' money, providing in many cases very dubious return. In this regard I have already made reference to the treatment by the president of the Glassco commission's recommendations, and his attitude toward them.

This is the organization, Mr. Speaker, that the government in this bill wishes to place in an even more privileged position than it now enjoys, with even less possibility of any control being exercised over the conglomeration of little kingdoms that have grown up within its great corporate structure. It is not more but, in my view, less administrative freedom that the C.B.C. needs.

While viewers of the English network have been treated to the scrapings and dregs of society, while every crack-brained apostle of a hair-brained cause has been given air time at the taxpayers' expense, we have had on the French network a parade of separatists and advocates of the destruction of Canada. Last summer the French network featured half an hour or more of Fidel Castro explaining in detail how revolutions should be mounted and opposition should be put down in order to bring into being the kind of "people's paradise" that exists in Cuba.

Is this the kind of responsibility from which the minister and the government wish through this bill to remove any last vestige of control by parliament? A great deal of good work is being and has been done by the C.B.C. Their news programming has generally been exceptional. The artistic talent that has appeared on the C.B.C. has usually been of high calibre. C.B.C. radio has a well deserved and world wide reputation, as pointed out by previous speakers. But no organization can exist without leadership and direction, and this is what the C.B.C. has been doing for four years. No organization can operate without administrative control, without clear definition of purpose and visible, definite goals. Yet this is what the C.B.C. has been doing. No organization can allow within its administrative framework the spreading growth of self-contained and self-governing units, pre-empting government facilities and public funds to put forward their own views and their own pet projects. But this is what has been happening in the C.B.C.

These are some of the reasons for my being unable to accept any measure designed to add to the power and privileges of this group at the expense of the private sector. Comparatively speaking, the private sector has been doing a good job for Canada within the limits of a considerably less massive budget. It is time, I think, to take a realistic look at some of these questions and not allow ourselves to be lulled by the pretensions of the few against the interests of the many.

The assumption underlying this bill, Mr. Speaker—and this is what galls me—is that when Hogan's Heroes appears on the C.B.C. it somehow contributes to the national destiny and unity, whereas I Love Lucy does not, because it is on the private network. That stretches credulity a bit too far, even for me. If the provisions in this bill are applied in their present form, broadcasting freedom will disappear.

Mr. Munro: Oh, stop it.

Mr. Nielsen: The parliamentary secretary says "Oh, stop". Obviously he has not seen the letter dated November 3. If he had, his speech would have been designed a good deal differently from that we heard this afternoon.

Mr. Churchill: The minister says he is not well informed anyway.

Mr. Nielsen: That is right. If this bill is passed, the government will have the power to exercise direct control and regimentation, and in my view this should be resisted. This commission should be scrapped and its present functions should remain with the B.B.G. which should be continued, in my view, in its present form. This parliament should not participate in making broadcasting a bureaucrat's paradise, as they have with everything else.

Mr. David Lewis (York South): Mr. Speaker, it will not surprise you if I inform you and other members of the house that with the exception of part of the reference of the hon. member for Yukon (Mr. Nielsen) to some recent remarks made by the minister, I

entirely disagree with everything the hon. member said. Indeed, Mr. Speaker, I am delighted to know that the hon. member for Yukon has as colleagues people like the hon. member for Royal (Mr. Fairweather); otherwise his party would be a pretty dismal group. Using some of the language of the hon. member for Yukon never in my wildest experience as a lawyer have I heard so extravagent and unjustified a distortion of a statute from the mouth of another lawyer as I heard this afternoon. Nothing in the bill before the house justifies one thousandth of the extravagances which the hon. member adopted in making a case for private broadcasting. There is no evidence for his contentions, other than the fulminations, frustrations and ignorance to which he gave vent this afternoon.

• (4:20 p.m.)

Mr. Knowles: That is his style.

Mr. Lewis: I wish to deal with matters relating to this bill and I wish to remind hon. members, and particularly the minister, that however good the principles of this bill may be, their implementation depends entirely on the quality of those who are appointed to the positions this bill creates.

Miss LaMarsh: Agreed.

Mr. Lewis: I am speaking of positions on the commission and positions in the corporation. The Secretary of State (Miss LaMarsh) says that she agrees. Well, so far as a minister of the crown can be, she has been in charge of matters relating to broadcasting for about two years, two years during which the state of the Canadian Broadcasting Corporation has been reduced to a painful low. They have been two years during which she made some of the appointments. What has been the record?

The minister says that she agrees. Before this debate ends I hope she will tell this house, not only on her own behalf but on behalf of her cabinet colleagues also, that the sort of action she has indulged in, in the past, will not occur again.

Miss LaMarsh: Such as what?

Mr. Lewis: The Vancouver *Sun* of September 5, 1967, dealing with the Board of Broadcast Governors, says this in an editorial:

> The board has large powers over television and radio licences. It can make men's fortunes, or it can deny them fortunes. Under such circumstances, it ought to be as non-political as possible. But it has not been so, under either Conservative or Liberal governments.
>
> Its personnel has rarely been distinguished. At present it has 15 members, three of whom are full-time, the remainder part-time. All are appointed by the federal cabinet. Of 10 part-time members named since the present government took office, eight have been Liberals.

The *Globe and Mail* of August 2, 1967, says the same thing; the same thing was documented in a column in the same newspaper by George Bain. In a television interview on November 1 the minister said that herself. She had this to say, according to the transcript I hold in my hand:

> Oh, we've got some really first rate people, people like Coyne in Ottawa.

When I heard that, and also when I read the transcript of the interview, I could not help feeling depressed that a minister would know only one member of a board of 15 members. She could name only one member during the interview.

Miss LaMarsh: I think my hon. friend should realize that almost all of 14 agencies have boards which report to me.

Mr. Lewis: We were not dealing with 14 agencies; we were dealing with this one board. This is the board with which the minister ought to be intimately acquainted; she ought to know what has happened in broadcasting in the last two years, and particularly in the last year. If she is suggesting that she does not now know the personnel of the board and their qualifications to sit on it, I can think of no greater condemnation of her stewardship in this area of public activity.

During this interview, according to this transcript, she said:

> Oh we've got some really first rate people, people like Coyne in Ottawa. You couldn't have anybody better. This is one of the brightest men in Canada on this job. There are some that are at the other end of the pole, and there's no question of it, and I've been as guilty as other ministers I think in putting them on, because I haven't met them or known very much about them.

Can one think of a more cavalier way of dealing with one of the most important institutions in the country. Obviously, the minister did not say—and I am not exaggerating when I put this to you, Mr. Speaker—that those who were chosen were chosen as the result of conversations with party leaders or party hacks in the various regions of the country, instead of as the result of conversations with those elements in our society

which could bring to bear some intelligent judgment as to the qualifications of those who were to sit on the board to which they were appointed.

Mr. Churchill: Would the hon. member answer a question? What assurance have we that the same procedure will not be followed in the future by other ministers, or by the same minister?

Mr. Lewis: My answer to the hon. member for Winnipeg South Centre is that precisely the same condition existed when he was a member of a government. Emphasis on political appointments to the B.B.G. was just as prevalent in the previous government as it has been in this government. We shall not rid ourselves of this situation until we rid ourselves of what I call perhaps the most evil, although small, remnant of patronage in our federal set-up, the political appointments to important agencies.

Mr. Churchill: But how will the hon. member correct that?

Mr. Lewis: We cannot correct it by legislation, Mr. Speaker, because there is no alternative to the appointments being made by the governor general in council. The position could be corrected soon if this parliament in a unanimous voice were to say to this government and all future governments that it is time to end this cheap and shoddy patronage for positions of power and importance in the country and that appointments to the bench, the B.B.G., the C.B.C. and other similar bodies should be made on the basis of qualifications and quality only. Whether the appointees happen to be Liberals, New Democrats, Conservatives or of other political persuasions, they should be qualified for the job. This is the answer. I say that this is the most important consideration before this parliament, before this government, and this is why I raised it as the first point in my speech.

The new commission will have greater power than the Board of Broadcast Governors set up by the previous government. Its powers will not be as great as suggested by the hon. member for Yukon; nevertheless they will be considerable. It will be able to impose stiffer penalties than the old board could. The hon. member for Yukon did not draw my tears when he told this house that the poor, private stations will not be able to do anything because of the $100,000 penalty that will be hanging over them. If that is the only way to keep them from breaking the law, then that is how big the penalty ought to be.

Mr. Nielsen: That remark shows the difference in our characters.

Mr. Lewis: There is no reason to criticize this provision. Because the commission will have greater power than the old board had, because the penalties will be stiffer than before, appointing to that commission men and women who are qualified to do the job for which they are appointed, who are free of political encumbrances and parochial and regional prejudices, who are capable of acting as cultured Canadians concerned with this country and its culture, is a matter of the utmost importance.

I proceed to the Canadian Broadcasting Corporation, under the same head. What about appointments to it? What about appointment to the board of governors of the C.B.C.? From the evidence it seems that there has been a lesser curse of political patronage in the appointments to that board than was the case with respect to the other board to which I referred. It is apparent that in the last year or so the C.B.C. has been the victim of having had no appointments at all. For this the minister and the government are responsible.

• (4:30 p.m.)

If this seems strange to the minister I will make the point clear to her. First, everyone in this house, perhaps with the exception of the hon. member for Yukon, regrets that the C.B.C. seems to have fallen upon evil days during the last couple of years. Whose fault is that? I suggest it is the result of the failure of the board—not of the president and vice president only—but of the failure of the board to act decisively in moments of crisis. This would seem a clear indication that the members of the board were incompetent in their job, no matter how nice they are, or how great their academic learning. Again, the minister agrees with this, I think; I do not want to put words into her mouth, but in that same television program, in the course of the same interview, she said this:

> Most of the people we have now are academics on the C.B.C. and you know—take a look at them—every one of them is first rate; got good education, good background, good everything. But they just don't seem to manage.

What is membership on the board of the C.B.C. for if it is not to manage the C.B.C.? It is not to recite Catullus to one another, or to

discuss Milton, although this is a delightful thing to do, I am sure. It is to manage the C.B.C., and if these people cannot manage it, what right have they to be there?

The low ebb in the affairs of the C.B.C. at the present time is also a result of the failure of the government to make appointments to top positions in the last year or so. The government has had the resignation of Mr. Ouimet in its hands for some considerable time. Another of the senior officers has resigned, and a third has gone somewhere else. Yet no appointments have been made, the consequence being that during a difficult period the corporation has been led by caretaker officers who have necessarily felt a sense of insecurity and transmitted that feeling to the lower echelons, with the result that morale in the organization has been very low.

What I am trying to say is that the government cannot escape responsibility for this situation. Having failed to make these appointments, the minister announces a couple of days ago, on the eve of a new régime being established, that there was "rotten management" in the C.B.C. I have been critical of the Canadian Broadcasting Corporation, although I believe, as I shall say later, that there has not been an institution which has made a greater contribution to Canada. But what kind of compulsion caused the minister to make that statement at the present time, when a new régime is to come on the scene? What was she trying to accomplish? I do not wish to be too hard on the minister. All of us in politics make gaffes and unless the hon. lady is in a defensive mood I am sure she will be ready to admit that this was one of hers. However, I suggest that this particular gaffe is revealing in the light it throws on the attitude of the government toward broadcasting.

Let me analyse it briefly. The minister said she did not learn about this until a couple of weeks ago. I say to her that as the minister answerable to parliament in the field of broadcasting she had no right to be ignorant until two weeks ago. It was her duty to have some form of liaison with the C.B.C.—

Miss LaMarsh: Oh, I have lots of that.

Mr. Lewis: —and it was her duty to speak to the president and to the vice president and find out what the situation was. And it was also her duty to make sure she did know what the quality of management inside the C.B.C. was like, not to go to the country and say "I knew nothing about it until two weeks ago".

Miss LaMarsh: I did not say I knew nothing about it. Nobody who was ever in this house, nobody who ever spoke on broadcasting, could fail to know about the management problems of the C.B.C. They must have been aware that there was the Glassco commission report, which condemned management. Nothing was done. Then there was the Fowler report which condemned management. Nothing was done. Then there was the white paper and discussion of the whole subject in house committee. It could be no secret to anyone who knew anything about broadcasting that there was a problem of management. But what I learned about in the past few weeks was very much worse than that.

Some hon. Members: Oh, oh.

Mr. Lewis: The minister is quite right. There was the Glassco commission report, the Fowler committee report, one other report and the inquiry in committee. The important words used by the minister are: "and nothing was done". If the minister means that nothing was done by the president of the C.B.C., that is one thing. But now I am speaking as a member of parliament on legislation before us, and I say it is much more reprehensible that nothing was done by her; and if she tells me she hides behind the fact that she does not interfere with the daily management of the C.B.C.—as I agree she should not—I say to her that if the president did not do what she felt ought to be done, he should have been fired. She has no right to retain in office people she believes are not doing their jobs as management of the C.B.C. This is a body to which we are voting more than $100 million a year—in my opinion even more would be justified—and it is a body which is carrying a tremendous responsibility. Any government which permits an unsatisfactory situation to develop even worse aspects is a government which is failing to carry out its responsibilities. They have not even accepted the resignation given voluntarily by the president.

Mr. Churchill: Who is head of the government?

Mr. Lewis: I will allow the hon. gentleman to answer his own rhetorical questions.

Mr. Churchill: The hon. member is blaming the minister, but it is the Prime Minister (Mr. Pearson) who is the boss.

Mr. Lewis: I am not blaming the minister alone. I am blaming the government. I wish I did not have to blame the minister. She was given a hot potato, and the fact that she has not been able to hold it with equanimity is not entirely her fault.

An hon. Member: It is the Prime Minister who will not let her do what she wants to do.

Mr. Lewis: I say that if the minister and the government responsible let this thing develop and did not know the details of this thing, which was worse than the hon. lady had ever heard until two weeks ago, this is proof of a breakdown in liaison, a breakdown of contact, a breakdown of responsibility on the part of the minister and the government for broadcasting in general, and the C.B.C. in particular. There is simply no sense in discussing and passing a bill if this kind of attitude is to prevail in the future as it has in the past.

• (4:40 p.m.)

I say to the minister in all kindness that she should either make her charges of rotten management stick, or drop them—charges which, Mr. Speaker, she has just made worse by what she said a few minutes ago. She not only says now that there is rotten management in the C.B.C., the kind of undesirable or inadequate management about which some of us have heard over the last year or two, but she claims that within the last couple of weeks she heard things much worse than she ever heard before.

That makes me wonder what she is talking about, and makes every person throughout C.B.C. management, from the president down to the supervisor, wonder what she is talking about. It makes every member of management from the president down to the supervisor in British Columbia or Newfoundland wonder what she is talking about. No responsible person has a right to throw a cloud of suspicion, of incrimination and insult over an entire body of men and women, hundreds of whom have done a good job—

Miss LaMarsh: That is preposterous.

Mr. Lewis: It isn't.

Miss LaMarsh: How does the hon. member suggest that some supervisor in Newfoundland has anything to do with the way the corporation is run?

Mr. Lewis: I am not trying to suggest this. The minister's jumping up is merely the result of her sense of guilt. I have seen management charts in the corporation when I acted as counsel for unions dealing with the C.B.C., in the years when I was not a member of parliament. I have seen such corporation charts and they go all the way down, not to the supervisor in every case, but all the way down from the president to those who have responsibility and power over the regular staff.

I am not exaggerating. If the minister does not want to go down the chart as far as the supervisor, there are still hundreds of people against whom her remarks may be thought to be addressed. Every time this kind of general accusation is made, everyone is under a cloud. Either the minister ought not to have made her charge—and in my respectful submission she should not have—circumstances permit, so as to clear those not guilty of that particular charge.

Miss LaMarsh: Is the hon. member actually saying he believes I should have pretended there was nothing wrong with the management of the C.B.C.?

Mr. Lewis: Mr. Speaker, the minister knows very well I am not suggesting that. She could have said, in the mellifluous tones she occasionally uses, that of course she has known there has been inadequate management in the C.B.C. and that there has been a great deal of criticism of some aspects of management, and no one would have questioned her. But what she has now said is that within the last two weeks she became acquainted with facts which led her to declare that there was rotten management in the C.B.C. Rotten is a particular kind of word; and today she added that what she learned was much worse than she ever learned before. Those words have a certain implication. I am sorry to have to press this on her, but I think that implication throws a cloud on a lot of people, and it is her duty to be more specific so that the cloud is lifted from those over whom it hangs unjustifiably.

Because of certain aspects of the C.B.C. that latterly have not been thoroughly desirable, there has been a tendency, particularly on the part of hon. members in this house to be very critical of it. In order to save time I merely wish to say that I was in thorough agreement with most of the statements made by the hon. member for Hamilton East (Mr. Munro).

I have watched the C.B.C. with very close interest since it was established, not merely since I entered parliament but throughout all the years of its existence, and indeed before the particular name C.B.C. came into existence, when the Canadian radio commission, a name being revived in this bill, preceded the C.B.C. I do not believe I am using extravagant language when I state my belief, and the belief of many Canadians, that no institution in this country has done more to develop Canadian talent, to give an opportunity for Canadian talent to make a living, to give an opportunity for expression of opinions, for the development of the entertainment industry, for the whole gamut of human interest to be heard and seen by all the people of Canada, than the C.B.C.

Some private stations do a decent job occasionally, but anyone who knows musicians, actors, writers, press gallery members, all the people who have an opportunity to appear on radio and television to express their views, show their talents, or participate in some exciting cultural experience, also knows that without the C.B.C. Canada would be immeasurably poorer than it is now, in the cultural and spiritual sense of that word.

The hon. member for Yukon always reminds me of the kind of person who says: I have an open mind, but don't think you will ever change it. That is the kind of open mind he has, but I would ask even him to be just a little contemporary. I do not expect him to be 100 per cent in the twentieth century; but even 10 per cent in the twentieth century would help. I ask him to note that after years of only private and commercial television and radio in the United States—what do we find in 1967? We find in 1967 that the President of the United States recommended to congress the establishment of a public television corporation. We find in the United States that an act to that effect was enacted a little while ago, after only five or six week's study by a senate committee.

We find President Johnson, when recommending the legislation to congress, saying that what he wanted was a corporation for public television authorized to provide support to non-commercial television and radio. We find that the ex-chairman of the federal communications commission, Mr. Henry, said when that law was passed—and I commend these words to the hon. member for Yukon,

[Mr. Lewis.]

and even to the hon. member for Winnipeg South Centre (Mr. Churchill):

> What makes this corporation most exciting is the possibility of a live network unfettered by commercial considerations.

If the great free enterprise country of the United States of America can recognize the value of a public corporation that is not commercially controlled, I should think anyone in this house, who is in 1967 instead of 1767, ought to recognize the value of the C.B.C. What I am worried about, Mr. Speaker, is that recent events have led many of us to believe that there ought to be some tight control over programming in television in general, and in C.B.C. television in particular. I suggest that we ought not permit ourselves to be carried away.

The late Mr. Brockington, who was chairman of the Canadian radio commission, when he appeared before the select committee on radio broadcasting on March 24, 1938, said in his customary fluent and moving English:

> We believe that censorship is undesirable and perhaps impossible beyond the limits of decency and the minor and necessary prohibitions which we have fixed in our regulations. We have always, and shall continue always, to take care in the selection of network speakers to see that they are competent to discuss public problems within recognized amenities. We deprecate any tendency on the part of the owners of private stations to allow their own political or social opinions to affect broadcasts from the station which they control.
>
> Censorship itself depends on the opinion of an individual possibly no better qualified to express an opinion than the person he censors.

• (4:50 p.m.)

There is no doubt about the truth of that.

> We believe radio speech should be allowed to be forthright, provocative and stimulating. In controversial matters we have tried, and shall try, to allow for the free expression of varied and opposite opinion. Perhaps on occasions, enough varieties of opinions have not been expressed. We believe that national problems and international problems should be discussed by Canadian citizens without restriction or fear. It may be that some opinions largely held, have remained unvocal. This situation will be remedied.

Then Mr. Brockington went on to say:

> We are opposed to, and shall resist, any attempt to regiment opinion and to throttle freedom of utterance. We have not the slightest reason to believe that the government is desirous of such regimentation. Rather we have every reason to believe that the contrary is true. We are prepared, of course, to recognize that in times of war, or perhaps during the imminence of national peril from external sources, some government control might be necessary. Until that occasion arises, the corporation having selected competent commentators and speakers does not propose to interfere with the right of free expression.

What was true in 1938 is true today. I was a little concerned by some of the statements made by the minister on the same television interview which I heard, and the transcript of which I have studied. I am referring particularly to the statements about separatists. I am opposed to the separatists in this country. Indeed, in order to make the point clear and because I cannot escape the temptation to say "I told you so", I should like to point out that I criticized René Lévesque more than a year ago for the extremist statements he then made. I indicated in my criticism that the statements he made suggested to me that he was travelling the separatist road. This appeared in the public press, particularly in Montreal, in both French and English. Mr. Lévesque replied that he never had heard a more idiotic statement. The idiocy is made clear by the way Mr. Lévesque has gone.

I believe, however, that it would be a travesty of freedom of speech if Mr. Lévesque did not receive an opportunity to express his views to the Canadian people. Only a sense of insecurity and a lack of confidence in the people of Canada would prompt one to suggest that the expression of that opinion would do Canadian unity harm. I have greater confidence than that. But, whether it does one thing or another, I emphasize that we ought not interfere with the expression of opinion and indeed with the selection of entertainment or with the work of people of talent either in the corporation or in the private network agencies.

I should like to come back to where I started. The solution is to appoint good people and let them do the job, to keep a close liaison with the new commission and the C.B.C., to watch carefully what the developing situation is, and to become aware of it in time if anything goes wrong. If those who have been appointed do not do the job, then they must be replaced and we must have the courage to do this quickly without dragging it out for two or three years until the situation becomes almost irremedial. I just pity the man or woman who will have to take over the duties either with the corporation or with the new commission after what we have done.

In the remaining few minutes which I believe are left to me I should like briefly to make two or three points. First, I would hope that the minister would give consideration to the suggestion that the president of the new commission and the president of the C.B.C. each should appear annually before a parliamentary committee on broadcasting to make a report, just as had been done in the early days of our broadcasting situation in Canada. I am entirely in favour of the five year budgeting for the C.B.C. That, however, need not prevent the president of the C.B.C. appearing before a parliamentary committee every year in order to give an account of his stewardship and to give members of parliament an opportunity to question him as to whether the funds we have voted have been expended efficiently. This would also give us an opportunity to discuss with the president of the C.B.C. particular aspects of his programming and the philosophies of the C.B.C. and to discuss with the president of the new commission the policies of the commission in its day to day operations.

I think it is very important that we do this because when we vote a large sum of money annually or over a period of five years in particular to the C.B.C. and when we vote money to the new commission to carry out a certain function, it seems to me that as a parliament we have a duty to make certain as far as possible that the job which parliament wanted done is in fact being done and that the money which parliament has voted is in fact being expended judiciously and carefully. One way in which to do this is to revert to what I am sure was the situation in the late 1930's; that is, an annual appearance of the head of the corporation and the head of the commission before a parliamentary committee.

The final point I should like to make relates to the use of Canadian talent. Many things have been said about this already, but I suggest that every time one looks at some statistics on this point he cannot help but be extremely depressed. Mr. Fowler in his report makes an analysis of the expenditures directly on talent, both in the private and public sectors. I should like to quote just a sentence or two:

> The amounts shown—

This is in reference to the private sector.

> —in the analysis for artists' and other talent fees, and especially the trend of these amounts, indicate an alarming situation.

The full details are given, and then he points out that between 1961 and 1963 there was, in respect of private radio stations, an expenditure of over twice as much on advertising, promotion and travel as there was on Canadian talent. He then adds the words, "These figures are a disgrace."

Then, when he comes to the C.B.C. it is the same thing, even though he says the C.B.C. has a much greater expenditure on Canadian talent:

> Apparently financial stringency produces the same result in the C.B.C. as with private broadcasters; the easiest place to cut is in the employment of creative talent. This is a question of priorities. We do not suggest that talent budgets be limitless; however we do suggest that this should be one of the last parts of the budget to be cut. It seems that this policy has not been followed by the C.B.C. during the last five years.

Mr. Speaker, I urge parliament, the minister and anyone else who may be concerned with broadcasting to consider my suggestion that there is no real excuse for the existence of the Canadian Broadcasting Corporation in particular, unless we make it possible for the corporation and the leaders of the corporation to use funds to advance Canadian talent, and there is no use setting up the commission unless it is given power to insist that there be a large proportion of Canadian talent in Canadian television broadcasting.

• (5:00 p.m.)

The Acting Speaker (Mr. Tardif): Order. It being five o'clock, this house will now proceed to the consideration of private members business as listed on today's order paper, namely public bills and private bills.

CANADA ELECTIONS ACT

MEASURE TO REDUCE VOTING AGE TO EIGHTEEN YEARS

Mr. John M. Reid (Kenora-Rainy River) moved the second reading of Bill No. C-12, to amend the Canada Elections Act (Age of Voters).

He said: Mr. Speaker, the purpose of this bill is to reduce the voting age in federal elections from age 21 as at present to age 18. The present situation in Canada is rather mixed and there seems to be no concensus in various provinces as to what should be the proper age for voting. In the four provinces of Nova Scotia, New Brunswick, Ontario and Manitoba the voting age is 21. In the three provinces of Newfoundland, Alberta and British Columbia the voting age is 19, and in the three provinces of Quebec, Prince Edward Island and Saskatchewan, the voting age is 18.

I might point out that even though the official age for voting in federal elections is 21, there is an exception. Those who are in the armed forces may vote at age 18. There seems to be no concensus at all in Canada about this voting age.

I suppose in discussing this issue one first has to make clear just what voting means, and its significance. Perhaps, primarily the granting of the vote is an admission into full citizenship. In a democratic society it requires the responsibility of voting or not voting, the responsibility of participating in elections or not participating. There is an active and passive responsibility, and it is up to the person concerned to participate as he sees fit.

Basically in a representative democratic society voters do not vote on each particular issue. Federal elections involve a variety of issues and the voters tend to elect a person either by means of political designation or, in particular rural areas, they may vote for an individual and trust in his judgment. In any case under a representative democratic system it seems to me that the judgment of the elector is called into being as he makes a decision regarding the representative he wishes to elect to office.

Why is the present age in federal elections 21? There does not seem to be any particular reason. Age 21 was the legal age, when one came of age, and it was probably easy for the legislatures at the time to designate this age as the age when one came into full citizenship. Twenty one was also the age when an individual had usually completed his education, was out working, probably married and presumably carrying his share of the burden in the community. In short, at age 21 a person was considered to be an adult member of the community, as compared to somebody such as an adolescent who was dependant upon the community. Like all these types of measures it was created perhaps out the conventional wisdom of its time, but times have changed and no longer is it correct.

For example, under the type of education which we have imposed upon our younger people today, they are not finished at age 21. I was age 26 when I was finally released from university. In point of fact, I am still paying fees to the University of Toronto to remain eligible for my degree. I am still a graduate student in the eyes of the University. Age 21 is no longer the age when one has completed the apprenticeship that he must complete before coming to full citizenship. It seems that we have to take a look at the new conditions under which we are living and

devise proper voting regulations so that all those who should have the right to vote will be given that privilege.

The first question that comes to mind when one talks about lowering the voting age is the question of responsibility. Let me quote briefly from the report of the Ontario legislature's select committee on youth. At page 294 we find the following:

> Young people at age 18 to 20 today are generally more educated and more knowledgeable than any previous generation at the same age. One of the great weaknesses noted by the committee in its many contacts with young people was the inability of adults to give youngsters responsibility commensurate with their knowledge and capability. Probably this has stemmed from the unfortunate image that has been created by those few irresponsible, often immature teenagers who all too frequently come to public attention. Certainly they do not typify nor represent the large numbers of stable and good living young persons who make up our great body of youth.

Let me point out, that the series of articles which have been published in so-called respectable papers in Canada dealing with birth control and what not as applied to the Yorkville situation have been most unjust. The articles which appeared in the *Globe and Mail* give examples of the type of undesirable situation that comes to the public eye. If it is not undesirable, it certainly is sensationalism brought to public attention in an irresponsible manner. In any event this does a great injustice to the majority of young people, particularly because of the way in which these things are presented. This is only a very small group.

The question of voting comes down to a question of responsibility. One difficulty facing young people today is that they have few opportunities for training in responsibility. It was never my fate, but my father assures me that he had to haul the coal and water, and do chores around the house every day. In those days we did not have electric heating, water brought to our door and that sort of thing. It is very difficult to give children responsibility around apartments and in the type of housing we have today. There is nothing for them to do, and if the parents are going to instil a sense of responsibility in their children they have to wrack their brains to find responsible tasks for them.

The educational system in which we rear our youth today almost of necessity results in making them parasites living off society. We deny them any possibility of participation in community affairs by virtually putting them in a system which locks them out of the mainstream of Canadian society. These children go to school, and go to school, and go to school, to the point where the student in this society feels that he will spend his life doing nothing but going to school. They are given little opportunity to produce or to contribute to the community.

It is no wonder then that we find communities such as Yorkville, made up of youngsters who are alienated from today's society. They feel there is no role for them to play in the greater part of Canadian society. This is not strange in our society because we virtually push them out and cut them off. We almost completely forget that some of these youngsters are sensitive and creative and cannot hack it under the present circumstances. These people will be forced into this alienated existence for several years, or perhaps for their lives. This problem has always existed, but today in our society we seem to encourage it, perhaps not willingly but in a backhand way. We do not pay enough attention to the problem.

• (5:10 p.m.)

In a democratic system I think that responsibility is the key to its survival. We can bring youth into the political system, into the mainstream of Canadian society, provided we are willing to give them a role to play. The easiest way to do that is to bring them into perhaps the most important function in a free society, that is the political function, and give them a role in the political process. They would then become participants in this process. I believe young people want to participate in this area, they want the chance to accept responsibility, and we can help them to become more involved in society by lowering the voting age from the present 21 to 18.

If we did this it would provide leadership for those provinces which have not taken any steps to lower the voting age. It should be pointed out, though, that to date the federal government has not been a leader but a follower; it has done nothing as yet in this regard. I hope this bill, and similar bills and resolutions appearing on the order paper will be sent to the standing committee on privileges and elections in order that the committee may have a full discussion of the implications of these measures.

I should point out that the select committee of the Ontario government recommended that the voting age be reduced to either 18 or 19. There was some debate whether 18 or 19 was the proper age. The important thing is that

the principle of a reduction in the voting age was accepted by all parties in the Ontario legislature.

One of the advantages of modern youth is that they are much better educated, even at the age of 18, than were their forebears at 21. The old standards applied when making the legal age 21 are, I think no longer valid. For example, in Ontario one is not supposed to drink alcoholic beverages until he is 21, a regulation more honoured in the breach than in the observance. Why should one want to drink booze when he can easily get L.S.D., "pot" or any of the variety of drugs that are apparently readily available in our larger cities and universities?

The sophistication of modern youth has increased. It seems to me that youth should be given responsibilities commensurate with their knowledge and abilities. They are more knowledgeable today than were their forebears some years ago. Television, radio and the other communications media bring them more information about national and international events than their forebears ever had. What is more important, they are in a better position to digest and understand this information than their parents, who were raised under another type of educational system and in a different kind of world.

This brings me to another point, Mr. Speaker. The time honoured traditions, the qualifications that one had to have to hold responsible positions, that one had to be experienced, one had to be well known in his profession in order to advance, have gone by the board. It is no longer necessary to hang around for years in a profession, even in the House of Commons, before one gains eminence in that profession. I think it is necessary that we no longer place much value on just hanging around, but should recognize sheer ability and the will to survive. I believe that what we are looking for is quality and ability, not just being of a certain age, being in the right place and available at the right time. It seems to me that in all the appointments we make we must seek quality.

This brings me to another point, Mr. Speaker. Even granting, which I do not, that there is some value in a person hanging around and serving a long apprenticeship before reaching the top, that person's training and hanging around do not really help because of the type of environment and the fast moving world in which we live. This is a world of constant change. Because of this and the fact that things change so quickly, this type of experience is not as valuable as it once was.

We see that progressive companies and organizations are today putting youthful people in more important jobs. These companies are progressing because of it. It seems to me that in this country we are cutting off a generation and are going from the 60's to the 40's. Those in the late 40's and early 50's are being passed over. You have to do this because things have changed so much and our way of thinking and doing things is different.

If we are to survive it is necessary that we follow this practice in politics and bring our young people into political existence as full fledged participants. Another matter I wish to refer to is parliament itself and the type of legislation with which we are dealing. Ever since I became actively involved in politics in 1963 I have been impressed by one fact of parliament: we are dealing with the past, we are plugging the dike when the flood has passed; we are dealing with things that are no longer current. But we have to deal with them because we did not have the foresight or imagination to deal with them when the problem was upon us. We did not have the foresight or imagination to see that this is the way we were going and therefore we should take certain action. In other words, what we have been busily doing is trying to plug the dike after the flood has gone.

I think that if we were to bring youth into the political spectrum it would result in a different attitude. Members of all political parties, it seems to me, have suffered from this problem. All political parties would be strengthened if youthful people came into this sphere, because they would be participating more enthusiastically and providing their knowledge of what is going on in the world today.

Young people are much more able to grasp the environment around them than we are. Perhaps I should change that, Mr. Speaker. I should like to dissociate myself from other hon. members because I, and I think one other member, am still under 30 years of age. I am therefore a friend of the young people because hon. members over 30 are classified as enemies by the young. The slogan of the young people is: Don't trust anybody over 30.

To buttress this argument I should like to quote the words of the long time premier of Alberta, Mr. Manning, and read from page 27 of his very interesting book entitled "Political Realignment":

The younger generation of Canadians is capable of political thought and action at a level of maturity much higher than that characterizing party politics in this country at the present time. Youth today is quick to detect, and is strongly repulsed by, sham and superficiality. Young people who are looking for purpose, conviction, inspiration, and leadership in matters of private and national concern will not, nor should be expected to, be satisfied by gimmicks and slogans, clichés and promises, and slick but shallow promotional campaigns. There will be little room in the Canada of tomorrow for elections without issues, politicians with philosophical standards, parties without relevant policies, or citizenship without definition and purpose.

Underneath the rhetoric that passage is really saying that young people, the people for whom we are presumably governing this country, can recognize what the truth is behind a great deal of what goes on in political debate and politics in this country. We want to bring them into this field. We want to infuse others with their knowledge and vitality. We want to inject his knowledge and vitality into our political system. I think the only way we can do that and eliminate a great deal of the alienation of our youth is by extending to them the franchise and asking them to accept the responsibilities of citizenship.

The last point with which I shall deal, and very quickly, Mr. Speaker, is that youth is to some extent an interest group. I am informed that 50 per cent of the Canadian population are under 25. A great deal of the money collected at the provincial and federal levels is spent in solving the problems of youth —departments of education, for example, are almost wholly youth oriented—to say nothing of the family allowances paid by the federal government.

Since we are spending so much money on our youth, and all this money is not necessarily being well spent, I think youth have a right to be consulted by boards of governors of universities and politicians and given a role to play even though they are an interest group. The whole political spectrum is made up of interest groups. It seems to me that in the last two years we have spent a great deal of time dealing with the special problems of an interest group, our senior citizens. We have had votes of confidence, bills presented and a whole number of things. There is no reason why equal representation cannot be given to another interest group, the up-and-coming ones, the ones who have a future. It seems to me that as an interest group they have the right to have their voice heard.

In closing, Mr. Speaker, I urge the government to send this bill to the standing committee on privileges and elections so that a committee of the house may look into all its implications.

• (5:20 p.m.)

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to offer my congratulations to the hon. member for Kenora-Rainy River (Mr. Reid) for the excellent case he has made for the bill now before us. I am glad to see that the government house leader is with us just now, and I am particularly pleased to see him going over to congratulate the hon. member for Kenora-Rainy River. Perhaps this strengthens our hand. I should like to support the plea that this bill and the other two like it, as well as the three resolutions on this subject which are now on the order paper, be sent to the committee on privileges and elections.

Perhaps the hon. member for Kenora-Rainy River will not mind if I point out that he and two other members of this house, one a member of the Progressive Conservative party and one a member of the New Democratic party, made a pact at the beginning of this session. I hope that their efforts succeed.

Mr. Churchill: Disclose their names.

Mr. Knowles: With pleasure, and indeed, I congratulate them. They are the hon. member for Kenora-Rainy River who is—well, let us call him a Liberal although he uses another designation.

Mr. Churchill: He cannot get elected as a Liberal. He has to be a Liberal-Labour in order to get elected.

Mr. Knowles: I believe he is a member of the Liberal caucus. Then, there is the hon. member for Prince (Mr. MacDonald), who is a Progressive Conservative and the hon. member for Springfield (Mr. Schreyer), who is a New Democrat. They all have before the house precisely the same bill. We have before us today Bill No. C-12. The bill in the name of the hon. member for Prince is Bill No. C-14, and the bill in the name of the hon. member for Springfield is Bill No. C-26. In addition to these three identical bills, the same three members have three identical resolutions on the order paper under the heading, "Private Members Notices of Motions".

Mr. Fane: Collusion.

Mr. Knowles: They are No. 15, No. 24 and No. 28. My young friend from Vegreville calls out "collusion", but I prefer to call it co-operation. It just so happens that these three members who have presented these three bills are younger chronologically than some of the rest of us in this house, but we who may be a little older chronologically like to feel we are just as young as they are in spirit.

I do not want to take up too much of the time, Mr. Speaker, for that could defeat the bill, which is so easily done in this private members hour. I do want to support the argument the hon. member has made and I earnestly appeal to the government house leader, either at six o'clock today or the earliest opportunity, to refer the subject matter of these three bills and the three resolutions to which I have referred to the standing committee on privileges and elections.

May I point out to the government house leader that it is the usual practice for us to review the Canada Elections Act after each election. This review generally results in amendments being made to that act in the light of the experience at the most recent election. I believe there has been no such amendment of the Canada Elections Act since the election of 1962. I agree that the period from 1962 to 1963 was rather short, and so was the period from 1963 to 1965.

Unless we act soon, we are going to find ourselves going into another election without having had this customary and desirable review of the Canada Elections Act. I believe this question of the age of voters is one subject that ought to be referred to that committee so that it can be dealt with before the next election. I believe too that the report of the committee on election expenses should be referred to that committee. I think the question of the names of the political parties being put on the ballot and other matters of that sort should be dealt with. These are very important matters. It is not good enough to tell us an election is not coming next month or so, because under this government time has a way of slipping by without things getting done. These issues related to the Canada Elections Act are important, and the one that is before us today is extremely important. I should like to indicate my support for the principle of the three bills and the three resolutions to which I have referred, and I urge that their subject matter be referred to the committee on privileges and elections at the earliest possible moment.

[Mr. Fane.]

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I am sure you are surprised that I should be participating in this debate. According to the hon. member for Kenora-Rainy River (Mr. Reid), I surely must belong to a generation that is so far removed from the 18-year-olds there is no contact or discussion whatever. I happen to be a person who voted when I was just 18 years of age, so I have had experience in this matter. Yet, even in that period, which the hon. member for Kenora-Rainy River would consider to be a period of rather "Middle Age" darkness, I understood what I was doing, and so did all the other people who were with me of similar age. This was in the election of 1917, over in France. Since I was in the army, I had the privilege of voting when I was under 21 years of age. I have had this experience. We were competent at that time and understood what was going on in the world. We did not know anything about television or ministers who were in charge of television. All that was beyond our ken. We knew nothing about sputniks. We did not have radios. However, we knew something about life, and we understood something of human nature. We knew there was a parliament in Canada and we knew people were elected to that parliament.

We were just as competent to cast a vote then, as long ago as that, as these modern era types who are supposed to be so much better educated than the people of the long distant past. I spent 17 years in the field of education attempting to bring along the younger generation. Most of the people who came under my jurisdiction have done rather well in life. However, I must say when I see them now I say to them, "You are all middle aged and to me you look just like all the rest of the middle aged people in Canada; I wonder why I spent so much time trying to bring you along when you were in high school?" I do not see any difference in them now.

I do not raise any objection to this bill or the other bills that are similar. I hope the subject matter is referred to the committee. The time is going to come when the age limit will be lowered. Perhaps, as the hon. member for Carleton (Mr. Bell) pointed out to me a little while ago, it should be done in conjunction with setting the age of legal liability of people. There is a move on foot now in various jurisdictions to consider whether or not age 21 should not come down to 18 from the standpoint of legal status. The hon. member thinks these things go together. When

that is done, then this age of 18 may be satisfactory.

Perhaps the hon. member approves of the change at the moment, I do not know. I am not so seriously concerned about that. I think we tend to get a little excited about when we should vote. Unless I misread some of the articles in the newspapers, the young people who had the opportunity to vote in the Ontario provincial election, in the opinion of some people, did not take full advantage of that opportunity. Whether there is a great demand amongst young people for the vote, I do not know. It is up to them.

Mr. Reid: May I ask the hon. member a question?

Mr. Churchill: Yes.

Mr. Reid: Did the hon. member read the correspondence in the columns of the *Globe and Mail* from the various presidents of the students unions outlining just what had gone on and the statistics that were used incorrectly?

• (5:30 p.m.)

Mr. Churchill: I did; I keep closely in touch with these young people in university. I am very fond of them. The hon. member for Kenora-Rainy River is attempting to say that because he is 30 years of age he is more closely in touch with the young people than we are. I may tell him a true story about that. Two 17 year old girls in the city of Ottawa were having a conversation about a new teacher who had been appointed to the school. He was a young man who had been appointed science teacher. One of these girls had been away and had returned to town. She was talking to her chum and they went through the whole story about this man who had been appointed science teacher, giving a description of him, what he was like in class, his appearance and all that sort of thing. Then finally the girl who had been away said to her chum: "How old is he?" The girl who had been in town said "He's 25, but he's young in spirit". If the hon. member for Kenora-Rainy River played hockey when he was 30, as I did, he would be considered an old man by the 17 and 18-year-olds on the team and would be called "Grandpa", as I was in my day. So I am sorry to say to the hon. member that he is really out of touch with the younger generation.

The hon. member for Kenora-Rainy River mentioned that half the population of Canada is now under 25 years of age. This has appeared in the papers and has been spoken of on public platforms. Apparently everything in Canada has now changed, they say, and Canada has become a youthful country.

I would suggest to those who write these stories and also to the hon. member for Kenora-Rainy River that they call up the head of the Dominion Bureau of Statistics, as I did, ask him for the census figures starting with the census of 1871, right down to the present as they relate to this age factor, and then they will get the same information that I got. It appears, sir, that Canada was a young country in 1871, when 62½ per cent of the people of Canada were under 25 years of age. Then as the years went by the percentage began to drop a little, and it is only now that it has picked up, according to the census of 1961 and the estimate of 1966.

So, Mr. Speaker, there is nothing new in the fact that half the population of Canada is under 25 years of age, even though this has come to my hon. friend from Kenora-Rainy River as a great revelation, as though something new has happened in Canada. When I was 18 years of age, sir, there were more people under 25 years of age in Canada than there are at the present time, keeping in mind the proportion of population. That was the youthful period of this country, so there does seem to be some confusion.

I tell my politician friends not to get led away by this information. If they are looking for people to vote for them, then those people are the 21 year olds and over. About 10 per cent of the voting population comprises people in the age group of 21 to 24 years. Those who are 70 years and over represent about 10 per cent of the voting population. If hon. members want other figures, those between the age group 21 to 34, the vigorous, active part of the voting population, represent 33⅓ per cent, while those who are 35 and over and who are getting so old and enfeebled constitute 66⅔ per cent. So to the politician who is interested in the people who are going to vote for him, I suggest he pay just as much attention to those who are over 70 as he does to those who are between 21 and 24 years of age.

If the voting age were lowered to 18 years of age, this would not make a very great percentage difference. The voting power in Canada would still rest with those people whom it is now customary to condemn—those who are 35 years of age and over. It is really too bad these people are around and we cannot get rid of them very easily. The young people will just have to wait their turn.

Even if the voting age were reduced to 18, what position would the young people be in if an election were called? Let us suppose there is an election in 1968—and I think there should be so that we can get a change in government. Let us assume that elections will now, occur every four years. There is a sort of changed idea with regard to politics these days, so let us suppose that there will be four-year gaps, as there used to be. A youngster who is 14 years of age in 1968 will have the chance to vote in 1972. But the poor lad who is 15 years of age next year will not vote until he is 19. The chap who is 16 years of age next year will not vote till he is 20, and the person who is 17 years of age in 1968 and who does not get a chance to vote next year will have to wait until he is 21 to vote in 1972. So why do we get so worried about this dropping of the voting age?

Then, Mr. Speaker, how many elections can people vote in? Starting at age 21, if you cast your vote then and live until you are 71 there are 12 opportunities to vote in general elections if they come every for four years.

That is about how the position stands. You do not get as many opportunities to vote as you would like, and some people unfortunately do not take full advantage of those opportunities when they do come. We all know how trying and frustrating it is to a politician when, after all the effort put into a campaign, the election results are turned in, you read of your success or failure the next day, and then find to your astonishment that 20 per cent of the voters did not even bother to go to the polls. These are the people whom you visited and shook hands with, knocked on their doors and said "It is so nice to meet you" and "Is there anything I can do for you?" Some politicians say all these things. Then you find these people just sit at home and look at television to see what sort of program the minister in charge of television has put on at that particular moment.

Mr. Jack Roxburgh (Norfolk): Mr. Speaker, I am very pleased to hear from the hon. members for Winnipeg North Centre (Mr. Knowles) and Winnipeg South Centre (Mr. Churchill). I am sure I am in their class as well. I will pass over the hon. member for Kenora-Rainy River (Mr. Reid) when I say that we may be old in age, old in bones and old in body, but my goodness, after hearing us today everyone ought to realize we are mighty young in heart.

In rising to speak I want first to associate myself with the hon. member for Kenora-Rainy River who has brought forward this bill, for which I commend him. I feel it is certainly time that the voting age were lowered from 21 years to 18 years and the Canada Elections Act amended accordingly.

• (5:40 p.m.)

In the recent elections in New Brunswick the people in the province voted two to one against 18-year-olds having the right to vote. I feel sure that every member of this house, be he old or young, feels that these voters would not have voted as they did had they known the facts concerning this group of young people. There is litle doubt in my mind, Mr. Speaker, that the decision of the voters in New Brunswick was affected by the antics of a few long-haired galoots who, by the way, are receiving publicity by means of television, radio and press, far beyond their importance.

As one who has had the privilege of spending a good portion of his life with young people, I have always had a high regard for their ability and over-all balance. Only because of news media and other publicity have we heard so much about irresponsible youth; they are in a minority, just as irresponsible adults are in a minority. Heaven only knows we have plenty of irresponsible adults around these days. There always have been and there always will be the DePoe's, the hippies, and others like them in the world.

Not long ago I had the privilege of appearing before a large group of students at the Annandale High School at Tillsonburg. I spoke for only five minutes and, for the other 55 minutes, to the best of my ability answered questions put to me by these young people. They asked intelligent, practical and sound questions. One could not help being impressed by the thinking behind these questions. On returning home I said to Mrs. Roxburgh, "There is one thing I know for sure, that if the students at the Tillsonburg high school are representative of students in our schools across Canada—and I see no reason why they should not be—we don't need to worry about the future of Canada."

As recently as yesterday my colleague for the constituency of Dollard (Mr. Goyer) and I visited the Port Dover composite school in my riding, where approximately 600 students attended the gathering. We also visited the Simcoe composite school, where over 1,100 students attended. The main topic of interest for the students, of course, was Quebec. The interest was so keen that we were kept by the students well beyond the time limit for

our discussion. Here again, as during my visit to the Annandale High School, the questions were intelligent and thought provoking. The hon. member for Dollard was as impressed as I was. There was no question about the intelligence of the young people we faced. I think we should give them the responsibility they are equipped to assume and eager to have.

We must realize that the young of today are better educated than we were at their age and that in experience they are better prepared for life than we were. I could cite many examples. Mr. M. Moir, a school teacher in my constituency, had this to say about the matter:

A person may graduate from grade XIII at the age of seventeen. At this time he has more education than the majority of Canadians. Usually, this person will go on to university, but not always. Many young people—girls, especially—go on to teachers college and begin a profession at the age of eighteen. Should they not have a vote?

Take my case, for example. I graduated from high school just after I turned eighteen. I went on to teachers college and earned $3,200 while I was 19. I was entrusted with the education of 30 pupils directly, and another 200 indirectly. If I was responsible enough to be entrusted with the moulding of the minds of these children, tomorrow's adults; if I was responsible enough to be able to contribute to their formal education, was I not responsible enough to be able to make a sound choice as to whom I wanted to represent me as my member of parliament?

Obviously, when he became a teacher he must have been in his nineteenth or twentieth year. He goes on to say:

When I turned twenty-one, I had taught school for two years. I had, during the second year of my teaching career, acted as principal of my school on a couple of occasions. I had to make some decisions, during these few occasions when I was acting principal, which affected over 200 pupils and six other teachers. If I was responsible enough for this job, was I not responsible enough to vote in a federal election?

There are many more people who have been, or are, in similar positions. Are they not responsible enough to be trusted by our government? Even though they are not twenty-one, are they not adults? Do they not contribute just as much, if not more, than the next person toward our society? Do they not deserve a vote in a federal election? Are they not better qualified to make a sound decision than some alcoholic or marijuana addict who doesn't even know, or care, who is the Minister of National Health and Welfare, yet has a vote because he is a citizen and is over twenty-one? Are they not Canadian citizens with just as much right to voice an opinion as the next fellow? I think they are.

There is little doubt in my mind that youth can play a big part in the present and in future in the political life of Canada. With the enthusiasm of young people and their new ideas, we shall see created a greater general interest. More important, however, is the broadminded approach that our young will bring to the political arena. There will not be that biased, political "like father, like son" outlook that was evident in the political scene of the past and which, to a lesser extent, is evident in the present.

Let us turn to the armed forces. Since September 9, 1950, the regular forces have, in effect, been on active service. Subject to qualifications such as citizenship, every member of the armed forces regardless of his age, may vote. Does it not seem unjust that because one is a member of the armed forces he can vote regardless of age, when a similar privilege is not extended to other Canadians.

We support the law permitting those of the armed forces to vote. Not everyone, however, is in the armed forces. Is it fair to deny a youth of 18 the privilege of voting because his eyesight is not quite as good as the other fellow's, because his heart is weak, or because through no fault of his he cannot join the armed forces? Is it fair to discriminate against him because he can serve his country better in an occupation outside the armed forces? Is this just? I think not.

Consider the 18-year olds in the armed forces who are responsible for expensive equipment, for aeroplanes costing millions of dollars, and for other young lives in their care. Except for the order in council of September 9, 1950, which placed the armed forces on an active service footing, the responsible young Canadians of whom I have spoken would not be allowed to vote.

• (5:50 p.m.)

The hon. member for Kenora-Rainy River (Mr. Reid) has already drawn our attention to the ridiculous situation provincially where the voting age is 18 in some provinces, 19 in others and 21 in the rest. The federal voting age is currently 21 years. Surely the young people of one province are no better and no worse than those in another province. After all, they are all Canadians, are they not? Some individuals term the lowering of the voting age from 21 to 18 years a radical reform. But is it really such a drastic transition? Let us look into the matter more closely.

What does lowering the voting age to 18 years mean to an 18-year-old? It gives him three extra years in which he might conceivably exercise the franchise. Since usually federal elections occur once every four years—and I hope this will continue to be the case—his chances of voting once more in his lifetime are from 60 to 75 per cent. It should further be considered that, of the newly enfranchised voters, the 19 and 20 year olds would have had a 60 and 80 per cent chance of voting in the next election, even without the lowered age. Is this change so drastic?

What of the present injustice? Take the case of a young man who is 20 years old at the time of an election. He will not vote until 24 years of age, perhaps 25. Fate has deprived this individual of the exercise of the franchise as effectively as would a 24 year limit. If the voting age were 18, such a person would vote at 22 at the latest. His greatest opportunity of voting would be at 20 and 21, the odds being 60 and 80 per cent, respectively. Would this not be a more effective way of administering present policy?

My final few words have to do with a matter which does not come under the jurisdiction of the federal government. I believe it to be so important however that I would like to talk about it now. It has to do with the program of political education within our schools. Some attempt should be made by the departments of education within our provinces to ensure that at least a survey of basic political theories be offered to high school students, such as a careful study of the major types of governmental systems, outlining the advantages and defects inherent in each; a thorough analysis of the parliamentary method of democracy, and more attention to the historical aspects of Canadian politics. Model parliaments and model United Nations groups should be permitted and encouraged in our high schools.

There can be no doubt that our high schools have not encouraged as they should studies in politics, political science, and in government. Many more people are going into science. We are moving right up to the moon. But what is the advantage in being a science graduate if one knows nothing at all about parliamentary methods? Such a person, when it comes to voting, is in no better position than the fellow who has no education, if he keeps within his own sphere and never moves out of it. We need this base of education within our high schools.

These are just a few ideas on the subject of education, together with a few other thoughts. I believe that if they were put into force they would go a long way toward preparing our young people for the responsibilities of citizenship. As others have done, may I urge that this bill be sent to committee for study and further consideration?

Mr. R. J. Orange (Northwest Territories): Mr. Speaker, I realize the hour is late. I believe that at this moment we are talking about extending voting privileges to a particular group of Canadians, the group between the ages of 18 and 21. I concur with the proposal as set out in the bill put forward by my hon. friend from Kenora-Rainy River. Upon examining our order paper, I find that within the next day or two there will be an opportunity once again to discuss this subject; it seems to me that if we are to talk about extending voting privileges we ought to look closely at the Canada Elections Act and at the situation of those people who are at present disfranchised because of certain peculiarities in the law as it stands.

I hope to have an opportunity later on to speak on this subject and I hope that during the next few days the government, through the leader of the house, will consider referring to a committee the subject matter of the bill before us, together with that of similar bills, so that hon. members may have an opportunity to express their views in connection with ensuring that every Canadian who is entitled to vote shall have the opportunity to do so.

Too often today when a federal general election is called there are people who are disfranchised because of circumstances over which they have no control. I believe the interests of this group of people are as important as are the interests of the group between 18 and 21 years of age. I, like the hon. member for Winnipeg South Centre (Mr. Churchill), am one of those who had the opportunity of voting in a federal election at the age of 18. I did so when I was in the services in 1945.

Mr. Speaker: Order. I regret I have to interrupt the hon. member but the hour appointed for the consideration of private members business has now expired.

Mr. Knowles: May I ask the leader of the house if he would consider asking the house to refer the subject matter of these bills to the committee on privileges and elections.

Mr. MacEachen: Yes, Mr. Speaker, I will consider that.

Business of the House

BUSINESS OF THE HOUSE

Mr. MacEachen: I should like to advise the house that we shall continue with the second reading of the broadcasting bill on Monday.

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

APPENDIX

PRESS RELEASE RESPECTING LIMITATION ON LOBSTER FISHERY

As a result of a general demand among lobster fishermen a program of limitation of the number of lobster traps per boat will be introduced in all of the lobster fishing districts in the maritime provinces commencing with the 1968 lobster fishing seasons Fisheries Minister H. J. Robichaud announced today. The numbers of traps will be reduced further in most districts in 1969.

A limit of 375 traps is to be applied in Districts Nos. 1, 6B, 7A, and 7C, and in that portion of District No. 4 between Burns Point and Baccaro Point off the southern coast of Nova Scotia. In these districts the limit is to be reduced to 300 traps at the commencement of the 1969 lobster fishing seasons. This year there was a 500 trap limit set in the northern portion of District 7B.

In District No. 3 there will be a limit of 300 traps, and this will be reduced to 200 in 1969.

In District No. 5, and in that portion of District No. 4 between Baccaro Point and Cole Harbour a trap limit of 250 has been set for 1968, with a reduction to 150 in 1969.

In District No. 6A there will be a limit of 300 traps in 1968 with a reduction to 200 for the 1969 season.

In District No. 7B there will be a limit of 400 traps in 1968 and this will be reduced to 300 traps in 1969.

In District No. 8 there has been a lobster trap limit of 250 for the past two years, and this will remain for 1968.

These lobster trap limits are based on extensive studies by both the department and the Fisheries Research Board of Canada. Mr. Robichaud pointed out that the majority of lobster fishermen in all districts favour some limitation of the numbers permitted to engage in the fishery and, in addition to the trap limits, consideration is being given to means of restricting entry into the lobster fishery in an equitable manner.

Earlier this year Mr. Robichaud pointed out that lobsters are a vital resource for thousands of Canada's inshore fishermen. This made it imperative that this resource be managed as wisely as possible to ensure its continuance on a profitable basis to the fishermen.

The lobster fishing effort has greatly increased in the past several years, and thousands of small boats are engaged in harvesting this lucrative crustacean. Last year there were 25,000 lobster fishing licences issued. This was 200 over the previous year. In 1966 more than 30 million pounds of lobster were landed, and a total of $18,000,000 was received by fishermen.

The areas covered by the different districts are as follows:

District No. 1—In the bay of Fundy off the New Brunswick counties of Charlotte and St. John.

District No. 3—In the bay of Fundy off the Nova Scotia counties of Annapolis, Kings, Hants, Colchester and Cumberland, and the New Brunswick counties of Albert and Westmorland.

District No. 4—Off the Nova Scotia counties of Digby, Yarmouth, Shelbourne, Queens, Lunenburg and part of Halifax county.

District No. 5—Off the Nova Scotia counties of Guysborough and that part of Halifax County east of Cole Harbour.

District No. 6A—Takes in that part of the southern-eastern shore of Cape Breton island from Pointe Michaud to Indian Pt.

District No. 6B—That part of Cape Breton from Indian Pt. to High Capes.

District No. 7A—Off the Nova Scotia counties of Richmond and that part of Guysborough between Ragged Pt. and Pointe Michaud.

District 7B—Takes in Nova Scotia counties of Inverness, Antigonish, Pictou, Colchester and part of Cumberland, and the P.E.I. counties of Queens and Kings and the north shore of Prince county.

District 7C—Off the New Brunswick counties of Restigouche, Gloucester and Northumberland.

District 8—Off the New Brunswick counties of Kent, Westmorland and part of Cumberland, also off the western side of the P.E.I. county of Prince.

HOUSE OF COMMONS

Monday, November 6, 1967

The house met at 2.30 p.m.

ROYAL ASSENT

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

Government House, Ottawa, November 6, 1967

Sir:

I have the honour to inform you that the Honourable J. R. Cartwright, M.C., Chief Justice of the Supreme Court of Canada, acting as Deputy of His Excellency the Governor General, will proceed to the Senate chamber on November 6, at 4 p.m., for the purpose of giving the royal assent to certain bills.

I have the honour to be,
sir,
Your obedient servant,
A. J. Cherrier
Assistant Secretary to the Governor General

HOUSE OF COMMONS

ONE HUNDREDTH ANNIVERSARY OF FIRST SESSION OF FIRST PARLIAMENT

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker we are marking a most important occasion in our history, the opening of the first session of the first parliament of Canada. To use a phrase from the Commons *Journals* of that day, this first sitting was "begun and holden" exactly a century ago today. The great Canadian parliamentary political debate began, the vigorous expression of free democracy which has continued to this moment, or to the moment that will shortly follow this one.

Some hon. Members: Oh, oh.

Mr. Pearson: Politics could be contentious in those days with a vigour of conflict both in debate and in election that would hardly be tolerated today. Indeed, there was proof of this in the fact that when the first sitting was opened on November 6, 1867, there already was a vacant seat in the house. The returning officer for Kamouraska had been unable to conduct the election in that constituency. "The hustings" which, in his words, "I had caused to be erected on the gallery of the sacristy" had been destroyed. He had himself been attacked by the mob and had been told by a delegation that unless he gave up the writs of election, his house would be demolished and he would be in danger of personal molestation.

The election was postponed.

But if politics was more lively in some areas in that confederation year, it was less so in others. Of the 181 seats in the commons for its first session, some 40 had been filled by acclamation. Perhaps one reason may have been that the sessional allowance for members was only $600.

Ottawa was a lively town for the occasion of that first opening. As some kind of portent, perhaps, of things to come the new capital had been hit by the worst windstorm in years a couple of days before the opening.

Mr. Knowles: It has never stopped.

Mr. Pearson: It has been blowing ever since. The sitting opened at the hour which has long since become the usual hour for the opening of new sessions, 3 p.m. The military were out in splendid ceremonial force; flags flew from public buildings and many private homes; all carriages coming to the hill for the event had to be here by 2.30 because at that time the gates were closed to all but the Governor General's.

But not everyone in the capital came up to the hill for the occasion. At 2 p.m. that day a lacrosse match was started in another part of the city and was reported to have been very well attended. The night before a group of visiting United States gymnasts and acrobats opened at Her Majesty's Theatre, where later in the week they were replaced on the bill by "The Fakir of Vishnu", a magician. The cynic might say that the character of the week's entertainment was not inappropriate to mark the parliamentary occasion. It was certainly appropriate that the great song of the day advertised by a local music store the day before the first sitting should be entitled "Put Your Shoulder to the Wheel".

• (2:40 p.m)

It was a momentous week, for earlier the till of a certain barroom had been robbed twice in three days; and the governor of the local jail had surprised a would-be

intruder—a would-be intruder at the jail—whom, according to a news report "He belabored with his blackthorn at a most unmerciful rate."

Less amusing, then or now, was the fact that in New York that week interest rates on call loans were 6 to 7 per cent, and discounts were 7 to 9 per cent. Railway shares were dropping, the stock market was unsettled, but government issues were "steady".

A sombre portent of critical things to come was noted on the eve of the opening by the Ottawa *Times* when it reported that "several representatives of the fourth estate have also entered an appearance" in the parliamentary premises. It was soon too late to do anything about this intrusion, which persists until this day.

The main business for the first day of the first Canadian parliament was, as today, the selection of a Speaker. Even at that time the newspapers engaged in speculation, one forecasting on the morning of November 6 that it would either be James Cockburn from Ontario or John Grey from New Brunswick.

As it turned out, that afternoon Sir John A. Macdonald nominated Mr. Cockburn and he was seconded, in French, by Sir Georges Etienne Cartier.

The events of the first sitting were almost —but not entirely—harmonious. It was another portent of things to come that the first recorded division of opinion in the Canadian House of Commons was over bilingualism. Mr. Joseph Dufresne, the member for Montcalm, objected, in a speech described in news reports as "lengthy", to Mr. Cockburn's appointment on the grounds that he was not sufficiently acquainted with the French language to fulfil his duties.

Cartier replied, along lines which have become courteously normal, that while Mr. Cockburn's French might not be as good as his English, the new Speaker nevertheless understood French—he had learned it at school—and there should be no inconvenience on that score.

But this was the only ripple of division on that first day. To quote the Ottawa *Times* again:

> So far the utmost harmony has characterized the intercourse of members and, from all we can hear, the reign of faction has received a wholesome check from the extention of our national existence and the consequent enlargement of the views of the statesmen of the Dominion of Canada.

The speech from the throne for that first session of our first parliament was not read until the second sitting day, on November 7, 1867. It would appear, however, that government "leaks" could happen even in those days. In a morning newspaper of November 7, published hours before the speech from the throne was read, much of its content was forecast in paragraphs beginning with such phrases as "It will very likely be stated that..."; "It is also very probable that..."; "The attention of the house will also, in all probability, be invited to..." All that was missing on that occasion was the "informed sources."

On November 7, when the opening ceremonies were finished in the Senate chamber, the throne speech was read a second time in the House of Commons, a precedent that was not followed for long, and Canada's first parliament was under way. A newspaper concluded its comment on this historic moment with the admonition:

> We hope, therefore, to see a session of practical work rather than party bickering.

This admonition, Mr. Speaker, echoes the words of the speech from the throne itself, in which the Governor General prayed that the parliamentarians might be endowed with a "spirit of moderation and wisdom." The Governor General in that first throne speech also referred to the estimates to be laid before parliament. His words sound familiar, because he asserted that:

> —they have been framed with all the attention to economy which is compatible with the maintenance of efficiency—

The amount required in those first estimates was $521,593, and there were complaints of extravagance.

Since that opening day, Mr. Speaker, the parliament of Canada has grown in importance, in power, and in the scope and nature of its responsibilities. It has grown, as the country has grown, and it has reflected the troubles and the triumphs of that growth which has brought Canada from a partially self governing colony to a respected and strong independent and united state in the world; which has brought parliament from an assembly with limited requirements and desire to intervene in the lives of its citizens no more than was absolutely necessary for the discharge of its duty to ensure peace, order and good government in the narrowest sense, to a parliament which has accepted almost every kind of responsibility for the life and welfare and progress of the citizens.

Parliament, Mr. Speaker, up to the present has been able to ensure that the growth of bureaucratic power, which has inevitably accompanied these developments, has not destroyed the basic rights and freedoms of the individual citizen. Our parliament has led the nation through the sacrifice and the agony of war. It has been the effective agency for the expression of public opinion in the recurring crises of peace.

I know that parliamentary institutions are under fire these days, but let it be said once more that no alternative form of organization for the development of political society has ever been discovered or developed which has been able to make half so well the essential reconciliation of liberty and order, of free enterprise and public responsibility, necessary for a healthy, democratic state.

Some hon. Members: Hear, hear.

Mr. Pearson: Conditions have changed with breathtaking speed these latter years, and to be able to play its traditional role as the agency for expressing best the people's will, parliament must change too, adapting its way and rules to new requirements without losing its essential effectiveness as the protector of the people's rights and liberties. To make this change without weakening this purpose—that, Mr. Speaker, is now our responsibility, and a serious one indeed. Perhaps it is well to remind ourselves of this responsibility as we commemorate today the first session of the parliament of Canada, opened at this place 100 years ago.

Some hon. Members: Hear, hear.

• (2:50 p.m.)

[*Translation*]

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, the proper thing to do today is to express our faith, first in our parliamentary institutions and then in the future of our country.

If it is true, as some people claim, that we have come to a cross-roads, it is more urgent than ever for everyone of us to make a wise choice. The immediate task of our second century involves urgent reforms of parliament and a careful study of our constitutional problems. The opportunities provided by parliament to solve our problems must not be overlooked. National unity should remain our essential and prime objective. Without that unity, nothing lasting will be built, either within provincial jurisdictions or throughout Canada.

I am convinced that the only possible choice remains national unity. It is the only thing that will enable us in this exceptionally bountiful part of the world to achieve the unique human experiment of brotherhood in social peace and prosperity.

In this continuing dialogue, Mr. Speaker, our heart must share as well as our mind and our reason. We have in common a unique heritage which is Canada. That is why I make bold to say that it is as important for our heart to share as for our mind. Let us then continue profitable discussions, but let us always keep Canada as an ideal.

[*English*]

Hon. Michael Starr (Leader of the Opposition): Mr. Speaker, on behalf of the members of Her Majesty's loyal opposition I welcome this opportunity to associate our party with the remarks of the Prime Minister with regard to the significance of the anniversary which we mark here this afternoon. The official record of the debates of the House of Commons for November 6, 1867 bears the following heading:

> First session of the first parliament of the Dominion of Canada called for the despatch of business on the 6th day of November, 1867.

Canada then had a population of four million people. Travel was slow and laborious. I believe it took as long to go from Ottawa to Montreal as it would take today to go from Montreal to Rome.

Speaking in the house on that day, Sir John gave the qualities required of a good Speaker. He said:

> He should be a man of parliamentary experience, well acquainted with the practice of parliament, versed in the mode of conducting the business of this house and able to decide promptly and correctly the various questions of practice and order which would come before parliament. His demeanour at the same time, must be agreeable and courtly.

These requirements have not changed. Parliament in that day possessed those attributes in the presence of Hon. James Cockburn. Parliament today, Mr. Speaker, possesses those attributes in the person of yourself. No office is more important for the proper conduct of parliamentary business, sir, than the one you hold. You have held it with courtesy, firmness—sometimes we in the opposition feel with a little more firmness than necessary—address and ability. You have been a worthy successor to your distinguished predecessor, Hon. James Cockburn.

Anniversary of First Session of Parliament

The throne speech the Prime Minister referred to of 1867 dealt with the foundation of a new Canadian nationality which, it was hoped, would extend its bounds from the Atlantic to the Pacific ocean. It has done so. At the same time the bounds of this nation have been extended from the United States border to the Arctic sea. May we in this parliament display the same care and determination in maintaining those boundaries as they did in establishing them.

The throne speech, representing the views of Sir John A. Macdonald's government and his own, pointed out that in the drafting of the British North America Act the representatives of the Canadian provinces had every freedom in arranging the kind of union they wished to establish. The union bringing about confederation made of those provinces a free and self governing people. It is noteworthy that this union in confederation has also brought to this nation of ours the greatest prosperity of any nation in the world today. Canada is a prosperous nation; Canada is a free nation, and Canada must remain a united nation. No nation on the face of the earth enjoys the advantages in peace and freedom which we have today, search where you will. In Europe there is no peace and freedom to compare with what we enjoy here. The history of Europe is one of hundreds of years of mutual aggression based on division. The United States is a federal union covering half a continent. There is prosperity and freedom there not enjoyed anywhere else on earth with the exception of Canada. Canada is a federal union covering half a continent. That union and that unity have brought peace, plenty and prosperity. That peace, prosperity and plenty shall prevail, even though there are some who would surrender it for division and dislike.

The history of the development of this nation is the history of parliament. Parliament has played its part every foot of the way from the building of the C.P.R. to the building of the St. Lawrence seaway. The people have had their say through their representatives in this chamber. Parliament must be made more efficient and must be adapted to the times. This cannot be done by stifling the voices of those representing the Canadian people. The parliamentary system is the system of the common man. It is not the system of the experts, the powerful or the privileged. It is the only system ever devised in which the majority of citizens can make known their wishes and in which the minority can be protected. It is not and cannot be a system for crushing out minorities or placing the weak at the mercy of the strong. Parliament must at all times be in the service of the people.

This Canada of ours is a great nation. It is a magnet and beacon to those from other lands where freedom has been crushed out, where hope has died and where misery has become a way of life. Hundreds of thousands have come and will come to join their lot with ours, to become Canadians and to preserve in this land that light of freedom which in so many countries flickers feebly or has gone out.

We in this parliament must act on behalf of Canadians and strive for unity in this land and for the strengthening of our institutions. We must act for the assertion of our territorial sovereignty from coast to coast and from ocean to ocean. The nation which sleeps sometimes fails to rise again. We have a responsibility to protect and defend this nation so that freedom under God shall not perish from this land.

• (3:00 p.m.)

Few nations have done more in one hundred years, and in few countries has parliament so fulfilled its role. Were Sir John and Hon. Mr. Cockburn able to be with us this afternoon, Mr. Speaker, I am sure they would be well satisfied with the work they started so ably 100 years ago today.

[*Translation*]

Mr. Roger-E. Régimbal (Argenteuil-Deux-Montagnes): Mr. Speaker, when speaking today of 100 years of parliamentary life under confederation, we cannot readily ignore, due to tactfulness or unconcern, the fact that, at this very moment, some people in Canada speak of 100 years of injustice. Because of this, which concerns all Canadians, I should like to speak on that particular point.

One needs but read the parliamentary annals and *Hansard* to see that throughout our parliamentary history, French Canadians from Cartier and Laurier on, have made a positive contribution to our federal system that no one should be ashamed of, but on the contrary that is a source of legitimate pride.

On the other hand, if we go back to the first days of confederation, particularly the few years preceding it, we cannot avoid noticing that the activity of the French-speaking national group was inspired by and directed

to its very survival within the English-speaking majority of the community. Our families, our communities, our institutions concentrated their energies on this survival. This activity then, operated within the group and such efforts necessarily resulted in the alienation of the majority feelings towards us, not so much wilfully as through ignorance or lack of interest in the French fact.

It is only in the last twenty or twenty-five years that the French-speaking group has acquired enough confidence in itself and in its own survival to assert its presence and concentrate its efforts on its development in all areas of Canadian life.

Since then, its institutions are packed with first-rate candidates in every professional, economic, political, social and national sphere. This presence is more and more tangible, and it is not surprising that the English-speaking majority wonders about this new self-assertion, because until then, it had shown no interest and it still offers a certain resistance.

That this resistance will be interpreted as opposition and intolerance in some quarters seems inevitable, just as it is inevitable that some elements of the minority will express very vigorously their impatience and their desire to participate fully.

If we realize that the constitution is good enough to allow at least the survival of the French-speaking minority, all our efforts must now be directed towards creating the climate that will facilitate its full maturity and its full development; there is no doubt that this Canadian identity we are all anxiously looking for will come out of it. From then on the French participation will be less deeply felt by the strength of its claims than by the worth of its contributions, provided of course that it is given by all the instruments which the French fact will need to ensure its own development.

This would be specified in a revised constitution that would be more closely in contact with Canadian reality.

In the same way that, throughout the world, forces built on the single premise of class warfare will wane, the day people of the world merge into one class of free citizens with equal opportunities, the minority that speaks of 100 years of injustice will be forced into silence when such equality is effectively provided both in our minds and our statutes.

A hundred years ago, governor general, Viscount Monck, stated before the house, which numbered 180 members at the time, that legislation had to be enacted to put this constitution, which was quite new in some respects, to a full, reasonable, prejudice-free test.

The present parliament is only taking over in performing that task, by finding the legislative measures which will give the best chances of success to modern-day realities.

Let us put an end to the pessimism of a small number by reminding ourselves of the quotation of a youth of 23: "Confederation will be the grave of the French race and the ruin of Lower Canada", said that prophet of doom. Yet, he himself proved his saying wrong by later becoming Prime Minister of Canada. I quoted Sir Wilfrid Laurier.

And so, on this one hundredth anniversary, let us, members of parliament, live our act of faith by making of Canada our top priority.

[*English*]

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, the members of the New Democratic party are happy to associate themselves with the other parties in the house in noting this historic occasion, the one hundredth anniversary of the meeting of the first parliament of Canada. It is not without significance that this anniversary should follow so closely upon Guy Fawkes day. A former member of this house, the ebullient Gerry McGeer, once said that Guy Fawkes was the only person he had known who approached parliament in the right frame of mind.

The newspaper reports of that first parliament in Ottawa on November 6, 1867, say that after having selected the Speaker, the House of Commons went into closed session. While no records were kept as to the decisions reached then, the newspapers said it was their opinion that a decision had been made to close the bar in the House of Commons. I have no doubt this was in order to give effect to Sir John A. Macdonald's plea for a sober second thought.

In taking note of this important anniversary I think we have to remember that the problems which face this parliament are vastly more complex than those which faced Canada's first parliament. We live in a technological society, in the midst of growing urbanization, in a world which, as McLuhan has said, has become a global village. While the instruments at hand are most sophisticated, the problems are much more far reaching and terrifying. Yet I should like to submit to the house that the basic problem, the problem of human relations, the problem of people learning how to live together, is still the same.

Anniversary of First Session of Parliament

The fact that the first debate in the first parliament had to do with bilingualism indicates that we could have a similar debate today, and that the problem of finding ways and means by which two great cultures could live together in harmony and unity is still with us. The Greeks have an old saying that the more things change, the more they are the same. The problem which faces Canada today is much the same as the problem of 100 years ago; that is, how those of us who are English speaking and French speaking Canadians can work together to make this the great nation that our forefathers dreamed it might be.

If there is any common purpose which binds us together in this house, irrespective of party, it is the desire for a unified and a vibrant Canada. We hear talk of separatism. I think the talk is much more vociferous than the extent to which that sentiment is shared by Canadians. But I think we have to say, and say it repeatedly, that in the opinion of the great majority of the members of this house any kind of separatism is unthinkable, unnecessary and undesirable.

• (3:10 p.m.)

This parliament, of course, deals with a much larger area and many more regions than did the first parliament. In 1867 Upper and Lower Canada and the two maritime provinces came together in a confederation, but the great western area was untouched. Prince Edward Island and Newfoundland were still outside. British Columbia and the prairie provinces, Prince Edward Island in 1873, and Newfoundland in our own lifetime, joined confederation so that now it stretches from the Atlantic to the Pacific and from the forty ninth parallel to the Arctic ocean.

This means that we have more diverse problems, and that we have regional problems which must be recognized and met. One hundred years ago national unity mainly centred on the problem of bilingualism, but today if we are to have national unity the solution of biculturalism by itself will not be sufficient. National unity today must also be founded on equality of opportunity for every citizen in Canada, irrespective of where he or she may live and irrespective of their race, colour or religion. Unless we can provide social and economic opportunity and security for Canadians in every region of this country, we will not be able to build the kind of unified and vital Canada that all of us desire.

One of the problems which faced our forefathers in that first session of the first parliament was the growing desire for independence, because although in 1867 Canada was to have control of its own affairs it still was tied to a very considerable extent to the apron strings of Whitehall and much of its foreign policy and its military affairs were in the hands of the government of the United Kingdom. Even in the first world war Sir Robert Borden had to fight hard to retain the identity of the Canadian army and to prevent Canadian units from being dispersed throughout the British army. It was not until 60 years after confederation that we got the Statute of Westminster making Canada completely sovereign in its own right.

In this year 1967, the change in economic, trade and investment policies has altered the direction of the threat to our independence. We no longer have to worry about breaking the shackles of colonialism with Great Britain. We are now in danger of becoming an economic satellite of our great neighbour to the south. This poses a new set of problems and demands a new set of solutions. We pride ourselves that we have lived in friendship with our great neighbour to the south and we want to continue to do so. But at the same time, as Canadians we must continue to assert the kind of independence that our forefathers had in mind when confederation was established.

On this important occasion it seems to me this is the time for us to do two things: first, pay tribute to the members of that first parliament, to those men who "saw beyond the lean horizon of their days," and say of them that they built better than they knew; and the second, for us to so conduct ourselves in this parliament that we shall be worthy of those who went before us and earn the gratitude of those who come after us.

[*Translation*]

Mr. David Lewis (York South): Mr. Speaker, although unfortunately I am not of French Canadian origin, may I be allowed to say a few words in French on behalf of our party.

When we remember the problems with which the members of parliament were faced a hundred years ago, we notice with some surprise that many of them still remain. National unity, bilingualism, equality among the various parts of the country, the true independence of the new nation, all those problems still require our attention and our wisdom. We have made tremendous progress but the basic problem, of human relationship still remains.

We are all proud of our parliament, our advances and our democracy. In my opinion, we have the duty today to revise our rules and parliamentary procedure, to modernize our practices and even our ideas so as to solve our serious problems and particularly the problem of national unity.

Mr. Réal Caouette (Villeneuve): Mr. Speaker, I listened with great attention a while ago to the remarks of the Prime Minister (Mr. Pearson) who told some stories about the first session of the first Canadian parliament. I think that there were only two parties in the house at that time, the Conservative and Liberal parties. Now, we must admit that parliament has grown richer these past years, since there are here good Social Crediters.

Mr. Speaker, nobody mentioned that, in 1867, the sovereign government of Canada which was sitting for the first time and which had to pass some legislation was tackling the same problems which we are now experiencing. But then, the Bank of Canada did not exist. It was created later. And we are still facing the same problems as in 1867.

And when, in 1934, the government decided to establish the Bank of Canada, it was to achieve financial independence in order to make it possible to gain economic independence. Now, we have parliamentary independence. We are using it after a fashion. The fathers of confederation did not know what we know today and could not anticipate that we would now face productivity and development problems. Canada was vast; means of communications were non-existent and it took ever so long to cover a constituency. There were no automobiles, no railroads, no airplanes. People did not know each other at all.

• (3:20 p.m.)

Times have changed a lot; the problems too have changed and solutions must change. Yet, we have not achieved our economic independence.

Having said this, Mr. Speaker, let us revert to the more serious concerns of today, the celebration of the 100th anniversary of the first sitting of the first session of modern Canada.

Since this first session, where only four provinces were represented, many things have changed. Six provinces have been added to the four original ones, in addition to two territories, the Yukon and the Northwest Territories which have joined Canada, and our beautiful and vast country has since undergone stupendous, I might even say miraculous, development and progress.

During one hundred years, our country has experienced glory but also many blighted hopes. It has been in constant evolution involving concrete and happy achievements but also many cases of injustice which should not repeat themselves at the dawn of a new century.

Everyone knows that we have a constitution which confers rights and imposes duties to the federal as well as to provincial governments. The most elementary justice, understanding, tolerance should not be the responsibility of only one sector of our country, and that is why I say to the Canadian nation that the letter and especially the spirit of the Canadian constitution have, until now, been respected only in the province of Quebec. That is why, Mr. Speaker, on the commemoration of our Canadian parliamentary institution, I urge the leaders and the people of all Canadian provinces to treat in their respective boundaries our French-speaking minorities as Quebec has treated and is still treating the English-speaking minority within its boundaries. It is on that condition only that we will be able to achieve fully the understanding, the friendship and the unity so necessary to the development and the maturity of our wonderful country.

Co-operation and tolerance are not one-way streets. An English-speaking Canadian must feel at home everywhere in Canada, even in Quebec, but a French-speaking Canadian must feel at home not only in Quebec but in all the provinces of Canada. That does not mean, Mr. Speaker, that all English-speaking Canadians must learn French, no more than all French-speaking Canadians must learn English. No. But that means that within their respective provinces, if Canadians really accept the fact of co-existence or the circumstances in which they should live, they ought to learn, at all costs, to respect others who do not speak their language, who do not have the same culture, and I say that not only in my own province but in every province.

I think that the central government which has no business interfering with provincial matters, could at least make suggestions when federal-provincial conferences take place. It could suggest to the provinces which have trouble understanding the situation, to exert at least tolerance, fairness and understanding towards French-speaking or English-speaking Canadians.

This means that steps must be taken so that all Canadians may be fully respected

everywhere all across Canada. Reference is often made to unity in diversity and that is possible only if, in Vancouver as well as in St. John's, Newfoundland, the same treatment is given to the French minority, one of the founding peoples, as is often said of Canada in 1867.

That unity, Mr. Speaker, will ensure peace, security and freedom to all our people.

[*English*]

Since 1867, Mr. Speaker, this country has twice been defended by Canadians of all origins.

Some hon. Members: Hear, hear.

Mr. Caouette: While our young Canadians have had to serve both in this country and abroad to protect the things the Canadian people as a whole believed in, they have been forgotten too often. I think our parliamentary institution has the obligation and responsibility to think a little more about these Canadian youngsters of all origins who have served their country.

Our country is an outstanding one; everyone agrees with that. Our parliamentary institution has been given the task of maintaining in this land of ours peace and prosperity, and is responsible for creating an economic climate that will permit the realization of true national unity. I do not mean unity in words alone, but a true national unity which will serve the best interests of our people and the future of this great country of Canada.

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, during the past months we have had a great many activities and events across this nation which have reminded us of the fact that 100 years ago the Canadian nation was born through the act of confederation. All of us have been inspired, and I am sure we are all glad we are Canadians. All these events were of great significance, but I believe this particular event we are commemorating is possibly of the greatest significance to us as Canadians. Therefore the members of this party join in recognizing and acknowledging the benefits and accomplishments of the parliamentary system which we have in Canada today. This is indeed an historic occasion, Mr. Speaker, and it is an honour to be a member of this parliament as we pause today to remember that 100 years ago the first session of Canada's first parliament was convened.

[Mr. Caouette.]

If the only criterion for determining whether or not an institution or a system should or should not be continued is newness, this institution which has served us for 100 years would now be discarded. If, however, durability and proven worth are the determining factors, I believe we should jealously guard our parliamentary system today and for generations to come.

Appreciating the heritage established by the mother of parliaments, and challenged by those who laid the foundations well and strong in this our own land, it is our hope that we who participate in this twenty seventh parliament of Canada will maintain standards of sincerity and service that will enhance its worth in the eyes of the nation and work effectively in the interests of Canada and the world.

• (3:30 p.m.)

Mr. Robert Simpson (Churchill): Mr. Speaker, like other hon. members of this house I listened with interest to the stirring words which have been spoken on this momentous occasion, words which have emphasized that the most important matter concerning us today is national unity.

As one whose paternal grandfather was a member of the first parliament of Canada I should be remiss in my duty if I did not now say a few words about an important subject which has not been mentioned. Wemyss Mackenzie Simpson, who sat in the first parliament of Canada and later became, as I recall, commissioner for Indian affairs, was given the task of drawing up many of the treaties with our native people throughout western Canada and particularly in Manitoba.

Much has been said about the rights and privileges of minorities in our country. I am sure you will understand that I and other hon. members of the house are concerned that the rights and privileges of some, particularly our native people, have been not only abrogated but done away with. Though the Indian people of Canada today have received many benefits which are not theirs by right under any treaty, rights and privileges which were granted to them under treaty are being abrogated.

This historic centennial event is an opportune occasion for members in this house—and I hope hon. members who follow us will feel this way also—to urge the government to discontinue acts by which treaties which were made earlier with these people are

being abrogated. Should parliament on some future occasion feel that doing away with treaty rights might be beneficial for our native people, I hope any such action that may be taken will not be taken until there has been full consultation with and agreement of our native people in order that their rights and privileges may be preserved.

Mr. Speaker: Is it the wish of the house that these speeches be printed, as delivered, in *Votes and Proceedings*?

Some hon. Members: Agreed.

BROADCASTING, FILMS AND ASSISTANCE TO THE ARTS

First report of standing committee on broadcasting, films and assistance to the arts—Mr. Stanbury.

[*Text of the foregoing report appears in today's Votes and Proceedings:*]

CUSTOMS TARIFF

TABLING OF PROPOSED AMENDMENTS UNDER KENNEDY ROUND

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, I seek permission of the house to table at this time ways and means resolutions proposing amendments to the customs tariff to implement Canada's commitments under the Kennedy round agreement.

Mr. Speaker: Is that agreed?

Some hon. Members: Agreed.

Mr. Sharp: There are eight resolutions which when printed will fill a volume of more than 100 pages. They are additional to the four tariff resolutions which were presented in the budget and which are now before the committee of ways and means.

The longest and most important of the new resolutions sets out in detail the reduced rates of duty which are to come into effect either in a single step on January 1, 1968, or in annual stages over a period not to exceed four years commencing on that date. The other resolutions provide for a number of consequential changes in other tariff provisions: for a broadening of the item providing for duty free entry of certain machinery and equipment for grading fruits and vegetables; and for the implementation of the results of negotiations which were conducted concurrently with the Kennedy round in order to permit action on tariff board reports relating to mining machinery and certain electronic apparatus.

Chemicals are not dealt with in these resolutions, nor are anti-dumping duties. Legislation relating to these matters will be introduced in due course, with a proposed effective date of July 1, 1968.

The resolutions I am tabling propose that our Kennedy round tariff concessions be implemented by statute. However, in order to safeguard Canada's position in the event that one or more or our trading partners should not be in a position to implement their commitments in accordance with the agreed timetable, it is proposed that the statute empower the governor in council, by order, to postpone the coming into force of the concessions provided for therein.

I suggest that these resolutions should be printed and appended to today's *Votes and Proceedings.*

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

Hon. George Hees (Northumberland): Mr. Speaker, the official opposition welcomes the presentation of these resolutions to parliament. We shall examine them carefully once they come up for discussion. We are glad to see that the government has retained considerable flexibility in the implementation of these tariff reductions, as it is obvious that flexibility will be required in the months ahead.

As we know the purpose of these tariff reductions is to increase the flow of trade by removing impediments to trade among the countries of the world. It has become obvious nevertheless in the past two weeks that some in the United States would nullify the advantages that should rightly accrue to Canada when, as the result of greater flexibility in trade, the United States reduces its tariff on our products. Some in the United States would nullify any advantages Canada would enjoy by seeking to implement import quotas against our goods. Such quotas would nullify any advantages which might accrue to Canadian industry through lower United States tariffs.

Senator Everett Dirksen, the minority leader in the United States Senate, said this at a press conference on Friday afternoon:

> Congress will impose at least some import quotas, despite threats of a presidential veto.

Senator Dirksen, in other words, as minority leader has good grounds for believing that

congress will obtain the two thirds majority that is necessary to override the presidential veto. We must persuade those in the United States who wish to carry out such an action, the imposition of import quotas, not to do so. We can persuade the government of the United States not to impose its quotas if the government of Canada says to the United States government and to the United States people that we have no intention of lowering tariffs with respect to any goods coming from the United States if, on similar goods coming from this country, the United States imposes import quotas. A clear cut statement to this effect by this government will deter those in the United States who seek to impose quotas.

We sincerely hope these quotas will not be imposed. We hope the great benefits which President Kennedy thought would flow from a reduction in tariffs will be achieved.

Some hon. Members: Hear, hear.

Mr. David Lewis (York South): Mr. Speaker, I wish to say only a few words on behalf of our party. Every forward looking person has greeted the idea of freer trade in the world with enthusiasm. I share the concern of the hon. member for Northumberland, and no doubt the minister and his colleagues feel an equal concern about certain proposals in the United States. I wonder whether we could empower the governor in council not only to postpone the coming into force of any resolution but, as well, enable him to withdraw any cutbacks in our tariff if, later, quotas are set against the importation of Canadian goods.

• (3:40 p.m.)

I should also like to say that as is the case in other such situations, the ancilliary legislation which I understand is to follow is just as important as are these resolutions. I refer to the legislation which will deal with the transitional period during which industry and workers will be adjusting to the cuts made following the Kennedy round, legislation which will, I hope, make provision for the capital and retooling required by industry as well as for opportunities and funds for retraining and relocation of employees. All of this, to us, makes one package and we are looking forward to discussing these measures as well as the resolutions.

Mr. R. N. Thompson (Red Deer): I would only say on behalf of this party that we welcome the announcement by the minister with regard to the resolutions which are to be introduced.

[Mr. Hees.]

Surely this action is urgently required; one can but agree with the hon. gentleman that it is wise to retain with the governor in council the prerogative of determining when the Kennedy round concessions should come into effect, especially when one hears repeatedly about the attitude of the United States in implementing its own policies and the Kennedy round agreements which have been referred to earlier. It may also be necessary for the governor in council to retain the prerogative of withdrawing from some of these agreements should circumstances justify taking such action.

The disastrous effect on Canadian agriculture caused by the shift in United States wheat marketing policy following failure to renew the international wheat agreement is evidence that Canada must stand firmly on her own feet. In this regard I will only say I regret that Canada did not take a firmer stand earlier on this issue. It is certainly imperative that we safeguard our position in the future vis-à-vis other nations in respect to the Kennedy round agreements.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

*DISMISSALS OF PUBLIC SERVANTS FOR SECURITY REASONS

Question No. 381—**Mr. Bell (Carleton):**

1. Pursuant to section 7(7) of the Financial Administration Act, as enacted by section 3 of chapter 74 of the Statutes of Canada 1966-67, has the Governor in Council promulgated regulations providing for the conduct of an inquiry into the dismissal of any public servant in the interest of the safety or security of Canada?

2. If so, on what date?

3. If not, what consideration has been given to the matter?

Hon. E. J. Benson (Minister of National Revenue and President of the Treasury Board): The answer is as follows: 1. No regulations have been promulgated, and no case has arisen which would require provision to be made for such an inquiry.

2. Not applicable.

3. As a result of consideration by the officials responsible, the matter was referred to the royal commission on security as one falling within its terms of reference and on which it would clearly be desirable to have the advice of the commission.

CONSCIENCE CLAUSE IN COLLECTIVE BARGAINING AGREEMENT

Question No. 386—**Mr. Bell (Carleton):**

1. In the conduct of collective bargaining negotiations with bargaining agents as defined by the Public Service Staff Relations Act, has any employer, as defined in subsection (i) or (ii) of section 2(o) of that act (a) requested, or (b) insisted, upon the inclusion of a so-called "conscience clause" in the collective bargaining agreement which would relieve those persons who object on religious or conscientious grounds from the provisions of the agreement on condition that they make equivalent fees contribution to a recognized charity?

2. If so, with what result?

3. If not, will consideration now be given to this problem?

Hon. E. J. Benson (Minister of National Revenue and President of the Treasury Board): 1. No.

2. N/A.

3. Consideration will no doubt be given to the problem of appropriate forms of union security, and to the views of conscientious objectors, during the process of negotiations.

ADVISORY COMMITTEE ON PUBLIC SERVICE

Question No. 388—**Mr. Bell (Carleton):**

1. Has the government taken any action to implement the recommendation of the special joint committee on the public service of Canada that an advisory committee be established to consider the salaries and other terms and conditions of employment of persons excluded from bargaining units?

2. If so (a) what is the nature of such action (b) who are the members of such committee (c) what are its terms of reference?

3. If not, when may action be anticipated?

Hon. E. J. Benson (Minister of National Revenue and President of the Treasury Board:) 1. Yes.

2. (a) An announcement was made on September 13, 1967, that the government had decided to establish an advisory group on executive compensation in the public service. (b) Appointments to this group, which will be composed of five eminent Canadians, will be made soon. (c) The advisory group will from time to time make recommendations to the government on: (1) the rates of pay and conditions of employment in the public service; and (2) the principles that should govern determination of the rates of pay and conditions of employment of other public servants employed in a managerial or confidential capacity.

3. N/A.

MEDICAL PAYMENTS, NORTHWESTERN ONTARIO INDIAN AGENCIES

Question No. 420—**Mr. Reid:**

1. In each of the past five years, what has been the total moneys paid out by Indian medical services of the Department of National Health and Welfare in the Indian agencies of Kenora, Sioux Lookout and Fort Frances?

2. What was the total amount in each of the past five years submitted by the medical practitioners of the Indian agencies of Kenora, Sioux Lookout and Fort Frances to the Indian medical services of the Department of National Health and Welfare?

3. What was the budget for these services in each of the five years, and if there was a deficit, how was it made up?

4. What is the length of time between the issuance of the cheque in payment for services and the submission of the account by medical doctors in the Indian agencies of Kenora, Sioux Lookout and Fort Frances?

Hon. A. J. MacEachen (Minister of National Health and Welfare): 1. 1962-63, $80,803; 1963-64, $91,374; 1964-65, $ 99,660; 1965-66, $112,250; 1966-67, $158,722.

2. 1962-63, $91,299; 1963-64, $99,638; 1964-65, $107,799; 1965-66, $138,234; 1966-67, $182,832.

3. Although budgets are established for professional and special services in northwestern Ontario identification of the amounts in these budgets to be paid to the medical practitioners in each agency is not possible because budgeting has not been on an agency basis.

4. Elapsed time between the submission and payment of physicians accounts averages six to eight weeks.

NATIONAL JOINT COUNCIL IN PUBLIC SERVICE

Question No. 423—**Mr. Bell (Carleton):**

1. Have there been any changes in the role of the national joint council since the report of the special joint committee of the Senate and House of Commons on the public service?

2. If so, what are they?

3. If not, are any changes contemplated?

Hon. E. J. Benson (Minister of National Revenue and President of the Treasury Board): 1. Yes.

2. In the light of the new collective bargaining relationship that now prevails between the government and its employees, the national joint council, of its own initiative, proposed a revision to its constitution that would be appropriate to this new relationship. The main effect of the new constitution is that the council will not consider matters

that are normally subject to collective bargaining procedures or arbitration, although the council may consider such matters if it is so agreed by the parties engaged in bargaining.

3. N/A.

CONTINUATION OF PAY RESEARCH BUREAU

Question No. 436—**Mr. Bell (Carleton):**

1. Has any consideration been given by the government to the recommendation of the special joint committee of the Senate and House of Commons on the public service of Canada, appearing at page 1333 of the committee's proceedings and evidence, "that the government consider legislation to continue the pay research bureau and to provide for the data collected thereby to be available to the bargaining parties..."?

2. If so, what are the intentions of the government in this respect?

3. Has the pay research bureau been continued in existence as recommended by the committee by other than legislative action?

4. If so (a) by what techniques or methods (b) what is its present status?

5. Are the data collected available to bargaining parties?

6. If so, upon what conditions?

Hon. Walter L. Gordon (President of the Privy Council): 1. Yes. The government concluded however that legislation was not required.

2. See (1) above.

3. Yes.

4. (a) By establishment action. The positions approved by the Treasury Board for the pay research bureau were deleted from the establishment of the public service commission and added to that of the public service staff relations board. (b) The pay research bureau, which now operates under the administrative jurisdiction of the public service staff relations board, continues to function as an independent agency with responsibility for obtaining and presenting objective information on rates of pay, employee earnings, conditions of employment and related practices prevailing both inside and outside the public service.

5. The chairman of the public service staff relations board advises that the data collected will be made available to the bargaining parties as determined under the Public Service Staff Relations Act.

6. The chairman of the public service staff relations board further advises that bargaining parties will have access to pay research bureau data required for negotiations related to the respective bargaining units. However, the confidential information provided by the private employers has been obtained from them by the bureau on the understanding that the pay research bureau reports based on such information would be released only to persons involved in the establishment of pay rates, social benefits and conditions of work in the service and to the employers providing the basic data to the bureau, but would not be distributed for general public consumption. This understanding was reached with the private employers several years ago and has continued to this date. As a consequence of these conditions, the confidentiality of the information was also agreed upon by the advisory committee on pay research comprising employer and employee representatives. However, in view of the Public Service Staff Relations Act, the advisory committee will be reconstituted as soon as a substantial number of bargaining agents have been identified and the present understanding regarding the distribution of pay research data will be reviewed at that time.

[Mr. Benson.]

GRAIN SHIPMENTS THROUGH CHURCHILL

Question No. 458—**Mr. Dinsdale:**

Revised

1. How many bushels of grain have been shipped through Port Churchill each year since 1960, and what kind of grains have been involved and in what quantities?

2. What is the total cost of the diversion charge on these grains, and what is the reason for the diversion charge?

3. What has been the total tonnage of incoming freight through Port Churchill each year since 1960?

Hon. Judy V. LaMarsh (Secretary of State): I am informed by the Departments of Transport and Trade and Commerce as follows:

The National Harbours Board advises as follows:

1.

	Wheat (bus.)
1966	22,192,976
1965	25,002,972
1964	22,067,711
1963	23,262,463
1962	21,845,124
1961	19,696,812
1960	19,793,906

2. The total amount of diversion charges paid by the Canadian Wheat Board in respect of grain shipped through the port of

Churchill in each navigation season from 1960 to 1966 is as follows:

Churchill shipping season	Diversion charge on country shipments direct to Churchill
1960	$269,310.28
1961	275,183.66
1962	302,032.29
1963	341,486.56
1964	323,259.98
1965	295,367.89
1966	326,877.91

Under terms of a handling agreement negotiated annually with all elevator companies, a diversion charge is paid by the Canadian Wheat Board on wheat shipped by elevator companies from their country elevators directly to the port of Churchill for export.

A diversion charge is a charge assessed by an elevator company when grain shipped from one of its country elevators is diverted from that company's terminal elevator to another destination. Elevator companies consider that their country and terminal elevators operate as an entity, and terminal revenues are an important factor in determining the basis upon which country elevators can be operated. Therefore, it has been a long established trade practice that when a company loses terminal handling on grain as a result of the diversion of country elevator shipment to a destination other than the company's terminal, a diversion charge is assessed to compensate for the loss of terminal earnings.

3.

Total inward cargo—Churchill
Tons weight or measurement

	Domestic		Foreign		
Year	General cargo	Bulk cargo (ore)	General cargo	Bulk cargo (oil)	Total
1966	115	—	3,634	16,658	20,407
1965	369	—	1,835	18,034	20,238
1964	813	—	1,596	36,272	38,681
1963	187	—	1,703	49,206	51,096
1962	645	12,158	3,309	50,070	66,182
1961	356	17,354	2,191	48,891	68,792
1960	326	21,120	4,807	68,959	95,212

ADULT OCCUPATIONAL TRAINING

Question No. 479—**Mr. Latulippe:**

1. What was the amount paid to each province for the occupational training of adults?

2. Regarding these grants, what help is being given by the federal government for the construction and purchase of centres to provide adult pre-employment and retraining courses and continuing education for adults?

3. What are the future plans of the Department of Manpower and Immigration in this respect?

4. Has a study been made of this subject?

5. What is the estimated expenditure for (a) 1968 (b) 1969 (c) 1970?

6. Is each province required to make a report to the federal government regarding federal grants received and, if so, what were the expenses incurred by each province for the years 1966 and 1967?

[*Translation*]

Mr. J. C. Munro (Parliamentary Secretary to Minister of Manpower and Immigration): 1. Payments to the provinces for occupational training for adults have not yet been made, since the program is new this year.

2. The federal government will make contributions to the provinces or territories in respect of capital expenditures for the construction and equipping of vocational training facilities: (a) 75 per cent of the province's expenditures after March 31, 1967, up to $480 per capita of the 15 to 19 age group (1961 census) less the federal government's previous contributions paid under the Technical and Vocational Training Assistance Act for capital expenditures. (b) 50 per cent of the province's expenditures after March 31, 1967, up to $320

per capita of the 15 to 19 age group (1961 census) less the federal government's previous contributions paid under the Technical and Vocational Training Assistance Act for capital expenditures.

3. To continue grants on the above formula and also to provide loans to provinces wishing to use the money to construct or purchase capital facilities for providing occupational training to adults. The appropriate part of the amortization of principal and interest on these loans may be included in the cost of occupational training courses purchased by the department.

4. Yes, a number of studies.

5. Estimates have not yet been approved.

6. Each province submits claims against expenditures incurred. The federal capital grants were:

Province	Fiscal Year 1965-66	Fiscal Year 1966-67
Nfld.	$ 327,381	$ 192,056
P.E.I.	66,994	17,948
N.S.	547,101	2,337,672
N.B.	303,496	768,317
Que.	42,125,972	50,083,409
Ont.	31,397,733	44,289,911
Man.	1,571,205	5,287,979
Sask.	995,673	4,152,789
Alta.	11,282,807	16,649,175
B.C.	15,278,400	12,180,356
Yukon	192,784	96,758
N.W.T.	—	—
	$104,089,546	$136,056,370

[*English*]

APPOINTMENT OF CHAIRMAN, TRANSPORT COMMISSION

Question No. 481—**Mr. Crouse:**

1. Was there an advertisement placed in any newspaper or any other medium for the position as chairman of the Canadian Transport Commission?

2. If so (a) what were the qualifications set out in such an advertisement (b) how many applications were received (c) what was the result of the considerations of such applications (d) if no advertisement was issued calling for applications, under what arrangement was the position filled?

3. Did the successful appointee have any role in establishing this commission?

4. Did the Minister of Transport, at the time the decision for appointment was made, examine the list of applicants, or in any other manner assist in the determination of the final selection?

[Mr. Munro.]

Mr. John R. Matheson (Parliamentary Secretary to Prime Minister): 1. No.

2. (a), (b) and (c) Not applicable. (d) The president was appointed by governor in council in accordance with the National Transportation Act, statutes of Canada, 1966-67, Chapter 69.

3. Not applicable since the commission was established by act of parliament.

4. Not applicable in view of the answer in 2(d) above.

CONSIDERATION OF REPORT ON PENSION COMMISSION

Question No. 483—**Mr. McIntosh:**

1. With reference to the statement of the Minister of Veterans Affairs, as reported at page 2463 of *Hansard*, September 25, 1967, is it the intention of the minister to give the Canadian Pension Commission, which is the subject of the Wood commission inquiry, an opportunity to deal with provisions of the report before the report is tabled in the House of Commons?

2. If so (a) will such action permit the Canadian Pension Commission to exercise opposition to provisions of the report (b) would the minister give consideration to having the advance study referred to in his remarks of September 25 carried out by members of his staff not connected with the Canadian Pension Commission?

3. In the absence of the present deputy minister of veterans affairs on leave from the department, would the minister advise the house the names of departmental personnel he has selected to carry out the above study?

Hon. Roger Teillet (Minister of Veterans Affairs): 1. It is my intention at the moment to submit the report for study by the commission and the department at an early date.

2. (a) Yes. I will be interested in the comments of officers of the commission as well as those of the department. (b) Members of the staff not connected with the Canadian Pension Commission will be asked to study the report.

3. I do not know the names of all the persons who will be asked to study the report, but it is my intention to ask the acting deputy minister and the chairman of the Canadian Pension Commission to do so, and I have no doubt they will ask members of their respective staffs to assist in this work.

INVESTIGATION INTO UNIDENTIFIED FLYING OBJECTS

Question No. 487—**Mr. Schreyer:**

1. Were any formal investigation conducted by the Department of National Defence or any other agency of government relative to the reported

sightings of unidentified flying objects in eastern Manitoba, which reports originated during the months of May and June, 1967?

2. If so, were any such investigations conducted with the joint co-operation of the United States Air Force or any other U.S. government agency or academic institution?

3. Is the Department of National Defence or any other agency of the federal government now in possession of a report on any such investigations?

4. If so, will the report be made public?

5. Has a government committee been established to review this subject-matter?

Hon. Léo Cadieux (Minister of National Defence): 1. Yes, the Department of National Defence, together with the Department of National Health and Welfare, and the Royal Canadian Mounted Police conducted an investigation into the alleged sighting of an unidentified flying object by Mr. Stephen Michalak at Falcon Lake, Manitoba.

2. No. However, representatives from the Universities of Colorado and Arizona conducted an informal independent investigation.

3. Yes.

4. It is not the intent of the Department of National Defence to make public the report of the alleged sighting.

5. No.

COPIES OF B.N.A. ACT PROCLAMATION

Question No. 499—**Mr. Schreyer:**

1. Is the reproduction of the proclamation issued by Queen Victoria that formally brought into force the British North America Act of 1867, a true copy or photostat of the original?

2. Is the French language version of that same proclamation a true copy or photostat of the original, or is it a composition?

Hon. Judy V. LaMarsh (Secretary of State): If this question refers to the proclamations prepared by the centennial commission for use in connection with the confederation train and caravan project, the answers are as follows: 1. The English language version was reproduced by a photo offset process from the original proclamation.

2. Research uncovered no French language version. The centennial commission arranged for the English version to be translated and then set in type approximating as closely as possible the type face and style of composition used in the English version.

CONSTRUCTION OF THERMONUCLEAR PLANT, QUEBEC

Question No. 512—**Mr. Mongrain:**

1. Did the federal government have preliminary discussions with the government of the province of Quebec or the management of Hydro-Quebec concerning the thermonuclear plant being constructed at Gentilly, a section of the new town of Bécancour, Quebec?

2. If so, does the federal government contribute financially or otherwise to the project?

3. What is the exact nature and cost of this contribution?

4. What organization will be responsible for the distribution of that power and for the determination of the cost?

5. Will some power be exported to the United States?

6. What is the approximate date on which this plant will be effectively put into operation?

7. Will the federal government have any decision in the management or future policy-making of the plant?

Hon. Jean-Luc Pepin (Minister of Energy, Mines and Resources): 1. Yes.

2. Yes.

3. Atomic Energy of Canada Limited is building the plant at their own expense on a site provided by Hydro-Quebec. The cost of the plant is estimated to be $106,000,000. When the plant has been in satisfactory operation Hydro-Quebec will purchase it at a negotiated price based on a formula set out in the agreement between Atomic Energy of Canada Limited and Hydro-Quebec.

4. Hydro-Quebec.

5. No information.

6. On-power date: 1971.

7. Yes, until the plant has been purchased by Hydro-Quebec.

COMPANY OF YOUNG CANADIANS

Question No. 539—**Mr. Caouette:**

Is there a list of present members of the company of young Canadians who are (a) part-time (b) full-time members?

Mr. John R. Matheson (Parliamentary Secretary to Prime Minister): I am informed by the Company of Young Canadians as follows: Yes. (a) None. (b) Susan Allan, Betty Andrew, Torben Angelo, Lynn Arnold, Mary Arpin, Gilles Ashton, Jeremy Ashton, Lynn Atkins, Jerry Bain, Jonleah Bain, Charles Barber, André Baril, Kate Barlow, Wayne Barr, Russ Barton, Austin Bear, Judy Bradford, Roselyn Breckner, Dal Brodhead, Carmen Brunet, Yves Brunet, Peter Bryan, Albert Burger, Lynn Burrows, John Callender, Sandy Callender, Pierre Cantin, Patricia Carisse, Edouard Casaubon, Elise Casaubon, Shirley Chychaluk, Karen Clements, Pierre Cleroux, Maurice Clouthier, Colin Constant,

Maureen Corcoran, W. Courtorielle, Dennis Cromarty, Dennis Crossfield, Diane Curtis, Lynn Curtis, Lise Daneau, Robert Davis, Jim Deacove, Ruth Deacove, David DePoe, Denis Desautels, Janet Dokis, Claude Duchemin, Nancy Duggan, Andy Dumyn, Martin Dunn, Ross Eadie, John Earnshaw, F. Bertrand Ede, Karen Embleton, Gerry Fatels, Rose Fatels, Marilyn Foubert, Jeff Fritzland, Ron Fuchs, R. Gagnon, Phil Gambill, Lynda Gibson, Kathy Goldney, Roger Gray, Roger Haines, Maeva Hancey, Bill Harany, Lloyd Harriman, Ken Harrison, Ernest Hart, Roxine Hartwell, Jacqueline Hibbert, Dorothy Hill, Linda Hunter, Eleanor Hyodo, David Isaac, Jay Jervis, Lynn Johnson, Joan Jones, Peter Kagis, Chris Keller, Shirley Koen, Linda Kopochinski, W. LaChance, Jean R. Laforest, Marcel Lafreniere, Luc Laliberte, Geraldine Lalonde, Philippe Lalonde, Ann Lane, Hughette Larivee, Terry Lavallee, Roland Lebrun, Grace Lee, Gaston Leroux, Harold Linklater, David Loonfoot, Josée Loyer, Serge Loyer, Robert Luker, Richard Lussier, Alice MacNeill, Murray Martin, Ginette Metivier, Jenny Moffa, John Moffa, Priscilla Morrisseau, Heather Morton, George Munroe, Bernie Muzeen, Ian Nunn, Carol Oliver, Marc Patry, Jim Patterson, John Phillips, Laura Phillips, Carol Pickles, Bill Poole, Terry Presber, Margaret Redmonds, Alan Rimmer, Eleanor Rimmer, Pierette Rioux, John Rothwell, Gisele Samson, Dale Seddon, George Simard, Betsy Slye, Richard Slye, Gloria Smith, Lynn Smith, Henry Sobotka, Gregory Sorbara, Bill Sosnowicz, Maureen Sterling, Harvey Stevens, Kelly Sweeney, Dave Tarlo, Conrad Tessier, Miriam Thomson, Wendy Waite, Donna Watt, Annelo West, Marg Whyte, Patricia Williams, Sara Williamson, Rob Wood, Bryan Wooltorton, Scott Wurtele, Samuel Wynne, Gail Young.

LOANS FOR INDUSTRIAL WASTE PURIFICATION PROJECTS

Question No. 542—**Mr. Grégoire:**

1. Since December, 1960, what sum was loaned by C.M.H.C. by virtue of part VI-B of the National Housing Act for the implementation or expansion of industrial waste purification projects?

2. What is the interest on these loans?

3. What is the breakdown of these loans by province?

Hon. J. R. Nicholson (Minister of Labour): 1. Central Mortgage and Housing Corporation has made no loans under part VIB of the National Housing Act for sewage projects intended solely for treatment of industrial wastes. The effluent being treated by many municipal plants assisted under this program does, however, include industrial waste.

The total loans committed from the inception of the program in 1960 to September 30, 1967 is $233,017,000.

2. The interest rate applicable at various periods during the operation of the program are as follows:

Period	Interest rate %
Dec. 1960 to April 12, 1961	5 1/8
April 13, 1961 to Sept. 30, 1961	5 3/8
Oct. 1, 1961 to Nov. 4, 1963	5 1/8
Nov. 5, 1963 to Jan. 21, 1964	5 1/4
Jan. 22, 1964 to Jan. 9, 1966	5 3/8
Jan. 10, 1966 to April 25, 1966	5 3/4
April 26, 1966 to Oct. 27, 1966	5 7/8
Oct. 28, 1966 to Jan. 19, 1967	6 1/8
Jan. 20, 1967 to April 12, 1967	6
April 13, 1967 to July 12, 1967	5 3/4
July 13, 1967 to Oct. 11, 1967	6 1/4
Oct. 12, 1967 to present.	6 3/8

3. The breakdown by province of loans committed to September 30, 1967 is as follows:

Province	No. of loans	Total loan commitment ($000)
Newfoundland	22	2,029
Prince Edward Island	13	242
Nova Scotia	13	1,789
New Brunswick	27	1,186
Quebec	198	36,879
Ontario	400	134,943
Manitoba	103	17,342
Saskatchewan	245	7,044
Alberta	100	6,470
British Columbia	96	25,093
CANADA	1,217	233,017

AMENDMENT OF VETERANS' LAND ACT

Question No. 544—**Mr. McCleave:**

Would the government give consideration to amending the Veterans' Land Act to make eligible those service personnel who have had long careers, for example, of twenty years or more?

Hon. Roger Teillet (Minister of Veterans Affairs): The Veterans' Land Act is one of

the major components of the numerous legislative measures comprising the veterans charter which were enacted by parliament to assist in the return to civilian life of those who saw active service in world war II or with the special force in Korea. The benefits of the Veterans' Land Act are alternative to those provided by the War Service Grants Act and the Veterans Rehabilitation Act.

Members of the regular forces of Canada who have had long service careers are eligible to apply for the benefits of the Veterans' Land Act if they served on active service in either of the abovementioned conflicts. However, it would not be in accordance with the purpose and intent of that act to make its provisions applicable to those who did not so serve.

SALE OF OXENDEN DOCK, ONTARIO

Question No. 547—**Mr. Noble:**

1. Were tenders called for sale of the Oxenden dock?

2. Has the Oxenden dock been sold and if so, to whom and at what price?

Hon. C. M. Drury (Minister of Industry): In so far as Crown Assets Disposal Corporation is concerned, the answers are as follows:
1. Yes.

2. Yes, Mr. Lloyd Ruffett, Wiarton, Ontario $510.

*EXPENDITURES ON SMOKING EDUCATION AND ASSISTANCE TO TOBACCO INDUSTRY

Question No. 554—**Mr. Mather:**

1. What was the 1966 amount, in dollars, which the Department of National Health and Welfare spent on the promotion of public education in the field of cigarette smoking and disease?

2. What was the 1966 amount, in dollars, which the Department of Agriculture spent in assisting the research, maintenance or development of the tobacco industry?

[*Translation*]

Mr. Albert Béchard (Parliamentary Secretary to Secretary of State): I am informed by the Departments of National Health and Welfare and Agriculture as follows:

1. $129,612.

2. $465,609.

[*English*]

OLD AGE ASSISTANCE, QUEBEC

Question No. 557—**Mr. Godin:**

1. How many persons receive old age assistance in the province of Quebec?

2. What was the federal government's share of this assistance for each year from 1960 to 1966?

[*Translation*]

Hon. A. J. MacEachen (Minister of National Health and Welfare): 1. 22,784 as of September 1967.

2. 1960-61, $10,977,064; 1961-62, $10,896,302; 1962-63, $13,793,745; 1963-64, $13,860,075; 1964-65, $16,589,045. 1965-66*

*In accordance with an agreement under the Established Programs (Interim Arrangements) Act, no payments were made to Quebec in 1965-66.

[*English*]

*ROYAL CANADIAN MEDICAL CORPS

Question No. 579—**Mr. Lambert:**

1. What is the October 31, 1967, strength of medical officers of all ranks in the Royal Canadian Medical Corps?

2. Of this number, how many possessed post-graduate and/or specialist qualifications?

3. How many medical students are pursuing their studies under R.O.T.P. as of the same date?

Hon. Léo Cadieux (Minister of National Defence): The answer to part 1 is, 390; to part 2, 189, and to part 3, 165.

QUESTIONS PASSED AS ORDERS FOR RETURNS

CAPITAL EXPENDITURES OF CROWN CORPORATIONS

Question No. 149—**Mr. Godin:**

1. What are the capital expenditures of each of the proprietary corporations as defined in the Financial Administration Act, for each of the past three years?

2. Does the government exercise any supervision over the capital expenditures of the proprietary crown corporations?

3. When making capital expenditures, are crown corporations required to take industrial decentralization into account and, if so, what precisely is their policy as to industrial decentralization?

4. If not, does the government intend to issue directives to the said corporations ordering that they take industrial decentralization into account?

Return tabled.

SUBSIDIARIES OF PROPRIETARY CORPORATIONS

Question No. 285—**Mr. Caouette:**

1. In what companies do proprietary crown corporations, within the meaning of the Financial Administration Act, own shares, and in what amounts?

2. Who appoints the directors of the subsidiaries of the proprietary corporations?

3. What is the share capital of these subsidiaries?

Inquiries of the Ministry

4. What is the function of each of these subsidiaries?

5. Are these subsidiaries subject to municipal, provincial and federal taxation?

6. Who approves the operating and capital budgets of proprietary corporations?

7. If a proprietary corporation wishes to establish a subsidiary or acquire shares, what authority is required?

Return tabled.

ESTABLISHMENT OF FOUNDRY IN QUEBEC

Question No. 445—**Mr. Hamilton:**

1. Has any member of the government or any government department or agency had any correspondence since May, 1963, with Becnet Foundries or Becnet Industries of Quebec concerning the planning, development or financing of a new foundry?

2. Has any member of the government or any government department or agency had any correspondence since May, 1963, with Mr. James Doherty, Mr. Roy C. Bowes or Mr. Bernard Rider in respect to the planning, development or financing of a foundry in the province of Quebec?

3. Has any member of the government or any government department or agency had any correspondence with the government of Quebec, officials or agencies since May, 1963, in respect to the planning development or financing of a foundry in the province of Quebec?

4. Has any member of the government or any government department or agency had any correspondence with any member of the Quebec legislature since May, 1963, concerning the planning, development or financing of a foundry in the province of Quebec?

5. Has any member of the government or any department or agency had any correspondence since May, 1963, with the government of Czechoslovakia or the firm of Skoda of Czechoslovakia concerning the planning, development or financing of a foundry at Louiseville in the province of Quebec?

6. Did the premier of Quebec inform the federal government prior to June, 1966, that there would be a 200 ton a day foundry constructed at Louiseville, Quebec, to be completed by April, 1969?

7. Is Louiseville, Quebec, within a designated area?

8. Has the government of Canada or any of its agencies received any communications since May, 1963, from the United States government or United States corporations concerning a $9.69 million contract to Skoda of Czechoslovakia to supply engineering services and plant equipment to a new foundry that was to be constructed at Louiseville, Quebec, with the financial support of the federal government and the government of Quebec?

Return tabled.

[Mr. Caouette.]

CANADIAN BROADCASTING CORPORATION

PRODUCTION OF EVIDENCE RESPECTING ALLEGED MISMANAGEMENT

On the orders of the day:

Hon. Michael Starr (Leader of the Opposition): I wish to direct a question to the Acting Prime Minister. I wish to ask the hon. gentleman whether the government has obtained from the Secretary of State the evidence of mismanagement within the C.B.C. to which the Secretary of State referred on Friday, and which she described as worse than the Glassco commission had referred to.

Hon. Paul Hellyer (Minister of Transport): I would be pleased to take this question as notice, unless the Secretary of State would like to add anything.

Hon. Judy V. LaMarsh (Secretary of State): As I told the house on Friday, it was my intention to give this information—not, indeed, second hand from me as I have had it from others, but to bring together those who gave me the information and the new management.

Mr. Starr: I would ask the Secretary of State whether she has given to the Prime Minister and to her other colleagues, the members of the government, the evidence of mismanagement to which she referred last Friday.

Some hon. Members: Answer.

Mr. Starr: I should like to know whether the government has been informed of the details of which the hon. lady is aware, or whether she is keeping this a secret.

Mr. Speaker: Order. The hon. member for Ontario is reiterating the question he asked in the first instance. It may not have been answered, but it is still a reiteration of the question he asked.

Miss LaMarsh: It was not answered simply because the hon. gentleman knows, having been a member of a cabinet, that it is not permitted to ask questions concerning conversations between privy councillors and their leader.

Mr. David Lewis (York South): Would the hon. lady give consideration to making a statement to the house indicating the general area in which the misconduct, or misbehaviour, or whatever it may have been, occurred? Without necessarily specifying the people

involved, would she indicate the general area in which the "rotten management" occurred, for the benefit both of parliament and of the people so we may know what it was the Secretary of State learned about?

Miss LaMarsh: I have thought about that for the last couple of days, but it is very difficult to pass on any of this information without doing one of two things, either pointing to the person or persons within the corporation to whom reference is made, or to the persons who have been the sources of information I have received. I feel that if I were to disclose the names of any of the sources—and here I must take an example from the fourth estate—no secretary of state hereafter would ever get any information about what was going on within the corporation. I do not, therefore, propose publicly to name any of these individuals, now or at any time.

I do not believe anything further can be gained from speculation about the individuals who are responsible, or who appear to be responsible, for some of the things I have already mentioned or described and, unless I am completely specific, to say anything more about it would narrow it down to some individuals but still touch those who might not be responsible.

Mr. Bell (Saint John-Albert): Why did you start it, then?

Miss LaMarsh: Any suggestion I started anything obviously shows only the ignorance of the man who said that, because the reports which this government and earlier governments have commissioned over the past few years have indicated exactly the same thing. It comes as some surprise to me that any member of this house who previously interested himself in this particular subject was surprised at the charge at all.

Mr. Nielsen: It was a charge?

Mr. Starr: Mr. Speaker, I would direct a supplementary question to the Acting Prime Minister, and ask him whether the government will accept the responsibility to act immediately to make public the allegations that were made, in order that any such management errors may be made public and speedily rectified.

Mr. Hellyer: Mr. Speaker, I do not think there is anything I can add at the moment to what the Secretary of State has said. She has taken this on in her responsibility as a member of the government, and I do not think anything I could say would be useful.

Mr. Starr: As a supplementary question, would the hon. gentleman prevail upon the Prime Minister to take part in the debate on the broadcasting bill which is before the house at the present time?

Mr. Speaker: Order, please. I wonder whether this question should not be asked when the debate is under way later today.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I direct a supplementary question to the Secretary of State. With regard to the information which has come to the attention of the minister, not the information which appears in the Fowler report or any other report but the information which has come to her, which is strictly confidential and which, according to the minister, is worse than that in the Fowler report, may I ask if this information has been transmitted to Mr. Ouimet and the top management of the C.B.C.? If not, why has it not been brought to their attention so they might take some remedial action?

Miss LaMarsh: No, I have not brought it to their attention, the reason being that I felt the only way it could be cleared up was by bringing it to the attention of the new management.

[*Translation*]

Mr. Réal Caouette (Villeneuve): Mr. Speaker, I have a supplementary question for the hon. Secretary of State.

First of all, Mr. Speaker, I will say that I agree with the Secretary of State's comments concerning the C.B.C., but I would like to know if she has answered the arrogance of the former president of the C.B.C., Mr. Alphonse Ouimet? Has the hon. minister answered his arrogant letter?

[*English*]

Mr. R. W. Prittie (Burnaby-Richmond): As a supplementary question to the Secretary of State, further to her statement that this information would be turned over to the new heads of the C.B.C., can the minister inform the house whether the Prime Minister will announce the appointments of the new heads today, or some day later this week?

Miss LaMarsh: I would think this is dependent upon the passage of the legislation now before the house. Those appointments, I

understand, are to be made after the legislation has been dealt with in committee, has gone through the House of Commons and before it has passed the other place.

NATIONAL DEFENCE

REPORTED APPROACH BY RUSSIA FOR GREATER CO-OPERATION

On the orders of the day:

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, I have a question which I wished to direct to the Secretary of State for External Affairs, but in his absence I would like to direct it to the Minister of National Defence. Can he advise the house whether Canada has received overtures from the Soviet union for bilateral military contacts or co-operation, similar to arrangements between this country and France?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, I believe the proper answer to that question is that there is no foundation for it.

Hon. D. S. Harkness (Calgary North): Mr. Speaker, I direct a supplementary question to the Minister of National Defence. Was an invitation received from the Russian government to send a senior military officer to Moscow to attend their fiftieth anniversary celebrations, and was Canada the only NATO country to receive such an invitation?

Mr. Cadieux (Terrebonne): Mr. Speaker, my information is that no such invitation was extended to any Canadian officials.

Mr. Harkness: Does the minister mean there was no invitation extended at all, contrary to what has been reported? He says there was no invitation to any officer, but did any general invitation come to the government?

Mr. Cadieux (Terrebonne): I cannot answer for other departments of the government, but so far as the Department of National Defence is concerned there was no invitation received.

TRADE

DISCUSSIONS RESPECTING PROPOSED U.S. IMPORT RESTRICTIONS

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I have a question for the Prime Minister but in his absence may I direct it to the Minister of Finance. It has to do with the Prime Minister's statement in Toronto on Saturday to the effect that if the United States follows through on trade restrictive proposals, Canada will have to re-examine the concessions which it granted at the Kennedy round talks in Geneva.

I want to ask the Minister of Finance whether he or the Minister of Trade and Commerce and the government generally have received any assurance from the United States government that all effective steps will be taken so there will be no restrictive proposals or any quotas imposed on Canadian goods, particularly those affected by the Kennedy round.

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, perhaps I can answer that question by quoting the President of the United States himself. Addressing the Consumer Assembly in Washington he said:

> I think those protectionist bills just must not become law. And they're not going to become law as long as I am president.

That is the best answer I can give to the question of whether we have received assurances on this matter, but may I add that there should be no doubt whatever in the minds of those in the United States who are advocating these restrictions on imports, in contravention of trade agreements, that such action would cause damage to the trade interests of the United States. Surely the United States, which has done so much to advance the cause of freer world trade, isn't going to withdraw into a policy of protectionism, a beggar thy neighbour policy.

Mr. Douglas: Mr. Speaker, may I ask the Minister of Finance whether there will be sufficient flexibility in the legislation he is introducing which will give the governor in council not only power to postpone the implementation of the Kennedy round agreements but power to withdraw them in the event that any of the other signatories resort to import quotas which would nullify all the benefits of the Kennedy round agreements?

Mr. Sharp: Mr. Speaker, I would hesitate to give a categorical answer on the question of the law. I would have to refresh my memory, but I can assure my hon. friend that I will be looking at our law in the light of that possibility.

Hon. George Hees (Northumberland): As a supplementary question, in view of the fact that a majority two thirds vote in the United States congress can nullify the presidential

veto, and therefore although President Johnson is determined that import quotas shall not be imposed congress can override him, would the government consider making representations to the United States that we will not lower tariffs on goods against which import quotas may be imposed?

Mr. Sharp: Mr. Speaker, I doubt very much whether that would be effective action, but what I do think is that we should be prepared to withhold concessions on imports into Canada of value to the United States if they do in fact withdraw concessions of value to us.

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, may I direct a question to the Minister of Finance. In the light of the evaluation made on October 13 by the United Nations conference on trade and development, UNTAD, that the Kennedy round "will contribute to a further decline in the relative share of the developing countries in world trade," what steps is the government taking to make sure that consideration is given to the position of the developing countries?

Mr. Sharp: Mr. Speaker, the Kennedy round concessions are available to all countries of the world, the developing as well as the developed countries. The developing countries want to get additional concessions by way of special preferences, and that matter is under discussion in UNTAD.

DEFENCE PRODUCTION

INQUIRY AS TO BILATERAL AGREEMENT WITH FRANCE

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, may I direct a question to the Minister of National Defence. Did Canada and France last week conclude a bilateral agreement of co-operation in the establishment of programs for defence production, research and development?

Hon. Leo Cadieux (Minister of National Defence): Mr. Speaker, I would ask that this question be directed to the proper minister, who is the Minister of Defence Production.

Mr. Lambert: Then I will direct it to the Minister of Industry in his capacity as Minister of Defence Production. Did Canada and France last week conclude a bilateral agreement of co-operation in the establishment of programs for defence production, research and development?

Hon. C. M. Drury (Minister of Industry): That is correct, Mr. Speaker.

Mr. Lambert: As a supplementary question, did this agreement or accord arise within the framework of Canada's relationship with France under NATO, or is it a purely bilateral agreement arising out of, shall I say, our direct relations with France?

Mr. Drury: Unquestionably the fact that France is a member of NATO had some bearing on the negotiations leading to the agreement. It is in fact an agreement moving toward increased co-operation between Canada and France in the matter of research and development in the defence equipment field. It is bilateral rather than part of the general NATO agreement.

Mr. Lambert: As a further supplementary question, would the minister be prepared to table a copy of this agreement at the earliest possible opportunity?

Mr. Drury: I regret, Mr. Speaker, this cannot be done, as it is in the field of defence equipment. As the hon. member will understand, a number of provisions are classified; consequently it will not be made public.

Hon. D. S. Harkness (Calgary North): Mr. Speaker, I have a supplementary question. In view of the fact that France now has militarily withdrawn from NATO, and in view of the fact that there are reports that country has entered into a joint training scheme with the Soviet union, I should like to ask the Minister of National Defence what position Canada now is in in relation to the other NATO partners as a result of this treaty we have entered into with France.

Mr. Drury: Mr. Speaker, as I have said this particular agreement is not part of the NATO agreement; it is a separate bilateral agreement. We have separate bilateral agreements with other countries along similar lines. This does not necessarily have a direct relationship to the level or scale of French participation in NATO.

Mr. Harkness: Mr. Speaker, I do not think the minister understood the import of my question. I will rephrase it in a little different way. In view of the fact that France now is looked upon as somewhat of a security risk—

Some hon. Members: Oh, oh.

Mr. Harkness: That is the general purport of the reports which have appeared in the newspapers.

Royal Assent

Mr. Speaker: Order, please. I suggest to the hon. member that these supplementary questions are developing into a debate. The hon. member might ask the question directly.

Mr. Harkness: Once more may I ask in what position this leaves us in relation to the other members of NATO, in view of the risks which may be involved in an exchange of military information, technology and weaponry with France.

Mr. Drury: Mr. Speaker, I do not think one could accept the premise of the hon. gentleman that France has suddenly become a security risk. In respect of all such agreements there are the usual considerations for the protection of national security in both the military and intelligence sense. This agreement makes such provision, and administrative arrangements have been made to take care of this.

Mr. D. V. Pugh (Okanagan Boundary): Mr. Speaker, might I ask the minister whether the other NATO allies were consulted before this agreement was signed.

Mr. Drury: Mr. Speaker, I think our other NATO allies were aware of the discussions leading up to this agreement.

THE ROYAL ASSENT

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

Mr. Speaker, it is the desire of the Honourable the Deputy of His Excellency the Governor General that this honourable house attend in the chamber of the honourable the Senate.

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

• (4:30 p.m.)

And being returned:

Mr. Speaker informed the house that the Deputy Governor General had been pleased to give, in Her Majesty's name, the royal assent to the following bills:

An act respecting the Electoral Boundaries Readjustment Act.

An act respecting the Electoral Boundaries Readjustment Act.

An act to amend the Canada Corporations Act.

An act for granting to Her Majesty certain sums of money for the public service for the financial year ending March 31, 1968.

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

Honourable senators, honourable members of the House of Commons:

We are assembled here today on an historic occasion to participate in an act which is rooted in tradition.

On this day, one hundred years ago, the first Governor General of Canada, Viscount Monck, opened the first session of the first parliament of the newly formed confederation. The new national capital had witnessed on July 1, 1867, a ceremony which was the culmination of the discussions that had taken place in Charlottetown and Quebec. Deliberations could now begin on bills which, in due course, would become the first statutes of Canada.

Federal union had been accomplished and the members of that first parliament were called upon to address their attention to the complex problems of nation building. A century later and in the midst of the twenty-seventh parliament, we reflect with gratitude and with justifiable pride on what has been achieved.

With courage, imagination and brawn, Canadians have come to grips with the challenge of geography and economics. Incredible distances have been spanned and the vast and rich resources of the land have been extensively developed. The problems of environment have obliged us to be preoccupied during the greater part of the past 100 years with physical needs, but recent years have witnessed a cultural explosion in Canada, bringing with it a flowering of creative talent.

We have many things to celebrate in this centennial year. Not the least of these is the effectiveness of our form of government. It is our good fortune and our proud boast that we in Canada enjoy a long heritage of freedom. Our democratic process is at once a recognition and a safeguard of the dignity of man.

The origins of parliament lie far in the past, but the process of law-making as we know it today was not realized at a single stroke. Successive generations struggled to gain a commanding voice in their own affairs and to bring an end to the exercise of arbitrary power. Our forefathers had a lively awareness of that struggle and the determination to preserve what had been so dearly won.

We inherited the institution of parliament from Great Britain but we have made it in all respects Canadian. Laws are passed "by and with the consent of the Senate and House of Commons of Canada" and take effect when formally assented to by the Governor General in his exercise of the power of the Sovereign. In recent years the post of Governor General has been filled by the appointment of Canadians. Thus, everything done in this land in the name of the Queen is done by Canadians at the behest of Canadians. The giving of royal assent to bills is not merely an ancient custom but an integral part of our own legislative process.

With the passage of the Statute of Westminster in 1931, Canada took her full place in the arena of world affairs and became one of the founding

members of the commonwealth. Within the framework of the commonwealth and in the greater family of nations, the example we offer of a half continent of people living and working together in a spirit of mutual respect and goodwill does not pass unnoticed.

By resolving our problems in this manner and by diligently striving to bridge cultural and regional differences, we have succeeded where not a few societies in the past have failed. This experience has equipped Canadians to play an important and responsible rôle in healing the divisions among people everywhere.

Like all the institutions of men, parliamentary government is not without its imperfections. But it stands unchallenged as the most successful method of democracy. We share this great legacy with others, and this is as it should be, for the ideals and concepts which we cherish are not confined by national boundaries.

It has been said of democracy that it is "based upon the conviction that there are extraordinary possibilities in ordinary people." As the instrument of democracy parliament puts a corresponding faith in its individual members. This is a heavy responsibility which obliges you to put duty before personal ambition. Your compensation is the opportunity you have of service to your country and to the cause of freedom everywhere.

In marking, today, the hundredth anniversary of the opening of the first session of parliament, we are not only saluting a moment in history. We are recognizing, as well, the enduring significance of a whole way of life. It is in the nature of parliament that it mirrors the soul of a nation. It is no exaggeration to say that as parliament goes, so goes a people; as parliament projects the principles of the nation and the aspirations of its citizens, so are those principles preserved and those aspirations realized.

NATIONAL DEFENCE

WINNIPEG—THEFT OF ARMS FROM MINTO ARMOURIES

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, my question is directed to the Minister of National Defence. Will the minister inform the house concerning the reported theft from the Minto armouries at Winnipeg of seven complete machine guns and a quantity of ammunition and tell the house whether or not the report is accurate and what steps are being taken to ensure that arms and ammunition are kept safely by the members of the defence forces?

Mr. Speaker: Order, please. I have no basic objection to the question asked by the hon. member but it seems to me that it has already been asked in the same terms last week by a few hon. members including the hon. member for Winnipeg South. However, if there is a new element in the question I have no objection to it.

Mr. Churchill: Mr. Speaker, the new element is that the Minister of National Defence is present in the house and he was not the other day.

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, as I understood the question put by the hon. member, he asked me whether the report was correct. I wish to say to him that it is not quite accurate. The machine guns were stolen, as he said, and so were the blocks, but no ammunition was stolen. In so far as the accuracy of the report is concerned, I wish to say first of all that all this happened on the night of October 30. As was stated in the report, a casual reference to a possible invasion of the city by eastern criminals was made to the security officer. On hearing it he immediately doubled the patrols.

Mr. Pugh: Did he do that after the horse was gone?

Mr. Cadieux (Terrebonne): No, before. Many of the circumstances of the theft appear to be peculiar. First of all, in order to have access to the particular area of the Minto armoury the thieves had to scale a high fence, saw off the bars on the windows and cut the chains which held the machine guns to the walls. This had to be done also in another place where the magazines were stored.

So far as security is concerned, let me say that in this case the normal security measures were taken which are usually taken in any armoury in Canada, and it is of course unfortunate that this particular theft took place. I might also say to my hon. friend that banks expect robberies to take place and they prepare for them; yet they do occur.

Mr. Churchill: I have a supplementary question, Mr. Speaker. I think what took place is slightly more important than the taking of money from a bank. Will the minister inform the house, not today necessarily but some time very soon, whether additional steps toward insuring greater security are being taken by the armed forces because, as he will recall, this incident is a repetition of thefts that occurred three years ago at which time the house was assured that adequate precautionary steps were being taken?

Mr. Cadieux (Terrebonne): We are investigating the possibility of taking additional security measures. That is all I can say at the moment.

Inquiries of the Ministry

CANADIAN NATIONAL RAILWAYS

REQUEST FOR REPORT ON DISCUSSIONS WITH RAILWAY MANAGEMENT

On the orders of the day:

Mr. David Lewis (York South): Mr. Speaker, I wish to direct to the Minister of Transport a question which I put to him last Friday when he was not in the chamber. I do not know whether it has been drawn to his attention, but in view of the statement made by the hon. member for Westmorland in Moncton last Thursday night that the minister was going to make a statement with regard to changes in the freight tariffs of the C.N.R., would the minister inform the house what announcement he has to make, and if he cannot make it today when can we expect it?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, at this moment I am still optimistic. I am not in a position to make a statement today but I am pressing on with this matter in the hope that I can make a statement within a very few days.

Mr. Lewis: I have a supplementary question, Mr. Speaker. Would the minister inform the house whether this is a matter to be considered by him or his department, whether it is before the transport commission, or whether it is to be the subject matter of discussions between him and the railways?

Mr. Hellyer: I think that in cases such as this premature information is more likely to misinform than to inform. As soon as a decision has been taken I will be pleased to inform the house in the usual way.

Mr. Lewis: I have a further supplementary question. If that is the case, can the minister inform the house whether or not the hon. member for Westmorland, when she made the statement, expressed policy which the minister had authorized her to express?

Mr. Speaker: Order, please. I am not sure how a statement made outside the house by the parliamentary secretary is relevant and can form the basis of a question, but I will allow the question asked by the hon. member for York South.

Mr. Hellyer: All the reports from the meeting indicated that the hon. member for Westmorland acquitted herself ably and capably, as I had predicted she would. I was also pleased to hear the hon. member say such nice things about her and I think they are well justified. I can tell the hon. member that if her representations, which are persistent and meaningful, on behalf of the people of that area produce the results that I hope they will, my hon. friend will be pleased with the announcement when it is made.

[Mr. Cadieux (Terrebonne).]

Mr. Thomas M. Bell (Saint John-Albert): Mr. Speaker, I have a supplementary question on the matter of lay-offs. Has a wire been received from the Canadian Railway Labour Executive Association referring to the job security agreements between the unions and railways, and is the minister prepared to see that the 90 days' notice clause therein is complied with in connection with the recent railway lay-ofls?

Mr. Hellyer: I received a telegram and indicated that the government of course, would insist that the terms of the agreement between the union and management be fulfilled and suggested that the procedures which are set out in the agreement be undertaken if there are violations, as the unions allege. On their part the railways allege there are no violations. This is the extent of the information available at the moment.

[*Translation*]

LABOUR RELATIONS

STEPS TO AVOID POSSIBLE RAILWAY STRIKE

On the orders of the day:

Mr. Alcide Simard (Lac-Saint-Jean): Mr. Speaker, I wish to direct a question to the Minister of Transport.

Following the disappointment caused to the railway employees by a new offer by the railways, providing for an 8 per cent increase over a three-year period, is it the intention of the minister to take the necessary measures to prevent any possible strike?

[*English*]

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, we always do everything we can and take those steps that are within our jurisdiction to prevent strikes, but it is not always possible to do so. However, whenever our good offices can be of service we try to make them available.

AIR TRANSPORT

TORONTO—REFUSAL OF LANDING RIGHTS TO ROYAL DUTCH AIRLINES

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Minister of Transport

which relates to the question I asked the minister last Thursday concerning the threatened abrogation of the air agreement between The Netherlands and Canada. Has the minister any further information or details on the reported threat by the government of The Netherlands?

Hon. Paul Hellyer (Minister of Transport): Nothing that I think could add to the situation, Mr. Speaker. If there are further negotiations with The Netherlands government in this matter they will be conducted in the spirit of co-operation that has always existed between our two countries. I can tell my hon. friend that we will be as co-operative as we can within the framework in which these international agreements are made, which basically provides that the interests of Canada are protected equally with those of our friends and allies abroad.

Mr. Nesbitt: A supplementary question, Mr. Speaker, Has the government of The Netherlands in fact threatened to abrogate this air agreement?

Mr. Hellyer: Mr. Speaker, there have been indications that public statements have been made to this effect. I do not think I would wish to comment beyond that at the moment.

[*Translation*]

CANADIAN CENTENNIAL

INQUIRY AS TO MEDALS ISSUED

On the orders of the day:

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I should like to direct a question to the Secretary of State. Could the hon. lady tell us if it is true that she has sent out Canada's silver medals to the hon. member for Lapointe (Mr. Grégoire) and also to Mr. René Levesque for services rendered to Canada? I should like to know if that is true.

[*English*]

Hon. Judy V. LaMarsh (Secretary of State): Mr. Speaker, centennial medals have been sent out, the first of these last week, to all Canadian civilians in the table of precedence for Canada and to all individuals in the federal public service for whom nominations have been received. They were also sent out where provincial nominations have been received for individuals in the provincial public services, education, the judiciary and municipal services.

I am informed that this medal is to be worn on the left breast and will take precedence after any commemorative medals previously granted, such as the coronation medal, and before long service, good conduct or efficiency medals.

I know there has been some suggestion that perhaps the hon. member for Lapointe and other hon. members, notably provincial members, might not have been recipients of these medals, but the regulations provide that those to be honoured include those in the federal table of precedence. I am informed that this is in accord with the precedent some years earlier when Mr. Henri Bourassa was awarded a coronation medal. Since it did not meet his expressed political beliefs he returned it to the government and that option, of courses, is open to anyone who does not wish to receive this medal.

TRANSPORT

INQUIRY INTO RAILWAY COSTING METHODS IN PROPOSED LINE ABANDONMENTS

On the orders of the day:

Mr. J. E. Pascoe (Moose Jaw-Lake Centre): Mr. Speaker, I have a question for the Minister of Transport which relates to the public hearing by the Canadian Transport Commission into railway costing methods for proposed rail line abandonments. Will the minister give an assurance that all interested groups and individuals will have full opportunity to present arguments and briefs? To make this possible will the minister request the commission to hold at least one hearing in the west, where any curtailment of rail service will have the greatest adverse effect?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I have been assured by the commission that they will take the necessary steps to see that all points of view are adequately expressed and represented before them. I cannot recall whether this included the possibility of holding hearings in the west. I suspect it did, but I will certainly bring this suggestion to the attention of the president of the commission.

Mr. R. R. Southam (Moose Mountain): A supplementary question to the Minister of Transport, Mr. Speaker. Following the completion of this inquiry into the cost accounting techniques, as suggested by the minister in his current press release, will the minister assure the house that the standing committee on transport and communications will be

called together to review the recommendations of the inquiry before any of the suggestions are incorporated into amendments to the present legislation?

Mr. Hellyer: Mr Speaker, I am not in a position to give that assurance as the standing committee is a creature of the house. However, I am sure that if it wished to review the final order there would be no reason it could not do so. I hope that by the time the commission has completed its hearings everyone will be satisfied with the decisions that are taken.

EXTERNAL AFFAIRS

MIDDLE EAST—REPORTED PEACE OFFER BY KING OF JORDAN

On the orders of the day:

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I wanted to direct a question to the Secretary of State for External Affairs on what seemed to me to be a matter of importance in the international field, but instead I will address it to the Acting Prime Minister.

Did King Hussein of Jordan present to representatives of the Canadian government, as he is said to have done to western diplomats, an offer to recognize the right of all in the Middle East, including Israel, to live in peace and security? Did King Hussein also state that President Nasser of the United Arab Republic was ready to grant Israel free maritime access to the Suez canal and gulf of Aqaba if the right conditions were reached through a general settlement?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, the Acting Secretary of State for External Affairs might wish to comment on this question.

Hon. C. M. Drury (Acting Secretary of State for External Affairs): Mr. Speaker, I have seen the report in the newspaper of King Hussein's statement, which I think was made in a television interview, but no such offer or proposal has been made to the government of Canada.

Mr. Brewin: A supplementary question, Mr. Speaker. In view of the importance of this proposal to a settlement in the Middle East and the reported further statement by King Hussein about the urgency of a political solution, probably at the level of the security council, within a very short space of time, will the Canadian government make inquiries into this matter and, if deemed advisable, bring it to the security council?

[Mr. Southam.]

Mr. Drury: Mr. Speaker, I think the house will be aware that the government has been pursuing very actively indeed any useful means to secure peace in the Middle East. In so far as the proposal of King Hussein is useful and can be followed up, it will be.

NORTHWEST TERRITORIES

INQUIRY AS TO NAMING OF APPOINTED COUNCIL MEMBERS

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, I should like to direct a question to the Minister of Indian Affairs and Northern Development. In view of the fact that the Northwest Territories legislative council sits next Monday, and in order to give its members sufficient time to study legislation to come before that body, will the minister now announce the appointments of the four members who are still to be named, if they have not already been, to the council?

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development): Mr. Speaker, this is a question that I would have expected to hear from behind me instead of from the other side of the house. I know the hon. member's fears will be allayed when I tell him that those who are going to be appointed have already been alerted.

Mr. Nielsen: Is the minister prepared to announce the names of those who have been appointed to this legislative body?

Mr. Laing: No, sir, not today.

NATIONAL DEFENCE

INQUIRY AS TO INFORMATION ON RUSSIAN SPACE BOMB

On the orders of the day:

Hon. J. A. MacLean (Queens): Mr. Speaker, in the absence of the Secretary of State for External Affairs I should like to address my question to the Minister of National Defence. Has the minister had any discussions with Secretary McNamara or any defence officials of the United States with regard to the announcement of the secretary last week of a Soviet orbital space bomb?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, I have had no particular conversation with regard to this subject but I can say that we were briefed some time ago on this possible development. Some

of our officials who actually share the command in the NORAD organization were aware of this possible development.

Mr. MacLean (Queens): A supplementary question. Is the government making any study of the implications of this development as it affects Canada-United States defence policy?

Mr. Cadieux (Terrebonne): Yes, Mr. Speaker, of course we are.

Mr. T. C. Douglas (Burnaby-Coquitlam): A supplementary question to the Minister of National Defence, Mr. Speaker. May I ask whether the minister or any of his officials are sitting in with United States officials on discussions with regard to the planning of the anti-ballistic missile screen which the United States is now proposing to construct?

Mr. Cadieux (Terrebonne): Not just now, Mr. Speaker.

Mr. Douglas: A supplementary question, Mr. Speaker. The minister said "Not just now". Have they been invited to participate in any such discussion and are they planning to participate in any such discussion?

Mr. Cadieux (Terrebonne): To my knowledge, we have not been invited and I do not think we plan to attend. When I said, "Not just now", I meant that remark to refer to the orbital system. Some months ago we received an intelligence report in which the possibility of the existence of such a system was referred to. It is in that context that my remarks should be viewed. We were made aware of the possibility of such a system many months ago.

AIR CANADA

REPORTED DUMPING OF POLLUTANTS INTO LAKE ST. LOUIS

On the orders of the day:

Mr. Raymond Rock (Jacques-Cartier-Lasalle): Mr. Speaker, I have a question for the Minister of Transport. Will the minister inquire into charges made by the city of Lachine that Air Canada at Dorval airport dumped 300 gallons of phenol into lake St. Louis on October 23, causing serious pollution and making the drinking water of the inhabitants of the area taste bad? Would the minister also inquire about the number of times Air Canada has poured industrial waste into the pluvial sewer which drains into lake St. Louis via the Bouchard river?

Mr. Speaker: The hon. member is making a representation which I assume has been noted by the minister. As he is referring to something which apparently happened some weeks ago, I wonder whether the question is urgent today.

INQUIRIES OF THE MINISTRY

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare in his capacity as government house leader. In view of the fact that when we were in the other place a short while ago the Deputy of His Excellency the Governor General delivered a speech from the throne, will the government be presenting a motion for an address in reply to the speech from the throne, will there be a debate on it and will it be subject to the usual amendments and motions of non-confidence?

Hon. A. J. MacEachen (Minister of National Health and Welfare): Not if we can avoid it, Mr. Speaker.

Some hon. Members: Oh, oh.

Mr. Knowles: A supplementary question, Mr. Speaker. Are we not to be courteous enough to thank the Deputy of His Excellency for his gracious speech?

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I wish to direct a question to the Minister of Transport. Would he clarify a statement he made at the University of Toronto last Friday? In his remarks the minister advised students to be careful of becoming overly moral with respect to the war in Viet Nam.

Mr. Speaker: Order, please.

Mrs. MacInnis (Vancouver-Kingsway): May I finish? I am just coming to the question.

Mr. Speaker: Order, please. I do not like to interrupt the hon. member but I must remind her that when referring to statements made outside the house she may inquire of the Prime Minister only whether such statements represent government policy. The hon. member may frame her question in that way.

Mrs. MacInnis (Vancouver-Kingsway): May I try again, Mr. Speaker.

Mr. Douglas: The minister is the Acting Prime Minister at this time.

Mrs. MacInnis (Vancouver-Kingsway): Can the Acting Prime Minister say, since in his speech to the students at the University of Toronto he said that part of their university education is paid for from proceeds of the sale of Canadian goods including arms to the United States, some of which have been used in Viet Nam, whether the government considers it wrong for students to protest against this situation?

Mr. Speaker: The question as asked is not proper, and is not acceptable to the Chair.

Mr. Ed. Schreyer (Springfield): Mr. Speaker, I wish to address a question to the Acting Prime Minister. Since this country has sent an increasing amount of war material to the United States and since that material has been used partly in the escalating war in Viet Nam, does the government plan to increase its financial aid for higher education? I ask that question because these two matters seem to have some relationship in the mind of the Acting Prime Minister.

Mr. Speaker: Since the question asked by the hon. member is of a general nature, I think it is out of order. I do not think it can be answered at this time of day during the question period. I suggest to the hon. member that if a statement is made on motions he can make his remarks at that time.

Mr. Schreyer: Is it in order to ask the Acting Prime Minister whether he is going to make a statement with respect to the subject matter of his remarks before the students of the University of Toronto?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I have no intention of making such a statement. My advice to the hon. lady who raised this subject in the first instance —I see she is not here—is not to take too seriously everything she reads in newspapers. I could be glad to discuss with my hon. friend what I actually said and the context in which I said it. There was a wonderful exchange of words with a great group of young students, and I enjoyed the occasion thoroughly.

Mr. E. Nasserden (Rosthern): Mr. Speaker, I have a question for the government house leader in his capacity as Minister of National Health and Welfare.

Some hon. Members: Oh, oh.

[Mrs. MacInnis (Vancouver-Kingsway).]

Mr. Nasserden: Would the minister use his good offices to make the one hundredth anniversary of parliament's first meeting a truly memorable occasion for the senior citizens of our country by providing them with a bonus of $100 each for this year?

Hon. A. J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, I shall draw that suggestion to the attention of the Minister of Finance.

Some hon. Members: Oh, oh.

Mr. Knowles: How unkind can you be.

Mr. Douglas: How naïve.

BUSINESS OF THE HOUSE

INQUIRY AS TO BUSINESS FOR BALANCE OF WEEK

On the orders of the day:

Hon. Michael Starr (Leader of the Opposition): Mr. Speaker, I wish to direct a question to the government house leader. To allow the opposition to plan its work in advance, can the government house leader say what business the house will be expected to discuss tomorrow and for the next few days after that?

Hon. A. J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, if we complete second reading of the broadcasting bill today we shall take second reading of the capital punishment bill tomorrow and continue with that for several days. Later in the day I shall be better able to judge what tomorrow's business will be. Much will depend on whether we complete second reading of the broadcasting bill by the end of the day.

INDIAN AFFAIRS

REQUEST FOR EARLY MEETING OF HOUSE COMMITTEE

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, I direct another question to the Minister of Indian Affairs and Northern Development. Will he use his good offices with the chairman of the standing committee on Indian affairs, human rights and citizenship and immigration to have that committee meet at the earliest opportunity? Will he also refer to the committee the report "Indians and the Law" which was prepared for his department by the Canadian Corrections Association?

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development): Mr. Speaker, I have had a discussion with the chairman of the Indian affairs committee. We hope to see that committee set up soon. I wish to obtain an assessment of the report "Indians and the Law" before referring the report to the committee.

• (5:00 p.m.)

BROADCASTING

IMPLEMENTATION OF CANADIAN POLICY

The house resumed, from Friday, November 3, consideration of the motion of Miss LaMarsh for the second reading of Bill No. C-163, to implement a broadcasting policy for Canada, to amend the Radio Act in consequence thereof and to enact other consequential and related provisions.

Mr. L. M. Brand (Saskatoon): Mr. Speaker, some days ago when Bill No. C-163 was first introduced I read its provisions carefully. I am sure most other hon. members of the house also did so. With some of its provisions I could not disagree; others, I am afraid, gave me pause for thought.

There has been much talk in this country about whether parliament should continue to allow the existence of the crown corporation known as the C.B.C. or whether we should turn all broadcasting over to private interests. Some suggest that private interests could do a better and more efficient job in the broadcasting field than the C.B.C. could.

To do so, of course, would be to turn against the views of the broadcasting committee which stated that a distinctive Canadian broadcasting system was "essential to our national identity, unity and vitality in our second century", and went on to say that broadcasting might well be regarded as the central nervous system of Canadian nationhood. Although the report does not spell it out, it clearly indicates a desire for the continuance of a national broadcasting system such as the C.B.C. If, therefore, we decide that the C.B.C. should continue—and the bill before us certainly makes this clear—then it is our duty in parliament to try to fashion a bill which will provide adequate direction for those in the broadcasting field together with adequate protection of the public who are, after all, our primary concern.

This is a serious and important task, one which we in the opposition have approached with a concern no less great than that professed by the minister. We do not, of course, necessarily agree with every provision contained in the bill. My hon. friends, the hon. member for Royal (Mr. Fairweather) and the hon. member for Yukon (Mr. Nielsen), have eloquently expressed some of our doubts and fears with regard to it. But we have offered our criticism in an attempt to improve the measure, to make it a better instrument with which to serve the public in the vital field of broadcasting.

I can assure the minister it was with these aims in mind that proposals have been advanced to have this bill considered in the standing committee on broadcasting prior to second reading. We feel this is a worth-while aim and in this connection I believe it would be useful to refer to what was said by my hon. friend from Royal when he spoke on this bill, as reported at pages 3760 and 3761 of *Hansard*.

> I believe this bill should go back to the parliamentary committee because in so many ways it differs from the report of the special committee. Here I should like to suggest, and I do so quite sincerely, that it be sent to committee before approval in principle. The committee has the competence and ability, I say with respect, to improve this bill and make it a more democratic evocation of what the policy of the government should be. I think it would be a landmark in the long and perilous journey toward parliamentary reform if the Secretary of State would agree that what I suggest is an imaginative and proper procedure. If we really mean the parliamentary committee system to be effective, the minister will jump to accept this suggestion. I assure her that it is not a delaying tactic; it is a reforming tactic. It is not a device to kill the bill; it is a genuine attempt to use the latent talent and experience of parliamentarians for the improvement of the bill at an early stage of its passage through the house.

This we in the opposition sincerely believe, and the disturbing events of the past few days have been a powerful force in underlining and reinforcing our suggestion.

I therefore move, seconded by the hon. member for Peace River (Mr. Baldwin):

> That all the words after "that" be struck out and the following substituted therefor:
>
> "This bill be not read a second time until the subject matter of the bill has been referred to the standing committee on broadcasting, films and assistance to the arts for review and until the committee has reported to the house."

This amendment has been necessitated by the incredible spectacle of the past few days. On the one hand we see the minister making charges of "rotten management" in the C.B.C. and on the other we find the president of that corporation demanding that the minister substantiate the serious charges she has made against management. Strangely enough,

even as the minister is making her charges the Prime Minister (Mr. Pearson), the leader of the government, is publicly praising the C.B.C. for the excellent job it has done. Further complicating the situation is the fact that the president of the C.B.C voluntarily resigned over a year ago but was urged to stay on by this same government.

Here we have a situation where a minister in charge of a crown corporation is being challenged, most unwisely, I believe, by a man who is responsible not just for the C.B.C. but to the minister herself and through her to the parliament of Canada. It is clear that the minister herself has been most unwise in the type of blanket charges she has made, particularly since she has not specified those charges for the information of those to whom she is responsible, not the management of the C.B.C. but the parliament of Canada and, through its members, the people of Canada.

I was astonished, as were many other hon. members, to hear her say in reply to the hon. member for York South (Mr. Lewis) the other day: "It could be no secret to anyone who knew anything about broadcasting that there was a problem of management." I agree with that. Then the minister went on: "But what I learned about in the past few weeks was very much worse than that." It is the last part which concerns us most. What are these unknown things which the minister has learned about in the past few weeks? Surely we in this parliament as well as the people of Canada have a right to know. On behalf of the people of Canada this parliament provides more than $160 million annually for the C.B.C. and I believe our people have an inalienable right to know how their money is being spent.

Perhaps the minister spoke out of sheer frustration the other day. It is surely clear that all the blame for this unsavoury situation cannot be laid at her doorstep. It is the Prime Minister who has continually frustrated attempts to name a new head of the C.B.C. and who has continually expressed views directly opposed to those of the Secretary of State, making her position at times untenable. The Secretary of State may have been indiscreet but there are many people in Canada who believe that at least she was honest in what she said.

Some hon. Members: Hear, hear.

Mr. Brand: I would commend that particular view to members of the press gallery.

[Mr. Brand.]

How can we in this context hope to understand or improve the bill before us unless we have an opportunity to hear the full story as it should be placed before members of the standing committee on broadcasting? It is for this reason I have moved my amendment and I urge the house to give it consideration realizing that on this side we are totally sincere in our efforts to expand and improve the legislation before us. I repeat that by this manoeuvre we have no intention of trying to kill the bill. But we cannot do a proper job until we know what the facts are, and this will be one of the results of bringing the bill before the committee prior to second reading.

While hon. members are studying the amendment, perhaps I may make a few of the remarks I had intended to make prior to the occurrences of the last few days. When the Prime Minister finally answered my question regarding C.B.C. coverage in Saskatoon the reaction of the citizens of that city was entirely predictable. The Saskatoon Board of Trade, through its commissioner, Mr. Bert Saltoum, said it was inconceivable that the federal government should shelve the plans and expressed extreme disappointment about the decision.

• (5:10 p.m.)

As reported in the Saskatoon *Star-Phoenix* of November 2 he said:

> In the light of all the facts, the board cannot understand the government decision. It notes that the longer the project is delayed the more it will cost when eventually built.

The report continued:

> Mr. Salloum said a cut-back on government spending was carried on on this project until the freeze was lifted last year and the C.B.C. applied to the Board of Broadcast Governors for the Saskatoon station. "The B.B.G. approved the application and since then the matter has been awaiting cabinet approval."
>
> "Saskatoon, it was said, would have a second television outlet by the fall of 1968?

The article went on to quote a statement made by the minister in charge of the C.B.C. in which she said:

> I concur that a proposed C.B.C. television outlet for Saskatoon is of critical importance and I can assure you that utmost consideration is being given to it.

Commissioner Salloum added:

> In the light of all the facts, we cannot understand the government decision.

The mayor of our city, Sidney Buckwold, also got into the act and, as reported in the

article, termed the postponement of the C.B.C. station "shameful." He said:

I fully appreciate the financial problems of the federal government, but I believe it is shameful that this project, promised by the C.B.C. to the citizens of Saskatoon for several years, should be postponed.

The report continued:

He said a second television station in the city is urgently needed and the general reaction of the public has indicated a preference for a full C.B.C. station.

There are many other comments by people from my city. There is no question but that the people of Saskatoon want alternative service. When we consider that they pay the same amount of taxes as any other region of Canada for support of the C.B.C., we believe they should be entitled to alternative coverage, the same as is now being received by many other cities of comparable size in Canada.

We believe it is mandatory that the government should reconsider its decision and at least as a temporary measure provide alternative service by a C.B.C. transmitter without studio facilities or allow private broadcasting to fill the void that will be left by this decision of the government. The decision to cancel the station is another example of how the leader of the government has frustrated the wishes of the minister in charge. It flies in the face of the recommendation in the white paper on broadcasting, and in the report of the committee on broadcasting which on page 9 reads as follows:

We recommend ... wherever practical, in areas now receiving only one Canadian service, if the service is through a private outlet, the alternative should be provided by C.B.C. If C.B.C. is now the sole service, the second service should be private.

Then there appears this significant sentence:

Where there are serious obstacles to such parallel development, however, these should not prohibit the extension of alternate service by other means, at least on a temporary basis.

This is the recommendation of the committee that we would like to see invoked.

At present there are rumours going around in the city of Saskatoon about the premier of Saskatchewan having visited the Prime Minister just before this announcement was made. It is being said that he discussed and made some sort of arrangement to allow a private station in Saskatchewan, incidentally a station which has some feeling for the present government, to put a satellite in the Saskatoon area, thus helping the private station out of an uneconomic situation. It is up to the government to kill this type of rumour before it gains too much credence in the minds of the people in the city I represent.

Perhaps, Mr. Speaker, I could be permitted to make a few general remarks about some other facets of the bill before us. The white paper issued in 1966 stated one of the objectives of the C.B.C. as follows:

The determination to develop and maintain a national system of radio and t.v. broadcasting in Canada as an essential part of the continuing resolve for Canadian identity and Canadian unity.

The report of the broadcasting committee in March, 1967, put it similarly but in different words which I quoted earlier, namely:

A distinctively Canadian broadcasting system is essential to our national identity, unity and vitality in our second century.

Speaking personally, I am happy to see that the bill before us agrees with these two proposals, but I say that I will support this concept only as long as the private sector of broadcasting is also fully available to every Canadian. I will support it so long as those areas not presently covered by the C.B.C. will receive C.B.C. service. I will support it so long as the provisions in this bill are meaningful so far as the full and varied use of Canadian talent—writers, producers, actors and so on—is concerned. I will support it so long as it is truly Canadian and so long as its prime objective is the fostering not only of a distinctive Canadianism but also the encouragement of those Canadians involved in the arts.

The C.B.C. should be an instrument not of propaganda but of education. I must confess that I share the deep concern of the hon. member for Yukon when he referred to that clause in the bill which gives the cabinet power to pre-empt any program and broadcast any other program that either the executive committee or the governor in council deems to be of special significance to Canadians generally. The minister has said, and I note that the distinguished advocate from York South has also said, that the government would never take advantage of this provision for propaganda purposes. If that is the case, Mr. Speaker, then this clause should not be in the bill at all.

A truly distinctive Canadian broadcasting system should be an instrument not only of entertainment but of enlightenment. It should be a means of communication between various regions to promote better understanding between them. It should not become the agent of

any one group seeking to promote its views and its views alone. Rather, it should be the means to provide stimulating and thought-provoking discussion.

It should be a cohesive factor in Canadian life. Earlier I quoted the aim of a national system of radio and television, and in this regard may I say that unity should be the result of a good broadcasting policy on the part of a viable C.B.C. and should not be a means to an end. The C.B.C. should not be used as an instrument to forge unity. Rather, as it helps one region of Canada to understand the others better, as it helps one racial group to understand and appreciate others, it will have done its work well and will have helped immeasurably in forging a united Canada, proud of its different origins and confident despite its diversity.

Presuming that we accept the above premises, certain other consequences become apparent. I have mentioned some of them previously. First, to achieve such lofty aims C.B.C. radio and television must reach every citizen in our country and, as I pointed out before, this is not yet a reality. Consequently the C.B.C. must have sufficient funds in order to provide the kind of service required. It is meaningless to put these words on paper and then not provide the means to give the type of service we hope to see.

The C.B.C. must also have sufficient flexibility and stability in regard to the moneys appropriated to allow meaningful, long-range planning. But it must also be responsible to the people of Canada and the parliament of Canada who provide the money with which it operates. At the same time authority must be permitted to allow good corporate management with the proviso that artistic freedom be given prominence, because only in this way can the C.B.C. mature and its influence increase. As I said before, allowing the C.B.C. to be used as an instrument of propaganda for any pressure group is to be mentioned only to be condemned.

In conclusion, Mr. Speaker, I would like to refer once more to the amendment I have placed before the house. Once again I ask hon. members on both sides to consider how we in the official opposition view this amendment. Certain allegations have been made by the minister. Counter-charges have been hurled back by the C.B.C. This unseemly situation must not be allowed to continue.

• (5:20 p.m.)

As I have said before, it is the right of every taxpayer in this country to know exactly how the money provided to the C.B.C. is being spent by it. If the minister feels that her responsibility is to the management of the C.B.C. only, then I must in all honesty say that I disagree most heartily with this concept. It is the members of this house and the people of Canada who should know what is rotten in the management of the C.B.C. As parliamentarians, before we discuss the bill and before we propose amendments as the minister has invited us to do, we must know what is going on.

In the last few weeks factors have come to light which we did not have an opportunity to discuss in the committee on broadcasting, films and assistance to the arts. In many ways this is a new kettle of fish. We must have an opportunity to hear what these charges are. The Canadian people must know what the charges are. When we have this information we would hope to be able to come up then with a bill that will provide for the Canadian nation the type of guidance and control that all of us would like to see in this vital area of broadcasting which affects every facet of Canadian life.

Mr. Speaker: Before the amendment moved by the hon. member for Saskatoon is placed before the house I should like to say I have had an opportunity to look at it from a procedural standpoint. I would certainly appreciate having the views of hon. members in respect of whether this amendment in its exact form is acceptable from the procedural standpoint.

Mr. Baldwin: Mr. Speaker, I am glad you have raised this point because it provides a very useful opportunity, both in respect of this bill and the general practice, to deal with this matter. As Your Honour is aware, I believe there is ample precedent in the customs and practices of this house for the moving of the type of amendment by which the subject matter of a bill may be referred to a committee before second reading. I believe it is perfectly proper to move such a motion.

It is true we have changed what in the past has been the formal wording of such an amendment. At this time, however, when so much is being said about the reform of parliament I think we should be free, when we the members of the house and Your Honour see an opportunity to change the substantive practice of the house, to seek out ways and means by which we can make our motion conform to what is the intent of hon. members. I submit there should not be a continued slavish adherence to a certain type of

form which might have been acceptable to a Speaker generations ago.

In his amendment the hon. member for Saskatoon is suggesting that there should be a condition attached to the second reading of this bill. Instead of saying, as has been the custom in the past, that the bill be not now read a second time and that the subject matter be referred to a committee, he is saying that the bill be not read a second time until this condition has been fulfilled. In each case precisely the same result would be achieved. Since hon. members on this side, and I assume many other hon. members, feel that a real issue has arisen which should be considered in view of the fact that it arose since the bill first was presented for second reading, we believe hon. members should have the right, either by themselves if they are not members of the committee or through their colleagues who are members of the committee, to make a thorough and searching inquiry into certain aspects of the bill.

Unfortunately, as we all know, too often it becomes necessary for members of the opposition to move a motion of this type because they seek valid and important information before being placed in the position where they must vote either yea or nay on a bill of this kind. This is precisely the reason we are doing this today. I should like to say that originally, upon reading the bill and listening to the presentations of the first several hon. members who spoke, I felt that in committee of the whole I would have an opportunity to discuss the many specific aspects of the bill. I could see no valid objection to the broad principle that there should be a continuation of the private and public sectors and that there should be a regulatory board which would have certain rights with regard to both the public and private sectors. Now, however, because of what has arisen over the week end I am in the position, as I am sure many other members of the house are, that I should like to know, before I am called upon to vote yea or nay on second reading, what the facts are which have been the subject of this controversy. Because of what has occurred there may be clauses in this bill to which we would take serious objection.

The hon. member for Saskatoon in his very thorough and articulate contribution has outlined the views of this party in this regard. In addition, I am giving my own view. Despite the interpretation which may have been placed upon the general rules, conditions and precedents of the past, I urge Your Honour to bear in mind that through this motion we seek not to kill this bill but rather to have before the second reading stage the type of examination which the circumstances now make inevitable and imperative. Although there is no real difference between the words "that this bill be not now read a second time and the subject matter be referred to a committee" and the words "that this bill be not read a second time until the subject matter has been referred to a committee", we believe that the second version more clearly and precisely indicates the purview of this party. Surely it should be the right of a party or an individual to move an amendment which corresponds to the point of view he is attempting to place before the house.

• (5:30 p.m.)

Mr. Olson: Mr. Speaker, I find myself in large measure in agreement with the very laudable points the hon. member for Peace River has drawn to the attention of the house. However, I think he overlooked one very important consideration. Everything he wants members to have the privilege of doing by way of amending the bill, changing it or improving it, if that is their point of view, can be done in committee of the whole house or, indeed, can be done if the house decides to refer this bill to the standing committee after it has received second reading. In the meantime we have the rules of this house and precedents which, until they are changed, we are obliged to follow.

Let me also say to the hon. member for Peace River that while there are some changes which may be new in dealing with bills of this type on second reading, I am sure Your Honour and the hon. member are aware of the substantial reasons for having the house accept a bill in principle before amendments are made and before it is referred to a committee. Unless the house has given approval in principle there is really no determination that it wishes either a standing committee or the committee of the whole to give further consideration to the bill's specific provisions.

Mr. Nowlan: Mr. Speaker, may I ask the hon. member a question in relation to the statement he has just made?

Mr. Olson: Not at this moment, Mr. Speaker. I should like to refer Your Honour to citation 386 of Beauchesne, fourth edition,

where reference is made to the second reading of a bill. It states:

> ...the house may decide to refer the subject matter thereof to a commission although the bill could not be referred to a committee of the house before its second reading.

Later in this same citation we find the following in paragraph 3 on page 278:

> The house cannot both refuse to give the second reading and refer some provisions of the bill to a committee. It shall have to make its choice.

In that case the amendment was lost.

The argument advanced by the hon. member for Saskatoon was to the effect that while he did not want to kill the bill he wanted to refer parts of it or all of it to a committee before it received approval in principle in the house. That is clearly in contradiction of what is set out in citation 386. Citation 389 states in part:

> A motion opposing the second reading of a bill must not anticipate amendments which may be moved in committee.

The argument advanced by the hon. member for Peace River was such that anything he suggests should be done could in fact be done in the committee. There are no prohibitions to what any member can move in regard to any part of a bill before the standing committee or the committee of the whole. However, it is very clear that we must not anticipate these amendments and seek to inject them before approval in principle is given.

I should also like to draw Your Honour's attention to citation 394 at page 281 which deals with some of the prohibitions in respect of a bill at this stage. It says in the first paragraph:

> Nor may such an amendment deal with the provisions of the bill upon which it is moved, nor anticipate amendments thereto which may be moved in committee, nor attach conditions to the second reading of the bill.

I do not have a copy of the amendment but I think it suggests that we should not proceed with second reading until the subject matter has been referred to a standing committee. This is an attempt to attach a condition to second reading of the bill. The citations are clear in this regard, and I could quote them at length, that on second reading the house is obliged to vote on the principle of the bill. Hon. members should vote for that principle or oppose it, but they may not attach conditions to any specific part or the whole of the bill.

[Mr. Olson.]

Without going into this matter at length by quoting other citations, I suggest that the amendment is out of order by reason of the fact it attempts to attach a condition before the bill has been accepted in principle by the house.

Mr. Nowlan: Mr. Speaker, I should like to ask the hon. member for Medicine Hat whether the logic he has enunciated today in opposition to the amendment is the same logic he enunciated during this session when he was on this side of the house and wanted the transport bill referred to a committee before approval on second reading?

Mr. Olson: Mr. Speaker, in reply let me suggest that logic remains logic no matter where it comes from in this house.

An hon. Member: You have changed since you moved.

Mr. Baldwin: May I ask the hon. member for Medicine Hat whether he would agree that the amendment would be in order had it been couched in the traditional words, that the bill be not now read a second time but that the subject matter be referred to the committee?

Mr. Olson: Perhaps I should not use the word "suspect" in this house, but I believe the subtle change in wording is intended to circumvent the result of this house carrying this kind of amendment. It is a well-known fact that when such an amendment is carried it is tantamount to killing the bill. Apparently the opposition does not want that.

Mr. Nesbitt: Mr. Speaker, one point was alluded to by the hon. member for Saskatoon and the hon. member for Peace River which I believe the hon. member for Medicine Hat misunderstood. We have a very unique situation here which has not arisen for some considerable period of time, if ever before. Hon. members are being asked to vote on second reading which involves approving the principle of the bill. The bill is the result of lengthy hearings of the broadcast committee and discussions elsewhere. After the bill was presented to the house a unique situation developed. The minister responsible to the house for the Canadian Broadcasting Corporation made serious allegations against the corporation. She has refused to answer questions or provide the house with information regarding those allegations which were made after the house was asked to accept this bill in principle. If the government continues to deny access to this information, how then

can hon. members approve the bill in principle? If we had this information the views of hon. members might perhaps be very different with regard to the principle of the bill. I draw Your Honour's attention to this unique situation with the assurance that you will give it consideration.

Mr. Speaker: I thank hon. members for their advice and interesting comments.

• (5:40 p.m.)

As hon. members know, this point is very often raised when hon. members from either side of the house have doubts whether they should vote for or against a bill and would like to see the bill referred to a committee before second reading is given. In such instances it has been suggested at times that the bill itself should be referred to a committee.

We have had numerous rulings over 100 years up to today to the effect that this cannot be done. I remember that just a few months ago when the same thing was attempted by the hon. member for Winnipeg North Centre he argued somewhat along the same lines as the hon. member for Peace River has argued today, namely, that our procedures should be changed, that this is the time to do it, and therefore Mr. Speaker should disregard the precedents, make law and send the house on a new course. Even on the one hundredth anniversary of the first day of the first session of the parliament of Canada I am not disposed to follow this advice.

An hon. Member: Be a pioneer.

Mr. Speaker: I suggest to hon. members that the rules are very clear and hon. members can do one of two things. They can vote for or against the principle of the bill. Hon. members are at liberty to make a motion exactly in the words mentioned by the hon. member for Peace River when he asked a question of the hon. member for Medicine Hat, that is, that this bill be not now read a second time but that the subject matter thereof be referred to a committee. This would be in order.

Citation 386 of Beauchesne, which has been referred to by the hon. member for Medicine Hat and other hon. members, is clear on the point. This citation says:

> On the second reading of a bill, the house may decide to refer the subject matter thereof to a commission although the bill could not be referred to a committee of the house before its second reading.

In the last part of citation 386 (3) it is said:

> The house cannot both refuse to give the second reading and refer some provisions of the bill to a committee. It shall have to make its choice. The amendment was ruled out.

Without going into too many details on the matter, I am sure the hon. member for Peace River will recognize the difficulty which faces the Chair at this time. Although I have every possible sympathy with the intention of the hon. member for Saskatoon, I do not think the precedents allow the Chair to make an exception to the rules that have existed for so long. For these reasons I cannot accept the amendment in its present form.

Mr. Baldwin: Mr. Speaker, on a point of order, before the matter proceeds I should like to ask the house leader and the minister whether, in view of the very serious and grave doubt raised and the very valid issue involved, they would consider giving unanimous consent to an amendment in this form being moved so that the house may be tested on it. I ask them to consider this request so we may obtain from the house an expression of opinion on this issue despite the ruling of the Chair. I am not trying to circumvent Your Honour's ruling, which I accept, but I wonder whether in this way we could test the house on the question.

Mr. Churchill: Mr. Speaker, on the point of order, as one of the assistants in drafting the amendment I should like to say that I thought we would get the co-operation of the hon. member for Medicine Hat who is so anxious to reform the House of Commons. In addition, of course, the Minister of National Health and Welfare is similarly attuned to the present. I think the suggestion of my colleague is a way around the difficulty so that the Speaker will not have to strike out on a new course and establish precedents but rather that the house in a unique situation will give unanimous consent to adopting what is really a forward-looking move to improve the procedures of parliament and the use of its committees.

Mr. Ballard: Mr. Speaker, there seems to be no reaction from the government benches on this point of order, so I wonder whether as an alternative—

Mr. Speaker: Order, please. I doubt very much that there is a point of order. I think the Chair showed some leniency in allowing the hon. member for Peace River and the hon. member for Winnipeg South Centre to

pose the question in the form of a point of order when it is obviously not a point of order but a substantive question. I think we should continue with the debate unless the house is ready for the question.

[*Translation*]

Mr. Gustave Blouin (Saguenay): Mr. Speaker, I am pleased to say a few words at this stage in the study of the broadcasting bill.

Contrary to what has been said on both sides of the house since the beginning of this debate, I do not intend to criticize or praise the C.B.C. I think that others have seen to it up to now, and I want to deal with another subject.

Mr. Speaker, almost a year ago, more exactly on November 23, 1966, I said this in the house:

> For three years, I have been trying to obtain the extension of a television network on the north shore of the lower St. Lawrence, that is, east of Seven Islands, and unfortunately my efforts have been unsuccessful up to now.

And so, Mr. Speaker, I should like to say now that with the support of the hon. minister responsible for the C.B.C. to this house, my efforts were successful: a few weeks ago, the setting up of a TV station, that is a "frontier package" was authorized at Havre St. Pierre.

First of all, I wish to thank the hon. minister, in spite of what was said in this house the other day, and tell her how much this is appreciated. I now speak on behalf of my electors.

Mr. Asselin (Charlevoix): It is the C.B.C.

Mr. Blouin: I know it is the C.B.C., but what I want to say, for the guidance of the hon. member for Charlevoix, is that the hon. minister, I know, supported my efforts and that is why we now have a television station, a "frontier package", at Havre St. Pierre.

• (5:50 p.m.)

Mr. Asselin (Charlevoix): Would the hon. member allow me to ask him a question? Does he admit that the minister has the right to influence politically the C.B.C.?

Mr. Blouin: I am pleased to answer my hon. friend and point out that we are not dealing with a political influence, but with the extension of the system on the north shore to serve remote places which have no means of communication, and when the minister gave her approval, or in co-operation with the C.B.C. management gave that authorization, she did not mention—and neither did I—the political allegiance of my constituents.

Some hon. Members: Hear, hear.

Mr. Blouin: She acted for the community and I would like to express my full appreciation for what has been done.

A little further, on the same day, I said:

> Members have often spoken in the house of education and cultural affairs, and I know that considerable amounts were voted for cultural affairs. I must say, Mr. Chairman, that television must nowadays be available to all citizens of Canada and that it must be used also in the field of education and cultural affairs.

Moreover, I quote the following from a brief presented to the parliamentary committee on broadcasting, films and assistance to the arts:

> We believe it is extremely important to assert strongly, first of all, that all the countries in the world know that it is neither possible nor practical to choose between education of children and education of adults as far as development is concerned and, secondly, that the main participant in educational television is surely the adult student, in his home.

That is one of the reasons why authorization was given for the building of this television station, and I insist on that because, contrary to what my hon. friend thinks, it is more a matter of education and cultural affairs.

Therefore, Mr. Speaker, I would also like to tell the house that the work is not completed because the north shore that I represent—I repeat it again—is the largest riding in Canada, with the exception of that of my hon. friend from the Northwest Territories, and there is still a lot to do to extend television coverage to Blanc-Sablon and the Belle Isle strait. I received recently from the manager of the municipality of the lower north shore, which is made up of twenty-two villages on a distance of 500 miles, a resolution which pressed for the extension of the French and English television service to Blanc-Sablon. I therefore hope that with the good offices of the minister, who is listening to me right now, and those of her parliamentary secretary (Mr. Béchard), efforts to secure the extension of that service will be continued.

Mr. Speaker, to conclude, I would also like to congratulate the chairman, the vice-chairman and all the members of the committee on broadcasting, films and assistance to the arts who have spent many hours working on

this matter. I know that they heard many witnesses during the hearings, that they did a lot of work, and I take this opportunity to congratulate them.

Again I would like to insist on the extension of this network. I have been given to understand that, possibly in the very near future, the minister might have the occasion to visit the area; at that time, she will be able to see for herself how vast it is and the urgent need for a television network serving those isolated communities.

I do not intend to dwell at length on this point, since we shall have the opportunity, I am sure, to take up this discussion again.

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I want first of all to congratulate the hon. member for Saguenay (Mr. Blouin) for having succeeded in getting the extension of the network to his area, and this should be of service to his constituents. As a matter of fact, I am tempted to ask him to intercede with the minister on my behalf, in order to get a similar extension on the north shore of the Charlevoix constituency up to Tadoussac, because I have been making representations to the C.B.C. for several months and asking to correct what I call an unfair treatment not only for some areas of the province of Quebec, but for other areas also, such as my own constituency.

In some municipalities the citizens have to pay a fee as high as $100 to get the public TV broadcasts.

Mr. Blouin: Mr. Speaker, may I put a question to my hon. friend?

Has he ever asked the minister to support his requests?

Mr. Asselin (Charlevoix): I do not have to apply to the minister, because the hon. member knows quite well that the minister can only act as the spokesman of the C.B.C. in the house and that she cannot take part in the decisions of the C.B.C.

I find it strange that hon. members are trying to make us believe today that the minister can take a decision for the C.B.C.

If one understands the spirit of the act—

[*English*]

Miss LaMarsh: Would the hon. member permit me to ask him a question? Before concluding that part of his speech I wonder whether he would like to have a discussion with an hon. member on his side of the house, the hon. member for Churchill (Mr. Simpson), on whether or not on certain occasions it is possible to ask the C.B.C. to use new means to reach outlying districts? Obviously the minister cannot and would not intrude on strictly political lines but in some instances it has been possible for the minister to persuade the C.B.C. to be somewhat more flexible in its attitude in regard to engineering and thus getting service to people. I think my hon. friend will find that his colleague from Churchill has no criticism of the government in this regard.

[*Translation*]

Mr. Asselin (Charlevoix): Mr. Speaker, I did not know the hon. minister had so much influence over the C.B.C. If such is the case, I want to ask her right now to approach the authorities of the C.B.C. and ask them to extend the TV network to the riding of Charlevoix and the surrounding areas.

Of course, the minister may leave her post in the near future and may therefore not have the pleasure of doing me that good turn, but in case she should stay in office as minister responsible or spokesman for the C.B.C. to the house, I ask her—I hope she is making notes—to ask the officials of the C.B.C. to look into the matter seriously as concerns the riding of Charlevoix with a view to doing away with what I called discrimination a while ago.

The people back home pay their taxes just like people do in Toronto, in Montreal and in Vancouver. Those people are entitled to benefit from the services of public broadcasting.

When the C.B.C. undertook, as it were, to set up a colour television system, I stated that there were other priorities and before spending so much money to develop colour television in Canada, it would have been advisable in the first place to serve remote centres, in order to enable all taxpayers to benefit from that broadcasting service.

Mr. Speaker, may I say that it is six o'clock?

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to standing order 39A, to inform the house that the questions to be raised at ten o'clock this day are as follows: The hon. member for New Westminster (Mr. Mather),

Health and Welfare—representations respecting cigarette advertising and smoking education; the hon. member for Saskatoon (Mr. Brand), National Defence—use of reserve officers as language instructors; the hon. member for Parkdale (Mr. Haidasz), Pollution—request for committee consideration of proposed legislation.

I understand there is some disposition on the part of the house to suspend private members' hour. Is it agreed that private members' hour shall be suspended today?

Some hon. Members: Agreed.

Mr. Deputy Speaker: The house will resume its work at eight 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.

BROADCASTING

IMPLEMENTATION OF CANADIAN POLICY

The house resumed consideration of the motion of Miss LaMarsh for the second reading of Bill No. C-163, to implement a broadcasting policy for Canada, to amend the Radio Act in consequence thereof and to enact other consequential and related provisions.

[*Translation*]

Mr. Asselin (Charlevoix): Mr. Speaker, when we rose I was asking the minister's help in convincing the authorities of the C.B.C. to build in my constituency a satellite station that could rebroadcast the signal to every voter in my constituency. As a matter of fact, the minister should know, if she does not and the people in C.B.C. should also know, that several municipalities of my constituency are served by a community cable which is excessively expensive to receive the signals of a private television station. Now, as the minister indicated a while ago, she might wield a certain influence and enjoy some prestige with the administration of the C.B.C. So I ask her to use the prestige she has shown for the hon. member for Saguenay so that the people of my constituency may receive the signal from the C.B.C. and have the broadcasting services to which they are entitled.

[Mr. Deputy Speaker.]

I noted in my intervention that the people at home are paying the same taxes as the other citizens of Canada and that they should not be penalized by being forced to receive the signal of a private station, the owners of which charge hundreds of dollars yearly, to have the C.B.C. television service.

As the minister has already stated when she introduced the bill in the house, the air waves belong to the whole community, they are part of the common wealth of the Canadian people and I believe that I am justified as the representative of a constituency removed from the large centres to intervene and to demand of the authorities of the C.B.C. that their services be extended at the earliest possible moment so as to avoid discriminating against a population far removed from the major centres.

Mr. Speaker, if I take part in this discussion today it is naturally to refer to the statements and charges by the minister against the administration of the C.B.C. We, on this side of the house, have repeatedly asked the minister for details about the charges against the leadership and administration of the C.B.C. And as representatives of the electors of the province of Quebec, we are somewhat concerned over the way the minister worded her charges against the C.B.C.—particularly when we realize that the C.B.C. is under the management of a French Canadian.

I am not here, Mr. Speaker, to defend the C.B.C. management; or to say that the minister is wrong, because we know nothing of the charges made by her against the C.B.C. management. On several occasions, as I said earlier, we have asked the minister to specify her accusations against the management of this crown corporation for which she is responsible to parliament.

Up to now, the minister has refused to give details; she kept the discussion very general, implying that the management was rotten in several sections of the C.B.C.

We, in the opposition, cannot of course accept such a gratuitous accusation. That is why, during the debate this afternoon, the member for Saskatoon (Mr. Brand) asked the house to refer the bill to a committee of the house so that we might get more information on the accusations of the minister against the C.B.C. management and also study some of the provisions of the bill which, to our mind, seem rather nebulous and do not contain all the information the public—

• (8:10 p.m.)

[*English*]

Mr. Olson: On a point of order, the hon. member must know that in this house he is not allowed to reflect on decisions of Mr. Speaker.

[*Translation*]

Mr. Asselin (Charlevoix): The member who just interrupted me is perhaps right, Mr. Speaker. I do not want to question the ruling of the Chair; all I wanted to say is that we, of the Conservative party, wanted to know the facts in detail, and the only way to know about them would have been to refer the bill to a committee of the house where we could have studied it. I do not in the least question the decision of the Speaker, but I wanted to say only this: The Conservative party merely wanted to refer the bill to a committee of the house, not only to get acquainted with the wording, the charges of the Secretary of State, but also to bring to light certain clauses of the bill which, in our opinion, require explanations.

And we are now—

[*English*]

Mr. Olson: May I ask the hon. member whether he would feel restricted in the exercise of his privileges if he were to ask all his questions when the bill is studied in committee, after the principle of the bill has been agreed to on second reading.

Mr. Régimbal: But the Liberals will not agree to refer it back.

[*Translation*]

Mr. Asselin (Charlevoix): Of course, if the Liberal party opposite co-operated fully and gave us such information, I would fully agree with the hon. member who has just interrupted me, but I am convinced that even when we study that bill in committee, we will not get all the information we need to inform the public. That is why we asked this afternoon that the bill be referred to a committee of the house so that the citizens of Canada might be informed about the scope of the important legislation now under consideration.

I return, of course, to the charges of rotten management made by the Secretary of State against the C.B.C. and I say this: For two years now, the minister has been responsible of the C.B.C. before parliament; for two years now, we have been asking her questions concerning the rotten management of the C.B.C. We have also asked questions on the extension of the broadcasting system to centres which still do not have the opportunity of tuning in on the C.B.C., and during those years, the minister merely answered in the house: "I am only the messenger, the clerk of the C.B.C. I will simply transmit the message to the C.B.C. management and will give an answer to the House of Commons."

During those two years if the Secretary of State who answers for the C.B.C. knew that the corporation's management was rotten, it was her duty and her responsibility to inform the members of the house of it, because they are responsible for expenditures on behalf of either the C.B.C. or any other department of the crown.

If, during those two years, from 1965 to 1967, since she has been holding the post of Secretary of State and has been responsible to the house for the C.B.C. the minister was aware of rotten management within the C.B.C., it was her duty to so inform the House of Commons. That is why we are now astonished by that statement, which I would say is very serious, about a crown corporation that should be politically independent—it would be undesirable to have political interference within the C.B.C.—and I say that the minister has acted irresponsibly in throwing such statements, such gratuitous charges directly in the face of the C.B.C. management these last few days. As a French Canadian, I would say this is grossly unfair to another French Canadian, namely, Mr. Alphonse Ouimet, who has been C.B.C. president for several years and who is near retirement, to charge him with rotten management.

Mr. Béchard: Mr. Speaker, may I ask the hon. member a question?

• (8:20 p.m.)

Mr. Asselin (Charlevoix): Yes, Mr. Speaker.

Mr. Béchard: Does the C.B.C. management include only French Canadians, since he is trying to pass judgment on one man only?

Mr. Asselin (Charlevoix): I am very glad that the parliamentary secretary to the minister has asked me that question. That is precisely what we want to know and the minister has been refusing for at least one week to specify her accusations. We only want to know whether those charges relate to the C.B.C. management, to its president or to some other persons in the corporation?

The parliamentary secretary fully agrees with me. Of course, what we want to know is whether those accusations are aimed at such

and such an individual and, if the minister has been aware of them for the past two years, why did she fail to inform the house?

Of course, Mr. Speaker, I am not here to bestow my blessing on the C.B.C.

I know that, at the C.B.C, there are, on some programs, much more left-wingers than middle-of-the-road men and right-wingers, that is quite clear. One just has to watch C.B.C. programs. For instance, after the separatist candidate Bourgault had run in the riding of Duplessis and had been turned down by the people of that electoral district, the C.B.C. made a film about some of his statements in the riding and Mr. Bourgault took advantage of that propaganda provided to him by the C.B.C. to try his separatist ideas on the French people served by the C.B.C. network, that is about 5 million people.

I say that is not in order. That man had been defeated; in my opinion, he was not entitled to service from the C.B.C. which showed a film such as the one we say in June, about his separatist ideas.

Another personality, another separatist, Mr. Speaker, who often appears on television, is Mr. René Lévesque, a friend of our friends opposite, who has often extolled a separatist thesis: the sovereignty of Quebec within an economic alliance with the rest of Canada. Balderdash. But Mr. Réne Lévesque still has a contract with the C.B.C. Since he was defeated as a minister, that is since 1966, he receives fees out of the taxpayers' money. Thanks to that contract for the program "Public Eye", Mr. Lévesque can indulge in his separatist propaganda on the C.B.C. without of course, admitting it frankly. But everybody knows that actually Mr. Lévesque has shown his true face.

[*English*]

Mr. Mackasey: Did the hon. member ever think—

[*Translation*]

Mr. Asselin (Charlevoix): In French, please.

Mr. Mackasey: —Yes, with pleasure. Has the hon. member for Charlevoix ever heard Mr. Lévesque make propaganda for the separatist movement on the program "Public Eye?"

Mr. Asselin (Charlevoix): The hon. member knows very well that Mr. Lévesque had, for a long time, been an influent member of the Lesage government, and that even while he was minister of natural resources, he advocated the separation of Quebec. I hope I am not telling him anything new when I say that nor when I state that the C.B.C. thought it advisable to give him a program and to send him to Viet Nam to interview people. information is that it cost $32,000 to the Canadian taxpayers to send Mr. Lévesque and the C.B.C. team to interview people in Viet Nam.

I feel the C.B.C. is not beyond blame in that respect. That is why I say to the minister that to be fair to the management and the employees of the C.B.C. she or the Prime Minister (Mr. Pearson), should state clearly the charges against that crown corporation.

Mr. Mackasey: Mr. Speaker, the hon. member has not answered my question. Has he ever heard Mr. Lévesque indulging in propaganda for the separatist movement on television? That is the question I asked.

Mr. Asselin (Charlevoix): I answered perfectly. It is obvious that when Mr. Lévesque was a minister of the crown in Quebec he could not get paid for his appearances on C.B.C. programs. The hon. member can well understand that. But the minute he lost his portfolio, the C.B.C. hired him, gave him a contract, because it was known that he could spread his doctrine of a sovereign Quebec within an economic union with the rest of Canada.

Mr. Béchard: Mr. Speaker, I rise on a point of order. I cannot accept that a member of this house should, for strictly electoral purposes, use the fact that the present president of the C.B.C. is a French Canadian to take offence with the stand and the statement of the Secretary of State and then enumerate to us a series of incidents against which he protests, namely Mr. Bourgault's appearance on TV and that of Mr. René Lévesque, who advocates separatism. What does his attitude mean, except that he approves the recent statement by the hon. Secretary of State of Canada.

Mr. Asselin (Charlevoix): I cannot approve the recent statement by the parliamentary secretary to the Secretary of State, because we haven't got the necessary factors to judge. The Secretary of State would like to say to us: Here is an unfounded statement which you must accept. I say that we, the representatives of the people, cannot accept an unfounded statement by the Secretary of State. We need evidence. We need information in order to judge quite objectively; this is why

we have asked repeatedly of the Secretary of State, or of the cabinet, or even of the right hon. Prime Minister to give us information that could help us to judge whether these accusations are justified. The Liberal party, the government in office do not want to give this information. The party and the government will bear the consequences and carry the burden.

When we were in office, from 1958 to 1963, the C.B.C. employees went on strike, and I remember that we were forced to specify in this house our grievances against the management of the C.B.C. We did that and settled the strike, but it was not favourable to the government, because in 1963 all the C.B.C. information media were used to defeat the Conservative party. But, at that time, we assumed our responsibilities, and I suggest that the minister responsible for the C.B.C. should take her responsibilities before the members of parliament, before those who represent the interests of the people, in order that they can better appreciate the situation in the C.BC.

I repeat this: If the minister knew for the last two years that such a situation existed within the C.B.C., I say that she is not sincere and that she has mislead parliament in keeping these facts secret when they should have been brought to the attention of parliament, so that directives could have been given to the ministers in order to reform the management of the CB.C.

Returning to the question just asked by the hon. member, I do not object to the fact that a French Canadian has been accused. Mr. Ouimet is chairman of the C.B.C.; everyone knows that he offered to resign several months ago. The government refused the resignation but waited to introduce a new legislation in the house and accuse him of all the ills of Israel and say that if anything was wrong in the C.B.C. it was all Mr. Ouimet's fault, a French Canadian. I object to that; I object to that charge and to that gratuitous statement made by the minister.

That is why, Mr. Speaker, the Conservative party, anxious to make all the facts known to the public—Does the hon. member want to ask a question?

Mr. Béchard: No.

Mr. Asselin (Charlevoix): That is why the Conservative party, anxious to make all the facts known to the public is asking again that this bill be referred to a parliamentary committee, so that we may study it and call as witnesses all those accused by the minister, in order to determine whether the accusations are well-founded. That is the only reason.

Mr. Duquet: May I put a question to the hon. member? He has read the statement of the Secretary of State, regarding the information she says is in her possession. Now, she was reported in the press as having stated that the information had been in her possession for only a couple of weeks and, a few minutes ago, the hon. member was talking about two years.

• (8:30 p.m.)

Mr. Asselin (Charlevoix): It is very easy to reply to the question of the hon. member. If the Secretary of State has only had the information for the past two weeks, it is because she has been derelict in her duty. She is responsible for the C.B.C.; she must get information and data from all departments under her jurisdiction and she should not wait for the introduction of such an important bill as the one now before us to bring up unfounded charges against the administration of the C.B.C.

Mr. Régimbal: That is why we want the bill to go to the committee.

Mr. Duquet: You have not replied to my question.

Mr. Asselin (Charlevoix): Yes, I have replied to your question.

Mr. Duquet: Mr. Speaker, if the hon. member knows that it has been only two weeks or if he believes the minister's statement, I say that he is not in good faith when he says that the minister has had the information for two years. At least, let him stick to the facts.

Mr. Asselin (Charlevoix): I never said that I had the information for two years but I said that the minister has been Secretary of State for two years, responsible and accountable for the C.B.C. to the house and I say that if she has had the information for only two weeks, it is because she was derelict in her duties and has not fulfilled her responsibilities when she says the day before such an important bill as this is introduced, that things are not going well at the C.B.C.

If she had been a responsible minister or person, she should have inquired of a corporation under her jurisdiction to know whether things were going well or going badly.

And that is why, of course, we, of the Conservative party, want to have more information in order to give justice not only to C.B.C. employees but also to the minister. The minister is now in a false position and we want to settle the case. In a parliamentary committee, we could hear persons able to give explanations on the management of the C.B.C; it is as simple as that and I wonder how it happens that a certain member from Quebec objects to the Canadian people knowing the whole truth and nothing but the truth. That is all we want to know.

Mr. Speaker, we are studying a bill of the utmost importance. It is meant to legislate on a means of communication which belongs to all Canadians.

I do not have only blame for the minister; I have the right also to congratulate her for some provisions of the bill, and I say that, in that respect, she took into account the recommendations of the parliamentary committee on broadcasting, films and assistance to the arts to the effect that the broadcasting system should be strictly Canadian, that it should belong to all Canadians, that it should broadcast in both French and English, and that it should also contribute to the strengthening of national unity. It should be a bilingual system. I hope that all hon. members, even those who are not of French origin, will admit that the radio and television system must belong to all Canadians and that steps must be taken so that it will work to the benefit of the two great cultural majority groups in Canada: the French Canadians and the English Canadians.

On the other hand, if there are cultural minorities of French origin in Manitoba, in Saskatchewan, in British Columbia and other English provinces, those minorities must be given the advantage of C.B.C. services. It is the duty of the C.B.C. to give those French-speaking minorities all the means required to obtain the services of that broadcasting system. In that, I fully agree with the Secretary of State.

I also agree that the system must belong to all Canadians. I was told, upon inquiring from the C.B.C., that colour television was introduced in order to compete with certain American programs which were being picked up on Canadian soil. I say that the minister should, in agreement with the officials of the new Canadian radio commission, take all the necessary steps to ensure that the broadcasting system, which belongs to all Canadians, should be controlled by Canadians. In doing so, I think that the minister answered

[Mr. Asselin (Charlevoix).]

the plea of the committee on broadcasting, films and assistance to the arts when she included those principles in the bill now before us.

There is also the question, Mr. Speaker, of political interference in the C.B.C. or the new committee which will be established. We have learned, and I think that it should apply to all political parties, that the committee should be free from all political interference. It does not mean that parliamentarians should not take their responsibilities when examining the C.B.C. expenditures. But I see in that bill certain provisions which would not protect that crown corporation or that radio commission from political interference.

As an example, the government itself appoints the presidents of the two big corporations. I say that those corporations are so important and exert such influence in our society, that those appointments should be made by the Canadian parliament, in the same way as the appointment of the Auditor General of Canada.

I say that the governor in council, the Prime Minister and his ministers, by reserving for themselves the right of appointing the presidents of those two corporations are placing themselves in a dangerous situation. And even if there could not be any question about it, they could always be accused of having appointed at the top of those two organizations people who could serve the government in power, whether it be Conservative, Liberal or socialist. I hope it will never be a socialist government. Conservative or Liberal, I agree. This is the reason why I say that the minister should, in my opinion, submit the appointments of both chairmen of those bodies to the approval of the House of Commons.

Another field where political interference may easily be exerted is that of appeal procedures as a result of some C.B.C. decisions which will draw the radio commission in endless political quarrels. In that field again, the minister should be extremely cautious and require the radio commission to submit those appeals to the Supreme Court, or to the Exchequer Court, order to avoid such political interference.

Mr. Speaker, when the committee of which I was fortunately a member, considered the matter of broadcasting in our country, we based ourselves on four basic principles, which are found in the Fowler report of 1965 on broadcasting.

For the information of people who have not read that report, here are the four basic principles which the committee as well as the

cabinet and the minister had to use as a basis to alter the structures of the C.B.C. and set up those of the commission created by this bill:

1. The public should be offered a wide and varied choice of programs.

2. All programming should be of high quality.

Here, as a digression, I ask the C.B.C. officials to keep an eye on their programs, particularly on those directed to the young. Most of them have children and know that until eight o'clock at night children watch television. Therefore why show before eight o'clock at night films which aim only at warping the conscience and the morals of our young people?

• (8:40 p.m.)

And as the head of a family, I must object to certain programs broadcast by the C.B.C. between six and eight o'clock at a time when children watch the C.B.C. programs before going to bed. In several cases, I say that the C.B.C. has presented programs whose purpose is to pervert the conscience and the morals of the listeners whereas the C.B.C. should be an instrument of culture, information, an instrument which would raise the morals of our youth. That is why I claim that as far as programming is concerned, the C.B.C. should be more careful in showing films between six o'clock—

Mr. Côté (Longueuil): If Duplessis was here—

Mr. Asselin (Charlevoix): Does the minister wish to put a question?

Mr. Côté (Longueuil): If Duplessis was still alive he would talk of the poets.

Mr. Asselin (Charlevoix): Mr. Speaker, if it is desired to go into this area I am quite ready to discuss it. Ten years, I think, have gone by since Hon. Mr. Duplessis passed on and he still haunts the conscience of our friends opposite. It shows that he was a strong man in Quebec.

Thirdly, the third basic principle is the following:

Broadcasting has national responsibilities and must awaken Canadians to Canadian realities.

Here evidently, I think that it deals with what I said earlier. I think that the C.B.C. programming must in the first place take into account the ideology, the philosophy of the community to be served as a whole. I do not wish to mean by that—

Mr. Duquet: Would the hon. member—

Mr. Asselin (Charlevoix): Let me finish, you may ask your question later, because the time allowed to me is drawing to a close. I do not mean by that we should kick out the people who do not think as the majority of the people served, but an opportunity should at least be given to those who share the ideas of the majority to use the facilities of the C.B.C. to state their opinions and their views. I think that certain equalities must be maintained in the programming field, especially as far as information programs are concerned.

I would not want only separatist people within C.B.C., and if there are people who hold different views, they should have an equal opportunity to be heard on C.B.C. I think this is a question of fairness that the C.B.C. management should consider when preparing public affairs programs on political, sociological or economic issues. An effort at balance should be made, and panel guests should be not only representatives of minority opinion within our society, but also people who speak for the majority of us.

That is what I would expect from the C.B.C. management.

Now, in respect to the fourth basic principle—

The Acting Speaker (Mr. Rinfret): I am sorry to interrupt the hon. member, but his time as expired.

[*English*]

Mr. Steven Otto (York East): Mr. Speaker, having reviewed some of the comments hon. members opposite have made over the last period of years about the C.B.C., I find it difficult to believe that all of a sudden they have become great champions of the C.B.C. and its programming. I suspect somehow that it is not that they disagree with what the minister has said, but rather the way in which she has said it. I find it very difficult to comprehend how all this criticism could be valid when the minister is not responsible for the C.B.C. In the case of either the Department of Public Works or the Department of National Defence, for instance, I can understand that if the minister of either of these departments, made some critical remarks about his department we would consider such remarks to be uncalled for because that department would be under his control. That is, we would take the position that a minister should not criticize his or her department if that minister is in a position to fire the deputies or senior civil servants. In this case, however, I wonder what hon. members

opposite would say if the minister attempted to interfere with the C.B.C.

Hon. gentlemen opposite are saying that the minister should not have made the remarks she did, but they do not explain in what other manner she might have criticized the C.B.C., for cause. In other words, hon. gentlemen opposite seem to be saying that she must at all times accept without question the direction, the programming and the administration of the C.B.C. If she did that, they would be the first to criticize her again. The minister answers to the house for the C.B.C., but she cannot interfere.

An hon. Member: Can she not make a decision?

Mr. Otto: The hon. gentleman has asked why she does not make a decision. What decision is there to be taken which you would accept, and not immediately say is interference? As I say, although the minister might have made her criticism in a way which is objectionable to some hon. members opposite, the substance of the criticism is warranted. In fact, of all the departments, the C.B.C. is probably the only quasi governmental or quasi administrative department. This is the only department which is responsible to no one. I wonder whether this fact is known to a great number of members: The C.B.C. is responsible to absolutely no one.

The C.B.C. does not need to worry about money, because the estimates come down every year and no one dare question those estimates. The minister tables the estimates and sometimes, but very rarely, there is a vote. There is no restriction in respect of the financial requirements. I am still waiting to hear someone explain how we could introduce some measure of responsibility to the C.B.C. without being accused of political interference. I do not know whether this bill provides the answer to the question. However I will endeavour to review it later.

The C.B.C. of course has been worthy of praise in respect of the quality of the programming. On the other hand, however, because of this lack of responsiblility the Canadian citizens who are the shareholders of the C.B.C. and also the viewers, do not have any communication whatsoever with the directors of the corporation. No one can dictate or even make a suggestion to the C.B.C. What can anyone do? One could write to the C.B.C. and say that he does not like the programming policy or the administration, but that is as far as it would go.

We do not dare criticize the C.B.C. Members opposite have just proven that the minister dare not criticize or in any way suggest the C.B.C. might be improperly carrying out its administrative function. I am not sure whether or not this bill covers the point. I believe we will still be left with the important question of how we can introduce responsibility. In the field of private broadcasting the problem is not serious. To every action there is a reaction, because private broadcasters must obtain their financial support from industry and commerce. At all times any irresponsibility certainly would be questioned and might affect their ability to carry on. The C.B.C., however, is not worried about this.

Perhaps I might give an example. At the moment the C.B.C. has gone off on a great tangent in respect of pollution. Some programming people and writers are greatly concerned about water and air pollution. We all know there is a problem in this regard. First they show all these pictures of little children's lungs exploding because of the filthy air, and so on. They cover every conceivable angle. I suppose if we went back far enough we could even get the same type of pictures in the Garden of Eden.

I am not suggesting that it is not time some action should be taken in the problem of pollution, but I do suggest that I have not yet seen a C.B.C. program which shows the other side of the coin; in other words, what we should do about it. Finally they suggest that the viewers should write to their member asking that the pollution be cleaned up. However, we do have a border, and industry can move across the border and thereby save a great deal of money if the cost of pollution control should prove to be prohibitive. Then who will answer for the unemployment situation which will arise? Not the C.B.C. It is all very well for someone to bring up a great challenge and a great ideal, but there must be some responsibility behind it.

The C.B.C. does not have any responsibility behind its thinking, whether it is the Truscott case, the Viet Nam situation or pollution which is involved. All these are tangents which possibly have a worth-while basis, but in respect of which we never hear the other side of the problem. I hope this bill will help bring about a new sense of responsibility to the C.B.C. and a regard for the views of its shareholders.

(8:50 p.m.)

Let me now refer to the subject matter of this bill with which I am concerned, and that is C.A.T.V. or community antenna television. The minister has said that this will fall within the jurisdiction of the board. Having read the definitions I have the feeling the whole question will become an issue at some future time. Let me bring to your attention, Mr. Speaker, and the attention of hon. members, the possible effect of C.A.T.V. on broadcasting. This could be a matter of great importance in a short while. C.A.T.V. is at the present time owned by several independent companies. It is being acquired by two or three large corporations, one of which is the Famous Players group. This group is very interested in C.A.T.V. franchises in large cities such as Toronto, Vancouver and Montreal. I believe the Maclean-Hunter group is getting into other areas, but I am more interested in Famous Players because, as they acquire more and more franchises, we might experience a repetition of history in that a monopoly will be created which has not proven too satisfactory in the past so far as films are concerned.

Hon. members I am sure will be surprised to realize that the easement for cables to dwellings is owned by the franchised company. Hon. members will be even more surprised to learn that around the perimeter of metropolitan Toronto in a number of subdivisions restrictions are placed on titles by C.A.T.V. or Famous Players to the effect that purchasers or owners of homes may not put up outdoor antennae and must subscribe to C.A.T.V. at the rate of $25 per year. This restriction is maintained in the registered title. I have an offer to purchase in my hand which contains the exact wording. It states that the purchaser agrees to accept the property subject to any agreement between the development company and Metropolitan Cablevision Limited for the installation of underground TV cable at a yearly rental to the purchaser of $25 per annum per lot, such rental to commence three years after the occupancy of the home or homes so erected. It also states that the deed will contain substantially the same restriction, namely the purchaser agrees not to erect an outdoor television antenna on his home or on his lands, the restriction to run with the land.

We find a great number of homes tied up by C.A.T.V. by this restriction on the title. Had someone been successful in moving channel 3 into the metropolitan Toronto area the whole of the city of Toronto would have been an easy target for Famous Players, and C.A.T.V. franchises would have provided control over that whole area. It is well known that cable television can accommodate only so many channels, and if a specific television station is not included it would be out of business. The only reception available would be through cable and the company could choose whichever station it wanted. In this particular case the company chose channel 13 and left out channel 3 at Barrie. The company could choose a station from California or Vancouver and leave out the Toronto station if that station proved to be unco-operative.

Let me now refer to the past 30 year record of the Famous Players group, the primary owner of all of these C.A.T.V. outlets. Famous Players is owned by Paramount Pictures Corporation, which is run by Barney Balaban of New York. It has the exclusive distribution rights of all films made by the seven large producers. Some 30 or 40 years ago many of our downtown theatres found they could obtain only third run movies. They were given to understand that if they sold 51 per cent to Famous Players for $1 they would have access to first run pictures. About 1,300 theatres throughout Canada sold 51 per cent to Famous Players for $1 and were then in business. Many of these people are still alive and I have a file of affidavits which indicate they were intimidated into selling or giving away more than half of their theatres to Famous Players in order to obtain first run pictures. That is the history.

There was a prosecution under the Combines Investigation Act, but the government was unsuccessful because the prosecution should have been entered as one for intimidation under the Criminal Code. Famous Players is now acquiring these cable television franchises, and I am afraid history will repeat itself. This group will have the entire metropolitan Toronto area tied up. It might then say to channel 9 or one of the other television stations that it does not like its programming. It might threaten to use channel 19, 21 or some other station and prevent that station from being on cable. The group might then offer to cover them by cable, provided they give over 51 per cent of their station to the group, in order that it may be run properly.

Canadian Policy on Broadcasting

Hon. members may wonder why Famous Players is so anxious to obtain these franchises, because cablevision is not that profitable an operation. One must remember the great intimidation that may exist. Not only should this system be under the jurisdiction of the board, but the act should be amended to provide that whenever a licence is granted the cable company must make an assignment of all its rights, title and interest, as well as easements for distributing programs, to become the property of the board in the event of default of the terms of the licence.

This may sound very drastic, but one must remember that these cable companies own the easement and have placed restrictions on titles. They now have tremendous power and they must come under the control of a government agency. They must not be allowed effectively to create a monopoly as they did 35 years ago ruthlessly and in a manner which would not be tolerated today.

It is not my intention to deal further with other arguments which I believe have little or nothing to do with this bill. I do urge the minister, however, to review this whole situation in relation to C.A.T.V. and to define very clearly so there will be no doubt that C.A.T.V. falls within the jurisdiction and control of this board.

• (9:00 p.m.)

Mr. H. R. Ballard (Calgary South): Mr. Speaker, this afternoon we heard a very interesting discourse by the Prime Minister (Mr. Pearson) in connection with the evolution of the parliamentary system in Canada over the past 100 years. I think there is a corollary or a similarity between the evolution of government in this country and the evolution of broadcasting. I might remind hon. members that this afternoon the Prime Minister gave some excerpts, some thoughts, some news reports of the situation as it obtained in 1867. He indicated that the object of the government of that day was peace, order and good government; meaning of course that as little government as possible should be administered in order to protect the people's peace and liberty.

We find that government in Canada today has grown to such an extent that it is the constant companion of every individual in this country. In this country today we find that government interference in a person's private life is proceeding at a faster rate than even George Orwell anticipated when he wrote the book "1984." I would refresh the memory of hon. members by indicating

[Mr. Otto.]

that in 1867 the budget of Canada was $20 million. This year it is $11½ billion. In other words, to make this more understandable, when our country was founded the expenditures of the government amounted to $5 per head. In 1967 the expenditures of the government amount to $575 per head. That is quite a change in 100 years.

We cannot go back 100 years in so far as broadcasting is concerned, but we can go back to the incorporation of the C.B.C. in 1932 and compare the thoughts expressed in the House of Commons by the politicians of the day in regard to their expectations for the Canadian Broadcasting Corporation. We can compare the aims and objects of that time with those of the bill before us today.

As a matter of interest I would point out to the house that in 1932 the whole of the debate with respect to the incorporation of the Canadian Broadcasting Corporation and the clause by clause study of the bill took up ten pages of *Hansard*. The introduction of this bill by the minister exceeded ten pages of *Hansard*, and I daresay that by the time we have completed our discussion on second reading and the clause by clause study of the bill we will have covered 200 pages of *Hansard*.

The thoughts of the politicans in 1932 were quite straightforward. They were simply put. It seems to me that the three principles the politicians of the day were trying to incorporate in the C.B.C. were those to which I shall now refer—and these principles can be seen from reading *Hansard* of the day. The first principle was that this country must be assured of complete Canadian control of broadcasting from Canadian sources free from foreign interference or influence. The politicians of that day had in mind items of national concern, national thought and ideals, and national unity. The second principle was that service should be provided to all communities regardless of size and location. The third principle was that the airways are owned by the people of Canada and are a natural resource. Those were the objectives in 1932.

We find in 1967 that we have gone a long way along the road toward state control and ultimate thought control. The objects of Bill C-163 are many in number but I will read just one. I refer to clause 2 (g) which reads as follows:

—the national broadcasting service should

(i) be a balanced service of information, enlightenment and entertainment for people of different ages, interests and tastes covering the whole range of programming in fair proportion,

(i)) be extended to all parts of Canada, as public funds become available,

(iii) be in English and French, serving the special needs of geographic regions, and actively contributing to the flow and exchange of cultural and regional information and entertainment, and

(iv) contribute to the development of national unity and provide for a continuing expression of Canadian identity.

I contend that these aims are a far cry from the original thoughts expressed in 1932. In other words, like the expansion of the national budget, our efforts to control the thinking of the Canadian people, to isolate the Canadian people from the world, have grown in similar proportion. In 1932 the then prime minister, Right Hon. R. B. Bennett said—and incidentally, he introduced this bill in the House of Commons—as reported at page 3035 of volume 3 of *Hansard* for 1932:

—it seems to me clear that in Canada the system we can most profitably employ is one which, in operation and control, responds most directly to the popular will and the national need.

I have underlined in my notes the words "popular will." In other words, the government of the day thought that the object of the C.B.C. should be to provide programming that would meet the popular will of the Canadian people.

I contend that this bill does not take that principle into consideration. This bill sets down parameters of broadcasting that will allow the government to control the thoughts and ideas that are put forward to the people of this country. I think this is just one more stage in the development of the process that is now in progress, namely that of the government controlling all our thoughts in the very near future.

To think in that vein may seem a little old fashioned to some people in this chamber, but I agree with one of the senior statesmen of this country, the recently retired Senator T. A. Crerar, who said in an article written in "Canada Month" of August, 1967:

—the most basic instinct in the human animal—and it is true in all animal life—is freedom. Freedom from being controlled directly—

This is instinctive somehow in all creatures. The whole evolution of society—any study of it—indicates that people are always reaching our for more freedom. Freedom from feudal lords, for instance; freedom from dictatorial kings. And they felt they'd reached it when they got the democratic process, where people were governed with the consent of the governed.

Our democratic process has not brought us the freedom we anticipated. In fact, through the democratic process I fear we are rapidly losing what little freedom we have. I have no doubt that this bill will go through because it is the experience of parliamentarians in this house that, when a government bill is introduced, while we may change one little item here or there, in the main the bill goes through. So we are limited on this side of the house in making suggestions as to how best to improve the particular piece of legislation that is before us. Many speeches have been made, and I do not want to go over the same points that have been made by several hon. members. I should like to confine myself to one or two points. The last speaker, the hon. member for York East (Mr. Otto), made reference to the problem of community antenna television. This aspect of broadcasting in Canada received only cursory treatment in the government white paper on broadcasting. As a matter of fact the phase of community antenna television in which I am most interested is the one which employs a coaxial cable or a microwave system. I say that this part interests me the most because I come from a part of the country where a large segment of the population consider themselves second class citizens, owing to the fact that they are denied the right to avail themselves of community antenna television programming which is already enjoyed by the people in central and eastern Canada.

• (9:10 p.m.)

It may be of interest to hon. members to learn that 54 per cent of the population of Canada can take advantage of community antenna television which brings in programs from United States stations located close to the border. In the prairie provinces the situation is slightly different. The centres of population in the United States are a fair distance south of the border, while the population centres in Canada are a fair distance north of the border, and it is not possible to bring in a signal directly from a United States to a Canadian station without using either a coaxial cable or microwave transmission. So the people of Calgary, a city of 370,000, the city of Edmonton with a population of over 400,000, the city of Saskatoon, the city of Regina and all the smaller cities in the prairies, are denied programming such as other parts of Canada enjoy.

We are not asking the government to build stations for us. There are many people in western Canada who are prepared to build, finance and run community antenna television systems employing coaxial and microwave systems. The government is denying them the right to build these systems, and yet in the white paper on broadcasting

this particular phase of broadcasting is cavalierly dismissed in the following statement:

> Study is being given to special problems of jurisdiction involved in the regulation of closed-circuit television operations and the reception of transmissions from antennae in the United States fed through a coaxial cable or microwave system to Canadian communities for local distribution over cable networks.

There is no problem in eastern Canada and there is no problem in Ontario, Quebec and parts of the maritimes because these people are close enough to the border to bring the signal into their particular locality without making application to the government for the use of a coaxial cable. The only place where this problem exists is in western Canada. So the people of western Canada feel that the government treats them very unfairly. It makes them feel that they are second class citizens. The government has not thought fit to deny such a licence to other parts of Canada. I do not recall the exact number of licences that have already been issued but I think there are about 17 or 19 licences for community antenna television now in existence.

The Fowler royal commission report on broadcasting indicates that the federal government does not restrict the entry of United States publications or radio broadcasts into Canada, nor does it restrict the reception of United States television broadcasts by 54 per cent of all Canadians who are close enough to the border to receive them either direct or through cable television systems now in operation. If Canadians in border areas and those within reach of existing cable systems are allowed to receive United States broadcasts, then the right of Canadians in areas more distant from the border cannot be any less.

The Calgary *Herald* has a television column written by Bob Shiels. I do not know the date of this issue, but it had the following to say in connection with the installation of cable television:

> Taking a more the merrier attitude, I'll say that United States programming should be admitted to Calgary (like Vancouver, Toronto or Montreal) on an unlimited basis.
>
> What you wind up with is a freedom of choice. I certainly won't endorse the bulk of the American programming but I'll defend to the death the viewer's right to watch it.

This is what we want. We want the right to watch and the right to make a choice. We want to choose the type of program that we watch and, as the hon. member for Burnaby-Richmond (Mr. Prittie) said in his speech the other day, if we produce good programs, Canadians will not want to watch the programs from the United States. The opposite view is that if we produce poor programs, people will turn off their sets rather than watch them. I think it is time we opened the windows in broadcasting in this country and let in some fresh air.

[Mr. Ballard.]

Our Canadian artists, producers and technicians are capable of competing with the best in the world, and no amount of legislative protection will change that situation. Actors are actors because they so choose. The fact that you will inhibit competition with them can do nothing but lessen their ability to act. I might say that we have some support for the argument that I am putting forward from a source close at hand, namely the hon. member for Burin-Burgeo (Mr. Jamieson) in his book "The Troubled Air", the third chapter of which begins as follows:

> Remarkable new developments in communications defy all attempts at regulation and raise new doubts concerning both the wisdom and effectiveness of state control.

He deals at length with the inconsistencies of attempting to control this fast changing medium, and concludes in the following words:

> On the basis of the scanty research that is available, there is reason to believe that the real nature of today's broadcasting, with the complexities introduced by new means of transmission, new inventions and techniques, is vastly different from the concept on which the law is based.
>
> There is also reason to think that the same law may well be inhibiting the ability of the media to provide services which they are capable of performing extremely well. Only if this possibility is accepted, and a great many well-entrenched theories and prejudices set aside, can there be any significant progress in the search for broadcasting's real and perhaps still undiscovered potential.

I am making a plea to the minister in the hope that the problems in western Canada, such as the inability of people in that area to receive a multiplicity of channels, and the government's attitude in trying to shield the people of western Canada from the influence of United States television stations will receive close attention from her.

• (9:20 p.m.)

Now, Mr. Speaker, we have been assured by the minister that television and radio stations will be given a free hand in their programming. I do not want to say too much about this. When the Canadian Association of Broadcasters presented a brief or commentary on the white paper to the standing committee they were very quite reluctant to have

too strenuous government control of programming. In their brief they pointed out the following:

> Parliament may want certain things from programming, or the broadcasters may, or any other group, but those things will not follow unless the programming attracts audience.
>
> This is why any policies relative to the programming field should, in the light of our experience, be extremely flexible and very broad and general.

One of the problems we have met in the past, Mr. Speaker—and I think this thought is also shared by the minister—is that the management of the C.B.C. think that everyone should listen to a program that is educational, something that is of a very high artistic standard. However, they always program the type of art that those particular people in management believe to be art. I know from my own experience that certain types of art that have been praised by the experts to me do not represent art at all.

The minister says that she is going to put certain restrictions on programming. After detailing a few incidental controls that the B.B.G. or Canadian radio commission will have on radio programming, as reported at page 3747 of *Hansard* for November 1, the minister said:

> Beyond these reasonable limitations, broadcasters must be allowed the right to freedom of expression; that is to say, censorship and pre-editing of programs are not only undesirable but impractical.

Then as reported at the top of the next page the minister goes on:

> None the less this privilege of free speech carries with it a heavy responsibility and must be exercised with due regard to the public interest. It will therefore be a function of the commission to observe and assess the degree of responsibility shown by each broadcaster in exercising his privilege of free expression and to take this factor into account—

That is, the commission will take this factor into account.

> —when the renewal of his licence is under review.

In other words, Mr. Speaker, we are going to continue the present situation, which means there is no clear definition of the range and type of programming that can be produced and broadcast by a television station. It is not until after the fact that the commission decides whether or not a certain type of program is acceptable.

There have been cases when a station was closed down and its licence taken away because a member of the governing body decided that a certain program was not a proper program to be transmitted. The complaint has been that there were no guide lines laid down governing the type of program that was required. Therefore I hope the minister will give to the broadcasters of this country some very clear indication in this respect, some guide lines along which they can work without fear of attracting the wrath of the C.R.C.

In an editorial in the Tillsonburg *News*—and again I am afraid I do not have the date—the situation of programming was summed up in this way:

> We think most people buy a radio or television set for the entertainment they expect it will provide. We doubt many buy with the thought of being educated or "getting culture." What's wrong with being entertained?
>
> There are too many vague generalizations by the committee. It sounds like they think everything the private stations do is lousy. This is nonsense. Many of the private stations do an excellent job. The committee says: "The private stations have responsibilities as holders of valuable rights from the state. They cannot merely go on providing a useful service to their local communities and letting the cash registers tick on."

According to this editorial, the committee has found it disgraceful that a broadcaster should let the cash registers tick on, that it is a sin for Canadian broadcasters to make a profit. This editorial continues:

> Pray, what is the matter with providing a valuable service to the local community? Are we only to hear and do what the "state" feels we should hear and do?

The editorial ends with this sentence:

> In fact it makes us darn mad that what some people think what is good for Ottawa or Montreal or Toronto is good for the whole country.

I repeat, Mr. Speaker, that we will find it impossible to defeat this bill, but while we are considering it in committee surely to goodness we should be able to brighten up Canadian broadcasting to the point where it is acceptable to the people of Canada. We should not restrict the importation of foreign material. Our object should be to improve the calibre of Canadian broadcasting to the point where the Canadian people would be proud to listen to it and watch it. They should be proud of Canadian productions. If we do this, Mr. Speaker, and if this is the end for which we strive, then we will not have to worry about programs that are imported from other countries.

Mr. Grant Deachman (Vancouver Quadra): Mr. Speaker, one of the first phrases used in

Bill No. C-163 in the policy section of the bill is as follows:

—the Canadian broadcasting system should be effectively owned and controlled by Canadians so as to preserve and strengthen the cultural, political, social and economic fabric of Canada;—

It is with that subject, and particularly with the relationship to that subject of the Canadian Broadcasting Corporation, that I want to deal.

While I am ready to vote for this bill —because almost any rearrangement of the C.B.C.'s affairs would be good for it and the nation—I think we should look very seriously beyond the present bill to the much larger question: Do we really need the C.B.C. any more? No one should be shocked by such a suggestion. We set up this institution when times were different, when times were not the same as they are today.

• (9:30 p.m.)

Mr. Nesbitt: What do you mean by "we"?

Mr. Deachman: If it has outlived the purpose for which it was established we should be prepared to change its function radically, or to pack it up. There would be no shame in that.

Some hon. Members: Hear, hear.

Mr. Deachman: That is the subject I wish to discuss with you, Mr. Speaker, for the next several minutes. Do not adjust your set.

We do not need the C.B.C. to provide us with returns of old movies. Commercial television is quite capable of handling this function and they do it very well. We do not need the C.B.C. to bring United States live shows, sports, news and commentary; our own commercial network and cable television are able to bring those to us meanwhile reaping a profit from the advertising and leaving us in the position to tax that profit. We do not need the C.B.C. to bring us major Canadian sports event because commercial television is more than willing to carry commercial television sports programs and to make money doing so thus leaving us in the position to tax the profits they make.

When one compares the C.T.V. coverage of the recent Tory convention with the C.B.C. coverage of that event, and the cost of providing that C.T.V. coverage with what it cost to provide C.B.C. coverage, it ought to be quite evident to all of us that the day has arrived when the commercial networks can provide coverage of news and major Canadian events that is as good as that provided by the national network, at a good deal less cost.

An hon. Member: Same cost.

Mr. Deachman: We need Canadian documentary films and feature films in this country, but we have a National Film Board and we have many good, commercial film companies in this country which are able to produce documentary and feature films. Also we have a commercial television network that is willing to broadcast such films for fees that amount to a fraction of the cost of maintaining the C.B.C.

If originally we established the C.B.C. to disseminate Canadian culture throughout Canada, the corporation has for a long time failed to fulfil that function in a way that warrants the enormous sums spent on it. The C.B.C. stands at the end of the cornucopia, gorging itself with public dollars at a rate unequalled by any crown corporation in Canada's 100 years of history.

The C.B.C. is no longer Canadian—if it ever was Canadian.

An hon. Member: It was not.

Mr. Deachman: It is highly concentrated in Toronto, and that is the most parochial town in Canada. As proof of what I say, consider the public affairs programs on which all those tired Torontonians like Gordon Sinclair, Pierre Berton, Mavor Moore, Nathan Cohen—

Some hon. Members: Hear, hear.

Mr. Deachman: —Patrick Watson, Douglas Leiterman, Ross MacLean, and a dozen others I might mention, appear. They ask each other the same old questions week after week and give each other the same old answers. Don't you wish you could pack up the C.B.C., Mr. Speaker, if only to show that there are other people in other cities of Canada with fresher ideas about public affairs? Consider the morbid preoccupation of the C.B.C. with the dregs of society, the pornographers they bring from across the line, the nazis, racists, prostitutes, addicts and characters of doubtful sex. I ask, are we really putting our tax dollars to the best use when we pay enormous sums to the C.B.C., for it to sift these dregs for us week after week after week?

We might consider this, for example: In another area of C.B.C. activity, its great seal hunting campaign, the C.B.C. took up the cause and waged it so effectively that they

have destroyed the livelihood of many Eskimos and lowered the already meagre standard of living of many gulf fishermen. What a campaign that was; and they come to us asking us to support them from the tax rolls. Does anyone in this house not feel that it is in the national interest to curb such an irresponsible and uncontrollable engine of destruction?

Consider the revenues of the C.B.C.: To derive any revenue at all it must give over its prime time to national advertisers and United States programs. What value is there in retaining government ownership of a television network that must give all its best hours to the programs of another nation? Consider any of these questions, and what is there about C.B.C. that makes it worthy of federal support in its present form?

An hon. Member: Nothing.

Mr. Deachman: That is why I think the time has come for us to think about packing up the C.B.C.

Some hon. Members: Hear, hear.

An hon. Member: Carling Red Cap and all that.

Mr. Deachman: I do not suggest that the C.B.C. should be cut up with blow torches and its people dismissed, the way the Tories dealt with the Avro Arrow. I think there is a vast new field for C.B.C. equipment and many of its technical personnel in the field of educational television, which has been mentioned a number of times during this debate.

I believe that the C.B.C., as we know it, should be packed up and that we should establish a new Canadian educational television corporation in its place. We should establish two Canadian E.T.V. networks from coast to coast, one English and one French. We should leave commercial programs to commercial television and we should make it a condition of every television licence that is granted that the station holding it shall reserve certain times for Canadian documentary and feature films. We should continue to produce documentaries through the National Film Board. Commercial film and television companies also should engage in that activity. The French network thus would come not only to fulfil a national role in E.T.V. but would continue to supply French programs. It must do that in the context of the French language.

Let me enlarge a little on this new picture. We face problems of national unity, biculturalism and bilingualism that will remain with us for a long time. With the help of the provinces, the universities and schools I hope that this country will lead the world in developing E.T.V. as an instrument of education and culture. It will bring about national unity and will assist us in the solution of our problems.

• (9:40 p.m.)

I would hope that these two E.T.V. networks, French and English from coast to coast, reaching into our universities, our schools and our homes, would help weld us together in national pride and unity. I would hope to see a new understanding of our country and of the nature of our dual culture flow from this new instrument. By getting the C.B.C. out of commercial television I believe the commercial networks would be strengthened in a way which would lead to higher levels of live programming and better news coverage, and that this could be done at a profit which would allow taxes to be returned to the national treasury. By shifting the production of documentary films and features to the National Film Board and commercial producers we could I believe reverse the undesirable trend toward the centralization of television in Toronto, which certainly has done television no good whatever. At the same time I believe it would lead to a reduction in costs and would encourage the development of the film and television industry in many communities in Canada instead of leaving it centralized beneath the shadow of Yorkville.

I believe, as everyone in this chamber believes, that television is too important a medium to be left entirely to commercial enterprise. There must be a place for Canada on any international network and this is why it should be a condition of every television licence that a certain amount of time be allocated for national use, perhaps in the form of documentary or cultural programs.

We may within a few years be launching a satellite to carry T.V. and telecommunications signals everywhere across Canada. When we do, the whole nature of television will be changed; we shall be able to relay television into almost every settlement in Canada no matter where it is situated—behind mountains or in remote regions of the north. The educative power of such transmissions in small communities will be immense. We shall be able to bring world television news live, as it happens.

I urge the government to pack up the C.B.C. and prepare for a new era of usefulness for television in Canada, in fact, for an era of leadership in this new realm of education. We should be world pioneers and world leaders in this field if only because of the very nature of our country and of our culture. I urge the government to give the commercial networks a better opportunity to develop live Canadian programs and to consider folding up the operations of one of the most costly ventures in our history, and divert those funds to the new fields I have mentioned.

Mr. Churchill: Would the hon. member permit a question? In view of the suggestions he has thrown out, all of which deserve consideration, would he now ask the government to withdraw the bill so that it might be redrawn to fit in with his ideas?

Mr. Deachman: Oh, the bill makes some advances and I would hope that upon the basis of the suggestions I have made many more advances will rapidly be made. We shall have to deal with E.T.V. soon, as well as other matters having an impact on national broadcasting, and I am sure these things will come about. I ask the hon. gentleman for his support.

Mr. Churchill: You are leaving things as they are.

Mr. Barry Mather (New Westminster): Despite what I take to be a gallant effort on the part of the previous speaker to draw the attention of the house away from the hassle the government has got into involving the minister and the management of the C.B.C. I shall be extemely brief and confine my remarks to one or two non-controversial points.

I rise to say that in my opinion the best thing we can do with regard to the legislation now before us, embodying a new broadcasting policy for Canada, is to get it to the standing committee on broadcasting immediately.

Miss LaMarsh: Hear, hear.

Mr. Mather: In all fairness, it should be said that this legislation is not the product of any one group in this house. I am a member of the standing committee on broadcasting and I believe other members of that committee will agree with me when I say that many of the basic principles contained in this legislation reflect the thinking of at least the three major political parties in the house. Several of the recommendations follow very closely the recommendations of the committee on which we were all represented.

For example, the bill acknowledges the truth of the fact that all broadcasting is of public concern, and that the public either hears or watches the broadcasts, and pays for them through grants to the public enterprise, or through that part of money used for the purchase of consumer goods which pays for the advertising essential to the running of the private stations. Then there are recommendations in the bill calling for the stricter regulation of broadcasting, both public and private, and there are provisions which would, in my opinion at least, change and improve the situation with regard to C.B.C. management. For all these reasons I say again that the most sensible thing we could do at this time, having had a good discussion of generalities, would be to send the bill at once to the committee on broadcasting, on which we are all represented, and get down to the real business at hand.

Some of us may be tempted to continue the embarrassment of the government at this time in connection with the unfortunate situation in which it now finds itself as a result of the exchanges between the minister and the C.B.C. However, I am sure it would be more logical to deal with the actual legislation before us, and this we can do in detail only at committee level. In this way some good can be done. As we are proceeding now, we shall not do very much good; we are carrying on a sort of Punch and Judy show and I believe we could employ our time very much better if we passed the legislation at this stage and got the bill into committee.

Mr. R. N. Thompson (Red Deer): It is not my intention to prolong this debate and I respect the words of the hon. member who has just resumed his seat. However, I do think that at this stage it is our responsibility to express our thoughts on the basic principles which underlie the legislation. It is therefore my intention to speak briefly from the point of view of a parent about this broadcasting legislation and the responsibility we all carry, and will carry for a number of years.

During the last three or four years I have received an increasing number of protests from parents in Canada on the subject of broadcasting, particularly television. I am convinced that the basic unity of Canadian life and of the Canadian way of living rests with the Canadian home. It is an old adage

that Canadian families have the same right to expect wholesome and pure types of program from the public broadcasting corporation as they have to expect pure water from their taps. While this concept may be considered old fashioned, it is a truism that some means must be devised whereby the taxpayer must have some say in how his tax dollar is to be spent, and no taxpayer is more important than those who are heads of Canadian homes.

• (9:50 p.m.)

We have a new broadcasting bill before us. It is intended to improve the entire area of broadcasting in Canada, private and public. This is the responsibility of parliament. If we really believe in democracy, then it is our responsibility to bring our publicly owned broadcasting corporation under more effective public control, and provide the regulations which will likewise strengthen and guide private broadcasting. It is all right to protect the C.B.C. from political influence, but the citizens of Canada have been hoodwinked into believing that it must also be protected from public control. This is wrong, Mr. Speaker. The Canadian people are paying for the multimillion dollar operation of a broadcasting network, and it is a denial of the fundamental principles of democracy to refuse them a voice in its affairs. This therefore presents us with one of our most important responsibilities this session, as we deal with this legislation.

Philip Dean in *La Presse* last year made a very significant statement, a very brief portion of which I would like to repeat here as it relates to the control of the C.B.C. He said—

> —that C.B.C. producers must be convinced by management that they—the producers—do not have the right to wield power over shows. C.B.C. producers actually say this should be so. The ultimate power which dictates the shape of the show is content—the facts, the issues—not would-be Fellinis who believe the country owes them large budgets for self-expression.

Therefore, Mr. Speaker, it is important that we view this legislation and study it very carefully from the aspect of the responsibility we have in this regard.

It is my intention to raise the important problem of family life in relation to this broadcasting bill. This is a growing problem, clearly pointed out in the need which the late Governor General Vanier felt to establish the Vanier Institute of the Family, for the purpose of trying to bring the best wisdom to bear on the question of how we can aid and improve family life in this country, not how we can destroy or weaken it.

Tragically the C.B.C. has evidenced a strong tendency on many programs to produce plays, interviews, and in-depth stories which can only be interpreted as undermining family life. Our responsibility in this bill is to make certain that the new heads of the C.B.C. have a clear mandate to keep our national broadcasting system one which supports this fundamental framework of national existence, not one which undercuts it and the essential work of organizations such as the Vanier Institute, the church, family guidance counsellors and the millions of mothers and fathers who bear the responsiblity of raising healthy and happy children equipped to face life with enduring values, with concern for their fellowmen and their country, and whose religious faith is not always under attack by the broadcasting medium which is supported by their own tax dollars.

It is not necessary to bring before this house the details of C.B.C. programming which I believe have transgressed the very framework of sound family life. Two years ago 80,000 Canadian women, most of them mothers, petitioned the Prime Minister (Mr. Pearson) and parliament to clean up the C.B.C. Signatures were drawn from every province of Canada, and these were just a sample of the grave concern felt by many Canadian parents. May I just quote briefly from that petition:

> The future of our country depends on the strength of its homes and the character of the men and women those homes produce. Television and radio have unparalleled power to inspire a nation to build a clean, strong and free society. Instead these media are being exploited to maintain a constant assault on character, to undermine faith in God and respect for law and authority, to destroy sound home life and the knowledge of right and wrong . . . We ask you to end the domination of a minority who misuse the C.B.C. to spread propaganda or perversion, pornography, free love blasphemy, dope, violence and crime. More and more of our tax money has to be diverted to deal with the increasing social wreckage—
>
> We believe the true function of the C.B.C. is to help us raise a generation with the strength and character and courageous leadership that the opportunities of this age demand.

Mr. Speaker, many thousands of Canadian mothers handed us this challenge. What are we going to do about it? We have enjoyed the tremendous challenge of a confederation year, the amazing inspiration of Expo, which confounded all the cynics and called on man to rise to the highest challenges of God's universe, not to be mired in the cynical, depreciating, mud strewn views of so many

of the C.B.C. producers and exponents of weird ideas.

In spite of this group I must say that the broadcasting corporation has done a fine job for Canada in portraying the best of our centennial celebrations. I understand that this happened due to a highly effective C.B.C. headquarters committee which had its way in centennial programming. Such positive programs and positive attitudes must be retained. What I am concerned about is the small, mischievous or misguided minority who all too often gain control of prime broadcasting hours in order to air controversial and degrading programs which can only be interpreted and understood by viewers as a challenge to the very family and moral fibres which in the past have made this nation of ours great. No better example of that can be found than the plays all too often produced by the C.B.C. In the theatre they are known as the kitchen sink variety. What is their message except the degradation of human character, the break-up of or contempt for family life, and the loss of moral values?

What do most Canadians want in the way of plays? Look at the amazing success of the wonderful family play "Anne of Green Gables." It has been sold out at every performance right across Canada, loved by young and old alike. It is human, family oriented, and gay. It has something of faith, and above all is not degrading to human personality. Canadians want to see more like it regularly on their government sponsored networks. Surely scores of Canadian writers produce positive plays about life, and many more would so if they knew the C.B.C. was in the market, encouraging a new and positive kind of drama in this country.

In case there are some who may think that such thinking is old fashioned, or who give the impression that what the majority of Canadians want on C.B.C. is something else, I would like to refer the house at this time to a number of newspaper editorials that deal with this very serious problem. The first quotations deal with the period three years ago, during the initial uproar over the C.B.C. and some of its rotten programming. Perhaps this was the reason for the minister's use of the term rotten, which was justified in many ways.

At that time the press of the nation was calling on the government to act on its responsibilities toward the C.B.C. Since that time we have moved through royal commissions, special committees, almost endless debates, assertions and questions in parliament, to the point where we must now take effective action in legislation. The demands of Canadian parents and of the general public have culminated in today's debate.

May I call it ten o'clock, Mr. Speaker.

BUSINESS OF THE HOUSE

Mr. Ricard: Mr. Speaker, may I ask the house leader what is going to be the business for tomorrow, and if possible could he also outline what he intends to take for the rest of the week?

Mr. MacEachen: Mr. Speaker, tomorrow we will continue with the second reading of the broadcasting bill, and when we finish that tomorrow we will deal with the capital punishment measure.

Mr. Knowles: Don't forget the speech from the throne.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the house under provisional standing order 39A deemed to have been moved.

• (10:00 p.m.)

HEALTH AND WELFARE—REPRESENTATIONS RESPECTING CIGARETTE ADVERTISING AND SMOKING EDUCATION

Mr. Barry Mather (New Westminster): Mr. Speaker, several days ago, on the orders of the day, I raised a question with the Minister of National Health and Welfare (Mr. MacEachen) concerning whether he would consider promoting legislation to regulate cigarette advertising in the interests of public health. I was motivated in this regard by having read in the newspapers about the action of the United States Cancer Society in calling for a complete ban on cigarette advertising in the United States. I have raised this or a similar question 10 or 11 times previously in the house. When I raised this question several days ago I was ruled out of order by Mr. Speaker. It seemed to me that if there is anything which has to do with the national public interest it is the question of proposed legislation to deal with the control or prevention of one of the greatest contributing factors to disease in Canada.

I welcome the opportunity to say a few words this evening in respect on this question, and I should like to mention very briefly a few facts. It is a fact that although our

educational program in Canada costs $600,000 on a five year basis, it has had some moderately good results in encouraging people to give up cigarette smoking. Three hundred Canadians, mostly youngsters, start smoking every day—9,000 a month. Many of these people, including youngsters, begin smoking largely because of the massive advertising campaigns conducted by the cigarette companies. The officials of the health department in this and other countries of the world believe that cigarette smoking is very injurious to health and in many cases promotes early death.

The cigarette companies, in order to promote their product, spend about $400 million at the present time in the United States. Recently, as we know, the broadcasters in the United States have been ordered by the federal communications commission to give some time on their stations, whether radio or television, for messages designed to offset the inducement type of advertising carried on by the cigarette companies. If this is continued for any length of time there is a possibility that perhaps further legislation will not be necessary.

When an equal amount of time is given to the broadcasting of messages by the cancer and heart agencies it is possible that the cigarette companies will find that they are subsidizing health material to the detriment of their own product, and because of this they may very well decide to reduce their advertising through the broadcasting media.

I should like to see the minister give consideration to action similar to that taken by the federal communications commission in the United States and encourage, or in fact order, our broadcasting outlets to make time available for the broadcasting of health material in an effort to combat cigarette sales promotion.

I should like to conclude by asking the question I attempted to ask the other day on orders of the day. Would the Minister of National Health and Welfare take some steps to regulate advertising of this unsafe product? Perhaps I might add one more thought. I wonder whether the minister has made the decision, as he suggested he might, to turn over to a committee this whole question of cigarette smoking, health and advertising. I would suggest the appropriate one would be the committee on health and welfare. This matter could be studied by the committee and some decision might be arrived at.

Mrs. Margaret Rideout (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I appreciate the remarks of the hon. member for New Westminster (Mr. Mather). I can only say that the United States Cancer Society report which was quoted in the press yesterday further underlines the seriousness of the health problem associated with cigarette smoking.

The department's smoking health program is based on full recognition of this program. For some time we have held the view that further measures probably requiring legislative action for their implementation would be required to complement our educational and research efforts. We are examining such measures at this time. Having regard to the hon. member's question about referring this subject to a committee, probably the committee on health and welfare, let me indicate that no such decision has been made at this time.

NATIONAL DEFENCE—USE OF RESERVE OFFICERS AS LANGUAGE INSTRUCTORS

Mr. L. M. Brand (Saskatoon): During last summer a constituent of mine, an English teacher and also a captain in the army reserve, received information that there were in army terminology call out positions available for teachers at the Canadian Forces language school at St. Jean, Quebec. Since he is a teacher and was interested in learning French as well as teaching English in such circumstances, he made inquiries and eventually a formal application for such a position. When he was informed by telephone that such a position was indeed available, he applied as instructed to technical command headquarters in Winnipeg, which forwarded his request to the Canadian Forces headquarters for ratification. The command officer in command of the Canadian Forces language school at St. Jean forwarded a wire requesting his service, in military parlance "soonest". He waited, but as often happens in military matters, time passed by until he actually became somewhat worried. He had not signed a contract for the next year, hoping of course that he would receive this position. He received assurances from the technical command headquarters in Winnipeg, specifically from Major Komph, that the delay was only temporary and ratification would be forthcoming. As a consequence of this assurance he did not sign a teaching contract, and then found he could not return to the master's program at university since the quota had been filled by this time.

Perhaps he was unwise in taking for granted the assurance of the technical command headquarters, and perhaps he should have gone ahead and taken employment. However, he felt that because of the assurances he had received and his great desire to teach in the Canadian Forces language school, he should wait. He now finds himself in a difficult position, since he is unable to take a position for which his qualifications fit him at this time. He remembered the words of the white paper on defence, in which it was stated that greater use would be made of militia and reserve personnel in reserve forces positions.

A more recent statement of the Minister of Transport (Mr. Hellyer) on behalf of the Minister of National Defence (Mr. Cadieux) on the matter of C.O.T.C. and other units was to the effect that they would be disbanded and more use would be made of reserve units in order to improve their efficiency and make them fit better into the pattern of regular forces. On many occasions we have heard that the Canadian Forces are short of trained and qualified officers. This young captain is trained and qualified.

Finally after all hope had passed for him to obtain a job to fit his qualifications he received a refusal from the technical command headquarters, with an apology for not having written sooner, since apparently someone had forgotten to do so. The reasons for refusal were, first of all that there had been a cut-back in armed services personnel and consequently his application would have to be deferred indefinitely, and that unfortunately all positions had been filled at the Canadian Forces language school at St. Jean, Quebec. They were prepared to offer him a technical position rather than a professional one for a period of one year at much lower pay and on a temporary basis, without any guarantee or contract. What a rebuff to a young educational officer anxious to serve his country.

• (10:10 p.m.)

I did a little digging in this matter. I can understand the cut-back in the armed services personnel but I had a little more difficulty understanding why the department would cut back on trained officer personnel, of which they were short. I wondered whether there were any positions available in the Canadian Forces language school, and purely by chance I obtained a copy of the roster of the school at St. Jean which contains in it the positions presently filled and, surprisingly enough, the vacancies that exist.

I am looking through this document, which I understand is not in the top secret class but rather in the restricted category. I find that we have at least five vacancies in the types of positions which could be filled by this young educational officer. I am rather concerned about this and would very much appreciate an answer from the minister. I appreciate his courtesy in being here this evening at such a late hour. Perhaps he is not aware that these vacancies exist, and I will be happy to make this document available to him if it is not already in his possession.

I would appreciate something being done in this respect, in view of the vacancies that exist and the anxiety of this young educational officer to serve his country in a manner for which I believe he is eminently suited.

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, the hon. member for Saskatoon (Mr. Brand) has made some very interesting comments tonight. I think his suggestion of using qualified reserve officers is worthy of examination by the departmental officials. I must say that we are aware that some vacancies do exist at the Canadian Forces language school at St. Jean, because there seems to be a countrywide shortage of qualified language instructors. It strikes me that many of the reserve officers who are so qualified are probably engaged in language instruction in their civilian occupations. To use them to fill positions at the language school might alleviate our problem at the expense of others. This is one aspect that would have to be examined.

I thank the hon. member for his remarks and I shall ask my departmental officials to examine his suggestion. There is a further aspect in this particular case which we are investigating in answer to a letter from the hon. member. I hope the answer we will provide will prove satisfactory to him.

POLLUTION—REQUEST FOR COMMITTEE CONSIDERATION OF PROPOSED LEGISLATION

Mr. Stanley Haidasz (Parkdale): Mr. Speaker, I welcome this opportunity to resume tonight my request to the house leader and the Minister of National Health and Welfare (Mr. MacEachen) to refer to the appropriate committees of the House of Commons Bill No. C-25, an act to control air

pollution, which I introduced in this house and which was given first reading on May 11, 1967, and also Bill No. C-171, to amend the Criminal Code with respect to air and water pollution, introduced by the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) on October 25, 1967.

I hope I do not have to convince anyone in this house that air pollution is a major national problem which requires urgent attention by all levels of government. Evidence is mounting, especially from the industrialized centres of the country such as Toronto and Montreal, that dangerous levels of air pollutants have already appeared on several days. Medical authorities have also stated that there is a distinct relation between atmospheric pollution and certain respiratory diseases. We are also told by certain medical authorities that living in polluted downtown urban areas, or driving more than 12,000 miles in similar downtown areas, increases considerably the risk of lung cancer in cigarette smokers.

In Canada some legislation for the control of air pollution has already been enacted in five provinces but there is a wide variation in the legislation of those provinces dealing with air pollution. To date no authority has been set up to deal with interprovincial air pollution problems.

Many industrialized countries have a clean air act and certain measures to enforce the legislation controlling air pollution. I believe that we in Canada must act more vigorously to combat air pollution before more damage is done to the health of our citizens and before major crises occur.

By referring Bills C-25 and C-171 to the appropriate committees of the House of Commons and by calling in expert witnesses to these committees much would be learned about the nature and extent of the problem, and of what is being done and can and should be done without delay in our country. I believe also that this would give the Minister of National Health and Welfare an opportunity to state in detail what the government has already done, what it is doing now and what it proposes to do in the future about air pollution in our country.

Mrs. Margaret Rideout (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, the hon. member for Parkdale knows of course of the great interest of the Department of National Health and Welfare in the problem of air pollution. Indeed the Minister of National Health and Welfare (Mr. MacEachen) spoke on this problem at great length in the house just recently, and also the Minister of Trade and Commerce (Mr. Winters) a week ago spoke in Toronto about the problems of air and water pollution. I may say for myself that personally I have a great concern about the problems of air pollution.

I would like to assure the hon. member that the bills to which he has referred are certainly important in so far as the department is concerned, and I can tell him that they are being given every consideration. A decision will be made very soon with regard to their reference to the appropriate committee.

Motion agreed to and the house adjourned at 10.20 p.m.

HOUSE OF COMMONS

Tuesday, November 7, 1967

The house met at 2.30 p.m.

LABOUR CONDITIONS

LAY-OFFS OF RAILWAY AND OTHER EMPLOYEES—MOTION FOR ADJOURNMENT UNDER STANDING ORDER 26

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I ask leave, seconded by my hon. friend from York South, to move the adjournment of the house under standing order No. 26 for the purpose of discussing a definite matter of urgent public importance, namely the extensive lay-offs of railway employees and others which are causing widespread hardship and insecurity for thousands of Canadians.

Mr. Speaker: It would be helpful to hear the hon. member on the question of urgency of debate.

Mr. Douglas: I wish to make three points. The first is that there is no other opportunity to raise this critical matter, in view of the fact that the estimates for the present fiscal year have already been passed. It is true there is a supply motion yet to be called but we have no notice from the government as to when it will be called. This is the only way this matter can be discussed, and we think it is important that it should be discussed.

• (2:40 p.m)

Second, I want to point out that this is a matter of national importance in that it affects almost every area of Canada. Some 4,000 railway employees have already been laid off. Many of these may be permanent lay-offs. In some circles it is thought that lay-offs may reach 10,000 before the spring. The distribution of the lay-offs to date by the Canadian National Railways alone has been 450 men in the Atlantic region, 460 in the St. Lawrence area, 500 in the Winnipeg-lakehead-Saskatchewan area, 640 in British Columbia and 640 in Ontario. Therefore it is seen that this problem spreads from coast to coast and is not merely a local one.

The third point I want to make is that this is a matter of great urgency. Four thousand men laid off on four days notice involves a great deal of hardship for those men and their families and a considerable dislocation of the economy of the communities in which they live. I want to point out it is an urgent matter. It seems to me that at this time the House of Commons, the people of Canada and particularly the men involved have a right to know what steps the government intends taking to cope with this problem, whether any legislation is in contemplation, and what programs the government has in mind to prevent further lay-offs and to provide employment for the men already laid off. It seems to me this matter cannot be delayed, it ought to be discussed, and it should be discussed today because it is of the utmost importance not only to the people involved but to the Canadian economy generally.

Mr. Thomas M. Bell (Saint John-Albert): Mr. Speaker, I would like to support this adjournment motion. I think the subject is national in scope and in the last few days has taken on extreme urgency. I agree that there does not appear to be any other opportunity to discuss this matter now that the estimates of the Department of Transport are out of the way, and there does not seem to be any proposed legislation on which a discussion could take place.

I notice, as recorded in *Hansard* for October 30, that in answer to a question from the hon. member for Halifax the Minister of Transport promised that some statement would be made on freight rate increases. We are still waiting for it; in fact many of us expected that some sort of announcement would be made today. The minister himself has admitted that one reason for these lay-offs has been the increases in freight rates.

For some strange reason the lay-offs started in the maritimes. It is the same old story, but now they have spread across the country. Some 500 men have been laid off in Winnipeg, and I know there are rumours out there of even greater lay-offs. The matter is urgent. It needs some attention. In reply to a question in the house the Minister of Manpower and Immigration said he felt that the notice given employees was not sufficient, and we know there is an argument as to whether the agreements between the unions and the railways insist on a 90 day notice.

Lay-Offs of Railway and Other Employees

I for one feel that this adjournment motion is well founded, but failing that we are counting on some sort of reply from the minister. I take this opportunity to point out that in my opinion this is one of the most serious matters we have had to face in the maritimes. This whole transportation problem, of which the lay-offs in Moncton are a part and concerning which a protest was made the other night, gets to the roots of confederation promises.

Mr. Speaker: Order, please.

[*Translation*]

Mr. Réal Caouette (Villeneuve): Mr. Speaker, I am sorry the hon. member for Burnaby-Coquitlam (Mr. Douglas) did not deem it advisable to give us a copy of his motion in French but, in any event, the question he brings up in his motion is very important and most urgent, since it concerns the massive lay-offs at the C.N.R. Such lay-offs create economic chaos and brings insecurity to several families. Indeed, hundreds of employees were dismissed on the 1st of November and I am told that others will be laid off by the 15th. Now, this creates an alarming situation for people who have worked for the C.N.R. for 15, 18 or 20 years.

Just the same, Mr. Speaker, I feel that those lay-offs are not taking place only in the C.N.R., but in many other fields throughout the country. If an emergency debate were to be held—

Mr. Speaker: Order. I hesitate to interrupt the hon. member at this time. I know that he has some interesting points to submit to his colleagues, but I remind him that he must restrict his remarks to the question of urgency of the debate. He must only deal with the necessity of adjourning the regular business of the house to discuss, not any other matter, but the definite matter referred to in the motion of the hon. member for Burnaby-Coquitlam.

Mr. Caouette: I thank Your Honour for this information and I shall restrict my remarks to the terms of the motion.

I simply wanted to draw a parallel between the urgency of this matter and that of other economic situations in our country related to precisely the same state of affairs. Even if we were to discuss these lay-offs all afternoon, it would not give work to C.N.R. employees tomorrow morning.

These people are suffering the consequences of an obsolete economic system

[Mr. Bell (Saint John-Albert).]

that applies not only to them but to the whole population. That is why I say it is not so urgent to discuss the question of the railroad employees because we will not solve it this afternoon, but we should face the whole economic questions in Canada and let the government or the Department of Transport discuss with the authorities of the C.N.R. anything relevant to this particular case so as to find the means to restore order in the economic field.

So, I do not believe that the urgency is as pressing as the motion now before us suggests.

[*English*]

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, once again we are confronted with this same matter of urgency of debate. I imagine the first question we must consider, and which I hope Your Honour is considering in respect of your ruling, is when would we have otherwise an opportunity to discuss this very serious national problem. The leader of the New Democratic party has dealt with the lay-offs on the railways and has shown that this is not a problem which is local in nature but is one which exists across the country. There have been 800 lay-offs in the city of Calgary alone. This is a matter which is national in scope and I ask, when can we discuss it. I think we must take into consideration the fact that because of the new rules and the guillotine method many questions remain unanswered; opposition and other members of parliament are unable to obtain answers from the minister.

I support the motion of the leader of the New Democratic party in this regard and I suggest, Mr. Speaker, that you should allow this debate. Not only is this matter national in scope, it is also all wrapped up in the problems in respect of the loss of the coal markets, the loss of the wheat markets, the high freight rates and so on. All these things are interrelated with the lay-offs. The railway companies have no work because there are no wheat or coal markets. This in turn can also be related to the comparative cost of transporting coal in Canada and in the United States. One cannot isolate these things. We have not had the opportunity of obtaining answers from the government because of the new rules.

• (2:50 p.m.)

Mr. Howard Johnston (Okanagan-Revelstoke): Mr. Speaker, we in this party are prepared to support this motion this afternoon. Having regard to the seasons we have

in Canada it is particularly a reason for great regret when lay-offs coincide with the beginning of what will be a difficult winter for many people. The days this house will be in session between now and the Christmas recess are few indeed. The program of legislation outlined is extensive, but not all of it is relevant to the immediate well being of the Canadian public. Certainly the debate that would follow the acceptance of this motion would be pertinent to the plight of a number of Canadian people as well as the Canadian economy.

Mr. Erik Nielsen (Yukon): Mr. Speaker, there is a parallel which may well have occurred to Your Honour and which I should like to draw to Your Honour's attention in connection with the motion now before us. The house will recall that approximately a month ago a situation arose in Sydney in respect of the closing of the Dosco steel mill involving 3,000 steel workers. At that time the matter was declared to be of urgency, notwithstanding the fact that it affected only one particular community. In the situation today there are 4,000 men involved on a national scale. The parallel seems to suggest itself in support of allowing this motion.

Mr. Speaker: Order. I suggest to hon. members that we have heard sufficient argument to allow the Chair to render a judgment or an expression of opinion. Are hon. members prepared to hear what I have to say at this moment?

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I was hesitating because I thought the Minister of National Health and Welfare was going to speak. I will yield to him and speak later if he wishes to speak now. Since the government house leader does not accept my offer to speak before I do, I will refute his arguments before he advances them.

It is quite clear that what we have to concern ourselves about is urgency of debate. In addition to the rules and precedents we have in Beauchesne's fourth edition and in other places we now have a very useful supplement in the form of an article on this question which was written by Hon. Lucien Lamoureux, M.P., Speaker of the House of Commons of Canada. It appeared in the July issue of "The Parliamentarian" which is the journal of the parliaments of the Commonwealth. I dearly wish I had time to put the whole article on the record because it would be useful to do so; then it would be translated into French as well. May I read two or three sentences for Your Honour's guidance. First may I agree, as I am sure Your Honour will, with the opening sentence of the article, which reads:

> The decision as to whether or not a motion to adjourn the house should be allowed for the purpose of discussing a definite matter of urgent public importance is one which taxes the judgment of the Speaker to the utmost.

Having said that, Your Honour in this article got around to the specific matters which have to be weighed in arriving at this decision, and you then said this about the Speaker:

> He must be satisfied that the matter raised is one of genuine urgency and that no other opportunity for raising it would occur in the normal course of parliamentary business.

I suggest that is a very clear statement, and that this motion meets both those conditions; it deals with a matter of genuine urgency, and there is no foreseeable opportunity for discussing it in the normal course of parliamentary business. Later in the same article Your Honour said this:

> Urgency alone is not sufficient to qualify an emergency adjournment motion for acceptance. The matter must be one of overriding national urgency and not merely of regional urgency—

It has been clearly demonstrated that this is an issue of concern not only to one region or another but that it is one of national urgency. Then, Mr. Speaker, in an excellent concluding paragraph to this article you said:

> In these days of heavy parliamentary pressure an emergency procedure is essential to ensure that an opportunity for debating a genuinely urgent and sudden crisis can always be found. The Speaker has an important duty to ensure that the procedure is not abused—

Speaking from the opposition side, I agree.

> —but it is equally important that he should protect the right of the private member to secure an emergency debate when the circumstances justify it, no matter how pressing the demands of government business may be.

I suggest that the motion presented today meets the criteria which Your Honour has laid down. This is an urgent question, it is one of national importance, there is no immediate opportunity to deal with it, and it is the type of question for which this kind of motion is provided.

Let me give some examples of the kind of thing we ought to be able to find out; namely, to what extent are these lay-offs seasonal, to what extent are they caused by technological change, and what are the steps we should be taking to deal with them? I submit this is the kind of information that could

only come out in the sort of debate for which we are asking. Therefore because of the urgency, because this motion meets the criteria that Your Honour laid down in this excellent article, I hope you will find the motion to be in order.

Mr. Speaker: I thank hon. members for their contribution to this interesting discussion, particularly the hon. member for Winnipeg North Centre. I would remind the hon. member that the words he has quoted were spoken *ex cathedra* and therefore I do not feel bound by such *obiter dicta*. I feel that a much better authority is Beauchesne's fourth edition. Perhaps hon. members would allow me to refer to citation 100, which is well known and has been quoted in circumstances such as these. This citation has been referred to by the hon. member for Burnaby-Coquitlam. Citation 100 says:

"Urgency" within this rule does not apply to the matter itself, but it means "urgency of debate", when the ordinary opportunities provided by the rules of the house do not permit the subject to be brought on early enough—

As has been said before, "early enough" is an absolutely relative term. One may ask how early is "early enough"? It has been mentioned that although the estimates have been completed there is to be a supply debate before the 27th of this month, that is within the next 19 days. Of course this is the outside limit, and debate on this motion might be had before that time by arrangement. In any event, it would definitely be brought before the house by that date. I have some doubts, therefore, whether the motion qualifies in view of this situation. I would also remind hon. members of paragraph 8 of citation 100 of Beauchesne's fourth edition wherein a former Speaker is quoted as having said:

I do not think that, under the standing order of 1882, a motion on a subject of this kind, having such a very wide scope, was ever contemplated. What I think was contemplated, was an occurrence of some sudden emergency, either in home or in foreign affairs. But I do not think it was contemplated—if the house will allow me to state my views—that a question of very wide scope, which would demand legislation to deal with it in any effective manner, should be the subject of discussion on a motion for the adjournment of the house.

• (3:00 p.m.)

I would think this citation covers the situation. For the guidance of hon. members I should like to refer them to an even more eminent authority, and quote from a ruling made by Mr. Speaker in the year 1961 following an adjournment motion proposed by the then hon. member for Laurier. This motion had reference to a matter of definite urgent public importance, namely the displacement of C.N.R. employees. I am reading from *Hansard* of March 13, 1961 at page 2907. The Speaker then said:

As hon. members will recall, the matter of layoffs of employees of the Canadian National Railways arises very frequently during the question period, and the minister is always under the necessity of having to say that he will inquire from the C.N.R. to find out what their policy is and that he will bring back an answer to the house. It seems to me that citation 100, which indicates that such matters should relate to the administrative responsibility of the government, might be applied in this case in the sense that the responsibility is indirectly through parliament and not one on which a debate on a motion of this kind could have any direct effect or result. It would be necessary for parliament to amend its Canadian National Railways legislation, if an enforceable decision is to be made or an effective remedy applied.

The Speaker concluded that he had to refuse the hon. member leave to make the motion.

In view of this precedent and in view of the citations I have quoted I do not think it is possible for me to accept the motion advanced by the hon. member for Burnaby-Coquitlam.

CANADIAN BROADCASTING CORPORATION

REQUEST FOR STATEMENT BY PRIME MINISTER AS TO CONFIDENCE IN MANAGEMENT

On the orders of the day:

Hon. Michael Starr (Leader of the Opposition): Mr. Speaker, I wish to address the following question to the right hon. Prime Minister. Has the Prime Minister complete confidence in the management of the Canadian Broadcasting Corporation?

Right Hon. L. B. Pearson (Prime Minister): I would be very glad to answer that question, but of course it is out of order.

Mr. Starr: In view of the fact that the Speaker did not voice an objection I would assume that that answer—

Mr. Speaker: Order, please.

Mr. Pearson: Mr. Speaker, perhaps Your Honour will give a ruling on it.

Mr. Speaker: Order, please. Before making the ruling I would have to hear the question asked by the Leader of the Opposition. I was still reflecting on standing order 26 when the question was asked.

Mr. Starr: My question to the Prime Minister was the following. Has the Prime Minister complete confidence in the management of the Canadian Broadcasting Corporation?

Mr. Pearson: Mr. Speaker, I have a great deal more confidence in it than some hon. gentlemen opposite.

Mr. Speaker: Order, please.

Mr. Starr: May I ask a supplementary question, Mr. Speaker.

Mr. Speaker: Order, please. Without ruling on whether the question is in order I have some doubts about it because it seems to be very general in scope. I believe an answer to the question would be more appropriate by way of a statement on motions. The hon. member might want to ask a related question rather than a supplementary one.

Mr. Starr: Thank you, Mr. Speaker. I will ask the Prime Minister whether he will give to this house a full, frank and clear statement dealing with the charges of mismanagement in the C.B.C. as voiced by the Secretary of State; and will he explain to this house and to the people what has been done to deal with this situation in an organization spending this year $140 million of public money?

Mr. Pearson: If I were to answer that question on orders of the day I would probably take up the 40 minute period allowed.

Mr. Starr: Will the Prime Minister say whether he will make this concise and clear statement?

Mr. Pearson: I hope to do that, Mr. Speaker, at an appropriate occasion.

Mr. Starr: I can only assume from these evasive answers that the Prime Minister has no intention of doing so.

LABOUR CONDITIONS

STUDY OF REASONS FOR LAY-OFFS OF RAILWAY EMPLOYEES

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, in the absence of the Minister of Labour may I direct a question to the right hon. Prime Minister with reference to the widespread lay-offs of railway employees and the fact that the decline in the number of employees on the railroads over the years seems to be much greater than any decline in the volume of freight handled, which would indicate that technological factors are involved. In view of this does the government intend to introduce legislation in the near future to implement the recommendations of the Freedman report?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, this is a very important question dealing with the legislative intentions of the government and I cannot answer it on orders of the day, except to inform my hon. friend that we are aware of the seriousness of this immediate problem. We are also aware of the importance of dealing with some of the legislation which is already on the order paper.

Mr. Douglas: I have a supplementary question, Mr. Speaker. May I ask the Prime Minister, then, if the government is making any study to ascertain the extent to which these lay-offs are due to a decline in the volume of freight handled and, on the other hand, the extent to which they are due to technological changes and the modernization of railway equipment?

Mr. Pearson: Yes, Mr. Speaker, we are very seriously concerned with this matter in all its aspects, and are examining it.

Mr. Douglas: I have another supplementary question, Mr. Speaker. Can the Prime Minister tell us what are the results of this investigation?

Mr. Pearson: I will be glad to announce them in due course.

Mr. Thomas M. Bell (Saint John-Albert): I have a supplementary question for the Prime Minister or the Minister of Transport with reference to these railway lay-offs. When will the proposed announcement be made with regard to the matter of freight rates, which the minister admitted is at the root of the lay-off problem?

Hon. Paul Hellyer (Minister of Transport): I am not sure that I understood the latter part of my hon. friend's question, and I am not sure of the correctness of his earlier suggestion that I had indicated that the reduction in traffic was due to the increased freight rates. What I did indicate to the house the other day was that the reduction was due to reduced traffic. This problem is national in scope, particularly with respect to the volume of loading of bulk commodities.

In so far as the statement that I have indicated I hope to make to the house is concerned, I cannot say for sure when it will

be ready but perhaps quite soon, in due course or even sooner.

[*Translation*]

Mr. Gérard Laprise (Chapleau): Mr. Speaker, I should like to put a supplementary question to the Minister of Transport and ask him whether the union representing the C.N.R. employees has made representations following those lay-offs?

[*English*]

Mr. Hellyer: I can only say from memory that I think there have been some communications from the unions. I cannot indicate their exact nature and scope without referring to the files.

Mr. Bell (Saint John-Albert): Will the minister see to it that the lay-offs are held up until this proposal is brought forward in the house, as he promised on October 30 last?

Hon. D. S. Harkness (Calgary North): I have a supplementary question, Mr. Speaker. In view of the fact that a good deal of this unemployment is due to the greatly reduced export of wheat from this country, is the government taking any special measures or has it any plans to increase our exports of wheat, which will solve this problem to a considerable extent as well as the problem faced by the western farmers?

Hon. Robert Winters (Minister of Trade and Commerce): Mr. Speaker, I think the hon. member knows as well as anybody else of the effective work performed by the wheat board, and of the great confidence which the western farm community places in the wheat board. I can assure him that they are leaving no stone unturned.

[*Translation*]

OLD AGE SECURITY

FEDERAL CONTRIBUTION TO PROVINCIAL SUPPLEMENTAL PAYMENTS

On the orders of the day:

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

When a federal pension of $75 is granted to a Canadian citizen and a supplementary amount is paid by the province, is the federal government contributing to the supplementary amount paid by the province?

Mr. Speaker: That question should be placed on the order paper.

[Mr. Hellyer.]

[*English*]

INDUSTRY

AUTOMOBILES—INQUIRY AS TO RENEGOTIATION OF CANADA-U.S. AGREEMENT

On the orders of the day:

Mr. A. D. Hales (Wellington South): Mr. Speaker, I should like to direct a question to the Minister of Industry. In view of the fact that the present United States-Canada auto pact expires at the end of next month, is the minister or any member of his department taking steps to renegotiate this agreement?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, I do not think the hon. gentleman wished to convey the impression that the agreement expires next month. In fact it is to continue indefinitely. Under the arrangements with the United States there is a provision that prior to the end of this year there will be a review of the progress made to date, and arrangements are now being made to begin this review not later than next month.

Mr. Hales: May I ask a supplementary question. In view of this renegotiation or review can the minister assure this house that parliament will have an opportunity to debate the agreement before it is signed?

Mr. Drury: As I tried to point out, Mr. Speaker, the agreement has been signed and it is not to be resigned. What is in contemplation is a review of the progress made to date with our United States counterparts.

Hon. Michael Starr (Leader of the Opposition): May I ask a supplementary question of the Minister of Industry. When the review is made, will the minister bring in a report and give parliament an opportunity to debate that report?

Mr. Drury: I should be glad to make a report to parliament on completion of the review.

Mr. T. C. Douglas (Burnaby-Coquitlam): May I ask a supplementary question. My recollection is that the minister undertook, before the period for review was up, that this Canada-United States auto agreement would be submitted to a committee of the house. Does he still intend to carry out that commitment?

Mr. Drury: Mr. Speaker, my recollection is not the same as that of the hon. gentleman. I am not too clear what he meant by "when the period of review is up", since the review

has not yet started. In line with the request made by the Leader of the Opposition, on completion of the review I will undertake to make a report to parliament.

DOMINION-PROVINCIAL RELATIONS

DISCUSSIONS WITH PROVINCES RESPECTING OFFSHORE MINERAL RIGHTS

On the orders of the day:

Mr. A. B. Patterson (Fraser Valley): May I direct a question to the Prime Minister. Now that the legal decision has been handed down by the Supreme Court regarding offshore mineral rights, is the government prepared to begin negotiations with the provinces that will provide the political agreement necessary for the orderly development of these resources?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the government will be considering at once the decision by the Supreme Court and all its implications. An undertaking has been given by the federal government that discussions could take place with the provinces after the legal situation had been cleared up. The legal situation is now clear.

Mr. Eldon M. Woolliams (Bow River): May I ask a supplementary question of the Prime Minister. In view of the Prime Minister's statement, and in view of the decision of the Supreme Court of Canada, will the government consider asking the same court for an opinion with regard to the other provinces, since this decision affects British Columbia alone?

Mr. Pearson: I should like to look into that question to see how far the present decision covers all interests.

Mr. G. W. Baldwin (Peace River): Does the right hon. gentleman not think he might discuss this question usefully in Toronto when that conference is taking place at the end of this year?

Mr. Pearson: I do not believe a provincial conference would be a very good place for me to discuss this subject.

Hon. Alvin Hamilton (Qu'Appelle): My supplementary question is for the Prime Minister. In view of the decision arrived at today by the Supreme Court, does the Prime Minister intend now to bring into the house at the next session a resolution by which parliament will give authority to the government to ratify this convention which gives us control of the bottom of the sea?

Mr. Pearson: I will have to look into that question, Mr. Speaker.

Mr. Hamilton: I wonder if I might ask a supplementary question following the same line but on another matter. In view of the importance of the resources at the bottom of the sea, when the Prime Minister is looking into this question of the ratification of the convention would he take into account the calling of an international conference to get some sort of rule of law among the nations for the development of the bottom of the sea? It was Canada's proposal in 1958 that got us this far.

Mr. Speaker: Order, please.

Mr. D. W. Groos (Victoria (B.C.)): As a result of this Supreme Court decision will the federal government now give consideration to the possibility of exploring and developing these offshore assets, either alone or in conjunction with private enterprise, so that all Canadians can share in these assets which now belong to all the people?

Mr. Pearson: I said we would begin at once to study this decision in all its implications, including those mentioned by my hon. friend.

Mr. H. Russell MacEwan (Pictou): My question to the Prime Minister is this. Will the Prime Minister undertake that in negotiations or conferences with the provinces the federal government will not use this decision as a club to hold over the heads of the provinces?

Mr. Speaker: Order, please.

Mr. D. V. Pugh (Okanagan Boundary): Will the Prime Minister assure the house that the present offshore explorations in British Columbia will not be adversely affected by the Supreme Court decision?

Mr. Pearson: Perhaps, Mr. Speaker, they will be encouraged by that decision.

EXTERNAL AFFAIRS

NATO—APPOINTMENT OF ALLEGED FORMER NAZI AS COMMANDER OF CENTRAL SECTOR

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to direct a question to that genial target

of the opposition, the Secretary of State for External Affairs. In view of the appointment of General Albert Schnez as commander of the NATO forces in Europe, central sector, which includes Canadian forces, and in view of the fact that comments on this appointment in the West German news magazine *Der Spiegel* caused the West German defence minister Gerhard Schroeder to defend the appointment by saying "We can just ignore these nazi rumours; all this stuff is no longer important", is the Secretary of State for External Affairs happy and proud to have Canadian troops and some 2,000 NATO planes, mostly equipped with nuclear weapons, under the command of this former well known high ranking nazi officer?

Mr. Speaker: Order. The hon. member knows that he cannot ask for an expression of opinion. By the same token I do not believe he can ask for an expression of the feelings of the minister.

Mr. Herridge: May I rephrase my question. Would the Secretary of State for External Affairs say whether he considers this gentleman quite competent from our point of view to lead these forces?

Mr. Speaker: Order, please. The hon. member is asking for an expression of opinion.

HOUSING

INQUIRY AS TO FURTHER GOVERNMENT ACTION

On the orders of the day:

Hon. George Hees (Northumberland): I should have liked to direct a question to the Minister of Labour, but in his absence I will direct it to the Prime Minister. In view of the decrease of 21 per cent in housing completions in the first eight months of this year, according to Dominion Bureau of Statistics, compared to the same period a year ago, will the Prime Minister ask the Minister of Labour to make a statement at the earliest possible moment to announce the steps to be taken to counteract this very serious trend?

Right Hon. L. B. Pearson (Prime Minister): Yes, and perhaps in the statistical information he will be able to give he will counteract the impression left by my friend.

Mr. Hees: Is the Prime Minister not aware that if the present rate of completions is continued we will end up the year 74,000 units short of the 190,000 minimum which is necessary each year.

[Mr. Herridge.]

Mr. Reid Scott (Danforth): I should like to ask the Prime Minister a question we have been asking him for many years now.

Some hon. Members: Oh, oh.

Mr. Scott (Danforth): Here we go again; rowdy government. I should like to ask the Prime Minister a question we have been posing to him for some time now. In view of the obvious continuing housing crisis, has the Prime Minister reached any decision yet on the necessity for creating a ministry of housing and urban affairs with a full time minister?

Mr. Pearson: Mr. Speaker, our immediate preoccupation is with the housing conference with the provinces, which will be taking place a few weeks from now.

[*Translation*]

Mr. J. R. Keays (Gaspé): Mr. Speaker, I should like to direct a supplementary question to the chairman of the standing committee on housing, urban development and public works. Does he intend to convene soon the committee to consider the housing situation?

Mr. Rosaire Gendron (Rivière-du-Loup-Témiscouata): Mr. Speaker, I take note of this question.

[*English*]

Mr. D. V. Pugh (Okanagan Boundary): I wish to direct a supplementary question to the Minister of Finance. To help housebuilding is the minister now contemplating removing the 11 per cent sales tax on building materials?

Hon. Mitchell Sharp (Minister of Finance): No, Mr. Speaker.

Mr. David Lewis (York South): May I direct a further supplementary question to the Prime Minister. On October 26, in the absence of the right hon. gentleman, I asked the Minister of Labour if he would discuss with him the possibility of tabling the letter which the Prime Minister sent to the heads of provincial governments in order that the house might see what the letter indicated as the agenda for the conference. Can the right hon. gentleman answer that question now?

Mr. Pearson: Yes, Mr. Speaker. I got in touch, by telegram I believe, with the provincial heads of governments. I am not sure whether all replies are in, and I shall inquire at once. If they are the letter may be tabled

immediately. If they are not, I shall give consideration to tabling the letter in any event.

Mr. Lewis: A further supplementary question, Mr. Speaker. Would the Prime Minister consider at the same time tabling the agenda for that conference?

Mr. Pearson: Speaking subject to correction, Mr. Speaker, I think the letter dealt with the question of the agenda. It asked for the views of the provincial governments.

FINANCE

LOANS BY BANKS UNDER FARM IMPROVEMENT ACT

On the orders of the day:

Hon. J. W. Monteith (Perth): I wish to direct a question to the Minister of Finance. Does the minister know whether any chartered banks are refusing to grant loans under the Farm Improvement Loans Act because of the low interest rates which are permitted to be charged for such loans?

Hon. Mitchell Sharp (Minister of Finance): No, Mr. Speaker, I have not had reports of that kind.

Mr. Monteith: Would the minister be good enough to look into this matter and report to the house?

SEARCH AND RESCUE

INQUIRY AS TO PROVISION OF ADDITIONAL COAST GUARD SERVICE

On the orders of the day:

Mr. Lloyd R. Crouse (Queens-Lunenburg): I wish to direct a question to the Minister of Transport. In view of the government's plan to scrap the construction of five coast guard cutters which would have been used for rescue service on the high seas, is the government giving thought to providing additional coast guard services through the use of existing ships that are now manned and operating in the Canadian navy and other marine agencies of government?

Mr. Speaker: Order. I wonder if the question is of immediate urgency. The hon. member may have thought of putting it on the order paper.

Mr. Crouse: Mr. Speaker, the fact that contracts worth $30 million were to be let by the Department of Transport indicates the urgency of the matter. As rescue ships will still be required during emergencies on the high seas, I think the minister should consult with his colleagues—

Mr. Speaker: Order, please. The hon. member has indicated the importance of the matter but he may want to give notice of his intention to debate it on the adjournment proceedings.

NATIONAL DEFENCE

WINNIPEG—THEFT OF ARMS FROM MINTO ARMOURIES

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): My question is directed to the Minister of National Defence. Has a court of inquiry been convened concerning the theft of arms at the Winnipeg armoury. If so, what conclusions have been reached?

Hon. Léo Cadieux (Minister of National Defence): The investigation is still going on, Mr. Speaker.

POST OFFICE DEPARTMENT

ALLEGED DISREGARD OF GRIEVANCE PROCEDURES BY AUTHORITIES

On the orders of the day:

Mr. Barry Mather (New Westminster): I wish to direct a question to the Postmaster General. Is the minister aware of the situation which has resulted in a work stoppage by postal employees at St. Catharines, Hamilton, and other Ontario towns as a result of the alleged disregard of grievance procedures by postal authorities which followed the suspension of two postal employees? If he is aware of this, what action does he consider taking?

Hon. Jean-Pierre Côté (Postmaster General): I am aware of this, Mr. Speaker. In six post offices in the Niagara peninsula, letter carriers refused to report this morning; they took part in a wildcat strike after an employee—not two employees—was suspended. As far as the grievance procedure is concerned, that still exists.

The suspended employee can appeal the decision by way of grievance procedure, and we offered to begin at the third level of that procedure instead of at the bottom. The employees' organization asked us to go to the fourth level, which we accepted. They also asked us not to institute disciplinary action against letter carriers who took part in the strike. This we cannot accept.

Inquiries of the Ministry

Mr. Mather: A supplementary question, Mr. Speaker. Will the Postmaster General see that the two dismissed employees are reinstated, pending the arbitration of their case?

Mr. Speaker: Order, please. The hon. member is making a representation.

[*Translation*]

CANADIAN BROADCASTING CORPORATION

COMPENSATION TO PRIVATE STATIONS FOR CARRYING CERTAIN PROGRAMS

On the orders of the day:

Mr. Alcide Simard (Lac-Saint-Jean): Mr. Speaker, may I direct a question to the hon. Secretary of State? Could she tell us whether private television stations receive some compensation for certain programs they borrow from the public network?

Mr. Speaker: It seems to me that the hon. member's question could be put on the order paper.

[*English*]

CRIMINAL CODE

PROPOSED AMENDMENT OF PROVISIONS RESPECTING HOMOSEXUALITY

On the orders of the day:

Mr. R. J. Orange (Northwest Territories): I have a question for the Minister of Justice. In view of the decision arrived at today by the Supreme Court, in which the sentence of indefinite confinement of Everett George Klippert of Pine Point, Northwest Territories, an acknowledged homosexual, was confirmed by a majority of the court; and since Mr. Justice Cartwright, the chief justice of the court, in his dissenting report said he thought it improbable that parliament had intended such a result, will the minister consider, when amendments to the Criminal Code are brought before the house, amending the sections dealing with this affliction so that Canadians will not be subjected to preventive detention because they are victims of an unfortunate social disease?

Mr. Speaker: Order, please. The hon. member seems to be making a speech rather than asking a question. He has made his representation to the minister.

Mr. Orange: On a point of order, Mr. Speaker, I am speaking of a man who has been confined under a sentence of indefinite detention because he is afflicted with a social disease. I ask the Minister of Justice to consider, when amendments to the Criminal Code are brought before the house, to give consideration to amending the appropriate sections that deal with this social disorder.

Mr. Speaker: The hon. member has already made representations to that effect to the minister.

FINANCE

POSSIBLE TAX INCREASE RESULTING FROM MEDICARE

On the orders of the day:

Hon. D. S. Harkness (Calgary North): My question is for the Minister of Finance. Considering the minister's statement in Calgary over the week end to the effect that "to the extent that medicare comes in I shall have to raise taxes", will he inform the house by what amount he will need to raise taxes if all provinces enter the medicare scheme?

Mr. Speaker: Order, please. I doubt if that question is in order.

Mr. Harkness: With the greatest respect, Mr. Speaker, this question is of extreme importance to members of the house and should be answered.

Mr. Speaker: Order, please.

Mr. Monteith: May I ask a supplementary question.

Mr. Speaker: Order, please. The hon. member may not ask a supplementary question to an original question which has not been accepted. He may ask another question.

Hon. J. W. Monteith (Perth): May I ask the Minister of Finance whether a date has been set for presenting this matter to the house.

Hon. Mitchell Sharp (Minister of Finance): No, Mr. Speaker. The matter is still under consideration in the cabinet.

LABOUR CONDITIONS

REASONS FOR LAY-OFFS OF RAILWAY EMPLOYEES

On the orders of the day:

Mr. R. D. McLelland (Rosetown-Biggar): I wish to direct a question to the Minister of Transport. Can the minister inform this house whether the proposed lay-off of 500 railwaymen in the western region of the railways is directly attributable to a lack of wheat shipments?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I have answered this question two or three times already. Certainly the reduction in wheat movement is a contributing factor, but is not the only factor.

POLLUTION

TAX INCENTIVES TO PLANTS INSTALLING CORRECTIVE DEVICES

On the orders of the day:

Mr. P. B. Rynard (Simcoe East): My question is directed to the Minister of Finance. I wish to know whether he is ready to reply to a question I directed to the Minister of National Health and Welfare on November 1, which question that minister said he would refer to the Minister of Finance. The question as originally put, as reported on page 3744 of *Hansard* for November 1, reads:

In view of the galloping dangers from air pollution will the government immediately consider granting tax incentives to any plants that instal anti-air pollution devices, similar to what is done already with respect to water pollution?

Hon. Mitchell Sharp (Minister of Finance): I thank the hon. gentleman for his courtesy. I have noticed the question and the answer which was given to it. The matter will be considered when tax changes are being considered.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Reid Scott (Danforth): Mr. Speaker, I should like to address a question to the somewhat neglected President of the Privy Council. As a minister of the crown will he in the course of this session be introducing a program to achieve an objective about which he speaks so eloquently in his constant public appearances as a private member of parliament, namely buying Canada back?

AIR CANADA

WINNIPEG—OPERATION OF OVERHAUL BASE TO BE CONTINUED

On the orders of the day:

Mr. L. R. Sherman (Winnipeg South): Mr. Speaker, I have a question for the Minister of Transport. Can the minister confirm that he has been in recent contact with the president of Air Canada and that the Winnipeg overhaul base will remain operative until at least 1973?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I have advised the company of the position I took in Winnipeg and have asked them to consider what steps might be taken to meet the requirement which was stated at that time to honour the Prime Minister's commitment.

Mr. Sherman: May I ask the minister whether that indication has been communicated to the president of Air Canada?

Mr. Hellyer: Yes, it has. Having read the article in the newspaper, however, I think there may be a question of semantics involved here and, like Mr. McGregor, I believe there is nothing to be gained by discussing it. The main thing now is to get on with the job and find a solution so that we can provide in western Canada those basic facilities for air support we would all like to see there.

Mr. Stanley Knowles (Winnipeg North Centre): But it is clear, is it, that the government's commitment will be honoured?

Mr. Hellyer: Yes, Mr. Speaker.

CANADIAN BROADCASTING CORPORATION

INQUIRY AS TO OBJECTIONS TO PROGRAM "THE PUBLIC EYE"

On the orders of the day:

Mr. Donald MacInnis (Cape Breton South): Mr. Speaker, I have a question for the Minister of National Health and Welfare. Has he received a letter from Mr. Martin Merner, president of local 1064, respecting the "Public Eye" program televised on Sunday last on the subject of the steel crisis in Sydney? If he has received such a letter, does the minister agree with the objections which were put forward and has he advised the union local accordingly?

Mr. Speaker: Order. The question is asked in a form which makes it difficult for the Chair to determine whether it is one of immediate urgency. The minister might be in a better position to judge than I am.

Hon. A. J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, I have received a letter from Mr. Merner. Unfortunately I did not see the program in its entirety, so I am not in a position personally to assess the validity of the criticism it contained. But I have received a letter and I have passed it on to the Secretary of State.

Inquiries of the Ministry

Mr. MacInnis (Cape Breton South): Would the minister not agree that the president of the local would not put anything in writing that did not appear on that show? In these circumstances would the minister not supply himself with a copy of the script, which I am sure could be obtained, to ascertain the basis of this criticism? Of course, the hon. gentleman would have to see the film in order to be in a position to pass judgment on it. I would also ask the minister what answer he gave with respect to the request which was made.

Mr. Speaker: Order.

Mr. MacEachen: I am sure Mr. Merner made a very sincere commentary on the program, but since I did not see the program in its entirety I really cannot say anything about it myself.

Mr. MacInnis (Cape Breton South): Did the minister answer this correspondence and, if so, in what manner did he answer it?

Mr. Speaker: Order. We have already allowed one supplementary on this point. There are a number of other hon. members who appear to wish to ask questions and I suggest we go on to another subject.

LABOUR CONDITIONS

WORKERS AFFECTED BY U.S. CUTS IN DEFENCE SHARING PROGRAMS

On the orders of the day:

Mr. Jack A. Irvine (London): Mr. Speaker, I wish to direct my question to the Prime Minister. In view of the absence of the Minister of Manpower and Immigration and in view of the urgency of the question I posed on Wednesday, November 1, with regard to lay-offs under defence sharing agreements, would the Prime Minister check with his colleague, or with other appropriate ministers, to make sure an answer is given to this question within the next few days?

Hon. Jean Chrétien (Member of the Administration): Mr. Speaker, on behalf of the Minister of Manpower and Immigration I have a reply for the hon. member. Officials of the department have consulted the Department of Defence Production and I am informed there has been no general cut-back in defence sharing programs. If the hon. member can be more specific about the lay-offs he has in mind I shall be glad to look into them, but I can assure him that all our facilities are available to such workers.

[Mr. MacEachen.]

Mr. Irvine: Is the minister aware that some 150 workers have been laid off at the Ingersoll Machine and Tool works?

Mr. Speaker: Order. The hon. member is conveying information to the minister.

[*Translation*]

MONTREAL—EXTENSION OF METRO TO AID EMPLOYMENT

On the orders of the day:

Hon. Théogène Ricard (Saint-Hyacinthe-Bagot): Mr. Speaker, on October 18 I directed a question to the Prime Minister, and again I asked him this question on October 23, but I have yet not received any answer from him. This question reads as follows:

In view of the statement made by Premier Daniel Johnson yesterday in respect to the extension of the Montreal subway as a counter-measure against unemployment in the Montreal area, does the government intend to grant financial assistance to the government of Quebec or to the city of Montreal, as the case may be?

[*English*]

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker.

HOUSE OF COMMONS

REPORTED STATEMENT BY FINANCE MINISTER ON RETIREMENT OF PRIME MINISTER

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, my question is for the Minister of Finance. Will the hon. gentleman take the house into his confidence and give us the same information as he gave at a recent meeting concerning the early retirement of the Prime Minister?

An hon. Member: Explain.

Right Hon. L. B. Pearson (Prime Minister): It might be safer if I were to answer that question myself, Mr. Speaker.

Mr. Starr: It might be more authentic.

[*Later:*]

Mr. Churchill: Mr. Speaker, I would like to ask the Prime Minister if the Minister of Finance in his recent announcement about the early retirement of the Prime Minister was speaking from accurate knowledge or just expressing a secret hope.

INDUSTRY

CLOSING OF TORONTO PLANT BECAUSE OF AUTOMOBILE AGREEMENT

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I direct a question to the Minister of Industry. Has his attention been drawn to the fact that the Perfect Circle Company of Don Mills, Toronto, yesterday informed all its employees that the plant would be closed next Friday night as a result of the Canada-United States auto agreement? Since this is only five days' notice affecting 130 employees, more than half of whom have over ten years' service with the company, may I ask whether the minister has been notified by this company of its intention to close its operation and move its machinery to St. Thomas and whether the government is taking any action with respect to the future employment of the employees in question?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, I was not aware of the plans of the Perfect Circle Company but I would be glad to look into this matter.

Mr. Douglas: Has the minister asked the companies who are likely to be affected by the Canada-United States agreement to give his department and the department of manpower as well as the employees concerned much more adequate notice than five days?

Mr. Drury: Some time ago the Department of Labour issued an invitation or a request to companies involved in the transitional scheme under the automotive pact to notify that ministry of future plans involving changes affecting employees. This representation, or this invitation, was repeated by the department of manpower when it came into the picture, and it is still outstanding. I do not know whether there have been representations made with respect to the precise number of days notice to be given. I think this question is governed by provincial law.

Mr. Douglas: Will the minister undertake to find out whether this company has given notice of its plans either to the Department of Labour or to the department of manpower?

Mr. Drury: I said I would do that, Mr. Speaker.

Mr. A. D. Hales (Wellington South): Mr. Speaker, when the Minister of Industry is renegotiating the car pact will he speak on behalf of all Canadians in order that Canadians may be able to buy cars made in Canada at prices as low as they are across the border?

FINANCE

BANK OF WESTERN CANADA—PROTECTION OF SHAREHOLDERS

On the orders of the day:

Mr. H. R. Ballard (Calgary South): Mr. Speaker, I should like to address a question to the Minister of Finance. Is he considering any steps within the provisions of the Bank Act or otherwise to protect the investments of the thousands of small shareholders in the Bank of Western Canada now to be wound up?

Hon. Mitchell Sharp (Minister of Finance): Yes, Mr. Speaker. As I said in reply to a similar question, the inspector general of banks has been instructed to protect the assets to the full extent of his abilities. Instructions to this effect have been in operation for some weeks and I am confident the assets are being well protected.

DIVORCE

CONSIDERATION OF POSSIBLE APPLICATION OF BRITISH LEGISLATION

On the orders of the day:

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I would like to direct a question to the Minister of Justice. Has the minister taken note of the fact that the parliament of the United Kingdom is apparently giving consideration to divorce legislation based upon marriage breakdown rather than upon the multiplication of matrimonial offences? Further, in presenting legislation to the house, which I understand he intends to do shortly, will the minister take into account the proposed British legislation to see if it has any application here?

Mr. Speaker: Order, please. The question asked by the hon. member for Greenwood is the same type as one asked by the hon. member for the Northwest Territories. It is in the form of a submission or representation, which I am sure has been noted by the minister.

OLD AGE SECURITY

REQUEST THAT MEANS TEST BE ELIMINATED

On the orders of the day:

Mr. Lee Grills (Hastings South): Mr. Speaker, I would like to address a question to the Minister of National Health and Welfare but in his absence I will direct it to the right hon. Prime Minister. Owing to the confusion of thousands of our senior citizens who are now being asked to apply again for supplementary benefits to old age pensions for next year, and also the effect on veterans' benefits which have been reduced, will the government give consideration to eliminating the means test?

Mr. Speaker: Order. The hon. member knows that this question is much too wide in scope to be asked on orders of the day.

CANADA PENSION PLAN

REQUEST FOR INCREASE IN EXEMPTIONS RESPECTING TRANSIENT LABOUR

On the orders of the day:

Mr. W. H. A. Thomas (Middlesex West): Mr. Speaker, I wish to direct a question to the Minister of National Revenue. Earlier this year tobacco growers, fruit growers and other agricultural producers who have to depend on transient labour to plant and harvest their crops urged the government to raise the exemption for contributions under the Canada Pension Plan from 24 days work or $240 in earnings to 40 days work or $600 in earnings. Has the minister reached a conclusion with regard to this question?

Hon. E. J. Benson (Minister of National Revenue and President of the Treasury Board): Mr. Speaker, I have spoken to representatives of farm organizations in this regard. This matter, of course, requires a legislative change in the Canada Pension Plan, which legislation the government has agreed not to change without consulting the provinces. I have assured the farm organizations that when such consultation takes place, as in due course it must, their representation in this regard will be raised with the provinces at that time.

BROADCASTING

IMPLEMENTATION OF CANADIAN POLICY

The house resumed, from Monday, November 6, consideration of the motion of Miss LaMarsh for the second reading of Bill No. C-163, to implement a broadcasting policy for Canada, to amend the Radio Act in consequence thereof and to enact other consequential and related provisions.

[Mr. Speaker.]

Mr. R. N. Thompson (Red Deer): Last night before ten o'clock, Mr. Speaker, I was discussing the responsibility of this house to Canadian parents and families in providing through Bill C-163 a vehicle which will bring broadcasting, both public and private, under adequate and effective control so as to assure families and parents that television programming will be of a type that will strengthen the family unit, encourage character building and inspire the nation to build a clean, strong and free society in which there is respect for integrity, law and authority.

The petition of 80,000 women presented to the Prime Minister (Mr. Pearson) and to members of this house a few years ago stated that the true function of the C.B.C. should be to help raise a generation with strength, character and the courageous leadership that the opportunities of this age demand. I stated that while many C.B.C. programs are commendable, such as the very positive and constructive job of portraying the best of our centennial celebrations, many others are rotten trash which undermine the family, the faith and morality of the home, and degrade human character. I also referred to the fact that all too often a small, misguided minority, usually producers, carry on this type of activity in defiance of management and government policy. Therefore the legislation that we are considering must have teeth in it to stop and control this type of thing. The taxpayers who subsidize this multimillion dollar industry must have some say in the affairs of their public broadcasting facility.

A good example of what I am referring to, Mr. Speaker, was the program last Sunday night between ten and eleven o'clock on abortion, produced by Patrick Watson. To say the least, in the setting that it was aired this film was pornography at its worst, pure unadulterated evil watched by millions of families, by children, and by young girls serving as babysitters. Was this a program for young girls? Was it not possible to discuss the controversial issue of legalized abortion in a rational and reasonable way without showing everything, including the screaming of a hysterical girl undergoing an abortion operation?

Another point in question concerns national unity. The Prime Minister has said this is our most vital and urgent problem. Yet last night a great deal of time was given to René Lévesque and his radical separatist views

uttered in Toronto on the week end. No mention was made of the spectacular world week end in Edmonton, nor was there mention of the remarkable reception given the Governor General by his local townspeople, boyhood friends and schoolmates in Red Deer and Lacombe. Neither was there mention made in prelude of the centennial celebration of parliament which took place yesterday.

The public demand for more effective control of broadcasting is not only from parents, from taxpayers and from the elected representatives of the people, including the majority of the members of this house. It is shared by every aspect of Canadian life, including the press. The following quotations from the press, which I have kept down through the months, are just a sample of public opinion as recorded in the English press regarding the C.B.C., beginning three years ago when the government at last took action which has resulted in the present legislation. I may add that the French press has been just as outspoken and just as firm. The Vancouver *Province,* on October 30, 1964, said:

> Now that the Pearson government admits its responsibility from the C.B.C., the taxpayer can look to Ottawa to rescue the C.B.C. from the curious crew that seem to have taken over so many C.B.C. productions—
>
> The odd crew took over because C.B.C. management abdicated its responsibility to direct and control—
>
> Before the C.B.C. drifts any further into the strange experiments of some of its employees, before it becomes regarded solely as a profitable hang-out for wispy bearded beatniks, impersonating genuinely creative talent, the government will have to get busy and put the C.B.C.'s house in order.

The Calgary *Herald* on October 29, 1964, said:

> There is little doubt that, on occasion, some of the "far-out" employees of the public broadcasting system in Canada have been misusing the tremendous power given them. There have been quite unnecessary affronts to the moral code and the ethical values on which western civilization and society are being built.

In the Swift Current *Sun* on March 4, 1964, the editor quoted a complaint made to his newspaper about a C.B.C. drama:

> Last Tuesday's Quest was the nastiest exhibition of vulgarity that it has been my misfortune to view in all my 80 years of living.

The editor wrote:

> Canadian T.V. viewers have got to get it through their heads...that their opinions are not worth a hoot when blown against the C.B.C.... Up to now these C.B.C. arty introverts have been seemingly protected by both the Broadcast Board of Governors and parliament—

The Saskatoon *Star-Phoenix* on March 25, 1964, said:

> Every crown corporation is responsible to the government... The majority (of Canadians) oppose censorship. There is a difference between censorship in general and the responsibility of the adult population to the young generation.... The issue, therefore ... is one of C.B.C. responsibility to sensitive Canadians, young and old...to co-operate... to bring young Canadians into the adult stream of experience, with due cognizance of their years. Instead, the C.B.C. program makers seem to think that they must outrage the nation's sensitivity.

• (3:50 p.m.)

The Deloraine, Manitoba, *Times and Star* of November 19, 1964, stated editorially:

> It ought to be possible to have censorship of good taste which wouldn't really be censorship any more than is the good taste that impels a newspaper editor to see that emphasis is where it belongs.

The Fort William, Ontario *Times Journal* for October 28, 1964, stated:

> Officials of the corporation could probably put up a good argument to back some of the decisions they have made in programming. But that is beside the point. What is needed—and needed badly—is not interference with the work of C.B.C. talent, but a statement of broad policy, agreed to by parliament, by which the organization could work. If such a policy ruled out filth and risqué programs, inimical to the wholesome atmosphere of the Canadian home which the C.B.C. was created to serve, much of the present dissatisfaction would disappear.

The Sudbury *Star* of October 29, 1964 said that "people with high moral values can force television clean-up" and noted that the C.B.C. is "concerned about the extreme and negative reaction" of the promoters of the declaration. The editorial says, "Strong language, perhaps". But it may be the only kind of language that the C.B.C. understands. They do not call for censorship but they do call on members of parliament to make the C.B.C. answerable to the Canadian people. The editorial also noted that the Prime Minister had had complaints from his own riding about "the vulgar filth emitting from some of the programs on C.B.C."

The Owen Sound *Sun-Times* of October 23, 1964 said:

> It must be increasingly evident to C.B.C. management, and to the government, that action must be taken to curb some of the programs which quite evidently menace the basis of society. It would be, of course, much better if that discipline comes from within the crown communication system. But if such is not the case, it is difficult to see how the government can continue to ignore what is quite apparently offensive to a great many Canadians ... it is quite evident that many of those in charge of C.B.C. programming are supporters

of a much different way of life than that which has been accepted by Canadians in general. And it is also apparent that way is bent toward the licentiousness which has brought the decay of past civilizations.

Then this editorial ended with these words:

Its propaganda should be aimed at the promotion of the good way of life which has marked this nation's history to date, rather than in undermining it.

Then there was an article in the Toronto *Star* of April 3, 1964 under the heading "In This Corner" by J. B. Lamb. This writer said:

There is a very real need for some measure to be instituted which would bring the viewpoint of Canada's national broadcasting service closer to that of the people it purports to serve and represent. Certainly today the values and ideals which can be attributed to the C.B.C. as a whole, and which are reflected both in the choice of dramatic productions and in comment and panel shows, are not those held by the vast majority of Canadians.

The next is an editorial which appeared in the Ottawa *Journal* of June 10, 1964. Here the editor discusses the remarks of Dr. Wilder Penfield which were made before the Vanier Conference on Family Life at Carleton University. The editorial states:

Dr. Penfield dared suggest—and he was applauded—that we should come to some conclusions about the control of mass media so that liberty is not prostituted to licence. Thus a plea for control or even censorship comes not from the old familiar places, but from a man who epitomizes in Canada the most advanced thinking of the scientific mind ...control...if it is to come in a democratic society...must be imposed by an aroused public insisting that vulgarity shall not be rewarded and degradation shall not be upheld.

Another is the following article on censorship which appeared in the Ottawa *Journal* of November 7, 1964:

Next to "freedom" and "democracy", the most abased word in the English language, we sometimes think, is "censorship". It used to be that people spoke against sin.... What has taken sin's place now, it seems, is "censorship"; let one be tagged ...with wanting to censor something, and the scarlet sins of the vilest sinner become snow white by comparison...civilized society exists, and perhaps can only exist, through order, meaning that certain things...are prohibited; censored. Every law...is a prohibition of something.... Every court ...every policeman...exists to see to it that such laws...be enforced. It is what we mean by "law and order". There is not, never has been and never can be absolute freedom; only freedom in degree. ...Thus the right of free speech, as Mr. Justice Holmes put it, is not the right of a man to stand up in a crowded theatre and shout "fire".... No one among us should want censorship without sense, without respect for decent freedoms.... But what we have a right and need to ask for is censorship, voluntarily or otherwise, of whatever violates accepted codes of public decency, or of public morals, or public security.... In other words ... responsibility. To argue the contrary in the name of "freedom" or in loose thought against "censorship", is to argue against a sense of proportion—to argue in fact for licence and moral anarchy.

[Mr. Thompson.]

Mr. Speaker, I could go on and on with quotations of this type but time does not permit. These quotations are just a sampling of public opinion regarding the C.B.C. as recorded in the English press. Here, then, is the challenge the people of Canada have hurled at them in no uncertain terms. We must not fail the ordinary citizen, the fathers and mothers of this nation who need and want our support in their everyday tasks of family building. The airwaves have been full of the same kind of tragic programming since that time. One could support my argument with almost endless protests that C.B.C. programs which are good and worthy are obliterated by the bad. During these past years we have learned more about the problem. The presence of men and women in positions of program responsibility who openly want to use this great instrument to divide the country and to promote their own peculiar ideologies and personal feelings has been well documented before this house by other speakers from both sides.

I would encourage all members to read carefully the courageous remarks made by the parliamentary secretary to the Prime Minister in the house last Friday. If you look at the evidence you might wonder whether the hon. member used strong enough words to describe those ruthless few who have been able to get a grip on certain vital programs in the public affairs sector and elsewhere to the great detriment of Canada. The loyalty of some of these men to Canada may indeed be questioned. How devastating have been the policies and actions of some of these men!

We might take the matter of the deliberate promotion of drugs like LSD and marijuana. Over the past two years there have been a series of T.V. and radio programs which have stressed the pleasures of taking LSD for mind expansion and other purposes, supposedly all forward-looking and good. Think of the several exposures of men like Ginsberg who are well known pushers of these drugs and the almost total failure to tell the other side of the story, the tragedy of those hooked by drugs. In the United States, Ginsberg's home country, he has never been able to gain the T.V. exposure he has had in Canada.

What do we know about l.s.d.? We are told that it causes a breakdown in chromosomes leading to deformed babies, and almost universally responsible medical opinion warns of the dangers of the misuse of this drug. At least one tragic suicide has taken place in Canada owing to l.s.d. and yet, without adequate research or without giving proper warning, C.B.C. producers have placed before our youngsters programs designed to appeal to youth in which the Ginsbergs and their ilk have told them that this is a good thing. On one French language network program last year, a popular interview show at a prime time, a young reporter told how he took l.s.d. in New York and described its wonders and delights. This same program suggested that it ought to be available without restriction in Canadian grocery and drug stores.

Canadians should stand up in protest against this type of programming. Producers like these should be held accountable in the courts for the death of this Toronto boy and for the wreckage of so many lives. Time does not permit me today to read in detail from some of the editorials which are available. However, I should like to read from an article in the *Globe and Mail* of November 2, 1967 about one of the favourite subjects of this elite crew of producers and their immediate supervisors—Yorkville and its hippies. The *Globe and Mail* article by Don Delaplante tells a story that should tear the hearts of parents in this country and certainly ought to make us aware of our responsibility to do the right thing. The article reads in part as follows:

> Yesterday, a metro police inspector, members of the College street station plainclothes squad and numerous uniformed officers helped the parents of the girl, a 16-year old Scarboro student turn Yorkville inside out in an effort to find her.... More than 125 girls—
>
> Between the ages of 13 and 20.
>
> —have been arrested so far this year in Yorkville on the charge of vagrancy.... Police are searching Yorkville for 33 girls under 16 whose homes are in metro and for 90 whose homes are out of town.... Police are convinced that a group of older hippies in their late 20's and 30's are preying on the girls as a form of free sex and leading them into prostitution. Police yesterday charged two men aged 25 and 34, with living on the avails of prostitution of Yorkville girls.

Mr. Knowles: Mr. Speaker, would the hon. member permit a question? In view of the comments he has made about the C.B.C. carrying programs on this subject, what does he think about the *Globe and Mail* running press stories of this type?

• (4:00 p.m.)

Mr. Thompson: That is an altogether different thing because these C.B.C. programs come right into our homes, into the minds of our children, our high school students and our families. This is undesirable. The story in the *Globe and Mail* is trying to show the evils of this sort of thing, to warn people of the dangers involved. What a question for an hon. member to ask.

An hon. Member: And what a silly answer to give.

Mr. Thompson: The parents of this country will judge whether this is silly or not, Mr. Speaker. The article then continues:

> No current rates for 1967 are available, but health records for 1965 and 1966 show a great rise in the v.d. rate among young people in metro, which is believed to be continuing.

There is apparently a great rise in venereal disease among our young people as a result of this kind of thing being held up before our young people as desirable.

The report of the Aird commission to parliament in 1929, from which our present national system grew, contains certain conclusions relevant and important to Canada today. It recognized several dangers. The first was that broadcasting should be carried out in the interest of Canadian listeners and in the national interest. There is no reference here to the interests of producers. Second, it recognized that where religious broadcasting is allowed there should be regulations prohibiting statements of a controversial nature. It also recognized that broadcasting of political matters should be carefully restricted under arrangements mutually agreed upon by all political parties.

I wish to close with a reference to the frequent attacks on religion which one hears regularly on the C.B.C. and on other programs. This has occurred so often that one can only assume it is a systematic and planned operation. It appears to be some kind of a planned project by a few who seem to work from behind the scenes. This whole aspect of public broadcasting now falls directly on our shoulders. In view of the flagrant misuse of the C.B.C. in the area of religion, I will also be proposing an amendment to protect us against such activities which set Canadians against Canadians, church against church and faith against those of no faith.

I am strongly of the opinion that Canada's national broadcasting system has come under

the influence of a few who are determined to undermine the morals, break down family units and, yes, even the political thinking of Canadians, not through the open forum or normal political activity but rather from inside the T.V. studio. I am also of the opinion that these preconceived opinions of a very small minority, vocal and repetitious as they are, constitute a threat to our liberty.

Others in this house have touched upon certain flagrant failings of our broadcasting system in promoting separatism, division, extreme left-wing politics and extreme left-wing foreign affairs positions. I would endorse all of these accusations against the same smaller group who attack family line. It is from this viewpoint that I speak.

After months and years of discussion by committees and royal commissions the legislation we have before us, while it improves the broadcasting picture immensely, is still without adequate teeth to bring this all-important aspect of our present modern life under the proper supervision and control of parliament and the people whose tax dollars support it. This is why I have been moved to speak as a parent, to speak on behalf of the families of this nation who are determined and want to raise their children in that kind of life and to be that kind of responsible citizens this nation has had in the past and needs in the future.

Mr. Mac T. McCutcheon (Lambton-Kent): Mr. Speaker, in your experience you have heard a multitude of reasons for members participating in debate in this house so I might as well give you mine. My reason is simple. We are discussing Bill C-163 in respect of the C.B.C., but I do not believe we are talking about what the public really wants to know. I hope to be able to explain this statement a little later.

I have listened carefully to the minister's detailed and helpful explanation. Let me congratulate her on her stamina and perseverance. She kept going through all 10,000 words of it. Since then I have listened and read attentively expressions from all corners of this house. I have listened to C.B.C. apologists as well as those who would open up the treasury for five years and those who would curtail expenditures. We have all heard some wonderful legal arguments and opinions that the C.B.C. will now be directed by cabinet. We have heard pious hopes that the ugly spectre of politics will be forever erased from any connection with the C.B.C. There have been other arguments and suggestions that control will now be more political than the B.B.G. ever considered. The more I have heard the more confused the issue has become.

I have formed one opinion with which I am sure the majority of Canadian taxpayers will agree. This debate is missing the target and is skirting the most important consideration in respect of the whole ugly C.B.C. mess. Up to the present time I have discerned no real attempt to come to grips with this important consideration. In the past issues have been clouded by insinuations that any criticism of the C.B.C. is an attempt to direct broadcasting and that parliament must not interfere with the creative elements of the C.B.C., with which I agree. There are those who say the C.B.C. is doing a magnificent job. I cannot agree with them. It has been suggested that we should give the C.B.C. enough money to operate for four or five years at a time with no strings attached, but I suggest that the wisdom of this proposal has been challenged by at least four or five programs carried by the C.B.C. network. The Canadian taxpayer would like parliament to make sure that the C.B.C. is financially responsible. I do not believe for one moment that the people are as overly concerned about programming as we have been led to believe. They still have control of the on and off button. What they want parliament to find out is the value we are receiving from this expenditure.

The hon. member who has just taken his seat spoke about the terrible programming on the C.B.C. With all respect I suggest to him that no one has to watch any program. They can shut it off. I have heard public indignation about the expenditure of in excess of $100 million per year on this giant. This is understandable when one considers the other segments of our society which are suffering for lack of money. For example, what might an extra $100 million have done in respect of housing in Canada this year?

Let me say again that this debate is missing the target by a country mile with few exceptions. Last night the hon. member for Vancouver Quadra (Mr. Deachman) got close to the point, but I fear he is not prepared to vote the way he talks.

• (4:10 p.m.)

You see, Mr. Speaker, we are taking off in all directions simultaneously even though the basic issue must be: How can we control and, yes, cut down on the woeful extravagances of this juggernaut? I submit, respectfully, that nothing in the bill and not much said in the

debate so far has shown the way to reduce costs or to really improve programming—nothing.

As things stand now, the minister accepts no responsibility. The stock answer is always that she is not responsible, that she only reports for the C.B.C. Most of us have had experience with the complaint of a constituent about C.B.C. service—and what a laugh this is. What these constituents have received in the mail from a highly paid public relations expert is a snow job beyond compare, so that the poor constituent really does not know what his question was in the first place. I understand that all this is to be changed, but I get the inference from the debate that the final answer to most disputes will now rest with cabinet.

Most politicians, indeed all politicians, need a certain amount of publicity, so I suggest that a politician who dares to criticize the C.B.C. is certainly leaving himself or herself subject to blacklisting. It seems to me that the bigger the apologist for the C.B.C., the more coverage he may receive. It is, therefore, indeed a brave front bench member of parliament who has the temerity to say anything critical of this monopolistic creature. Some have tried in the past but they have been immediately charged with trying to control programming and other sinister behaviour. It has been said that no one should criticize this sacred cow. But now the minister has and she has been criticized for her actions. I do not agree too often with the minister on other things but in this regard I have to give her full marks.

Some hon. Members: Hear, hear.

Mr. McCutcheon: The only criticism I have to offer is that she should have done it years ago and then have been backed up by the Prime Minister (Mr. Pearson).

Some hon. Members: Hear, hear.

Mr. McCutcheon: I am only a lowly backbencher who gets little publicity in any event, but I suggest that the C.B.C. has gotten so far out of hand that the only cure for this financial cancer is to offer it for sale or lease to private interests. Buyers can be found. I am all the more convinced that this is the only "out" since there is absolutely no consensus in the house.

Even the bill does not conform to the unanimous report of the committee on broadcasting. I believe there has been such a build-up of power cells, so much featherbeddding, so many working to rule arrangements and other inefficient practices built up over the years that nothing as mild as the minister's suggested shake-up in management can really break this hold on the organization. Truly it is bureaucracy run rampant. As a matter of fact, I would not object to a temporary shutdown, perhaps a few lay-offs or terminations. It might be necessary to cease programming operations for a few days or weeks, but this would be a cheap price to pay if we could get this financial cancer removed from the public's back.

When the Broadcasting Act was first enacted some 30 years ago Canada had just emerged from the horse and buggy days. We then used the Morse code for communication and the telegraph operator was quite a big man. Places were not hours apart, as is the case today, but days and days apart. The high principle of tying the country together and unifying it was different then from what it is now. I suggest this was well put by the hon. member for Calgary South (Mr. Ballard) when he said that the concept then was entirely different from what it is today.

I still subscribe to this worth-while aim and would be prepared to have the C.B.C. subsidized, and in turn to have the C.B.C. subsidize capital equipment expenditures to provide service, that is, a signal, to every Canadian. As the minister said, the rule of thumb is that a community of 2,000 should have television and a community of 500 should have radio. But for heavens sake let us get out of programming and management by remote control. Let us stop subsidizing mediocrity. Let us make the producing and programming part of this organization self-supporting.

I can hear it now. It will be said we are stifling talent or doing this or that. But I submit that talent, both performing and creative, that is worth while will survive. True talent always has. But let us stop this silly habit of substituting berets and beards for talent. Let us substitute real talent for this ersatz variety. The only way this can be done is to make them cut the mustard and go to work.

Let us take a simple example. We do not have too many Barbra Striesands or Lena Hornes in Canada but we do have some very talented people. Let us compare the operation of a North American commercial network presenting talent. The presentation will be on a plain, attractive stage with adequate lighting, but with talent. I repeat, talent. The C.B.C. will probably reproduce the Taj

Mahal on stage and completely smother the talent. I submit that many of our programs could be reduced in cost and made more effective by merely spending less.

Many people say they do not like commercials. I would prefer to spend 60 seconds watching that cute little puppy eat his dog food than spend a minute watching the credits as they go rolling by on the screen. The C.B.C. will spend anything up to 60 seconds time giving credits to directors, assistant directors, directors' assistants, switchers, assistant switchers, scriptwriters, assistant scriptwriters, assistant assistants, including electrical wiring pluggers-in and other assorted characters.

Saturday night hit an all-time high. I was privileged to watch the show "In Person". It is handled by an m.c. who is a personable young man, not terrifically talented I might add, but he is m.c. of a supposedly professional show. When the list of credits was shown on the screen, lo and behold, a credit was given for a voice coach. With this kind of thing going on, I fully expect one of these times to see a credit for a doctor in attendance in case of laryngitis, or perhaps a coordinator of gargling.

• (4:20 p.m.)

One might well say the examples I have given are not terrifically important, and I would agree. But I submit that they are symptomatic of the mess in which the C.B.C. finds itself. The extra costs incurred in C.B.C. productions must be enormous compared with those of private networks, both here and abroad. This free spending is followed through in every department. For example, I am told that the C.T.V. coverage of the Pan-Am games was arranged and undertaken by approximately 10 per cent of the number of personnel used by the C.B.C. and at about the same ratio of cost. Indeed, I read some place that another sporting event which took place last September in Toronto was covered by 34 C.T.V. employees compared with 100 C.B.C. employees. I did not see any of these events on television but I am told that the C.T.V. coverage was just as good as that of the C.B.C.

I suggested earlier that the only way to clear up this mess is to dispose of it. In making this suggestion there are certain reservations which I submit must be made. First, we must provide service to all Canadians wherever they may be in this land. Therefore I suggest that parliament allot the money to provide the physical and technical

services required so that all Canadians are able to receive service—and by service I mean a signal—and that financial and other services be provided in areas where commercial prospects would not warrant the outlay of the capital cost involved and where suitable leasing arrangements could be concluded. Second, the entire so-called creative division and performing section should be turned over to private enterprise with long term credit made available so that they may have time to get organized and become self-sufficient. They will then produce programs that are acceptable or they will go hungry. Third, the network which is required for educational television should be maintained.

It is my belief that we can provide, at a fraction of the present cost, better service to Canadians and, believe me, programming will immediately improve. No longer will fourth and fifth rate talent be able to hide behind a soft C.B.C. feather bed. Another great benefit which will result from such action will be the fact that parliament will no longer have to discuss the C.B.C. with all its implications and with all the money that is spent with no control or with too much control. What a day that will be.

In view of the divergence of opinion in the house on the direction this bill should take and the fact that vital information available to the minister is not available to the house, further discussion under these circumstances would be quite meaningless. I therefore move, seconded by the hon. member for Kent (Mr. Danforth):

That all the words after "that" be struck out and the following substituted therefor:

"This bill be not now read a second time but that the subject matter of the said bill be referred to the standing committee of this house on broadcasting, films and assistance to the arts."

Some hon. Members: Question.

Mr. John M. Reid (Kenora-Rainy River): Mr. Speaker, could Your Honour tell me for my own clarification whether you are going to make a ruling on this amendment?

Some hon. Members: It is accepted.

Mr. Reid: Mr. Speaker, I should like to discuss some of the implications of the broadcasting bill. In Canada the C.B.C. seems to be classified as the great Canadian entertainment. There is nothing that brings members of parliament scurrying back to the house with greater speed than a discussion of the C.B.C. I think it is fair to assume that in the remarks I

will be making my sympathies will be generally with the C.B.C., although I am certainly not one to overlook the great deficiencies that exist in the corporation at the present time. Generally speaking I would say that the bill is a good one, as witnessed by the fact that most of the interest groups connected with the broadcasting industry have given general approval to it with certain minor reservations. The only major one was raised by the hon. member for Yukon (Mr. Nielsen) who said he thought that the proposed fines to be levied for infractions by private broadcasters were too great. However, when the Secretary of State (Miss LaMarsh) indicated the revenues that could accrue to a private broadcaster as a result of violating some of the regulations, I thought this objection was quashed.

The government and the minister are to be congratulated on this bill although it certainly was a long time in coming. They laboured for a long time and brought forth not a mouse but probably the best piece of legislation that the house has had from the government.

I regret that the E.T.V. provisions were not included in the bill. I am very doubtful about the minister's proposed solution. I do not think it is a proper solution to the constitutional problem and I do not think it is a proper solution to the general problem of educational television in Canada. We must have a definition of educational television which will meet our needs. It can mean many things to many people. For example, in the United States the foundations sponsoring educational television have put forth a definition of E.T.V. which seems to describe the existing operation of the C.B.C. For proof one would only have to look at the recent announcements of E.T.V. broadcasting in the United States which indicate a program schedule almost comparable with those of the C.B.C. It should be pointed out also that we have not gone into the implications of using television as an educational medium.

One part of the new bill which should commend itself to all members is that which will put the C.B.C. back into the administrative limbo from which the government previously rescued it. Previously the C.B.C. answered to the House of Commons through a minister, normally the Minister of National Revenue. As a result of the reorganization which took place early in 1963 the C.B.C. was brought more directly under a particular minister who became known unofficially as the minister of culture. This is described in a rather interesting way by Dennis Braithwaite, the television columnist for the *Globe and Mail*, in an article in the issue dated November 6, 1967 titled, "The Seeds Of Ruin". In it he said:

> —the seeds of ruin were actually sown by another event, namely the reorganization of the Department of the Secretary of State by the Liberals shortly after they returned to power in 1963. What had been a small, inconsequential branch suddenly found itself responsible for the following important and politically sensitive bodies—

The author goes on from there to give a long description of those bodies, such as the Board of Broadcast Governors, the Canada Council, the C.B.C., the Canadian Centre for the Performing Arts, the Centennial Commission, the National Film Board, the National Gallery of Canada, the National Library, and a host of others. Then he went on to point out that this transformation which placed the C.B.C. under a particular minister in charge of a variety of cultural activities provided members of parliament with a target and thus enabled them to hit directly at the C.B.C. instead of having to go through a long and cumbersome procedure. As a consequence the C.B.C. became an even more inviting target for attack than it had been before.

• (4:30 p.m.)

This bill will put the C.B.C under the Canadian radio commission which I think will provide the C.B.C with a certain desired protection against the assaults of members. It should be recognized that politicians, since they are hopeful of being in the public eye, desperately need publicity to advance their ideas and their programs. They are not, therefore, going to take lightly any organization which has as much influence over public opinion-making machinery as has the C.B.C. Consequently, we shall always be vitally interested in the C.B.C. Most political parties, particularly the one in power, always assume they are quite capable of running the C.B.C. without allowing undue political interference. Their enthusiasm in this regard, however, is always tempered by the realization they may not always be the government and they cannot always trust the other parties to act as responsibly as they would. So we have to find some way of protecting the C.B.C. from our own instincts as politicians arising from the particular positions we hold.

The C.B.C. has been described as being in a state of administrative disarray. I believe that is probably being fairly charitable to the

organization. However, there are some reasons outside of the administration that have led to this situation. For example, in the last ten years or so we have been undergoing a tremendous change, a rural migration to the urban centres. The large cleavages which exist between rural and urban centres have been accelerated by this process. Therefore, what is of importance to the people in Toronto, Montreal or Vancouver is not necessarily important to people living in the rural areas. Consequently, many of the attitudes which have grown up in these cities are not acceptable to the people in the rural areas. One only has to think of the odd program the C.B.C. has produced, such as the very controversial Crucifixion, which I think was presented about two years ago, to illustrate this point. We all recall the difficulties which that program raised.

There is also the educational aspect of the C.B.C. I think any network that is attempting to provide a general service to all Canadians is perhaps going to find this aspect overemphasized at times. It is certainly going to be objected to by a great many people, particularly when it appears as though the culture pushers are trying to impose their views on people who are not necessarily so enthusiastic about them. This is particularly true of people who are inclined to regard television as relaxation or entertainment, a method of escaping the particular pressues of their daily lives. The imposition of someone else's idea of what one should be watching is not always pleasant, and I think the expression of this view is sometimes heard in the House of Commons. Perhaps this is one explanation for the comments of the various television columnists that Canadians do not seem particularly interested in watching Canadian produced programs with Canadian television actors. They regard this as another attempt to push something on them.

Another point which should receive some consideration is the pressure of centralization on the C.B.C. A week or so ago we debated in this house the Dosco situation. It seems to me that there is an analogy to be drawn between the pressures that led the Dosco Corporation to attempt the closing down of the Sydney plant and the pressures that have been imposed upon the C.B.C. by the apparent necessity of centralizing its programming in Toronto. Practically all the major network programs originate in Toronto, and this is true of public affairs and news. These are the programs which deal with the political aspects of the nation, and it is incorrect for the C.B.C. or anybody else to assume that we are all made in the mould of Toronto.

Mr. Scott: You should be.

Mr. Reid: We are not all cursed by having to live in that particular centre; rather, some of us are blessed by not having to live there. It seems to me that this has been one of the most galling things the C.B.C. has done. I think it was caused by the fact that the C.B.C., having no particular star system in presenting performers, had a star system in respect of the producers controlling the programs. The implication from that seems to be that the producers produced those programs which would interest them and perhaps their clique in Toronto or in other urban centres and forgot their primary responsibility for producing programs which would appeal to the nation.

There is a variety of cultural centres around the country such as Winnipeg, Halifax, Charlottetown and Vancouver. All of them are attempting to build local theatres and they have been given a minimum of support by the C.B.C. because of this undesirable centralization and the necessity of taking Toronto as the touchstone of what is good. I hope that under the new president and the new organization these problems will be corrected and corrected quickly. In so far as television production is concerned, it may be necessary for us to provide additional money to assist the C.B.C. in decentralizing or it may be necessary for the C.B.C. to look at its budget and perhaps eliminate or reduce certain expenditures on services in other areas in order to provide this one which I think probably deserves a higher priority than the C.B.C. has given it to date.

This brings us to the question of the relationship of the C.B.C. and broadcasting in general to the members of parliament. Naturally our prospects for re-election depend to a certain extent upon the amount of exposure we are given on national broadcasting networks and also the way in which our opinions are presented. I do not have to tell hon. members what can be done with a videotape in the hands of a skilled editor. There are members present who have probably smarted more from this than I have. As a result of my own experience in watching programs made I know that often what came out in the program was not what was intended. At times it appeared as though almost the reverse of what had been said was presented on the program. This is a problem of producers and to some extent it is a problem of

direction from the senior management. Basically, I think it results from the rather cavalier attitude taken by producers.

So, Mr. Speaker, there is always going to be conflict between members of parliament and the communications media. This is desirable. I believe that most members of parliament would be quite satisfied and would have no legitimate complaint if a balance were kept in the programs presented by the C.B.C. There could be no legitimate complaint in that case, although doubtless there would be continuing complaints. I do not see, either, how the imposition of balance in presenting the sides of a controversy can interfere with the production of a lively, interesting program. It may be that this imposition might result in producers being limited to the facts, particularly in public affairs programs. It may be a limitation, but certainly they should be dealing with the facts when it comes to this type of program. I feel that to some extent we are not getting this type of program from the C.B.C.

If I may return to the bill, Mr. Speaker, one of the more important things it does is the reorganization of management. We have a very unfortunate situation there. There is no doubt at all that the authority of management has been eroded over a long period of time. The question which has to be asked is, why? I think one of the reasons is that the C.B.C. has been under a barrage of investigations and attacks. Here is a partial list that I was able to accumulate over the week end. In 1949-52 the Massey commission made a thorough investigation which resulted in a very impressive volume issued as a supplement to the commission's report. In 1956-57 there was the first Fowler report. In 1957-58 we had the preview commentary issue. In 1957-58 we had the introduction of new broadcasting legislation which resulted in the establishment of the B.B.G. and a whole new set of circumstances to which the corporation had to become adjusted.

About 1961 we had the Glassco investigation, which was quite thorough as hon. members can ascertain by reading the report. In 1963 we had the reorganization which I have already mentioned of the office of the Secretary of State, when a new set of circumstances had to be met by the C.B.C. Then in 1964-65 there was the second Fowler report. Then there was the Seven Days investigation by a parliamentary committee and the investigation by Mr. Keate. During 1965, 1966 and 1967, we had the cabinet committee on broadcasting and the white paper in 1967. Finally, we have this broadcasting legislation. It can be seen that during the last ten years the C.B.C. has been under continuous investigation demanding the attention and time of senior management.

• (4:40 p.m.)

In addition, the C.B.C. was forced to set up a president's advisory committee. A number of private bodies were also investigating the C.B.C. Also, the president suffered a heart attack during the early sixties and that led to a partial vacuum. For the last 13 months or so we have had a lame duck president. Mr. Ouimet offered his resignation but the government did not accept it because the broadcasting legislation had not been brought down. Until the new broadcasting legislation is passed and until the president's power and authority are clearly defined, I doubt that anyone in his right mind will be willing to take his job. After passage of the bill much work will need be done to restore some semblance of stability to the corporation.

While all these investigations were going on—and there may have been others with which I am not fully acquainted—there was a continuing tension between C.B.C. management and the so-called creative people of the corporation. There were strikes of producers and much difficulty with the creative people. The C.B.C. does not operate on a star system; the United States networks and movie companies work on that system. In the C.B.C. the producer is the real star as is evident from the type of programming the corporation has put out. The prima donnas of the C.B.C. are the producers. Because of the vacuum at the top I suspect that in the corporation the tail wagged the dog. We saw a vivid example of this in the Seven Days dispute which caused excitement and interest in the House of Commons. In that instance those at the bottom told those at the top what to do. Basically, that is what came out of the evidence heard by the parliamentary committee which looked into the matter.

That this should be so is not surprising. It became evident that "new stars"—I use that phrase in quotation marks—had emerged within the C.B.C. Surprisingly, those stars were hosts of public affairs programs. Like most stars their positions and glory went to their heads and in overextending themselves they went against management. They thought they might end up controlling the corporation and that they thought so is not suprising. There was some mention of Mr. Patrick Watson as president of the

C.B.C. There were other suggestions that hosts such as Mr. LaPierre or Mr. Leiterman were qualified to take over control of the corporation. Some of these were taken seriously.

That such a state of affairs existed shows to my mind that for a variety of reasons, control of the corporation had passed from top management to those lower down the scale. Here one can put one's finger on middle management's lack of ability to act as a means of communication between senior management and the producers or stars. After reading again the evidence which was taken during the Seven Days hearings my impression is that middle management could not deal with the pressures to which it was subjected. Those in middle management positions waffled; they procrastinated and moved only when necessary.

Senior management must be blamed for the breakdown of middle management. Senior management did not pay enough attention to recruiting those for middle management. As a result, for a long time management directives did not filter down to the producers. Basically that is today's situation. Producers exercise too much control within the C.B.C. and senior management is paralysed because of the government's inactivity. As I say, we have a lame duck president who has for 13 months been offering his resignation.

Our greatest contribution to this debate would be to end it as quickly as possible and send the bill to the committee. Once the bill becomes law there will be authority to reorganize the corporation.

Mr. Bigg: Is the hon. member offering himself for the president's job?

Mr. Reid: No.

Mr. Churchill: Does he not wish to hear more speeches from this side of the house?

Mr. Reid: I thought I might entertain hon. members with my remarks and then allow others to express their views and make their points.

Turning from the prima donnas and the producers, I wish to look at something else facing the C.B.C., the question of the new type of communication. Basically, the era of the extension of services, of getting a signal to outlying population centres of Canada, is over. No longer is it a question of engineering; it has now become a question of programming.

An hon. Member: Of money.

Mr. Reid: No longer can we afford to broadcast just any sort of television program, as was done in the past. Senior management must control the corporation and must lay down guide lines for its producers. There must be means of enforcing such guide lines.

Digressing for a moment, I was surprised to note in a Toronto *Star* column by television columnist Roy Shields the suggestion that the C.T.V. network had been discussing with the government the provision of subsidies in order that that commercial network might put on Canadian programs or programs with Canadian content in them. To agree to this would be idiocy. When those in this field of private enterprise were applying for their licences, they claimed they would provide this country with such programs. It does not seem right for the government of Canada to provide subsidies to those who in their original applications for licences promised to do what they now seek subsidies for. They were to put on Canadian programs or programs with Canadian content and were to finance such ventures from the profits they made from imported programs.

To return to the subject I was pursuing previously, I was talking about the situation which we face with respect to the management of the C.B.C. The government and the minister are to be congratulated for not following in this bill the philosophy of the report and the recommendations which the Seven Days committee made to the house. On reading that report again there seems to be an implicit bias in favour of the hosts of the Seven Days program and producers in general. I recognize that the official recommendations were designed to improve communications within the corporation and to be of benefit to top management and to producers. The point is that if the philosophy of that report were accepted the bill would need to be vastly different. I congratulate the minister and the government for seeing through the report and coming up with a bill that is much more sensible than anything the report suggests. After all, it is the function of management to manage and it is the function of producers to produce programs within the context of the guide lines which are laid down by statute. The law must be interpreted by the C.R.C. and imposed on the C.B.C. In this fashion we shall have a more responsible C.B.C.

In the interests of brevity I urge hon. members to give the bill second reading quickly. We should discuss it in detail as soon as possible looking for the errors which

creep into bills no matter how well they have been prepared. We should look upon this bill as representing a great step forward in an effort to protect a national broadcasting system which, over all, I believe has done a very good job in Canada.

• (4:50 p.m.)

I doubt that as members of the House of Commons we shall ever be happy with the C.B.C. The country is too large, the mandate is too encompassing, the differences between regions are too profound. If the C.B.C. could satisfy all the demands made on it it would clearly be a superhuman organization. Nevertheless it is the only system we have in Canada capable of dealing, even inadequately, with all the needs which are to be satisfied. I believe the bill is sound and that the principles contained in it should be supported, as they are supported by all in the broadcasting industry. It deserves to be passed.

[*Translation*]

Mr. Réal Caouette (Villeneuve): Mr. Speaker, the matter dealt with in Bill No. C-163 is of prime importance and even more so since the hon. Secretary of State (Miss LaMarsh) made a statement which provoked, as well in the house as outside, a controversy to which there seems to be no end. I feel we must make an objective survey of the current situation within the C.B.C. to throw light on the facts as they really are.

When the Secretary of State declared that some sectors of the C.B.C. were rotten, I believe she was perfectly right. I would even add that those rotten sectors are growing even more rotten.

On the other hand, the president of the C.B.C., Alphonse Ouimet, who earns a yearly salary of $40,000, had a letter published in the newspapers which he addressed to the hon. Secretary of State and in which he writes:

> My purpose in writing is to request that you provide the corporation with all information in your possession on which you base the charges of "rotten management" within the corporation.

She did not say that the whole management was rotten but that some areas within C.B.C. were rotten.

The C.B.C. president, continues this way:

> When serious charges of this nature are levelled against the corporation or its people, it is our practice and duty to ask for substantiation of the charges by those making them, so that the corporation may take immediate steps to verify or disprove the charges and to take appropriate action.

> You will understand that the corporation cannot allow your public charges to remain unsubstantiated.

Here, Mr. Speaker, I call your attention to the factor that time and time again public charges have been levelled at the C.B.C. Yesterday, for instance, I heard the hon. member for Charlevoix (Mr. Asselin) say that the government should mention the names, give the exact nature of the complaints and so on and so forth.

When the Conservative government was in office, I complained personally about the C.B.C., but my complaints were ignored, on the grounds that it was a crown agency independent of parliament or independent of the government. It is independent of the government, that is true, but it is not independent of the Canadian parliament.

When the Conservatives were in power, we often heard, for instance, the present member for Sainte-Marie (Mr. Valade), as well as the former members for Joliette-L'Assomption-Montcalm, for Berthier-Maskinongé-Delanaudière and for Nicolet-Yamaska, object to C.B.C. activities or to certain sectors of the corporation.

When I accused the C.B.C. two years ago of tolerating socialistic partisanship within its ranks, I was asked to take part in a television program with Mrs. Jean Desprez, a free-lance radio and television performer often seen on the C.B.C., who said bluntly that the C.B.C. was full of dead wood, and she was there to speak in defence of the corporation.

Mr. Speaker, the C.B.C. president continues:

> Such accusations are capable of destroying public confidence in a national institution—

What confidence? What is the basis for the president's statement to the effect that there is public confidence, when the public knows very well that discrimination has been practised for a long time in some quarters of the C.B.C.?

> —public confidence in a national institution which must have the respect and confidence of the same public—

Mr. Speaker, to the C.B.C. president and to the other employees of the corporation, I say they should start by showing respect for the Canadian people they must serve, instead of treating them as they have for too long.

> —must have the respect and confidence of the public it was created to serve.

Precisely, let it serve that public.

Canadian Policy on Broadcasting

Mr. Speaker, I will demonstrate to you that the public is not being served. Yesterday, in this house, we celebrated the hundredth anniversary of the first session of the Canadian parliament under confederation. Last night, I watched the C.B.C. news. What did we see? About 45 seconds coverage of the reception in the Senate. The Chief Justice of the supreme court, Mr. Justice Cartwright, could not even be recognized; the Speaker of the House of Commons and the Speaker of the Senate could not be recognized; in fact, not a single member could be recognized. Yet, the federal parliament is the first parliamentary institution in the Canada of 1867.

Paradoxically, immediately after this important news item on the commemoration of the first parliamentary session of Canada, we are shown the R.I.N.'s skirmish in Aylmer against the town council. How is it that the C.B.C. cameras were in Aylmer yesterday for the meeting of the city council to photograph youths 13 and 14 years old with R.I.N. posters to prove to the people that youths are aroused against established order and authority, when those same cameras could not be in the House of Commons yesterday afternoon to cover this event live, for instance, and give to the Canadian people whom we represent, a true picture of their parliamentary institutions which enact their legislation.

• (5:00 p.m.)

The hon. member for Trois-Rivières (Mr. Mongrain) told me these youths did not even come from Aylmer; I believe him. They could have come from Ottawa, Hull or the area, but a demonstration was organized, and someone in the R.I.N. then called the C.B.C., which immediately sent down a film crew to cover this event. And we call this a responsible agency.

Mr. Speaker, the C.B.C. will cost the Canadian people $145.8 million this year, under the management of its president, Mr. Alphonse Ouimet, who gets a salary of $40,000 per year. The C.B.C. shows us all kinds of things, except those essential things of interest to the Canadian people, whether they speak French or English.

If my business were managed by a president like that, I would have been bankrupt a long time ago or a private institution would no longer exist.

Let us take as another example, the recent Progressive Conservative convention in Toronto. We are informed that the C.B.C. spent $46,000 to show us the election of the new leader, Mr. Stanfield. Very well, that is of public interest. But, at the same time, private radio and television stations of the CTV network, which gave just about the same amount of time to coverage of the convention, spent, I just heard, about $12,000. Private enterprise managed by responsible people spends $12,000 when the national corporation, managed by a president, who is paid $40,000 a year besides expenses of course, vice-presidents, etc., spends $46,000 for the same work.

Mr. Speaker, the corporation does not serve the best interests of the Canadian public. Yesterday, I say it again, there were some cameras in the Senate, but there was not one in the House of Commons which was commemorating the hundredth anniversary of the first sitting of the Canadian parliament.

Yet, every night, there are news reports about the people of Viet Nam who are spread out on the ground or have just been killed. We have C.B.C. reporters in Cyprus in case a Cypriot should quarrel with his neighbour. We also have reports on the Congo. In fact, we have cameras in Europe, in Asia, in short everywhere, and the news we practically never get is the news from home, about Canada. Of course, we want to know what goes on elsewhere, but we would like to know, first of all, what is going on in our own country. The C.B.C. management and the president, Mr. Ouimet, know that there are abuses within the C.B.C.

The Secretary of State was quite right to say that some sectors are rotten. This does not mean that all C.B.C. employees are rotten or that they wallow in rot. No, this is not what the Secretary of State said, and I do not say that either. We have responsible people.

I have already attacked in this house the chief of the C.B.C. news division, Mr. Péladeau. I do not know if he is still in charge of this division, but he was then. He was the one who decided about the news to broadcast at 6 o'clock, 6.30 or 11 p.m.

I can say here that the quality of the news on the English network is quite superior to that of the French network. Besides, they are more complete and better adapted.

We have people at the C.B.C. who give us excellent reports. We know some of them here in the House of Commons. Often, we see Mr. Pierre Sauvé, Mr. Cruzène, Mr. Jean-Marc Poliquin who give us real reports, because they deal with news all day long. They are not the ones who decide what news

will be broadcast or telecast. Someone in Montreal or in Ottawa edits the news and chooses what should or should not be presented to Canadian television audiences.

Mr. Speaker, we also have some worthwhile people in the arts and in other fields. We do not attack C.B.C. artists, but its administration—that is where errors are committed, where mistakes originate, and that is what must be corrected.

Bill No. C-163, once it reaches the committee, should establish clearly, because it will be done by parliament, what the C.B.C. should represent for the whole Canadian people.

The C.B.C. is not a corporation in the clouds. The C.B.C. is not there to serve the interests of those who would destroy the Canadian nation. That is not why the C.B.C. was created.

I heard on a newscast yesterday: The producers are against parliament dictating policy to them. If they are so opposed, there is only one thing for them to do: Let them leave the C.B.C. and find work elsewhere. Let them produce elsewhere, if their only aim is to produce disunity and anarchy in Canada and lack of respect towards all existing institutions.

Mr. Speaker, there is a limit to abuse and discrimination. I often meet some C.B.C. producers. Some are competent, some are fair and others are not. I have met both kinds. We do not want to put them in strait jackets, but we would like them to realize that they are working in Canada and that they must serve the best interests of Canada without any discrimination against anyone.

We do not object to seeing, from time to time, programs on the activities of a socialist or to discussing all the ideas disseminated in our country. That is quite well, but there should not be any monoply for the benefit of a small group at the expense of the general public. According to some of the C.B.C. news of late, one would think that the whole province of Quebec is separatist.

Recently, I held a referendum—it is still going on—in my riding concerning separatism. Of the 724 replies I received, 56 favoured separatism, while 653 opposed it. Those replies were signed and gave the address of the citizen who replied.

I am also now holding a referendum in the riding of the member for Lapointe (Mr. Grégoire) on the same matter. The proportion is the same: out of ten replies, two come from separatists, and eight from people who are against separation.

• (5:10 p.m.)

Mr. Speaker, after all, one must be logical with oneself. As soon as these people lift a finger, the C.B.C. immediately sends down a crew.

Last night, I was really furious to see on C.B.C. the television coverage of this event in Aylmer, which had been utterly planned and organized beforehand, whereas our proceedings yesterday afternoon were not televised. Do you not think, Mr. Speaker, that a camera could have been set up in this house, when the right hon. Prime Minister (Mr. Pearson) spoke about the first meeting of our first parliament, a hundred years ago, when another minister spoke in French, when French-speaking and English-speaking representatives of both the Tory and the N.D.P. parties took the floor to commemorate the 100th anniversary of our parliamentary system? This is a crying shame, especially since those C.B.C. cameras were put to use elsewhere to cover despicable events at the expense of the Canadian nation as a whole. That is why I hold the C.B.C. management responsible.

If Mr. Ouimet leaves, somebody will replace him, and this new man should take his responsibilities. If the president is unable to discover the undesirables within the management, it is because he is not a good president, because he cannot assume his responsibilities, because he is not clear-sighted, because he is not a good businessman, because he does not understand anything, and that is just the point.

To think, Mr. Speaker, that some people object to our criticizing the C.B.C. which this year will cost Canadian taxpayers $145 million. Does the corporation give Canadians programs, services and news worth this amount of money?

And yet, people like René Lévesque attack private enterprise and private stations. I occasionally visit C.B.C. studios, when I am invited, naturally, or for public affairs programs when, once a year, they have to give me 13 minutes and 20 seconds on the air.

I also appear on private television networks. In my riding, I appear on television every week, at 6.30 on Saturday evening. I tape 4, 5 or 6 television programs in advance at the studio. A cameraman, one man in charge of the microphone, and two others at

the controls: these are the four people working at this private station called CKRN-TV, in Rouyn-Noranda. At the private station in Quebec city, the staff is about the same, just like at CFTM, channel 10, in Montreal, or in Sherbrooke. But in a C.B.C. studio, there are about 25 employees all getting in each other's way. Nobody knows what is going on, which is the real camera, for there are 4 or 5 of them, and you cannot take your eyes off the little red light because if you do for one minute, you become confused and find yourself looking in the wrong direction. Mr. Speaker there are some limits, and this is an organization that costs us $145 million.

An hon. Member: We can say that it was quite a reception committee.

Mr. Caouette: It certainly is a reception committee.

Private enterprise is more efficient. Besides, the government is threatened by saying: If you act that way, if you accuse us, we shall strike, or we shall quit, and you will have to deal with a public broadcasting system that will not work.

Mr. Speaker, I am quite serious when I suggest that if these C.B.C. people do not want to smarten up, if they do not want to work as they should, we should close the radio and television services and start negotiations to sell this network to private enterprise which will manage it much more efficiently than Mr. Alphonse Ouimet has done ever since his appointment. That is a solution.

An hon. Member: Oh, no, never, never.

Mr. Caouette: I hear one of my friends saying: "Never, never". I understand this "never", but we pay two times more than we would pay private enterprise to get better results than we do with the C.B.C.

An hon. Member: Private enterprise is profitable.

Mr. Caouette: Indeed, the public television, the C.B.C. is in the red. Direct taxes, $145 million which bring in no profit at all.

And what about the programs we have. I often watch movies on the late show at night and I can tell you that they keep one really late at night.

Some hon. Members: Oh, oh.

[Mr. Caouette.]

Mr. Caouette: Especially when we are shown films from Poland, Russia or Yugoslavia in the original with French subtitles. We are not all bilingual in Canada. Some of us do not understand. Then subtitles are written at the bottom of the picture in white, sometime on a white background. You can imagine how easy it is to read it.

Some hon. Members: Oh, oh.

Mr. Chrétien: Do not adjust your set.

Mr. Caouette: Yes, do not adjust your set.

Mr. Speaker, it is pitiful to show films lasting an hour and a half or two hours, which nobody understands. I agree that they are probably worthwhile movies, but they are neither in French nor in English. Perhaps some Polish people or some Ukrainians or Russians understand them because they are in their own language. But on the C.B.C.'s French network, they show movies in the original version with subtitles so that we can follow the story. There are people who cannot read or are unable to read them. Children cannot read them either. Let us say that they are in bed at that time, so their case is settled. But for the others, who must take the time to read and are not very fast readers, the picture changes so quickly that they do not have time to read the first word and forget the others or do not see them. Those movies should never be shown unless they are already dubbed, a written, a spoken translation.

Mr. Allard: A sound track.

Mr. Caouette: A sound track. It is the same thing as a spoken translation. That is what I mean, a sound track.

Mr. Speaker, we certainly have excellent programs. For instance, the one I saw last night called "Tirez au Clair", is a perfect program and its producer does a very good job. Another good program called "Le Sel de la Semaine" is also very interesting. "Aujourd'hui", a program we see every day on the French network, is also very good in the field of current topics. The producer has sometimes been blamed for inviting too many socialists, but, today, it seems to be better adopted. People of almost any tendency are invited so that the public will be aware of what is happening. I am all for it. We are not isolationists, people who want to be heard without hearing what the others have to say. No! We want the various schools of thought to be known. But, on the other hand, there

should be no monopoly in a certain field at the expense of the mass of people.

Mr. Speaker, when I had an interview with Jean Desprez, who is now dead, she had stated that the C.B.C. was full of dead wood. I did not say that. She was the one who was supposed to stand up for the C.B.C. Afterwards, Jean Duceppe, of Montreal, phoned to tell me that we should stop attacking the C.B.C., because the artists felt they were involved.

We are not speaking about the artists when we accuse the C.B.C. management. Jean Duceppe is one of our best actors on television. Jean Coutu was another. We have a great number of talented people who give good performances each week. We have nothing against those artists who are treated by private entreprise just as well as by the C.B.C.

• (5:20 p.m.)

Now, neither we nor the Secretary of State have accused the C.B.C. artists. She accused the administration, those who decide, who are in office, and those who hold office under Mr. Ouimet are hard to find. This one is not responsible, so you are sent to someone else. That someone else is not responsible either, so you are sent to another. You spend your time going about from one corner to the other, from one person to another, from pillar to post, and you finally get to see no one. That is the truth of the matter. People work from such a time to such a time, and that is it. That is public enterprise.

In private enterprise, on the other hand, channel 10 in Montreal, for instance, I can guarantee the general manager may still be there at 11 o'clock at night, thinking about the organization of his station. Go to Sherbrooke, it is the same thing there. Take channel 4, in Quebec city, it is the same thing. Take any private station, their people behave responsibly. That is where the difference lies, between those who act responsibly and those who are little concerned with responsibility, such as socialists, for instance; they are little concerned with such things. However, private enterprise must be kept active, and this holds true in every area.

Socialists have also changed their attitude over the last 20 years. I was here in 1946 when Mr. Coldwell was the leader of the C.C.F. party, successively called Social Democratic party, then New Democratic party. I think they changed their name again after that. In any case, they were all, body and soul, in favour of nationalization at that time. Today, they say that some degree of private enterprise should be accepted. It must work in unison with public enterprise; one part private, one part public. I would like to see how it is done.

Give the C.B.C. a little private enterprise, and you will see that things will change. In my opinion, we could run the C.B.C. with $100 million and save $45 million by bringing in responsible people, employees who are satisfied with their salaries, their expenses, and who work from nine or ten o'clock in the morning until four or four thirty in the afternoon, taking coffee breaks, as we say even in French, in the morning and in the afternoon.

In saying this, Mr. Speaker, I do not mean that employees should be treated like slaves. No.

Mr. Grafftey: Des pauses-café.

Mr. Caouette: Yes, it is "pause-café" in French. I thank my hon. friend from Brome-Missisquoi, who is perfectly bilingual. But note that he did not say "pousse-café", but "pause-café", which is quite different.

Mr. Speaker, we must surely take corrective measures with regard to the C.B.C. management. Who will be the next president? We do not know. Only, let him be able to assume his responsibilities and be responsible, otherwise, as I said earlier, let us get rid of the C.B.C. and sell it to private enterprise. First, it would put an end to our present discussions and allow us perhaps to watch better shows or programs than those now being produced.

Mind you, this does not mean that we are granting full freedom to say or do everything on radio and television. We can always resort to the B.B.G. to present immoral radio or television programs from being shown. There is also legislation which parliament can pass. We can establish in Canada a broadcasting authority which would ensure that the shows and programs presented are such as to serve the best interests of our population and enrich the minds of our compatriots.

This is possible, because as things are going now, Mr. Speaker, next year, when we again consider the estimates of the C.B.C., they will not be around $145 million but they will be increased again. We might be up to $160 or $170 million by then, whereas private enterprise, I repeat, operates at about 50 or 60 per cent cheaper than the crown corporation. Counting on the fact that it is a crown corporation, that the people pay and the government votes the estimates they say: "Let's

go". Money is spent haphazardly; it does not matter, as long as it is spent. As I said a while ago, there are loafers in the C.B.C. I, myself, have seen these well-paid loafers. Loafers, that means lazy people and there are enough of them; so let us eliminate them. Just for the sake of keeping somebody's job, are we going to keep on spending public moneys as we are doing now?

I know my words will irritate Mr. Ouimet and many others. But what I say is true, and we have all had proof of that. What I am saying now really happens, I am not making it up. When I say that separatists have been treated with kid gloves by the C.B.C. in the province of Quebec, I speak the truth. I gave as an example earlier the case of Aylmer, last night. In the case of Montreal, the fights in Pierrefonds, for example, how did the C.B.C. happen to be there? Because there are separatists working for the C.B.C.

Mr. Speaker, it is time for us to take a stand. Somebody has already said that the province of Quebec is just as smart as the others, and I really do believe that. However, there as elsewhere, there are people who only see one side of the coin and who cannot get along with the other people.

I heard Mr. René Lévesque say in Vancouver the other day that there is no French problem there. Then he says: It is true and Premier Bennett is right; so French Canadians, come and live in the province of Quebec.

An hon. Member: Which premier?

Mr. Caouette: Mr. Bennett: Go and live in the province of Quebec. Fine solution. We have more unemployed in Quebec than anywhere else in Canada. Let us add them to our own jobless.

Mr. Speaker, for six years, I have been asking the Conservative government when it was in office, and the Liberal government, to give our French-speaking population in western Canada, the service of our national radio and television network. and it has not been done yet. I was told, the other day, that the radio coverage would be extended to Vancouver-Victoria, as of November 1.

Mr. Prittie: The 4th of December.

Mr. Caouette: Well, now it will start on December 4; that is a month and four days later than I was told. I am happy to hear that the radio service will start on December 4 and the western French-Canadian minority will be delighted to get it. However, they also want television service. When $145 million are available, instead of sending a large portion of it to Viet Nam, the Congo and Africa, we should begin by extending coverage to western Canada, to people who are Canadians the same as we are. They can get the English network. When an English network was requested for Malartic, in Abitibi, in my riding, I exerted pressures so that our English-speaking citizens could get that television station, served by Timmins. Today they have it.

Some will reply that it is not as far between Timmins and Malartic as it is in the west and I agree, but if we had started extending the service towards Vancouver six years ago, do you not think that it would have reached Vancouver by now?

But no, they prefer to go to Viet Nam. Is Viet Nam closer to us than Vancouver? Is the Congo closer to us? Is Africa closer to us? Is Moscow closer to us?

When I went to Moscow two years ago there were C.B.C. people there. I met some in London who found it hard to take the trouble of meeting us when we arrived.

An hon. Member: It is the same thing in Paris.

Mr. Caouette: We arrived at 7 or 7.15 in the morning and there was not a soul from the C.B.C. to greet us.

Mr. Laniel: It was too early.

Mr. Caouette: It was a delegation from the Canadian parliament which was going on a special mission to Moscow. There was not a single representative from the C.B.C.; no, that is for the others. They are well paid by us, though. If we were to refuse them the money to pay their salary, they would go on strike.

In Paris, it is the same thing. I will not give any names, but I could name one I called up on the telephone at two o'clock in the morning, in London, to ask him: "What are you doing? Are you not coming to meet us?" His answer was. "Oh, you know, I was not too well aware of your arrival". He was not aware. If a coloured man from Africa had arrived there, he would have been immediately aware of it. He was not aware of it at the C.B.C.

Some hon. Members: Hear, hear.

An hon. Member: But they knew about Aylmer.

Mr. Caouette: Oh, yes, they were in Aylmer. When we went to Iran last year, the same thing happened. They do not see us, but we receive reports from all the corners of the world; they are there and paid by us. When parliamentary representatives travel in those countries, they are unseen, they can no longer be seen.

Mr. Speaker, it is time to make a complete sweep with a vacuum cleaner and remove that rottenness, because it reminds me of the Augean stables where 3,000 head of cattle had not been cleaned for 30 years. Hercules had to divert a river to clean those stables.

I think that it would be high time to divert the St. Lawrence river to clean the stables of the C.B.C. An hon. member just said that the St. Lawrence is polluted. Let us use the Ottawa river.

Mr. Speaker, I do not intend to take any more of the time of the house; on the other hand, I do want to say I support wholeheartedly what the Secretary of State has said about certain sectors of the C.B.C.

It is high time we prescribe the necessary remedial action. Now, Mr. Speaker, Bill No. C-163 allows the members to make suggestions, but not to sling mud, as Mr. Ouimet says, and to give recognition to those who in the C.B.C. are competent and perform their duties with dignity. There are some, they are in a majority. But the C.B.C. officials should take their responsibilities and give the Canadian people programs of value, programs worthy of the C.B.C., in short programs which will be the pride of the Canadian nation.

• (5:30 p.m.)

[*English*]

Mr. F. J. Bigg (Athabasca): Mr. Speaker, I suppose that next to the defence of the realm this is the most important subject to come up this year, namely, whether we are going to socialize the airwaves and, if we try, can we make it work. I read in tonight's Ottawa *Journal* the headline "Judy Stands Alone In C.B.C. Uproar." I want to tell you right now, Mr. Speaker, that she does not.

Some hon. Members: Hear, hear.

Mr. Bigg: She represents a great cross-section of the Canadian people and their thinking on this matter. This is too big a subject to be buried in partisan politics. In this situation the hon. lady has to speak out. She is not only a minister of the crown but she has a responsibility to parliament and the Canadian people to be the champion of the freedom of the airwaves, which I claim is today very seriously threatened.

I should like to think that a mere change of management in the C.B.C. would settle these problems once and for all. Perhaps we could get a Donald Gordon or a Mr. Fisher to take over the job of policing the C.B.C.

An hon. Member: Which Fisher?

Mr. Bigg: But will this by itself correct the situation? It will not unless we stand behind the hon. lady, who has the responsibility of reporting to parliament on the C.B.C., when she uses forthright, if a little colourful, language. Unfortunately, from the beginning we tried to put the C.B.C. beyond the control of parliament and make it a crown corporation which would be above parliament. The result has been disastrous.

If we could find such a person to head the C.B.C.—I understand we are having some difficulty and are not exactly swamped with offers for this very important job—would he be backed up? Presumably the only way he could be backed up when he got into a pitched battle with the directors would be by appealing to the hon. lady or her successor. How much backing can he expect? I suspect that it is not fear which keeps the hon. lady from naming the people. She could name them; in fact, we all know who they are. If she does not want to name them, I am certainly not afraid to do so. I will read the list; they are well known to us all: Patrick Watson, Laurier LaPierre, Pierre Berton, Douglas Leiterman, Reeves Haggan, Sidney Bronstein, and such fringe benefit boys as Mr. Chaput and Mr. Levesque who are assisting in the plot to reduce Canada to a motley collection of fractured institutions.

Anybody who has been around for the last three years, has had his ears open and has watched a television set knows perfectly well that there is an unmistakable pattern connected with the difficulties experienced throughout the C.B.C. We are getting propaganda by concentration on only the negative side of questions. We do not hear the positive side.

Let us consider our young people. The young people of today are depicted on the C.B.C. over and over again as nothing but hippies. They all want the pill, they all want abortions, they all want free love. No such nonsense was ever before presented to the Canadian people. A good 90 per cent of the Canadian people, young people particularly, are just as fine as we or our parents were.

Some hon. Members: Hear, hear.

Mr. Bigg: But they are not being heard. It is not true that most of our young people are hippies and think in this vein. Only about 10 per cent of our young people fall into this category. That 10 per cent will always be with us. They are incapable of making rational decisions in their lives. It is terribly dangerous to bastardize the Canadian airwaves by encouraging only the negative, only the filthy, only the ugly.

Our young people have a right and a heritage, and I am glad the hon. lady has taken the step to at least bring this matter out into the open where something can and will be done about it. Nobody heading the C.B.C. today can say he does not know where the problem lies. I do not think anybody would take on this job unless he was a man of great courage, because it will not be an easy task. He may have to fight alone. If parliament will not get together and provide a little more solid backing for the people who know where the trouble is and are willing to take steps to correct it, I do not think we can expect to find anybody to take on the job.

This is a dual problem involving both management and programming. If anybody thinks there is any doubt whatever that this is right, I should like to spend a moment or two reading into the record evidence to support my contention. In a recent survey of C.B.C. programming it was shown that 80 items touched on American subjects or on the United States itself. Sixty-two out of the 80 were either overtly anti-American or played on United States problems and ills. Sixteen items dealt with the Viet Nam war. Fifteen out of the 16 items created impressions opposed to the United States role in Viet Nam and could have brought nothing but comfort and encouragement to Hanoi.

There have been complaints by Canadian diplomatic officials abroad who have been dismayed at the variance between what has been observed by them on the spot abroad and the impressions created by the C.B.C. With respect to communism, on 14 programs communism was given sympathetic treatment. Not once in the last two years was there any substantial criticism of a communist country or a communist philosophy. The Patrick Watson—Roy Faibish film, "The 700 Million", praising the accomplishments of mainland China and produced after 62 days in that country, was broadcast on no less than three occasions across this nation.

• (5:40 p.m.)

It showed nothing but happy, cheerful people, which, to me at least appears to be in strange contrast to the stories now coming through of the terrorist activities of the Red Guard. Young China now has no god but Mao.

The C.B.C. has not left religion alone. I do not say that we should only see people worshipping on Picture Page but it is passing strange that apparently there is nothing good and worthy of note going on any more in the Christian world. On 28 occasions Seven Days dealt with religious subjects and 22 of these programs were sarcastic or antagonistic in presenting some bizarre and unrepresentative aspect of religion. In the last program the slogan "Kill a Commie for Christ" was repeated several times. The United Church *Observer*, which by the way has become very broadminded, commented as follows on June 1:

> When they did an item on religion, as they frequently did, it was likely to be a distortion of the bizarre.

That is an understatement if I ever heard one.

All the 29 programs produced by the C.B.C. concerning racial problems played up bitterness, injustice or extremism. Nothing was produced to show the notable advances made in legislation, education or in other areas. As everyone knows, this is not an easy subject to handle, but why is the negative side always shown? I say there is a plot, a well thought out and clever plot to reduce Canada to a group of fractured institutions.

I wish wholeheartedly that I could vote for the bill because it contains points with which I certainly agree. It says that the C.B.C. should promote national unity. I took careful count of all the programs I saw relating to national unity during the last year and I noted that some 70 per cent were on the negative side. There was limitless coverage of men such as Levesque and Chaput. One would think they are the only men of some standing. What opportunity is there for men like myself to say: I believe in a united Canada, a Canada of equal opportunity, a Canada without compulsion and without prejudice? I would like to see all members of this house get up and give their views on the subject. I venture to say that the Chaputs and the Levesques would be outnumbered by a hundred to one.

The minister finds herself in a bind. How can she be loyal to her party and to the

cabinet and still tell us the truth? The whole structure of the C.B.C. is soft at the top and rotten at the bottom.

An hon. Member: I thought it was the other way around.

Mr. Bigg: In less happy days I had to make my living as a lumberman and when there was a rotten tree in the bush the old, wise lumbermen said, "Do not shake the rotten tree". They called it "widow-maker". They said, "The top will come down and crush you". And so it would. I am sorry to see that we have had to wait for a lady to dare to shake the tree. Perhaps she is not afraid of being a widow. But I hope the whole rotten tree falls on someone and falls on him fast.

I would like to support what my colleague the hon. member for Lambton-Kent (Mr. McCutcheon) said, namely, that we should send the subject matter of the bill to the committee. Will the committee unearth any more truth than we have already? We know the problem. The only thing that faces us is the solution to that problem, but if we pass the bill—and I have no doubt it will be passed because I believe it is a sincere effort to get to the root of the matter—will we give it the backing it deserves? Will we live up to it and decide to keep the airwaves of Canada free, clean and fit for the fine people who are still around, who have not been brainwashed and who still believe that their church, their school and their government will give of their best, people who have not all lost their nerve and have not subjected themselves to the defeatism which is only too rampant?

If there is no one in Canada who can handle the job of leading the C.B.C., then we had better appoint a board to do it. Perhaps we should give it a try because time is running out. Perhaps this bill will provide us with an answer. I am not prepared to say it will, but I think it is high time we stopped allowing this Tower of Babel called the C.B.C. to keep us disunited. I would hate to have to tear it down because I believe there is a future for the C.B.C. if we can solve the problems with which it has faced us. We need a great "E" for education, a great "E" for entertainment and a great "E" for excellence. If there are no people in this country who know the difference between filth and excellence perhaps we will have to import somebody who does, because I do not see the filth and degradation being peddled over the airwaves in the United States, which is so maligned by some of my friends, that I see in the northern half of this continent which I always hoped and believed would give some leadership in this field.

I am a politician and I suppose I am unfit to undertake a job of this kind. It is not from lack of nerve or lack of knowledge of the subject because I know a rotten tree when I see one and I know that the sooner we cut it down and plant another clean, decent, strong one in its place, the better. When we get it there, let us have a fire guard and let us have someone with the know-how and the power to ensure that all our trees survive because we still need their shade and the fresh air which can only come from a living, clean-limbed tree.

Mr. Mongrain: May I ask the hon. member a question?

Mr. Bigg: En anglais, s'il vous plaît.

Mr. Mongrain: Yes, sir. I heard the hon. member mention the names of two men as prospects for the job which Mr. Ouimet will be vacating shortly. He mentioned a certain Mr. Fisher. I know of two men by that name who are well known nationally. Would the hon. gentleman please tell us which one he meant?

Mr. Bigg: I should like to clear up the misapprehension I may have created. I did not suggest either of these men as an ideal head of the C.B.C. I pointed out one facet of their character, namely courage. Mr. John Fisher has courage. He is a great salesman for Canada. Similarly, I have no doubt whatsoever about the other Mr. Fisher. If he wants to use his talents in this capacity, I believe he is quite capable and he has the courage to do so. Mr. Donald Gordon has made a great contribution to Canadian life and I am quite sure he has the courage to look into the mess, clean out the garbage and replace it with something of some merit.

Mr. B. S. Mackasey (Parliamentary Secretary to Minister of Labour): Mr. Speaker, if the debate today could have been televised I think there might have been more entertainment value in the program than in some of the programs we have seen in recent years.

Mr. Ricard: It has been turned off now.

Mr. Mackasey: We have before us an amendment moved by the hon. member for Lambton-Kent (Mr. McCutcheon) after an excellent speech, which in effect would completely abolish the C.B.C. This is what he proposed in what I thought were very clear

and concise terms. I know that in all probability I am not reflecting the general mood of the house when I say that personally I would take a very dim view of my government or any other government attempting to eliminate the Canadian Broadcasting Corporation.

• (5:50 p.m.)

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

Mr. Mackasey: I think that the solution proposed by the hon. member for Lambton-Kent—

Mr. McCutcheon: I rise on a point of order, Mr. Speaker. Before the hon. member for Verdun makes such a statement about what I said I would appreciate it very much if he would read the text of my remarks tomorrow. If he does, I do not think he will make the statement he has made.

Mr. Mackasey: I do not need to read the text. I take the hon. gentleman at his word and I apologize if I misconstrued what he said. I was under the impression that he suggested the time had come to abolish the Canadian Broadcasting Corporation. If he did not, I apologize. For that matter, this suggestion was advanced by a fellow member of the Liberal party, the hon. member for Vancouver Quadra (Mr. Deachman), last night in a very entertaining speech, one which I enjoyed but with which I did not necessarily agree.

I think it is significant that Canadians in general depreciate anything that is Canadian and can see no good in the Canadian Broadcasting Corporation. With one eye on the clock, perhaps I could take the seven minutes available to me to point out the rather paradoxical attitude of most of the members of the official opposition when they castigate the C.B.C., praise the minister for her recent declaration and then engage in what I regard as rather unwarranted attacks on the hon. lady during the question period. I was pleased to hear the hon. member for Athabaska (Mr. Bigg), who I thought spoke well and sincerely. He was not critical of the present Secretary of State (Miss LaMarsh), and I was rather pleased about that because it seems to me the hon. lady has been subjected to rather harsh treatment during the question period.

I have wondered about the furore in the house, particularly during the question period, over the fact that the Secretary of State simply said, in her own colourful style, what many boards that have been set up to investigate the Canadian Broadcasting Corporation have said over the last decade. I believe the Fowler report mentioned at least 11 points which were found to conform with the findings of the internal committee set up by the president of the Canadian Broadcasting Corporation. At the same time, I do not believe it is particularly appropriate that we should spend our time in castigating Mr. Ouimet, as some members have been doing. I think it has been very obvious to all of us who have been concerned with the problems of broadcasting, and I sat for some time on that particular committee, that there is a great malaise in the Canadian Broadcasting Corporation. I suppose the internal set-up of the Canadian Broadcasting Corporation should be modified, but that is what this bill is all about.

I do not believe that in today's world it is necessary that the Canadian Broadcasting Corporation be considered a competitor of private broadcasting. The corporation should, rather, be considered as an alternative for Canadians. I believe that we are too prone to forget the degree of assimilation of things that are Canadian by our good friends, the United States. If we are to survive as a nation we have to retain control over our communication media. I know of no better way of maintaining control over the media of communication in this country than by having a strong, viable Canadian Broadcasting Corporation which will fulfil its role. I think we agree that the Canadian Broadcasting Corporation has not been able to achieve its potential in television. It has been seeking for leadership and until very recently that leadership has not been forthcoming. I believe this is something that is evident in the Glassco report, the Fowler report, the president's committee report, the white paper, and we found this to be so in the broadcasting committee.

At the same time, I must say I was quite impressed with Mr. Ouimet as an individual when he appeared before the committee. He was extremely loyal to the organization over which he presided. He may have been a little reluctant in some areas or in agreeing with the general assessment of members, but I found him to be a very good advocate of the Canadian Broadcasting Corporation, very knowledgeable and very forthright in his answers. I do not believe Mr. Ouimet should be singled out as the sole cause of the problems that confront the Canadian Broadcasting Corporation now. When I listened to

some of the speeches made during this debate I wondered if they had not been written by a Barry Goldwater or a Ronald Reagan. It seemed to me that the solution to the problem suggested by one hon. member was that Canadians should never see anything except "Anne of Green Gables". I do not believe we are going to do a job for the Canadian people by protecting them from exposure to provocative programs. I know that in the opinion of many, including myself, there is a very thin line between a provocative program and outright smut and filth.

Certainly, as one who participated in all the deliberations of the committee on the Seven Days question, I feel that where the Canadian Broadcasting Corporation and Mr. Ouimet were amiss was in not firing some of the people responsible for lack of judgment. The same people were responsible for the bias in that program which was obvious from the day it was conceived. May I call it six o'clock, Mr. Speaker?

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: It is my duty, pursuant to provisional standing order 39A, to inform the house that the questions to be raised at the time of adjournment tonight are as follows: the hon. member for Rimouski (Mr. LeBlanc), Canadian National Railways—replacement of Ocean Limited; the hon. member for Grey North (Mr. Noble), Industry—Georgian bay—consideration under designated area program; the hon. member for Moose Mountain (Mr. Southam), Grain—proposed increase in amount available for cash advances.

The house will now proceed to the consideration of private members' business as listed on today's order paper, namely, private bills, public bills.

PRIVATE BILLS

RAINBOW PIPE LINE CORPORATION

The house resumed, from Thursday, June 29, consideration in committee of Bill No. C-105, to incorporate Rainbow Pipe Line Corporation—Mr. Orange—Mr. Batten in the chair.

On clause 1—*Incorporation.*

Mr. Horner (Acadia): Mr. Chairman, I should like to say a word or two with regard to this bill before it passes. It presents the house with a very interesting problem. From time to time we hear a good deal of talk about ownership of Canadian industry by Canadians, and we hear a great deal of talk urging Canadians to take a greater part in controlling Canada's destiny. This bill, Mr. Chairman, in my opinion provides a prime example of the area in which Canadians should move.

• (6:00 p.m.)

The former minister of finance has written many books, most of them saying that Canadians should control their own industrial development and that it should not be controlled by foreigners. This private bill shows the area of endeavour where Canadians ought to exert themselves. Rainbow Pipe Line Corporation wishes to build a pipe line into the Northwest Territories. In committee we asked whether in granting permission to build such a pipe line we would be granting a monopoly right to transport oil, gas or solids in the years ahead from the Northwest Territories to the rest of Canada. The reply was that a second pipe line could be built, of course, but it is obvious that a second pipe line would be uneconomical and probably would not be built. If permission to build this pipe line is granted the company to be incorporated will be given monopoly rights.

The company was also asked whether it would allow Canadians to subscribe to its shares. One of those answering for the company said, "Well, first we want to be incorporated, we must appear before the Energy Board, but at this time we really have no intention of allowing Canadians to participate." I want to know how this attitude is to be taken in the light of exhortations to Canadians to take a greater interest in their industrial development and to exercise greater control over their industries and resources. Are we to give this company seeking incorporation a monopoly in the Northwest Territories where, as far back as the early 1920's, oil was discovered? Are we to give this company, which does not want Canadians to participate in it, a monopoly?

Who will control this company? It is said that Rainbow Pipe Line Corporation is to be controlled partly by Imperial Oil Limited, which is a company controlled in the United States, partly by Mobil Oil of Canada Limited, another company controlled in the United States, and partly by the Acquitaine group which in essence is a corporation controlled by the French government. Are three foreign

concerns to be allowed to come before this house during private members' hour and ask for a monopoly to move oil from one part of Canada to another?

This matter strikes at the very heart of my Canadianism. I want to participate or at least I want the privilege or being allowed to do so should I wish to. I am interested in Canada, as others are. Look at the interest Canadians showed in the Athabasca tar sands. That venture was oversubscribed by Canadians. Something like $12 million was permitted to be subscribed by Canadians and many were turned away after the venture was oversubscribed. Albertans were turned away. They were also turned away after many Canadians had oversubscribed the Alberta gas trunk line which was developed in Alberta some years ago.

Why are Canadians not to be allowed to participate in this entity which seeks incorporation? Some personnel of the company have said, "Oh, well, this is a speculative venture and therefore Canadians will not want to participate in it." Canadians should say for themselves whether they wish to participate. At least they should have the opportunity of participating and the opportunity of eventually controlling the company.

What is to happen here? Eventually control of the entity seeking incorporation may vest in the Aquitaine group which is controlled by the French government. That is not a healthy picture and is not one that should commend itself to those who took the former minister of finance seriously.

It is all very well for some to say that Rainbow Pipe Line Corporation is to build a line to the Zama field which is inside the Northwest Territories and that Canadian companies may, should they wish, hook another pipe line into that of Rainbow Pipe Line Corporation. That argument is beside the point. Once the pipe line is built the company seeking incorporation will be the major mover of oil and commodities in the area and, as I have said, it will be uneconomical to build another pipe line. Because the company moves something like 8 per cent of the oil produced in Alberta it should not be given a monopoly for the entire Northwest Territories, which has enormous proven oil reserves.

In the 1920's the Norman Wells oil field was discovered to contain reserves. Is this house to allow this company a monopoly to operate in that area? I hope that other hon. members will vigorously oppose passage of this bill. Until provision is made for Canadians to subscribe to the capital stock of the company and for Canadians to control it eventually, we should resist its passage. We in Canada have the right to guide our own destiny in the years ahead.

[Mr. Horner (Acadia).]

Mr. Watson (Châteauguay-Huntingdon-Laprairie): Mr. Chairman, I had not intended to say anything today. Nevertheless I wish to congratulate the hon. member for Acadia on what he has said and say that I could not agree with him more.

• (6:10 p.m.)

The history of the discovery of the Rainbow oil field is the best argument I know for the creation of a Canada development corporation or a resources development corporation—call it what you will. What happened originally is a national disgrace. At the time of the original discovery Mr. Rudolph, president of Banff Oil, tried to find capital in Canada. He was not able to do so and as a result this viable oil field fell into the hands of a United States company and the Aquitaine group controlled by the French government. Had we at that time been able to rely upon the services of a resource development corporation I am confident that at the very least we could have maintained majority ownership in Canadian hands.

A development corporation need not enter into the actual development of oil fields or oil pools as a majority partner, but there is no reason why it would not become involved as a minority partner once an oil field or oil bed has been discovered. Indeed, its objectives might go beyond that. The corporation might also be concerned with search, exploration and development work in areas of the north where oil bodies have not yet been discovered.

There is no reason why the activities of such a corporation should cause fear or apprehension in business circles. There is no reason, in my opinion, why private mining interests in Canada should hesitate to accept the existence of a government minority role in endeavours of this sort.

The federal government has full jurisdiction over the natural resources of the Northwest Territories and the Yukon. There is no constitutional controversy about that. Today the Supreme Court confirmed the jurisdiction of the federal government over offshore mineral rights. So there is no reason why the federal government through a resource development corporation should not participate,

hand in hand with private interests, in the exploration and development of these resources. Surely direct participation by the Canadian people through its government would be a unifying factor in this country's development. Of course, it is only in the areas I have mentioned, where the federal government has complete jurisdiction over national resources, that we would be completely free from charges of interference with provincial rights. The arguments in favour of the establishment of a development corporation are so overwhelming as to make me hopeful that the government will not delay further in setting up such a corporation.

All this has a bearing upon the particular matter which is before the house at the moment, the establishment of a company to build a pipe line from the Northwest Territories into western Canada. I feel, as does the hon. member for Acadia, that there should be an opportunity for Canadians to participate directly in this venture. I will go further. I believe we should not allow this bill to go through the house until a resources development corporation such as I have described has been set up.

I expect we shall be legislating in this field within the next few months. Surely it would be worth while delaying any final decision on the bill before us until a development corporation has been set up along the lines I have indicated. There is no doubt in my mind that the government and the Canadian people should be represented as fully as possible in the development of the resources of the Northwest Territories and the Yukon. The French people are represented directly through the French government's participation in Acquitaine de Paris. If we allow this company to build a pipe line in the absence of direct Canadian participation, I suggest, along with the hon. member for Acadia, that we would in effect be throwing away part of our heritage. As a member of this house I certainly cannot support the passage of this bill until an opportunity is open to us to participate directly in this endeavour.

• (6:20 p.m.)

I realize I have been throwing out an idea which prior to today has not been studied. Nevertheless I submit it is an idea worthy of the government's attention. There is one way in which Canada can participate in this enterprise. If the company is wise it can perhaps relieve the pressure for direct government participation by allowing public participation through the purchase of shares. But if this is not done, or even if it is done, I feel quite strongly that the government should consider participating in a minority way through a development corporation in this pipe line. As the hon. member for Acadia has pointed out, it promises to control for some time the pipe line business from the Northwest Territories to western Canada. I feel strongly that if the French people are to be represented in this endeavour then at the very least the Canadian people should have such a chance, but they are not being given it. I urge the government to withhold approval of this bill until a Canadian development corporation has been set up and we have a chance to participate directly.

Mr. Howard: Mr. Chairman, for more years than I can recall the C.C.F. and the N.D.P. have been advocating at every available opportunity the same proposition which Châteauguay-Huntingdon-Laprairie has just put to us, a proposition that was accepted at least on paper by the government but not proceeded with, namely, that there is ample opportunity in our economy for the people of Canada to participate through their government in some of these developments, not only so that the benefits from the development of resources can indirectly accrue to them through such a corporation but also because of the benefit of participation by the Canadian people in Canadian ownership of resources and resource development. As I say, we have been advocating this sort of thing for many years because the necessity for it could be seen a long time ago.

I wish that the wise head of the hon. member for Châteauguay-Huntingdon-Laprairie rested on the shoulders of some cabinet members so that they could see the wisdom of the remarks he has made and the remarks that we of the C.C.F. and N.D.P. have been making for many years. The suggestion that the bill not be proceeded with until guarantees of this sort are given is a commendable one.

Like the hon. member for Acadia I too am quite concerned about the degree to which not only this proposed company but many other companies which are controlled by people who do not even live in Canada own our natural resources without that sort of responsibility to Canada which Canadians would have. The N.D.P. has been in the forefront of this fight for a long time now. Hon. members know that on every occasion upon which a bill to incorporate some kind of company with the element of foreign ownership in it

has come before parliament we in the N.D.P., until now, have been alone in our objections to this kind of approach in promoting the incorporation of companies to do certain things in Canada when those companies are owned and controlled by foreigners.

I am not suggesting that no one else is interested in this matter. I simply say that for some time now a few of us in the N.D.P. have carried the brunt of the load in trying to ensure that companies which have this element of foreign control in them come to the point where they agree with the contentions of the President of the Privy Council and the Prime Minister about the necessity of having Canadian ownership of resources and of these corporations.

I think there is an opportunity here for Imperial Oil, Mobil Oil and the other group, Acquitaine of France, to exhibit to Canadians the degree of responsibility which we think they should have, namely, to say to parliament through the sponsor of the bill that they are quite prepared to meet the guide lines outlined by the Prime Minister and the President of the Privy Council about Canadian ownership. If they do that then at least one of the obstacles to the passage of the bill would be removed. The other obstacle, also outlined by the hon. member for Châteauguay-Huntingdon-Laprairie, is the necessity of participating in the development of some of these resources ourselves.

This bill was dealt with in the transport and communications committee on June 20. The proceedings in that committee are extremely revealing with respect to some of the things which this company says it hopes and intends to do. As recorded on page 2 of the committee proceedings, a Mr. Barroll, vice president of Mobil Oil Canada Limited, pointed out some of the prospects for oil resources in the Northwest Territories and said:

> In addition to this, we have excellent indications from drilling in the area that there will be an extension into the Northwest Territories. These wells, although no information has been released on them, were drilled and tested last winter. The information is still considered confidential. They are located within a mile of the border of the Northwest Territories. They are reported as having a good oil show and are reported as being oil wells.

One of the interesting aspects is his comment that these wells "were drilled and tested last winter." I assume he was talking about the winter of 1966-67 because his testimony was given on June 20 in Ottawa and even in Ottawa June 20 is not considered to be winter.

[Mr. Howard.]

• (6:30 p.m.)

It is interesting to note that the company made its initial application to parliament in February, 1966, the winter before the drilling and the testing took place to which Mr. Barroll referred. This may have no great bearing on whether or not the bill should be proceeded with but it does point out that in effect there is an attempt to draw upon all possible reasons for the passage of the bill, including things that happened to come along after the promoters of Rainbow Pipe Line Corporation conceived the idea of incorporating the company and establishing themselves in this particular area. Another interesting bit of evidence given by Mr. Barroll is found on page 3 of the proceedings. He refers to the system of the Rainbow Pipe Line Corporation, and talks about it connecting with the terminals of Transmountain Pipe Lines and Interprovincial Pipe Lines. Then he continues:

> These are the main trunk line systems that supply crude oil to the west coast refineries and the general export area here on the northeast coast of Washington.
>
> In addition, of course, the system ties into the Interprovincial system which extends down through the United States to eastern Canada and supplies the important prairie markets and the markets in the Great Lakes area and, of course, the Sarnia market which is the principal destination for this crude.

He goes on further to point out that there are additional markets and that the Chicago area was considered to be an area short of crude oil at that particular time, June of this year. I draw from his remarks the conclusion that if this company is incorporated and if the particular pipe line which they envisage to be built under the aegis of this company is in fact built, it will be for the purpose of draining the oil out of the Northwest Territories into other parts of Canada and into the United States. I do not think this is a proposition which should be accepted, especially in the light of the remarks of the Minister of Indian Affairs and Northern Development when he spoke out west or in the Northwest Territories or the Yukon Territory, whichever it was, a few days ago. In that speech he complained bitterly about the fact that industries which have been developing in the Northwest Territories or in the Yukon Territory up until now have been extractive industries which have relied simply upon the prime raw natural resource.

The Minister of Indian Affairs and Northern Development thought that this practice should no longer continue. He did not think it was good enough for the people in the

Northwest Territories that industry should come in, develop and exploit the raw materials of the natural resource, and then leave as quickly as they can, taking with them the profits, after they have moved the raw material out of the territories to some other part of the nation or to some other part of the world in order that it can be developed, manufactured and refined.

Here again we have an indication of what I hope is government policy and not just another speech by the minister. Here we have an indication of a desire to develop industry in the north, rather than continue to participate in the exploitation of the Yukon Territory and the Northwest Territories simply as a bottomless pit from which corporations can draw their raw materials and natural resources, and remove them as quickly as possible from the area to be refined and manufactured in some other part of the nation or in some other part of the world.

The consequences of this are very bad indeed because it means in effect that the people who live in the area obtain just the bare minimum amount of income and employment form the natural resources in the area. It means also that Canada as a whole suffers, because in order for us to become a nation, with some force to our economy, a nation in which we can establish a continually rising standard of living, we must put more effort into transforming our natural resources into the finished products at points as close as possible to the sites of the raw materials, and in particular in the nation itself.

Even if for no other reason than the proposition that these three companies wish to incorporate another pipe line company for the purpose of removing the oil from the Northwest Territories as quickly as possible, I think the bill should flounder, especially in the light of the declaration made by the Minister of Indian Affairs and Northern Development just a short while ago. Part of his speech was given some publicity in the financial pages of some of our Canadian newspapers. This would seem to indicate that the financial editors of our daily newspapers across the nation respect the thoughts expressed by the minister.

I know the minister has a pretty extensive propaganda campaign operating out of his department. We know also that press releases and statements are issued with almost the same regularity and in almost the same volume as is accomplished by the *Hansard* printers. However, occasionally there is contained within the speeches or statements something which we can grasp and which we can say makes sense. The recent speech of the minister about development in the Northwest Territories and the Yukon Territory, in which he said that the natural resources there should be used to the fullest possible extent for the purpose of maintaining employment for the people who are there, makes sense.

I should like to assist the minister in reaching that objective, because I wish to assist the Canadian people in reaching an objective which will ensure a strong and forceful economy. I do not think I could provide the proper degree of assistance to that end if I were to participate in supporting the bill before us at the present time.

There is a tremendous amount of other information contained in the minutes of proceedings and evidence of the committee on transport and communications, which considered this bill. Mr. Barroll at one stage summarizes seven points in favour of the incorporation of this particular company. At this juncture I do not intend to deal with them in their entirety, but they certainly are interesting and worth expanding and commenting upon. Point number seven we believe is germane to the trend of the discussion here today on this bill. As reproduced at page 4 of the minutes of proceedings and evidence for June 20, 1967, it reads as follows:

> Finally, the people of Canada have a direct financial interest in development of petroleum resources in federally administered territories. It is to the advantage of Canada, we believe, to pass enabling legislation permitting the development of these resources so as to accelerate return to the government of Canada of royalty and lease sale revenue.

Let us analyse the import of that particular thought. The company representatives are telling us that it is in the financial interest of the people of Canada to develop our petroleum resources in federally administered territories. I agree with that. This is just the point I have been making up to this moment, namely that we should develop them to the ultimate degree possible. But if we permit the passage of this bill and the incorporation of this company we will not, as Mr. Barroll said we should, be developing our petroleum resources in federally administered territories to the direct financial interest of the people of Canada. We will be developing them to the direct financial interest of the people of Canada only if we develop them to the fullest extent possible in the

area itself, and not participate in any effort to move the oil out as quickly as possible into some other part of the world.

Mr. Barroll said that we should pass enabling legislation, as he put it, to accelerate return to the government of Canada of royalty and lease sale revenue.

• (6:40 p.m.)

I think this is a pretty narrow and shallow base upon which to found an argument of that sort. We should be concerned, and I suppose the Minister of Finance is in a way, about the royalty and lease sale revenue. We should be more concerned about tax revenue from the company, the provision of employment for people in the area and the development of natural resources to the maximum degree possible. That will not be the case if this bill receives passage.

I see you attempting to rise, Mr. Chairman, and I assume that if my time has not expired it will very soon. I will take my seat now. As I said, there was a great deal of information given to the committee which provides food for thought and evidence of the reasons we should not give this bill the desired passage.

Mr. Cantelon: Mr. Chairman, I would dislike very much to let this bill pass without saying a few words about it. I find myself in complete agreement with the hon. member for Acadia who touched upon the two main points in issue here. There is one additional point I should like to bring to the attention of the committee. It is wise that we understand that the three companies involved, namely Imperial Oil, Mobiloil and Banff-Aquitaine, will each own 33⅓ per cent of the stock. I should point out that Banff will own 3⅓ per cent and the Aquitaine group will own 30 per cent, so together they will own 33⅓ per cent.

It is fair to say that two of these companies have no financial base in Canada in the sense that Canadians own stock in these companies, and I refer to Mobiloil and Banff-Aquitaine. This emphasizes the point made by the hon. member for Acadia. Since there is no opportunity for Canadians to purchase the stock of these companies, there is no way in which Canadians could in the long run purchase these companies, something which I would hope could happen in respect of most companies of this type in Canada in the long run.

Surely it is completely wrong for us to give a new company special privileges such as those sought through this bill. Some of us have had conversations with the president of Rainbow Pipe Line Corporation which would indicate that in the near future an opportunity will be provided Canadians to purchase stock of this company. I have been informed today that this company has put $10 million worth of first mortgage bonds on the market. At first glance one might think the company has gone some way in correcting the disadvantage we see in respect of foreign owned companies operating in Canada. However, if one looks at this situation he must agree that this is not so. What the company is in fact asking us to do is contribute our money to the company's development, with the company retaining complete control. The ownership of bonds does not give the owner the right to vote or an opportunity to share in the profits. One does get his money back, with interest, but does not share in the profits of any large development the company may undertake in the future.

There is one other point which should be made in respect of this company. There is a provision which would allow the company to use its funds, or the funds of the Rainbow Pipe Line Corporation—and we should be careful to make that distinction—for exploring and developing wells any place in the Northwest Territories. This means the corporation need not show any profit and will be able to avoid paying income or corporation taxes in this way. The company could readily use its profit from the pipe line operation for exploration and development. We have been assured that this is not the intention. Perhaps we should accept that statement, but the opportunity is there. Consequently I feel that this provision requires some modification before the bill is passed.

In my opinion this is a bad bill and I cannot support it.

Mr. Schreyer: Mr. Chairman, one of the main points of opposition to this bill raised by the hon. member for Acadia was that it is clear that the intention of the participating firms seeking the establishment of this pipe line corporation is not to allow Canadian participation. That hon. member made this point very clear, and while the same feature has been in my mind as well, I shall not take up any more time of the committee to make additional comments in that regard.

One aspect of this matter which does deserve elaboration and further comment at this time came out very clearly during the committee hearing on June 20 held to consider the arguments pro and con. Let me refer

specifically to the testimony of Mr. Bredin. When dealing with the tax advantage aspect of this proposition he said quite clearly and unequivocally that one of the purposes for establishing this pipe line corporation was to allow it to enter into a field of activity quite apart from its prime purpose, the transmission of petroleum. We have not been told the extent to which it might get into this activity of the oil and gas business in order to take advantage of certain sections of the Income Tax Act. It is not clear to me why a subsidiary of parent firms which are already in the gas and oil production business would want to take part in the same business. We have been told that there would be tax advantages and that the company could apply under our income tax laws for certain write-offs or deduction of expenses for drilling and developping.

It is true under existing law that a pipe line corporation must act as a common carrier, but it is difficult to find out accurately the extent to which this fact will have any practical result. This company if incorporated by this parliament would have to act as a common carrier. But in fact whose products would it be carrying? It seems to me that in the immediate period after incorporation, if incorporation were granted, it would be carrying only the products of the firms that are parent to it, and no corporations engaged in the oil and gas business in this part of the country would be able to avail themselves of the service this common carrier would have to provide.

• (6:50 p.m.)

Nowhere in the course of the proceedings of June 20 was this matter cleared up. I say again that I am somewhat suspicious about the prospects of a subsidiary pipe line corporation wanting authority to get into the oil and gas business, which business its parent firms are already engaged in. I am somewhat suspicious that even though required to be a common carrier, this supposed common carrier would in fact be acting exclusively as a carrier for the products of its parent firms and would not be engaged in an arm's length type of transaction with those firms.

I have said that other implications of the bill before us, while perhaps even more important than those to which I have referred, have been dealt with by the hon. member for Acadia and my colleague the hon. member for Skeena. I have no intention of taking up any more time dealing with those matters. I think, however, that one should not lightly pass a bill which would have the effect of incorporating a pipe line operation controlled by corporations none of which allow for the degree of Canadian participation which a country like ours would want.

There is a great deal of insistence these days that we take more effective steps to guarantee, or attempt to guarantee, that the development of our resources shall be effectively maintained under Canadian sovereign control. It is one thing to state this objective in a political or theoretical sense, but the effect is quite the reverse when day after day, month after month, year after year specific, tangible, economic decisions are made which have the effect of removing from Canadian control or even the possibility of Canadian control resource development firms operated or controlled by interests outside Canada.

Mr. Horner (Acadia): Mr. Chairman, just before the bill passes I should like to mention one or two matters that I forgot to bring to the attention of hon. members earlier. No other speaker has yet mentioned them. There has been a great deal of talk today about corporate entities taking their Canadian responsibilities seriously. I say to the committee and you, Mr. Chairman, that we cannot expect a foreign company to accept corporate responsibility and meet the requirements of Canadians when it is wholly based in a country outside Canada and its only desire in participating in Canadian industry is to make money. As soon as such a company stops making money its corporate responsibility appears to cease. This has been the history in the past and I say it will be the situation in the future.

Therefore it is only prudent and wise that we ensure that in developing this country Canadians play a part. We must do this because we cannot expect foreign companies to accept corporate responsibility in Canada.

I should like to refer to another point that has not yet been mentioned. There is no real hurry for this pipe line to be developed. As reported at page 2 of the *Minutes of Proceedings and Evidence* of June 20 last, Mr. Barroll told the committee:

> To answer these questions, I think it is apparent that the reason we request a federal charter is so that, if crude oil in suitable volumes is discovered in the Northwest Territories, we would be in a position to proceed with construction—

In other words, the company is not even going to proceed with construction of the pipe line until the proven reserves are

developed to a sufficient quantity. I say to the committee that there is no real urgency to pass this bill today. We should take the time to examine the bill in greater detail. I would prefer that the bill be sent back to committee so that the authorities may appear before the committee again, and we state quite emphatically that they will not be given the charter for which they are asking unless Canadians have a right to participate, not only by way of buying bonds but in the development of the pipe line and its management. We should demand participation in the making of decisions with respect to the development of this vast area.

I said earlier today that our passing this bill would grant the company a monopoly in an area of huge reserves. The estimated reserves in the Mackenzie river basin of the Northwest Territories are nine billion barrels of oil. In the Eagle plain plateau the estimate is one billion barrels. In the Peel plateau the estimate is half a billion barrels. In the Mackenzie and Franklin mountains area it is estimated that the reserves are half a billion barrels. In the Liard plateau the estimate is a reserve of one third of a billion barrels. So we are talking about granting to a pipe line company a monopoly in an area of huge oil reserves.

It is not a minor monopoly that we will be giving foreign companies in order to perform some trivial little task in Canada and act as servants of Canadians. We will be giving them a monopoly in this area. We will be giving a foreign corporation the right to control the transportation of our raw resources and the right to develop our raw resources.

I believe they are asking for a little too much, particularly when one considers that the whole question hinges upon the big "if". That is, if crude oils are developed, they will start construction. It is well to know that last winter a great deal of exploratory work was carried out in the area, and a similar amount of exploratory work will be carried out this winter.

The Chairman: Order. I must advise the hon. member that the time allotted for private members hour has expired.

Progress reported.

Mr. Deputy Speaker: Order. It being seven o'clock I do now leave the chair.

At seven o'clock the house took recess.

[Mr. Horner (Acadia).]

AFTER RECESS

The house resumed at 8 p.m.

BROADCASTING

IMPLEMENTATION OF CANADIAN POLICY

The house resumed consideration of the motion of Miss LaMarsh for the second reading of Bill No. C-163, to implement a broadcasting policy for Canada, to amend the Radio Act in consequence thereof and to enact other consequential and related provisions and the proposed amendment thereto of Mr. McCutcheon.

Mr. Mackasey: Mr. Speaker, before the supper hour I had an opportunity to speak for six or seven minutes on the bill before us. At that time I pointed out that I found it rather paradoxical that the same people who paid tribute to the Secretary of State for her recent statements pertaining to the C.B.C. and who said it was a true reflection of the feeling of most Canadians and of most members of the house would take advantage of the question period to castigate her, to suggest her resignation and to attempt to embarrass her. It is ironic that the hon. member for Royal (Mr. Fairweather) who appeared to be very concerned with the minister's statement went even farther when we were discussing the very controversial program "This Hour Has Seven Days" in the broadcasting committee.

I think the minister has probably done us all a favour in stating concisely in her own colourful terms what essentially had been said on numerous occasions by the investigating bodies that had been set up over almost a decade to examine the operations of the C.B.C. I also stated that I felt this was not the time to criticize the president of the C.B.C., as some hon. members have done. I think that he has served this country well and has done his best as president of the corporation. He has presided over the C.B.C.'s operations at a time when the corporation has found it difficult indeed to make the transformation from radio to television. My personal view, as one who has sat on that particular committee, is that the whole structure of the C.B.C. management has become too unwieldy and, as has been pointed out in many briefs, editorials and articles, communication between management and what we like to call the creative force has been limited. I think this was best exemplified by the debate on the program "This Hour Has Seven Days" when it became obvious to us

that the producers of this particular program had little or no supervision for almost two years. This resulted in the unfortunate incidents which marred that television season.

I know the minister would like to get the bill through this evening and I know there are one or two other speakers who would like to participate at this stage of the debate. At present there is an amendment before us which must be disposed of. If the amendment is accepted it will not result in a defeat of the government or the minister, but will rather be a defeat for all members of parliament in that perhaps we will not have done justice to the very progressive bill which is before us for second reading. The issue that is before the house is the acceptance or rejection of the principle of the bill, which is the formation of a new board or a new medium to control not only the C.B.C. but also private industry and, what is more important, the implementation of a national broadcasting policy.

I was very impressed by the minister's speech last week. I thought it covered all the points and left the door open for desirable amendments when the bill reaches the committee stage. The minister made it quite obvious to everyone that she would welcome constructive criticism and any amendments that may be proposed at the committee stage which would improve the bill, and this is the function of parliament. Clearly that function would be circumvented were we to accept the amendment before the house, which would kill the bill and, what is more, kill the principle, to which we all adhere, that Canada needs a national broadcasting policy.

As is always the case when we discuss a subject as emotional as the C.B.C., extreme suggestions are made from many parts of the house, as was the case today when several members proposed that the C.B.C. be eliminated. I do not happen to share that view and I am entitled to my opinion as are other people. I do not happen to think that private broadcasting has done such a wonderful job in the country. There is really no relationship between the programming on private radio and television stations, when we compare their day to day operations, and the promises they usually make when they are seeking a licence. I have no television station in my own riding, although I have one of the finest radio stations in North America. I say this as a result of the many awards which CKVL has won in international competition. I come from an area of the country in which we do have a choice of many programs on television since we have the dubious privilege of watching United States television stations which are beamed into our homes directly across the border.

• (8:10 p.m.)

If we, as Canadians, are to discover the greatness of this country and reach the potential promised in this centennial year, then it is imperative that we should have control over the medium of communications. We have taken steps in previous years to maintain some degree of control over newspapers. I feel it is equally important that we maintain control over all mediums of communication. If management has not been up to par, has not given the leadership necessary, then this is no reflection on the corporation itself. This is a reflection upon management, and perhaps upon government for allowing these positions to remain open for such a length of time. There is nothing wrong with the Canadian Broadcasting Corporation per se. It exists and must continue to exist.

I believe that the standard set by the Canadian Broadcasting Corporation is one which private broadcasting tries to equal or surpass and is a constant reminder that there are alternatives to private radio and private television. I often wonder what the standards of private radio and television would be if the Canadian Broadcasting Corporation were not available as an alternative or to provide competition. We have the same situation in connection with the railways, the Canadian National and the Canadian Pacific, in connection with the airways and in connection with many other fields of our economic life.

There are I think some very laudable objectives in this bill. For instance there is the statement in one section of the bill that Canadians are entitled to broadcasting services in English and in French as public funds become available. This is an objective that private radio and television would not meet. Private broadcasting would not meet that objective because it would not necessarily be profitable. There was a void in the Toronto area in French language broadcasting, and private enterprise did not move into that area. The Canadian Broadcasting Corporation has done so and will continue to do so in many other parts of the country where, because of population or geographical reasons it is not feasible for private industry to operate a station at a profit, as they are entitled to do.

Now, Mr. Speaker, there has been a lot said about separatism, particularly within Radio Canada. This brings me to another objective of the bill, and that is that the broadcasting systems in Canada should work for the cause of national unity. There is a connection between this desirable objective of broadcasting and the separatist movement in the province of Quebec, and the degree to which the separatists have or have not infiltrated the operations of the Canadian Broadcasting Corporation. I suspect there are many separatists working for the Canadian Broadcasting Corporation. There are separatists in the House of Commons. There are separatists working in the railways and in all fields of endeavour. I feel it is safe to say that in the province of Quebec about 10 per cent of the population endorses separatism for one reason or another. By the law of averages, some of these people of course have to be working for the Canadian Broadcasting Corporation. However, whatever we do about separatists in the corporation, Mr. Speaker, we cannot do as the hon. member for Red Deer (Mr. Thompson) suggests and show "Anne of Green Gables" five hours a night. As I said earlier, when I listened to his speech I was not sure whether he wrote it or whether Barry Goldwater or Ronald Reagan wrote it. It reflects reactionary policy, which I do not believe is in tune with modern times.

I am as concerned about the separatist movement as anybody in the House of Commons. I was concerned on Friday or Saturday night, I forget which, when the C.B.C. national news found it necessary to take perhaps five minutes to devote to Mr. Grégoire speaking from Paris, as he explained his fund raising mission for the separatists, and how he was going to name the five or six other members of the House of Commons who endorsed his movement. I feel this was a mistake in judgment. I had more irate calls as a result of that program than any other program in months. Such a program tends to confuse the issue, tends to distort the strength of the separatist movement and tends to attract to the separatist movement what I like to call the lunatic fringe. I refer to those people who endorse a movement for the sake of publicity which, all too frequently, the C.B.C. and Radio Canada seem prone to put at their disposal.

There is something very fundamental here, and that is we cannot eradicate separatism simply by pretending it does not exist. Modern television has a duty to show separatist demonstrations when they occur. It also has a duty to show anti-separatist manifestations as well. Recent coverage of separatist activities in Pierrefonds, intentionally or unintentionally distorted the real strength of the outburst. I am more concerned about the separatists who use their position within the Canadian Broadcasting Corporation to slant the news. I think the broadcasting committee of which I was a member, came to the conclusion that there was definite bias shown in the program "Seven Days", bias against the United States being in Viet Nam. One tendency shown was a degree of irresponsibility which resulted from a desire to build up an audience rating through sensationalism. While we want to see radio and television used to foster national unity, the decision as to what kind of program would help the cause of unity should not be a decision of members of parliament. I feel we are about the worst judges in the world of good programs. We spend all our time discussing programming. How many of us are really objective about programs? How many of us like or dislike a program depending on whether or not it reflects our political bias?

I remember the house wasting the better part of a question period discussing a program called "The Open Grave". This was before the program had appeared on television. After it had appeared on television we wasted another week praising it because it won awards all over the world. I think we are, and I include myself, poor judges of what a good program is.

Mr. Churchill: Who is a good judge?

Mr. Mackasey: The people who will judge programming will be the people who will assume the responsibility under this new broadcasting measure and not members of parliament. Our job is to debate this bill, then see that it is operative; to reduce or eliminate political patronage to the fullest extent; to make certain we get the best possible people for the job. After having appointed the best possible people, we should let them get on with their work with a minimum of political interference. This is what our job is. They are the people who will decide whether or not private industry and the Canadian Broadcasting Corporation are fulfilling the mandate they will be given by this bill.

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

Mr. Mackasey: Yes.

Mr. Churchill: The hon. member likes the stimulation of a question now and again when he speaks, because it arouses him. He has placed members of parliament in a very low category in respect of being judges of artistic productions and so on. Who are the supermen in this country who are so much better able to judge the value of programs than this cross section of the Canadian people.

• (8:20 p.m.)

An hon. Member: The public.

Mr. Mackasey: The hon. member's questions always stimulate me because they come from an intelligent source. That intelligence was not reflected in his question. It was an exception to the normally intelligent questions he asks.

Mr. Grafftey: The hon. member must do better than that.

Mr. Mackasey: The point is that when the bill is adopted and when the government appoints the proper people to the roles designated in the bill, for better or worse it will be their responsibility to decide what is creative, and not the responsibility of members of parliament.

In the past when dealing with broadcasting we have said what it is politically expedient to say. I have seen examples of that in this debate. Some hon. members castigated management and those responsible managerially for "This Hour has Seven Days" because they thought the people of this country expected them to castigate the corporation. They castigated the minister's attitude in the house and in the committee because it was the thing to do, because it was considered popular to castigate the minister. Now when the editorials support the minister, and I shall refer to some of them, these hon. members now support the minister. An overwhelming majority of editorials support the minister; the attitude of those editorials was reflected in the remarks of the hon. member for Athabasca (Mr. Bigg) who praised the hon. lady this afternoon, saying that he endorsed everything she said. The hon. member is a man of honour; I agree with his statement. His attitude is not that of other members of his party. But that is the beauty of democracy. There are differences of opinion in the opposition. The opposition is not new; its members have been in this house for some months.

Mr. Grafftey: It is the same government, is it not?

Mr. Mackasey: We know that different philosophies are espoused by different members of the opposition. We have heard them. One speaker advocates the destruction of the C.B.C. and the next opposition speaker praises it.

An hon. Member: Read what your side said.

Mr. Mackasey: We have differences of opinion, and that is the way it should be.

An hon. Member: Discuss them in the Liberal caucus.

Mr. Mackasey: The hon. member for Athabasca had the courage of his convictions when he said that the Secretary of State should be applauded for her courage, and for saying what she felt ought to be said.

Some hon. Members: Hear, hear.

Mr. Mackasey: The Montreal *Star* of November 6, 1967, had this headline over a column, "Criticism of C.B.C. fully justified".

Mr. Grafftey: This is a great speech.

Mr. Mackasey: The hon. member for Brome-Missisquoi should be careful. Usually he patterns his remarks on editorials appearing in the Montreal *Star*. In this instance that newspaper endorses the Secretary of State.

Mr. Fairweather: Would the hon. member permit a question?

Mr. Mackasey: At the end of my speech.

Mr. Fairweather: Would the hon. member permit a question? Would he care to compare the editorial that appeared in the Montreal *Star* two weeks ago last Thursday with the column he has in his hands? Would he care to read that former editorial?

Mr. Churchill: He will not do that; it would not suit him.

Mr. Mackasey: That is very interesting. If one were to compare the remarks of the hon. member for Royal as made in front of the committee and as made last week in the House of Commons the contrast would be most interesting.

Miss LaMarsh: Would the hon. member permit a question? Would he not agree that the issue before the house this evening is not

my position, but the question of approval in principle of the broadcasting bill?

Some hon. Members: Hear, hear.

Mr. Mackasey: That is exactly the point I have been trying to make.

Mr. Grafftey: Really?

Mr. Mackasey: If we have not followed the bill very closely it is only because the Pharisees—and I use that word advisedly—took advantage of the question period to castigate the minister.

Mr. Woolliams: No, no.

Mr. Mackasey: Let us look at the questions; how do they compare with speeches such as the one made by the hon. member for Athabasca this afternoon. He praised the minister and said, in fact, "Go ahead, Judy; we appreciate what you are doing."

Mr. Woolliams: This is the best sermon we have yet heard.

An hon. Member: Read more from the Montreal *Star*.

Mr. Mackasey: An hon. member asks me to read more from the Montreal *Star*. Dusty Vineberg writing a column headed, "Television and radio" writes as her headline, "Judy only said what Fowler said". We know this to be so, and that is the point many hon. members have made. In saying that the C.B.C. had been mismanaged the Secretary of State merely said in capsule form what bodies investigating the C.B.C.—and this includes the president's committee—have said over the years.

How are we to rectify this mismanagement? I submit we can do that by passing Bill No. C-163 which the minister, in her wisdom, has prepared. This is probably the finest bill to do with broadcasting that has ever been brought before the house.

An hon. Member: Don't take that out.

Mr. Mackasey: When hon. members of the opposition have finished criticizing the bill it will be even more perfect. I am waiting for the contribution of the hon. member for Winnipeg South Centre, who always asks intelligent questions. I am sure that he will help to improve the bill.

Mr. Churchill: The hon. member's speech is getting better.

[Miss LaMarsh.]

Mr. Mackasey: I am about to sit down.

Mr. Churchill: No, no.

Mr. Grafftey: Order.

Mr. Woolliams: Don't do that.

Mr. Mackasey: Fine. When any speaker arouses the opposition, and particularly when he arouses the old gang that has always been there and that has been sitting there for too long, he may feel that he is playing his correct role.

Mr. Ricard: We shall be on the other side soon. We shall move over there.

Mr. Grafftey: We could not agree more, Bryce. Get back to the bill.

Mr. Mackasey: The point is, Mr. Speaker, that apparently there is no consensus among opposition members on the broadcasting bill. Some of them say: "Abolish the C.B.C. Some of them say: Strengthen the C.B.C. Some say that the minister ought to resign; others, like the hon. member for Athabasca, suggest that she is doing a marvellous job, and of course the common man on the street shares that opinion.

I suggest to hon. members of the opposition that the amendment they have introduced will destroy the bill. They ought to show a more responsible attitude. If something is wrong with the C.B.C., then that something will be corrected once the bill is passed. The legislation will give the Canadian Broadcasting Corporation some direction. Members of the opposition is supporting irresponsible amendments such as the ones brought forward by the hon. member for Saskatoon and the hon. member for Lambton-Kent are not displaying a responsible attitude.

Mr. Churchill: Will the hon. member permit another question?

Mr. Mackasey: Yes certainly.

Mr. Churchill: I wish to ask the eloquent member this. Is he not aware, when condemning this type of amendment, that it was couched in exactly the same words that were used by Mr. Pickersgill, when he was in the house, in 1965? I believe he drafted the words and the amendment was moved by our present Minister of Public Works (Mr. McIlraith). That was in 1965. I took the words of the present amendment from the previous amendment that had been moved at that

time. That amendment did not kill the transport bill, but it referred the matter to the committee.

Mr. Mackasey: I knew the wording was copied; there is not that much originality on the opposition side. I can almost read the mind of the former minister of transport in the wording of the amendment. By moving the amendment the opposition shows that it does not wish Bill C-163 to pass.

Some hon. Members: No, no.

Mr. Mackasey: They do not want it to pass because it is the best broadcasting bill that has been brought before the house since the C.B.C. was formed.

Mr. Grafftey: Really?

Mr. Mackasey: But these are facts of life. The debate has centered not on the bill but on the minister.

Mr. Churchill: In your speech, you mean.

Mr. Mackasey: Perhaps hon. members of the opposition have not read the bill. Perhaps they will study it when it is before the committee. I thought: When it gets to the committee stage at least we shall have the benefit of their views. But they don't want it to get to the committee stage; they want to kill it.

• (8:30 p.m.)

An hon. Member: Oh, oh.

Mr. Mackasey: The hon. member from the apple district says "Oh". That is his finest contribution to the debate for some time. I doubt very much whether he knows there is an amendment before the house.

Since I am non-partisan, Mr. Speaker, and this puts me at a disadvantage, I will only say this to hon. members opposite: If they are to reflect their new look and the attitudes determined upon in their daily caucus meetings, they will need to do more than simply participate in debate; they will have to do their homework as well as to learn to keep quiet when somebody else is speaking. I believe they are the same old gang—they have been around for a long time and we are destined to hear their irresponsible statements for many more years.

In my opinion we have a good bill here, and the opposition could best show its new look and reflect the wave of optimism which permeates it at the moment by leaving personalities to one side and giving the bill a clear passage.

Canadian Policy on Broadcasting

Mr. L. R. Sherman (Winnipeg South): I have waited until now, Mr. Speaker, before entering this debate on the proposed new broadcasting legislation, because I have been trying to decide according to my own conscience what it is that I really want to say. It has been no easy assignment and I am not sure even now that I have all my thoughts straight. The job has been complicated by the fact that we are not confronted simply, as we had expected, with a bill pertaining to broadcasting; we are not challenged simply to debate upon, and deliberate upon, a legislative proposal.

Study of legislation as wide reaching and important as this, having to do with the reform and overhaul of a field as vital as broadcasting, would tax the energies of members of parliament at any time. It would constitute a heavy challenge in itself, given the happiest of circumstances. How much more difficult is the challenge this week, in a set of circumstances which are anything but happy.

I refer to the controversy currently boiling in connection with the remarks made a few days ago about the state of management within the Canadian Broadcasting Corporation. These remarks were by the Secretary of State (Miss LaMarsh), the minister responsible for the bill currently before us, and the minister through whom the C.B.C. reports to parliament and the Canadian people.

The controversy which has arisen over those remarks seems now to have overshadowed the bill itself in its legislative aspects. It is already affecting the attitudes and positions of a great many members of this chamber—perhaps the majority of them—and I believe it has coloured their approach both to the basic problems afflicting broadcasting in this country and to the proposed solutions offered in the bill before us.

In my opinion this is extremely unfortunate for parliament, for all those thousands of people in Canada who are engaged in the broadcasting industry as a means of livelihood and for all those millions of Canadians who enjoy the habit of watching their television sets and listening to their radios.

For some years now, broadcasters, viewers and listeners in every corner of Canada have been waiting with the keenest of interest for new broadcasting legislation which would make the industry better fitted to inform, unite and entertain Canadians in the 20th century. Now that it is here, at least in proposal form, and ready for the scrutiny of

parliament, we should not allow ourselves to become sidetracked and preoccupied by what is really a peripheral and incidental issue.

It is because of this ruptured approach to the legislation that I suggest it is difficult to know how best to contribute to the broadcasting debate—or even whether it is sensible to contribute to the debate at all. I have been pondering this question since the debate began last week. My difficulties are compounded by the fact that my views are not the same as those of many of my hon. friends on the Conservative benches. Generally speaking, I know the course of wisdom dictates that differences of view within a party should be reconciled in private and left unspoken in this chamber. But none of us in this house, in my opinion, are slaves to this convention. My own experience in the last two years has been that hon. members consider the institution of parliament and the business of the country to rank before party niceties—and so they should. It seems to me this is the way the majority of Canadians feel about it, too, and it is certainly in the best interest of Canadians to adhere to this philosophy. In any event, because of the nature of my remarks, and in the climate of controversy generated around the minister in the last few days I do not think it would be conscionable of me to settle my difference of opinion in private. In any case I feel it would accomplish nothing, and although it pains me to differ from some of my hon. friends I feel conscience bound to do so.

As I said earlier, I believe it is a great misfortune for the Canadian public at large that we should perhaps be allowing ourselves to become unduly influenced in our approach to highly important and long awaited public business by a peripheral and incidental matter, this matter being the controversy in which the minister has found herself embroiled. I do not think the hon. lady needs any help from me, but I may say I find it extremely difficult to share the sense of outrage which some members of this chamber obviously feel over her recent and celebrated remarks. In fact I would go so far as to suggest that some of us are guilty of insupportable ambivalence if we try to stone her to death for saying what she said. It appears to me the hon. lady was saying no more and no less than many of us have often said on this side of the house about the C.B.C., though perhaps she used different words.

Some hon. Members: Hear, hear.

[Mr. Sherman.]

Mr. Sherman: In the controversy which has arisen, it seems to me the Secretary of State has been done an injustice. Her choice of words may not have been perfect. Perhaps she should have chosen some adjective other than "rotten". Perhaps in view of the fact that a long awaited bill was coming before this chamber she should not have chosen that particular week to make the statement she did. But acknowledging this human indiscretion it appears to me patently unjust to seek to suggest that the minister's remarks were any stronger than they really were. There was nothing bombastic about the statement she made, nothing declamatory; she did not say, as some of her critics have implied, that C.B.C. management as an entity was rotten. It was not a carte blanche indictment or, in this case, a carte noire indictment. She said in the course of a lively and entertaining television interview that she thought there was some rotten management in the C.B.C., and in saying this I suspect she was speaking for many members of this party and for a great many Canadians. It is unjust to accuse her of having said more than that.

• (8:40 p.m.)

What is more, I submit it is potentially dangerous to hound and pillory a minister for speaking out forthrightly and frankly, and for calling the shots as she or he sees them. If we persist in this kind of exercise in persecution we may come to the point where we cannot get any minister of the crown in future to answer anything. We shall moralize ourselves in our puritanical impotence right out of real life and into antiseptic neutralism.

I think perhaps the minister made a mistake. It is quite possible that if she had to do it over again she would do it differently, or perhaps not at all. But certainly one of the least attractive aspects of parliamentary life is the sometimes urge to parliamentary lynchings, the tendency of the crowd to pounce with howls of delight upon the unfortunate, on the government benches or other benches, who has the shortsightedness and the temerity to make a mistake and then is repudiated by the Prime Minister (Mr. Pearson), or the leader of his or her party.

Mr. Speaker, the Secretary of State said nothing that thousands of concerned Canadians have not said long ago, many of them in high public office. Of course there is some bad management in the C.B.C. If there were not, there would not have been two royal commissions investigating it in recent years; if there were not, there would not have been a dispute over the appearance on the C.B.C.

of Adolph von Thadden; if there were not, there would not have been a dispute over the appearance of George Lincoln Rockwell; if there were not, there would not have been any dispute over the downgrading of newscaster Earl Cameron; if there were not, there would not have been any dispute over the program "This Hour Has Seven Days"; and if there were not, there would not be any Bill C-163 before us in this chamber now.

Of course there is some bad management in the C.B.C. That is what this exercise in broadcasting legislation is all about. Anyone who has watched the proliferation of C.B.C. employees, anyone who has watched the C.B.C.'s annual budget spiral up to $143 million this year, anyone who has taken the trouble to compare the methods by which a private broadcaster covers an event with the methods employed by the C.B.C., knows, Mr. Speaker—he knows—that there is some bad management in the C.B.C.

The culprit in this case is not the Secretary of State. It is not even the president of the C.B.C., Mr. Alphonse Ouimet, who has one of the most difficult and thankless jobs in this country. Remember Mr. Ouimet in May of 1966 during the "Seven Days" dispute, when management's right to manage was being challenged by a group of producers, including one who has since announced his intention of becoming the first N.D.P. prime minister of Canada.

Some in this chamber who were much opposed to Mr. Ouimet in those stormy days, much in opposition to the management of the C.B.C. and in favour of the position of the producers of "Seven Days", seem now to be embracing the management people, in outrage at the remarks of the Secretary of State —a rather sharp shift in position, there, in the space of 18 months. All I would say on this point, sir, is: Where were they when management needed them?

Mr. Speaker, the culprit in this whole broadcasting crisis is not the Secretary of State, not the president of the C.B.C., but the Prime Minister of this country. He has dallied for four years with the monolith of C.B.C. problems. He has substituted wishful thinking for action. He has created Mr. Ouimet's problems for him by acquiescing in a process that year after year has squeezed control of the C.B.C. out of the president's office and diffused it among a vast army of subordinates.

The Prime Minister has constructed the Secretary of State's problem for her, by idling and fiddling, where the C.B.C. was concerned, throughout the minister's stewardship in her present office. And for the finishing touch, he has repudiated her in her present difficulties by trying to suggest, in effect, that she is wrong. That's some record, Mr. Speaker.

Further, this takes no account of the frustrating and demoralizing effect on C.B.C. staffers themselves of the Prime Minister's indecisiveness. This concept in itself staggers the imagination. Imagine the position of hard working C.B.C. staffers, and there are indeed many of them, who are operating in that wasteland, in that vacuum, with no direction, no mandate, no leadership, and no stewardship worthy of the name because of the indecision of the chief legislative executive officer of this country. So the culprit in the present situation I suggest is the Prime Minister, and there is no honesty and no legitimacy in looking any further.

As to the state of broadcasting in Canada, and Bill C-163, I intend, Mr. Speaker, to reserve many of my remarks for the committee stage. But I do want to say one or two things about the present climate surrounding the situation here in the house in which we are examining this bill. There are also one or two things I wish to say about the state of broadcasting, in the few moments remaining to me on the clock at this point.

I think the C.B.C. does some very good things. Of the 265 members in the House of Commons I am among those who have been critical of the C.B.C., outspokenly critical. However I do not speak my criticism from the preferred position or the vested interest of a person who was once connected with the private broadcasting industry. I mean that sincerely, Mr. Speaker. My approach to the C.B.C., to the things it is doing, to the things it is trying to do, and to the things it fails to do is predicated purely on my love of Canada and my patriotism such as it is,—and I hope it is strong—for my country.

My partial background as a private broadcaster has nothing to do with the opinions, attitudes and positions I bring to focus on the C.B.C. in its day to day operations in this country. I hold no brief for the private broadcasters. I think private broadcasters in this country by and large—I should mention that here I speak mainly of television rather than radio—have been badly and sorely derelict in their duties to Canadian society as a whole. In most instances in which I am familiar with their operations I think they have tended to put pure business ambitions ahead of the responsibility that surely they

carry, surely they bear, and surely some day they should discharge in terms of nation building. So, I hold no brief for them whatever.

The difficulty of course is that when you are talking about private broadcasters you are talking about people who are risking their own capital and fighting for survival in the marketplace. As a private citizen I am not a stockholder or share owner in any of those operations. In a sense I am a stockholder and share owner in the public broadcasting system of this country, as is every one of the 20 million Canadians in this land. Therefore one is on more legitimate ground when he speaks out in the area of public broadcasting than when he speaks out in the area of private broadcasting. However, I would like to underline that there are a great many challenges and responsibilities facing the private broadcasting industry in this country which have not been met, and in fact have flouted and ignored.

I suggest that even those of us who are on the side of private enterprise in this chamber are becoming somewhat unhappy and dismayed about some of the performance of private broadcasting. Private broadcasters across this land would do well to consider their mandates and responsibilities before it is too late. As for public broadcasting, I have been one of the outspoken critics of the C.B.C. in a number of areas of its operation. However, I repeat that it does some extremely excellent things.

I do not agree with the hon. member for Hamilton East (Mr. Munro), who sang a hymn of praise to the C.B.C. on Friday afternoon in the early stages of this debate. Although his remarks were interesting and eloquently spoken I thought his speech constituted a mere whitewash. I do not believe any organization is as good as the hon. member thinks the C.B.C. is. I suggest that much of his approach to an assessment of C.B.C. operations is highly idealistic. Nevertheless the C.B.C. does do some good things and should be given credit for so doing. In the C.B.C. there are a great many dedicated Canadians who try to do the best broadcasting job possible under the most excruciatingly vapid conditions that have ever been imposed on any broadcasting operation in the western world. I think it is imperative, however, while acknowledging the contribution of the C.B.C. and the effort it makes to underline the fact that there must be a continual alertness and awareness of the paramount need for objectivity and balance in C.B.C. reporting. I do not think one could emphasize that requirement too strongly in an operation which has such a powerful influence and such an impact on a society like ours. There are few broadcasting systems in the world which have such an impact on their national societies as the C.B.C. has, for geographic, ethnic and various other reasons.

[Mr. Sherman.]

• (8:50 p.m.)

In an operation of this kind one cannot emphasize too strongly the need for balance and objectivity. I raise this challenge and cry once again, as I have on previous occasions in this chamber, and appeal to all persons who are employed by the C.B.C. at whatever level, to strive to present both sides of every question on which they address themselves. I think my main objection to the C.B.C. image in this country has to do with the impotence of management, the proliferation of staff, the extravagant use of public moneys and the imbalance in the point of view expressed in the various areas of public affairs programming.

I believe, however, that Bill C-163 is essentially a hopeful piece of legislation at least in so far as private broadcasters and the C.B.C. are concerned. I should like to take this opportunity to extend my congratulations to the minister for the proposed legislation contained in this bill. I think for the first time we have a piece of legislation which sets out a mandate for broadcasters in this country—public broadcasters—which attempts to take politics out of broadcasting, which attempts to bring some order out of chaos, and which attempts to raise the standard of television and radio broadcasting in this country. I believe the establishment of a separate regulatory authority is all to the good and constitutes one of the strongest features of this legislation. I should like to caution, however, that in my reading of the bill I find that it is very vague in respect of the standards of programming. I find that it is not clear enough on the subject of use of Canadian talent. This is a subject which has received considerable discussion lately and which has been the topic at hand in a major series of briefs prepared by the Association of Canadian Television and Radio Artists and distributed, as hon. members know, to legislators across this land.

This is a question which I do not think should be taken too lightly. Certainly, with the broadcasting media which we have here in Canada there is a national opportunity to

encourage the development of native Canadian creative performing talent. I believe that broadcasters, both public and private, tend to take the line of least resistance in all too many instances where the use of creative Canadian talent is concerned in respect of their programming. There is not enough interest in or emphasis on the development of and use of Canadian talent. I found many things in the ACTRA brief which I consider to be overstated. I even found some which I believe are partially incorrect. But in essence I agree with the appeal which is contained in the brief for a more strict and conscionable attention to the development of Canadian talent. The one medium in this country which is admirably equipped to stimulate our native creative talent and provide a showcase, a forum and a livelihood for our native Canadian performers is our broadcasting system. It does very little in this regard. I suggest that the new legislation is neither clear enough nor strong enough on that subject.

I am also somewhat dismayed by the prescription in the bill for a fine of $100,000 for certain violations of the provisions contained therein. I think that in some instances this would be a very onerous penalty, which possibly could result in the financial ruin of offending stations. I would submit that some attention could be given to the creation of a scale of fines which would provide for a less onerous burden than an arbitrary and mandatory penalty of that magnitude. In her remarks the minister implied that the wealthier a station is, the more Canadian programming will be required under the new legislation. Also implicit in that suggestion of course is the converse; that is, the poorer a station is, the less Canadian programming it will be required to do. I think this raises a question which is fraught with potential dangers for the industry and the public at large. I ask, sir, in this connection: Who will determine whether such and such a station is wealthy enough to be required to maintain a certain degree of Canadian programming; who will determine whether some other station is not wealthy enough, or is poor enough to be allowed to get by with a minimum of Canadian programming and coast along on imported programming which does not carry with it the cost of the actual production operation?

I believe this establishes what may prove to be a very dangerous type of watchdog operation. This is something which should be examined by the committee very carefully in respect of all its ramifications when the bill reaches the committee stage. I cannot escape the feeling that in order to determine the relative wealth of a station there will have to be some considerably unpleasant investigation by a government agency into the private affairs of the station. I believe this may be necessary, and if so it would be extremely un-Canadian and dangerous.

At this stage I should like to place a question on the record which I should like to pursue further when the bill reaches the committee stage. It has to do with Canadian communities which are out of the reach of United States television stations and the regulations which now exist against the importation of microwaves. I wonder why it is that viewers in cities like Calgary and Edmonton—and we have not yet even begun to tap the north—should be deprived of the opportunity to expose themselves to United States television entertainment in the same manner that residents of cities close to the international boundary are able to expose themselves if they so desire. I do not think that the argument about competition is fair in this instance, because it is imbalanced competition. Anyone who lives in Vancouver, Toronto, Montreal or close to the United States border, even at some points in my province of Manitoba, has available to him additional channels for television entertainment from the United States. Those removed a certain distance beyond the technical limit of the signal are deprived of that opportunity of choice available to their fellow Canadians.

• (9:00 p.m.)

For a country that occupies the tremendous Arctic land mass we occupy, for a country whose greatest challenge lies really in populating, civilizing and cultivating our northland, this is a highly unjust regulation and a highly unjust position for the government to take. Why should people out of reach of television signals find that the laws of this land militate against them? We are going to need all kinds of inducements and attractions to get people to go into our northland to open it up. That is where our future lies.

I do not suggest that United States television is the only inducement or attraction for those of us who might be interested in going north, but it cannot be discounted in the twentieth century, in the age of television and nearing the age of spacial communication. I know of people who are not in northern cities but beyond the reach of the signal from south of the border, in areas like Calgary and Edmonton, who are distinctly

unhappy about the fact that their choice is limited. The suggestion that this type of competition is not desirable or attractive in Canada is not a valid argument. That competition exists in every part of Canada close to the United States border. I think the current regulations having to do with bringing in United States television by microwave and cable are highly discriminatory and in need of review.

Let me also ask in respect of this legislation about television. What about television and radio in general for the northern parts of this country that do not have it at this time, including parts of Manitoba and Quebec? As we address ourselves to this legislation we must consider many questions and many needs in the field of broadcasting in Canada which deserve priority of attention. Provision for some of these is not contained or included in the proposed legislation.

In conclusion, my basic recommendations on this subject are two in number. The Prime Minister must bring an end to his attitude of inaction where the open offices of the C.B.C. are concerned. He must galvanize himself into action and appoint a president of this corporation, and the necessary executive officers, so that this spectacle of inanity, neutralism and inefficiency need never again occupy the attention of this chamber with the frequency it has occupied the attention of hon. members in recent years.

The man to be appointed president must be a tough, top management person, and in my opinion he should come from private enterprise. The Prime Minister makes a great mistake when he looks to the academic world for the next president of the C.B.C. The academic world has great contributions to make to our society, but it does not necessarily constitute the kind of environment which creates the kind of nature necessary for a chief executive officer who has to take over a sagging, monolithic broadcasting system that is thoroughly demoralized and mismanaged, and put that system back on its feet. There is plenty of room in the C.B.C. for academic people, and I hope they will always feel attracted to and encouraged by opportunities in the C.B.C. However, at this stage, when the public broadcasting system of this country is in crisis, we do not need someone from the academic world at its head, unless he is a very tough individual. I have not seen the name of a very tough academic suggested yet as the possible head of the C.B.C.

The Prime Minister says he is having difficulty appointing a C.B.C. president. I wonder where he is looking, and I wonder whether he is looking at all. If he is looking just in academic circles I reiterate, that is a great mistake. At this stage of the C.B.C. crisis, and the crisis facing Canadian broadcasting, he should be looking at private industry. Has he offered the job to Mr. Ian Sinclair, president of the C.P.R.? Has he offered the job to Mr. Norman MacMillan, president of the C.N.R.? Has he offered the job to Mr. Maurice Hartnett, the general manager of the Calgary Stampede? Has he offered the job to Mr. Spencer W. Caldwell, one of the top private broadcast men in this country? Has he offered the job to Mr. John C. Lockwood, president of Lever Brothers?

An hon. Member: What about Mr. Stanfield?

Mr. Sherman: I think we have a more challenging assignment for him.

An hon. Member: He is going to do a bigger job than that one.

Mr. Sherman: I could cite dozens of examples, as could anybody in this chamber, of tough, top, able, capable, energetic management people in private industry in this country who, I think in a great many cases in any event, would thrill to the challenge of taking over the C.B.C. and putting it back on the rails. I wonder if any of them has ever been approached. I am not so presumptuous as to suggest that among those I have mentioned there is a candidate who would be interested, but I have mentioned only six or seven. There are 600 or 700 executive men of that calibre in private industry in this country, and what could be more exciting than the challenge of taking over this national public broadcasting system at the going salary, and putting it back on its feet? I think if an approach were made to some of these people, some of these qualified capable leaders in Canadian business and in the Canadian economy, the Prime Minister could soon find the answer to his quest.

My strongest recommendation at this stage of deliberation would take the form of a suggestion to the Prime Minister to snap out of his inaction and fill those posts at the top of the corporation, so the minister and everybody else responsible and interested can get busy building the C.B.C. and the broadcasting system in this country in the Canadian manner we all want it to take. I suggest that he launch that quest tomorrow, not on the campuses of this country but in the boardrooms. He should look for someone in the age

group of 40 to 48 who has demonstrated in the business world that he knows how to handle people, how to manage a balance sheet and how to get the greatest value and use for the clientele and the staff from the money at the corporation's disposal. This more than anything else is what the C.B.C. needs today.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, with the Liberals attacking the C.B.C., and at least one of them wanting to pack it up—

An hon. Member: Two, now.

Mr. Knowles: He has a seconder now.

• (9:10 p.m.)

And with my Progressive Conservative friends from Athabasca (Mr. Bigg) and Winnipeg South (Mr. Sherman) coming to the defence of the Secretary of State (Miss LaMarsh), this debate is getting a bit mixed up.

An hon. Member: You are mixed up all the time.

Mr. Knowles: As a matter of fact, this debate has wandered considerably from the course it took when the bill was first introduced last Wednesday. On that day, and for a short while thereafter, the house discussed the general principles of broadcasting and the general policy proposed in the legislation. It looked as though the debate might not last long and that we might get the bill to the committee at an early date.

This afternoon the hon. member for Kenora-Rainy River (Mr. Reid), and tonight the hon. member for Verdun (Mr. Mackasey) echoed his sentiments, urged that we get this part of the debate over and get the bill to committee so it can be studied in its various details. I agree with this suggestion, but I would point out that if the debate had not been muddied by certain statements, made initially outside the house by the Secretary of State (Miss LaMarsh), it probably would have been over by last Friday. In the meantime, Mr. Speaker, we have had moved today an amendment presented by the hon. member for Lambton-Kent (Mr. McCutcheon) and it becomes necessary for the various groups in this house to indicate where they stand with respect to the amendment.

I want to make it clear that the members of this party will not support the amendment. We feel, rather, that it should be rejected and that the bill itself should be sent to the committee at the earliest possible moment. My hon. friends in the Progressive Conservative party, joined of course by many Liberals, have been attacking the C.B.C., today in particular, almost without mercy. But I suggest that merely because one can find fault with the C.B.C.—and all of us can do that—is no reason to pack it up. There are faults that can be pointed out in the institution of parliament. Parliament has always had its faults, and so long as they send human beings to it, it probably always will. But that is no reason for throwing out the institution of parliament itself.

I believe it is a dangerous suggestion that is being made, namely that the answer to the problems of the C.B.C. is to abolish it altogether, to sell it to private enterprise or for us to get out of this field in so far as public activity is concerned.

The proposal to deny the bill second reading at this point and to send merely its subject matter to committee would have a negative effect which we cannot accept. I may say, on the other hand, that it has no positive value that seems worth anything at all. The negative side of this amendment is that, to say the least, it delays consideration of the bill. To say the most, it kills the bill at this stage, probably for this session. All that would be referred to the committee would be its subject matter. There would be no bill, it having been denied second reading.

To do that would be to negate the proposed broadcasting policy which is set out in the bill, and in its general lines we support that policy. Therefore we cannot vote for an amendment that would negate that policy. To negate this bill by denying it second reading would also have the effect of supporting the proposition that there should not be a C.B.C., because the bill re-incorporates the Canadian Broadcasting Corporation. That, too, is a proposition that we cannot support. Therefore, Mr. Speaker, we shall register our vote against an amendment which would have these negative and deleterious effects.

The argument has been advanced that because of the statements made last week by the Secretary of State, and the amendments and additions she has made to those statements since that time, there needs to be a committee discussion not only of the bill that is before us but of broadcasting policy and broadcasting practice in this country.

We agree that the need for this has been brought on, but there is no discussion that could be had by reference of the subject matter to the committee that cannot be had by the reference of the bill itself. The bill includes in it clauses that lay down general

broadcasting policy, clauses that continue a regulatory body although under a different name, and clauses that continue the Canadian Broadcasting Corporation. Everything that might be discussed under the heading of subject matter can be discussed by the reference of the bill itself, and we think that is what should be done.

It seems to me that the amendment moved by the hon. member for Lambton-Kent does reflect a good many of the speeches that have been made today, such as the speech of the hon. member who moved the motion, the speech of the hon. member for Red Deer (Mr. Thompson), the speech of the hon. member for Villeneuve (Mr. Caouette) and the speech, in large part, of the hon. member for Athabasca, even though he did come to the defence of the Secretary of State.

But it is precisely because the amendment does reflect the feeling that we should pull away from public broadcasting, that we should pull away from a public broadcasting corporation, that we feel it is not to be supported by those who have the best interests of this country at heart. Therefore, Mr. Speaker, when the time comes for the vote on the amendment to the motion, we shall vote against it; and we shall vote for the second reading of the bill, welcoming of course the fact that the bill, after it has been given second reading, will be sent to the committee for thorough study.

Mr. Churchill: Mr. Speaker, would the hon. member answer a question?

Mr. Knowles: Yes.

Mr. Churchill: The hon. member will recall very well that in 1965, when we had a transportation bill before the house, the government side moved that the subject matter of that bill be referred to committee for study prior to second reading. The bill was subsequently redrawn and a much better bill was presented last year. Could that not happen with this bill?

Mr. Knowles: Mr. Speaker, I suggest to my hon. friend and neighbour from Winnipeg South Centre (Mr. Churchill) that there are some very distinct differences between the situation then and the situation now.

Mr. Lambert: Why?

Mr. Knowles: My hon. friend from Edmonton West (Mr. Lambert) wants to know why. Naturally, I am about to explain the differences. In the case of the transportation bill the government had come to the realization that it was not going to get it through that session, and the government itself was willing for the subject matter to be studied by the committee of the house. When the reference of the subject matter was made, and it was made unanimously, it was with the clear understanding and realization that this was the end of the bill for that session. This was a case where there had not been, in recent years at any rate, a committee study of transportation and it was desirable to have that study before the legislation was proceeded with. This was agreed to on all sides of the house. The result was of course that no legislation was passed that session but another bill had to be brought in at a subsequent session.

In the present case the whole question of broadcasting policy has already been before the committee. It got to the committee because of the "Seven Days" trouble and a few other things like that. But there has been that study, a study of the white paper, and a report from the committee recommending the general lines of broadcasting policy. This bill, therefore, is in a sense the government's answer to the consideration the committee has given to the subject matter, just as the second transportation bill was the government's answer to the study that was given to the subject matter of the first bill. Therefore I do not think the cases are parallel.

• (9:20 p.m.)

I might go one step further and say that if the course followed with respect to the transportation bill were repeated, the result would probably be the same and no broadcasting legislation would be passed in this session. If there is one thing on which we are surely agreed in the house, it is that we do not want this mess to continue ad infinitum. The time to get legislation passed with respect to broadcasting and the time to establish a regulatory body and a re-organized C.B.C. is now, not in the next session. I suggest to my friend and neighbour from Winnipeg South Centre (Mr. Churchill) that he has actually supported the case against the amendment, by helping me to point out that it would have this delaying effect.

Mr. Churchill: I have a supplementary question, Mr. Speaker. Why does the hon. member think that if the bill is passed in this session anything will be done? The Prime Minister has taken well over a year to consider the resignation and to fill the position of the head of the C.B.C. and he has done

nothing about it. What makes the hon. member think the Prime Minister will be much more active next month than he has been the whole of the past year?

Mr. Knowles: That question is of course more difficult to answer, as the hon. member for Winnipeg South Centre realizes, but let me point out to him that if the bill is not passed, then of course there is no chance of the Prime Minister doing anything. But if the bill is passed, at least it will be possible for him to act, and we would be able to goad him into action on this matter.

A good deal of the time of the debate today has been spent in attacking the C.B.C. I am prepared to admit with anyone else that the C.B.C. makes mistakes. I will assert that there are improvements in its programming and its organization that ought to be made. I am only echoing what is contained in the various reports that have been made as a result of the inquiries and the investigations that have taken place. But I suggest, even at the risk of being a small minority voice going against the stream in this chamber today, that the C.B.C. is not all that bad, and that we would be making a mistake, as I said earlier, if because of its errors and because of the things we see wrong with it, we were to destroy the institution instead of trying to reform it. That is what most of those who have spoken today offer as a solution to the problem.

I would point out to my hon. friends that we are living in the 1960's, not in the nineteenth century. There are problems facing Canadians who are alive today. Some of these problems are very real and agonizing, particularly those in the field of religious and philosophical thinking, in the field of economics, and in the whole area of the mores of our society, and the judgments that have to be made. I would suggest that in the 1960's in Canada there is one problem to which we cannot close our eyes, that is the problem of national unity which breaks down into its details, difficult though they may be, of French speaking and English speaking relationships. There are problems in the international field and in the field of race relations in the United States and in other parts of the world. I contend that any body, particularly in a field such as broadcasting, which is going to be serving the people who pay for that institution should be stimulating our thoughts and should be giving us things to think about in respect of these areas. It is no use saying that, because the C.B.C. goes into some of the problems related to the mores of our society, it is peddling filth or pornography, and that sort of thing. I can make the obvious retort to some of the charges that have been made, but the point I want to make is that the C.B.C., in spite of all the mistakes it has made, has been trying to cope with the problems of the human beings who are alive in 1967, and I am glad it does not pay too much attention to these voices that want to take it back into the last century.

If I had my way I would go further than this bill does so far as the C.B.C. policy is concerned. I would go more in the direction that is followed in the United Kingdom. I would say, let us set up responsible boards and a responsible management and let us pick the best people we can possibly find for the job. I may not concur in the nominations made by my friend from Winnipeg South, (Mr. Sherman).

An hon. Member: I hope not.

Mr. Knowles: I say "hear hear" to my friend who says he hopes not. I will not make my own nomination because I do not want to hurt anybody's chances, but having picked a board and having picked a management we should then give them the job. We should lay down policy, as this bill seeks to do, but then we should not interfere in the day to day operations of that body which will run the C.B.C. for us. If it lets us down, if it goes contrary to the policies that we lay down, that we think, in the name of the people of Canada, should be followed, our job is to fire them—not to carry on this business of interfering on a day to day or week to week basis of which we have had far too much in the House of Commons.

Even after all the criticisms of the C.B.C. have been made, it seems to me that on balance it has to be admitted that it has been one of the very good influences in Canadian life. It has helped to develop the consciousness of our Canadian identity. Its coverage of national events of all kinds has been outstanding. I think it has done a good deal toward Canadian unity, and I suggest we can be proud of what this organization has done.

I say again that I hope the new management will listen more to some of its creative people and will listen more to some of the suggestions that have been made. I think improvements can be made in its financial management.

But these criticisms have been made by others. My point is that I think something should be said on the other side. With respect to the whole question of finances I thought there was one interesting point that was brought up this afternoon which exemplies the misinformation we often get. The hon. member for Villeneuve (Mr. Caouette) made the comparison, as other hon. members have done, between what the C.B.C. spent and what the C.T.V. spent on giving the nation the story of the Tory convention in Toronto last September. A number of figures were given. I think the figure for the C.B.C. cost has been pretty well established at $46,000. I have heard figures for the C.T.V. cost varying all the way from $12,000 to $43,000. I do not know just how we get the exact figure from the private people, the way we can get it from the public body, but I would point out that C.T.V. operated one network only, an English speaking T.V. network. The costs of the C.B.C. covered an English speaking television network, a French speaking television network, an English speaking radio network and a French speaking radio network. When one compares what was done over four networks with what was done over one network, he realizes there is room for considerable difference in the cost, and on that basis probably the C.B.C.'s cost was not as uneconomic as some people have tried to make it.

Mr. Deachman: May I ask the hon. member a question? Does he recall that in that broadcast when people spoke in French during the convention the C.B.C. could not even find somebody to interpret? Does he remember that incident?

Mr. Knowles: I was following the English network at that time and I cannot say what might have happened on the other network.

Mr. Deachman: That was on the English network.

Mr. Knowles: In other words my hon. friend is complaining because on the English network French speeches were not given in English? He and I can go back to St. Jean next summer and thrash this out.

I know that these comparisons between private and public broadcasting can be made according to one's background, one's emotional reactions or one's prejudice, if you want to call it that. But it is certainly my view that had the public broadcasting in this country not provided a stimulus the private people would not have done as good a job as some hon. members say they have done, and I think it is interesting to note that even in the United States, that great citadel of private enterprise, they are now considering the need of having a public broadcasting network.

• (9:30 p.m.)

Now, Mr. Speaker, I said earlier that I thought this debate could have been ended by last Friday, and certainly by Monday at the latest, if we had stayed with the discussion of broadcasting principles and broadcasting policies which are involved in the bill. However, I suggested that we got away from that because the waters were muddied by the statements made, first outside of this house but later right here, by the Secretary of State (Miss LaMarsh). I want to express my very real regret that she made the statement that she did about the so-called rotten management in the Canadian Broadcasting Corporation. In particular, I echo the views that have been expressed by my leader and deputy leader, the hon. member for Burnaby-Coquitlam (Mr. Douglas) and the hon. member for York South (Mr. Lewis), about the responsibility of the Secretary of State and of the government in this regard. If she or the government knew in the past, or lately have become aware, that things are as bad as she makes out, they have a responsibility to do something about it rather than indulge in these general smears, on television or in the House of Commons.

I want to say that I think this is a most unfair way in which to treat Mr. Ouimet, the retiring president of the Canadian Broadcasting Corporation. He needs no defence from me. He has been recognized as a man of brilliance and of courage. He himself has recognized that, perchance, he made some mistakes in the operation of his office. He brought that recognition to the fore by offering his resignation to the Prime Minister of this country about 13 months ago. Why is Mr. Ouimet still president of the Canadian Broadcasting Corporation? He is still president because the Prime Minister asked him to continue until this legislation was passed, until a new president could be appointed. In other words, Mr. Ouimet's resignation is sitting on the Prime Minister's desk. Mr. Ouimet is carrying on only because he has been asked to do so. I submit it is not cricket in that situation to be kicking this man around

by the kind of charges the Secretary of State has been making.

She may say that her charge is general, that it is rotten management, in general terms, she is alleging. Surely the person who has to take responsibility for things that are wrong must be the man at the top. I think it is unfair to Mr. Ouimet who has given service to the country, and I think it is unfair to the country and unfair to parliament that we have had this discussion on one of the most important matters facing society today confused by this conflict. The whole question of radio and television and the broader question of communications are terribly important. One does not need to be able to understand Marshall McLuhan to realize that the way we communicate with each other is changing our whole way of life is perhaps changing us in the process.

Mr. Churchill: Does anybody understand McLuhan?

Mr. Knowles: I said it is not necessary to understand him in order to realize that our ways of communicating with each other are changing us into a different kind of people. It is a fact that we see things on television instead of having to read about them line by line in print. We are there when war takes place, when there is a revolution and when there are riots We can go to Expo and see these displays in which there are three or four or half a dozen film portrayals going on at the same time. This is doing something to us; it is changing us. This whole medium of television, as I say, is not merely something new that has come along, that we handle the same way our grandfathers handled the printed page. This is one of the most important factors in our life today.

What we needed in a discussion of this bill was a discussion of these basic matters. What we should have in the committee to which the bill is referred is a discussion of the whole principle and philosophy of broadcasting. I regret very much it has been muddied by this kind of discussion. Personally, I think something should be done about it. I do not expect the Prime Minister to do what he could do in this situation. This being the case, I hope we will get over this muddiness as quickly as possible, and that we will defeat this amendment which would delay the decision on broadcasting policy until next session, a fate worse than death for this country.

Some hon. Members: Oh, oh.

Mr. Knowles: My hon. friends are booing, or whatever those noises were at this suggestion, so I ask them if they think it would be good for the country to have this present broadcasting uncertainty continue until 1968?

Mr. Nowlan: A fate worse than death; that is what you said.

Mr. Knowles: All right, perhaps that phrase was a bit too colourful.

An hon. Member: Just like the Secretary of State.

Mr. Knowles: Then, perhaps I should follow the example of the Secretary of State and say it would be a rotten mess to carry this situation over into 1968.

Some hon. Members: Oh, oh.

Mr. Knowles: This sentence has got mixed up with all these interruptions. I started out to say that in the light of this situation I believe we should defeat this delaying amendment and get the bill to the committee, so the members of that committee can deal with this very important subject.

Mr. Ian Wahn (St. Paul's): Mr. Speaker, like many other members in this house I was delighted when the minister announced that after second reading this bill would be referred to the standing committee on broadcasting for very careful, detailed review. I think it should go to that committee as soon as possible, and for that reason I propose to vote against the amendment now before the house.

This bill, of course, is of the utmost importance. It affects all Canadians. I believe most Canadians feel that there are many things about Canadian broadcasting which must be improved. Their concern extends both to the stations operated by private business and to stations operated by the Canadian Broadcasting Corporation. One of the aspects of public broadcasting, Mr. Speaker, which is causing concern to many Canadians today is the very large expense for the Canadian public broadcasting service. The C.B.C., of course, does obtain some revenue from commercial advertising, but its costs far exceed those revenues. Accordingly, during the last five years the taxpayers of Canada were called upon to pay very large amounts to the C.B.C.

I have studied the financial statements of the C.B.C. They are rather complicated, but I

believe my figures are approximately correct. These statistics indicate that the C.B.C.'s financial year ends on March 31, and that for the financial year ending March 31, 1964, the Canadian taxpayers were forced to pay C.B.C. operating costs amounting to $78.4 million and capital costs amounting to $7.3 million, for a total of $85.7 million. In 1965 the operating deficit of the C.B.C. amounted to $85.8 million, while capital costs amounted to $14.2 million, for a total cost of $100 million. This $14.2 million was in the form of a loan, but it was never paid back. So in effect it was another grant from public revenues. In 1966, the operating deficit of the C.B.C. amounted to $94.3 million, and capital costs were $12.5 million, making a total of $106.8 million. In 1967, operating deficits amounted to $112.4 million, while capital costs were $29 million for a total of $141.4 million.

The question in my mind is simply this: Are the Canadian people getting full value for these tax dollars? If not, will the present bill deal adequately with the problem?

If I may turn for a moment to the private stations in Canada, it appears that they constitute a system of about the same size as the C.B.C. In the early years some of these stations were unprofitable. However, in recent years private business has been able to operate both radio and television stations at a profit. Accordingly, instead of being subsidized by the taxpayers, they have contributed a substantial amount to the public treasury through taxes on their profits.

During the entire history of radio and television broadcasting in Canada, one of the most difficult, controversial and time consuming jobs of the public regulating authority has been the issuing of licences to private stations. At times there has been great competition for these licences, perhaps stimulated by the well known remark that a broadcasting licence is a licence to print money, unless it is issued to the C.B.C. I am not sure that this statement is true, but it may be true to some extent.

• (9:40 p.m.)

Accordingly, I hope that the Secretary of State will, during the course of discussion in committee, consider an amendment which will require broadcasting licences, and licences which are to be renewed, to be issued on the basis of public tender. If the owner of a private station bids too low and fails to renew his licence, the physical assets of his station would be transferred to the successful bidder at fair book value, determined in accordance with the regulations of the broadcasting commission. This system would remove all suspicion of favouritism and would provide the government with revenue. I hope the minister is sympathetic to the suggestion.

Turning for a moment to the C.B.C., because the corporation forms almost half our broadcasting system we cannot make any sensible decisions with regard to broadcasting legislation until we make some basic decisions with regard to the functions and physical structure of the C.B.C.

The Fowler committee made this fundamental point very clearly when it said at page 81 of its report:

> It is extremely important that government policy should clearly determine the physical structure of the C.B.C. system for at least the next five years. This is an essential first step. Upon this decision a great many others depend.

The present physical structure of the C.B.C. has developed over a long period of time and now needs very careful re-examination. When the C.B.C. was formed many years ago for radio broadcasting, means of communication were primitive by present day standards. Great stretches of the country were not equipped with broadcasting facilities. The large amounts of capital required were not readily available. The government owned network financed by Canadian taxpayers was the only practical way of bringing news, entertainment and cultural programs to many parts of our country.

In response to this need the Canadian Broadcasting Corporation was formed and gradually acquired stations and physical facilities, until in 1965 the facilities owned by the C.B.C. included 16 television stations with 28 relays, 31 AM stations with 129 relays, and 5 FM radio stations. In addition, of course, it had arrangements for its programs to be carried by its affiliated stations throughout the country.

In recent years conditions have changed radically; the heavily populated parts of Canada are all served by numerous privately owned radio and T.V. stations and most Canadians are subject to an almost overwhelming bombardment of light entertainment, news, public affairs, and cultural programs from many different sources. Nevertheless, despite these radical changes, the

C.B.C. has continued to insist that it must increase the number of its stations and extend and expand its physical facilities at the cost of the taxpayers. This is referred to in the Fowler report at page 78:

> The current C.B.C. five year forecast of capital and operating requirements includes provision for a very substantial extension of coverage that does not commend itself to us.

The committee then quotes from a document entitled "General Coverage Policy—October, 1964" which reads as follows:

> In television, in AM radio and in FM radio, the long range goal of the corporation as the national service has been to eventually provide all Canadians with C.B.C. program services in full.

It then outlines the necessity for additional facilities and says:

> A less tangible but most important factor is the need for a C.B.C. "presence" in all parts of the country.

The document concludes with these words:

> Consequently, in the light of the three foregoing factors:
>
> (1) the need to bring the complete C.B.C. service to all Canadians,
>
> (2) the desire of the public for truly alternative service, and
>
> (3) the need for a C.B.C. "presence" across the country as an essential factor in developing Canadian unity,
>
> the C.B.C. believes it is in the best public interest to follow a policy under which its program services **will ultimately be broadcast in full and to all** Canadians through C.B.C.-owned facilities.

If this policy were carried out it would involve an extensive expansion of existing C.B.C. facilities at great expense to the Canadian treasury. That is the policy which did not commend itself to the Fowler committee. That committee had this to say in that regard:

> To ensure satisfactory distribution of the national service some minor changes in the arrangements with the affiliates may be necessary. But there is no valid reason for further expansion of C.B.C. production and transmission facilities. Any additional public money provided to the C.B.C. would be much better spent on improvement of its programming.

The ACTRA brief which most members of parliament received recently made the same points, with the additional suggestion that the money should be spent on Canadian rather then United States programming.

This raises a very fundamental question. Under present conditions is it necessary for the C.B.C. to own and operate its stations and physical facilities? Would it not be more efficient if licences for all stations were allotted by public tender and if there were reserved for the C.B.C. generous amounts of time on all the Canadian stations for it to present its programs. Broadcasting time should be so arranged that worth-while national broadcasts can be adequately presented in a proper and adequate manner across the nation. Time reservations could be arranged so that people in practically all populated areas would have a choice. They could watch either the national broadcasting service provided by the C.B.C. or private programs.

Mr. Cowan: Hear, hear.

Mr. Wahn: The Fowler committee considered this suggestion but rejected it. At page 80 of its report, referring to the C.B.C., it says this:

> First, it must have a basic number of stations that it owns and operates. To be an effective broadcasting agency, the C.B.C. must have continuing experience in actual broadcasting and maintain direct contact with the viewing and listening public. If the C.B.C. were ever to become a mere producer of programs available for transmission over stations controlled and operated by others, it would lose contact with the needs and tastes of the Canadian people, and its programs would soon lose the character of a vital national service. The C.B.C. now owns 16 television stations and 36 AM and FM radio stations. These, we believe, are quite sufficient to give it experience and direct participation in actual broadcasting.

I have read that statement a number of times. I find it difficult to assess its validity because no reasons are given for it. It seems completely inconsistent with the much quoted sentence with which the report begins:

> The only thing that really matters in broadcasting is program content; all the rest is housekeeping.

Did the Fowler committee really mean that, or did it put that sentence in merely as a controversial opening sentence for an interesting report?

If generous amounts of time are reserved on stations throughout the nation so that an appropriate network is required to be provided for the national broadcasting service, why should it be essential that the C.B.C. should have legal title to the stations and physical facilities and actually carry out the housekeeping operations.

Personally, I feel that our firm in Toronto can work satisfactorily and carry on a satisfactory practice without owing the Toronto-Dominion Centre in which we reserve office

space. Had we access to the treasury we might find it desirable to own the building; since we have not, we are willing to go along as we are. Many professional and businessmen are quite satisfied to work in office space that is reserved for them in buildings owned by others. It is not necessary for them to own the buildings in which they work. Housekeeping facilities must be provided efficiently, but they do not need to be operated by the business or professional firms which use them.

• (9:50 p.m.)

The same principle surely applies to the C.B.C. All our experience in Canada indicates that housekeeping operations connected with the functioning of broadcasting stations could be provided much more efficiently and economically by private operators rather than by organizations such as the C.B.C. which rely on subsidies from the public treasury.

The Fowler report gives many examples of the inefficiency of the C.B.C. when carrying out these housekeeping operations. Referring to the proposed new C.B.C. building in Montreal, the report says at page 205:

> Work measurement tests indicate that for both administrative and operational or production processes there is a need for the development and implementation of precise standards, from which one could reasonably anticipate staff savings of up to 20 per cent of the present totals in these classes of employment. C.B.C. management does not agree with this estimate. However, obstinate disbelief in the validity of work measurement techniques is an anachronism today; we must therefore assume that future growth could be modified by savings from increased efficiency in the future, and it could well be that the planned staff increase in Montreal need not be anticipated in the building program.

Speaking of the proposed new buildings both in Montreal and Toronto, the report said, at page 209:

> We must emphasize that our analysis clearly confirms the need for immediate relief, both in Montreal and Toronto. We are equally sure that existing C.B.C. plans for rectifying this situation are not well founded. In our view, they take insufficient account of new and prospective developments and trends, both in programming and electronics, and are consequently too extravagant and inflexible. We are satisfied that they should be reviewed *ab initio*, and redesigned in accordance with the principles we have advanced above.

At page 263, in the same vein, the Fowler report has this to say, speaking of the changes which might come about as the result of the possible use of satellites, laser beams and other technological improvements in communications:

> For broadcasting policy, the bearings are obvious. In developing the Canadian national broadcasting system, great care must be taken not to hinder tomorrow's advance by vast investments in facilities and equipment that belong to yesterday's technology. There must be elbow room to take advantage of each scientific discovery as it becomes available for practical purposes. New and better ways of producing and transmitting broadcast programs must not be baulked by costly but outdated buildings that will remain only as durable monuments to lack of foresight. We have all seen such monuments in our travels, some of then not far from home.

At page 298, speaking of C.B.C. administration, the report says:

> Some 1,500 to 1,600 C.B.C. personnel have clerical and supervisory duties, with annual salaries totalling $7,500,000. The study indicates a potential saving of $900,000 to $1,200,000 or 12 per cent to 16 per cent.

I believe it is a fundamental mistake to assume that these inefficiencies can be changed for long merely by bringing about a change in management. I say this although I very seldom disagree with my hon. friend from Verdun (Mr. Mackasey). The simple fact is, our experience has shown that over a long period of time housekeeping operations of this type are not carried out efficiently by any government, any public corporation or any commission which relies largely upon public subsidies.

The private operation of such facilities has built-in safeguards against operational inefficiency and waste of money, and we should take advantage of this principle. Accordingly when the bill before us goes to committee I hope the minister will be prepared to accept amendments along the lines I have suggested.

To continue to deal with the subject of efficiency, let me draw attention to the fact that the present bill contemplates the head office of the corporation remaining in Ottawa. The Fowler report clearly documented the inefficiency of keeping a large head office staff in Ottawa, remote from the two large operational centres in Toronto and Montreal, and recommended that the head office be removed to one of the operating centres, preferably Montreal.

It is surely entirely clear to all that there is no point whatever in continuing to maintain at great expense a large head office staff at the Ottawa headquarters on Bronson avenue. I suggest that the formal, statutory head office should remain in Ottawa at the office of

the Secretary of State, but that no executive staff should be there; the executive headquarters would be removed to Toronto or Montreal. In any event the top executive staff would be obliged to move between those two centres. In this way, very substantial sums of money would be saved and operational efficiency would be increased. No doubt the expensive monument on Bronson avenue could be used by one of the other government departments and large amounts saved by the Minister of Finance (Mr. Sharp) for his economy program.

I have suggested that licences for all stations should be granted by public tender to qualified persons, and that adequate time for the national broadcasting service should be reserved to the C.B.C. at such time as licences are issued. It is not necessary for the C.B.C. to own its stations and physical facilities. In addition to the savings which would be effected in the operation of these facilities there would also be substantial savings in program costs.

It is important that there should be available to Canadians a balanced program including news, public affairs, light entertainment and cultural and educational programs, but it is not necessary that the C.B.C. should at the expense of the taxpayers duplicate the light entertainment, the news and the public affairs programs now being provided adequately by private stations in most parts of Canada. Nevertheless, a very large proportion of the present C.B.C. budget is spent in duplicating services already provided without expense to the taxpayer by private broadcasters.

At page 29 of the Fowler report there is an interesting analysis of the programming on the public and private stations in Canada, in English and French. We find that stations owned and operated by the C.B.C. use their television time as follows:

Light entertainment:
English, 52.2 per cent; French, 54.7 per cent
Sports and Outdoor Activities:
English, 8.1 per cent; French, 6.4 per cent
Information:
English, 37.5 per cent; French, 36.4 per cent
Arts, Letters and Sciences:
English, 2.2 per cent; French, 2.5 per cent

Mr. Speaker: Order.

Mr. Pennell: I understand there is only one speaker remaining on the list and I wonder whether the house would be kind enough to permit that one remaining speaker to conclude the debate this evening?

Mr. Starr: I do not know who the speaker is. Would the Solicitor General advise us?

Mr. Pennell: I am informed he is the hon. member for York-Humber (Mr. Cowan).

Mr. Starr: Well, eight Liberals have spoken in this debate; we have had nine speakers, and the other parties, five. We have other speakers who wish to express an opinion on this bill.

Mr. Speaker: Order. The question before the house is that this house do now adjourn.

• (10:00 p.m.)

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the house under provisional standing order 39A deemed to have been moved.

[*Translation*]

CANADIAN NATIONAL RAILWAYS—REQUEST FOR CONTINUATION OF SERVICE IN LOWER ST. LAWRENCE REGION

Mr. Guy LeBlanc (Rimouski): Mr. Speaker, on October 19 last, I asked the hon. Minister of Transport (Mr. Hellyer), if his department anticipated the replacement of the Ocean Limited train which was supposed to be cancelled on October 29 and which has acutally been cancelled since.

I directed the question to the hon. minister at that time because I considered the matter as very urgent. As a matter of fact, the people of my constituency and the whole district are greatly concerned about this situation which is not only getting worse but which has been deteriorating for many years without any remedial action being taken.

A few days before putting this question, I received a copy of the daily editorial of station CJBR, Rimouski. At the very outset of this broadcast appeared these words I wish to quote on the cancellation of this train.

Such is the absolutely staggering news made public by the Canadian National. The inadequate, insufficient and unfair service of which the population has been complaining for years, particularly since the opening of Expo, far from improving, is deteriorating.

And the editorial writer added:

—we can no longer have any doubt that the C.N.R. is discriminating against the population of eastern Quebec.

The editorial writer gave proof, brought out facts to support the opinions he expressed. For instance, he mentioned the problems of seat, berth, and compartment reservations on trains in our area when we want to go to the provincial capital or to Montreal.

He gave this recent example:

Last Monday evening, on Thanksgiving day, the 11.15 p.m. train which had been booked up for a week, according to the Campbellton office, had only 74 passengers out of a 300-seat capacity.

It is things like this which have for years prompted the people in our area to criticize and to feel left out. The announcement that that train was to be cancelled certainly did not soothe or encourage them.

At about the same time, the *Progrès du golfe* on October 26, published an editorial entitled:

In the age of cybernetics, service of another age.

The editorial writer recognizes the qualities of this crown corporation, the Canadian National. She praises its achievements of recent years; she praises also the part played by the Canadian National in the success of our Expo, but in concluding, she raises the same questions and shares the opinion I have already expressed, when she says:

If only there were trains—

She says that because people speak of improvements in transportation, in cybernetics, in electronics, in transportation with powerful diesel engines. But if only there were trains. I continue:

We had so few; we will have fewer still. What can we do, except maintain and even prove by scores of testimonies that C.N. users in the Lower St. Lawrence are the most disadvantaged of all passengers. The time of Expo 67—

That is from the standpoint of transportation.

—was not easy for them but the prospects after Expo (in the field of transportation) do not look much brighter. It is not the C.N.R. which is lagging behind, but its passengers.

I have received since then from the municipal councils of Rimouski, Saint-Fabien and other localities, resolutions which express the same views.

That is why I deemed it advisable to make representations to the new minister who, I believe, will enunciate, through his parliamentary secretary, the position he intends to take so as to meet the demands of the people of that pilot area, about which we have been hearing throughout the country for some years in the field of railway transportation.

[Mr. LeBlanc (Rimouski).]

[*English*]

Mr. J. A. Byrne (Parliamentary Secretary to Minister of Transport): Mr. Speaker, in reply to the hon. member for Rimouski (Mr. LeBlanc) I should like first of all to say I feel quite confident the reply of the minister would be that no discrimination is intended on the part of the Canadian National Railways in respect of his constituents. I am sure there is no doubt in his mind or in the minds of other members that as winter approaches it is the normal practice of the two national railways to curtail some services. In order that trains will not run empty, this will be even more necessary as a result of the extra services which had been provided for Expo.

I have been informed by the Canadian National Railways, however, that some changes are being made in its train operations between Montreal and the eastern part of Quebec and the maritimes, effective with the change of time on October 29. The "Ocean" and "Cabot" are being combined. In order not to remove the service from Edmundston and Monk and in order to transfer the over-all pattern of service this combined train will operate over the N.T.R. route through New Brunswick. The "Scotian", the "Chaleur" and the railiner service between Campbellton and Charny, connecting with the Rapido service between Montreal and Quebec, will continue to serve the Rimouski area.

INDUSTRY—GEORGIAN BAY—CONSIDERATION UNDER DESIGNATED AREA PROGRAM

Mr. P. V. Noble (Grey North): Mr. Speaker, on November 1, 1967, as reported at page 3741 of *Hansard*, I asked the Minister of Industry (Mr. Drury) this question:

In view of the fact that the removal of the southern Georgian Bay region from the list of designated areas discriminates against the Owen Sound area, which now has close to 2,100 men and women seeking employment there, will he give consideration to restoring this region to the list of designated areas or to making special provision for the Owen Sound employment area?

The minister did not answer. Tonight, Mr. Speaker, I should like to put on the record the reason I feel Owen Sound and Meaford have received unjust and shabby treatment from the Minister of Industry.

When the designation legislation became effective and the regions were being designated, this government which was well aware of our plight, ignored the fact that the Georgian bay area has been long recognized as a slow growth area with hundreds of unemployed, with hundreds of marginal farms, with thousands of people struggling on inadequate incomes and with a continuing migration of the youth and high school graduates to more prosperous centres. After ignoring these facts the government then selected certain other areas, some of which already were highly industrialized, for designation benefits.

• (10:10 p.m.)

The Georgian bay area was actually penalized for two years while the cream of new industry was attracted to areas under designation. Eventually, after many appeals for consideration over a two year period, the Georgian bay area was designated. However, owing to an ill-conceived formula, most of the available industry coming to this area located at the nearest possible point to the potential market to the south, resulting in the large majority of the industry locating in two centres. Out of the 68 industries reported to have received development benefits in the Georgian bay area, Meaford did not get any new industry; Owen Sound got four new industries, and five others received benefits for modernization. However, during this same period three industries closed their doors in Owen Sound.

Owen Sound placed much confidence in two statements made by the minister in his press release of August 5, 1965 at the time of our designation. Let me quote these excerpts as follows:

> I am confident that many areas which may have been considered remote for industrial development in the past will offer most attractive opportunities for growth in the future.

The second excerpt is:

> The duration of the incentive program is designed to ensure the best possible results in that the benefits will be available to eligible firms which enter production before expiry of the plan, March 31, 1971.

On the strength of these and other assurances given at that time Owen Sound began a program of essential services required by industry that might locate there, at a cost of approximately $1 million. Further evidence of the city's financial involvement is outlined in an editorial which appeared in the Owen Sound *Sun Times* of November 3, 1967. I should like to quote from this editorial as follows:

> A great deal of the economy of the district has been built on indications that the assistance would continue for another two years or so. Owen Sound for instance has faced a heavy burden in its very costly water pumping station, whose extent was based on a continuing industrial expansion under the designated area status and the demands such would create. The city has built up a reserve of industrial land based on the same premise. Extensive school expansion programs have been undertaken with a view to the continued growth in population. Multi-unit housing programs are now under way. Other smaller communities in the area have yet to feel the results of the assistance program, Meaford as an instance.

Considering the comparatively small percentage of the benefits received by Owen Sound with over 18,000 population and Meaford with 3,800, one can fully realize it does not balance with the burden Owen Sound will have to bear. Not only will we suffer from the loss of our ability to attract industry, but our winter works program will require that we pay 25 per cent of the cost, while under designation we paid 10 per cent. On Owen Sound's proposed winter works program, amounting to better than $1,250,000, the extra cost to the city will be $187,500. Furthermore, thinking people for quite some time now have been alarmed at the way our most productive land is being sacrificed for industrial sites and subdivision development. In fact, the Minister of Transport (Mr. Hellyer) mentioned this in a speech he made in Toronto last Saturday, November 4.

Meaford and Owen Sound are strategic locations with an abundance of land unsuitable for agriculture, and ideal municipalities for government assistance to further industrial and population growth. To deprive these centres of assistance when their development was only in the bud was the height of poor judgment. The irony of the whole matter stems from the fact that when the Owen Sound employment area qualified for designation on August 5, 1965, there were 748 people unemployed. On the same date this year we had 1,625 unemployed and we are deprived of designation benefits when the need is most urgent.

I appeal to the minister to use his influence toward restoring assistance to Meaford and Owen Sound for at least another year, so that they might get their feet on more solid ground.

Proceedings on Adjournment Motion

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, having seen representatives from Owen Sound here a little over a week ago, I am afraid the hon. member and myself are operating on rather different figures. As I think you, Mr. Speaker, will be aware, the designated area program is not applied to municipalities, but rather to larger areas known as manpower service centre areas. These larger areas are chosen for designation, so as to give the prospective investor a reasonable range of choice in respect of the location of his prospective new investment.

In this region mention has been made of three manpower service centre areas, namely Midland, Owen Sound and Collingwood. Comparing these three areas, the unemployment ratio, on which basically designation is founded in relation to Canada as a whole with a national average of 100 per cent, for the most recent five years for Collingwood was 141 per cent, for Midland 135.9 per cent and for Owen Sound only 111.5 per cent. This would indicate that Owen Sound is the better off, in terms of unemployment, of the three areas.

The hon. member has mentioned that at the time of de-designation there had been approved, or the three designated areas qualified for grants in respect of some 68 projects, which incidentally represent a new investment of some $105 million. When finally brought to fruition and in production these projects will result in the creation of some 6,500 new jobs. That is for the three areas. My information is that of those 68 projects, 18 will be in Collingwood, 19 will be in Midland and 31 will be in Owen Sound.

In terms of investment value, $32,250,000 will be for Midland, $35 million will be for Collingwood and $38,400,000 will be for Owen Sound. In terms of jobs, these 68 projects will represent 1,500 new jobs for Collingwood, 2,000 new jobs for Midland and 2,876 new jobs for Owen Sound. I would think it is clear, therefore, that while one municipality, Meaford, has had no industrial expansion, the manpower service centre area of Owen Sound, which according to the hon. gentleman has had virtually no expansion, has benefited from substantial industrial expansion. A manpower service centre area is by definition an area which represents a common labour market.

As evidence perhaps of more than local success in relieving unemployment, the hon. member has mentioned the fact that row housing projects are in the course of construction. This would indicate that new houses are needed to house additional people. Therefore the new industrial jobs would, on the face of it, appear to be not only taking care of the local unemployment situation but also making provision for new jobs for new entrants into the area.

• (10:20 p.m.)

As I pointed out to the delegation from Owen Sound, it is not the purpose and object of this program to accelerate or indeed to induce industrial expansion in rural areas but rather to provide new job opportunities in areas of Canada, whether urban or rural, suffering from high chronic unemployment. One has been successful, and I suggest in this case the success has been more than moderate. It is clear that the incentives which accompany designation should be removed and be applied to those less favoured, less fortunate areas where chronic unemployment continues to be high and unrelieved.

Mr. Noble: May I ask the minister one question?

Mr. Deputy Speaker: Order, the time allotted to the minister has expired.

GRAIN—PROPOSED INCREASE IN AMOUNT AVAILABLE FOR CASH ADVANCES

Mr. R. R. Southam (Moose Mountain): Mr. Speaker, last Wednesday, November 1, as recorded at page 3745 of *Hansard*, I rose in the house and put the following question to the Minister of Agriculture:

> Mr. Speaker, I have a question for the Minister of Agriculture which I believe involves a matter of urgency. In spite of the glowing report given by the minister last evening on the state of agriculture in Canada, in view of the dire cash shortage suffered by western farmers due to the loss of wheat markets would the minister give serious consideration to immediately amending the legislation on interest free cash advances on farm stored grain so that double the amount, namely $3,000, can be made available to our hard pressed farmers?

To make my reference to $3,000 clear let me state that this is the amount presently available under the act, and I was requesting consideration by the minister to make double this amount or approximately $6,000, available to our hard pressed farmers in western Canada. I am sorry the Minister of Agriculture is not in his seat tonight but I realize the hon. gentleman is on his way to Rome to

attend a meeting of the F.A.O. I thank the Minister of Trade and Commerce for his courtesy in being present tonight to give me an answer to my question.

In reply to a related question put in support of mine by the hon. member for Rosthern (Mr. Nasserden) the Minister of Trade and Commerce said: "Mr. Speaker, at the moment I am not anticipating making any announcement."

This is the kind of answer from those on the government side that necessitates members of the opposition, like myself, taking the floor at this time to make the strongest protest possible against the government's indifference to the present serious plight of farmers in western Canada.

One of the greatest economic and political boobs that the present government has made in recent years was to allow the international world wheat agreement to lapse for a period of 11 months. This has done untold economic damage not only to Canadian farmers but also to farmers in other countries. As a basis for putting my question to the minister regarding a substantial increase in cash advances on farm stored grain let me quote from several of the items appearing in headlines in newspapers of current issues. I have here a copy of the Regina *Leader Post* date November 1, 1967. One headline reads: "Canada's Wheat Export Just Trickle", and it reads as follows":

> World abundance and a free market have reduced Canada's three-year flood of wheat exports to a comparative trickle. Some prairie farmers, their bins overflowing with grain they can't deliver, are running short of cash.
>
> The situation is getting serious, F. F. Hamilton, chief commissioner of the Board of Grain Commissioners, said Tuesday, "Our whole system is getting plugged up with wheat."
>
> Mr. Hamilton said weekly export movements are only about half those in 1966 and the country's grain elevators are running out of storage space.
>
> In the first 12 weeks of the current crop year which began Aug. 1, wheat exports amounted to 61,400,000 bushels. This was 92,300,000 behind 1966-67 and the slowest pace since 1955-56, when overseas shipments were 49,904,000 bushels in the first three months of the crop year.

It goes on to mention that quotas were only half of last year's at this time, and it continues:

> James Richardson and Sons, Winnipeg grain merchants, noted in its weekly market letter that the maximum quota set by the Canadian Wheat Board for grain deliveries by farmers is two bushels an acre. At October 31, 1966 the maximum was four bushels an acre.

In other words, twice as much.

Another headline reads "Shipments Decline", and the text reads as follows:

> In August and September, overseas shipments to China amounted to 2,739,000 bushels compared with 24,455,000 bushels in the same 1966 period.
>
> Japan took 4,911,000 bushels compared with 7,878,000 in 1966.

Wheat prices have been on a downward slide for the last four months. In June, No. 1 northern was going at $2.12⅝ at the lakehead and on Tuesday it was $1.91⅞. In other words there was a drop of 20 cents. This is a problem not only in Canada, Mr. Speaker, but when you start looking at the newspapers from abroad you find other exporting nations are also expressing their fears. I noticed an article quoted in the *Manitoba Co-operator* for November 2 which is headlined, "Who Pushed the Panic Button?" The article reads:

> A mild panic seems to have developed in official Washington circles over grain prices. Apparently, it's because present levels pose a serious threat to the administration—

Now, Mr. Speaker, I could go on to indicate something of the basis of these cash advances. I believe, however, that is well known to the house. This measure was introduced in 1957 to provide for the basic needs of the farmers at that time. I suggest to you, Mr. Speaker, that the same basic needs are now prevalent, perhaps even on a greater scale. I know that our time is limited, so I do not intend to take up too much time quoting from the act. I believe, however, that the terms are well known to hon. members.

Many western farmers now find themselves in dire financial straits as a result of the large pile-up of grain in the bins and shipping terminals, as well as the severe drop of 22 cents per bushel in wheat prices. I want to urge the Minister of Agriculture to introduce legislation at once to amend the prairie grain cash advance measure so that double the amount of cash may be made available to farmers at this time in order that they can meet their heavy commitments of higher taxes, higher fuel and repair costs, higher machinery costs and the heavy increase in the cost of living.

Hon. Robert Winters (Minister of Trade and Commerce): Mr. Speaker, since this matter is administered through the wheat board, I expect that perhaps it is more properly under my jurisdiction than that of the Minister of Agriculture (Mr. Greene). However, this does

not in any way alter the arguments put forward by the hon. member. I do not want to take issue with him too strongly because this is a very serious matter. It is a fact that we are encountering difficult competition in the international marketing situation. However, markets are turning more orderly, and I think that with a little patience, courage and resolution we will work out of this situation.

I do want to refer to the hon. member's remarks concerning the government's attitude toward the continuation of the price structure under the old international wheat agreement. If I can interpret the attitude of western farmers, they spoke to us unanimously in requesting us to never again enter into an extension of the international wheat agreement, particularly that part that applies to the price structure. Despite the fact that prices are lower now than they were several months ago, they are still considerably higher than the minimum under the old international wheat agreement.

On previous occasions I have heard one or two hon. members, and I think one in particular from the opposite side, say that the price structure under the international wheat agreement should have been carried through. I again checked with farm organizations in western Canada, farm communities and the wheat board, and I could find no support whatever for that view. In fact, had we adhered to the old price structure it would have been quite impossible to negotiate the new price structure that will prevail under the Kennedy round agreement which, as my hon. friend well knows, moves the range up 21 cents over the old price range. I dispute the validity of my hon. friend's argument on that point.

• (10:30 p.m.)

I do want to say that the legislation to which he refers has been effectively used by the western farm community. I have some interesting statistics here to show the use to which it was put. The maximum utilization was made of it in the crop year 1960-61 when $64 million were drawn down in cash advances by the farmers. The next highest year was 1963-64, when $62 million were drawn down. For the other years since it was put into effect, from 1957-1958 until the present time, amounts drawn down have varied from $16.5 million, approximately, to the high figure I mentioned.

At this time I wish to commend the farm community for its excellent record of repayment. As to the current situation, the normal, average draw down of individuals varies from $700 to $992—say $1,000 in round figures. This year the average draw down has been $1,139, and as of November 3, 1967 the total draw down was $35,713,000. Viewed in the light of the high figure I mentioned for other years, the program is operating well within itself. We are watching it closely and are studying the statistics on a day to day basis.

My position at the moment is as I stated it to be when replying to a question. We are observing the situation closely.

Motion agreed to and the house adjourned at 10.34 p.m.

HOUSE OF COMMONS

Wednesday, November 8, 1967

The house met at 2.30 p.m.

[*Translation*]

BRITISH NORTH AMERICA ACT

AMENDMENT RESPECTING RESIDENCE REQUIREMENT FOR SENATORS

Mr. J.-P. Racine (Beauce) moved for leave to introduce Bill No. C-182 entitled: "An Act to amend the British North America Act, 1867 (Qualifications of Senators)".

Some hon. Members: Explain.

Mr. Racine: Mr. Speaker, the only amendment to subsection (6) of section 23 of the British North America Act, 1867, consists in substituting the word "and", underlined opposite, for the word "or".

The amendment provides that a person called to the Senate to represent the province of Quebec must not only own the real estate required within the riding for which that person is appointed, but that he must also be a resident of the riding.

Motion agreed to and bill read the first time.

[*English*]

JUDGES ACT

AMENDMENTS INCREASING NUMBERS OF SUPREME AND COUNTY COURT JUDGES

Hon. P.-E. Trudeau (Minister of Justice) moved that the house go into committee at the next sitting to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to introduce a measure to amend the Judges Act to provide salaries for two additional judges of the Supreme Court of Ontario; one additional judge of the Superior Court of Quebec; two additional judges of the Supreme Court of British Columbia; one additional judge of the Supreme Court of Alberta, and three additional judges of the county and district courts of Ontario.

Motion agreed to.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

VETERINARY COLLEGE, SASKATCHEWAN UNIVERSITY

Question No. 131—**Mr. Douglas:**

1. What was the original cost estimate for the veterinary college to be constructed at the University of Saskatchewan, Saskatoon campus, and how much did the federal government propose to contribute to the construction of this college?

2. Has a revised cost estimate been presented to the federal government and, if so, what is the new cost estimate and how much is the federal government prepared to contribute?

3. If the government has made a firm commitment on cost sharing, when was this commitment made?

4. What payments have been made by the federal government to date, and when were these payments made?

Hon. J. J. Greene (Minister of Agriculture): 1. $2,500,000. The federal government's contribution to be 25 per cent of the cost of approved construction to a maximum of $625,000.

2. Yes. New cost estimate $8,000,000. The federal government's contribution to be 37.5 per cent of the cost of approved construction to a maximum of $3,000,000.

3. Initial commitment, June 20, 1963; maximum revised, June 2, 1966; maximum revised, March 2, 1967; rate and maximum revised, October 31, 1967.

4. $80,341.31, March 1966. $124,738.44, December 1966.

STUDIES FOR LABOUR RELATIONS TASK FORCE

Question No. 262—**Mr. Orlikow:**

1. How many studies have been commissioned by the labour relations task force, and what are the titles of each of these studies?

2. What are the names and qualifications of each person assigned to do each study planned by the labour relations task force?

Mr. John R. Matheson (Parliamentary Secretary to Prime Minister): 1. The following is a list of the research studies which have been commissioned by the labour relations task force: Responsible Decision-Making in Democratic Trade Unions. An Evaluation of Civil and Criminal Disobedience. L'évolution du patronat et ses répercussions sur les attitudes et pratiques patronales dans le domaine des

relations industrielles. La concurrence syndicale. The Postwar Socio-Economic-Political Context. Le syndicalisme, la consommation et la société de consommation. L'organisation des mouvements syndicaux au Québec. La philosophie du syndicalisme québécois. Unfair Labour Practices. The Role of the Manpower Consultative Services Section of the Canadian Department of Manpower and Immigration and the Role of the Labour-Management consultation Branch of the Canadian Department of Labour. Professional Workers and Collective Bargaining. Collective Bargaining and the Trade-Off Problem. Industrial Unrest. Criteria for Identifying Emergency Disputes. White Collar Workers and Collective Bargaining. The Philosophy of the Labour Movement. Human Adjustment to Industrial Conversion. Essential-Industry Dispute-Settlement Techniques. The Impact of Industrial Conversion. The Size and Composition of Bargaining Units. Supervisors and Collective Bargaining. The Affluent Society, Conspicuous Consumption and the Demand for More. Automation and Employment. A Perspective on the Use of Violence in Labour Disputes. Public Opinion and Industrial Relations. Contract Ratification and Strike Authorization Procedures. Employer Approaches and Practices in Industrial Relations (English Canada). Provincial Conciliation Practices. Compulsory Arbitration. Labour Arbitration Procedures. The Substantive Law of Labour Arbitration. The Implications of United States Wage Parity. Provincial Case Studies. Case Studies of Industrial Disputes.

2. The following is a list of the persons assigned to each study: Palmer, Earl E., Professor, Faculty of Law, University of Western Ontario. MacGuigan, Mark, Professor, Osgoode Hall Law School. Bélanger, Laurent, Professor, Department of Industrial Relations, Laval University. Bélanger, Paul, Professor, Department of Sociology, Laval University. Pentland, H. C., Professor, Department of Economics, University of Manitoba. Solasse, Bernard, Professor, Department Industrial Relations, Laval University. Dofny, Jacques, Professor, Department of Sociology, University of Montreal. Tremblay, L. M., Professor, Department of Industrial Relations, University of Montreal. Christie, Innis, Professor, Faculty of Law, Queen's University. Montague, J. Tait, Professor, Institute of Industrial Relations, University of British Columbia. Goldenberg, Mrs. Shirley, Department of Economics and Political Science, McGill University, Reuber, Grant, Professor, Department of Economics and Sociology, University of Western Ontario. Jamieson, Stuart, Professor, Department of Economics and Political Science, University of British Columbia. Verge, Pierre, Professor, Faculty of Law, Laval University. Bairstow, Mrs. Frances, Industrial Relations Centre, McGill University. Williams, C. Brian, Professor, Faculty of Business Administration and Commerce, University of Alberta. Kruger, Arthur, Professor, Department of Political Economy, University of Toronto. Arthurs, H. W., Professor, Osgoode Hall Law School. Loubser, J. J., Professor, Department of Sociology, University of Toronto. Herman, E. E., Professor, Department of Economics, University of Cincinnati. Rogow, Robert, Professor, Department of Economics, Simon Fraser University. Wesley, W., Professor, (Industrial Relations Centre), McGill University. Beach, E. F., Professor, Dept. of Economics, McGill University. Côté, Françoise, Journalist, Ottawa. March, R., Professor, Dept. of Political Science, Carleton University. Morin, Fernand, Professor, Faculty of Law, Laval University. Wettlaufer, J., School of Business Administration, University of Western Ontario. Cunningham, W. B., Professor, Economics Department, Mount Allison University. Brown, D., Professor, Osgoode Hall Law School. Schiff, S., Professor, Faculty of Law, University of Toronto. Weiler, Paul C., Osgoode Hall Law School. Wonnacott, P., Professor, Department of Economics, University of Maryland. Kovacs, Aranka, Department of Economics, University of Windsor. Flood, Max, Institute of Industrial Relations, Michigan State University.

REPORT OF LABOUR RELATIONS TASK FORCE

Question No. 263—**Mr. Orlikow:**

1. When is it expected that the studies commissioned by the labour relations task force will be completed?

2. When is it planned that the reports of the labour relations task force will be completed?

3. What is the estimate as to the cost involved until the final report of the labour relations task force is completed?

Mr. John R. Matheson (Parliamentary Secretary to Prime Minister): 1. The task force has received some preliminary reports of the studies, and it expects that most of the remaining preliminary reports will be received by the end of the year. It is further expected that these reports, if revision is necessary, will be completed by early 1968.

2. It is expected that the task force will complete an interim report before the end of 1967 and that the final report of the task force will be completed in 1968.

3. It is estimated that the labour relations task force will cost $1.4 million.

DEVELOPMENT OF NEW GRAIN "TRITICALE"

Question No. 375—**Mr. Isabelle:**

Did the government of Canada give financial support to the research which developed the new grain called "triticale"?

[*Translation*]

Hon. Judy V. LaMarsh (Secretary of State): I am informed by the Department of Defence Production: Yes.

[*English*]

*WESTMINSTER HOSPITAL, LONDON, ONT.

Question No. 406—**Mr. Irvine:**

1. What is the present bed capacity of Westminster hospital, London, Ontario, by (a) single occupancy rooms (b) double occupancy rooms (c) more than double occupancy rooms?

2. What is the total patient capacity of Westminster hospital, London, Ontario?

3. What was the average registration of patients for each of the first eight months of 1967?

Hon. Roger Teillet (Minister of Veterans Affairs): 1. (a) 105 beds; (b) 136 beds; (c) 1,140 beds.

2. 1,381.

3. January, 1,028; February, 1,048; March, 1,059; April, 1,052; May, 1,034; June, 1,024; July, 997; August, 1,005.

COMPANY OF YOUNG CANADIANS

Question No. 476—**Mr. Latulippe:**

1. What are the requirements for admission into the Company of Young Canadians?

2. Are the member's actions subject to any discipline or regulations?

3. How many members of the Company of Young Canadians are (a) civil servants (b) volunteers?

4. How much did the Company of Young Canadians cost the federal government last year?

5. How many civil servants associated with this group earn more than (a) $20,000 (b) $15,000 (c) $10,000 (d) $5,000?

6. How many are (a) English speaking (b) French speaking (c) bilingual?

Mr. John R. Matheson (Parliamentary Secretary to Prime Minister): I am informed by the Company of Young Canadians as follows: 1. The minimum age for a volunteer member is eighteen years of age. Candidates are invited on the basis of an application form to a selection weekend and the successful ones are given trainee status for a period of field training. At the end of field training, another selection process takes place and successful trainees are granted volunteer status. The company recruits, trains and assigns volunteers. This is not done through the Public Service Commission.

2. Volunteers are required to act within policies and procedures established by the provisional council.

3. The executive director and the officers and employees of the Company of Young Canadians are not part of the public service, except as provided in section 19 of the Company of Young Canadians Act. There are 56 non-clerical staff members, and 180 volunteers and trainees.

4. $854,307.70.

5. See answer to part 3. Of the company's staff members, (a) none; (b) 3; (c) 22; (d) 33.

6. (a) 33; (b) 25; (c) 27.

CONTRACT BETWEEN ATOMIC ENERGY AND DEUTERIUM LTD.

Question No. 484—**Mr. Basford:**

1. Has Atomic Energy of Canada Limited entered into contracts with Deuterium of Canada Limited and, if so, what are the basic terms of those contracts?

2. On what dates were the contracts made?

3. When the first contract was made, what was the approximate date when it was expected that the heavy water plant at Glace Bay would be in production?

4. Has any heavy water been produced by the plant and, if not, when will the plant begin production?

5. Has Atomic Energy of Canada Limited had to purchase heavy water from sources outside Canada because Deuterium of Canada Limited has failed to begin production on time?

6. Who are the stockowners of Deuterium of Canada Limited?

Mr. Jack Davis (Parliamentary Secretary to Minister of Energy, Mines and Resources): 1. Yes; two. The basic terms of the contracts are that Deuterium of Canada Limited will construct a heavy water production plant and produce stipulated quantities of heavy water and that Atomic Energy of Canada Limited will underwrite the sale of such heavy water by guaranteeing to purchase

unsold heavy water at stipulated prices. Atomic Energy of Canada Limited has an option to purchase all or any part of such heavy water.

2. February 27, 1964 and September 9, 1966.

3. July 31, 1966.

4. No. Deuterium of Canada Limited advise that they expect production to commence in March, 1968.

5. Yes.

6. It is understood that Deuterium of Canada Limited is owned by Industrial Estates Limited and the province of Nova Scotia.

FEDERAL EXPENDITURES ON GARDINER DAM CEREMONIES

Question No. 505—**Mr. McLelland:**

What was the total expenditure of the federal government pertaining to the opening ceremonies and celebrations of the Gardiner dam on July 21, 1967?

Hon. J. J. Greene (Minister of Agriculture): $17,550.

LIAISON OFFICERS, CITIZENSHIP BRANCH, STATE SECRETARY'S DEPARTMENT

Question No. 511—**Mr. Brand:**

1. How many regional and senior liaison officers are employed by the citizenship branch of the Department of the Secretary of State?

2. Where are they located?

3. What are their total salaries?

4. To whom do they report their activities?

5. Are such reports available?

Hon. Judy V. LaMarsh (Secretary of State): 1. There are 17 regional liaison officers and three senior liaison officers employed by the citizenship branch of the Department of the Secretary of State.

2. Maritime region: St. John's, Newfoundland, 1 officer; Halifax, Nova Scotia, 1 officer; Moncton, New Brunswick, 1 officer. Quebec region: Quebec city, Quebec, 1 officer; Montreal, Quebec, 3 officers; Rouyn, Quebec, 1 officer. Ontario region: Sudbury, Ontario, 1 officer; London, Ontario, 1 officer; Toronto, Ontario, 3 officers; Hamilton, Ontario, 1 officer; Fort William, Ontario, 1 officer. Western region: Winnipeg, Manitoba, 1 officer; Regina, Saskatchewan, 1 officer; Edmonton, Alberta, 2 officers; Vancouver, British Columbia, 1 officer.

3. $202,290.

4. Assistant director (operations)—Ottawa.

5. No.

[Mr. Davis.]

NAME OF GATINEAU PARK

Question No. 530—**Mr. Caouette:**

What is the name given by the government to Gatineau park?

Hon. G. J. McIlraith (Minister of Public Works): 1. In French, "Parc de la Gatineau", and in English, "Gatineau park".

ENLARGEMENT OF VALCARTIER CAMP

Question No. 555—**Mr. Godin:**

1. What was the total amount paid for the purchase of property necessary for the enlargement of Valcartier military camp?

2. How much has the government spent to date for (a) the development of this new property (b) the construction of buildings?

[*Translation*]

Hon. Léo Cadieux (Minister of National Defence): 1. To date $2,174,317.89.

2. Nil.

[*English*]

POST OFFICE CONSTRUCTION, ST. AUGUSTIN, QUE.

Question No. 556—**Mr. Godin:**

Are there plans to construct a post office on the federal government property at St. Augustin, county of Portneuf, Quebec?

[*Translation*]

Hon. G. J. McIlraith (Minister of Public Works): Yes.

[*English*]

RETAINING WALL CONSTRUCTION, PORTNEUF CONSTITUENCY

Question No. 558—**Mr. Godin:**

What amount has the federal government paid for the construction of retaining walls on the St. Lawrence river in Portneuf constituency in each of the past 10 years?

[*Translation*]

Hon. G. J. McIlraith (Minister of Public Works): 1957-58, $15,093.52; 1958-59, $21,-832.47; 1959-60, $47,989.04; 1960-61, $25,-552.85; 1961-62, $75,274.60; 1962-63, $80,-430.94; 1963-64, $10,743.46; 1964-65, $76,-790.88; 1965-66, $66,207.39; 1966-67, $23,318.36.

[*English*]

CIVILIAN DAMAGE BY MILITIA TROOPS ON NATO TRAINING

Question No. 563—**Mr. MacRae:**

1. What was the number of militia troops who trained with the NATO troops on exercises in Germany in the summer of 1967?

2. Were such militia troops blamed for damage to civilian property?

3. If so, what was the amount of the damage and what troops were involved?

Hon. Léo Cadieux (Minister of National Defence): 1. 289.

2. No. The extent of the damage caused by the exercise which involved several countries as well as Canada, is ascertained by a crop damage claims organization which assesses crop damage each time a major exercise is undertaken in Germany, and any claims for damage are processed through the British army on the Rhine headquarters.

3. Not applicable.

*BAIL FOR B.C. CHINESE IN IMMIGRATION DETENTION

Question No. 570—**Mr. Woolliams:**

1. Will the Minister of Manpower and Immigration release Ng Chun Yeung (pronounced Eng Chun Young) the son of a Canadian citizen on bond from the immigration jail in Vancouver where he has been held since June 5, 1967 without bond until such time as his appeal can be heard in January or February of 1968?

2. Would the Minister of Manpower and Immigration outline the reasons why the bond in question has been refused, and is that information generally communicated to an immigrant who seeks bail while incarcerated in Canada pending a hearing or an appeal?

Hon. Jean Marchand (Minister of Manpower and Immigration): Mr. Speaker, the answer is as follows: 1. No. Legally, the authority for releasing a person detained rests with the special inquiry officer. I have reviewed the circumstances of Mr. Ng's detention and believe the special inquiry officer has acted properly in refusing bond. The British Columbia Supreme Court has dismissed two writs of habeas corpus brought before it to obtain his release. A further motion of certiorari to quash the deportation order was also dismissed by the Chief Justice of British Columbia.

2. Ng Chun Yeung's case is now before the British Columbia court of appeal. One of the grounds of his appeal is the refusal of the special inquiry officer to grant bond. It would therefore be inappropriate for me to comment on the reasons the bond in question has been refused. Although the special inquiry officer is not required by law to give reasons for refusing a bond, these are normally given if requested.

PHOTOGRAPHS OF UNIDENTIFIED FLYING OBJECTS

Question No. 571—**Mr. Schreyer:**

1. Is the Department of National Defence or any of its defence forces offices in possession of photographs of certain airborne objects, which photographs were reportedly given over to Canadian defence department officials by one Warren Smith of Calgary, Alberta?

2. Were these photographs or copies thereof made available to any of the Canadian newspapers or news magazines?

3. Were any requests made by any Canadian newspapers or news magazines for access to these photographs?

4. In all cases where Canadian defence department officials have interviewed persons reporting the sighting of unidentified flying objects, have departmental officials requested such persons to not communicate with newspaper reporters, etc. and, if so, for what reason?

Hon. Léo Cadieux (Minister of National Defence): 1. Yes, the department is in possession of duplicate 35 mm. slides and one set of prints.

2. Not by the Department of National Defence.

3. Yes. All were referred to Mr. Warren Smith.

4. All persons who communicate information to the Department of National Defence on alleged unidentified flying objects do so on their own volition and are in no way requested to suppress the release of the information to any other person or persons.

INCREASE IN STEEL AND NICKEL PRODUCTION

Question No. 577—**Mr. Godin:**

Does the federal government foresee a forthcoming increase in steel and nickel production in Canada and, if so, will this increase enable us to reduce our imports of stainless steel kitchen utensils from Japan?

Mr. Jean-Charles Cantin (Parliamentary Secretary to Minister of Trade and Commerce): Increases in steel and nickel production are expected. Current capacity for production of stainless steel is adequate to supply requirements of stainless steel kitchen utensil manufacturers.

The supply of stainless steel is only one of many complex factors affecting the competitiveness in the Canadian market of manufacturers of stainless steel kitchen utensils.

Orders for Returns

PROMOTIONS TO CORPORAL, ARMED FORCES

Question No. 581—**Mr. Lambert:**

1. What number of promotions to the rank of corporal or its equivalent were made in the navy, army and the air force in the periods (a) October 1, 1966 to March 31, 1967 (b) April 1, 1967 to September 30, 1967?

2. What is the number of corporals including senior corporals in each of the three branches of the armed services respectively as at October 1, 1967?

Hon. Léo Cadieux (Minister of National Defence): 1.

	RCN	Army	RCAF
(a)	1,564	4,650	12,728
(b)	351	1,451	2,321
2.	4,344	11,696	19,334

INCREASE IN U.K. QUOTA ON FRESH APPLES

Question No. 584—**Mr. McLean (Charlotte):**

Has the British quota on fresh apples been increased and, if so, what is the significance of this increase for Canadian exports of fresh apples to the British market?

Mr. Jean-Charles Cantin (Parliamentary Secretary to Minister of Trade and Commerce): Yes, the British import quota for fresh apples for the period July to December, 1967, was increased from 15,200 long tons to 22,800 long tons and the quota for the period January to June, 1968, from 68,750 long tons to 91,670 long tons. The larger quotas provided an improved opportunity for Canadian apple exporters to increase their sales to Britain, which in 1966 amounted to over $4 million.

WHEAT AND FLOUR EXPORT SALES

Question No. 585—**Mr. Olson:**

How much wheat and flour were sold for export by the Canadian Wheat Board in each of the crop years 1956-57 to 1966-67 inclusive?

Mr. Bruce S. Beer (for Minister of Trade and Commerce):

Total Canadian Wheat and Flour Exports, Crop Years 1956-57 to 1966-67

Crop Year	Wheat	Flour	Total
	(bushels)		
1956-57	230,856,235	33,539,591	264,395,826
1957-58	279,911,998	40,380,838	320,292,836
1958-59	257,420,606	37,124,914	294,545,520
1959-60	240,320,999	36,969,954	277,290,953
1960-61	317,567,616	35,681,823	353,249,439
1961-62	326,068,668	31,953,154	358,021,822
1962-63	304,101,964	27,265,254	331,367,218
1963-64	539,637,481	54,910,150	594,547,631
1964-65	368,051,957	31,542,359	399,594,316
1965-66	546,780,878	38,125,068	584,905,946
1966-67	483,455,730	32,865,908	516,321,638

QUESTIONS PASSED AS ORDERS FOR RETURNS

VESSELS CONSTRUCTED FOR FEDERAL ENERGY DEPARTMENT

Question No. 477—**Mr. Latulippe:**

1. What will be the cost of constructing the vessels *Parizeau*, *Vector* and *Dawson* which were built for the federal Department of Energy, Mines and Resources?

2. Who is constructing these three vessels?

3. When will they be ready for launching?

4. What will be the personnel complement of each of these ships?

5. What will be the salary of each?

6. How many scientists will there be on board?

7. Where will they be posted and for what purpose?

8. Is the construction of other vessels of this type visualized during the next two years?

9. If so, (a) how many (b) what will be the estimated tonnage of each (c) what is the estimated cost of constructing these new ships (d) to what duties will they be assigned (e) where will they be posted?

[Mr. Cantin.]

Return tabled.

*TOTAL FEDERAL TAX COLLECTIONS

Question No. 562—**Mr. Rynard:**

What are the total taxes collected by the federal government, in all forms, from each of the province of Canada?

Return tabled.

[*Translation*]

MOTIONS FOR PAPERS

Mr. Albert Béchard (Parliamentary Secretary to Secretary of State): Mr. Speaker, motion for papers No. 29 is acceptable to the government.

Motion for papers No. 24 is acceptable to the government, subject to the usual reservations concerning privileged papers and authorization by the governmental authorities concerned.

Would Your Honour be so kind as to call notices of motion Nos. 26 and 28?

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

[*English*]

TREASURY BOARD ALLOTMENTS FROM CONTINGENCY VOTE

Motion No. 29—**Mr. Bell (Carleton):**

That an order of the house do issue for a statement of all allotments, for pay-list and non pay-list, made from Treasury Board vote 5 for contingencies from April 1 to November 1 in the fiscal year 1967-68.

Motion agreed to.

ROAD CONSTRUCTION, CARCROSS, YUKON TO SKAGWAY, ALASKA

Motion No. 24—**Mr. Nielsen:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of all documents, reports, engineering or other surveys, communications, correspondence or other papers, with respect to the construction of a road from Carcross in the Yukon to Skagway, Alaska, U.S.A.

Mr. Speaker: Subject to the reservations and conditions expressed by the parliamentary secretary to the Secretary of State, is it the pleasure of the house that notice of motion No. 24 be adopted?

Motion agreed to.

REPORTS ON NATIONAL CAPITAL PLAN

Motion No. 26—**Mr. Jorgenson:**

That an humble adddress be presented to His Excellency praying that he will cause to be laid before this house a copy of pertinent documents, correspondence or other communications between the various commissions set up to study a national capital plan (including the National Capital Commission and its predecessors), and the successive governments to which these various commissions have reported.

Mr. J. B. Stewart (Parliamentary Secretary to Minister of Public Works): Mr. Speaker, this notice of motion, if adopted as now worded, would require the production of a vast amount of material. However, I understand that what the hon. member wants, at least at present, is either a copy of the plans for the national capital or, where extra copies of plans are not readily available, appropriate library references. If the notice could be modified so as to require only papers of these kinds, the notice then would raise no problem.

Mr. W. H. Jorgenson (Provencher): Mr. Speaker, I would be prepared to have the motion adopted with the reservations and conditions which have been expressed.

Mr. Speaker: Subject to the reservations which have been expressed by the parliamentary secretary to the Minister of Public Works, is it the pleasure of the house that notice of motion No. 26 be adopted?

Motion agreed to.

LESS THAN CARLOAD FREIGHT RATE INCREASE, ATLANTIC PROVINCES

Motion No. 28—**Mr. Coates:**

That an order of the house do issue for a copy of all communications, letters, telegrams, etc., received by the government of Canada relating to the decision of the Canadian transport commission which allowed the railways to impose new non-tariff rates on less than carload traffic in the Atlantic provinces, and answers thereto.

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, this motion calls for the production of communications received relating to a "decision of the Canadian Transport Commission" which allowed the railways to impose certain new rates. I should like to make clear that there was no such decision, nor is there any responsibility with the commission for such a decision. The railways are free, under the legislation, to set these rates subject to the filing of notice. They filed such notice and the rates were accordingly set. This being understood, the government would be quite willing to produce for the hon. member all communications received by the government, and replies thereto, relating

to this decision of the railways. The commission is likewise prepared to make available any communication which is in its nature public.

Mr. Coates: Agreed.

Mr. Speaker: Subject to the reservations and conditions expressed by the minister, is it the pleasure of the house that notice of motion No. 28 be adopted?

Motion agreed to.

DOMINION-PROVINCIAL RELATIONS

DISCUSSIONS WITH PROVINCES RESPECTING OFFSHORE MINERAL RIGHTS

On the orders of the day:

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, I should like to address a question to the Prime Minister. In view of the Prime Minister's statement yesterday that he would look into the decision of the Supreme Court of Canada concerning off-shore rights, will the Prime Minister advise the house now whether it is the intention of this government to seek further opinions from the court with reference to off-shore rights as they affect other provinces?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I am not in a position to add too much to what I said yesterday. The matter is being very carefully considered. As soon as I can report to the house I shall be very glad to do so.

Mr. Woolliams: I should like to ask a supplementary question, Mr. Speaker. In view of the Prime Minister's statement on a previous occasion to the effect that the matter would be discussed with the provinces after legal opinion was sought, is it the intention of the Prime Minister now to call a provincial conference to reach a decision in the light of the important economic and unity decisions which face Canada?

Mr. Pearson: Mr. Speaker, I do not think any special conference is required for this purpose.

Mr. D. V. Pugh (Okanagan Boundary): Mr. Speaker, I have a supplementary question for the Minister of Energy, Mines and Resources. Prior to yesterday, November 7, had the federal government entered into any provisional agreement with any company concerning offshore exploration in the province of British Columbia?

[Mr. Hellyer.]

Hon. Jean-Luc Pepin (Minister of Energy, Mines and Resources): Yes, Mr. Speaker.

[*Later:*]

Mr. Donald MacInnis (Cape Breton South): I intended to ask a supplementary question to the first question put to the Prime Minister concerning the Supreme Court decision respecting offshore rights of British Columbia. Since this decision applied only to the west coast, is it the intention of the Prime Minister to deal with the problem of Nova Scotia by consultation, or is it the intention that the rights of Nova Scotia to offshore minerals be referred to the Supreme Court?

Mr. Pearson: We are now discussing the best procedure to follow in order to clear up this matter in the light of the decision which has been rendered.

Mr. MacInnis (Cape Breton South): During these discussions will the Prime Minister take into consideration that a precedent has been established by Nova Scotia under which the province has been taking offshore minerals for nearly 100 years?

Mr. Pearson: The government of Nova Scotia certainly has brought its special position to our attention.

ADMINISTRATION OF JUSTICE

SUGGESTED CONSIDERATION OF HOMOSEXUAL PROBLEMS BY COMMISSION

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, my question is for the right hon. Prime Minister. In view of the decision of the Supreme Court yesterday confirming the sentence of indefinite preventive detention of George Klippert, and since most authorities are now agreed that homosexuality is a social and psychiatric problem rather than a criminal one, I should like to ask the government whether it will consider setting up a commission similar to the Wolfenden commission in Great Britain which brought in such enlightened and humane recommendations for coping with this problem.

Right Hon. L. B. Pearson (Prime Minister): I will be very glad to consider that matter, Mr. Speaker.

Mr. Douglas: May I ask whether any departments of government have been giving any study to this social problem.

Mr. Speaker: Order, please. The hon. member is now asking a question of a general nature, similar to the question asked yesterday by the hon. member for the Northwest Territories. It was suggested at that time that questions along these lines might well be placed on the order paper.

Mr. Douglas: May I rephrase my question and ask the Minister of Justice whether this matter is being studied by officials of his department and the minister himself.

Hon. P.-E. Trudeau (Minister of Justice): Mr. Speaker, one aspect of this matter is being looked at in context of another law. It has also been suggested that we might possibly extend the terms of reference of the Ouimet committee, in order that it may look into this matter if that is possible at this stage.

[*Translation*]

NATIONAL DEFENCE

VAL D'OR, QUE.—U.S. REQUEST THAT AIRBASE BE MAINTAINED

On the orders of the day:

Mr. Réal Caouette (Villeneuve): Mr. Speaker, I wish to direct a question to the Minister of National Defence.

Did the minister have discussions, or is he having discussions at the present time, with the United States authorities concerning the continued operation of the Val d'Or air base?

Hon. Léo Cadieux (Minister of National Defence): No, Mr. Speaker.

[*English*]

EXTERNAL AFFAIRS

RWANDA—CANADIAN AIRLIFT FOR EVACUATION OF KATANGAN TROOPS

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I should like to direct my question to the Secretary of State for External Affairs. Will the minister advise the house what is the commitment of this government to provide an airlift to Rwanda for the evacuation of Katangan and mercenary troops from the Congo, and what was the basis of such a decision?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I think I should like to take this question as notice.

Mr. Thompson: May I direct the question to the Minister of National Defence.

Inquiries of the Ministry

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, we have received a request from the International Red Cross which was also presented to Belgium, Great Britain, France and the United States. The purpose of this operation would be to evacuate Katangans who have taken refuge in Rwanda and transport them to Zambia. As the situation now stands we have agreed to commit one Hercules aircraft, which is standing by until we receive a release from the Red Cross.

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I have a supplementary question for the Secretary of State for External Affairs. Will the minister request an assurance that these rebel troops will not be used against Rhodesia, in view of the repeated terrorist incursions into Rhodesia from Zambia?

Mr. Martin (Essex East): Mr. Speaker, I will look into that question. I will do one thing today, and that is congratulate my hon friend on his birthday.

Some hon. Members: Hear, hear.

Mr. Churchill: I thank the minister. I do have another supplementary question, which I will not ask.

[*Later:*]

Mr. W. B. Nesbitt (Oxford): May I ask the Minister of National Defence a supplementary question related to the minister's answer a few minutes ago concerning the transport of Zambia refugees. Can the minister tell us if these refugees are of African or European origin?

Mr. Cadieux (Terrebonne): They are of African origin.

TRADE

ASSISTANCE TO INDUSTRIES AFFECTED BY GENEVA AGREEMENTS

On the orders of the day:

Hon. George Hees (Northumberland): Mr. Speaker, I should like to ask the Minister of Industry whether the government is yet in a position to announce its plans, which have been some weeks in preparation for easing the expected suffering of producers, who produce exclusively for Canadian markets, as a result of the impact of Kennedy round tariff reductions.

Inquiries of the Ministry

Hon. C. M. Drury (Minister of Industry): Not yet, Mr. Speaker, but I hope to do so soon.

Mr. Hees: Mr. Speaker, could the minister give some indication as to when "soon" might be, in view of the fact that it was some seven weeks ago that he indicated to me that the plans were in preparation, and it is only seven weeks to the time when the Kennedy round reductions come into effect?

Mr. Drury: Mr. Speaker, the time taken in preparing these plans is, I think, an indication of their excellence.

Some hon. Members: Oh, oh.

Mr. Hees: I have a supplementary question for the Minister of Agriculture, Mr. Speaker, but in his absence I will direct it to the Prime Minister. In view of the fact that the Minister of Industry was answering for industry as such, is the government preparing plans to give similar protection to agricultural producers similarly affected?

[*Later:*]

Mr. Hees: Mr. Speaker, I should like to direct a question to the Prime Minister. A few minutes ago I asked whether the government was preparing plans to ease the impact of the Kennedy round tariff reductions on agricultural producers who were adversely affected and the Prime Minister did not answer. Do I take it from his refusal to answer that the government is not preparing such plans?

Mr. Speaker: Order, please.

POST OFFICE DEPARTMENT

SOUTHERN ONTARIO—REQUEST FOR STATEMENT ON WILDCAT STRIKE

On the orders of the day:

Mr. Robert McCleave (Halifax): Mr. Speaker, my question is for the Postmaster General. Could the hon. gentleman report whether the wildcat strike of postal employees in southern Ontario has now been settled; are they back at work, or has the strike spread, and what steps is the government taking?

Hon. Jean-Pierre Côté (Postmaster General): Mr. Speaker, the strike is not settled. In fact I learned this morning that the employees of a further post office have gone on strike. This means that the employees of seven post offices in the Niagara peninsula are on strike. Union leaders are in Ottawa at the moment discussing the matter at the fourth level of their grievance procedure. These discussions are being held right at this moment.

FREIGHT RATES

REQUEST FOR STATEMENT ON NON-CARLOAD RATES IN ATLANTIC PROVINCES

On the orders of the day:

Mr. David Lewis (York South): Mr. Speaker, I have a question for the Minister of Transport. I should like to ask whether he is able to make today the announcement regarding freight tariffs, particularly in the Atlantic provinces, which was promised by the hon. member for Westmorland about a week ago and which the minister himself said he would make.

Hon. Paul Hellyer (Minister of Transport): Not today, Mr. Speaker, but with a little bit of luck, very soon.

Mr. Knowles: With a little bit of luck we will get a new government.

Mr. Lewis: A supplementary question, Mr. Speaker. In view of the fact that the undertaking given by the hon. member for Westmorland was that the announcement would be made this week, would the minister tell the house whether, if not today, he will make it tomorrow or Friday?

Mr. Hellyer: That would be a very happy result, and I am cautiously optimistic, Mr. Speaker.

Hon. E. D. Fulton (Kamloops): A supplementary question, Mr. Speaker. May I ask the minister whether he thinks that with the "little bit of luck" he referred to, he will be able to get this government to the church in time?

An hon. Member: To the funeral.

Mr. Hellyer: As long as my hon. friend will be there when we arrive, Mr. Speaker.

Mr. J. M. Forrestall (Halifax): Mr. Speaker, the minister has been cautiously optimistic about his announcement. Could he go a little further and indicate whether his announcement will be made before the meeting a week from today, on November 15, of the interested parties with regard to l.c.l. rates?

Mr. Hellyer: I certainly hope so, Mr. Speaker.

CREAM—REQUEST FOR RESCISSION OF RECENT INCREASE

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): My question is supplementary to an earlier question asked of the Minister of Transport. On October 30 the parliamentary secretary replying for the Minister of Transport indicated that within a week or ten days the minister might have an answer to my question concerning freight rates on cream. Does the minister have a reply to that question now, or does he intend to reply to it at the same time he replies to the question concerning less than carload loadings?

Hon. Paul Hellyer (Minister of Transport): Not today, Mr. Speaker.

CANADIAN NATIONAL RAILWAYS

REPORTED LAY-OFF OF APPRENTICE TELEGRAPHERS

On the orders of the day:

Mr. Robert C. Coates (Cumberland): Mr. Speaker, I have a related question for the Minister of Transport. Has the minister been advised that apprentice telegraphers right across Canada have been informed by the C.N.R. that they were permanently laid off as of November 1, even though they had received a commitment from the C.N.R. that they would be assured a 40-hour work week on a year round basis? If so does he plan to take any action to investigate this situation?

Hon. Paul Hellyer (Minister of Transport): I have not been made aware of this specific problem, Mr. Speaker, but I will certainly take the question as notice.

REQUEST FOR MEETING WITH UNION OFFICIALS RESPECTING LAY-OFFS

On the orders of the day:

Mr. Robert Muir (Cape Breton North and Victoria): My question is for the Minister of Transport. Can he advise the house whether he has acceded to the request of the C.B. of R.T. to meet with the national president, Mr. William Smith, his regional vice presidents from across Canada, and other union representatives regarding the large scale layoffs by the C.N.R. in the Atlantic region and other areas of Canada? If so, when will the requested meeting take place, where, and what cabinet ministers will be present?

Hon. Paul Hellyer (Minister of Transport): This is a question involving interdepartmental discussions. As my hon. friend has suggested, several ministers are involved and I do not have an answer yet.

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, I should like to ask a supplementary question. In view of the fact that the lay-offs are now national in scope does the minister not consider it is time he met with officers of the C.N.R. and the C.P.R.?

Mr. Speaker: Order. The hon. member's question is argumentative.

CANADA PENSION PLAN

INQUIRY AS TO REFUNDS TO EMPLOYERS

On the orders of the day:

Mr. A. D. Hales (Wellington South): Mr. Speaker, I should like to direct my question to the Minister of National Revenue. It concerns the overpayment by employers of contributions to the Canada Pension Plan. This overpayment is estimated to be as high as $15 million. The minister advised the house on April 25 that when a survey or a study had been made of the situation he would tell the house the method or form in which these overpayments would be refunded. Is the minister now in a position to make this statement?

Hon. E. J. Benson (Minister of National Revenue and President of the Treasury Board): First of all, Mr. Speaker, I do not have the figure in front of me but the overpayment was vastly overestimated, and the figure turned out to be almost identical with what the government had forecast. Second, I would like to indicate that we are presently consulting one of the provinces on what action if any would be agreeable in this particular situation, and in due course we will consult all the provinces.

Mr. Hales: Mr. Speaker, I have a supplementary question. Can the minister inform the house what is the amount he referred to?

Mr. Speaker: Order, please. I wonder whether this type of information can be asked at this time.

EXTERNAL AFFAIRS

NATO—APPOINTMENT OF ALLEGED FORMER NAZI AS COMMANDER OF CENTRAL SECTOR

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to direct a verbal volley to

the genial Secretary of State for External Affairs to establish the truth in certain matters. In view of the fact that yesterday I put a question to the minister with respect to the appointment of the commander of NATO forces in Europe, central sector, based on information contained in West German newspapers which I received, would the minister inform the house of the facts with respect to the reported appointment of General Albert Schnez as commander of NATO forces in Europe?

Mr. Speaker: Order. I have some doubts as to whether the question is in order at this time. Perhaps the hon. member might want to place it on the order paper.

Mr. Herridge: With all respect, Mr. Speaker, this is a matter that has caused concern among some Canadians and among some of our troops, and I think it is a matter which the Secretary of State for External Affairs should have an opportunity to correct.

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, is it your wish that this question be answered? I think it is a marginal question, but in view of my hon. friend's persistence I would like to give him a reply. General Schnez has indicated that he is not a candidate for the important post of Commander, Allied Forces Central Europe, and the minister of defence in West Germany has denied that there is any justification for the charges contained in questions such as the one put by my hon. friend yesterday. He affirmed there is no foundation for these allegations.

Mr. Herridge: Mr. Speaker, in view of the answer given by the minister I sincerely apologize for what now appears to be the unnecessary and unwarranted sarcasm in my question yesterday.

EXPORT OF FIREARMS TO U.S. FOR USE IN VIET NAM

On the orders of the day:

Mr. Raymond Langlois (Mégantic): My question is directed to the Secretary of State for External Affairs or the Minister of National Defence. It concerns figures released by some newspapers indicating that $200 million worth of firearms have been exported by Canada to the United States for use in Viet Nam. Considering that Canada's position is supposed to be neutral, is the minister able to tell the house whether there will be any undertaking by the federal government not to furnish firearms in the future?

[Mr. Herridge.]

Hon. Paul Martin (Secretary of State for External Affairs): There is no semblance of correctness in those figures.

[*Translation*]

LABOUR CONDITIONS

QUEBEC—INQUIRY AS TO STEPS TO MEET UNEMPLOYMENT SITUATION

On the orders of the day:

Hon. Théogène Ricard (Saint-Hyacinthe-Bagot): Mr. Speaker, may I put a question to the Minister of Manpower and Immigration?

In view of the fact that the number of unemployed in the Montreal area is now over 63,000, or equal to 6.3 per cent of the labour force, would the minister advise what projects he intends to propose to relieve the situation.

Mr. Speaker: Order, please. The hon. member is asking the minister to make a statement of a very general nature and it seems to me that this information should be given to the house on motions.

Mr. Ricard: Well, Mr. Speaker, this is an urgent question, because 63,000 people are without employment and it is important that they receive the necessary help from the government, and here I refer to the Chevrier-Martin plan of 1960.

[*Later:*]

Mr. Réal Caouette (Villeneuve): Mr. Speaker, I should like to put a supplementary question to the hon. Minister of Manpower and Immigration. In view of the situation in the Quebec city area, does the department or the government intend to declare that region a designated area?

Hon. Jean Marchand (Minister of Manpower and Immigration): The application of the act governing designated areas does not concern my department, Mr. Speaker.

[*English*]

BRITISH COLUMBIA—INQUIRY AS TO STEPS TO MEET UNEMPLOYMENT SITUATION

On the orders of the day:

Hon. E. D. Fulton (Kamloops): I have a question for the Minister of Manpower and Immigration. In the light of releases indicating serious increases in the unemployment figures for October, and also in the light of reports at noon today that the average in British Columbia is 1.8 per cent above the

national average, will the minister say what plans he has for discussions with the provincial government of British Columbia to find some ways of providing employment in that province?

Mr. Speaker: Order. I wonder if the question now asked by the hon. member for Kamloops is not closely related to the one asked by the hon. member for St. Hyacinthe-Bagot. It seems to me that the hon. member for Kamloops and the hon. member for St. Hyacinthe-Bagot are asking for statements which should normally be made on motions.

Mr. Fulton: There was a precedent established by a former opposition. However, may I rephrase my question. Does the minister have any plans for immediate discussions with British Columbia concerning joint efforts to provide employment there?

[*Translation*]

Hon. Jean Marchand (Minister of Manpower and Immigration): Mr. Speaker, my department is in constant touch with just about all the provinces to obtain jobs for the unemployed and to give retraining to those who need it. In short, the department services are in full operation and they work in co-operation with the provinces.

[*English*]

Mr. Frank Howard (Skeena): May I ask a supplementary question. My question is equally applicable to the Minister of Fisheries and the Minister of Labour, and relates to the herring fishery on the west coast. Up to 1,000 people are going to be unemployed, in fact are unemployed, because of a decision of the federal Department of Fisheries. I should like to ask the minister whether he or the Minister of Fisheries or the Minister of Labour will take immediate steps to go to British Columbia to meet with the representatives of the unions, companies, civic and provincial officials to ascertain what alternative employment can be provided to these people?

Mr. Marchand: The answer is the same. We have manpower centres in British Columbia which are in touch with the provincial authorities, and it is the job of these manpower centres to find solutions to these problems.

WINTER WORKS

REQUEST FOR INCLUSION OF BRUSH CLEARING IN NORTHERN AREAS

On the orders of the day:

Mr. Robert Simpson (Churchill): Mr. Speaker, I have a question for the Minister of Manpower and Immigration. In view of the importance that we must place on winter works in creating employment, will the minister give every consideration to continuing brush clearing within the winter works program in northern areas?

Hon. Jean Marchand (Minister of Manpower and Immigration): Mr. Speaker, we have announced our program, and brush clearing is accepted in so far as it is related to a permanent project. There are meetings this week between the officials in my department and the provincial officials at which this program is being reviewed for next year.

TRANSPORT

FERGUS, ONT.—C.N.R. OBJECTIONS TO DECISION BY COMMISSION

On the orders of the day:

Mr. W. M. Howe (Wellington-Huron): I have a question for the Minister of Transport regarding a recent decision by the transport commission after a proper hearing. Will the minister investigate the objections of the Canadian National to this decision in order that the rights and privileges of the town of Fergus in connection with one of their main thoroughfares will be protected?

Mr. Speaker: Order. This question should be placed on the order paper.

FARM MACHINERY

INCREASE IN PRICES OF JOHN DEERE COMBINES AND TRACTORS

On the orders of the day:

Mr. C. S. Smallwood (Battle River-Camrose): I have a question for the Minister of Agriculture, but because of its importance, I should like to transfer it to the Prime Minister. Can the Prime Minister inform the house what action, if any, his government is taking in connection with the increase on November 2 of approximately 5 per cent in the price of tractors and combines by the John Deere Machinery company?

TRADE

INQUIRY AS TO SIGNING OF INTERNATIONAL GRAINS AGREEMENT

On the orders of the day:

Mr. R. D. McLelland (Rosetown-Biggar): I should like to ask the Minister of Trade and

Commerce if he can advise the house whether Canada has signed the international grains agreement.

Hon. Robert Winters (Minister of Trade and Commerce): Yes, Mr. Speaker, we have signed the international grains arrangement. The Canadian ambassador in Washington signed the wheat trade convention and the food aid convention on November 2. These two combined comprise the international grains arrangement which is designed to come into effect on July 1, 1968.

PRIVILEGES AND ELECTIONS

REFERENCE TO COMMITTEE OF REPORT ON ELECTION EXPENSES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. In view of the fact that today is not only the birthday of the hon. member for Winnipeg South Centre but also the second anniversary of the last election, which means that the next one is that much closer, has the government yet arrived at a decision on referring to the standing committee on privileges and elections the report of the committee on election expenses, as was promised in the speech from the throne?

Right Hon. L. B. Pearson (Prime Minister): I am unable to discover the relevancy of the two parts of the question. So far as the first part of the question is concerned, I think the two events deserve the same measure of celebration. So far as the last part of the question is concerned, I will look into it.

NORTHWEST TERRITORIES

INQUIRY AS TO NAMING OF APPOINTED COUNCIL MEMBERS

On the orders of the day:

Mr. Erik Nielsen (Yukon): I should like to direct a question to the Minister of Indian Affairs and Northern Development. Can he now name the four appointed members to the Northwest Territories council in order to enable those citizens who may wish to make submissions to council members to do so before next month? May I redirect my question to the Prime Minister?

Right Hon. L. B. Pearson (Prime Minister): We hope to have the appointments made before the end of the week.

[Mr. McLelland.]

EXTERNAL AFFAIRS

OTTAWA—COMPENSATION FOR DAMAGE TO RUSSIAN EMBASSY

On the orders of the day:

Mr. Terence Nugent (Edmonton-Strathcona): I should like to direct a question to the Secretary of State for External Affairs. Did he receive a request from the Russian ambassador for special police protection for their embassy last night? If so, can he tell us why enough police protection was not provided to prevent the shameful lawlessness which occurred there?

Hon. Paul Martin (Secretary of State for External Affairs): The Department of External Affairs has been in consultation with the Ottawa police who are, of course, the authorities directly responsible for the maintenance of law and order. The measures taken by the police were inadequate in the circumstances, in my judgment, and I regret that this was so. I took note of the Soviet representations, including those made by the ambassador, and directed that all desirable means of satisfying them be pursued. We were assured by the police that everything possible would be done within the law to avoid untoward incidents and to ensure that free access to the embassy was maintained, just as we would insist on free access to our embassy in Moscow or any other capital.

The police authorities pointed out, however, that there were clear statutory limitations to action which might be taken to deal with such demonstrations. The Soviet ambassador was so informed. Citizens in Canada, of course, are free to express their opinions in a lawful way. It is the responsibility of the police to deal with those who break the law.

I have directed that the necessary measures be initiated to compensate the Soviet government and to assist the Soviet embassy to clean up and repair the damage done.

IMMIGRATION

REQUEST FOR EARLY RECONSTITUTION OF JOINT COMMITTEE

On the orders of the day:

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I have a question for the Minister of Manpower and Immigration. In view of the useful work done by the joint committee on immigration in the last session, and in view of the fact that they did not get a chance to report fully on the proposals in the white paper on immigration and the new regulations, will the minister confer with his

colleague the house leader with a view to having the committee reconstituted and put back to work at an early date?

Hon. Jean Marchand (Minister of Manpower and Immigration): Mr. Speaker, I will look into this matter right away.

AIR CANADA

REQUEST FOR IMPROVED SERVICE IN MARITIME PROVINCES

On the orders of the day:

Mr. Heath Macquarrie (Queens): Mr. Speaker, I have a question for the Minister of Transport prompted by widespread complaint about the new Air Canada schedules for many areas of the maritimes, which are alleged to be the most inconvenient since the air age began. Will the minister inquire from Air Canada as to the possibility of improving things at least up to the level of the status quo ante?

Hon. Paul Hellyer (Minister of Transport): Yes, Mr. Speaker, I will be happy to pass on the representations of my hon. friend and get a reply for him from Air Canada.

Mr. D. V. Pugh (Okanagan Boundary): Mr. Speaker, may I ask a related question of the minister. While he is talking to the Air Canada authorities would he draw their attention to the uncleanliness and poor quarters provided for Air Canada at Kennedy airport, one of the gateways to Canada?

Mr. Speaker: Order. The hon. member has made a representation.

TRANSPORT

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

On the orders of the day:

Mr. J. P. Nowlan (Digby-Annapolis-Kings): A supplementary question to the minister re transportation in the east. I should like to know whether the people in the Atlantic area can expect a little of the luck the minister is dispensing today and be given a positive announcement about the Digby-Saint John ferry, in view of the meeting between the minister and the mayor of Saint John on Monday.

Hon. Paul Hellyer (Minister of Transport): We are working on this too, Mr. Speaker. This one is not as easy as some of the others, but there is some reason for optimism in this case as well. It is a problem involving more than one agency, and it does require considerable co-ordination. I am hopeful that we can do something for the people in that part of Nova Scotia as well as on the New Brunswick side, and we are working in this direction.

Mr. Thomas M. Bell (Saint John-Albert): A further supplementary question, Mr. Speaker. Has the new Minister of Transport had a chance to go over the promises that his predecessor made regarding the Digby-Saint John ferry, and does he stand by those promises?

Mr. Speaker: Order, please.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I wish to direct a question to the Prime Minister. Can the Prime Minister state to this house whether the advice of the Minister of Transport to University of Toronto students to be careful of becoming overly moral with respect to the war in Viet Nam represents government policy?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I think my hon. friend dealt with that question.

BROADCASTING

IMPLEMENTATION OF CANADIAN POLICY

The house resumed from Tuesday, November 7, consideration of the motion of Miss LaMarsh for the second reading of Bill No. C-163, to implement a broadcasting policy for Canada, to amend the Radio Act in consequence thereof and to enact other consequential and related provisions, and the amendment thereto of Mr. McCutcheon. (p. 3982).

Mr. Ian Wahn (St. Paul's): Mr. Speaker, at ten o'clock last night I was speaking of the importance of obtaining balanced programs of high quality on our television and radio networks. I suggested that in order to obtain programs of high quality it was important to co-ordinate the programming activities of the Canadian Broadcasting Corporation and the private operators, rather than have the C.B.C. and private operators competing as they now do in the provision of duplicate and unbalanced programming.

I pointed out that the Fowler committee had prepared a very interesting analysis of the programming carried both by the publicly-owned stations and the privately-owned stations. This appears at page 29 of their report. Briefly the report indicates that on the English language network the C.B.C. stations spent 52.2 per cent of their television time in the provision of programs of light entertainment; 37.5 per cent of their time in the provision of what is described as information; 8.1 per cent—

Mr. Speaker: Order. I wonder whether hon. members would mind my bringing to their attention that the all too numerous conversations in the chamber at the present time make it extremely difficult to follow the hon. member's speech.

Mr. Wahn: As I was saying, Mr. Speaker, 8.1 per cent of C.B.C. television time is spent in providing sports coverage; and only 2.2 per cent of its television time is spent in providing coverage which deals with the arts, letters and sciences. So that over 50 per cent of C.B.C television time is spent on providing light entertainment.

The C.T.V. network has much the same breakdown, only slightly worse in that it is slightly more unbalanced. For example, 66.3 per cent of its television time is spent on light entertainment; 28.8 per cent on the provision of information; 4.7 per cent on the provision of sports coverage; and 0.2 per cent on the provision of coverage of the arts, letters and sciences.

The independent stations which are not allied to any particular network provide an even more unbalanced program. The figures indicate that 74.8 per cent of the time of independent television stations is spent on providing so-called light entertainment; 16.8 per cent is spent on providing information; 8.4 per cent is spent on providing coverage for sports; and no discernible amount of time is spent on the coverage of the arts, letters and sciences.

I think these figures indicate the importance of doing something about programming and underline the importance of co-ordinating programming of the C.B.C. with the programming of the private stations. They also emphasize the importance of stimulating the development of several networks across Canada so that on each network there will be a more balanced program as between light entertainment and better quality programs. If that were done, Mr. Speaker, it would mean that Canadians would have a choice at any given time whether to watch one type of program or another.

At the present time, Mr. Speaker, you can switch on to the C.T.V. network and view a program of light entertainment. If you turn the knob and tune in the C.B.C. station you will probably get light entertainment there as well. If you were within the range of an independent station the chances are you would get light entertainment on that frequency too. There is no co-ordination among the various stations providing programs, with the result that we do not get a proper program choice.

• (3:20 p.m.)

The figures I have quoted from the report also indicate that a high proportion of the $141 million which the taxpayers contributed in 1967 to the C.B.C. has been devoted to providing light entertainment, sports coverage and certain information services which duplicate services already being performed by the private stations. I would suggest that a large proportion of this money should be saved, and devoted to improving the quality of the programs provided by the C.B.C., to offering better balanced programming across the country and to bringing better service to the more remote regions, especially in the north, which are not properly served at the present time.

I suggested earlier in my remarks that it would be desirable for the C.B.C. to be relieved of the housekeeping opreations it now carries on in consequence of the fact that it owns a large number of stations and has a big investment in physical facilities. Because of its involvement in these housekeeping activities the corporation may not have sufficient time to devote to its main responsibility—programming. At page 219, the Fowler report says:

> One outcome of our inquiry is that the C.B.C. now has an outline of what was first described as an ideal television program schedule and was later entitled 'Programming in the Public Interest'. We find it odd that such an obviously practical planning instrument should have come into existence only at the suggestion of an outside advisory committee of laymen. Had there been, among the most senior staff and within the Board of Directors of the C.B.C., the primary concern with programming that we believe to be essential, this ideal program schedule would have been created long ago.

It is apparent that there is throughout the country and has been for some time a great deal of criticism with regard to the programming both of the C.B.C. and of the private stations. I recall that some years ago the C.B.C. had a tremendous amount of support

for its programming throughout the country. This is no longer the case. It may be that conditions have changed and that the important function which the C.B.C. then carried out is no longer one which should necessarily be performed by a publicly financed corporation.

Severe criticism has been levelled against both private and public broadcasters on the grounds that news has been improperly presented, or even slanted on occasions, and criticism has been directed also against undue emphasis of minority views during the presentation of controversial programs relating to social problems. In examining the legislation now before us I believe we should give careful consideration to whether a corporation supported by public funds should engage in the distribution of news or the presentation of programs on the more controversial social questions which now face our country, when similar coverage is already being provided by private stations.

These seem to be the programs which have got the C.B.C. into most difficulty in recent years. If we were to ask ourselves: "Should parliament provide a corporation with funds to publish a newspaper?", I am sure we should all say, no. If we were asked to provide funds to a corporation in order that it might produce a newspaper which discussed critical social issues confronting us at the present time, I believe parliament would refuse.

I find it a little difficult to understand why parliament should be called upon to furnish the C.B.C. with millions of dollars to provide a news service and a public affairs discussion service on the air when we would not even think of allotting funds for the purpose of offering the same service through a printed newspaper.

The functions of the C.B.C. should be carefully re-examined, and the bill now before us should give guidance to the corporation as to just what its functions should be in the fields which have given rise to so many problems during recent years.

All the reports which have been made by committees of inquiry have emphasized the fact—as indeed does the bill before us—that broadcasting undertakings in Canada constitute a single system which forms a public trust and must be administered in the public interest. It is clear from all these reports that many improvements can be made in the Canadian system and that in many respects both the private and the public stations have failed to carry out their responsibilities to the public.

The Fowler committee recommended that parliament should delegate authority over all Canadian broadcasting to a single board or agency. This agency would have full power and authority to regulate, supervise, control and develop the Canadian broadcasting system. Its powers would be clearly defined in the Broadcasting Act and it would be responsible for carrying out the functions set out in the act. Its basic job, so the committee recommended, would be to develop a coordinated policy for the provision of broadcasting services to all the Canadian people by all broadcasting stations both privately and publicly owned.

Everyone has said "amen" to this, and we have all agreed that broadcasting facilities in Canada must constitute a single system. If this is so, then surely the principle of entrusting authority to a single regulatory board or agency must be correct. Mr. Speaker, the bill now being considered might have the effect of dividing authority between the Canadian radio commission and the C.B.C. This could give rise to conflict, confusion and inefficiency. Worst of all, it might involve the government in arbitrating disputes between the two public agencies. Therefore it seems to me that in the committee amendments should be considered by the minister which would give effect to the sound principle which is set out in the Fowler report of having a single, effective, regulatory agency.

• (3:30 p.m.)

The question of how the regulatory agency is to function is also of vital importance, and the method should be set out clearly in the legislation. Basically there are two ways of doing it. The first is the easy way, which has been adopted in this bill, to establish a commission and to give it unfettered authority to do the job.

Under the terms of the bill the commission is to consist of five full-time members and ten part-time members, all appointed by the governor in council. But on carefully examining the bill it appears that the real authority is in the five full-time members. They constitute the executive committee. The result is that the actual effect of the bill is to put the future of the important broadcasting industry completely in the hands of an appointed board of five full-time officials. These are appointed for a seven year term. Once they are appointed, in effect they are responsible to no one. Consistently with this

approach, appeals from decisions made by this group of officials are very limited. In some cases no appeals at all are permitted. In some cases the legislation provides that hearings do not even have to be in public. This is certainly the easiest way to deal with the problem; but I submit, Mr. Speaker, it is not the best way.

We must have a strong commission, but the commission must be responsible to our courts. The hearings of the commission must be in public in all cases, and there must be a full right of appeal. I also submit that decisions must not be based upon the caprice or the discretion of the members of the commission, but rather on the basis of regulations which are general in their nature, which have been published and which are well known to the public.

I realize that to regulate the broadcasting industry in this way, by means of general regulations which have the effect of law, rather than by just putting the broadcasting industry completely under the control of a commission, is more difficult; but it is the better way and it is the way which I think is more in accord with the sound traditions of this country.

The commission should be instructed by the legislation that their job is not to make decisions on individual cases. Their more important function is to establish general regulations which will set out the type of programming to be provided by all stations in Canada, including requirements for balance as among the various kinds of programs, Canadian content requirements, fairness in reporting, impartiality and high quality.

The commission should also have the important job of reviewing all programming and prosecuting, in our regular courts, any violations of the general regulations. Penalties must be severe, and in serious cases must include the power to order forfeiture of licences. This judicial type of procedure has been adopted in other areas and has worked well. It is the procedure which should be followed in the regulation of an industry as important as the Canadian broadcasting industry.

The introduction of this bill gives us the opportunity to reconsider the basic principles which should govern broadcasting in Canada. The groundwork has been well prepared by the numerous commissions and committees which in the past have investigated and reported on the industry.

[Mr. Wahn.]

Mr. Speaker: Order, please. I regret to interrupt the hon. member, because his time has expired, unless he has agreement from the house to continue.

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, it had been my intention to make some remarks at this stage of the bill, but I think Your Honour will agree that there seems to be a general disposition to get it before a committee one way or the other. So I decline this opportunity and will make my remarks at another stage of the bill.

Mr. Ralph Cowan (York-Humber): Mr. Speaker, before I make some comments with regard to Bill C-163 might I be allowed to remind the house that I am possibly the last surviving member of the groups that met with R. B. Bennett and Sir John Aird back in the early thirties when the first Canadian broadcasting commission was set up. You may wonder how one of my age would be at those meetings, and I would emphasize that at that time the Toronto *Star* operated a radio station of its own, CFCA, and I was sent by Mr. J. E. Atkinson, publisher of the *Star* and owner of CFCA to sit in on the meetings with regard to the formation of regulations for the radio world of Canada in those days.

The death in March of this year of the late Senator Rupert Davies, who was a long time family friend, was a tragic blow to me and to many, many other Canadians. I believe he and I were the last surviving two who sat in on many of those meetings. I can assure you that, as one who sat in on the meetings, took part in the discussions and knew the background for the decisions reached, it is more than amusing in the 1960's to hear speakers get up and tell us what was motivating Sir John Aird and others when they originated the first radio broadcasting commission.

I would like to point out that on October 21 of this year I had a grandson born in Charlottetown, P.E.I. and because of that, being down there with my wife, being the grandparents of the little boy, we are quite well aware of the little nursery rhyme, "Where did you come from, baby dear; Out of the everywhere into here." I want to say to you as a member of parliament that when I look at white papers, particularly the white paper on broadcasting, that was introduced more than a year ago, I have to reflect: "Where did you come from little white paper; I am the result of a cabinet caper." I cannot tell you where white papers come

from. Their origin is beyond the comprehension of private members and individual members of the House of Commons. They just appear out of the everywhere.

I have in my hand an extract from "A Parliamentary Dictionary," by L. A. Abraham, formerly principal clerk of committees of the House of Commons in England, and he defines white paper by stating that—

> —government publications of all kinds, presented to parliament, are known as white papers ... The term is associated chiefly with such command papers (i.e. papers presented by the Queen's command to parliament) as are not of sufficient size to need a blue cover.

I also have in my hand the definition of white paper from "An Encyclopaedia of Parliament" by Norman Wilding and Philip Laundy published in 1961, as follows:

> A colloquial term for a government report, statement of policy, or similar document—

• (3:40 p.m.)

I draw to your attention these two definitions of a white paper. According to these writers it is a statement of government policy, and as Mr. Laundy says, it is "a colloquial term for government report, statement of policy." If a white paper is a statement of government policy, can you imagine a committee of this house, which committee is loaded with supporters of the cabinet, bringing in any condemnatory report regarding a white paper? This white paper, which is dated 1966, was referred to the standing committee on broadcasting, films and assistance to the arts, of which I am a member. I took part in practically all the discussions. We were asked to analyse the white paper. An interesting thing in respect of this white paper is that it starts out on page 1, paragraph one, about line 10, by speaking of Canadian radio, and says that this strong mandate did not arise from any narrow nationalism that sought to shut out the rest of the world, and so on. This is the strong mandate the C.B.C. has had in the past.

Having sat here for five years, having been interested in the radio business for a great many years and having heard the C.B.C. refer to its great, strong and powerful mandate in the past, I find it very interesting now that the Secretary of State, when introducing the bill for second reading, as reported at page 3747 of *Hansard* in the left hand column, stated:

> The bill—
>
> Bill No. C-163.
>
> —accordingly sets out in clear language a broadcasting policy for Canada which includes, for the first time, a mandate for the national broadcasting service operated by the C.B.C.

Well, there has been an awful lot of high class lying done up to November 1, 1967, if for the first time a mandate has been established for the C.B.C., because they have been speaking eternally of a mandate which did not exist in the past. When I make reference to the Secretary of State I should like to emphasize that I have absolutely no feelings with regard to the lady, except those of admiration and respect. She is a friend of mine and I hope will long continue to be a friend. There have been some references to some recent remarks which she made regarding the radio world. It is very, very nice that this Secretary of State has as such a great precedent for what she did, what was done by the gentleman who formerly was minister of national defence. You may remember that a certain Admiral Landymore had some discussions which were not entirely too pleasant with respect to himself and the head of his department, the then minister of national defence. The then minister of national defence and Admiral Landymore parted company over words used at that time.

I am 100 per cent behind the minister of national defence of those days, the present Minister of Transport (Mr. Hellyer) in respect of what occurred, for the simple reason that I believe in the civilian power. I believe the army, the navy and the air force are under the Minister of National Defence and are responsible to him. When I state that I support the former minister of national defence in his stand at that time, I must add that I regret very very much that he practically destroyed the value of committee work by his remark to the effect that government employed witnesses who appear before parliamentary committees must give evidence according to the line that the minister of the department has adopted, and must not express their own thoughts. With that he destroyed absolutely the value of evidence given by other employees of the government before parliamentary committees.

As the hon. member for Royal (Mr. Fairweather) will remember, the president of the C.B.C. appeared before the committee on broadcasting, films and assistance to the arts. When he was being introduced to members of the committee I asked the chairman to ask the president of the C.B.C. if what he was about to tell us had been cleared with the

Secretary of State before he made this statement, in view of the fact that Admiral Landymore had been told that his statement had to agree with the line laid down by his department head. The chairman did not really overrule me, but he kept telling the committee, "I recognize the hon. member for Royal", "I recognize the hon. member for Royal." Several times I asked the president of the C.B.C. whether what he was going to tell us had been cleared with the minister, as in the case of Admiral Landymore. Each time the chairman said, "The hon. member for Royal", "the hon. member for Royal", "I recognize the hon. member for Royal." It is nice that the Secretary of State has such precedents to justify her actions in this matter.

When the committee was sitting to consider the reference about the program "Seven Days" I refused to have anything to do with examining or listening to the producers who were telling us that they should have absolute power to do what they liked, and that the management of the C.B.C. had no control over them. I said at that time in no uncertain terms that they were responsible to and under the direction of management. Management can either manage properly or mismanage. In this case I think that the management did not have enough control over the producers. I said I would not listen to these producers attacking the management of the C.B.C. I did say, however, that I would come to the committee meetings if my presence was necessary, in order to maintain a quorum. On two occasions they dragged me out of other committee meetings where there was more than a quorum to come to the meeting of the committee on broadcasting, films and assistance to the arts, so that that committee would have a quorum.

About a year ago in Hamilton I was engaged in a debate regarding the C.B.C. The gentleman on the other side of the debate was one of these producers. He emphasized to the audience at McMaster University in no uncertain terms that I took such little interest in radio and TV that I read a newspaper all the time he was giving his evidence before the committee. I am glad he noticed that. I had been dragged there to make a quorum, but I had said that I would not listen to a producer attacking the management. I believe in the responsibility of management to the responsible head of the department. The responsible head of that department is the Secretary of State. Following that line of conviction and reasoning, the hired hands are responsible to the Secretary of State. I am with her 100 per cent. I do not like the newspaper headings such as "Judy LaMarsh Stands Alone". Judy LaMarsh has a precedent in the former minister of national defence, and is on firm and solid ground in the action she has taken.

I have a large number of thoughts I should like to express in respect of the Broadcasting Act, but first I wish to mention the absolute impotence of individual members of parliament. They do not account for anything. It does not matter whether the private member is on the so-called government side or on the opposition side of the house; I have been a member of this house for a little better than five years now and I know whereof I speak. Private members of parliament are asked nothing and told nothing. Nothing is expected of them, except to be here to vote in accordance with the wishes of the cabinet, no matter what those wishes may be.

But, let us take the broadcasting bill. I am a member of the broadcasting committee; I am interested in broadcasting and radio. I never saw the bill, of course, until it was placed on my desk in my absence, and in the absence of other members of this house who had taken part in some provincial elections. When we returned, a copy of the bill was on our desks. We are expected to support the bill, because if we do not the government might fall and that would be a fate worse than death for the Dominion of Canada. I cannot agree that it would be a fate worse than death, because I feel that parliament is suffering fates worse than death because parliament does not govern this country any more; the cabinet does.

The blighters sitting behind and to the right and left of the cabinet are supposed to raise their hands even if they have never seen the bill before. They are supposed to support it, and it is expected that the opposition will cause only trouble. I am of the opinion that members of parliament are intelligent men. They were not sent down here by the constituents whom they represent to look like bumps on a log. The private members to the right of Mr. Speaker are supposed to support the action of the cabinet, and the members to the left of Mr. Speaker are supposed to raise objection. There are intelligent men on both sides of the house and among the private members. The consensus of the entire parliament should become the laws of the land, and not what cabinet brings down and says we should support because it is the considered opinion of the cabinet.

I remember the immigration committee a year or so ago on the occasion when the immigration white paper came down. I was a member of the Liberal immigration group which met quite frequently with the Minister of Manpower and Immigration (Mr. Marchand) and his deputy. The night before the white paper was brought down there was a very interesting and intelligent meeting held in the minister's office. I can remember a recently elected member of the Liberal party at that meeting asked in a rather plaintive way, "may we see the white paper before it is produced in parliament?", and the laughter of the Minister of Manpower and Immigration, who himself had been in the house about a year and a half, and the laughter of the deputy minister of immigration was very interesting to behold. To think that a newly elected member of parliament should ask to see the contents of a white paper before it was put before members of the House of Commons, with the indication that those of us sitting to the right of the Speaker would have to endorse that white paper, was astounding.

• (3:50 p.m.)

Mr. Knowles: May I ask the hon. member a question?

Mr. Cowan: I am limited to half an hour.

Mr. Knowles: Did the hon. member say that the deputy minister of manpower and immigration was at a meeting of the Liberal caucus?

Mr. Cowan: I did not say "caucus"; I said it was a Liberal study group on immigration.

Mr. Knowles: That's just another name for it.

Mr. Cowan: Those are your words, not mine. I should like to read some of the expressions of the Secretary of State (Miss LaMarsh) in her introductory speech on second reading. At page 3746, referring to the broadcast committee, she said:

> Because this was indeed a committee free of narrow partisanship—

If these committees are "free of narrow partisanship", why is there always a majority of supporters from the right of the Speaker on the committee? In the case of this committee we had 25 members and 13 of them were Liberals. Why is it that if a Liberal is going to be away for one reason or another we have him replaced by another Liberal, and if a Social Credit member is going to be away he is replaced by a member of the Social Credit party? Is this done to show there is no narrow partisanship on the part of the committee? The membership is engineered from the start to the finish.

We are told by the Secretary of State that the report of this committee was very valuable. I have a copy of the report of the committee here in my hand and I have a copy of the white paper. There were 21 paragraphs in the white paper, and the committee concurred in 19. One can see the heavy additional thought we gave to the white paper, which came out of the everywhere into here. The two paragraphs that we did not concur in had to do first with educational television, and we suggested there be a delay in considering it, and one made some complimentary reference to the Fowler commission, which was past history. We simply approved of the historical reference. We had 19 concurrences in respect of 21 suggestions in the white paper.

If we read on in *Hansard* we find a reference by the Secretary of State to the effect that the bill in front of us is what the government intended should be before us. It is interesting to know that the bill was coming down, no matter what the committee action might have been in connection with the white paper.

Let me draw your attention to the speech of the Secretary of State on November 1 and pick out the "we's" in it. In the second paragraph it says, "we" have been formulating this bill. You might think that the "we" is the Liberal caucus. I can tell you that it was never discussed by the Liberal caucus. You might think that the "we" is the Liberal party. It was never discussed by the Liberal party. The "we" is the cabinet, and I presume means the majority of the Liberal cabinet. That does not necessarily mean 25 people; it could be 13 or 14.

Then we have reference again on page 3746 to this effect, that the committee's report was particularly valuable to "us". The "us" would again be the cabinet. On page 3747 there is a reference to all these sources of individuals and groups who have given "us" their views. The Secretary of State then says "we" have arrived at a consensus. She refers again to "we" and "us".

Then we go on and find a further reference about the agreed upon principles as a starting point. They were agreed upon by whom? They were certainly not agreed upon by the caucus and not agreed upon by the Liberal party,—but they were ageed upon.

Then on page 3747 the Secretary of State says:

—we have tried in this bill to carry each of them through—

Further on she says "we reached", and "we believe", and that this "we believe" will permit implementation of the standing committee's wishes in this regard. Then on page 3752 we read:

—Mr. Speaker, we searched for a name which would best represent—

Again on page 3752 we have another reference to we. The Secretary of State said:

Although the white paper proposed that there should be seven part time members and the standing committee recommended six, we have now on more mature consideration—

Apparently that is a back-handed compliment to the standing committee because she says:

—we have now on more mature consideration come to the conclusion that so small a number of part time members would not be sufficient to provide proper representation of public interests. It is therefore proposed in this bill that there should be ten part time members of the commission—

If we carry on reading we find at page 3756 the word "we" referred to several times. The minister says "we" have arrived at a consensus, and "we" hope the bill will be endorsed. Why cannot these people say who "we" are, instead of creating the impression that the Liberal caucus has agreed upon this or the Liberal party has agreed upon that, and let it be known that it is the cabinet that has agreed upon it.

At the very end of the Secretary of State's remarks in the very last paragraph she says that having all these things in mind she recommends this legislation to the favourable consideration of hon. members. I wonder why she asks us for favourable consideration. She has told us what "we" are going to do, what "we" have done and what "we" want. She has told us what "we" think is in the interests of the nation. I suggest to you that there was no need to ask for favourable consideration of hon. members.

I have picked out some of the "we's" to show you who is formulating the policy that we are asked to endorse. I have picked out references to what "we" are going to do. For instance, at page 3748 there is no suggestion that the cabinet is asking parliament to endorse this, or the cabinet is asking parliament to vote on the question.

We have a reference at page 3748 as follows:

The prohibition of political broadcasts immediately before elections is to be continued, with some modifications, and the commission will be empowered—

This is stated before the bill is voted upon. Surely the cabinet could ask us to empower the commission to do this. But, no, we are told it is going to be empowered. Again at page 3748 it is stated:

—the commission will have to take fully into account—

We are being told in advance what is to be, and we are told in advance what is going to be done; and we are given to understand that if we do not support the cabinet we are likely to have an election.

We then see at page 3748:

The conditions of license will also be used—

It does not say anything about the cabinet believing that the conditions of license should be such and such, expressing the trust and that parliament will endorse this belief. No, we are told to stand and deliver—and one has to stand up to vote in this parliament. Stand and deliver is the only way.

Again at page 3748 we find the statement that "we" will have a great deal more flexibility. They certainly will, if this bill is passed. Again at page 3748 we have reference to the fact that the commission will do this and that, further reference to the fact that the commission "will be required", "will be granted", and again "will be required", and "will be subject to", and so on and so forth. It suggests that such and such "will also be laid down", "will have to", "will be empowered" and "will be governed".

There is no evidence to show that the cabinet ever thinks of asking the elected representatives of the people to consider their suggestions favourably. Oh, no, they just write the bill and then tell the dumb private members to support it, or they will have to face an election. I believe members of parliament were elected to parliament to express here in Ottawa what their constituents want to see done. They are not sent down here to act like dumb bunnies endorsing the thoughts of a few people who have been called to the cabinet.

• (4:00 p.m.)

I am unable to endorse the principle of this bill. I cannot endorse it when I consider the way these bills are introduced into parliament, without members knowing anything about them. If you look at the debate on the

resolution on Tuesday, October 17, you will find it very interesting to read the comments in *Hansard* of various members of the house. The hon. member for Burnaby-Richmond (Mr. Prittie) said:

—and, as the previous speaker mentioned, we are dealing here in generalities and not until the resolution stage is completed will we have the bill and see the new legislation in which we are all very interested.

The hon. member for York-Scarborough (Mr. Stanbury), the chairman of the committee, said as reported at page 3185 of *Hansard*:

—in the bill which the Secretary of State will be revealing to us shortly.

I emphasize the word "revealing". Then we have the hon. member for Burin-Burgeo (Mr. Jamieson), a member of the committee, on page 3187 expressing the hope that there will be in the bill things which are as yet unseen. The hon. member said:

The legislation that we are to see introduced today has been a long time in coming, and I commend the minister for resisting the pressures of recent months and, indeed, even of years, to speed up the introduction of the legislation because I hope that the document we will see unveiled at the end of the debate on the resolution will be a comprehensive effort—

I know that my time is limited, Mr. Speaker, and I wanted to refer in detail to the community antennae television features of this measure. The community antennae industry is a growing one in the United States and Canada and it is going to be hit if part IV of this bill is passed in its present wording. Community antennae television is the fastest growing segment of the radio and television world today. I say that this bill negates the principle of the right of a people to view the programs of their choice. We make great fuss and palaver over the fact that we have the right to freedom of assembly, the right to freedom of speech, right of a free press and the right to freedom of religion. The four freedoms are extolled from time to time. If we have freedom of speech, surely the corollary is that we have freedom to listen. Twice when introducing this bill the Secretary of State referred to the great freedom of expression that is given to people on the air. In fact at one place it was said that this freedom must not be curtailed.

What is the use of having freedom of expression if audiences are prohibited from listening to you or, in the case of television, from viewing you? In the case of C.A.T.V. it does not in any manner make use of radio frequencies; it is nothing but a receiving operation from start to finish. I have read the definitions in the first part of the bill. Members can read them for themselves on page 3 of the bill under "Interpretation". We find these words in paragraph (d):

—"broadcasting undertaking" includes a broadcasting transmitting undertaking, a broadcasting receiving undertaking—

Nowhere can I find a definition of what a broadcasting receiving undertaking is, but we have been told that regulations will be framed by the commission to be appointed covering broadcasting receiving undertakings. If we were ever asked to vote a blank cheque, I can tell you that this is a duplicate, because this is a blank cheque in every manner, shape and form.

Why should parliament, consisting of duly elected representatives of the people, be asked to confer upon a commission as yet unnamed and unformed the power to create regulations which will bring C.A.T.V. receivers under broadcasting regulations? The reason they want these receiving sets under regulation is so that the viewing audiences of television stations in Canada will not be decimated by those who do not want to look at a certain television station, but at a station coming over cable television.

I have in my hand a statement on community antennae television broadcasting by the former minister of transport, Hon. J. W. Pickersgill, who has been transported, or I should say translated, to other fields of effort, and by Hon. Maurice Lamontagne, then secretary of state, dated July 22, 1964. In this mimeographed statement—by the way, no action was taken on it—it is said:

Proposed item re C.A.T.V. receiving stations to be included in supplementary estimates.

This is why they want C.A.T.V. brought under discipline and licence. This statement says:

—that the specification therein of that broadcasting station is unlikely to result in the operation of any existing television broadcasting station in Canada serving the area served or to be served by the licensed station becoming uneconomic or to inhibit the establishment of ultimate television broadcasting facilities in Canada serving that area—

Why should the parliament of Canada worry whether individual television stations are going to make a profit? We pay lip service to the idea of free enterprise, but when it comes to television stations we are told: We are going to try to keep C.A.T.V. out of your place. The most glaring example of the way the public will turn to C.A.T.V. in preference to watching television station programs

they do not like, is Port Arthur. It is estimated that there are around Port Arthur 24,000 television homes, more than half of which have C.A.T.V. receiving antennae. They pay a television cable company to bring them television service from Duluth, Superior, and Marquette. More than one half of the people around Port Arthur pay money each month to watch those television stations. It is quite a comment that television set owners around Port Arthur, which has quite a bit of C.B.C. programming, pay money to view outside programs.

In Toronto, if you have a private home and an antenna you can bring in Buffalo on television. The cabinet says: You should not look at an American station, if you look at an American station you will reduce the size of the Canadian station audience. However, the people in the area are interested in looking at television programs from Buffalo and Rochester.

So we have in this bill a move to bring C.A.T.V. under regulation. The new commission will simply say to C.A.T.V.: If we give you a licence, people will watch television stations other than those in the area, and those in the area do not want their audience decimated by competition.

Do we ever hear the government of Canada saying to television and radio stations: You must not go in there; you will be taking away advertising from the local newspapers or magazines? No. The government gives no protection to the printed word, but for some reason they seem to think that a radio or television station has to be protected from the competition offered by other stations which can be brought in.

C.A.T.V. does not make any use of radio frequencies It does not violate any publicly owned radio frequencies. It is simply a receiving system, and receives programs already being broadcast. If a man, woman or child wants to look at a different station from the one in their own home town, what right has the government to tell them otherwise? If we pass this bill in its present form, pretty soon we will be telling the people: You cannot read an American magazine; you have to read *Maclean's* or other Canadian periodicals. The cabinet will handle this in the same way that they handle Canadian content on television now, and will tell the people that they should not read or look at anything that is not Canadian.

Yet we had in the speech of the Secretary of State the statement that the government believes in freedom of expression. If they believe in freedom of expression why do they not believe in freedom of receipt of these various expressions? If a person has a wonderful idea and is broadcasting it on a television station, and C.A.T.V. is forbidden to bring that station in, what is the use of that man talking? He might as well go and holler down a rain barrel. This will be the situation if C.A.T.V. stations are subject to government licence and the government says: You cannot bring in that station on that channel; we want you to bring in as many Canadian stations as your system will reach, and if you want to bring in something foreign, you cannot do this.

On most of the C.A.T.V. systems you can bring in seven channels, and on a few you can bring in 12 channels. I know of no reason why C.A.T.V. should be told which stations they have to bring in, if there is a multiplicity of selection. There is some comment that C.A.T.V. is going to be the television of the future. I have a cartoon upstairs —I asked the Toronto *Star* to send me the original some time ago—relating to all the flap at the time when we welcomed the king of Siam, the emir of Afghanistan, the king of Ruritania and other such dignitaries. The picture shows Mr. Taxpayer, a poor fellow with no seat in his pants and a threadbare coat, looking at the coach and four coming out the front gate of the parliament buildings grounds, and remarking to another Ottawa passerby "They keep themselves awful busy in Ottawa keeping up with yesterday".

• (4:10 p.m.)

I am telling you, the radio and television world in the next ten years will be unrecognizable from today because cable television will dominate the field. Then if you want to get a certain type of music, you will be able to press a button in your home and cable television will bring you the type of music you want, not the type of music that the disc jockey on the radio or television station thinks you want at that hour. If you have children and they want to look at a science fiction program, they will press a button on their set and they will be able to get it, because the family will be able to choose from among five or six continuous programs on the same theme. The family will not have to be told to wait until nine o'clock, when the program they want to see is scheduled. A library of films will be available on cable television and you will be able to get the type of educational program or travelogue you wish to see at the time you want. You will be free and you will not have to upset

the entire routine of your life in order to catch a certain program at a certain time, if you are that interested in the programming.

For example, let me illustrate how busy we are keeping up with yesterday. At page 3, clause 3(j) of the bill which is before us reference is made to electromagnetic waves of frequencies lower than 3,000 gigacycles. What a word that is. I wonder when this bill was written, because that word is no longer used in the nomenclature of radio and television. The word used today is "gigahertz" and that has been the established expression for some years. I refer to this simply as an indication of how busy we are keeping up with yesterday.

We speak about the great radio and television world of the future. This bill makes practically no reference to it, other than that the commission will license C.A.T.V. and try to make people watch Canadian productions, whether they wish to look at them or not. In my view this interferes with the freedom of individuals, to choose and on that basis alone I cannot support the bill, let alone the manner in which it has been produced.

I sincerely hope that what I say now may have some effect on the introduction of bills in the future. I believe the representatives of the people should be consulted before bills are brought in. I do not for one moment believe that all the wisdom of Canada resides in the brains of the 25 people in the cabinet. I think the people of Canada have ability, and I think their ability should be recognized and the products of their thinking should be used. I would like to see the government of Canada returned to the parliament of the people, and not be allowed to continue on in the hands of a cabinet which does not consult the representatives of the people. There are representatives of the people in Ottawa but they are not asked a thing.

I hope I will not have to repeat the same remarks when the Post Office bill comes down. I have spent 40 years of my life in the publishing business and I am conceited enough to think I know something about it. I have had a great number of phone calls, telegrams and personal visits from newspaper and magazine publishers in Canada asking me about the new Post Office act, what is in it and what the second class rate will be. I say to them, "My friends, why are you asking me, I am only a private member of parliament. Where did you get the idea I would know what is in the Post Office bill? You will probably know before me, because if it is introduced at night it will reach you over the Canadian Press wire service and I will be able to read about it in the morning paper". I think it is an absolute denial of democracy to have the cabinet do all the heavy thinking, as they are doing in their opinion, and then produce it here and ask private members to vote for it or the government will fall, and that that is a fate worse than death. I do not agree with this. I simply ask the cabinet: In the name of heaven, can you not consult the representatives of the people, who have spent money to espouse Liberal principles and to show they are in favour of them?—and then when they get here, at some expense, which is not covered by the party, they are ignored completely. It is about time that this country, my beloved Canada, was governed by the representatives of the people and not by 25 hand picked souls.

Some hon. Members: Question.

Mr. Howard Johnston (Okanagan-Revelstoke): Mr. Speaker, I know that we are late in this debate but I think it has been a most interesting and constructive one and has shown, in a way that nothing else would, a concerned and aroused nation. The debate in this past week has had a different mood and temper to it than might have obtained had it been held a year ago. In fact if we recall the early days of the committee hearings into what is known as the "Seven Days" crisis, those who felt there was something wrong with the C.B.C. at a variety of levels were in a very small minority for far too long a time. But as the debate has shown, the situation has changed.

The bill deals with programming to a large extent and with housekeeping to an even larger extent. It proposes the setting up of a Canadian radio commission, which I suspect will be too busy with the housekeeping to spend much time keeping an eye on the programming. I hope that the name, "Canadian Radio Commission", will be changed. I know the government can talk about gold mining assistance without any reference to the international monetary situation, but I do not think it can choose a name for a commission which will govern television without having the word "television" included in the name. I suggested a change in name very strongly at the committee meetings but my suggestion was not taken up in the report of the committee. However, I am happy to see that it is mentioned in the legislation.

I feel that there is a very serious lack in the bill that is before us, in fact a crucial one. On page 2, clause 2(d), we find that the commission is charged with providing a reasonable opportunity for the expression of conflicting views on matters of public controversy. This has been one of the touchiest points in the whole controversy over the C.B.C. I feel that this provision does not go far enough to protect us against the sort of things that have already happened. There are areas of public controversy where we cannot be reasonable because the threat to democracy and to the nation is too great. I should like to quote Sir Hugh Greene from "The Conscience of the Programme Director" where he stated the following:

—there are some respects—

He was speaking of the B.B.C.

—in which it is not neutral, unbiased or impartial. That is, where there are clashes for and against the basic moral values—truthfulness, justice, freedom, compassion, tolerance.

Nor do I believe that we should be impartial about certain things like racialism, or extreme forms of political belief. Being too good 'democrats' in these matters could open the way to the destruction of democracy itself. I believe a healthy democracy does not evade decisions about what it can never allow if it is to survive.

The actions and aspirations of those who proclaim some political and social ideas are so clearly damaging to society, to peace and good order, even in their immediate effects, that to put at their disposal the enormous power of broadcasting would be to conspire with them against society.

This is what I am concerned about in the bill and I hope that in discussing it in committee we can write in an amendment which would state that the power of this public institution is not to be turned over to those who would conspire against democracy, because in recent times we have come close to that great danger. We have heard from some speakers in this debate that surely Canadian democracy is such a sturdy growth that no such danger can arise and that it can withstand the shock of what is called "free discussion". However, I prefer the description of democracy given by Jacques Ellul in his book "Political Illusion", where he says:

• (4:20 p.m.)

It should have been clear that any political order based on values was an infinitely fragile thing, a rather astonishing human achievement, and one that had to be maintained by will-power, sacrifice, and constant renewal.

I believe that this statement applies, and it applies to legislation that we introduce in

connection with broadcasting, public or private, in Canada, but particularly to the public sector because of the way in which the public have been asked to conspire against themselves.

I know some of our members in this debate have argued that we can allow a great deal of latitude. The hon. member for York South (Mr. Lewis), speaking of Mr. Lévesque said, as recorded on page 3893 of *Hansard* for November 3:

I believe, however, that it would be a travesty of freedom of speech if Mr. Lévesque did not receive an opportunity to express his views to the Canadian people. Only a sense of insecurity and a lack of confidence in the people of Canada would prompt one to suggest that the expression of that opinion would do Canadian unity harm. I have greater confidence than that.

The hon. member also has a blind eye because some of us remember an occasion when there was a threat to Canadian peace from the extreme right. There was a proposal that an interview with Mr. von Thadden be aired and the same member, speaking before a great assembly in Toronto, was bitterly critical of the C.B.C. for interviewing him. I agreed with him entirely. However, after a few months time, when we find the threat coming from the opposite end of the political spectrum, the hon. member indicates we can afford somehow to be more generous, and to be generous to the point of allowing the use of public facilities for a purpose leading to the destruction of our own national unity.

I feel, Mr. Speaker, that when this type of broadcasting is done, whether it is done in the name of news or in the name of political affairs, we should know what it is all about. We are told that the justification for this sort of thing which we saw in the program "Seven Days" and later in the program "Sunday", is the basic right of the people to know. This is the justification for presenting anything at all over the airways of the public. However, I believe that what we are involved in there is a form of propaganda, and one that we should recognize as propaganda of agitation. I should like to go back to Mr. Ellul who has a great many important things to say on the subject of democracy in government, and even broadcasting, in his two recent books. Speaking of propaganda of agitation, he said:

Propaganda of agitation, being the most visible and widespread, generally attracts all the attention. It is most often subversive propaganda and has the stamp of opposition. It is led by a party seeking to destroy the government or the established order. It seeks rebellion or war. It has always had a place in the course of history. All revolutionary movements, all popular wars have been nourished by such propaganda of agitation.

We have had some splendid examples of propaganda of agitation being used. There is no need for me to recount many of them here. I should like to feel that this is indeed an extreme statement of the position, but as a further clear example of how closely the C.B.C. itself has been involved in propaganda of agitation, I should like for the benefit of members to refer to excerpts from the program "Panorama" of Eurovision, televised on July 18, 1966 from Bonn, Prague, Paris, Amsterdam, Rome, Brussells, Oslo, Helsinki and Vienna. Lotha Loewe described C.B.C.'s "This Hour Has Seven Days" as, "a highly political T.V. magazine which led to the crisis between the 'Seven Days' staff and management."

It has been agreed, Mr. Speaker, that we should keep politics out of the C.B.C. Let us recognize also the importance of keeping the C.B.C. out of politics. Let me acquaint this house with the comments of Mr. Douglas Leiterman, who appeared in a very prominent position during the inquiry. The Bonn television station produced a summary of this Leiterman program of July 18, 1966, which concluded as follows:

> Asked whether he thought that the program would be cancelled now for good he said no, repeat no, he didn't think so. As soon as there would be change in government there would also be a change of the top of C.B.C., and as soon as other people were making the policy of the station, the program would stand at least another year.

Democracy has not achieved that sturdy a growth that we can allow it to be suborned by the use of public funds. There are people here who will be bitterly critical of what I say, and they will be critical in the name of the highest idealism. I would say, Mr. Speaker, that a considerable amount of the debate has been misguided. I should like to go back again to Mr. Ellul's remarks, where he says:

> Only at the very last minute do the idealists grab hold of themselves and call a halt, which is then terribly costly and bloody because none of the measures that a clear understanding of the autonomy of political matters should have necessitated was taken in time.

I would hope that with the results of the past year, the controversy and the concern of the Canadian people so clearly expressed, some initial steps might still be taken to provice the sort of control that would prevent the turning over of the public broadcasting corporation to these people. Economics prevent the private sector from being turned over, but the public sector does not operate in the same way. I hope that as we study the bill we will write in a warning that the use of the corporation should not be turned over to those who would destroy us.

The Acting Speaker (Mr. Rinfret): Is the house ready for the question?

The house divided on the amendment (Mr. McCutcheon) which was negatived on the following division:

• (4:30 p.m.)

YEAS

Messrs:

Alkenbrack	MacLean (Queens)
Allard	Macquarrie
Asselin (Charlevoix)	McCleave
Ballard	McCutcheon
Bell (Carleton)	McIntosh
Bell (Saint John-Albert)	McLelland
Bigg	Monteith
Brand	Moore (Wetaskiwin)
Churchill	Muir (Cape Breton North and Victoria)
Coates	Muir (Lisgar)
Crouse	Nasserden
Danforth	Nesbitt
Diefenbaker	Nielsen
Dinsdale	Nowlan
Fairweather	Nugent
Fane	Pascoe
Flemming	Pugh
Forrestall	Rapp
Fulton	Régimbal
Grafftey	Ricard
Grills	Rynard
Hamilton	Sherman
Harkness	Simpson
Hees	Skoreyko
Horner (Acadia)	Smallwood
Irvine	Smith
Jorgenson	Southam
Keays	Starr
Korchinski	Stefanson
Lambert	Wadds (Mrs.)
Loney	Watson (Assiniboia)
MacEwan	Webb
MacInnis (Cape Breton South)	Woolliams—66.

NAYS

Messrs:

Andras	Côté (Nicolet-Yamaska)
Asselin (Richmond-Wolfe)	Crossman
Badanai	Davis
Basford	Deachman
Batten	Douglas
Béchard	Drury
Beer	Émard
Benson	Fawcett
Berger	Forest
Blouin	Foy
Brewin	Gauthier
Brown	Gendron
Byrne	Germa
Cadieux (Terrebonne)	Godin
Cantin	Gordon
Caouette	Goyer
Caron	Gray
Cashin	Groos
Choquette	Habel
Chrétien	Haidasz
Clermont	Harley
	Herridge

Division

Hopkins	Patterson
Howard	Pearson
Hymmen	Pennell
Isabelle	Pepin
Johnston	Pilon
Knowles	Prittie
Lachance	Racine
Laflamme	Richard
LaMarsh (Miss)	Rinfret
Langlois (Chicoutimi)	Robichaud
Laprise	Rochon
Latulippe	Roxburgh
Leblanc (Laurier)	Ryan
Leboe	Saltsman
Lefebvre	Sauvé
Legault	Schreyer
Lessard	Sharp
Lewis	Simard
Loiselle	Stafford
Macaluso	Stanbury
Macdonald (Rosedale)	Stewart
MacEachen	Tardif
MacInnis (Mrs.) (Vancouver-Kingsway)	Teillet
Mackasey	Thomas (Maisonneuve-Rosemont)
McIlraith	Thompson
McNulty	Tolmie
McWilliam	Tremblay (Matapédia-Matane)
Marchand	Tremblay (Richelieu-Verchères)
Martin (Essex East)	Trudeau
Matheson	Turner
Matte	Wahn
Mongrain	Watson (Châteauguay-Huntingdon-Laprairie)
Neveu	Whelan
Nixon	Winch
Noël	Winters
Olson	Yanakis—119.
Orange	
Orlikow	
Otto	
Ouellet	

• (4:50 p.m.)

Mr. Speaker: I declare the amendment lost.

Mr. Cameron (High Park): I was paired with the hon. member for Melville (Mr. Ormiston). Had I voted I would have voted against the amendment.

Mr. Speaker: Is the house ready for the question on the main motion?

Some hon. Members: Question.

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

Some hon. Members: On division.

Motion agreed to, on division and bill read the second time.

Miss LaMarsh moved

That the said bill be referred to the standing committee on broadcasting, films and assistance to the arts.

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

Motion agreed to.

[The Acting Speaker (Mr. Rinfret).]

BUSINESS OF THE HOUSE

Mr. Starr: Mr. Speaker, if I may at this time direct a question to the government house leader, I wish to ask him what the house will be considering tomorrow and Friday.

Mr. MacEachen: Mr. Speaker, tomorrow we will begin the second reading of the capital punishment bill, and possibly carry it on on Friday, but I would like to discuss tomorrow with the house leaders whether we ought not to alter the business for Friday.

• (5:00 p.m.)

Mr. Speaker: It being five o'clock, the house will now proceed to private members business as listed on today's order paper, namely notices of motions.

MOTHERS ALLOWANCES

COMPENSATION FOR PERFORMANCE OF FAMILY DUTIES AS A CAREER

Mrs. Grace MacInnis (Vancouver-Kingsway) moved:

That, in the opinion of this house, as a measure to promote the development of family life in Canada and to prevent its erosion, where a mother chooses to make a full time career of motherhood by remaining at home instead of taking gainful employment outside, the government should consider the advisability of providing such a mother with an allowance to enable her to fulfil this service to Canada.

She said: Mr. Speaker, there is a growing concern in Canada these days about the way in which the pressures of industrialization and urbanization are threatening the Canadian family. It is not my intention to belabour this particular point, because I think we are very familiar with it because of what we have read in the newspapers and magazines, from what we have heard over the air, and so on.

Possibly the most concrete expression of this concern has been the setting up, within recent months, of the Vanier Institute of the Family by our much beloved late Governor General and his equally famous and beloved wife, Madam Vanier. This institute of the family will be devoting its efforts to inquiring into circumstances which make family life what it should be and also circumstances, I understand, which militate against good solid family life in cases where it breaks down. I think there is no lack of evidence that people are concerned about the need to do everything possible to protect family life

in this country. Just this afternoon, along with every other member of this house, I received a document from Montreal written in French. It is from two fathers of families —one who, I believe, has four children and the other five—who are concerned with difficulties of family life and who offer as their particular centennial solution a program under which each family would be enabled to have a house all to itself. This pressure of housing is one expression of the way in which our urban life is threatening the family.

Not the least of the pressures on family life now is occasioned by the tremendous industrialization of our country, automation, and the way in which larger and larger numbers of mothers are going outside the home to work. In my opinion every woman should have the right to decide whether she is to work in her own home, outside it, or engage in a combination of the two. Some women today are in a position to exercise that right very much more fully than others. In general I believe it is true to say that most women who engage in business, professional work or in a great many other kinds of work such as educational employment, are unable to afford to employ housekeepers or baby sitters, or to send their children to private nursery schools. When they are in a position to do this I believe there is no real neglect of the family. The woman can go to her work with an easy mind knowing that the children will not be neglected, at least in so far as their material comforts and needs are concerned.

I believe it is always a good thing when a mother of a young family is able to stay home, because I do not regard the work of a mother to be limited only to feeding, clothing and looking after the material needs of the children. Having grown up in a home where a mother devoted her entire energies to her six children and devoted a good deal of her time to inculcating in them personal habits, and particularly habits pertaining to their relations with other people, I believe the work of a mother does not stop with the mere business of keeping her children clean, fed and healthy. I think it goes far beyond that. However, I do not believe a mother is neglecting the family, within the ordinary sense, when she goes out to work when her children are being looked after while she is away.

What about the thousands of mothers of young children who are the sole support of their families? I think of the widows, women who are separated, deserted wives and divorced women. They all have young children and make up a very large percentage of the women in this country. In addition to the women I have mentioned who are the sole support of their families, what about the mother who must add her pay cheque to that of her husband if the family is to have a modern standard of living? The other day I read an item which appeared in the paper to the effect that in the United States, where conditions are very similar to those in Canada, the women's bureau is greatly concerned about the large number of women who appear on the labour force in the month of September. Esther Peterson, assistant secretary of labor says unequivocably that the increase in the cost of living has in very great measure been responsible for these mothers of young families having to go into the labour market in such large numbers. She is concerned about it, as is the director of the labour bureau of the United States.

What is the choice which faces such women? Really it is a choice between a pay cheque or poverty in the home. It is not a matter of downright starvation, but it is poverty; it is not a modern standard of living. It is one to which she is reluctant to see her children exposed. In cases where the mother must go out to work without proper provision being made for her children, it is the children who get caught in the crunch. I am all in favour of a system of child care centres. I believe this is one of the greatest needs we have in this country, and I have said this in the house on a number of occasions. But, let us face the facts; we do not have any such system at the present time. These great groups of women whom I have mentioned are faced with the choice of either going out to work and leaving their children neglected or staying home and facing a very thin type of life for their families.

A wide sampling was taken recently in the schools of Ottawa. This was done in three different income areas of the city. This sampling brought out the fact that in this capital city of ours one child out of every 1,000 children who is in urgent need of a child care centre can get such care. In Ottawa one child out of every 1,000 who needs child care or nursery care is able to get it. I think this must have a very serious effect on the Canadian family.

We speak of the importance of protecting Canadians against various types of hazard and about the importance of increasing production in order to keep the people of this country well and strong. On the other hand,

if a situation is to prevail where there is no protection except the most sketchy and most unsatisfactory kind of arrangement that can be made, then I believe we are neglecting one of our greatest resources in a most serious way.

• (5:10 p.m.)

That is why I have brought forward the resolution Mr. Speaker read. It is not a resolution which would protect and provide allowances for all married women. It is not a resolution which would provide allowances just because women are homemakers or housekeepers. It is not even a resolution which would provide an allowance for women just because they are mothers. This resolution would provide allowances only for those mothers who decide not to take paid work outside the home, but who want to stay at home and make a full time career of motherhood, and the task of bringing up their families. This allowance would give recognition to the fact that we consider this an important service to the country, and would fill the gap in our present arrangements for safeguarding the family.

It is noteworthy that last summer the director of the Canadian Welfare Council for Canada, Mr. Reuben Baetz, made the suggestion that there should be an allowance for all mothers who are the sole supporters of their families. Let me go further and suggest that this allowance be given to all mothers regardless of whether or not their husbands are working or whether or not they have husbands. This allowance should be given for their services as full time mothers.

I hope that no one in reply will make the charge that I want to give all this money to millionaires. I hope there is not one member here who does not know the purpose of income tax and how it should be used. We should use income tax much more effectively than we have done so far, and it should be used more stringently. We should adopt methods to recover these allowances, whether old age pensions, family allowances or otherwise from those wealthy people who do not need them. In this way we could provide these allowances to full time mothers. They should be given to women who make a full time career of motherhood. Some people might suggest that my idea is rather far out and belongs in the domain of cloud cuckooland. Let me dispel that idea by referring to a system that has been in effect in France for some time—and I might add that the women there are about as practical as they come.

[Mrs. MacInnis (Vancouver-Kingsway).]

[*Translation*]

I would like to read two paragraphs from *Le Devoir* of February 19, 1966 which briefly describe important points of this legislation, and I quote:

> To encourage mothers to fulfill their role of educator at home, an allowance called single salary allowance is added in France to family allowances. It is paid whenever there is only a single pay check in the family, either because the woman is not working or in cases of divorce, separation or widowhood, or even for the unmarried mothers.
>
> In a family of four children, assistance thus paid amounts to 390NF or approximately $78 per month, which is slightly above the minimum guaranteed wage in that country. It is $30 for two children and $56 for three children. Beyond four children, the mother receives $20 for each additional child. Increases apply to children over ten years old and over 15 years old, and the allowances are paid to age 20 in cases of extended studies or apprenticeship.

[*English*]

So, there we have it. They have these allowances there.

[*Translation*]

It seems that France has reached the point where society recognizes sufficiently the services of a mother to help her financially. Here, we heap praises and compliments on her, but only on Mother's Day. The rest of the year, we leave her to fight alone against the cruel hazards of life.

[*English*]

In case I have not made myself clear, I should like to underline again in my native language my belief that we must accept the idea of family life and the promotion of health in family life as a positive need and as a top priority, as they do in France, for mothers who instead of going out to work devote their energies, talents and abilities to making sound families and looking after the manners, morals, welfare and habits of their children. In doing so they perform a tremendous job.

I think we should make it easier for mothers to carry out this task, and we certainly should recognize this as a service. By providing such allowances we would add to the status of motherhood to a much greater extent than can be expected from the little gifts of flowers and other things these women receive on Mother's Day. Such an expenditure would be well worth while. It is no longer good enough to suggest to families that they sink or swim alone. We can no longer suggest that they will prove that they have what it takes if they can withstand

poverty, if their children can stand up to being badly clothed, badly fed and the tauntings and sneers of the other children. That is not good enough in the kind of society we live in. Today we sink or swim together.

Today we must protect the family or accept the consequences of broken homes and badly behaved children, not only at home but in the community where their behaviour is a very serious thing, particularly in later years as adults.

Let me quote from a letter written by a widow who moved to British Columbia when her husband died. She says:

> Our three years here have been a triumph over circumstances in many ways, in that I have proven wrong all those who maintained it could not be done. I have worked day and night to keep my family together and have often wondered if I have not paid too high a price—if the whole family structure has not been too weakened simply because I must spread myself too thinly. I have tried everything I know to supplement a welcome but inadequate pay check and it is never enough. My children are inadequately clothed and often inadequately fed. I don't know what a new dress for myself looks like—all of my clothes have been passed on by relatives. I've tried door to door selling when I was already tired, discouraged and often half ill. For some time now I have been a civil servant by day, and a licensed private detective by night. Even this extra work is spasmodic and I never know how many hours work I can expect. I cannot let my night work interfere with my regular job and am thus limited in what I can do.
>
> Please do not misunderstand me—I enjoy all of my work and am stimulated by it—yet I am also aware that it is too much to expect of any woman.

What a life to expect of any woman. I do not think we should permit this thing to on, and I do not think we can afford to allow it to continue. I have purposely taken the case of this woman because she is obviously resourceful, strong, resolute and with many assets. What of the many mothers across this country who are much less well endowed or able to stand up to difficulties? I do not think we can afford anything less than an assist through a procedure such as is suggested in this notice of motion, with a view to family security.

Until the recent economy drive on the part of the government we were prepared to spend $100 millions for a defence establishment here in Ottawa—a Canadian pentagon. I suppose this would have been built over the protests of some of us, in spite of the fact we are told that today there is basically no defence, in the final analysis, against the weapons of modern warfare. In my view that would be an expenditure subject to question, and I am certainly glad to see that the economy axe has fallen there.

• (5:20 p.m.)

We are spending on family allowances for all the families in Canada only slightly more than five times as much as that large defence establishment, which I wish I could say was scrapped. I hope the matter of paying an allowance to full time mothers will be investigated by the royal commission on the status of women that is now preparing to hold sessions. I believe it is well worth their investigation.

Meanwhile, Mr. Speaker, I appeal to the government to give really serious consideration to my proposal. If we are serious in this country about urging mothers to make a full time job of motherhood, and we really want the family safeguarded and protected, I think it would be a good idea that where a woman chooses to go out to work she should have the right to make that choice, but that where she chooses to stay at home she be helped in order to carry out a job which I think is one of the top jobs for women in this country.

Mr. Webb: Mr. Speaker, I should like to ask the hon. member a question or two, if I may. Does she think that married women with families should be given jobs in factories.

Mrs. MacInnis (Vancouver-Kingsway): As I said at the beginning, Mr. Speaker, I think it is the right of a woman to choose whether she shall work inside her home, whether she shall work outside or whether she shall work at a combination of both. But I suggest that we will not pass a law saying that no woman shall be given a job in a factory. If we want women to protect the home, then the way to do it, beyond any doubt in my mind, is to give them a salary for so doing. I think that faced with this situation a very great number of women would choose to stay home rather than be mentally and physically torn in pieces trying to do one job outside the home and coming home and trying to do another.

Mr. Webb: I have one more question, Mr. Speaker.

The Acting Speaker (Mr. Tardif): Order, please. I hesitate to interrupt the hon. member, but the time allotted to the hon. lady has expired.

Mr. Webb: I wonder whether the hon. lady would accept one more question. Does she not agree that if married women were home

looking after their families we would not be in the serious trouble we are today, so far as unemployment is concerned? Does the hon. lady not think that in that situation we would not have the unemployment that we have today?

Mrs. MacInnis (Vancouver-Kingsway): Mr. Speaker, I do not think you can turn the clock back. Women are going to work outside the home, whether we like it or not.

Mr. J. A. Byrne (Kootenay East): Mr. Speaker, in opening my observations I should like to read the motion which the hon. member for Vancouver-Kingsway (Mrs. MacInnis) has put before the house. It is as follows:

> That, in the opinion of this house, as a measure to promote the development of family life in Canada and to prevent its erosion, where a mother chooses to make a full time career of motherhood by remaining at home instead of taking gainful employment outside, the government should consider the advisability of providing such a mother with an allowance to enable her to fulfil this service to Canada.

That is certainly a laudable expression. However, I find it difficult to believe that the hon. member who made that statement is the same hon. member who is reported to have said in committee, in defence of her bill which would provide for legalized abortion:

> I think it is time we began to work toward quality population.

The hon. member for Vancouver-Kingsway also said at that time:

> We are beginning to hear about the need for improving population.

In answer to a question from an hon. member, the hon. lady said:

> The community, in my view, has an interest in normal human begins and getting the best quality and kind of people it can.

Some hon. Members: Hear, hear.

Mr. Byrne: I note that hon. members are applauding that statement. If we are beginning a breeding line, perhaps this motion is the one best suited to fulfil that role. I cannot agree with the hon. member that it is administratively possible and practical to establish an income for a woman in the home based upon whether the husband has a suitable income. This would of course require a means test, and it would unquestionably be administratively impractical, if not impossible.

Mrs. MacInnis (Vancouver-Kingsway): On a question of privilege, Mr. Speaker, I did not propose thta this allowance should be

[Mr. Webb.]

set up on the income of the husband. I proposed that it be set up if the mother decided to stay at home and look after the family instead of going out and earning a salary.

The Acting Speaker (Mr. Tardif): Order, please. That is not a question of privilege.

Mr. Byrne: If a mother decided to stay at home and look after her family, is it not conceivable that she would have made this decision based upon the amount of money the state was prepared to pay her for staying at home? Where would we draw the line in this respect? If we are going to pay only a token allowance, of course it makes no difference; but if we are going to pay an allowance to a mother to stay at home, surely it would have to be in the order of $50, $60 or $100 a month. Surely it is impractical to talk of working—

Mrs. MacInnis (Vancouver-Kingsway): Mr. Speaker, the French figure was $78 for a family with four children.

Mr. Byrne: The hon. member has said that in France payments are made in the amount of 390 francs, or something like $68—

Mrs. MacInnis (Vancouver-Kingsway): It is $78.

Mr. Byrne: The hon. member said that these payments are made to mothers who remain at home to look after their families. She did not say whether the payment is made in the case of a widow looking after her family.

Mrs. MacInnis (Vancouver-Kingsway): It is paid to any woman.

Mr. Byrne: The hon. member for Vancouver-Kingsway has corrected me and says that the allowance is paid to any woman who is prepared to remain at home and look after her family. I am sure it would require considerable investigation to determine whether such a measure is practical and workable. In any event, we have in Canada made provision for assisting the married couple. Assistance is provided under a number of federal measures with a view to improving the quality of home life. I ask the hon. member to take note of that word "quality". But this assistance is provided to improve the quality of home life in Canada, and not that of the population at large. Under the personal income tax system there is a provision for an exemption of $1,000 on behalf of a married woman whose annual income does not exceed $250.

• (5:30 p.m.)

Mr. Patterson: That is a pitiful exemption.

Mr. Byrne: Under the family and youth allowance programs, income support is provided for families with children up to the age of 17. In 1966-67 the total federal expenditures under these programs amounted to $621 million, the annual average family allowance payment per child amounted to $81.12, and the annual average payment per recipient under the youth allowances program amounted to $115.

The hon. member pointed out that we were prepared to spend $100 million for defence as of last year, and that this was only one fifth of what we are paying annually in family allowances. We heard the same sort of propaganda back in 1938 and 1939 from the leader of her party, who later was not even prepared to pay the cost of providing for the training of militia cadets in preparation for the defence of Canada. His views changed considerably as the war continued and as the Nazis began to ravage Europe.

The hon. member's proposal fails to specify whether such an allowance on behalf of mothers would be paid on a universal or an income test basis. Certainly the resolution does not specify it. If it were paid on a universal basis, the allowance would discriminate between those families with lower incomes and those with higher incomes, because each mother would receive the same amount. If it were paid on an income test basis, it would involve considerable administrative problems, and certainly that is an understatement. This is particularly true in view of the variability of incomes of many families which would be covered by such a program.

The proposal ignores the special income needs of families headed by women, such as widows, divorcees and women who are separated from their husbands. The hon. member has said that mothers should be encouraged to stay at home. She ignores the fact that welfare payments and widows allowances provide much more than was ever contemplated in France, or for that matter in any other country. Perhaps it is not sufficient to cover the needs, but the amount is remarkably above anything provided in any other countries the hon. member may have mentioned. In most instances, not only is the need for extra income greater than in the case of normal families, but the presence in the home of the mother is even more important for the development of family life.

By its very nature, such a program of allowances for mothers would be open to abuse. Even with the elaborate and expensive administrative system which would be required, it would be extremely difficult to ensure that recipients did not in fact take up gainful employment outside the home.

Even with the very substantial increase in real family income in recent years, the participation of married women in the labour force has risen steadily. For example, between 1951 and 1961 the average weekly wages and salaries, in current dollars, for the industrial composite went up from $50.04 to $78.11, an increase of 56.1 per cent. When these amounts are adjusted by the 1949 consumer price index, the increase amounts to 37.4 per cent. At the same time between 1951 and 1961 the participation rate of married women in the labour force rose from 9.56 per cent to 18.47 per cent, or almost doubled. Thus it would appear questionable whether increasing family income through the payment of allowances to mothers, as proposed by the hon. member, would in fact have the desired effect.

Of necessity, such a program of allowances for mothers would be very expensive. If for example an allowance of $120 a year, which is only $10 a month, were paid to all husband and wife families, with children eligible to receive family allowances in 1961, the cost would be in the neighbourhood of $280 million a year. If we were to make it anything more than a token allowance, such as, say, $30 a month, this amount would approach $1 billion, or somewhat more than we are paying out in old age security. If we combined old age security with old age assistance, plus the supplemental allowance, the cost would be approximately $1 billion. While data from the 1966 census are not yet available, there is no doubt that the number of such families is much higher than it was in 1961. Thus the cost of such a program would be considerably greater than the figure cited earlier. In view of this, the adoption of the hon. member's proposal in the context of the current federal budgetary situation would hardly appear feasible.

The hon. member made reference to the Vanier institute of family life. I am sure the Vanier institute did not make any provision for legalized abortion. However, the document prepared by the institute is significant and important, and its recommendations should be studied carefully.

It is true that there is a great lack of child day care nurseries, but let us consider how many family centres could be established simply by using the administrative money which would be required to carry out the hon. member's proposal. What do the truly socialized countries in Europe do in this respect? Family centres are found there in profusion. In the socialist Utopia it is the rule rather than the exception for mothers to be employed in such work as cleaning the streets, shovelling snow, laying tile, cobblestones—

• (5:40 p.m.)

Mr. Deachman: Working in the steel mills.

Mr. Byrne: —or working in the steel mills, as the hon. member reminds me. I do not believe they work in the mines, but they do almost all of the arduous chores. I am not recommending this situation. However, when I tell a predominantly male audience about this situation in Russia, they are inclined to ask: Is that a situation which we should endeavour to bring about here? These are the facts of life in the socialist Utopia. There is no thought of people being able to make a decent living, beyond the poverty line, without two full incomes flowing in to the home. With these two incomes combined, they arrive at the princely sum of perhaps 200 or 250 rubles per month with which to make provision for a home in a land where prices range anywhere from one third higher to double the prices in North America.

The hon. member has the nucleus of an excellent idea. We are all in favour of motherhood; there is no question about it. We would all love to see motherhood on a pedestal. But after all let us be responsible people. At a time when we are facing one of the most serious inflationary periods in modern times, at least in the post-war years, and endeavouring to slow up government spending, it is proposed that we embark upon an expenditure which could range anywhere from $200 million to half a billion.

I believe we have the right to expect more responsibility from the members of the New Democratic party. We have a right to expect them to go along with the government in its endeavours to curtail inflation. I believe we have a right to expect some consideration from others, and some indication that they believe we feel just as strongly about the family, about motherhood and about the welfare of all the people in Canada as do the members of the New Democratic party.

[Mr. Byrne.]

The Acting Speaker (Mr. Tardif): I am sorry to interrupt the hon. member, but the time allotted to him has now expired.

[*Translation*]

Mr. Henri Latulippe (Compton-Frontenac): Mr. Speaker, I am pleased to speak to the important notice of motion given by the member for Vancouver-Kingsway (Mrs. MacInnis).

We are pleased to deal with such questions because we know from the start that our economy cannot really meet the request of the hon. member. Were our economy even slightly reformed, it would be easy to distribute more to the nation and to encourage the family which is the very foundation of society.

Mr. Speaker, if we cannot find the means to protect society, and especially children so that society can regenerate itself, we will be ruined.

The family is the basis of any economy, any society. Without the family, there would probably be no communities, no provinces, no federal governments, no companies, no institutions. Institutions are born out of individuals, of self-renewing families. For our nation to prosper, it is absolutely necessary that our families continue to develop and evolve, that human beings continue to be born.

If we cannot even protect our Canadian mothers, who can we protect? Can we protect society, yes or no?

We are told that it is impossible, under the present system to find a means of compensating or helping mothers to take care of their children and their family. The first duty of a mother should be to stay at home to take care of her children. But, under the present system, mothers have to go to work outside and leave their children to the care of institutions during the day, in order to earn an additional income which will enable the family to survive. Mr. Speaker, this is not normal. According to the revenues actually shown in the *Canada Year Book*, production in 1967 reached $62 billion for a population of 20,400,000. This means an average of $15,000 per family of five and a monthly average of $1,250 per capita. If, with such wonderful averages, there are so many poor and insecure people, it is up to us to take care of them and to find a reason for this poor distribution of our great wealth. The following table shows the national productivity increase. In 1944, we had a revenue of $11,400 million; in 1967, we had a revenue of $62 billion. This is 5½ times more.

Consumer spending increased from $10,120 million in 1944, to $4 billion in 1967, or four times as much.

In 1944, capitalization was $1,280 million; in 1967, it reached $22 billion, or 17 times as much. If capitalization in 1967 is 17 times as high as it was in 1944, something can certainly be done to provide families with a livelihood. If with a capitalization of $22 billion—17 times as much as in 1944—Canadian families find it more difficult to make a living than before, we must ask ourselves what is wrong. There is certainly something wrong somewhere. I am not in favour of socializing all institutions. No. We should democratize them, and apply democracy in all its aspects. But the family is the very basis of society and we should respect it. If we have a capitalization of $22 billion and, in 1968, we may have an overproduction of about $24 or $25 billion, that overproduction costs nothing to the nation. The surplus products cost nothing. In 1944, our consumption amounted to $10 or $11 billion and, in 1967, it reaches $40 billion. We come finally to a difference of about $18 billion, but those $18 billion cost nothing to the nation and they could be distributed in the form of dividends, family allowances, welfare allowances, or whatever we want to call them. We could double or triple the rate of family allowances. We could increase the rate to a dollar a day per child, that is $30 a month. We could also give to the mother a salary of at least $60 a month. We could adjust to $120 a month all pensions, including old age security, allowances to the needy, in short anything you want. Furthermore, we could pay the students a salary of about $60 a month. All that program would cost about $8 billion. Everything that would come from the Social Credit, from society, would cost $8 billion, out of an $18 billion surplus.

• (5:50 p.m.)

It seems to me, Mr. Speaker, that it would be easy to find sources of revenue. We know where to find them when necessary but when we do not want to, they are left to capitalize. Such capitalization is financed with loans, it is in warehouses and stores and yields a rate of interest of 7 and 8 per cent. When it is time to increase the rate of interest to encourage big investors, there is no objection, everything is normal, but when it is time to encourage families, everything becomes irregular.

We need fabulous sums, $80 million, $200 million or $300 million to assist family and Canadian institutions, to enable the very essence of human life to make greater progress and develop; it is impossible to find them.

Do we need funds to finance slaughter, destruction; there is no problem. We should understand once and for all. We should find solutions to enable individuals, families, children and women to develop and live normally in a country full of resources.

We have heaps of wheat; it is not natural that we should starve. That is the problem we should solve and many hon. members have trouble understanding that.

Until we find a way to distribute our production surplus, we will have unemployment. At the present time, Mr. Speaker, the unemployed or people on welfare do not produce, they do not increase the gross national production. Many are on welfare because they are not entitled to unemployment insurance. There are presently many people who are taking advantage of the retraining program which is paid through our taxes. If all those people were at work and contributing to production, I believe the production in Canada could exceed $100 billions. If, in spite of all these people who are not working, we have succeeded in overproducing, due to technological development, let us be, at least, intelligent enough to distribute our surpluses to society.

All these surpluses must be distributed in the community and must benefit the families. Each family, each individual must have the right to live when the economy makes it possible.

The present state of the economy enables all Canadians to live easily, comfortably as long as we distribute the surplus of this production. Even though we may have large numbers of citizens who are not participating in the production because they are not working or have no jobs, it would be logical to find some day the means to distribute and divide the collective incomes of the entire population and to have each citizen, each family, each child benefit therefrom. We should consider a baby in a crib as more important than any financial system, any capitalization. If anyone should be protected, he is the one. He should be protected from the cradle to the

grave; that is the way human beings should be taken care of.

Mr. Speaker, may I call it six o'clock.

[*English*]

The Acting Speaker (Mr. Tardif): Order. The totals announced following this afternoon's division of yeas 66 and nays 118 should be corrected to indicate that the total of nays was 119.

Mr. Knowles: Does that include the vote of the hon. member for York-Humber (Mr. Cowan)?

The Acting Speaker (Mr. Tardif): There is no record of that.

The hour provided for the consideration of private members business has now expired.

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

HOUSE OF COMMONS

Thursday, November 9, 1967

The house met at 2.30 p.m.

• (2:40 p.m.)

BROADCASTING, FILMS AND ASSISTANCE TO THE ARTS

CONCURRENCE IN FIRST REPORT OF STANDING COMMITTEE

Mr. Robert Stanbury (York-Scarborough) moved that the first report of the standing committee on broadcasting, films and assistance to the arts, presented to the house on Monday, November 6, be concurred in.

Motion agreed to.

FINANCE

REFERENCE TO COMMITTEE OF REGULATIONS RESPECTING INTEREST DISCLOSURE

On the order: Government notices of motion:

November 7—The Minister of Finance—That the regulations made pursuant to section 92 of the Bank Act and section 80 of the Quebec Savings Banks Act, tabled on October 12th, 1967, be referred to the standing committee on finance, trade and economic affairs.

Mr. Speaker: Pursuant to section 2 of standing order 21 this government notice of motion stands transferred to and ordered for consideration under government orders at the next sitting of the house.

FISHERIES

CLOSING OF PACIFIC HERRING FISHERY—MOTION FOR ADJOURNMENT UNDER STANDING ORDER 26

Mr. Frank Howard (Skeena): Mr. Speaker, I ask leave, seconded by the hon. member for Burnaby-Richmond, to move the adjournment of the house under standing order No. 26 for the purpose of discussing a definite matter of urgent public importance, namely the closure by the Department of Fisheries of the herring fishery on the Pacific coast, the unemployment arising therefrom and the need to find alternate employment for those affected.

Mr. Speaker: Perhaps the hon. member for Skeena would advise the Chair as to the urgency of this matter for debate.

Mr. Howard: Yes, Mr. Speaker. In light of what Your Honour said the other day regarding another motion under standing order No. 26 perhaps I should preface my remarks by stating that this is of such urgency it cannot wait for debate until the next supply motion is presented to the house, whenever that may be.

Everyone knows that the estimates have passed this house. Earlier I asked the Minister of Fisheries whether he was prepared to move an appropriate motion to have this matter referred to the committee on fisheries so it could be dealt with there. The minister declined to accept that suggestion and stated there had been closures of this type before, and that this was not a new situation. Never before to my knowledge has there been a complete closure of the herring fishery on the coast of British Columbia. Certain areas have been closed, but never before has the entire area been closed.

There is urgency in respect of this matter because of the economic impact it will have on approximately 1,000 people, fishermen and shore workers, who will be denied the opportunity to fish herring as of January 7. Even then it is anticipated there will be only a partial opening of the area which is closed. There is urgency also because a great number of fishermen are not even able to fall back upon the benefits accruing from unemployment insurance because they do not have the required number of stamps, namely 15, in order to qualify.

I understand that Your Honour permitted such a motion when the announcement was made by Dosco that it intended to close its operations at Sydney. I submit that just as the proposal by Dosco was important in so far as Nova Scotia was concerned, and there was urgency of debate at that time, so is this question equally important so far as British Columbia is concerned.

The same arguments that prevailed with respect to the economic impact and unemployment in the Dosco situation apply here; in fact they apply even more forcefully because in this case the decision was made by a department of government. I refer to the decision to close the entire British Columbia coast to the herring fishery until at

least January 7. I think an opportunity must be provided for the government to outline its proposals to provide alternate employment to the people affected. I believe also that an immediate opportunity must be offered to hon. members to make suggestions as to solutions to this problem.

I know Your Honour made certain remarks in ruling on an adjournment motion the other day. Without referring specifically to any one of those remarks, because I do not want to get into an argument with Your Honour, anticipating that some of them may be considered applicable to the current situation may I simply say in broad, general terms, that none of the reasons given then are applicable in this situation.

My first reason for saying this is that it does not require legislation to correct this situation; it requires just a policy decision and declaration by the government. Second, the matter is of such urgency that it cannot wait, because the employment of 1,000 or more people is involved and many of them are unable to qualify for unemployment insurance. Therefore something must be done immediately and the matter cannot wait for the 17 days, I believe it is, before the next supply motion is called.

With respect to the reference made by Your Honour to a similar motion by the then hon. member for Laurier, this dealt with a matter of a different and broader nature, and I submit it is not applicable to this situation.

Mr. R. W. Prittie (Burnaby-Richmond): Mr. Speaker, I shall be very brief in my remarks because my colleague has covered the points involved in this question. I should simply like to underscore the fact that this is an immediate problem which has immediate effects upon a large group of people who, as the hon. member pointed out, do not have unemployment insurance available to them. Also there is no early opportunity to discuss this matter in the house other than under the rule which the hon. member for Skeena is asking to be invoked today.

Mr. Speaker: I recognize the importance and urgency of the matter which has been brought to the attention of the house by the hon. member for Skeena and the hon. member for Burnaby-Richmond. But as the house knows very well the question before us is not whether the matter is urgent, which I am sure is recognized by all, but whether there should be a motion to adjourn this house for the purpose of permitting a debate or consideration in the house this afternoon of the matter raised by the hon. member for Skeena.

• (2:50 p.m.)

I suggest that leave to propose this type of motion should be granted only in very extreme circumstances. The hon. member for Skeena has referred to the fact that leave to move a motion, perhaps to discuss a matter of a similar nature, was requested earlier this week by the hon. member for Burnaby-Coquitlam. On that occasion leave was refused by the Chair. The hon. member for Skeena suggests that none of the reasons advanced by the Chair on that day apply today. I cannot agree with him, and I suggest that the two situations are basically the same. Certainly the fact that we were dealing with C.N.R. employees in the previous case would not apply here, but the other considerations were relevant to the present situation and the decision which applied then should also apply today.

I should suggest to the hon. member that what he has now advanced is more in the nature of a grievance and should not be the subject of a motion for adjournment under standing order 26. I would refer the hon. gentleman to citation 100 (8) of Beauchesne's fourth edition, the last words of which, read as follows:

> ... because, if that was so, we might have repeated motions made by the opposition of the day, not so much in the direction of censuring the government for action which had been taken or not taken, for bringing to notice some grievance demanding instant remedy, as in the direction of wishing to introduce legislation on some particular subject.

I bring to the attention of the hon. member particularly the reference made therein to the suggestion that this is in the nature of grievance.

For this reason I would think it is not possible for the Chair to grant leave to propose a motion to adjourn as requested by the hon. member.

LABOUR CONDITIONS

MEASURES TO DEAL WITH REPORTED INCREASE IN UNEMPLOYMENT

On the orders of the day:

Hon. George Hees (Northumberland): Mr. Speaker, I should like to address a question to the Minister of Labour or the Minister of Manpower and Immigration. I thought I saw the Minister of Labour in his seat some time

ago, but in the absence of both these ministers I will direct my question to the Prime Minister.

In view of what is described as an unusually large increase in unemployment between the months of September and October, bringing the seasonally adjusted rate to the highest point in the last three years, is the government in the next few days planning to introduce measures to stimulate employment and overcome this serious trend?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, all economic and financial measures of the government are designed and will continue to be designed to stimulate employment and maintain it at a high level, and to keep unemployment from reaching the high level which was customary at the time the government of which my hon. friend was such a distinguished member was in office.

Mr. Hees: I have a supplementary question, Mr. Speaker. As the Prime Minister knows, and as we all know, unemployment usually rises at this time of the year, but this is described by the bureau of statistics as an unusually large jump. Does the Prime Minister not consider it serious that we have now reached the highest seasonally adjusted rate in the past three years, and does the government not intend to do anything about the situation?

Mr. Pearson: Mr. Speaker, I consider any increase to be serious.

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct a supplementary question to the Minister of Fisheries and ask him whether he intends to put into effect the declaration just now made by the Prime Minister by travelling through British Columbia by himself or with his colleague, the Minister of Labour, to meet representatives of the fishing industry to find alternative employment for those who have been put out of work by the closure of the herring fishery.

Hon. H.-J. Robichaud (Minister of Fisheries): It is true that I did receive a request to go to British Columbia and meet the united fishermen and allied workers union to discuss this matter and particularly the matter of amending the unemployment insurance regulations. The latter subject has been discussed with the Unemployment Insurance Commission and I regret to advise the hon. member that this request was not accepted by the commission.

Furthermore, I may add that this is not the first time that herring fishermen on the west coast have been unemployed for part of a fishing season. Last spring halibut fishermen were also prevented from operating for a number of weeks. I am fully aware that in the past years there has been a series of stoppages of operation by the herring fishermen and others due to no fault of the Department of Fisheries. The closing of the herring fishing areas for a matter of a few weeks is for conservation purposes only.

Mr. Howard: I wonder if I could ask, by way of a supplementary question, whether the minister would mind answering my first question and not beat around the bush with a lot of extraneous matters.

Mr. Robert Simpson (Churchill): I have a supplementary question related to the question asked by the hon. member for Northumberland. In view of the serious lay-offs which have taken place very recently in the cement industry, the railways and the garment industry in Manitoba, will the Prime Minister say what the government intends to do to alleviate this very serious situation?

Mr. Speaker: The hon. member knows the opinion which I took the liberty of expressing yesterday. I think this type of general question is an invitation to the government to make a statement which normally should be made on motions.

Mr. Simpson: May I rephrase my question. I wonder if the Prime Minister could say what the government intends to do with regard to the lay-offs that have taken place in Manitoba recently.

Mr. Pearson: I am sure the provincial government of Manitoba views these lay-offs very seriously, just as we do.

Mr. T. C. Douglas (Burnaby-Coquitlam): May I put a more specific question to the right hon. Prime Minister. Having regard to the fact that the number of unemployed has increased by some 60,000 in the month of October as compared with October of last year, is the government planning to expand its retraining program in the light of these higher unemployment figures?

Mr. Pearson: I believe, Mr. Speaker, that we have spent $135 million already this year for the retraining program, which is more than ever was spent before. We intend to use this program to the maximum possible extent.

Inquiries of the Ministry

Mr. Douglas: I wonder if the attention of the Prime Minister has been drawn to the statement of Mr. Michael Fenwick, who is a member of the Toronto advisory committee on manpower training, to the effect that the number of cases referred by the manpower department has dropped from 2,000 in the month of April to 500 in the month of September and that two of the training centres, Riverdale and Castle Frank have been closed.

Mr. Speaker: Order. The hon. member should ask a question.

Mr. Douglas: My question of the Prime Minister is, in view of the closing of these training centres and the decline in the referrals, would the Prime Minister consider that these training centres ought to be opened and the program expanded since it seems to be contracting?

Mr. Pearson: Apparently my hon. friend's information about the alleged decline has been gathered from newspaper reports, but I would be glad to look into the matter.

Mr. R. W. Prittie (Burnaby-Richmond): On the subject of unemployment, I should like to direct a question to the Praime Minister or the Minister of Labour. When can we expect some action to raise the present level of unemployment insurance?

Hon. J. R. Nicholson (Minister of Labour): Mr. Speaker, the matter is still receiving consideration. I expressed the hope that the house would be able to deal with the matter before the adjournment at Christmas. I can give no definite assurance. It depends upon the progress that is made with other legislation.

[*Translation*]

[*Later:*]

Hon. Théogène Ricard (Saint-Hyacinthe-Bagot): Mr. Speaker, in the absence of the Minister of Manpower and Immigration, I would like to direct a question to the Prime Minister. Could he tell the house if the government has taken action to provide alternative employment to the people who are out of work because of the shutdown, some time ago, of the Louiseville Shirt Company, due to massive imports of clothing from Asiatic countries?

Mr. Speaker: I wonder if the hon. member would consider the possibility of discussing this matter during the adjournment debate?

[Mr. Pearson.]

Mr. Ricard: Mr. Speaker, Your Honour mentioned, a few moments ago, that only specific facts should be stated. Now, it seems to me that this is a very specific fact and that the matter should be considered by the Prime Minister. Or perhaps I could put a supplementary question to the Minister of Trade and Commerce and ask him whether he is ready to assure the house that action will be taken so that other Canadian manufacturers will not be compelled to close down for the same reasons?

[*English*]

Hon. Robert Winters (Minister of Trade and Commerce): Mr. Speaker, we will look at this matter within the framework of our over-all economic policies.

COMMONWEALTH RELATIONS

RHODESIA—PROVISION OF INFORMATION TO CANADA ON RECENT TALKS

On the orders of the day:

Mr. Howard Johnston (Okanagan-Revelstoke): My question is for the Secretary of State for External Affairs. In the light of the leading role played by Canada in commonwealth relations with Rhodesia, is Canada being kept informed of the talks between Mr. Ian Smith and the British commonwealth secretary, Mr. George Thomson?

Hon. Paul Martin (Secretary of State for External Affairs): I regret that I did not hear my hon. friend's question, though I did my best. If he would speak into the microphone rather than away from it, that might help.

Mr. Johnston: I will repeat my question, Mr. Speaker. In the light of the leading role played by Canada in commonwealth relations with Rhodesia, is Canada being kept informed of the progress of talks between Mr. Ian Smith and British commonwealth secretary, Mr. George Thomson?

Mr. Martin (Essex East): Yes, Mr. Speaker.

[*Translation*]

AGRICULTURE

QUEBEC—INQUIRY AS TO ASSISTANCE TO FARMERS

On the orders of the day:

Mr. Roland Godin (Portneuf): Mr. Speaker, my question was for the hon. Minister of Agriculture, but in his absence I will direct it to his parliamentary secretary.

Has the federal government been invited by the government of Quebec to participate in an assistance program for farmers of several counties of this province, where crops have been reduced by 50 per cent following bad weather blamed on rain making operations?

[*English*]

Mr. Bruce S. Beer (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, I am not aware of this having been brought to the attention of the minister. I will discuss it and try to get an answer for the hon. member.

EXTERNAL AFFAIRS

INQUIRY AS TO FURTHER CONFERENCE ON LAW OF THE SEA

On the orders of the day:

Hon. J. A. MacLean (Queens): I should like to ask the Secretary of State for External Affairs if the government is now taking action to initiate the calling of a further international conference on the law of the sea under the auspices of the United Nations, in order to resolve many outstanding differences in this field of international law.

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, it would not be accurate to say that we were having consultations about calling a conference on the law of the sea under the auspices of the United Nations, but the government is considering along with certain other countries the possibility of a conference that would cover such matters as conservation.

Mr. MacLean (Queens): Mr. Speaker, I should like to ask a question related to the previous question I asked the Secretary of State for External Affairs. Is it the intention of the government to ask parliament during this session to ratify the four conventions on the law of the sea, to which Canada subscribed and which I believe are now in force?

Mr. Martin (Essex East): Mr. Speaker, it is not the intention of the government now to ask for ratification. My hon. friend is, of course, referring to the continental shelf convention?

Mr. MacLean (Queens): Yes, Mr. Speaker, and to the living resources of the sea.

Mr. Martin (Essex East): As my hon. friend knows, Mr. Speaker, the continental shelf convention is one of four conventions signed by Canada at the conclusion of the law of the sea conference in 1958. It has not yet been ratified by Canada. It was felt best to ratify the four conventions together. However, I can point out to my hon. friend that it is not necessary to ratify the continental shelf convention in order to exercise the rights which are recognized in the convention. These rights are, in general, part of international law and Canada has continuously exercised them.

As far as ratification of the four conventions is concerned, there are technical aspects which have been under examination and we hope to have a clarification of these very soon.

[*Translation*]

INQUIRY AS TO CONTROL OF ARMS EXPORTS

On the orders of the day:

Mr. Maurice Allard (Sherbrooke): Mr. Speaker, I should like to put a question to the hon. Secretary of State for External Affairs concerning the forthcoming negotiations concerning NORAD?

Has the government decided to control or restrict shipments to foreign countries by the United States of arms made in Canada?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the NORAD defence organization is not—

[*English*]

Mr. Crouse: Speak into the microphone.

Mr. Martin (Essex East): I think that is a very good suggestion. All observations made by ministers and members on this side of the house should be clearly understood by hon. gentlemen opposite.

An hon. Member: Impossible.

[*Translation*]

Mr. Martin (Essex East): NORAD, which is a defence organization, has nothing to do with the sale and export of armaments.

[*English*]

CANADIAN NATIONAL RAILWAYS

REQUEST FOR MEETING WITH UNION OFFICIALS RESPECTING LAY-OFFS

On the orders of the day:

Hon. Michael Starr (Leader of the Opposition): Mr. Speaker, I wish to direct a question

to the Minister of Transport. Has the minister met with representatives of the C.B. of R.T., and has he anything to report as a result of that meeting?

Hon. Paul Hellyer (Minister of Transport): Yes, Mr. Speaker, I met with them just before coming into the house and we had a very frank exchange of views.

Mrs. Margaret Rideout (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I should like to put a supplementary question to the Minister of Transport. Could the minister inform the house of any developments that may have arisen as a result of discussions with the railways with respect to l.c.l. and express rates in the Atlantic provinces?

Some hon. Members: Oh, oh.

Mr. MacInnis (Cape Breton South): Mr. Speaker, I rise on a point of order. Information has come to us outside the house that the Minister of Transport is prepared to make a statement. If he has a statement to make he should make it on motions and not play politics while the parliamentary secretary makes statements in Moncton.

Mr. Muir (Cape Breton North and Victoria): Mr. Speaker, I have a supplementary question.

Mr. Speaker: Order. This is a difficult situation. I am sure if the minister wants to make a statement of a general nature that is akin to a statement of policy, then it should be made on motions.

Some hon. Members: Hear, hear.

Mr. Speaker: On the other hand the minister does not have to reply to the question.

Mr. Hellyer: Mr. Speaker, all I wish to do is to reply to a question that has been asked two or three times this week by members on the other side of the house. The statement is brief, and if Your Honour would permit me—

Mr. Speaker: Order. If hon. members agree to this I would allow other members of the opposition to ask the same question as the one asked by the parliamentary secretary. The minister could then answer the question. I think it might be easier to allow the minister to reply to a question which, as he himself pointed out, was previously asked by members on both sides of the house.

[Mr. Starr.]

Mr. MacInnis (Cape Breton South): Further to the point of order, Mr. Speaker, and as indicated before, it was quite clear that the minister was prepared to make a statement and was prepared to answer the question when he came into the house. Rather than do this the minister has played politics with people laid off by the C.N.R.

Mr. Speaker: For the moment we might pass on to another question.

FREIGHT RATES

STATEMENT ON REVIEW OF NEW NON-CARLOAD RATES

On the orders of the day:

Hon. Michael Starr (Leader of the Opposition): Mr. Speaker, I wish to address a question to the Minister of Transport. Will the minister now give the answer he promised the hon. member for Halifax on October 30 about the proposal re rate increases?

Hon. Paul Hellyer (Minister of Transport): Yes, Mr. Speaker; I think that is on the same subject. I am pleased to advise that I have been informed that the railway transport committee of the Canadian Transport Commission has received a letter today from the Canadian National Railways concerning this matter. This letter states the intention of both the C.N.R. and C.P.R. to make formal application to the commission to withdraw present class rates on less than carload shipments moving within the select territory covered by the Maritime Freight Rates Act and out of the Atlantic provinces west. The railways propose to substitute the present western rate for l.c.l. freight moving within the select territory and the "to maritimes" scale for shipments out of the Atlantic provinces, suitably amended to reflect reductions under the Maritime Freight Rates Act.

I want to assure the house that if the Canadian Transport Commission should approve this application the government will make the necessary funds available under the Maritime Freight Rates Act for the increased subsidy required. This, Mr. Speaker, is in accordance with the general undertaking the hon. member for Westmorland gave to her constituents when she met with them last week end.

Mr. Thomas M. Bell (Saint John-Albert): Referring to the first part of the minister's announcement which concerned the maritimes, will the minister, having learned his lesson, get cracking and bring about through

legislation that which was promised to the maritimes during the debate on the transport bill last year?

Mr. Speaker: Order, please.

Mr. Robert C. Coates (Cumberland): A supplementary question, Mr. Speaker. I wish to ask the minister whether he is giving consideration to including under the Maritime Freight Rates Act forms of transportation other than railway transportation.

Mr. Hellyer: This matter is being considered in the over-all study of maritime transportation problems, and will be considered by the Department of Transport and the Canadian Transport Commission in the context of the over-all study.

[*Later:*]

Mr. David Lewis (York South): I sought to rise earlier to ask a supplementary question of the Minister of Transport, but now I wish to ask a related question. Would the minister inform the house whether the announcement about freight rate change in the maritime provinces was accompanied by an undertaking that those laid off by the C.N.R. will immediately or within a reasonable period be recalled to their jobs?

Mr. Hellyer: That was not part of the undertaking, Mr. Speaker. I indicated to the union that certainly anything like that would need to be discussed by the cabinet as a whole. I also said that there were certain financial implications which would make this extremely difficult at the present time when the government is examining all projects to see where economies can be effected. I referred to the necessity for the examination of priorities of other projects, including many in the maritimes.

Mr. Robert Muir (Cape Breton North and Victoria): A supplementary question, Mr. Speaker. May I ask the minister if it is his intention to attend a mass meeting to be held in the steel workers' hall at Sydney this coming Sunday relative to the large scale lay-offs of C.N.R. employees and the increasing burden of the inequitable freight rate structure which is also causing unemployment, regardless of what the minister has said this afternoon?

Mr. Hellyer: I regret that it will not be possible for me to attend that meeting.

Mr. Muir (Cape Breton North and Victoria): A further supplementary question, Mr. Speaker. May I ask the hon. gentleman if a representative of the government or of his own office will be at that meeting?

Mr. Hellyer: May I take that question as notice? I do not know whether that will be possible. Will my hon. friend be there?

Mr. Muir (Cape Breton North and Victoria): Most certainly.

CREAM—ANNOUNCEMENT OF RESTORATION OF OLD EXPRESS RATES

On the orders of the day:

Hon. Paul Hellyer (Minister of Transport): While I have the floor perhaps I could answer a question raised by the hon. member for Mackenzie. I am advised by the Canadian Transport Commission that the old express rates on cream and returned empties were restored on November 2. This means, as far as the prairies are concerned, that the announced increase never went into effect.

In eastern Canada the old rates were reinstated effective November 2. The new rates have been in effect since September of this year. The action of the railways in co-operation with the Canadian Transport Commission will permit time for the railways and the cream industry to examine the situation. It is expected that a new agreed rate structure will come into effect within 30 days.

[*Translation*]

SHIPPING

ST. LAWRENCE RIVER—MAINTENANCE OF WINTER NAVIGATION

On the orders of the day:

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, may I ask a supplementary question? The Minister of Transport has just announced good news about transportation in the maritimes, but can he also tell us what action his department has decided to take in order to maintain navigation on the St. Lawrence next winter?

[*English*]

Mr. Muir (Cape Breton North and Victoria): Tell him to take it up with de Gaulle.

Hon. Paul Hellyer (Minister of Transport): We intend to make sure that icebreaking is carried on in such a way that it will prevent flooding in the St. Lawrence to the maximum extent possible.

[*Translation*]

Mr. Grégoire: Mr. Speaker, may I put a further supplementary question?

Inquiries of the Ministry

Will the icebreakers on the St. Lawrence only be used to prevent flooding or will they be used as navigation aids as well?

Mr. Speaker: Order. In my opinion, the hon. member's question is much too general.

Mr. Grégoire: The minister replied that—

Mr. Speaker: Order.

[*English*]

Mr. Hellyer: Mr. Speaker—

Mr. Speaker: Order, please. The minister has answered the first question. It seems to me the supplementary question is a little too general, but if the minister is prepared to answer I have no objection.

Mr. Hellyer: I thought, Mr. Speaker, if the hon. gentleman would raise enough money in France to build another icebreaker we might be able to do an even more effective job.

Some hon. Members: Oh, oh.

[*Translation*]

Mr. Grégoire: A further supplementary question, Mr. Speaker. Is the Minister of Transport aware that the Russian government offered an icebreaker last year, so as to enable us to keep the St. Lawrence open all through the winter?

[*English*]

Mr. Speaker: Order, please.

NATIONAL DEFENCE

REPORTED PURCHASE OF NAVAL GUNS FROM ITALY

On the orders of the day:

Hon. D. S. Harkness (Calgary North): I wish to direct a question to the Minister of National Defence. What naval guns is Canada purchasing from Italy, and what is the use to which these guns are to be put?

Mr. Speaker: Order, please. I doubt whether that question may be asked at this time.

Mr. Harkness: With the greatest respect, Mr. Speaker, may I ask on what basis that question is not in order? Surely it raises a question which is of urgency.

Mr. Speaker: The hon. member is asking for detailed information, but the question is out of order on many other counts. It is not that urgent that it cannot be placed on the order paper. Should the hon. member think that it is of an urgency which escapes the Chair, he may give notice that he wishes to debate it at the time of adjournment.

[Mr. Grégoire.]

POLLUTION

REQUEST FOR DOMINION-PROVINCIAL CONFERENCE ON PROBLEM

On the orders of the day:

Mr. P. B. Rynard (Simcoe East): May I direct a question to the Prime Minister. In view of the extreme urgency of the air pollution problem, and in view of the increasing incidence of air pollution, will the Prime Minister consider setting up immediately a conference with the provinces in which the government could ask them to share in the study of this serious problem?

Right Hon. L. B. Pearson (Prime Minister): We have had one conference, Mr. Speaker, as I seem to recollect, but I shall be glad to look into the possibility of another conference because of the urgency of the matter. Perhaps this is something which could be discussed at one of the forthcoming federal-provincial meetings.

Mr. H. R. Ballard (Calgary South): A supplementary question, Mr. Speaker. Will the Prime Minister also indicate in connection with the question raised by the hon. member for Simcoe East that urban municipalities find it increasingly difficult to finance necessary works which are to be effective in the area of air pollution?

Mr. Speaker: Order, please. The hon. member is making a statement. With respect, to my mind he is not asking a question.

Mr. Ballard: May I put my question, Mr. Speaker. Can the Prime Minister indicate whether matters having to do with air pollution, and I refer particularly to public transportation and public housing, are to be on the agenda at the forthcoming federal-provincial conference?

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

ADMINISTRATION OF JUSTICE

TRIAL OF JUVENILE IN ADULT COURT ON MURDER CHARGE

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I believe my question ought to be directed to the Minister of Justice. In his absence may I direct it to the Prime Minister or the Solicitor General. In view of the reported decision of an Ontario juvenile court judge to transfer the case of a 15 year old boy to an adult court where

he is to be tried on a charge of capital murder, may I ask whether the government is in a position to take any action? If not, is consideration being given to amending the Juvenile Delinquents Act so that juveniles will not be tried in adult courts?

Hon. L. T. Pennell (Solicitor General): Mr. Speaker, I shall bring the question to the attention of my colleague the Minister of Justice, in whose jurisdiction the matter falls. I am sure the hon. member will be pleased to learn that the Department of the Solicitor General has mailed to all attorneys general the draft discussion bill which is to amend the Juvenile Delinquents Act. The point the hon. member has raised is one of the points that was raised in the bill.

Mr. Knowles: Very good.

Mr. Ralph Cowan (York-Humber): I wish to direct a supplementary question to the Solicitor General. Will the jury in the trial of the 15 year old boy be picked in the usual way, or will Isabel LeBourdais be allowed to pick one which she will not be able to criticize?

[*Translation*]

TELEVISION

QUEBEC—INQUIRY AS TO PROTESTS RESPECTING PROGRAM

On the orders of the day:

Mr. Gérard Laprise (Chapleau): Mr. Speaker, I should like to put a question to the Secretary of State. Could the minister tell us whether she has been informed of a question protesting against a T.V. program shown on station CKRN-TV on October 30 last, and which has been qualified as a torrent of filth by many. In such a case, can she assure us that the matter will taken in serious consideration?

Mr. Speaker: That question should be put on the order paper.

[*English*]

INDIAN AFFAIRS

VISITS TO RESERVES BY PARLIAMENTARY COMMITTEE

On the orders of the day:

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I wish to direct a question to the Minister of Indian Affairs and Northern Development. When the committee on Indian affairs meets shortly, as indicated by the minister, will the long delayed itinerary of the visits to reserves across the country have top priority?

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development): Mr. Speaker, I would think the committee is its own boss in that respect.

Mr. Dinsdale: Perhaps, Mr. Speaker, I may direct a supplementary question to the chairman of the committee on Indian affairs. Could he indicate to the house whether members of the committee will have an opportunity to visit reserves before amendments to the Indian Act are brought before the house?

Mr. Speaker: Order, please. I have very serious reservations whether a question as to detailed arrangements of the committee is acceptable. Questions as to whether a committee will be called are acceptable, and I suggest to the hon. member that his question might be asked when the committee meets.

Mr. Dinsdale: Then could I direct a supplementary to the minister. Before amendments to the legislation are presented will members of the house have an opportunity to make contact with reserves across the country, as had been earlier indicated?

Mr. Laing: Mr. Speaker, that might well be the case, but we would certainly propose first of all to consult with the Indians themselves with respect to the amendments.

TRADE

WHEAT—INQUIRY AS TO PROMOTION OF FURTHER SALES

On the orders of the day:

Mr. C. S. Smallwood (Battle River-Camrose): Mr. Speaker, I wish to direct a question to the Minister of Trade and Commerce. In view of the ever increasing unemployment caused by the lack of grain shipments, could the minister inform the house what action his department is taking to promote further wheat sales?

Mr. Speaker: Order, please. It is against the rules to preface a question by an allegation.

INQUIRY AS TO SIGNING OF INTERNATIONAL GRAINS AGREEMENT

On the orders of the day:

Mr. R. D. McLelland (Rosetown-Biggar): Mr. Speaker, I would like to direct a question to the Minister of Trade and Commerce. Can

the minister inform the house whether all or most of the countries mentioned in article 6, page 23, of the international grain agreement, 1967, have signed the convention?

Hon. Robert Winters (Minister of Trade and Commerce): Mr. Speaker, I do not think I can say that most have done so. A number have, and I am quite sure all will sign within the time provided.

POWER

COLUMBIA RIVER—REQUEST FOR PAYMENT OF INTEREST ON OVERDUE BONUS

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Secretary of State for External Affairs. Could the minister inform the house what success he has had to date in collecting the $12 million due the government of British Columbia for the early completion of the Duncan dam, and the interest on that sum to which the provincial government claims it is entitled?

Mr. Speaker: Order, please. I do not think this question should be asked as a matter of urgency today.

BUSINESS OF THE HOUSE

ADJOURNMENT AT 5 P.M. ON FRIDAY NOVEMBER 10

On the orders of the day:

Hon. Michael Starr (Leader of the Opposition): Mr. Speaker, may I direct a question to the government house leader. In view of the tentative agreement that for a very good reason this house adjourn tomorrow at five o'clock, would the house leader consider proposing an order of the house to that effect?

Hon. A. J. MacEachen (Minister of National Health and Welfare): Yes, Mr. Speaker, if it is agreeable to have the adjournment tomorrow at five o'clock. We hope to continue with the second reading of the bill on capital punishment tomorrow, and adjourn at five o'clock. If that is agreeable it might be put in the form of the house order now.

Mr. Speaker: Is it so ordered?

Some hon. Members: Agreed.

Mr. Speaker: It is ordered that this house adjourn tomorrow, Friday, at five o'clock in the afternoon.

[Mr. McLelland.]

FINANCE

TAX INCENTIVES TO ENCOURAGE GREATER PRODUCTIVITY

On the orders of the day:

Hon. George Hees (Northumberland): Mr. Speaker, may I direct a question to the Minister of Finance. In view of what appears to be the first step in the movement toward wage parity between this country and the United States, which will require far greater productivity to enable our industries to compete with the larger industries of that country, would the government give consideration to introducing, as early as possible, tax incentives to induce the necessary increase in productivity?

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, I would doubt whether tax incentives are the best way of bringing about increases in productivity. I believe the government's policies for the improvement of training, mobility, technical progress and scientific research are by far superior.

Mr. Hees: As a supplementary question, does the minister believe that his policies are having the desired effect at the present time? Because, if he does, nobody else in the country agrees with him.

Mr. Speaker: Order, please. The hon. member's supplementary is argumentative.

ESTABLISHMENT OF SPENDING PRIORITIES IN CO-OPERATION WITH PROVINCES

On the orders of the day:

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, may I direct a question to the Minister of Finance. Is the government going to offer federal leadership by making proposals to establish spending priorities in co-operation with the provinces, at the forthcoming meeting with provincial ministers of finance?

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, I expect we will be dealing with the provinces next week. We will certainly be giving them leadership, which I hope they will follow, in reducing the demands upon our financial markets.

FISHERIES

SUGGESTED CONFERENCE TO REVIEW DEVELOPMENT PROGRAMS

On the orders of the day:

Mr. Lloyd R. Crouse (Queens-Lunenburg): Mr. Speaker, I wish to address a question to the Minister of Fisheries. In view of the

many economic problems presently faced by our east coast fishing industry, is it the minister's intention to call a fisheries ministerial meeting for a review of fisheries development programs? If so, when will a conference of this type be called?

Hon. H.-J. Robichaud (Minister of Fisheries): In fact, Mr. Speaker, such a conference has been called for Wednesday of next week in Moncton. I will meet with the provincial ministers of fisheries for the Atlantic provinces and Quebec in order to discuss the national development program which has been implemented since the federal-provincial fisheries conference was held here in 1964.

Mr. Frank Howard (Skeena): As a supplementary question, Mr. Speaker, may I ask the Minister of Fisheries whether he has anything up to date to relate to the house about the involvement of the British Columbia government in the fishing vessels assistance regulations?

Mr. Robichaud: Mr. Speaker, this matter was discussed at a federal-provincial fisheries committee meeting held here in Ottawa a few weeks ago. Unfortunately no final decision has been reached yet.

[*Translation*]

NORTHERN AFFAIRS

"GRANDE HERMINE"—TRIP TO GASPÉ FOLLOWING EXPO

On the orders of the day:

Mr. Albert Béchard (Parliamentary Secretary to Secretary of State): Mr. Speaker, may I direct my question to the Minister of Indian Affairs and Northern Development?

Is not the fact that Cartier discovered Canada in 1534 by setting foot for the first time at Gaspé justification enough, historically speaking, to incite the minister to order immediately the transfer to Gaspé of the replica of the *Grande Hermine* instead of keeping it at La Ronde where it is shivering at the present time?

Mr. Speaker: Order. That is an argumentative question.

[*English*]

Mr. J. R. Keays (Gaspé): Mr. Speaker, I wish to direct a supplementary question to the Minister of Indian Affairs and Northern Development. May I ask whether he authorized the press release in the name of the hon. member for Quebec East saying the *Grande Hermine* was on its way to Quebec?

Mr. Speaker: Order. I think the hon. member's question falls into the same category as the one asked by the hon. member for Bonaventure.

NORTHWEST TERRITORIES

INQUIRY AS TO NAMING OF APPOINTED COUNCIL MEMBERS

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development. Is he yet prepared to take the house into his confidence and announce the names of the members appointed to the Northwest Territories legislative council?

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development): Mr. Speaker, I am very happy to announce that the following persons have been named to the council of the Northwest Territories: Mr. John Havelock Parker, who is deputy commissioner of the Northwest Territories at the present time; Mr. James Gordon Gibson, businessman, a resident of Vancouver B.C.; Air Marshal Hugh Campbell, retired, a prominent businessman in Ottawa; Professor Lloyd Barber, dean of commerce, University of Saskatchewan, and John (Tetlichi) Charlie, who is chief of the Fort McPherson Indian band, hunter and trapper.

Mr. Speaker, it is not our intention that the appointment of a resident of the Northwest Territories should be a binding precedent, but I think the very large and important Indian population of the territory might well be initially represented by assistance from Ottawa.

Mr. Nielsen: As a supplementary question, can the minister say whether it is the government's intention to eliminate the undemocratic form of appointing members to this government body and make the council fully representative this session?

Mr. Speaker: Order, please. The hon. member's question does not seem to be of immediate urgency. It may be a matter of import later on, and as such I suggest to the hon. member that the question should not be answered now.

Mr. Nielsen: Then I direct a question on government policy to the minister, and ask him whether it is government policy that the council be made fully representative this session.

Inquiries of the Ministry

Mr. Laing: Mr. Speaker, I regret that the hon. member has implied that the extremely valuable services rendered by people appointed to the council from southern Canada do not meet with his approval. I consider they have been of great value to the north. I would expect that over a period of time—and I do not know how soon it might be—the practice would be eliminated. This may well be—although again I do not want to be precise—the last occasion on which appointments would be made from southern Canada.

HOUSE OF COMMONS

ALLEGED VIOLATION OF OATH BY MEMBER FOR LAPOINTE

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, may I direct my question to the right hon. Prime Minister. In view of the fact that Your Honour and all other members of this house have solemnly sworn on oath to bear allegiance to Her Majesty the Queen and country and in view of the fact that as a result of his seditious actions the hon. member for Lapointe (Mr. Grégoire) not only has violated his oath but has placed the honour of every member of the house in question, I should like to ask the Prime Minister whether any action has been initiated against the hon. member for Lapointe and, if not, do integrity and loyalty still have relevance to our position as public servants?

Mr. Speaker: Order. The hon. member's question is a form of reflection upon another member and certainly is one which cannot be accepted.

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, on a point or order.

I note that the hon. member for Red Deer (Mr. Thompson) has made general charges without giving any details; I believe that in the circumstances it would be quite normal to ask him either to give details or retract his charges that I might have broken some oath.

Mr. Speaker, if I am accused in the house of having broken my oath then you must ask him either to retract or to give details and prove his charges.

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

[Mr. Nielsen.]

[*English*]

Mr. Speaker: Order, please. Owing to the fact that we have just about reached the end of the question period I wonder whether the matter might be left in abeyance.

Mr. Thompson: Mr. Speaker, inasmuch as you gave the member for Lapointe an opportunity to speak, it seems to me I have the same right of privilege.

[*Translation*]

Mr. Speaker: May I suggest to the hon. member for Red Deer—and to the hon. member for Lapointe that, for the time being, it would be simpler to leave the question in abeyance because—

[*English*]

—we have reached the end of the question period. I think at this time we should get on with the important business which is to be considered by the house this afternoon.

[*Translation*]

Mr. Grégoire: I rise on a question of privilege, Mr. Speaker. Regardless of whether the question period is coming to an end or not, one thing remains: I have been accused, in this house, of having broken some oath or other and this surely constitutes grounds for a question of privilege. The question period to my mind, is not a matter of hours or minutes. I was accused of having broken some oath or other. That is my question of privilege and I ask that the member take back what he said.

Mr. Speaker: Order. I suggest to the hon. member—and I am not saying there is no question of privilege—I merely suggest that the dispute should be left in abeyance. The hon. member must recognize that the Speaker has the right to postpone a ruling, if he so wishes, and that is what I wish to do at this time.

I will have the opportunity to consider both the arguments of the hon. member for Red Deer and the question of privilege raised by the hon. member.

Mr. Grégoire: Mr. Speaker, I rise on a point of order. Section 17 of standing orders states that:

> Whenever any matter of privilege arises, it shall be taken into consideration immediately.

Now, Your Honour has just stated that the question of privilege I raised was well justified.

Mr. Speaker: Order, please. A question of privilege is taken into consideration immediately, but the ruling of the Chair is not made immediately.

Mr. Grégoire: Your Honour has just made one.

[*English*]

CRIMINAL CODE

AMENDMENTS RESPECTING DEATH SENTENCE AND LIFE IMPRISONMENT

Hon. L. T. Pennell (Solicitor General) moved the second reading of Bill No. C-168, to amend the Criminal Code.

He said: Mr. Speaker, I suppose in an issue of this nature we cannot entirely free our minds of certain emotional forces but my appeal is that the conclusion of the house will be animated by reason, knowledge and experience gathered from those jurisdictions where capital punishment has been abolished. I do not think it is necessary that I should trespass upon the patience of the house to recapitulate the provisions of the bill. However, before addressing myself to the merits of the bill I might perhaps be allowed to offer several general observations.

In the first place, I am authorized to say that the government does not look upon this matter through party glasses. The issue involved raises a matter of deep personal conscience and is a consideration that no party formula can satisfy. Therefore each member of the house, including the members of the ministry, will be free to exercise his or her own individual views on the merits of the bill. The view I have expressed is the considered view of the government and is the position sanctioned by precedent in the British parliamentary system.

A free vote tends to personalize the issue and, if I may enter a personal note, I wish to make it precisely plain that I do not approach this matter as a soft sentimentalist. I move the second reading of this bill out of a deep conviction that capital punishment is wrong in principle—

Some hon. Members: Hear, hear.

Mr. Pennell: —and not out of a misguided sense of sympathy for the enemies of society. The view I take has nothing to do with sympathy for murderers. I recognize the sincerity and the conviction of hon. members who oppose this bill and I hope, in turn, that they will acquit me of any lack of feeling for the victims of these revolting crimes.

Amendments Respecting Death Sentence

I shall pass now to my second general observation. Bill C-168, while not dissimilar to the private members' bill of last session, introduces a significant difference. The bill now before the house has rolled up the two exceptions to a sentence of life imprisonment for murder with the five year trial period into a single package subject to a single vote. Members of the house will recall that the private members' bill of last session provided for total abolition. It is true that certain amendments were put, but they were put separately and voted upon separately. To illustrate, hon. members were placed in a position where they had to vote for total abolition for a trial period without either of the two exceptions in this bill or to vote for abolition alternately qualified by the two exceptions but without the five year trial period. Clearly, then, there is a substantial difference in principle between the two bills.

I would also respectfully remind hon. members that no man can be charged with inconsistency if his opinion, in the light of the changes introduced in this bill and in the light of further study and experience, has undergone modification. It is worth noting that during the past few years Mr. Chuter Ede, Home Secretary in a labour ministry, and Mr. Henry Brooke, Home Secretary in a Conservative government, have changed their position from being confirmed retentionists to total abolitionists.

The last preliminary observation I wish to make is that this bill, of course, is a compromise. I am deeply conscious of the difficulties under which I bring it before the house. I must clearly and candidly admit that the arguments I propose to offer in support of the principle of this bill could be applied with equal force and validity in support of total abolition. I recognize the fact that this bill may not be an ideal arrangement, but it seems to me that in its present form it is the most promising measure which can be introduced at this moment.

I believe that support for this bill is conditional on the inclusion of the trial period and the two exceptions to a sentence of life imprisonment. I believe also that it affords us the best opportunity to move forward and, if passed, certainly will be a gain on the position we now occupy under the law. This bill, like the 1961 amendment to the Criminal Code dealing with capital punishment, is a compromise and, like so many compromises, it cannot be defended on every count in terms of clear cold logic. Justice Oliver Wendell Holmes best dealt with this point more

than 50 years ago in these terms, "The life of the law is experience, not logic." The bill now before the house is a compromise which I believe brings us closer to a legitimate objective.

• (3:40 p.m.)

Parliamentary history will show that the controversy today is the same controversy that has always arisen whenever capital punishment has been put into issue. For the most part it is between those who believe that capital punishment is a special and unique deterrent and those who do not hold to that belief. It is necessary, therefore, that I traverse familiar ground in the course of my remarks.

At the outset I wish to say something about the burden of proof. No one, I believe, will contend that the state has the right to take human life unless it can be shown clearly and convincingly that it is necessary for the protection of society. The fact that over the years we have steadily reduced the number of offences attracting the death penalty and the fact that we have now restricted the death penalty to capital murder illustrate our fundamental respect for human life. In my mind it is beyond the reach of controversy that the burden of proof falls clearly upon those in favour of judicial execution. It is for them to prove that the death penalty is such a special and unique deterrent that there is no other way by which society can be protected from murderers. It is upon their shoulders that the burden of proof clearly rests, and in my view they cannot escape that duty.

I believe we ought to take note of the fact that some 45 jurisdictions have abolished the death penalty in whole or in part. Those jurisdictions include the United Kingdom, Norway, Sweden, Denmark, West Germany, Holland, Belgium, Portugal, Switzerland, Italy, Israel, Venezuela, New Zealand and New South Wales in Australia, and a great many states in the United States. In 1965 New York state, with a population almost equal to that of Canada, amended the penal code in terms not dissimilar to the bill I now offer the house.

The changing spirit of our time is well illustrated by the sharp decline in total executions in the United States. Total executions have declined steadily from 56 in 1960 to 47 in 1962, 15 in 1964 and 1 in 1966.

Two years ago in a letter to congress, the now attorney general Ramsey Clark wrote:

> We favour the abolition of the death penalty. Modern penology with its correctional and rehabilitative skills affords greater protection to society than the death penalty which is inconsistent with its goals.

I believe it is a useful exercise to look back to the royal commission on capital punishment in Great Britain. The report is unquestionably the most able document which has been produced on this difficult subject. It followed four years of patient and exhaustive study of the statistical evidence and experience in the abolitionist jurisdictions.

I anticipate that I will be met by the argument, and quite properly, that statistics should be ignored on the ground that there is no way to determine the number of persons who have been prevented from committing murders because they were afraid of being hanged. I concede that I cannot number the occasions when the death penalty might have been a deterrent. Indeed, I do not claim that statistics are proof conclusive but in my view it is indisputable that the report of the royal commission has seriously undermined the proposition that the death penalty has a special and unique quality of deterrence.

The royal commission found that in two adjoining states of a similar nature in the United States, one of which had removed the death penalty and the other had not, the rate of murder in the state retaining the death sentence was almost identical with that in the state that had abolished the death penalty. I may refer in this connection to paragraph 64 of the royal commission report:

> The only conclusion which can be drawn from the figures is that there is no clear evidence of any influence of the death penalty on the homicide rates of these states, and that whether the death penalty is used or not and whether the executions are frequent or not, both death penalty states and abolition states show rates are conditioned by other factors than the death penalty.

I now wish to deal with the argument that these statistics should be dismissed because they relate to other countries and are not relevant to the conditions in Canada. This is precisely the point I wish to make. It is not a case of the abolitionist countries being alike to each other and being different from Canada. The statistics were gathered from different countries, different from each other different in their general customs and economic conditions, different in their general laws; yet there is a striking similarity in the experience and the evidence revealed by the statistics from all these countries.

To sum up, these statistics show with remarkable consistency that the abolition of the death penalty did not lead to an increase in the rate of murder. I do not suppose

anyone would suggest that the legislators in the more than 45 jurisdictions which have abolished capital punishment are less concerned about the protection and the safety of their fellow citizens than those who are privileged to sit in this chamber.

In New Zealand the law on capital punishment has had an untidy history. In 1941 capital punishment was abolished. In 1951 the death penalty was reinstated, and in 1956 the death penalty was again abolished although it was not formally removed from the statutes until 1961. In New Zealand there is no strong evidence that the abolition or retention of capital punishment has had any significant increase on the rate of murder. The minister of justice for New Zealand made this statement during the course of parliamentary debates as recorded in volume 328, page 2699:

> —when we realize that the penalty for murder has changed three times in the period I have been reviewing—in 1935, in 1950 and 1957—with no effect on the figures, then surely it is plain to us that executing murderers does not achieve anything.

I could multiply the illustrations from the commission's report.

In the Scandinavian countries there is no real evidence that the murder rate has been affected by the demotion of the death penalty. Let me pursue the statistical evidence for just a moment longer. We are agreed that there can be no precise mathematical proof in an issue of this character. But surely the retentionist ought not to reach such a somber conclusion on such inconclusive evidence that their claim of a special and unique deterrent is in fact accurate. The retentionists are faced with the Scottish verdict of "not proven".

I am bound to point out that the statistics point strongly in one way, that the murder rate is conditioned by factors other than the death penalty. The royal commission report says in paragraph 61:

> Moreover, we received no evidence that the abolition of capital punishment in other countries led to the consequences apprehended by our witnesses in this country.

Not only do the findings of the royal commission point strongly in one direction, they also underline the dearth of statistical evidence available to support the retentionists. There is no argument that the royal commission did not look for evidence, because it spent four years in close and careful analysis of all the evidence.

Finally on this point may I bring to the attention of the house the statement of Sir Ernest Gowers, the chairman of the royal commission who by his own admission began the inquiry as a confirmed retentionist and moved to the position of an abolitionist. On page 137 of his book, "A Life For A Life", he tells us:

> There remains the argument that without the uniquely deterrent value of capital punishment, more murders would be committed. As we have seen, such evidence as there is goes to show that the abolition of capital punishment does not in fact have this result.

That is the view of perhaps the best informed student of this perplexing problem. Before leaving the question of deterrents, I wish to say to hon. members who oppose this measure, I hope without offence, that I am more than surprised at the ease and assurance with which they speak of how the criminal mind reacts. Hon. members who do not need the death penalty to deter them from committing murder seem to be able to unravel the workings of the criminal mind.

• (3:50 p.m.)

I do not claim to be an authority on this matter, nor do I claim that my opinion is more important than those of other hon. members. But perhaps the house will forgive me if I point out that in recent years I, more than any other member, both in my professional and ministerial capacities, have been deeply concerned with this issue.

It has fallen to my lot to defend some 10 or 11 persons charged with capital murder, and I need not, of course, mention my ministerial responsibilities. Permit me, then, to speak for a moment out of my own experience. One case in particular remains vividly in my mind. This is a case that is now cited as a legal authority. I was assigned to the defence of the accused at his preliminary hearing and travelled with him through the whole judicial process to the Supreme Court of Canada and back to the condemned cell. I lingered with him almost to the moment he stepped on to the trapdoor and dropped into the unknown.

I shall never forget his complete indifference to the consequences of the law from the moment I first met him. The question I deliberately put to the house is this: Whom does the death penalty deter? How do the retentionists rationalize between those who commit murder despite the death penalty and those who claim they are deterred by it?

There is a grim sequel to the case I have cited. It was a case that attracted extraordinary attention in the community. Two years later I was in the same community, in the

same courtroom, defending another person charged with capital murder. Clearly the execution of the first man has failed as a deterrent in respect of the second. I am not prepared, in my own mind, to say that the moral guilt of the one sentenced to death was greater than the other, although the second man escaped the gallows.

I accept the fact, and I suppose all lawyers must, that there are certain anomalies in the law. But I have never ceased to be disturbed by the fine line drawn between murder and capital murder and previously between murder and manslaughter. I believe that where that line has been drawn in the past has sometimes been determined by the experience and competence of counsel. I believe the fineness of the line is reflected by the reluctance of juries to convict of capital murder.

Some hon. Members: Hear, hear.

Mr. Pennell: I come back to the question I posed a moment ago, Mr. Speaker: Whom does the death penalty deter? There are, in my view, three classes of murderers. There are those who are clearly insane. There are those who act in a state of passion, with hate, jealousy, love, all the primary emotions, in a moment when they have no conscious concern for what they are doing. Then there is the third category, those who commit their offence after careful, deliberate calculation, with an indifference to the penalty because they are sure they are going to escape detection. The number of unsolved crimes proves that sometimes they are right. But, Mr. Speaker, clearly to the murderer who plans and calculates his action the death penalty is not a unique deterrent. In my view the most effective deterrent is the certainty of detection and conviction. I believe there would be a great decrease in crime generally if the offender knew that he would be readily apprehended and convicted.

I now turn to the second major argument which is used to tell against the abolitionists. It is put most forcibly in the words of Lord Denning:

> The punishment is an emphatic denunciation by the community of the crime: and from this point of view there are murders which, in the present state of public opinion, demand the most emphatic denunciation of all, namely the death penalty.

With the greatest respect, I submit that on close examination it will be seen that this statement is really the principle of retribution carried to its ultimate degree. It is the enunciation of the principle that I understood an enlightened opinion had long ago rejected.

It offends the three basic principles of our penal system. We seek to punish the offender, we try to reform him, and we aim at deterring others from repeating his offence.

Under our laws we do not disfigure or maim a man who has disfigured his victim; we do not burn down the house of a man who has committed arson. I accept the proposition that punishment necessarily implies a measure of retribution, but I believe we can manifest our denunciation as clearly and completely by the substitution of life imprisonment for judicial execution.

No hon. member believes that a murderer can pay for another person's life with his own. Nothing we can do can possibly atone the taking of human life. I believe that so long as the state claims the right under the law to deliberately take human life—there will be a tendency to regard life more cheaply.

Some hon. Members: Hear, hear.

Mr. Pennell: I believe there is a responsibility upon the state to set the example. We can denounce the terrible conduct of murderers far more impressively by declaring our profound belief in the sanctity of human life and substituting a sentence of life imprisonment. I think it is worth while to offer to the house these words of John Bright:

> A deep reverence for human life is worth more than a thousand executions in the prevention of murder. And it is in fact the great security of human life. The law of capital punishment while pretending to support this reverence does in fact tend to destroy it.

Some hon. Members: Hear, hear.

Mr. Pennell: I believe, sir, that with the abolition of the death penalty we can set an example, as a government, of our respect for the sanctity of human life to a world that is sorely in need of a higher regard for human life and a higher standard of humane conduct.

It is impossible to leave this subject without reminding the house that in any system of administration of justice, however mature and refined, miscarriages of justice are bound to occur. It is for the house to decide whether we have the moral right to ask the court to impose a sentence which by its very nature is irreversible once it is applied. Whatever care may be taken, the possibility of a mistake is bound to arise. It has arisen in the past and it will arise again in the future.

I propose to single out one well known case for a very brief examination. Timothy

Evans was hanged in England in 1950 upon conviction of the murder of his daughter. It is now generally accepted that the principal witness for the prosecution was himself the murderer, as subsequent events proved. It is within the knowledge of the house that Timothy Evans was granted a pardon 15 years after he was hanged. It was of this case that Lord Justice Birkett said:

> The case against Evans at his trial on the facts as they were then known was quite overwhelming. There was no failure in the administrative machinery of the criminal law. No human skill could have prevented the conviction and no human judicial system, whatever its checks and safeguards, can ever provide complete security against the exceedingly rare and exceptional case such as that of Evans.

I ask the house to ponder over these words: "There was no failure in the administrative machinery of the criminal law. No human skill could have prevented the conviction." I ask the house whether there could be a more convincing argument, even if it stood alone, for the abolition of capital punishment. I do not pretend that I have examined and exhausted all the grounds surrounding this controversy. I have confined myself to what I believe are the issues that go to the very heart of the problem.

I desire now to allay the anxieties of hon. members relating to the release of prisoners serving life sentences. I wish to make it meticulously plain that there is no automatic release of any kind for these prisoners. A discretion has always been vested in the governor in council to release convicted murderers on ticket of leave and parole. For example, 45 persons serving commuted death sentences were paroled in the period 1957 to 1965. I understand that 43 of them are now living peaceful and useful lives attempting to compensate for their crimes.

The protection of the public will always be a paramount consideration in deciding whether a particular person should be released on parole. Speaking for myself, I would be prepared, in the interests of public safety, to keep a murderer in prison for the rest of his life unless I was completely satisfied that he did not present a danger to the public. Each decision on the matter of a parole would now be brought before the governor in council only after a favourable recommendation by the parole board. If the parole board refuses to recommend parole, there the matter would end. There is no need for me to add that no decision would be taken with more care and with a deeper sense of responsibility.

• (4:00 p.m.)

The effect of the proposal in this bill is to add a further safeguard to the law in regard to the release of convicted murderers. There may be some hon. members in this chamber who will disagree with me when I state that we should never lose faith or abandon hope of reforming even one of these terrible murderers. Under the law the criminal must be both sane and of age before we hang him. I ask the house again, given these two qualities and believing as we do in the essential dignity of man, have we a right to abandon the hope of reforming even one of these men? To say that we should never release a convicted murderer is an admission of defeat and despair, and we despair not only of the prisoner but we despair of ourselves.

I recognize that if this bill should go through we must continue strenuous efforts to rehabilitate these men. I believe it was seven years ago that for the first time under a previous administration the national conscience was awakened to our responsibility in this regard, and I am happy to say that the succeeding administration has continued to translate that awareness into action. In my view we need three basic requirements: physical plants, trained and professional staff, and more research. It is my earnest hope that the new department of crime and correction, or the Department of the Solicitor General as we designate it generally, will achieve that objective. I do not promise that the answers will come easily or quickly, but we must persevere in our efforts. I wish to make it plain that I am prepared to reconsider my own conclusions should subsequent history reduce the validity of the arguments I now put before the house.

In conclusion I wish to deal with one school of possible opposition, namely, that of the total abolitionists. I acknowledge that their sense of logic must suffer over the inclusion of the two exceptions for prison guards and police officers, but at least I must make this concession to the bill I sponsor, that whether or not the death penalty provides a unique and special quality of deterrence at least it provides a peace of mind and moral support to that very small group in our society who, at great risk to themselves, permit us to live our lives in the security to which we are entitled. I ask and I appeal to the total abolitionists to support this measure on second reading and to support it in the vote on principle, and I will listen with great interest and deep respect to any amendments

that may be moved in the committee stage. I believe that this bill will only be defeated in principle if there is an unhappy coalition between those who feel that the bill has not gone far enough and those who feel that it has gone too far. Such a result will of course be a defeat for all those who sincerely believe that an amendment related to capital punishment is needed in the law.

I would be in error were I to detain the house further. I believe this bill represents one more step in the continuing march toward a higher regard for human life. Behind this bill is a long history of over 150 years of dire and dark predictions, of hope and fear and of despair and faith in the essential decency of man. I ask the house to continue the unfinished work of what I believe has been a feudal and futile system that for too long has marred the majesty of the law.

Mr. Haidasz: May I ask the Solicitor General a question? First, could he tell me after how many years of imprisonment he would consider releasing a murderer on parole and, second, what measures does the government propose to take to aid the victims of an act of murder?

Mr. Pennell: Each case must stand on its own merits. The parole board examines the age of the prisoner, the time the offence was committed, the circumstances surrounding it, the prisoner's behaviour in the institution, and his relationship with other prisoners and with the staff, and then we make as objective a decision as we possibly can. Experience has shown that paroled murderers are the finest parolees.

With regard to the question relating to the compensation of victims, I appreciate the importance of the question raised by the hon. member. This is a matter which is being dealt with in the provincial field. I would point out that legislation regarding this matter has been introduced in the province of Saskatchewan and I understand other provinces are also considering this question.

• (4:10 p.m.)

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, may I say, as the leading speaker for the Conservative party, that I speak for everyone in our party when I say that we have listened today to a very thoughtful, skilful and brilliant address. After listening to my good friend's speech, and he is a personal friend of mine, and hearing of his personal experiences with regard to people charged with murder I must say, and I am sure he agrees with me, that the most lonely period of a lawyer's life is when he has to make the decision whether to place the accused on the stand to give evidence on his own behalf or to take the evidence presented by the crown to the jury and argue that the crown has not made out a case. All of us who have had that experience know that the onus is always on the crown to prove the guilt of the accused and that if there is a reasonable doubt it must always be resolved in favour of the accused. It is not an easy decision to make. I know the minister has had to make that decision, and so have I, so have the great trial lawyers in Great Britain and the United States and indeed some of the great trial lawyers here in Canada, one of whom sits in front of me, namely, John George Diefenbaker. I believe that in his career he has appeared in 22 murder cases and out of these he won some 17 or 18 acquittals.

So we all understand the feelings and the emotion of the minister when he delivered his very able address this afternoon, and we all congratulate him on it.

Before proceeding further with my address I should like to say in passing that any trial lawyer who has done work in criminal law could have made out as good a case this afternoon for the people who rot in jail. The occasion which I remember most vividly is the evening when I visited the penitentiary in Montreal and saw the prisoners' cells which measure about seven feet by four. When the door is locked at night all the lights are turned off and there are no windows so that the men are confined in this space for eight hours. It is an archaic institution which is as old as this country. The same sympathy could be aroused for these prisoners as has been aroused by the minister this afternoon with reference to the death penalty for capital murder.

I have given some thought to this subject and I feel the first thing I should do in this debate is to ask a question and then answer it. However, before doing so may I put on the record the real purpose of the bill. This purpose is found in the explanatory note and I will read it so that those who may be reading this debate some years from now will appreciate what we are debating today.

The purpose of this bill is to confine the imposition of the death penalty in relation to murder to the murder of police officers and others employed for the maintenance of the public peace, acting in the course of their duties, and to the murder of prison guards and other officers or permanent employees of prisons, acting in the course of their duties, for an experimental period of five years.

This change will be made for an experimental period. Of course, the bill really does not abolish capital punishment because it is maintained for the murder of police officers, penitentiary guards or agents of the same.

I can only speak for this side of the house, but I may say there will be a division of opinion on this matter because it is a highly emotional and controversial one. My first question is, what is the position of the Conservative party with regard to this question? We have decided, without any qualification whatever, that all our members will have absolute freedom of thought and action in reference to this serious, highly controversial and emotional matter. There has been and will be no direction given to our members by our leader or by any other influential person or persons within our party. There will be no direction from anyone advocating what position we should take in this debate or how we should vote. The members of our party will speak freely and will be free from any suggestions or opinions expressed by any other member. This will be an absolutely free vote. I believe it is right that I should state our position. May I say that as a result of having discussed the matter with some hon. members I am pleased to find many who have not yet made up their minds on this issue. I believe it is our duty at this moment to debate and to wrestle with our consciences until we are called upon to make a decision for our country.

Surely, however, whether one is an advocate of the retention of capital punishment or an advocate of its abolition, there is one question which must be asked. I realize, after listening to such a stirring address from the minister, that this question may seem to have a hollow ring. I ask, however, why is the government introducing this measure now so soon after the matter was the subject of debate and decision by this parliament? In April, 1966, this question was before the house at the Prime Minister's (Mr. Pearson) suggestion. It is true the suggested change was contained in a private bill, but it was the Prime Minister's suggestion that a full discussion and a full debate take place. I am taking nothing from my introductory remarks when I say that all the facts connected with this subject were discussed fully in this house about 18 months ago. The public and parliament became fully informed. It is our function, as members of parliament, to try to inform the public on the pros and cons of abolition.

At that time the house voted to retain capital punishment for capital murder, and capital murder alone. I believe it was in 1960 that murder was redefined as capital and non-capital murder. At the moment we are only dealing with capital murder. Capital murder means, to put it succinctly, the planned and deliberate murder of a person. I wish to point out that the debating of such a highly emotional and highly controversial subject calls for a great degree of restraint. Although parliament made a decision, the government has ignored the decision made by parliament for the imposition of the death sentence passed by a competent court. One is compelled to say, in view of the government's action or lack of action in this regard and in view of the minister's position, that no true, no realistic free vote can take place on this subject on the government side. I say that, and I say it because it is obvious. Today the minister led off and made it very clear where he stood on the matter. Since he is the minister he will have a tremendous influence on the members of his party. There is also the fact that the matter is being brought forward so soon again. I think this will have a tremendous influence on how the members supporting the government will vote.

This action by the government has placed a heavy burden, indeed exercised an undue influence on government supporters at this time. How can a government supporter feel free to make a decision on this bill? We have had in fact but not in law or, to put it another way, not *de jure* but *de facto*, the complete abolition of capital punishment since parliament made its decision only 18 months ago. Capital punishment, *de facto* if not *de jure*, has been abolished in this country. It has been abolished completely since the Liberals took office in this country in 1963. I will give the house some facts in that regard. If this government can justify this action since April, 1966, and indeed since they took office in 1963, then may I ask this question: Why not continue the same policy for some time in the future? I want to make myself clear by saying that I am not suggesting for one moment the course the government has taken in the past or will take in the future is proper. In fact, I take the opposite view. However, one must be realistic.

I suggest that parliament should be and could have been engaged with some priority legislation at this time. The minister's answer, any minister's answer, of course, would be that they wish now to legalize the

abolition of capital punishment because that has been the law of the land *de facto* if not *de jure*. I would have liked to use stronger language against the government this afternoon. Any opposition would be justified in using stronger language with regard to the government ignoring a parliamentary decision if the subject matter were any other than the highly emotional and controversial one we are faced with now. One can talk about capital punishment and arouse all kinds of emotions because we all know that the greatest civil right one can protect is the right of a human being to live.

This government is asking the same members of the same parliament, under the same circumstances, to legalize its actions, Mr. Speaker. This is what they are asking. This government asked the same members, the same parliament, 18 months ago to make the same decision. The members of parliament debated and then decided. The government is placing a club over the heads of every member of parliament, whether that member is a supporter of the government or a member of the opposition. It is government duress and cabinet government all powerful, and quite often it is cabinet judiciary. This government has been the judge and jury.

I want to pause there. I come back to the bill. There is no person, particularly defence counsel, who does not appreciate what goes on in the cabinet. Under the Criminal Code they have the legal right and duty to review the whole of the evidence, the decision of the court and the decision of the jury in order to decide whether the sentence should be commuted from one of death to life imprisonment. This is a difficult situation. I can understand the minister's deep emotion the last time the vote was taken because juries, lawyers and judges experience the same emotion.

• (4:20 p.m.)

This question is now back for debate, and it comes so soon that parliament demands an explanation. Yesterday I read in the *Globe and Mail* an article which impressed me. I thought it was well written, well prepared, well documented and well thought out. It indicated that decay has set in in the government, and that the decay goes deep. It has moved from the pulp of the tooth to the root. In such circumstances, Mr. Speaker, the dentist removes the tooth.

Mr. Mackasey: He cuts your head off.

[Mr. Woolliams.]

Mr. Woolliams: Where is the government's priority list? Somebody said "he cuts your head off". I do not know where the hon. member stands on the issue, Mr. Speaker, but I am not talking lightly about it. This is a very serious matter. I ask the government where their priority list is. We are now debating this matter again having spent several weeks debating it during the last 18 months.

Where is the program that the Minister of Finance (Mr. Sharp) speaks of with great pride while government ministers go on spending to combat the obvious and admitted financial debacle that is facing the nation? Where is their program for dealing with high interest rates? Where is their program to arrest the high cost of living? Where is their program to eliminate high government spending, high unemployment, and lay-offs? Where is their program with reference to the large losses sustained in the wheat market and in the coal market? Where is their assistance to industry fighting for survival in the absence of any clear-cut terms of reference for the Kennedy round talks?

These questions are relevant in light of today's situation. There is anarchy in freight rates. We talk of boom, Mr. Speaker. We talk of sympathy. I ask the minister to go into the homes in any city in Canada today where 25 per cent of the people are living below an acceptable standard. While apparent deterioration of the Canadian economy is taking place, this government asks parliament to make *de jure* what they have already made *de facto*.

If the minister can justify what was done in 1966 and can put just as much sympathy and feeling into his speech as he did then, then it is right for the government to carry on as they have. The hon. member for Kamloops (Mr. Fulton), a distinguished member of parliament, said yesterday that the government believes that with a little bit of luck everything will be all right. Like Micawber, they think something will turn up.

I should like to refer for a moment to the words of a man for whom I have great respect in this House of Commons, the present Prime Minister. What did he say on April 17, 1962, Mr. Speaker, as reported at page 3079 of *Hansard*? He said:

> In closing I think I can do no better as this parliament comes to its untidy end than to quote Oliver Cromwell...

I want my good friend opposite to listen to this.

> This is what Cromwell said about a parliament, and it could be applied to the Conservative members of this parliament as it comes to its unlamented end:
>
> "You have sat there too long for the little good that you do. It is time to make way for better men. In the name of God—go".

That is what the Prime Minister told us, Mr. Speaker. We are now back once more arguing the same matter and they are asking parliament to decide again on a matter that was decided less than 18 months ago. Therefore I should like to ask the government why this subject is a priority item, and I ask them to give me an answer to that question.

In effect we have abolition of capital punishment now so we do not have to get worked up about the situation. We are experiencing an economic debacle in this country and this government does nothing about it. Adopting the Prime Minister's words, Mr. Speaker, when he quoted Cromwell—"In the name of God—go".

I now direct my attention in the few moments left to me to the subject before us.

Mr. Brewin: About time.

Mr. Woolliams: This matter has already been debated. If hon. members want to know what I said on the previous occasion then let me refer them to my speech of 18 months ago, to the minister's speech and to all the other speeches that are reported in *Hansard*. We have already had a debate on the matter and we are now duplicating that debate.

I agree with the minister that this is a very difficult subject, that we are facing a challenge from crime in a free society. I should like to refer to the latest report of the President's commission that was set up in the United States to study law enforcement. As the minister says, we can always draw on various circumstances in other countries, and I should like to quote what that commission had to say about capital punishment. Crime is on the march, and the question we have to decide is: Should we abolish capital punishment for offences of treason; should we abolish capital punishment for repeaters—this problem has arisen in this country—should we abolish capital punishment for syndicated gangsters who murder for profit and make money out of the demise of our citizens?

These are tough questions, Mr. Speaker. Crime in the United States, as in Canada, is on the move, and I will refer to some statistics later. The President's commission, as found on page 143 of their report, had this to say:

> As the abolition or the retention of the death penalty is being widely debated in the states, it is appropriate to point out several aspects of its administration that bear on the issue.
>
> The most salient characteristic of capital punishment is that it is infrequently applied.

So the same situation prevails there as it has in Canada for some time.

I should like to refer to some statistics. From January 1, 1951 to June 30, 1957 there were 90 cases of convicted murderers who were given the death penalty. Fifty five executions were carried out and the remaining 35 had their sentence commuted. From July 1, 1957 to April 15, 1963 there were 66 cases, 14 executions and 52 commutations. From April 16, 1963 to September 30, 1967—this was about the time when the offence of murder was divided into capital and non-capital murder—there were 27 convictions in cases of murder but none received the death penalty because the sentences were all commuted. This proves that we already have a *de facto* abolition of capital punishment. The report goes on to say:

> It is impossible to say with certainty whether capital punishment significantly reduces the incidence of heinous crimes. The most complete study on the subject, based on a comparison of homicide rates in capital and non-capital jurisdictions, concluded that there is no discernible correlation between the availability of the death penalty and the homicide rate.

That pretty well agrees with what the minister said.

> This study also revealed that there was no significant difference between the two kinds of states in the safety of policemen. Another study of 27 states indicated that the availability of the death sentence had no effect on the rate of assaults and murders of prison guards.

In this bill, Mr. Speaker, we are making an exception of cases involving children or elderly people. In this regard I can remember some dreadful cases. I remember a case where an elderly couple were put on a stove which was then turned on in order to try to make this couple yield their pension cheques. They fried. I believe that the accused in that case enjoyed a commutation of the death sentence. And there are even tougher cases. In this regard I agree that the question of insanity should be looked into. The report goes on:

> Whatever views one may have on the efficacy of the death penalty as a deterrent, it clearly has an undesirable impact on the administration of criminal justice. Capital cases take longer to litigate at the trial level—

Amendments Respecting Death Sentence

• (4:30 p.m.)

I am sure the minister has found this is the case. In cases where the accused is charged with capital murder the jury takes great care, the judge takes great care, and the court of appeal examines the evidence with greater care than it would examine the evidence, perhaps, in other criminal cases. Under the present circumstances the accused in a capital murder case is tried more carefully than if the sentence were mere imprisonment. What conclusion did the commission arrive at? On page 143, near the bottom at the right hand side, are found these words:

> The question whether capital punishment is an appropriate sanction is a policy decision to be made by each state. Where it is retained, the types of offences for which it is available should be strictly limited, and the law should be enforced in an evenhanded and nondiscriminatory manner, with procedures for review of death sentences that are fair and expeditious. When a state finds that it cannot administer the penalty in such a manner, or that the death penalty is being imposed but not carried into effect, the penalty should be abandoned.

Now we are faced with the issue of abolition. As I have said before, capital punishment has been abolished *de facto*. One must be fair and recognize the minister's convictions. Members on this side of the house, friends of mine, also support wholeheartedly the complete abolition of the death penalty. Under this bill, nevertheless, a distinction is drawn between the ordinary murderer and the one whose victim is a police or prison official. The commission says that the victim is of no account, that there should be no difference in the treatment of the murderer when his victim is a prison guard or police officer.

In 1960 the murder rate in Canada was 1.3 per hundred thousand of population. In 1966 the murder rate was approximately the same. In England in 1957, before the law was changed, the murder rate was 3.4 per million of population. Their murder rate is lower than Canada's. That rate increased to 4.2 per million of population in the period 1957 to 1966, and we are aware of the movement presently on foot in Great Britain.

I will not take much more of the time of the house except to say that in the past we have seen, basically, an absolute cabinet dictatorship in this field. The cabinet has exercised dictatorial powers with regard to commuting sentences and for that has been criticized by the leading newspapers of the country. In defence of the minister we must not forget that any cabinet has the right to commute any sentence. Perhaps I might ask the minister a question. In western Canada a man has been convicted for shooting a mountie. Is his sentence to be commuted?

Mr. Pennell: Well—

Mr. Woolliams: Let me finish. Is the government to commute sentences of those who have murdered police officers? Does the minister mean to tell us that of the 27 accused who have been sentenced, not one has killed a prison guard or police officer?

Mr. Pennell: Will the hon. member permit me to reply to his first question?

Mr. Woolliams: Yes, certainly.

Mr. Pennell: In the case of the Royal Canadian Mounted Policeman, the accused was found guilty of non-capital murder and it will not be necessary for the cabinet to deal with the case. So far as other cases are presently concerned, I know of no convicted murderer who has been convicted for murdering a prison guard or policeman.

Mr. Woolliams: That brings up another point. Do I take it that the minister will not recommend the commutation of sentences in capital murder cases where the victim of the murderer is a policeman or prison guard?

Mr. Pennell: I respect the hon. member's views and I am sure that he in turn does not expect me to make a categorical statement. If the judge and jury recommend mercy we shall need to weigh all circumstances, and I am sure that my hon. friend from Bow River would be as insistent as other members in making sure that we do so. I cannot give a categorical reply to a hypothetical instance.

Mr. Gilbert: Hear, hear.

Mr. Orlikow: I listened to the hon. member's speech carefully and I have the impression, though he did not say so, that he intends to vote against the bill. Will he take the house into his confidence in that regard?

Mr. Woolliams: May I answer that question in this way? If every hon. member in this chamber has already made up his mind, that only strengthens my argument that we are wasting time in debating this bill.

The Acting Speaker (Mr. Tardif): The hon. member for Greenwood.

Mr. Cowan: I wish to ask a question of the Solicitor General following the remarks of the hon. member for Bow River—

Mr. Brewin: Mr. Speaker—

The Acting Speaker (Mr. Tardif): Order, please. It may be a good idea to reserve questions until we have heard all speakers or until the bill is in committee.

Mr. Cowan: Mr. Speaker, the Chair allowed the hon. member for Parkdale to ask a question.

The Acting Speaker (Mr. Tardif): Order, please. That was entirely owing to the incompetence of the incumbent of the Chair at that time. The hon. member for Greenwood.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, the Solicitor General (Mr. Pennell) has presented Bill C-168 with sincerity and eloquence. I shall try not to repeat what he said, but I agree wholeheartedly with almost everything he did say. We are all conscious of the extensive debate on this subject that took place in March and April of last year on the resolution dealing with the subject now before us. During that debate the arguments for capital punishment and for abolition were fully canvassed and I do not think it is necessary for members of the house to repeat in detail all matters that were then discussed.

The first thing to be noted about the bill is that though it does not abolish capital punishment in form, because it limits the definition of capital murder to cases where the victims are police officers or prison officials, capital punishment will be all but abolished in Canada. The legislation is to be in force for an experimental period of five years.

I think all members of my party agree that this is not a party matter but a matter for the individual conscience of each hon. member. However, it is well known, I think, that all members of our party in parliament are against capital punishment and favour its abolition. Naturally we are not too happy with the present bill, which proceeds indirectly rather than directly to the abolition of capital punishment and leaves exceptions which, for reasons I shall discuss later, I do not think are justified. Nevertheless I think the Solicitor General will have reason to be pleased with our views on the bill. It is our considered opinion that the bill represents a tremendous step forward and that those who believe in the abolition of capital punishment should support it. We propose to do so on second reading. However, Mr. Speaker, because of our convictions we propose to put forward amendments at the committee stage which would have the effect of directly and completely abolishing capital punishment in Canada. I think many of the arguments put forward by the Solicitor General would justify support of our proposed amendments.

• (4:40 p.m.)

As I said, there is no need to repeat at length the case for abolition of capital punishment but, nevertheless, I would like to summarize a few of the points. Both those who support capital punishment and those who favour its abolition accept the view that the basic consideration is the sanctity of human life and respect for human life. This is essentially a religious and spiritual principle. It has been recognized and enunciated by religious leaders throughout human history, and by humanists of all nations.

Those who support capital punishment presumably do so because they believe there is no crime more shocking, more deserving of punishment, more necessary to be deterred than the wilful taking of human life. These people believe that the death sentence is uniquely appropriate for this kind of crime, and they also believe it is a uniquely effective deterrent of murder. Others, such as myself, Mr. Speaker, believe that the great weight of evidence and study of this matter establishes, or if it does not establish it certainly indicates, that the death penalty is not the only and, indeed, is not the most effective deterrent. We believe that the state itself should not impose or sanction the deliberate killing of human beings.

I could not put this point more clearly than it was put by the great Archbishop Temple, formerly Archbishop of Canterbury, who said, and I commend these words to hon. members:

> I believe that the example of the state taking life, even when it does so in return for a life already taken, does more to lower the value of human life in the mind of its citizens than the deterrent influence of this penalty can do to protect the lives of its citizens. In this way, I believe that the main influence of the retention of the death penalty is rather to increase than diminish the number of murders.

There has been much discussion of the deterrent effect of capital punishment but it is a fact, well established, that in those jurisdictions in many civilized quarters of the world in which capital punishment has been abolished this step did not lead to any increase in the rate of murder. Many volumes have been written about this matter of the deterrent effect of capital punishment The Solicitor General referred to some of

them. I content myself with the finding of the royal commission on capital punishment in 1953, which said:

> We agree with Professor Sellin that the only conclusion which can be drawn from the figures is that there is no clear evidence of any influence of the death penalty on the homicide rates of those states, and that whether the death penalty is used or not, and whether executions are frequent or not, both death penalty states and abolition states show rates which suggest that these rates are conditioned by other facts than the death penalty—

And again:

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

I appreciate that the subject of capital punishment arouses very strong emotions, but it seems to me that if the deliberate taking of life by the state cannot be shown to have the effect of deterring potential murderers, then it cannot be justified. That it has no such effect I think is shown beyond any reasonable doubt. The plain fact of the matter is that when one examines the records of murder cases one sees that the vast majority of murderers act without deliberation. Frequently they are mentally unbalanced, although not legally insane. On the other hand, those who murder with calculation are usually convinced of their ability to evade detection and often, I think, do succeed in evading detection, and they are no more influenced by the fear of capital punishment than by the fear of life imprisonment.

There is another point which requires the attention of the house, and that is that even in those communities which retain the death penalty it is practically never applied. In an article which he wrote on February 7, 1965, Professor Sellin pointed out that it was conservatively assumed that at that time there were about 2,500 capital murders annually in the United States and only 20 executions. Therefore, even where the principle is accepted in fact it has been allowed to lapse in practice.

From this it is hard to argue that capital punishment under these conditions can be a uniquely effective means of protecting the community. Nor should it be overlooked that in the nature of things capital punishment does not fall equally and inevitably upon all classes of those who commit murder. It is far more likely to fall on those who because of their poverty are unable to secure an effective means of defence, or on those whose crimes are attended by a maximum of horror and publicity.

There is a further cogent argument against capital punishment. The Solicitor General has already mentioned it and I will not dwell on it. It is that mistakes are bound to occur in the administration of justice. A penalty so final as death should not be imposed where there is no chance of the mistake being later rectified.

Some people are of the opinion that to suggest that the courts of justice in a country such as Canada can make errors is a reflection on the administration of justice. This is not so. Courts, as the Solicitor General said, like all other human institutions make mistakes, and there are many well-authenticated instances of this. The Solicitor General referred to the Timothy Evans case. I will refer to one other case that occurred in New York recently. A man named Whitmore was awaiting execution on the charge of murdering a girl when the actual murderer was apprehended and confessed to the killing. This is what someone on the district attorney's staff said about the matter:

> I was one of those who was absolutely sure that Whitmore had killed the girl; there was no doubt in my mind—reasonable or beyond a shadow or any other kind. Now I am satisfied Whitmore is innocent. If this had not been a celebrated case, if this case had not received the tremendous publicity, if this were just a run-of-the-mill murder, Whitmore might well have slipped into the electric chair for something he didn't do.

I think the consciences of all members of the house should be affected by the fact that there are well-authenticated cases of error, even in capital murder cases. All members of the house who have practised at the bar will know of cases where decisions of courts were backed up by appelate courts and, on the discovery of later evidence, were shown to be erroneous. It is not necessary to show that this is a frequent occurrence. It does happen, and therefore the finality of the penalty of capital punishment should be avoided.

• (4:50 p.m.)

I now turn to the bill before us. As I have said, what the bill proposes in effect is to abolish capital punishment in the vast majority of cases. It does so by narrowing the definition of capital murder. The form of the bill is an amendment of section 202A of the Criminal Code which defined capital murder for the first time in 1960, that is to say, capital murder as distinct from non-capital murder. Section 202A is merely a defining section. The operative section is section 206

of the code which provides that everyone who commits capital murder shall be sentenced to death and that everyone who commits non-capital murder shall be sentenced to imprisonment for life. In my view it would have been better if the whole idea of the distinction between capital and non-capital murder had been done away with—this is an untidy and unsatisfactory way to go about the matter—and section 202A repealed and section 206 amended to provide that the punishment for murder should be life imprisonment. We propose to bring forward an amendment to this effect when the bill reaches the committee stage so that those who believe that capital punishment should be completely abolished will have the opportunity of expressing their conscientious views on the matter.

For a moment or two I should like to deal with the exceptions in the bill. The exceptions which are provided relate to the murder of police officers, other similar officials and wardens and guards in jails. These exceptions do not apply to very many cases. We have been furnished by the Department of Justice with supplementary documents dealing with capital punishment. Anyone who has not seen the documents will find them in *Votes and Proceedings* for October 24 last. Table F in this supplementary material shows that in the last ten years, that is, from 1957 to the present time, there appear to have been ten cases of convictions for murder where policemen in the course of their duty were the victims. Of those ten cases there were three cases involving execution and five others in respect of which the sentence was commuted; it is not clear from the table what happened in respect of the other cases. Only one person has been executed since 1959.

With regard to police officers killed on duty, as listed on pages 13 and 14 it would appear that from 1964 to 1966 there were six cases in all. Of these two of those accused committed suicide, three were committed to hospitals for the mentally insane and one was convicted of capital murder but his sentence was commuted to life imprisonment. It is fairly obvious that in none of these cases could the death penalty have acted as a deterrent of its absence as an encouragement.

In respect of the death of guards, I think the figures are interesting. The same document indicates that in a period of 22 years, from January, 1945 to September 30, 1967, there were precisely four cases of guards being murdered. The details in this regard appear on page 14 of the supplementary material. In one case in 1949 there was a conviction and execution; in another case the murderer was never discovered. In the third case there was a conviction and commutation of sentence and in the fourth case, according to the details mentioned on page 14, there does not appear to have been a case of murder at all. There have been no such cases since 1964 although the practice of commutation had become well established by that time.

There is no doubt at all that police officers and their representatives believe that the death penalty is a protection to the police in the performance of their hazardous duties. However, tests have been made in the states of the United States where capital punishment has been abolished and in states where it has been retained. The joint committee of the Senate and House of Commons in 1955 received from Professor Sellin, who has already been referred to and is a noted authority in this field, a brief indicating that there was no difference in the rates of police killings in the abolition and retention states and that since the period between 1920 and 1930, which was the very highest period in respect of the murder of police officers, the number of murders of policemen has decreased steadily both in the abolition states where there is no capital punishment and in the states where capital punishment has been retained.

I have had the opportunity to read a so far unpublished paper in the *Journal of Criminology and Police Science*. It analyses the killing of police officers for the years 1961 to 1963 in six abolition states and in nine neighbouring death penalty states which are roughly comparable. It indicates that the rate per thousand of police victims was .393 per thousand in the abolition states and .398 in the death penalty states, or virtually the same rate in both cases. This, I suggest, indicates very clearly that the police are suffering from a delusion when they think they are in any way protected by the death penalty. Two of the abolition states recorded no police deaths over this three-year period.

Professor Akman of the University of Ottawa has published an interesting article in the *Canadian Journal of Correction,* October, 1966 issue. He has made a study of cases of assault in penitentiaries in Canada in 1964-65. The more numerous victims were inmates, not guards. The majority of the assaults were by short-term offenders. None

of the assaults by violence were committed by those whose death sentences had been commuted. The two offenders who in this period had killed a guard and an inmate were 18 and 27 years of age and were serving sentences of 12 and 21 years for robbery.

I do not wish to bore members of the house with statistics, but this is significant. In the states where capital punishment has been retained, nine out of ten police officers believe in the protective value of the death penalty. The significant factor, however, is that in the abolition states three out of four do not share that view at all. So where in fact the death penalty has been abolished the police officers themselves become convinced by that experience that they are not protected by the continuance of the death penalty.

It is not because we do not place a high value on the importance of protecting police officers in their hazardous occupation that we do not wish to retain the death penalty in the cases covered by the present bill. It is because we believe it is a delusion to imagine that the existence of the death penalty in respect of police and prison guards will in fact protect them. Indeed, it is not unreasonable to assume that where the state itself recognizes more clearly the sanctity of human life by not itself imposing a penalty of death, the hazards of the police will actually be reduced. This seems to have been the case in the many jurisdictions which have in fact abolished capital punishment.

It is therefore perfectly clear, in our view, that the exceptions provided by the bill with regard to the abolition of capital punishment detract from the principle which we believe should be embodied in the bill. We do not, however, for that reason believe the bill should be rejected. It would seem to us to be quite irresponsible, if we can get the substance of abolition of capital punishment, to reject it because the bill itself provides for exceptions applicable only in a minimum of cases. I would appeal, therefore, to all the members of the house, who believe in the total abolition of capital punishment and are not happy with the form of the present bill or the exceptions which it contains, to support the bill nevertheless and join with us in seeking to have it amended at the committee stage.

There is an ancient expression which I believe is applicable here—half a loaf is better than no bread. In the present case it might well be said by those who favour abolition that the present bill provides for ninety-nine one hundredths of the loaf and that it would be wrong for us to reject it. If, in the opinion of certain members, these exceptions make it easier to support the bill, if, in other words, there are members who previously voted against the resolution favouring abolition because of their belief that capital punishment did or might act as some measure of protection for those engaged in the hazardous occupations of police officers, prison wardens and guards, then we think it is both sensible and morally right to accept their support so that the great advance made by this bill may be realized. We believe that the bill represents an important step forward in achieving a more civilized, more compassionate and more humane approach to the whole subject of dealing with criminals.

In Canada we are not pioneers in this field at all. Many nations in the free world have abolished capital punishment without any ill effects. We know very well that there are murders which raise instinctive horror in our minds. But in this and in all matters having to do with punishment it is our conviction that a combination of compassion and cool and practical calculation of the consequences of various forms of punishment are our best guide, not indignation. Indignation, even if it calls itself moral indignation, does not produce good judgment.

• (5:00 p.m.)

Therefore I commend this bill to all those who believe in total abolition as well as to those who believe that the limited exceptions embodied in the bill are necessary, which we do not believe.

The question of the sentence of death is a solemn and fundamental matter. It is symbolic of our whole attitude to society. I say to my fellow members, let us take gladly this opportunity which is given us to advance down the road toward progress and humanity in this field.

[*Translation*]

Mr. Gérard Laprise (Chapleau): Mr. Speaker, I shall take only a few minutes to express my opinions on the bill under study, since we dealt with this matter barely a year ago. That is why I shall limit myself to a few remarks, to a few arguments only.

I listened closely to the speech made by the hon. Solicitor General of Canada (Mr. Pennell) who, very brilliantly and eloquently, I must say, introduced his bill. But in spite of his eloquence, it was but a rehash of the debate held in March and April 1966. The Solicitor General dug up old arguments to urge us to adopt his bill which, as far as I

am concerned, puzzles me, since the amendments proposed to the act as it now stands are such that they will mix things up much more than they will improve them.

Some months ago I was having dinner at the Chateau Laurier with another member of the cabinet and the conversation took a turn to the abolition of the death penalty. I then asked the hon. minister why the government wished to have this subject debated again in the house, since parliament had reached a decision on the matter just about a year ago. He told me quite candidly that it was because the bill had not been introduced in the house in a proper manner at that time. When I asked him whether the government would introduce the same bill or reopen the debate on capital punishment, if parliament had taken the opposite view, of course, he said no.

Well, Mr. Speaker, I feel that by raising again such a controversial matter as capital punishment, the house is caused, so to speak, to lose valuable time which could be used to consider much more essential pieces of legislation than the one now before us. In fact, this leads me to believe that if the bill of the Solicitor General is rejected, the house will be called upon again to express its opinion on this matter next year.

So, Mr. Speaker, for all these considerations, taking into account what has happened in the country, within the province of Quebec as well as in the country as a whole, I reached the conclusion that I have no reasons to change my views on capital punishment.

Mr. Speaker, an argument which is rather frequently put forward is that we should be sufficiently civilized in Canada to abolish the death penalty. But, let us look around at what is happening now, when we hear the news on radio or television or when we read the newspapers. For instance, the pages of the newspapers are filled with reports of all kinds of crimes from murder to rape to robberies of bank, drug stores and all kinds of business establishments. Old people's homes are broken into, and the oldsters are bound, mistreated and robbed and if they are strong enough to resist, they are even murdered sometimes. So, in view of all these things, of the facility with which people obtain narcotics, in view of increasing alcoholism and contempt for authority which is noticeable almost everywhere, I am beginning to wonder whether we are civilized enough to abolish capital punishment at this time.

• (5:10 p.m.)

Since this matter was placed on the order paper, Mr. Speaker, we have heard several well-informed persons having authority to express opinions. I have before me an editorial written by Roger Bruneau, in the October 23, 1967 issue of the newspaper *L'Action* of Quebec, where he was asking himself certain questions in connection with this bill introduced by the Solicitor General. This journalist observed, and rightly so, that:

> If it is true that by maintaining the death penalty against murderers of police officers or prison guards—

It must be understood here that the bill sponsored by the Solicitor General is an amendment to the present act providing for the death penalty in cases of capital murder only.

So the amendment stipulates that only murders of police officers, police constables, constables, sheriffs, deputy sheriffs as well as wardens, deputy wardens, instructors, keepers, gaolers or guards are considered capital murders.

> If it is true that by maintaining the death penalty against the murderers of police officers or prison guards those people are being protected and the number of victims is being limited as much as possible, why could not the same line of thought be applied in the case of murder in general?

Well, Mr. Speaker, if it is true that considering guilty of capital murder anyone who kills or murders a police officer or a prison guard can incite potential criminals to reconsider their action and refrain from murdering those people, it seems to me that the same situation could exist, for instance, for the father or mother of a family. Why then should we not ask the same question about the druggist who is robbed day or night in cities like Montreal or Toronto, or elsewhere, or about a bank manager? Their lives are just as much in danger, I would say, as those of policemen or jail guards. Why should not this principle apply as well to any business owner? We could ask ourselves the same question.

If, by making the murder of such people capital murder such crimes could be prevented, the same reasoning would apply with respect to any other citizen in Canada and, accordingly, the same result would ensue.

There is another aspect I would like to deal with here. It concerns the death penalty for capital murder, which, in principle, no longer exists in Canada since 1963; this penalty still exists, but it is not applied. Accordingly, this government does not comply with the law of the land, duly enacted by parliament.

Since this government no longer abides by this law, we have seen the number of murders of all kinds increase at a terrific rate in Canada.

I have here a list of 18 prisoners who are waiting for the verdict of the members of the House of Commons, 18 prisoners who are waiting for the decision of parliament concerning this bill.

I have here the case of:

François Shirm and Edmond Guénette, separatists, sentenced to death in Montreal on May 21, 1966, for the murder of an armourer during an arms theft.

The execution was scheduled to take place on November 3, but it was not carried out. Mr. Speaker, in an attempt to steal weapons, these two hoodlums killed a man who was trying to protect his property. As we know what these weapons were being stolen for, we might wonder what the Solicitor General has in mind when he restricts capital murder to the killing of a police officer or a prison guard. What would he do about treason? Although some countries around the world, some states in the United States have abolished the death penalty, treason remains a capital crime and in the amendment before us there is no mention of treason. I wonder if we should not be asking questions about this; anyhow, I think that before we pass Bill No. C-168, we should at least move an amendment providing for treason as a capital crime.

Mr. Speaker, I shall continue to read the editorial:

Douglas Brown, sentenced to death in Montreal on December 1, 1966, to be hung on November 3.

Robert Collin, sentenced to death in Montreal on October 8, 1965, to be executed on November 10.

David Albert DeLeon, sentenced to death in Montreal on April 7, 1967, to be executed on November 17.

Roger Chevalier, sentenced to death in Montreal on November 20, 1965, to be executed on November 24.

Roger Demers, sentenced to death in Quebec on November 16, 1966, to be executed on November 24.

Douglas Joseph Booth, who obtained a new trial and was sentenced a second time in Ottawa on last January 19, and who is to be executed on November 23.

Jean-Jacques Boivin, sentenced to death in Hull, Que., on last January 28, to be hung on November 28.

This already makes quite a list for the month of November.

Roland and Jacques Poirier, two brothers sentenced in Montreal first on June 11, 1955—

I think this should be 1965 instead.

[Mr. Laprise.]

—then October 13, 1966, in a second trial, for having beaten to death Margot Turner, a cabaret dancer. They are to be executed on December 15.

Henri Boivin, sentenced to death in Montreal on April 21, sentence commuted to December 22.

Harold Arthur Ortt, sentenced to death in Chatham, Ontario, on October 12, to be executed on January 9, 1968.

René Emile Castellani, who was granted a second trial for poisoning his wife and who was again found guilty on October 6 in Vancouver. To be executed on January 23, 1968.

Herbert Matthew Myers, sentenced to death in Prince George, B.C. on June 2, whose sentence is to be executed on January 23, 1968.

Jean-Jacques Gladu, sentenced to death in Montreal on October 13, 1966, to be executed on January 26, 1968.

Marcel Bernier, of Shawinigan, Que, grave-digger, sentenced to death on February 24, 1966, for rape and murder of a teen-ager. To be executed on February 23, 1968.

Claude Martin, Montreal longshoreman, sentenced to death on April 1, 1966, for the murder of a barman and whose execution has been set for March 22, 1968.

Mr. Speaker, I feel that the life of those people who have been murdered by these criminals is just as important as that of any police officer or prison guard. At this stage, I am thinking particularly about the parents of the teen-ager who was raped and murdered in Shawinigan by the gravedigger, Marcel Bernier and about the anxiety they must have felt throughout the search for their young daughter and the trial of the murderer.

• (5:20 p.m.)

Mr. Speaker, if we are to abolish the death penalty, spare the lives of criminals who have killed honest citizens, let us also think about the families of their victims. The first thing bandits should do for us to abolish the death penalty is to quit killing as they now do.

Another bill will probably be introduced to legalize the homicide of children in the womb of their mother. First the lives of criminals will be protected, then infanticide will be legalized. Right now, a joint committee of the Senate and the House of Commons is considering a bill on therapeutic abortion. On the other hand, a movement is afoot to give free rein to criminals, to let them roam the country and act as they please. I wonder, Mr. Speaker, where we can find any logic in all this.

So, if confusion is rife throughout the land and the citizenry, I think that some of it is beginning to rub off on our elected representatives, on this government, which makes us suspect that our laws will be amended in

order to lower, I would say, the quality of protection of our Canadian citizens.

Now, Mr. Speaker, if this bill is passed, it means that, as soon as it is proclaimed, criminals will be free to murder even the Solicitor General, since he is not a member, I would think, of the police force or a jail guard. They could murder a minister, a senator, a member of parliament or a judge; they could kill right and left, except police officers and prison guards.

Mr. Speaker, I will conclude my remarks here. I believe I have said clearly enough that I am still in favour of the retention of the death penalty for capital murders.

This act is in existence since 1961 only, I think. Sentences were then mitigated, and I do not think they should be amended. It is clearly stipulated in the act that if there is a doubt, evidence of insanity or if the person is a minor, then the offence is not considered as capital murder and the person is not sentenced to death.

I submit that the death penalty should be retained in the case of capital murder. The act should be kept as it has stood since 1961 and it should not only be kept but applied, because it has not been applied since 1963 and the government is disregarding the laws of the land.

Therefore, in order to allow people to live, to have a better idea of their laws as a whole, I think that steps should be taken to rehabilitate criminals, look after those who can be rehabilitated and pass legislation to facilitate their rehabilitation. As for those who have stooped to murdering those who stood in their way, so to speak—that is what I call capital murder—they should be eliminated completely because they are, in my opinion, undesirables in society.

Mr. Speaker, I shall conclude with a remark which I made on April 5, during a similar debate, and which can be found on page 3879 of *Hansard*, and I quote:

> It is time to assume our responsibilities and to stop feeling that this should concern others, but not us. We should react as equal and responsible men and women. We should face the problem and realize that our children and our children's children should not be made to suffer for our follies. We should give up the idea that science can replace morals and progress replace hard work and that, for instance, the well-known tranquilizers can replace peace of mind and the well-known dope, mental toil. We should give up the idea that pills can master the soul. We should give up our faith in so-called progress that sends satellites into space but cannot, because of politics, prevent two men out of three from going hungry. Finally, we should understand and spread the understanding around us and make the mighty that lead us understand that science without conscience will ruin the soul and that a world without a soul is doomed.

Mr. Speaker, we are asked to abolish capital punishment, to make it easier to use drugs, to legalize abortion, to legalize contraceptives, and there is even talk, in today's papers, of the possibility of a bill being introduced that would legalize homosexuality.

I wonder where we are going with all that, Mr. Speaker, if this really tends to upgrade the quality of our citizens, or rather to lower their morality?

Mr. Speaker, after due consideration I think that not only must capital punishment be maintained in the form it has had since 1961, but that it must be carried out. That is the way I intend to vote.

[*English*]

Mr. R. N. Thompson (Red Deer): Mr. Speaker, first of all I wish to express my personal respect for the Solicitor General (Mr. Pennell) in the position which he has enunciated today. His sincerity and the evidence of his conviction are such that although I differ with his conclusion I do not for one moment question the motives that moved him to introduce this bill and to speak as eloquently as he has today.

There is a paradox, however, in the introduction of Bill C-168, a bill which is a compromise with last year's bill in that it recommends capital punishment for those who kill policemen and prison guards. The obvious reason for retaining capital punishment in these specified instances must be that the minister believes it has some deterrent effect. If the minister believes this, then it logically follows that capital punishment must also have a deterrent value in other instances. To those who are thinking of changing their position from the one they took in the vote last year I suggest with all sincerity that if they had any doubts whether or not there was any deterrent value in capital punishment, then this bill is evidence of it because if it has a deterrent value in one respect then I cannot see how anyone can be so illogical as to assume that it might not have a deterrent value in other respects.

Surely the minister must agree that if it is necessary to protect the lives of policemen, wardens and prison guards through the retention of capital punishment, then it automatically follows that it is necessary also to protect girls killed in sex murders. What is the difference between a policeman who is murdered in a bank robbery and a girl who

is raped and murdered by a sex maniac? I cannot see the differentiation which this bill automatically makes. Also I find it strange that the minister should leave himself open to the charge of a lack of logic. Surely any member of this house who questions the validity of capital punishment must be convinced that there is a deterrent simply by the negative logic of this bill, if for no other reason.

There is further lack of logic contained in the bill. It is interesting to note that while the bill retains capital punishment in certain specified areas and eliminates it in others, it has no effect on sections 66, 67, 68, 69, 70 and 71 of the National Defence Act. It is a fact that section 66 of the National Defence Act makes the death penalty mandatory for certain offences against the state. That being the case, this bill is completely inadequate and to my way of thinking should not really be considered by the house as a serious attempt to solve the problem of capital punishment.

There is another point in the bill which seems to be strangely illogical. Certainly we have departed from tradition so far as the parliamentary system is concerned in that we have before us in this session a bill similar to, even though it is a compromise with, the bill that we voted on last year. As I interpret parliamentary tradition, when a bill is turned down by parliament it is not usually introduced again during the life of the same parliament. Therefore I do not understand the reasoning behind the introduction of this bill when we have been told that there are very important and urgent pieces of legislation which must be dealt with before the end of the session. In fact I can see no justification whatever for calling another parliamentary vote now on the abolition of capital punishment. After all, we had such a vote a year ago and parliament decisively rejected the private member's bill to abolish the death penalty. I believe it would be more logical and responsible for the government to enforce the law as it was upheld last year in the vote instead of announcing its intention to introduce its own legislation for the abolition of the death penalty. In fact I believe there have been several commutations since the government was given a very clear indication by parliament of what was the will of parliament at that time.

• (5:30 p.m.)

I refer to an editorial in the Calgary *Herald* of April 22 which provides further substantive reasons for this argument:

> This is shocking and inexcusable government conduct. It constitutes an abuse of the cabinet prerogative of commuting death sentences. Occasions, of course, do arise when extraordinary circumstances dictate that a death penalty should be changed to life imprisonment. Ottawa, however, chooses to extend its powers of commutation in every case.
>
> In so doing, it renders meaningless those sections of the Criminal Code which differentiate between capital (premeditated) murder and non-capital (unpremeditated) murder. For the former, the death penalty is directed. For the latter, life imprisonment is ordained.
>
> The result has been a mockery of our courts and of the Criminal Code. The government, which has been deliberately breaking the law of the land in this matter, now wants legislation which, in effect, will provide retroactive endorsation of its policy regarding the death penalty over the past three and one half years.

I think that this argument is very sound, Mr. Speaker. At least, it seems to me that the government is placing priority in the wrong place when it takes part of the time remaining in this session for discussion of a bill which is really not sound or in order, as it deals with a topic that was turned down by this parliament last session.

There is another aspect of this bill which disturbs me. There is supposed to be a free vote on this measure. The minister was very careful to explain that in his introductory remarks this afternoon. However, this is a government bill sponsored by a cabinet minister. It seems to me that members of the government are placed under definite duress in respect of their vote. I should like to hear the minister state very clearly that if this bill is defeated it will not be regarded in any way as a vote of non-confidence in the government or in himself and that those who vote contrary to the minister's opinion will not be under any pressure to follow the lead the minister has established in introducing the bill. Whether or not we can fully agree with the minister's definition of a free vote, it seems to me that if he really wanted to retain the confidence of the house in connection with this measure he would have had the bill introduced in the same way as the resolution was introduced last year. Certainly I find myself disturbed about this because it seems to me there is more behind the scenes than we see from the front.

There is another point to which I have already referred briefly, the fact that we have *de facto* abolition of capital punishment at the present time. If my figures are correct, there have been 27 commutations since this government took office. In fact, the sentences imposed for the murder of prison guards have been commuted as have the sentences

of those convicted of the murder of policemen. As we are asked to support this bill, then we are also being told that the actions of the government in the last several years in commuting the sentences of those convicted of murder of prison guards or policemen were wrong. There is something unsound about this; it is not logical as I understand it.

There is another factor which is very interesting at the present time. I refer to the situation in Great Britain. A great deal has been made of the fact that the British parliament two years ago passed a bill providing for a five-year provisional abolition of capital punishment. Many members during the debate last year, and I imagine they will again this year, said that this was an example by a progressive nation which we should follow. However, a strange report has come out of Britain written by Canadian newspaperman Don McGillivray of the Southam news service. It was published in the November 7 issue of all Southam papers, including the Ottawa *Citizen*. The article reads in part:

> Britain's five-year experiment with the complete abolition of capital punishment is two years old on Wednesday and already a petition to bring back hanging is gathering 5,000 signatures a week—
>
> —the campaigners for renewal of the death penalty claim the murder rate and incidence of violent crime have both risen since abolition.
>
> Home Secretary Roy Jenkins—Britain's Minister of Justice and Police—disputes the statistical connection. But estimates made by Jenkins' own ministry shows 35 capital murders last year and 32 the year before, compared with an average of 20.5 a year in the previous eight years, when a limited death penalty was in effect.

Without taking the time of the house to read the whole article, I point out that Mr. McGillivray closes by saying:

> In the latest Gallup poll on the subject, 56 per cent of those questioned thought the murder rate had risen since abolition, compared with 8 per cent who thought it had gone down.

This is the evidence of what has happened in Great Britain. Mention has been made once or twice during the debate today that evidence is some states of the United States seems to indicate that the murder rate had gone down following abolition. On the other hand, one can find more states in which there has been abolition where the statistics will prove that the murder rate has gone up than those where the statistics will prove that it has gone down. My point is not to rehash what was said in last year's debate so far as statistics are concerned. Nevertheless, I think we should be very careful when we consider certain statistics which are used by those arguing in favour of abolition.

There is one other point I wish to mention. We have a responsibility, as those who make the laws of the land, to consider each problem in all its aspects. One of the aspects of murder and the abolition of capital punishment for those who are guilty of premeditated murder about which little is said concerns those who are the victims of murderers. Our crime rate has been rising very rapidly, and we are extremely concerned about this. We should be concerned likewise about those who are the victims of criminals, particularly of murderers.

Police Chief Ralph Booth of Vancouver made a very significant statement in this regard, and I should like to quote part of it as it appeared in the Vancouver newspapers:

> —the war on crime can be successfully fought only if crime victims are compensated for their injuries. He favours legislation authorizing establishment of a board, similar to the workmen's compensation board, having the power to compensate victims of criminal activity.
>
> "We are spending millions of dollars on rehabilitating criminals but nothing is being done for their victims," Chief Booth said.
>
> "The police know only too well that their success in fighting crime depends upon the co-operation of the public".
>
> He said many persons are reluctant to aid policemen in difficulty because of personal danger and the lack of compensation.
>
> "So often when citizens do help police officers in trouble and are injured as a result of helping the police, they have no way of recovering damages for injuries.

• (5:40 p.m.)

Then he goes on to deal with the problem of caring for those who are the victims of criminals, the rehabilitation of their families and compensation for the damage that has been done.

I do not intend to go further, Mr. Speaker. I believe the points I have enunciated are very strong refutations of the validity of Bill No. C-168. In fact, I think the whole basis for its presentation to the house, in view of the points I have already outlined, is illogical and we should not be dealing with it.

In closing, I should like to say a few words on the principle involved. What I have to say in this regard is not much different from what I said in the debate last year. Certainly we must be concerned about crime prevention. Is it hardly reasonable to campaign strongly for the possibility of the redemption of murderers, most of whom have a long record of violent crime, while millions of pliable minds watch men and women being stabbed, shot, strangled, drowned, poisoned and maltreated in almost every possible way

as often as 20 times a day on television? If those who lead the movement for abolition are really concerned about the sacredness of life they should do something about the disrespect shown for life on television programs and in movies which do so much to influence youthful minds in this country.

It appears that with a decrease in the severity of punishment for criminals there comes a corresponding increase in crime and the suffering of the innocent. In recent years, for example, the number of policemen murdered by felons has been larger than the number of felons executed by the state. It is argued that the administration of capital punishment is attended by many abuses. This may be so. The same can be said of the administration of Christian churches. Do we, therefore, eliminate the Christian churches? No, we try to eliminate the abuse. The same approach applies to the abuses of capital punishment.

Abolitionists make much of the loss of innocent lives through the death penalty. They overlook the fact, however, that more innocent lives have been lost through non-executed criminals who remained alive to commit more crimes than through executed non-criminals.

It has been said that the science of penology as well as the improvements in standards of social work and law enforcement have advanced to the point where society is protected to a greater extent than by the imposition of capital punishment. It is true that we have more effective police forces and more thorough rehabilitation of criminals. However, of the 14 states in the United States which abolished capital punishment prior to 1962, eight have reinstituted it. Penology does give more protection now than formerly against criminals committing crimes in the future, but it cannot protect against persons committing crime in the first instance.

Every one of us, Mr. Speaker, still reflects the image of God. To murder a man is still an outrage, an outrage against God the Creator, against man, against the victim, against the victim's loved ones, against society and against the institution of government. Because life is sacred, life must be protected against maltreatment and murder. Policemen charged with enforcing the laws of the state must have the right to kill in self-defence or in the interest of law enforcement. The state must punish severely, at times with death, those who wilfully disregard the sacredness of the lives of others. I believe this is necessary for the general good of society.

[Mr. Thompson.]

Mr. John R. Matheson (Parliamentary Secretary to Prime Minister): Mr. Speaker, if I were to speak from the heart on this subject I would say that the appeal of the Solicitor General (Mr. Pennell) with respect to reverence for life is the paramount consideration in this whole question. It seems to me that while there may be a certain nobility about clashes between men which result even in death, such as in boxing, sports and in battle, the ritual whereby the state collectively, behind shutters, hidden from the public, snuffs out the life of even the meanest of its citizens is hardly—

Mr. Cowan: Mr. Speaker, might I point out that the press is always present at executions. That is required by law.

Mr. Matheson: I will be pleased to answer any questions—

Mr. Cowan: Don't make false statements.

Mr. Matheson: I am prepared to support the proposition that the institution of hanging has tended to become over a period of years an almost secret ceremony, one of which society itself is ashamed.

Now in assessing this question of capital punishment, allow me to speak from the head and not from the heart, I think we are compelled to look back a few centuries to see just what has been involved in this ancient cult. A partial inventory of methods of capital punishment includes burning at the stake, boiling in oil, boiling in water, the iron coffin, burying alive, breaking on the wheel, drawing and quartering, decapitation, impaling, hanging, crushing, flaying, shooting, exposure to insects, poisoning, throwing to animals, stoning, drowning, torturing, electrocution, asphyxiation. All these methods were ingeniously varied, and all at certain times in society were vigorously defended, even indeed by men of the church. Maiming, such as the amputation of one or both legs, was often the preferred means of punishment.

The hon. member for Chapleau (Mr. Laprise) in his thoughtful and sincere address asked rhetorically whether we are now civilized enough to accept abolition of the death penalty. It appears to me that if we examine the institution of capital punishment over the years we find a steady trend, a movement that is quite unmistakable. This theory has been developed by Dr. Frank E. Hartung, a Ph.D. from Michigan and a sociologist who has written a number of important books on the subject. He says that trends in the use of

the death penalty cannot be separated from trends in the use of punishment as a whole. The trend in punishment for about the past 275 years is from the corporal, bloody, and severe sanctions developed through the mediaeval period to the predominantly non-physical forms of today. The progressive movement has been to abandon the gallows and the stake, the butcher knife, the branding iron and the whip, and to adopt some form and degree of fines and imprisonment. The trend in recent years, particularly since the genocidal agonies sustained in Europe during and prior to world war II, clearly and unmistakably has been away from capital punishment. The tendency is to abolish it completely.

If I were asked by a student where he would find a great historic speech delivered by the hon. member for Prince Albert (Mr. Diefenbaker), I would tell him to study the address the right hon. gentleman made on April 4, 1966. This, in my view, is a Diefenbaker classic. He has, of course, spoken on this subject many times. I like his summary in which he said, as the hon. member for Red Deer (Mr. Thompson) said a moment ago, that we have virtual abolition through the suspension of the death penalty today. I agree with him; I think that is fair comment. We do have *de facto* abolition. And I agree with Dean Maxwell Cohen, Q.C. who in 1960 noted that we have a virtual suspension of the death penalty in Canada and said, "Let us legalize our convictions". As it is now applied the death penalty is nothing but an arbitrary discrimination against an occasional victim.

• (5:50 p.m.)

Executions at one time were public spectacles, but they did not have the moral effect which it was thought they would have on the public. Gradually executions became private, or nearly private, since it had become abundantly clear that public executions had failed in their avowed purpose which was to deter others from the commission of murder and other capital crimes. So we have seen the gradual elimination of public executions. I remember seeing, as a boy on Battlefields park in Quebec City, the black flag flying and the great crowds that gathered when a prisoner was to be executed. Though we did not actually see the execution everybody sensed what was taking place. I know that as a society we have become more and more averse to such unaesthetic and revolting spectacles, to such cowardly performances where the state in the name of law snuffs out a human life.

It is clear that historically the trend in the popular attitude to the death penalty has been for abolition. We have in fact seen an international movement toward the progressive abolition of capital punishment. Hugo Adam Bedau, who is professor of philosophy at Tufts and is also known at many other United States universities, has written several books on this subject in which he is recognized as an outstanding scholar. He says that the spirit of the times is unfavourable to this penalty and that to prove this is so all we need do is glance at history.

Personally I had hoped that we, in this centennial parliament, might have had the satisfaction of ending this archaic punishment and of ridding our jurisprudence of something that soon, will be ended of in any event. The attitude of the public, of responsible spokesmen of churches, of those who speak for the sociological and penological societies, is that this penalty ought to be abolished. Today in the United States 13 states now are without the death penalty, involving the greatest number and greatest regional distribution of abolition jurisdictions in the history of America. Today more people in the United States live without the threat or the protection, if such it be, of capital punishment than ever before.

As the Solicitor General stated a short time ago, in all the legal jurisdictions of the great United States total executions in 1966 numbered one. In talking about the United States we are talking of 200 million people. Yet notwithstanding this fact the murder rate in the United States has not shown any marked tendency to increase. I point out that in 1960 there were 9,140 murders in the United States, the rate per 100,000 of population being 5.1. In 1965 there were 9,850 murders—the population had increased—and the rate per 100,000 of population remained at exactly 5.1. In the period 1960 to 1965 the murder rate had not changed.

Let us look at the number of executions. In 1960 there were 56 executions in 20 executing jurisdictions; in 1965 there were seven executions in four executing jurisdictions and, as I mentioned a moment ago, in 1966 there was one execution in one executing jurisdiction.

In that country crime and arrest data indicate no substantial increase in aggressive crimes during recent years. This is borne out by an examination of statistics on murder

and non-negligent manslaughter as released by the Federal Bureau of Investigation in its annual Uniform Crime Reports.

This brings to mind the argument of the hon. member for Chapleau and the hon. member for Red Deer that the government in bringing this bill before parliament is wasting valuable time. Of course this bill represents a certain waste of parliamentary time but we hope that it will not take too long. We hope that some kind of decision may soon be reached.

There is an enormous waste in our society because of the dubious state of the present law with regard to capital punishment. Let me illustrate what I mean. Every year the courts hand down far more death sentences than the prisons carry out, and this has been alluded to by several speakers. In the current decade the gap has grown to truly disturbing proportions not only in Canada but everywhere where the penalty continues to remain in force. For example, in the United States in 1966, 113 persons were sentenced to death. At the end of 1966 no less than 405 persons in custody were under sentence of death. The total number of persons under sentence of death has steadily mounted.

Of considerable sociological and penological significance is the fact that over this period about which I speak the median time endured by those under sentence of death has stretched from roughly 17 months to nearly four years. As President Johnson's commission put it:

> All the members of the commission agree that the present situation in the administration of the death penalty in many states is intolerable—

The conclusion is reached that there is nothing in sight, short of outright abolition itself, which promises to relieve the expensive and interminable process of appellate litigation.

Mr. Alkenbrack: What about Canada?

Mr. Matheson: Canada's position was well illustrated in the white paper on capital punishment which was produced by Hon. Guy Favreau, the former minister of justice, in June, 1965. The cases are listed and numbered from 1 to 85, and I think case No. 68 represents the last execution in Canada. That was a 29-year old man who had killed a policeman and was executed for that crime on December 6, 1962.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: Order, please. It being six o'clock it is my duty, pursuant to provisional standing order 39A, to inform the house that the questions to be raised at the time of adjournment tonight are as follows: The hon. member for Winnipeg North Centre (Mr. Knowles), Public Service—legislation to increase pensions of retired civil servants; the hon. member for Renfrew North (Mr. Hopkins), National Defence—Ontario regulations respecting voting by military personnel; the hon. member for Hastings South (Mr. Grills), Old Age Security—request that means test be eliminated.

• (6:00 p.m.)

It being six o'clock the house will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions (papers), private bills, public bills.

TRANSPORTATION

CONTRACT FOR TAXI SERVICE, OTTAWA STATION

The house resumed, from Thursday, June 22, consideration of the motion of Mr. Cowan:

> That an order of the house do issue for a copy of any contract entered into concerning taxi service to and from the Ottawa railway station, since January 1, 1966.

Mr. Speaker: Is the house ready for the question?

Some hon. Members: Question.

Mr. Speaker: If the hon. member for York-Humber speaks now he will close the debate.

Mr. Ralph Cowan (York-Humber): Mr. Speaker, with regard to this motion for the production of papers I must admit that I was under the impression that another speaker from Montreal was intending to rise, but if he is not in Ottawa today that is his concern. I have only one comment to make, having spoken at length on the introduction of the motion. As you will note, sir, the motion calls for an order of the house to issue "for a copy of any contract entered into concerning taxi service to and from the Ottawa railway station, since January 1, 1966," and you tell me I will close the debate by speaking now.

I would like to refer to an episode which occurred since this motion was first made. I refer to an announcement by the taxi firm that holds the monopoly contract from this government, which has already stated that under the new department of consumer affairs they are going to see that the full play of the marketplace maintains the lowest possible prices on behalf of the Canadian consuming public. The Canadian consuming public uses taxi services throughout Canada and, incidentally, it is amazing the number of monopolies granted in one way or another by branches of the government. In this instance the monopoly contract holder, out of the goodness of his heart, announced that he was going to allow independent taxi operators in the city of Ottawa to participate in the business that originates at that station. He said that at certain hours of the day he would allow them to carry passengers from the station as they wished.

I say it is to the credit of the operators of the independent taxi services in Ottawa that they refused to pull the chestnuts out of the fire for the monopoly contractor for the taxi service from the Ottawa railway station. If there were periods of time under his contract when the number of passengers offering was not sufficient to reimburse the monopoly contract holder, the independent cab drivers were certainly not going to hang around the Ottawa station, even though it appeared that a great, generous move had been made by allowing them to pick up fares at the station at times when the contract holder figured there was not much money to be made.

It is interesting to learn that the independent taxi operators of Ottawa—I admire them and I believe they should be given a fair shake in all the business that is available and not be restrained by a monopoly contract granted by the government or any crown corporation or any government operated division such as the C.N.R. in their search for business—refuse to pick up passengers at the station who seek to make use of their independent cabs when there is no contract holder's cab present. This is to their credit. The independent operators maintain, and they are correct, that the contract holder does not have enough cabs to give the kind of service that the C.P.R. and C.N.R. have been demanding or that the Ottawa railway station demands. Therefore, to try and pull his chestnuts out of the fire he told the independent operators they could pick up passengers hanging around the station waiting for one of his cabs.

I maintain that the government should not be granting monopolies, and particularly should not grant monopolies and then talk about how it is going to cut the price of everything by allowing free competition in the marketplace to keep prices low.

In bringing up this question of the Ottawa railway station where there is a contract holder for the taxi service, I was thinking primarily of the airports throughout the Dominion of Canada where monopoly franchises are granted for what are called passenger limousines, not taxis, because if they were taxis they would have to be licensed by the local municipalities through which they run, at least in the province of Ontario. To evade that restriction they are called limousines and do not have to secure a taxi licence in the municipalities in which they operate

Here in Ottawa it is interesting to note that the Ottawa Transportation Commission which operates the buses throughout the city is operating buses to and from the station. In my opinion it is a rather limited service, limited in that they have signs at the station announcing when the buses call, I believe about 15 minutes apart, whereas in other metropolitan centres such as Toronto and Montreal buses serving the local railway stations are going by every few minutes. But the Ottawa Transportation Commission has been given the right to operate its buses right to the station.

I do not know how many hon. members have noticed, but at the Ottawa railway station the taxi cab company having the franchise to give the service has the inside track, and I am not joking. There are two openings there for traffic, and the taxis have the inside track right beside the station doors. But if you want to use the buses of the Ottawa Transportation Commission you have to thread your way through the taxis over to the second lane and there get into one of the buses. I never saw a system so set up where passengers were almost forced to use the monopoly contractor rather than a publicly owned transportation system.

At Malton airport, Toronto, Toronto Transportation Commission buses are not even allowed into the area where the passengers are coming in from the planes. There the Toronto Transportation Commission is given the opportunity of putting buses in the basement of the building. In reply to a question which I asked some time ago about the Toronto Transportation Commission bus service to Malton airport I received a very trite

reply pointing out that the buses were now going into the basement of the airport building, that they were used primarily by the employees of the airport, none of the employees had complained about the fact that the buses were hidden from public view down in the basement, and the Department of Transport thought the service was quite satisfactory. If the Department of Transport thinks that putting the buses in the basement of Malton airport and having them patronized primarily by employees of the airport and not by passengers deplaning from the planes, who never see the buses because they do not show up at what is known as the flight arrivals level, is satisfactory, then the department is certainly very much out of touch with things as they are at the public airports.

On this Ottawa railway station matter it was brought out by some of the speakers favouring open competition that with the opening of the new Skyline hotel in Ottawa, an independent taxi firm had offered a service from the Skyline to the Ottawa railway station and out into the Carlingwood area, I presume to serve some of the more modern motels out there, and had not been able to get any allowance from the government or the Department of Transport to break in on the taxi monopoly that had already been granted.

I have emphasized before, and since these remarks are supposed to close the debate I would like to emphasize again, that when the contract limousine service—limousine is only a word dreamed up to get around the taxi regulations of the municipalities in the Toronto area—was advertised—pardon me, it was not advertised for tender—I made a serious investigation into when an advertisement was put in the press for the taxi service at Malton airport. I found there were no advertisements inserted for the public transportation service and I was told the reason was that the service was of a value of less than $5,000. It is a very interesting commentary on the perspicacity of the government which issued the contract—it was the one prior to the Pearson administration—that since the contract was worth less than $5,000 it was not necessary to advertise it, and so a contract was granted.

• (6:10 p.m.)

You will be interested to know that a 51 per cent interest in the company was sold to an organization based in Woodstock, Ontario, about three years later for more than $1 million. Bear in mind, of course, that in buying a 51 per cent interest for $1 million the purchaser realized that the contract at the Malton airport was not worth more than $5,000 and that it was therefore unnecessary for the Canadian government to call for tenders from the taxi operators in the Toronto area to give service to those travelling to and from Malton airport. The pleasant thing about the Ottawa railway station, so far as those of us who are patrons of the Montreal's Dorval airport, the Halifax airport, the Toronto airport or Stevenson field in Winnipeg are concerned, is that at least the Ottawa transit system is operating to the station. It certainly is giving the people in Ottawa a choice of transportation even though the government, by forcing the Ottawa railway station to move, makes everyone subject to a taxi or bus fare to and from the station instead of having a station in downtown Ottawa where people would be let off at their hotel destination and a service would also be given to the people of Hull.

Many members will remember that the late Alexis Caron, the very fine representative from the city of Hull, opposed the movement of the station to the outskirts of Ottawa and pointed out that as a result of this move farther from the Rideau canal and the Ottawa river into the southern part of Ottawa the residents of his constituency, the city of Hull, would get poorer and poorer railway service. I do not believe any consideration was given to the people of Hull because I think that in moving the Ottawa railway station to this distant point the desire was to fatten the profits of the taxi service of the monopoly contract holder who no doubt was well known by the government at the moment the plans were made to move the station.

Mr. Speaker: Order, please. I hesitate to interrupt the member for York-Humber and I realize it is a little late in the proceedings to bring this point to his attention but, as he knows, when the house is considering a motion for the production of papers the subject matter is very limited and the hon. member who proposes the motion should address himself to the matter of the advisability or otherwise of the papers being produced. As I said, I recognize that it is a bit late at this stage to make this point, but I believe it is my duty to remind him of the procedural aspects of the matter.

Mr. Cowan: Mr. Speaker, I am well aware that we must abide by all the rulings of the Speaker and are not allowed to commend him. Since it is not considered good manners

to commend a Speaker, might I extend my thanks to the hon. member for Stormont (Mr. Lamoureux) for his co-operation in this regard.

I simply should like to see the terms of the taxi contract which exists between the operators of the Ottawa railway station and the monopoly contractor for the service at this time. I know for a fact that there are not sufficient taxis at the station on numerous occasions to serve the number of passengers who get off the trains. I hesitate to refer to a member of this house who is not here but the hon. member for Cochrane (Mr. Habel), who sits immediately in front of me, on more than one occasion has protested about the half hour delay in waiting for the taxi service provided by the monopoly contract holder since the independent cabs will not service the station at the rush hours when they would be helping the monopoly contract holder to carry the burden which he has agreed to carry under his contract.

When I ask for the production of papers in this matter I do so because I believe that the members of parliament, the representatives of the people, are entitled to see the terms of such a contract. I am becoming a little provoked at being told that these are things which are of such brilliance or are so sacrosanct that our eyes should not behold them or that I am only a representative of the people and why should I want to look at contracts given to taxi companies which serve the public. One reason I believe we should be allowed to see them is that we are responsible to the people and when the people are being gypped out of competing taxi services we are entitled to see what the terms of this monopoly are. This applies to a great many things other than the Ottawa station taxi service contract. I for one wish very much to see a copy of this contract. I believe the reason it is concealed from the eyes of the representatives of the people is that there is something rotten in the state of Denmark. Perhaps I should not use that reference after the way in which some people have commented on the action of the Secretary of State (Miss LaMarsh) in using the word "rotten". I am quoting Shakespeare, not the Secretary of State. I think these contracts should be open to members of parliament who are the representatives of the people.

Mr. Speaker: Order, please. Do I understand from the hon. member's remarks that he wishes to withdraw his motion?

Mr. Cowan: Sir, I have no such desire nor intention.

Mr. Mackasey: Mr. Speaker, may I ask the hon. gentleman a question?

Mr. Speaker: Does the hon. member for York-Humber wish to receive a question from the hon. member for Verdun?

Mr. Cowan: I am quite anxious to receive a question or even more.

Mr. Mackasey: Mr. Speaker, I had intended to participate in this debate and did not realize there were no other speakers and that the hon. member would be terminating the debate. I would, therefore like to ask the hon. member this question. In view of the tremendous amount of research reflected in the hon. member's speech, I should like to ask whether he has heard of the flagrant increase in the cost of the service from Dorval to Verdun by Murray-Hill?

Mr. Speaker: Order, please. I would suggest that the hon. member's contribution by way of a question is not relevant to the debate before the house. Is the house ready for the question?

Mr. Howard: Mr. Speaker, may I rise on a point of order? In the light of standing order 6, paragraphs 7 and 8, and the difficulty of interpreting that standing order, and without prejudice to the right to argue its interpretation at a subsequent time, could it be understood that the vote on the motion now is proceeding by leave?

Mr. Speaker: I suggest to the hon. member that this is a very irregular procedure. So far as the Chair is concerned I am bound by the rules. I may point out to the hon. member that there is a precedent which goes back to October 31. I agree that there cannot be a vote according to the standing orders but, as was pointed out by the Deputy Speaker when he was faced with a similar situation, to decide whether or not there should be a vote the Chair has to take the sense of the house and if it is the sense of the house that there is opposition and five members rise, then the proposed vote is delayed until the resumption of the business of the house at eight o'clock. But this has to be determined in the first instance.

Mr. Howard: That is exactly the point we want to argue.

Mr. Speaker: The hon. member can argue the point if he wishes.

Some hon. Members: Question.

Mr. Speaker: All those in favour of the motion will please say yea.

Some hon. Members: Yea.

Mr. Speaker: All those opposed to the motion please say nay.

Some hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it. I declare the motion lost.

PRIVATE BILLS

Mr. Howard: Mr. Speaker, may I ask the house to consider doing something by consent? Because of the importance of the debate under government business relating to capital punishment and the desire of hon. members to have as much time as possible between now and eight o'clock, may I ask the concurrence of the house to adjourn upon the conclusion of consideration of Bill No. S-17 or at seven o'clock, whichever is the earlier?

• (6:20 p.m.)

Mr. Speaker: Is it the suggestion of the hon. member that the house consider bills S-16 and S-17, and that following consideration of these two bills the house will, by consent, adjourn until eight o'clock?

Some hon. Members: Agreed.

CABRI PIPE LINES LTD.

Mr. W. H. Jorgenson (Provencher) moved the second reading of Bill No. S-16, to incorporate Cabri Pipe Lines Ltd.

He said: Mr. Speaker, this bill was considered by the Senate committee on transport and communications on June 30. Representatives of the company appeared before that committee to answer questions. What the bill proposes is a storage facility in connection with a gas distribution company. It will be located across the Alberta-Saskatchewan border. The distribution company is seeking permission to build a pipe line connecting producing wells with a dry hole located some distance from the Alberta border in Saskatchewan where gas will be stored.

Perhaps hon. members know that the demand for natural gas is high in the wintertime when production difficulties are extreme. Natural gas can be recovered at a much greater rate in the summer when the demand is low. As a result of the passage of this bill a pipe line will be built to carry the gas from the producing wells in the summer to a dry storage well. This will enable the company to recover gas at a maximum rate in the summer when the demand is low and store it in the dry well for consumption in the winter when the demand increases. In this way the gas supply can be evened out during the year.

This bill will enable the incorporation of a company which will construct this line. This construction also requires the authority of the National Energy Board, which decides in the final analysis the feasibility and economy of the project. It will also be subject to the regulations of similar boards in the provinces of Alberta and Saskatchewan, both of which must regulate the rate of recovery, distribution and so on.

All the sponsors of the bill and all the shareholders are Canadian citizens. The company will be owned exclusively by Canadians and there is no thought in the minds of the officials that the shares will be offered to anyone else. The companies interested are all Canadian owned and engaged in the distribution of natural gas in the provinces of Alberta and Saskatchewan, particularly in the vicinity of Lloydminster.

The passage of the bill will allow this company to put its operations on a more economical and efficient basis. Federal incorporation is necessary because the construction of this line will be interprovincial, running between the provinces of Alberta and Saskatchewan. The powers requested are necessary in the event that further lines are required. If this is the case the company must again apply to the National Energy Board as well as to similar boards in the two provinces concerned. As hon. members perhaps already know, following the adoption of this bill an application will have to be made to the provincial boards and this bill itself will be referred to the committee, at which time hon. members will have an opportunity to question representatives from the company. I hope the bill will receive passage today in order that these representatives may appear before that committee to answer questions.

Motion agreed to, bill read the second time and referred to the standing committee on transport and communications.

VAWN PIPE LINES LTD.

Mr. W. H. Jorgenson (Provencher) moved the second reading of Bill No. S-17, to incorporate Vawn Pipe Lines Ltd.

He said: Mr. Speaker, this bill is very similar to the previous one, the only difference being that it involves the production of gas and, hopefully, oil in the western part of Alberta on the British Columbia border. Federal charter is necessitated again because an interprovincial line will have to be built. The companies interested are engaged in the exploration and production of oil and gas in western Alberta.

This bill is designed to provide the means of gaining access to markets by tying into existing transmission lines in the British Columbia-Peace River area. The distance involved is 20 miles. Again the applicants will have to appear before the National Energy Board as well as similar boards in the two provinces concerned before they will have permission to construct the line.

This is again a wholly owned Canadian company and it is intended that it will remain that way. After second reading this bill will be referred to the House of Commons committee at which time members will have the opportunity to question representatives of the company.

Mr. Frank Howard (Skeena): Mr. Speaker, there is an obvious connection between those seeking incorporation of Vawn Pipe Lines Limited and Cabri Pipe Lines Limited in that the Chieftain Development Company Limited and the Blue Crown Petroleum Co. Limited are involved. I am wondering whether that is the reason the hon. member for Provencher (Mr. Jorgenson) made such a point of referring to Canadian ownership in respect of Cabri Pipe Lines. He did not make the same point in respect of the Vawn company. I am wondering whether this is entirely Canadian owned and whether there is any intention to make shares available in the future to anyone else other than a Canadian citizen. I put this more in the form of a question to the hon. member than a speech.

Mr. Jorgenson: Mr. Speaker, I thought I had made that point to which the hon. member refers. In any event that is precisely the situation.

Motion agreed to, bill read the second time and referred to the standing committee on transport and communications.

The Acting Speaker (Mr. Tardif): Pursuant to a special order made this day this sitting stands suspended until eight o'clock.

SITTING SUSPENDED

SITTING RESUMED

The house resumed at 8 p.m.

CRIMINAL CODE

AMENDMENTS RESPECTING DEATH SENTENCE AND LIFE IMPRISONMENT

The house resumed consideration of the motion of Mr. Pennell for the second reading of Bill No. C-168, to amend the Criminal Code.

Mr. Pennell: Mr. Speaker, I rise on a question of privilege. During the course of my remarks I advised the house that in the period 1957 to 1967 45 convicted murderers were paroled and that 43 of them were still on parole. My officials have brought to my attention the latest information in this respect, which is that five had their parole revoked, so really 40 are on parole now who were granted parole in that period. I thought it only ethical that I bring this to the attention of the house at the earliest possible moment.

Mr. Matheson: Mr. Speaker, we are fortunate in a debate of this kind to be able to make fairly exact and precise scientific comparisons between homicide rates in different countries of the world. To a considerable degree we are more knowledgeable in this field than we were ten years or a quarter of a century ago. I note that in figures published in the Demographic Year Book of the United Nations in 1952 we have a comparative homicide death rate, based on the year 1948, of some countries with and without the death penalty for murder. These are rates per 100,000 population. I discover that Belgium, without the death penalty, has a figure of 1.4, which is precisely the same rate as Spain, with the death penalty. For Western Germany the figure of 1.2 is exactly the same as Canada, with the death penalty. Sweden, without the death penalty, has a figure of 0.8, which is precisely the same as France, with the death penalty. For abolitionist Norway the figure is 0.5, which is exactly the same as England and Wales with the penalty. The Netherlands has the extraordinarily low rate of 0.4. And of course, some countries with the death penalty have very much higher rates. El Salvador has a rate of 44.3 per cent. This is one of the reasons why public opinion in scholarly institutions has shifted toward abolition and with it has shifted the views of western society.

In the 30 years between the first Gallup poll on capital punishment of April, 1936,

and the most recent Harris survey of July, 1966, public approval of the death penalty in the United States dwindled from 62 per cent to 38 per cent, whereas abolition sentiment grew from 33 per cent to 47 per cent. We can conclude that the American nation has changed virtually within a generation from overwhelming support of the death penalty to a near majority in opposition to it.

I think a much more noteworthy feature is the shift in public posture within the department of justice in Washington. For many years the most outspoken defender of capital punishment in the United States was the director of the F.B.I., J. Edgar Hoover. His views on the subject have often been released to law enforcement personnel through official F.B.I. publications and have been reported to royal commissions in this country and in the United Kingdom. But two years ago, in a letter to Congress, Ramsey Clark, who is now attorney general in that country, wrote: "We favour the abolition of the death penalty." He reiterated these views at his first official press conference in March, 1967. Mr. Speaker, that great scholar Hugo Bedau sums up his judgment on the issue of capital punishment in these terms:

> —the trends in public opinion, the views of government spokesmen, the unmistakable decline in executions and the piecemeal abolition of death penalties across the nation—all these are clear signs that whatever the facts and the consequences, the death penalty is now in the twilight of its historical role as a mode of social defence against crime in America.

If the figures which I have read into the record are correct, that in 1948 the rate in the United States was 5.8 per 100,000 population whereas the figure for Canada was 1.2, this indicates a far greater American problem; yet even there we can discern no progressive increase toward homicide. The problem has remained quite constant there and here. In 1966 the Americans were able to get by with one execution only with a population of approxmately 200 million. I ask, does it seem too difficult for us to completely abolish the death penalty in Canada, where it is demonstrably shown that we have far less crimes of violence?

The hon. member for Chapleau (Mr. Laprise) and the hon. member for Red Deer (Mr. Thompson) referred to the British experience. This of course is something that we must face frankly. We are mindful on the rate of increase of murders in the United Kingdom since total abolition of the death penalty was enacted in 1965. But let us look at this in perspective. First of all, there is no

reliable evidence that there is any relationship between the abolition of capital punishment and the increase in the number of murders. Moreover, no matter in what law area we may study at any particular time, there are always short term fluctuations in the murder rate. If we look at our own statistics in Canada we will find that in 1956-57 a total of 18 persons were convicted of murder, but in 1958-59 the number of convicted persons jumped to 33. This is an increase of 80 per cent. In 1960-61 convictions however settled back to a total of nine. Therefore, in our consideration of homicide we must look at it both in the short and middle run.

• (8:10 p.m.)

The royal commission in the United Kingdom suggested that after abolition there might very well be, for a short time, a slight increase in homicide, but it would appear that as soon as the country has become accustomed to the new form of extreme penalty, abolition will not, in the long run, lead to any increase in crime. I believe that this is supported by the best scholarly evidence there is on this subject.

Reference has been made to the work of Thorsten Sellin, a person whom many of us in this chamber have come to know and whom we have heard speak. I wonder if it might be useful to inform any members who may not know Dr. Sellin that he is a professor of sociology, born in Sweden but best known for his scholarly research at the University of Pennsylvania, doctorial work at the University of Minnesota and post graduate and post doctorate work in Paris and Upsala. He has been an important visiting professor, at such institutions as Princeton, Columbia and Cambridge. He has served as a consultant in criminal matters to governments virtually all over the world. From 1959 to 1964 he was president of the international penal and penitentiary foundation. He was chairman of the governors commission on penal and correctional affairs in Pennsylvania. He has won so many awards of distinction in the field of penology that when we mention the name Sellin we do not do so lightly. He is an expert who frequently has been called away from his chair in Pennsylvania to give evidence around the world. We rely with some confidence on the thorough work that he has done.

As will be recalled, he appeared before the joint committee of the Senate and the House of Commons on capital punishment, the

report of which is dated June 22, 1956. It was claimed that additional administrative problems would arise in penitentiaries if all convicted murderers were imprisoned. This problem was put to Dr. Sellin, who had made a profound study of this subject extending over many years. The report summarized his answers to four of the questions that were put to him by our joint committee at that time. May I say that there has been no challenge to these views. I will read part of the report of that committee which contains the following summary of the discussion. The committee said:

> We cannot conclude from your statistics ... that capital punishment has no deterrent effect?

Dr. Sellin answered:

> No, there is no such conclusion.

You see, sir, at no point has he ever tried to make more of the argument for abolition than a scholar should. Then the committee said:

> But can we not conclude that if it has a deterrent effect it must be rather small?

Dr. Sellin said:

> I can make no such conclusion, because I can find no answer one way or another in these data.

In other words he said that abolition makes no difference at all. He continued:

> It is impossible to draw any inferences from the material that is in my possession, that there is any relationship ... between a large number of executions, small number of executions, continuous executions, no executions, and what happens to the murder rates.

Then the committee said:

> I think you have already agreed that capital punishment cannot, on the basis of your figures, be exercising an overwhelmingly deterrent effect?

At this point he was able to be conclusive and said "That is correct". The committee then asked:

> But you would not like to go any further than that?

To which he replied "No". That is as far as he was prepared to go.

I simply read this report as a foundation for some of the rather convincing material that has been read into the record in the brilliant address of the Solicitor General (Mr. Pennell).

An interesting approach to the problem of murder has developed in England through the studies of Terence Morris and Louis Blom-Cooper in their book "A Calendar of Murder" which covers criminal homicide in England since 1957. This book provides thumbnail sketches of every person indicted for murder in England and Wales since 1957 and a brief outline of his crime. I studied it and am grateful for it to that wonderful Canadian humanitarian J. Alex Edmison, Q.C., who has been a student of capital punishment for many years. I only wish I had his gifts and his knowledge and experience to serve this house in this debate. This book demonstrates how dull, depressing and stupid are so many of these homicidal crimes. Laid bare before the reader are the myths which surround the crime of crimes, the predominance of sordid domestic homicide, the high incidence of mental instability and disorder, the unpremeditated nature of almost all killings, the role of the victim in precipitating his own violent end, the comparative rarity of the "sex monster" and the special position of the professional criminal.

I have visited many of our penal institutions and have come to know convicted murderers who, in some instances, have been paroled and in other cases remain lifers in our institutions. It is all a pretty tedious and dull business. There is nothing very romantic about murder. It might be helpful for Canadians generally to look at the government white paper on capital punishment and study the cases, starting from February 14, 1957 and try to understand the type of people who have been executed or who have had their sentences commuted.

For instance in one case we see the following note under the heading of mental condition: "not psychotic but possibility of D.T.'s". In another case we find "below average mentality", and in another one "psychopathic personality with paranoid manifestations of a neurotic order". The last one relates to a man who was executed in 1960. Another man executed in 1961 for having killed his girl friend with a hunting knife was described as having "below normal intelligence". On December 4, 1962 the governor in council decided to execute a man for killing with a revolver and knife. He was described as being of "low intelligence".

The fact is that these are not the kind of people who can be regarded as romantic adventurers or people who need some kind of a lesson. When you look deeply into their lives, as I have with some who are lifers in penal institutions, you find how pathetic, drab and anti-social have been the environments which helped reduce them to these crimes.

An issue has been made, and of course we expected it, of the lack of logic of the bill in

its present form. The right hon. member for Prince Albert (Mr. Diefenbaker), as reported in the Ottawa *Citizen* of October 26, 1967, said the following:

> Much as I want to protect the lives of police and prison guards, surely we don't apply grades on human life—

He also said:

> While the government wants to get rid of capital punishment entirely, it has in the bill also accepted the view of many police and custodial officers for partial retention.

This is a compromise bill which to many of us is quite unsatisfactory in the long run, and yet this is exactly the story of many of the bills that have been introduced in many western countries before final abolition took place. The homicide act of 1957 in the United Kingdom was a compromise measure with inherent anomalies and imperfections, which has satisfied neither those who urged retention of the death penalty nor those who would consign the scaffold to the museum. Dr. Sellin tells us, and I think there is no refutation of this opinion, that the experience of prison administrators with murderers is that they are by far the best behaved prisoners. We get more co-operation from them and more work from them. If we were smart we would start to study them scientifically and we would use all the facilities of sociology, psychology and psychiatry to do so. We would work with these people, and perhaps in a generation we would know how to substantially reduce crimes of violence.

• (8:20 p.m.)

It is from the group of lifers that the warden always draws a considerable number of the most trusted inmate employees. I know this from personal observations. Almost all the killings, Dr. Sellin tells us, committed inside prisons are done by prisoners serving sentences for crimes other than homicide. While homicides do occur within prisons, they are almost never committed by those serving a life sentence but by people committed for robbery, forgery or whatever.

In the last 100 years, Rhode Island has retained the death penalty for murders committed in prison; but there have been none. The likelihood of there being any in Canada is very remote. The claim of the police that the existence of the death penalty reduces such hazards is a myth, yet like other myths is accepted as a fact in many parts of Canada. It is accepted still by many people in this house. It is for that reason this bill has come to us in this form. I would be delighted if we could simply abolish capital punishment now and move on into the second century of Canada's history with a clean record.

There is the view that abolition would adversely affect the personal safety of police officers in the daily discharge of their duties. There is the view, also, that abolition would produce problems within prison institutions. Consider the following evidence that was given before our joint committee of parliament which studied this question of capital punishment in 1955. A number of questionnaires were sent to all police departments in American cities with more than 10,000 inhabitants, according to the 1950 census. In the six states that had no death penalty in 1955 and the 11 states that bordered on them—I am referring to material which Dr. Sellin produced—information was requested on the number of policemen killed by lethal weapons in the hands of criminals or suspects each year, beginning with 1919 and ending with 1954. Full reports were returned by 266 cities, representing 55 per cent of the cities in the abolition states and 41 per cent of those in the capital punishment states. It was found that there was no difference between the rates of policemen killed in the cities of the capital punishment states and in those of the abolition states. It was therefore quite impossible to conclude that the existence of the punishment in law or in practice affords any special protection to the police that would not be afforded by the threat of life imprisonment.

In other words, the belief that the death penalty is a unique instrument for the protection of society against murder, and superior to life imprisonment in this respect, is not supported by any credible evidence now available. I am satisfied that bill C-168 is only a step in the social progress of our country. I believe that the Prime Minister (Mr. Pearson) would have been delighted to have seen total abolition. I am certain that the former prime minister, with the wealth of experience in this field of a man who has made it the great concern of his life over many years shares this view. However, for the time being this bill is the best that can be expected to gain majority support. After all, politics is still the art of the possible. It is in that spirit, sir, that I, and I hope most members of the House of Commons, will support the bill, looking to better things in the years ahead.

Hon. Hugh John Flemming (Victoria-Carleton): Mr. Speaker, before proceeding to make some remarks concerning the bill itself, I

want to say that I have listened to the debate thus far with a great deal of interest. I feel impelled to make some remarks in connection with it. First of all, I should like to congratulate the minister on both the excellence and eloquence of his presentation. While I cannot say he has won me over to his point of view as yet, it was not the result of any lack of eloquence.

Before proceeding with any remarks in connection with the bill itself, I want to acknowledge that I was quite shocked when I heard we were going to have such a bill presented to us. It seems to me, Mr. Speaker, that we in this twenty seventh parliament had this proposal submitted to us and dealt with it about 18 months ago. I believe that having the present bill before us is to a degree irregular, and perhaps that is somewhat of an understatement. I am not so sure that a good lawyer could not prove it is illegal, and I propose to try to prove that point.

A debate took place in this chamber during the early part of the first session of the twenty seventh parliament. A decision was arrived at on April 5, 1966. I am sure it was the understanding of all of us that the Prime Minister (Mr. Pearson) was anxious, and the government was anxious to have an expression of opinion from this parliament on the whole matter of the abolition of the death penalty. He was anxious to have it from the spokesmen for the people of Canada, that is from those of us who are gathered together in this house. I feel it was altogether fitting and proper that he should have sought that opinion. An arrangement was made therefore by which a number of people from the various parties combined to have four private bills submitted to this parliament jointly and an opinion expressed on them. It was on these bills that we had a full debate.

Now, Mr. Speaker, you will recall that there was an amendment proposed to the original resolution at that time. The resolution read:

> Resolved, that it is expedient to introduce a measure to amend the Criminal Code for the purpose of
>
> (a) abolishing the death penalty in respect of all offences under that act;
>
> (b) substituting a mandatory sentence of life imprisonment in those cases where the death penalty is now mandatory; and
>
> (c) providing that no person upon whom a mandatory sentence of life imprisonment is imposed shall be released from imprisonment without the prior approval of the governor in council.

There was an amendment proposed to this resolution which, in substance, excluded the prison guards and very much the same group of people who are included in this bill. I have just read the resolution which was debated at that time and I have given the substance of the amendment proposed by the hon. member for Cartier (Mr. Klein).

A clear opinion was expressed in the debate on that resolution, which states that it was expedient to introduce a measure to amend the Criminal Code for the purpose of abolishing the death penalty in respect of all offences under the act, and that opinion was that it was not expedient to introduce such a measure for that purpose. This was the decision of the twenty seventh parliament. Now, we have Bill No. C-168 before us which asks us to decide the very question this parliament decided on April 5, 1966. Here we have a bill which 18 months ago this parliament decided it was not expedient to introduce. In my opinion this represents a sort of deliberate defiance of the expressed wishes of this parliament. I believe it is capable of this interpretation. It seems to me, Mr. Speaker, there is an attempt here to override an already expressed opinion of this, the twenty seventh parliament of Canada. This is capable of being interpreted as a reflection upon the government, which seems to be acting with a sort of indifference, in defiance of parliament itself. This might properly be described as showing a contempt for this parliament.

• (8:30 p.m.)

Who are the members of the cabinet? I think that is a good question to ask, because this is a public measure. It is surely a measure for which the government takes full responsibility. It has the stamp of approval of the government in its presentation by the Solicitor General (Mr. Pennell), who is acting on behalf of the government.

It seems to me that the cabinet is a committee of parliament. Its members are obliged to be members of parliament—not like the United States, where anyone can be a member of the cabinet. You must be a member of this parliament to be a member of our cabinet. I know this rule is waived occasionally, but not frequently.

I am not a constitutional lawyer, Mr. Speaker, and what I am about to say may be subject to argument. However, it seems to me that the bill which is presented on behalf of the government by the Solicitor General, which seeks to make into law something that 18 months ago this parliament in session assembled decided it was not expedient to do,

is somewhat irregular and, to say the least, an unusual procedure.

I therefore ask myself what is the reason for this debate. In his argument the Solicitor General gave no reason for the great urgency. Neither did he give us a reason why the decision that was arrived at by this parliament 18 months ago should be ignored completely. In the course of his eloquent remarks he made a lot of good points in support of his contention, but he did not tell us the reason for the urgency of this debate, and why he was disregarding a decision already made on the matter. I hope he will deal with this question when he concludes the debate on second reading.

This debate is not an argument as between one party and another in this house. I am sure everyone is anxious that out of the deliberations and consideration of this bill shall come something of benefit in solving this problem. Any criticism I have to make of the government is not for the purpose of scoring a point against it. I make the criticism in the hope of turning something to the advantage of the people of Canada.

I repeat, Mr. Speaker, I should like the minister to tell us why he is disregarding the decision made 18 months ago by this same parliament. Had we had an election and a new parliament had been called since that time, then I would say the government was quite justified in asking us for our opinion. But it is the same parliament and the same members of that parliament who are discussing this same question.

The amendment that we voted on, as reported at page 3910 of *Hansard* for April 5 last year, was defeated on a division of 179 to 74. The main motion, which moved that it was expedient to do away with the death penalty, was defeated by a vote of 143 to 112. Since we have decided the matter, why is it before us again?

My reason for not supporting the motion for second reading is summarized in the remarks I made 18 months ago. It is also based on one word, and that one word is the "protection" of society, the protection of helpless women, children and old men. I think, for example, of the elderly storekeeper on the outskirts of Fredericton who two or three months ago was brutally murdered for a few dollars. This is the type of protection that I am interested in.

If my hon. friend the Solicitor General were arguing with me about this, I know he would say "Yes, but capital punishment will not be a deterrent". That is where he and I do not agree. I submit that in this day and age of violence and crime any tampering with penalties is most dangerous. It is the criminals and the members of the underworld who are anxious to have the death penalty abolished.

Mr. Bell (Carleton): No.

Mr. Flemming: My hon. friend to my right does not agree, but I am as much entitled to my opinion as he is to his. That shows that this is not a matter of political leanings.

The Solicitor General has told us that the death penalty is no deterrent. However, I am sure he will agree with me that crime is on the increase.

Mr. Pennell: I hesitate to interrupt the interesting remarks of the hon. member, but it is a deterrent. My point is that it is not a special, unique deterrent. I acknowledge that it is a deterrent.

Mr. Flemming: I can assure my hon. friend that I am anxious not to do him an injustice.

Mr. Pennell: I realize that.

• (8:40 p.m.)

Mr. Flemming: I am anxious only to state the facts. I feel it is and has been a deterrent. I feel strongly too about law enforcement. We ought to support our law enforcement officers. When I was a member of the New Brunswick government, I remember one of the first matters that came up for our consideration in cabinet had to do with the remission of a seven day sentence. Anyone who hunted deer with a light, and a light induced deer to come to it, was liable on conviction to a mandatory term of seven days in jail. The government decided that it could not be lenient. If we were lenient, we decided, that statute could be enforced no longer. The man, who happened to be a supporter of our government, served seven days.

On another occasion, when a young man was sentenced to 30 days for interfering with an officer discharging his duty, we were besieged by many people, but not by those whose opinions I valued. Finally I found that those whose opinions I respected had not come forward because, as one of them said, "We feel that though the officer is to be criticized for the way he carried out his duties, as an officer he is entitled to our support because he is the symbol of law and protection."

I was impressed by the speech of the hon. member for Red Deer (Mr. Thompson) and by the speeches of other hon. members. My hon. friend from Leeds (Mr. Matheson), on the other hand, asserts that capital punishment is ancient, that it is not modern and that we should keep up with the times. If I have misquoted him I apologize, because that is not my intention. I submit that the careful definition of capital murder in the Criminal Code and the distinction brought forward by the hon. member for Kamloops (Mr. Fulton), when he was minister of justice in 1961, between capital and non-capital murder, have done away with the danger of a miscarriage of justice. As defined, capital murder must be deliberate, planned and premeditated. These elements of the crime must be present and they have been included in the code for the protection of criminals.

I am arguing that citizens ought to be protected; helpless people must be protected; those who cannot look after themselves and who need protection must be protected. That is the point my hon. friend ought to remember.

Mr. Churchill: Hear, hear.

Mr. Flemming: I contend that parliament has already expressed its will; it did so on April 5, 1966. We ought not to be asked to go over old ground again. This government has many problems to face, as the hon. member for Bow River (Mr. Woolliams) enumerated this afternoon. I shall not enumerate them, but they are many. Speaking for myself, I am anxious to assist in the solution of our problems and we should be working toward solutions rather than debating something about which parliament already has expressed its will.

I feel strongly about this bill being placed before the house. Very likely it will carry, since any bill the government sponsors pretty well has to carry. Not many government supporters will vote against the government; that should be borne in mind. Though the Solicitor General talked of a free vote, I submit that when the cabinet introduces a bill there is not much danger that any of its members will vote against it; that is not practical. I do not see how they can vote against it, and I do not think that many government supporters will vote against it.

Lest there be any mistake about where I stand, I stand on the side of protection. I do not wish to punish anybody; that is not my disposition. But I want to protect people; I want to see those who are helpless and who live outside the so-called built up areas fully protected by the law. I am anxious that a man who lives in a lonely spot and who leaves his wife and family in order to go to work may feel, with confidence, that his loved ones are protected by the law of the land.

A few days ago we talked about broadcasting. We see much violence today, and I am convinced that part of that violence is occasioned by television, and the violence depicted on television screens much of the time. By not being severe with criminals we shall not help matters.

I seek to protect the law abiding citizens of the country by voting against second reading of the bill. That is my duty, as I see it.

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, may I first say that I commend the Solicitor General (Mr. Pennell) most highly for his remarks on introducing second reading of the bill. Speaking with obvious sincerity, he spoke from the heart and from the head. I have studied the subject matter of this bill for some 34 years and in my estimation the minister's presentation calling for the total abolition of capital punishment was the most magnificent I have heard or read in support of total abolition of capital punishment. There is no question about it.

Unfortunately the bill itself does not call for the total abolition of capital punishment. I hope and anticipate that before the bill is read the third time it will have been amended to abolish capital punishment totally in this country. Nevertheless this bill is a major step forward in Canada to the total abolition of the death penalty, and on second reading I shall endorse its principle by voting for it.

• (8:50 p.m.)

I was particularly interested in the view of the Solicitor General that he hoped members would be able to discuss the important principle embodied in the bill without passion and without emotion. I concur in that view, although I most certainly recognize that passion and emotion can be in the hearts and in the minds of all, whether they are abolitionists or retentionists. That is definitely understandable. We can all view with concern and understanding the feelings of the loved ones, the relatives, the friends, indeed everyone, when a murder is committed in this country. We can particularly understand the passion and emotion when it is a brutal murder, such as the one that occurred in the lower mainland of British Columbia just two or three days ago, where an innocent seven year old

girl was seized, brutalized and murdered. Yes, we can certainly understand how emotions and passions can be aroused.

At the same time emotions, deep feelings and sympathy can also come to mind when we understand what has happened to the loved ones, the relatives and the friends who are the innocent victims because they are related to or friendly with the person who committed a murder. They are the innocent victims, and unfortunately far too often they are crucified.

It is also possible, and I say understandable, that there is somewhat of an emotional feeling if one has seen a man hang, if one has seen a body after electrocution, if one knows that in past years in our own country men have been hung back to back, sometimes three men dropped through the trap door at the same time, some not killed instantaneously but by strangulation, and if one knows that on at least one occasion in Quebec, the head was torn off a woman. All these things, whether one is an abolitionist or retentionist, can give rise to a feeling of passion and emotion.

I hope, as one who feels very deeply in this matter, that I can speak this evening in a dispassionate manner, in a factual manner, because I believe most sincerely and conscientiously that our decision on this bill should be based upon reason and upon facts. It is because I do feel so strongly that way that, after having heard every speech made today on this subject, I must admit to being disappointed at the approach taken by those who speak as retentionists. I have heard every word that has been said, but I have yet to hear any of those who oppose this bill, who support the retention of capital punishment, put forward one fact to refute the facts presented by the Solicitor General and those who have spoken in favour of abolition.

I have yet to hear retentionists give one fact in support of retention. It is quite obvious that they speak from emotion. This was made particularly clear when we heard the hon. member for Chapleau (Mr. Laprise). He opened his remarks by accusing the Solicitor General of using old arguments, but at no time did he produce any evidence to refute the arguments, new or old, nor did he introduce factual reasoning for the retention of capital punishment. Indeed he went on to an emotional splurge.

Whilst I was listening to the hon. member I could not help but bring to mind what I read some time ago, written by Arthur Koestler, in "Reflections on Hanging." I think he gives the perfect answer, and I would like to quote his statement:

> The defenders of capital punishment have produced no evidence of their own, nor contested the correctness of the documentary material assembled by royal commissions, select committees, etc.; nor even tried to put a different interpretation on it. They simply ignore it... when challenged they invariably and uniformly trot out the same answers; there is no alternative to capital punishment; statistics don't prove anything; other nations can afford to abolish hanging, but not us.

It was interesting to note that the hon. member for Red Deer (Mr. Thompson) continued basically along the same line as the hon. member for Chapleau, except that he did bring in a few comments and statistics. But, Mr. Speaker, I would draw to the attention of hon. members that he never followed through on his statistics. He never in any way tried to refute the factual record of 45 nations that have abolished capital punishment, some of them going back to between 100 and 140 years of abolition. He never showed that their record of homicide, on a percentage basis, compares most favourably with countries which are retentionist, and in many cases have a lower percentage ratio of homicide than the retentionist countries.

I was most interested when the hon. member for Red Deer mentioned the statistics in the states of the United States that had abolished capital punishment, and later came back to it. But there he stopped. He did not dare compare the homicide ratio over a period when they were retentionist, moved to abolition and returned to retentionist; nor did he compare their ratio with that of other states because, if he had done so, he would have found there was over-all in these states, whether retentionist, abolitionist, retentionist and later abolitionist and retentionist again—and of these latter I think two or three have become abolitionist again—he would have found there is always the same broad picture and relationship, proving that the facts about homicide do not have to do with whether states are retentionist or abolitionist, but are dependant upon economic and other factors.

• (9:00 p.m.)

When the hon. member for Red Deer rose to his feet to speak on this important bill I said to a couple of my colleagues behind me that I would make a bet that before he sat down he would bring in "God's will" or the "written word" and, lo and behold, he did not let me down; he did not fail me. He concluded his remarks—and I wrote them down—with a reference to the will of God

and the sacredness of life. May I deal with the latter, the sacredness of life. We all accept that; but does not the sacredness of life, the sanctity of life, apply to the state as well as to the individual? Surely because a small minority of the population does not accept the principle of the sacredness and sanctity of human life, that should not be used as a reasoned argument that the state must not maintain the sacredness of human life. Two wrongs do not make a right.

I have never hidden the fact that I stand for the abolition of capital punishment. Because of that, over the years I have received a great many letters from those who support the retention of capital punishment. I would say, at a rough guess, that 80 per cent of those who write to me expressing opinions in favour of the retention of capital punishment bring in what they term God's will or the written word. Because I receive so many letters of that nature I should like to say that we would indeed live in a savage and barbaric Canada if we stood steadfast on the written word.

If one should study, as I have, the written word as it appears in the Old Testament, in Exodus, he would find that the following are capital crimes: Murder, striking or cursing one's parents, slave procurement, fatal attack by an ox, witchcraft, sodomy, and sacrifice to any god other than Yahweh. To these Leviticus adds adultery. Deuteronomy holds responsible both parties involved in criminal assault in the city, a rebellious son, and an unchaste bride. This is capital punishment in the written word. If you study the written word where the method of execution is specified, you will find that it is stoning to death.

In this civilization modern man has advanced. Is there any reasonable argument as to why we should not advance still further? We would not think of these things as capital murder today. We would not think of the penalty of stoning to death, although it is set forth in the written word. No; we have advanced toward the meaning of the written word: "Thou shalt not kill." Eventually that will apply to all states and I hope to the world: "Thou shalt not kill."

Let us look closely at 100 years in Canada. We are celebrating our centenary. According to the information filed on October 24 by the minister, 1,308 persons have been sentenced to death in Canada between 1867 and 1967. Of these, 701 were executed. Then, if we move ahead, we find that fom 1961 to September 1967 there were 183 sentenced to death, 69 executed and 114 who received commutations. This is an example of mercy being applied as the years go by. But now, in recent years, let us make a study of the statistics filed by the minister concerning what has taken place.

Basically it is a sick man or a sick woman who will kill a fellow human being. We are given information in that regard. Brief mention was made of this by the hon. member for Leeds (Mr. Matheson) just a little while ago. If you look at page 9 of the information filed on October 24 which is headed Supplementary Table Bringing up to September 30, 1967 Table D "Leading Characteristics of Capital Cases Occurring Since January, 1957", you will find that 13 cases are outlined. The second last column outlines the mental condition of the person. One was non-psychotic and showed no evidence of neurosis; one refused to be examined by a psychologist or a psychiatrist. Outside of the one with no psychosis and no evidence of neurosis and the one who refused to be examined, what about the other 11? According to the information furnished as a result of their examination by psychologists and psychiatrists we find the following: No. 1—mentally defective and severe alcoholic; no. 2—sexual psychopath showing psychotic behaviour; no. 3—psychic enfeeblement of psychotic character; no. 4—paranoid schizophrenic; no. 5—sociopathic personality disturbances; no. 6—psychopathic personality; no. 7—sociopathic personality disturbance, neurological cripple; no. 8—not psychotic but neurotic complex, disturbed and irrational; no. 9—not psychotic but emotionally unstable; no. 10—very neurotic but not psychotic; no. 11—basically unstable, schizophrenic, possibly epilepsy resulting from brain injury.

Capital punishment or no capital punishment, there would be no control over these individuals or over the fact that they have committed or might again commit murder. We have heard a great deal about the protection of guards and police officers. There is some very interesting information on page 12 of the data supplied by the Solicitor General (Mr. Pennell) on October 24 and I invite members to examine this. It is entitled Capital Cases in Which Policemen were Victims in Course of Duty, January 1, 1940 to September 30, 1967. What do we find? We find that 22 policemen were killed by 20 men. We find that in two cases a new trial was ordered and that there were seven commutations. The remainder were executed.

We also find that of the 20 men who killed 22 officers in this period, 15 tried to escape from a criminal activity. This interests me. I have visited jails and penitentiaries over the past 34 years. I have spoken to many hundreds of inmates in our institutions. I have spoken to a number who committed murder and were later executed. To each and every one of them I put this one question: When you committed this murder did you take into consideration the fact that you might get life imprisonment and that in all probability you would be hanged? Not one man to whom I spoke who was found guilty of murder and executed, out of the hundreds whom I interviewed in the jails and penitentiaries, ever said that he gave the slightest thought to what the penalty would be if he was caught.

• (9:10 p.m.)

I have spoken to men who have killed in passion and emotion. One specific case comes to my mind immediately. This case involves a man who went home and found his best friend in bed with his wife. He reached for a gun and killed them both. He had no thought of hanging or any penalty; this was done in emotion. He was not worried about capital punishment. Capital punishment never came into consideration. Capital punishment does not come into consideration in the majority of homicides.

The minister has already had his attention drawn to the studies and works of Professor Thorsten Sellin, but I should like to suggest to hon. members who have not read his words that they should do so. He testified before the joint committee on capital punishment, and I should like to put several of his statements on record. At page 718 of volume two of the Proceedings and Evidence of that committee we find this:

> One argument for the retention of the death penalty is the contention that if it were abolished, the police would be more likely to be killed or injured by criminals or suspects when they are encountered. It is assumed that the presence of the threat of possible execution deters persons from carrying lethal weapons when they engage in crime or from using them against the police when they are in danger of arrest.

At page 719 Professor Sellin states:

> In the author's seminar in criminology at the University of Pennsylvania during the academic year 1954-55, several studies have been carried on relating to various aspects of capital punishment. One of these studies was specifically designed to secure data on the comparative risk of a policeman's being injured or killed by a criminal or suspect using a lethal weapon.

[Mr. Winch.]

Without going into detail, the conclusion of that knowledgeable gentleman, as it appears on page 723 is:

> It is obvious from an inspection of the data that it is impossible to conclude that the states which have abolished the death penalty have thereby made the policeman's lot more hazardous.

These are the facts. They are irrefutable facts. Someone has suggested that this is an opinion, but it is not an opinion. One of the most reputable penologists and criminologists of the world has made available his conclusions based on the history and academic study of cities with more than 10,000 population in the United States. This covers a history of assaults, injuries and deaths of policemen during the course of carrying out their duties. In the breakdown and analysis of his report, Professor Sellin makes these statements, and these are not opinions but facts. Perhaps these are facts that some members of this house do not like.

Let us now turn to a consideration of the hazards of guards. Very few have been killed in Canada during the past 100 years. Several members of this house during discussions have told me that if a man is in jail because he has committed homicide or for some other reason he is likely to kill a guard because he can only be sentenced to the same life in prison. The people who use that argument have not visited our pentitentiaries and have not talked with prisoners. I am afraid they do not know a great deal about penology. The idea that these prisoners may kill again because they can only receive another life sentence does not stand up to the facts.

It has been substantiated that in some cases an individual has killed in order to commit judicial suicide. These people wanted to end it all but because they did not have the courage to commit suicide they have killed with the hope they would be convicted of murder and put to death by society. There are substantiated cases of this nature, particularly in the United States. If there is no death penalty for murder, then these individuals have nothing to gain by committing homicide in order to effect judicial suicide. Perhaps that is a minor argument.

Let us look at one major aspect of this whole situation. An individual in pentitentiary on a life sentence for killing someone is faced with a factual situation. There are two different aspects to a life sentence. If one already sentenced to life kills a guard he is treated differently from one who is sentenced to life for a passion killing. If one who kills in passion or one who for any

reason is serving a life sentence, behaves himself in penitentiary he is treated with comparative compassion and conscientiousness. He is given the benefit of psychiatric and sociological treatment. He is also likely to receive the benefit of cabinet compassion and parole board understanding. He may very well be returned within a reasonable period of time to society and normal life. Even then a convicted killer is checked by the R.C.M.P. at least once each year, and if he ever breaks a law, no matter what, he is liable to reimprisonment.

On the other hand, if a prisoner is guilty of killing a guard he is treated entirely differently. His fellow inmates will not associate with him and will not converse with him. This prisoner is completely dissociated from his fellow inmates because of this action. This is natural because of the psychological attitude of his fellow prisoners who feel their own privileges have been restricted and discipline more severe because of his actions. Such an individual for his own protection from his fellow inmates is usually put in solitary confinement. If this were not the case he might very well be killed by his fellow prisoners. He also sustains loss of privileges.

• (9:20 p.m.)

What is meant by loss of privileges? Go into a penitentiary and see what loss of privileges means. It means dissociation from others in the penitentiary, referred to in the past as "solitary" and before that as "the hole". An inmate is put in a cell, with concrete surroundings, with a solid metal door, with no bed, only a mattress on the floor. He can lose his privileges for a long time, he can lose his cigarettes, magazines, books and radio. His correspondence privileges can be denied, as well as visiting privileges. For only half an hour a day will he ever see God's sunlight, daylight, rain, or whatever the weather may be. For 23½ hours a day he will be in a dissociation cell.

An inmate knows that this is what will happen to him. I say that is a living death. But for another type of killing he will have the opportunity of rehabilitating himself; otherwise he has to suffer all these indignities and finally the cabinet will say whether or not he shall stay there for the rest of his natural life.

I speak not only as one whose position is among the leaders of abolition but as one who understands the feelings, passions and emotions of those who favour the retention of the death penalty. In this respect we must consider the experience of the 45 nations which have abolished capital punishment. As I have said, in some cases the abolition of capital punishment goes back 140 years and a number of countries abolished the death sentence over 100 years ago. If you study the best information available from any source in the world, the sociologists, the criminologists, the royal commissions and committees which have studied this question, I say that the factual arguments and the reasoning arrived at leads one to believe in the complete abolition of capital punishment. If we are not prepared to advance that far in Canada today, I certainly hope we are prepared to vote for second reading of this bill and go as far as it allows.

In conclusion, Mr. Speaker, I would ask hon. members to consider this most important problem in a reasonable manner. I ask them to consider facts and not understandable and deep-felt emotions. I ask them to consider that as we have wiped out the barbaric practices of the past, we should accept this advancement in world civilization and accept the precept of God's will, "Thou shalt not kill," and vote for second reading of this bill.

Hon. George Hees (Northumberland): Mr. Speaker, I think we are all agreed that we must approach this very serious matter of capital punishment in a manner that is completely free of emotion. I think we are all convinced, also, that in our approach to justice there is no place for vengeance, and that our sole purpose in carrying out justice is to deter our fellow human beings from committing crimes against other human beings, and so make the world a better place in which to live. Therefore, our purpose in examining this matter today is to decide how this can best be done, in particular when dealing with those who commit capital murder.

We also know that today the death penalty can be imposed only if a murder is a capital murder. A capital murder is one that is committed in cold blood. It is a premeditated murder, one that is thought out carefully, planned and decided upon well ahead of time. There is nothing casual about it; it is not a crime of the moment; it is not a crime of passion. Those types of murders are non-capital and are not punishable with the death penalty.

So today we are dealing with only capital murder, the kind of cold-blooded, premeditated crime such as I have just described. Some of us have sat as members of cabinet,

and have had the facts of murders replayed, for want of a better word, in order that we may know all the details and decide whether the sentence of hanging should be commuted to life imprisonment or carried out. When one has been in this position, he realizes that those who commit capital murder are people with twisted and warped minds, minds completely different from those possessed by the normal human being. When you have listened for a number of years, as I did for six years as a member of cabinet, to the recounting of the facts of a great many capital murders, which are given to cabinet in considerable detail so they may make a proper decision on whether the death sentence should be carried out or commuted to life imprisonment, you become shocked and horrified at the kinds of crimes the people who commit capital murder are capable of carrying out. Such crimes are very often connected with sex. They are crimes against small children, young girls, old women, old men; people who are completely defenceless. When one hears the details of these crimes, he realizes that the minds of people capable of carrying out a crime of this kind are very different from those of normal people.

What is the alternative to the death penalty? It is, as we know, life imprisonment. What is life imprisonment? Does it mean putting the offender away from society for the rest of his or her natural life? The answer, of course, is no, because, with good behaviour, life imprisonment can mean as little as nine years in prison. Good behaviour in this case has nothing to do with a change of heart, a change of mind, or a change of approach in respect of the kind of crime for which the offender was committed to jail. Good behaviour in these cases simply means that you have kept out of trouble with the jail authorities, that you have behaved yourself and been a good convict, that you have kept your uniform clean, your shoes shined and have behaved yourself on parade and at other times. It has nothing to do with any change of attitude toward the crime which your abnormal and twisted mind led you to commit in the first place.

• (9:30 p.m.)

Today, when a criminal who has been sentenced to life imprisonment for capital murder is released after perhaps as little as nine years, he comes out completely unchanged, and is ready to commit another crime of a similar nature whenever once again the urge to do so seizes his twisted and warped mind, as it did in the first instance.

[Mr. Hees.]

To get away from theory and down to actual facts, I should like to encourage all hon. members to read today's issue of the Toronto daily *Star*. In the bottom left hand corner of the front page of that paper, you will find the following headline "Parkdale Gun Murder. Gentle, Friendly Tailor Meets A Violent Death". The article describes what happened in the following terms:

> Morris Mayzel, who made a Parkdale tailor shop his life for over 20 years, met violent death there yesterday.
>
> The short, 66-year-old man—whom neighbors recall as gentle and friendly—was gunned down in his Tip Top Tailor shop at 1530 Queen St. W. about 5.30 p.m.
>
> He died, sprawled on his doorstep and choking on his own blood, as dazed neighboring storekeepers ran to their telephones for help.
>
> Today dozens of Metro police continued a search for his killer which began at dusk last night.
>
> Police, putting together details of the apparent robbery-murder, said there were apparently no witnesses to the rush-hour killing.
>
> Robert Bamlett, homicide squad detective-sergeant, said Mayzel was apparently alone in his store when the assailant entered. What happened when the storekeeper was confronted by the assailant is not clear; the store's cashbox was closed and apparently undisturbed when detectives arrived.
>
> Mayzel was shot three times through his chest and abdomen, but apparently tried to follow his attacker out of the store. A man believed to be fleeing the store jostled neighborhood youngsters, who gave a description to the police.
>
> When passersby reached Mayzel, he was lying in the doorway of the small shop.

We can reconstruct the incident fairly well because it is similar to many of which we have heard in the past. A gunman decided, in cold blood, that he would rob the store, and that if he encountered any resistance, he would shoot and kill the storekeeper. It would appear to me that the storekeeper had the courage to resist this attempted robbery. The criminal carried out his intention, shot the storekeeper three times, and left him in a pool of blood. If the man who committed this murder is found, and we all hope he will be, I feel sure he will receive the death sentence, because this was a cold-blooded, premeditated crime.

The record for the past four years shows us that of the 23 or 27 capital murder convictions that have come before the cabinet, every one has been commuted to life imprisonment. These people were not confined away from society for the rest of their lives, to ensure that they would not commit such a crime again, but were sentenced to life imprisonment, which means that after nine or ten years, if their behaviour is good, they

would be paroled. During that time, their attitude about the desirability of repeating the crime for which they had been sentenced would not have changed.

What will happen in this particular case? As in all the other cases, this murderer will be sentenced to die by hanging; his sentence will be commuted; and in nine or ten years, he will be on the street again, his mind unchanged, ready to gun down another man like Mr. Mayzel, who is described as gentle and friendly. As far as we can make out, Mr. Mayzel never had any desire to hurt his fellow citizens; he just wanted to carry on his life in a quiet, peaceful way. So there is a real possibility that when the murderer gets out of prison, he will be ready to commit a similar type of crime because, as we know, and on the basis of all the reports from our penitentiaries, nothing is done there to change the prisoners' attitudes to life. In fact, their criminal tendencies are developed, because they talk and associate with other hardened criminals who teach them ways of getting away with their crimes a little better next time. When they get out of prison, they have a new outlook, which is not to get caught next time, and to try to be smarter at what they do.

I think we must try to be more sensible and constructive in our treatment of criminals. As I say, nobody wants to kill, and nobody wants to take somebody's life just for the sake of vengeance. But one thing we cannot do is to allow people who have committed these truly horrible crimes to be let out into society again with no attempt having been made to reform them. Those who have been members of the cabinet and who have heard a replay of these gruesome murders read to them in all their gory details, realize how twisted, warped and rotten the minds of these people are, and realize that if we are ever going to allow these people to come out into society again and take their place as normal human beings we must reform them and help them to become normal persons. The only way in which this can be done is by skilful psychiatry. I am told that skilled psychiatrists are able to do quite a lot. They are not perfect, and in many cases they cannot bring about a change in the sick mind, but they are pretty good at improving the attitude of the person under their care.

I say that what this and any successive government must do in approaching this matter in a humane, sensible and constructive manner, is to make sure immediately that we make available to our prisons first class psychiatrists in sufficient numbers, so that when we sentence these killers to life imprisonment—which, unless changed, will mean that sooner or later they can come out into society—we will have made sure that their attitude and approach to life has been changed and improved and made more like that of a normal human being.

So I say to this government that its job is to see to it that a very important drive is started to acquire for our penitentiaries sufficient first class psychiatrists to heal the warped minds of criminals, particularly those who commit capital murder.

• (9:40 p.m.)

The record of the government of which I was a member was not quite the same as that of the present government, but we did commute a number of sentences. There will be coming into society quite soon, year by year, a number of people who have committed these terrible crimes, people whose minds, unless they are changed, will be exactly the same as they were when they could bring themselves to sit down calmly and in a cold, calculated way plan these horrible blood curdling crimes. These words, Mr. Speaker, are not too strong, as any member of the cabinet will agree.

I see the Secretary of State for External Affairs (Mr. Martin) nodding his head. Any member who has been a cabinet minister will agree with what I say. I am not overstating the case. I say to the minister that we must pay these prison psychiatrists a very much better salary than is available to them for this kind of work today; otherwise we will not get them. This is the type of expenditure which I, or anyone else, will wholeheartedly endorse at a time when we are trying to cut down expenditures. This kind of expenditure is justified today. My information is that good psychiatrists now concentrate their efforts in the big cities, where they can make a very handsome living. In this respect they are no different from any other craftsmen, scientists or businessmen in Canada. We all have a tendency to settle where we can make the best possible living for ourselves and our families.

We owe it to society to pay the kind of salaries that these people can get in the big cities, and to pay them for the kind of work that must be done in prisons. I say that before we allow these murderers to come out into society again they must, first of all, take adequate psychiatric treatment from these top grade psychiatrists. Then, before they are allowed out they must go before a board composed of the top psychiatrists of the

country, an independent board which will examine them very carefully and satisfy itself that this man or woman's mind has been changed to that of a normal human being. Then, and only then, when a man has completed the term in the penitentiary, whether it may be 10, 15 or 20 years, when the examining psychiatrists are satisfied the person has changed his mind to that of a normal human being and has no longer the mind of an abnormal, brutal killer, can he be released. I am referring to the person who has the type of mind of the man who killed Mr. Mayzel. Obviously he planned the crime well ahead of time, going into that store with a gun, determined that if the storekeeper tried to deny him that cash box, he was going to shoot the storekeeper. Obviously this is what happened.

Anyone who could walk in and shoot down in cold blood such a man as the one described in this story does not have a normal mind. As any member of the cabinet knows, after having heard some of these cases recounted, in most cases these innocent people have never been seen before by the killer. The killer has nothing against them, except that they have a car or some money or something that the killer wants. This kind of killer had the kind of mind that would permit him to coldly kill this innocent person, rather than be denied what he was after.

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

Mr. Hees: Yes.

Mr. Mackasey: This question is intended to be objective. The point the hon. member has made that has impressed me is the danger under the present system of murderers eventually being released on parole but retaining their killer instincts; am I right so far?

Mr. Hees: Yes.

Mr. Mackasey: Then, does the hon. member know the precise number of people who have been released on parole? I am leading up to a question.

Mr. Hees: It is not coming through very clearly.

Mr. Mackasey: Does the hon. member know how many people who may have been convicted for murder have been released on parole since 1920, and how many of the people who have been released on parole have committed another murder?

[Mr. Hees.]

Mr. Hees: If the hon. member has the figures, and perhaps he has, I would be very glad to have him release them when he makes a speech. At the moment, I should like to finish my own speech. Of course the hon. member can make his speech later.

Mr. Mackasey: On a point of order, Mr. Speaker, I am not making a speech. I asked the question in good faith.

An hon. Member: Make your own speech.

Mr. Mackasey: Now you people are making speeches.

Mr. Speaker: Order, please. This is not a point of order. The hon. member for Northumberland has the floor.

Mr. Hees: I would be very interested in hearing what the hon. member has to say. I am afraid, however, that perhaps he was suffering from the same trouble as the Secretary of State for External Affairs (Mr. Martin) in that he was not speaking into the microphone. I could not hear what he said. I would be glad therefore if, when he makes his speech, he would speak clearly into the microphone, because we would all be very interested in hearing what he has to say. I could not hear what his question was.

Another thing about this bill which is difficult to understand is this division of the citizens of the country into two categories, those you can murder and those you cannot murder. It is just as simple as this, Mr. Speaker. If a policeman goes to a bank, for instance, after hearing an alarm, and is engaged in trying to stop the bandits from getting away, and if he appears to be having a difficult time and a civilian passerby tries to help him, the bandit or bandits may shoot down the policeman in cold blood, and they could be committed to the gallows. However, if they shoot down the passerby, the unarmed civilian, they cannot be committed to the gallows.

There are far too few citizens who do help policemen these days, but if they do go to the aid of a policeman and are shot down in cold blood, the killer cannot be committed to the gallows. On the one hand, you have the situation where the policeman who, like the man who enters the armed services, is trained for the job of apprehending criminals; he knows when he signs up that this is the kind of chance he takes; he is trained in the use of firearms, and carries a gun to protect himself. If that policeman is shot down in cold blood, then the man who does

the shooting can go to the gallows. However, if a man who has had no training, has no gun, and no arms, nothing except a strong sense of civilian duty, goes to the aid of a policeman and is shot down, then the man who kills him knows quite well that the most he can get for his crime is life imprisonment. In my opinion this is the utmost in unfairness. It shows that this bill is not an honest bill, Mr. Speaker. It is a bill that is being imposed upon this house for the second time in 18 months.

• (9:50 p.m.)

As you and I know, Mr. Speaker, this matter was thoroughly discussed 18 months ago at great length. It was discussed by this same house, by the same members, and all of us who wanted to express our views did so, and stood up and voted. The majority of the members voted for the retention of the death penalty, but the cabinet decided that they would fly in the face of the decision taken by this house. They completely disregarded it, Mr. Speaker, and in every case since, sentences of death have been commuted.

In other words, Mr. Speaker, as the hon. member for Bow River (Mr. Woolliams) said today, as far as this government is concerned there is no death penalty. In order to try to justify what they have done over the past four years we are now having the same kind of proposition put to us, only it is being sweetened up to try to make it more acceptable.

Anyone who believes that this is going to be a truly free vote as far as the members on the other side of the house are concerned is, I think, only deluding himself. This is a government bill. The government cannot afford to lose this vote. Word has gone out through the ranks of the Liberal party that this is a government bill and must be backed.

I submit we must not allow back in society people with minds which are warped and twisted; people with killer minds that made it possible for them to commit crimes which are horrible. Anyone who has sat in on cabinet and heard these terrible crimes recounted, knows how horrible and unbelievably rotten they are. The kind of crimes that are perpetrated against little children, young girls, defenceless old women and men makes your blood run cold.

The suggestion that we simply put these people away for something like nine years —with good behaviour—with nothing being done to change their minds, and then to let them out on the street again, ready to repeat their crimes all over again, is something I cannot condone. I say to the government that if I have to make a decision between the life of the killer and the next potential victim, then I am going to vote in favour of the next potential victim, and do what I can to protect him and his life in the future.

Mr. H. E. Stafford (Elgin): Mr. Speaker, so far in this debate the retentionists have just reached the blind conclusion that the death penalty is needed to protect society. I too want to protect society just as much as the hon. member for Victoria-Carleton (Mr. Flemming). He said he is in favour of retention because he is in favour of protecting helpless women and children. So am I, Mr. Speaker; where we differ is that I feel helpless women and children can obtain the same protection by imposing on the criminal a sentence of life imprisonment. I think life imprisonment is just as much a deterrent as capital punishment.

The hon. member for Victoria-Carleton went on to say that in this day and age of violence and crime any tampering with penalties is dangerous. We do not live in a perfect society, Mr. Speaker, and we must have laws. Our laws must be refined, reassessed and reviewed from time to time as we become more knowledgeable. I feel that all of the evidence before us today leads us strongly to only one conclusion, and that is that life imprisonment is just as much a deterrent as capital punishment.

If life imprisonment is just as much a deterrent as capital punishment, then because we live in a democracy we have a duty to vote for this bill. Bearing in mind the definition of democracy, I would suggest we have no right to impose any penalty that is more severe than necessary in order to carry out our purpose. In this case our purpose is the protection of the same people the hon. member for Victoria-Carleton mentioned a few minutes ago.

Mr. Flemming: Would the hon. member permit a question. How did he vote on April 5 last year, for or against the bill?

Mr. Stafford: As the hon. member can see by looking at the debates for April 5, I voted for abolition.

Mr. Webb: I would like to ask a question, if I may. Would the hon. member accept a question?

Mr. Speaker: Order, please. I wonder whether the hon. member should not be allowed to make his speech.

Amendments Respecting Death Sentence

Mr. Stafford: Neither do I agree with the hon. member for Red Deer (Mr. Thompson) who claimed that capital punishment would also protect girls in sexual murders, and so on. As I have said, I feel that life imprisonment is just as much a deterrent as capital punishment.

The hon. member for Northumberland (Mr. Hees) described in blood curdling terms various forms of murder. He stated that psychiatrists are required to do the kind of work that must be done before criminals are released from prison. Then he said we would let them out on the street "to do it all over again". However, Mr. Speaker, you no doubt noticed that the hon. member for Northumberland did not give one statistic that in any way showed that anybody who had been convicted of murder and came out of prison did commit another murder. He just stood up and made that blind assertion.

Mr. Hees: Would the hon. member permit me to ask him a question?

Mr. Speaker: Order, please.

Mr. Hees: Can he prove that people who have been released have never committed another murder?

Mr. Speaker: Order, please. I must bring to the attention of hon. members that it is ten o'clock.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the house under provisional standing order 39A deemed to have been moved.

PUBLIC SERVICE—LEGISLATION TO INCREASE PENSIONS OF RETIRED CIVIL SERVANTS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, on Wednesday, October 11, as recorded in *Hansard* at page 2979, I addressed a question to the Prime Minister. This is the way the record reads:

> Mr. Speaker, my question is for the Prime Minister. Why is it that the list of legislation which was placed on *Hansard* yesterday makes no mention of legislation to increase the pensions of retired civil servants?
>
> Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, that matter is still under consideration.
>
> Mr. Knowles: I have a supplementary question, Mr. Speaker. Will a decision be taken in time for legislation to be introduced at this session?
>
> Mr. Pearson: I am not able to answer that question at this moment.
>
> [Mr. Speaker.]

At that point, Mr. Speaker, I suggested we might deal with this matter on an adjournment debate. In the meantime we have had a debate on the matter during our discussion of the estimates of the Treasury Board on October 31, but we still have not received an answer to the question as to when legislation to increase the pensions of retired civil servants is to be introduced.

According to the rules, Mr. Speaker, I have seven minutes to present my question to the government, and I take it that tonight the President of the Treasury Board will be replying to me. May I warn him that I do not intend to take the seven minutes. May I put the matter to the President of the Treasury Board as directly as I can.

• (10:00 p.m.)

You know the need. You know that the special joint committee of both houses recommended on May 8 that these pensions be increased. You know that we were led to believe in July that something would be done in the fall. When will you do it?

Hon. E. J. Benson (Minister of National Revenue and President of the Treasury Board): Mr. Speaker, speaking as the President of the Treasury Board I wish to say that no government in the history of this country has done more for the civil service than this government has. For the first time in our history we have collective bargaining in the civil service. No government has done more with respect to old peoples' incomes than has this government.

An hon. Member: Hear, hear.

Mr. Benson: Our old age pensions are tied to the cost of living index, and our older citizens have a guaranteed annual income.

I have answered the question that my hon. friend has raised tonight. He asks, "When will you do something for our retired civil servants?" I have said that this matter is still being considered by the cabinet and when the cabinet reaches a decision, the house will be informed of it. We shall arrive at a decision and we shall make our announcement. For my hon. friend to ask, "When is legislation with respect to this matter to be on the order paper?" is for my hon. friend to miss the important point. The important point in this matter is the government's decision; and the government will make its decision and will bear in mind its responsibilities to retired civil servants and to all the people of Canada.

By voting to reduce by $17,000 item 1 of the Treasury Board estimates, my hon. friend in effect was showing that he lacked confidence in me. He may remember that the House of Commons supported my position at that time; and the government has no overall majority in this house.

When a decision has been reached—and it is an important decision, I agree—the announcement will be made in the house. We shall take whatever action we think is possible and acceptable, bearing in mind always the circumstances that the people of Canada and the civil servants of Canada find themselves in at that time.

Mr. Knowles: But when will that be?

NATIONAL DEFENCE—ONTARIO REGULATIONS RESPECTING VOTING BY MILITARY PERSONNEL

Mr. Leonard Hopkins (Renfrew North): Mr. Speaker, several days ago I raised a question in the house which dealt with the Ontario election act as it relates to the regulations governing the voting procedures of military personnel, wherever they may be, in Canada or in other parts of the world. First of all I would like to outline briefly the actual voting procedure for military personnel in an Ontario election.

Well in advance of a provincial election it is my understanding that the chief electoral officer in Ontario asks defence headquarters to submit a list of names of those members of the armed forces who have indicated their place of ordinary residence to be in Ontario. In this recent Ontario election I believe that officials of the defence department sent a list containing 34,000 names to the chief electoral officer.

The Department of National Defence is not required under provincial regulations to make up lists on a constituency basis, such as is done for federal elections. The names therefore, of all members of the armed forces who vote in the 117 constituencies of Ontario are simply sent forward in one massive list. The chief electoral officer of the province then asks D.N.D. to estimate the number of potential Ontario voters that are attached to each unit in Canada and to other units elsewhere in the world. In order that the estimated figures will not be too low, the estimate is increased by 10 per cent. After receiving this estimate from D.N.D. the chief electoral officer then forwards their requested number of ballot application cards to the various units. I presume that the province of Ontario forwards the ballot application cards directly to those bases within the borders of the province, and it is my understanding that D.N.D. facilitates the distribution of the ballot application cards elsewhere. It is also my understanding that each unit then posts notices to inform its personnel that the ballot application cards are available for any qualified person wishing to vote in the forthcoming provincial election.

The personnel concerned must then fill out these cards and they are returned to the chief electoral officer. The electoral officer staff then checks each application card with the list of names that they have received from the Department of National Defence.

Suppose John Doe is stationed in Zoest, Germany. Suppose he has indicated on a form, which he may fill out once each year, that his place of ordinary residence for voting purposes was to be a particular location in Ontario. When his ballot application card was compared with his name, and information on the master list from the D.N.D., and this comparison did in fact show that he had a vote in an Ontario constituency, then John Doe would receive a ballot by mail from the chief electoral officer. He would then vote and return the ballot to its place of origin.

To add to the difficulties of this procedure, the Ontario election act infers, according to reports and complaints that I have received so profusely, that any person who has resided in the province for 12 months qualifies for a vote. But it does not go on to say anything about the special regulations that have been laid down to D.N.D. by the chief electoral officer of the province in regard to the special arrangements for voting on the part of members of the armed forces. There is a point in question here, and it has come up many times.

Can a member of the armed forces who has lived in a civilian residence for 12 months be enumerated in the usual manner along with his wife and can he vote at the local civilian poll, even though he has designated a place outside Ontario as his place of ordinary residence? On the other hand, a member of the armed forces who lives on a military base could be resident there for two years, or any number of years, but does not have a vote in the riding in which the base is located unless he has specifically indicated that riding as his place of ordinary residence.

At this point I want to quote from the routine order that went out to units from D.N.D.:

> A member of regular forces may be enumerated and vote at civilian poll in Ontario in accordance

with normal civilian procedure if he does not vote by mail and if he resides in an electoral district (constituency) in Ontario in which is located the address declared by him as his place of ordinary residence for purpose of the C.F.V.R. It is emphasized that unless a member has declared a place in Ontario as his place of ordinary residence for the purpose of the C.F.V.R. and resides in that Ontario electoral district (constituency) in which is located the address as declared he is not repeat not entitled to be enumerated or vote in accordance with the civilian procedure.

That is quite clear and precise. This makes the picture very clear so far as D.N.D. routine orders are concerned. But one big argument arose when it was learned from the Ontario election act that one could vote if he or she had resided in Ontario for 12 months. If the Ontario regulations do not clarify this point in so far as military personnel are concerned, I would like to ask the minister to discuss the matter with the chief electoral officer in Ontario on behalf of our armed forces. I have been informed that the returning officer in Renfrew North instructed the enumerators not to enumerate military personnel, and that he in turn, of course, had been given these instructions by the chief electoral officer of Ontario. On the other hand the routine order which was sent out from D.N.D. headquarters is quite precise and to the point. Yet I have received a large number of complaints from personnel who did not have a vote. Naturally a man considers a vote a very valuable asset and is justly annoyed if he ends up without a vote in cases where he actually qualifies. Would the minister check into the validity of these complaints and clarify the situation? Would he also discuss with the chief electoral officer in Ontario—

• (10:10 p.m.)

The Acting Speaker (Mr. Rinfret): Order, please. I regret to interrupt the hon. member, but the time allotted for his speech has expired.

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, the hon. member for Renfrew North (Mr. Hopkins) has raised here tonight a very interesting problem. Unfortunately, however, this is not a matter which is the direct responsibility of the Department of National Defence or indeed the federal government. It is entirely within the responsibility of the chief electoral officer of Ontario to decide how the elections act shall be implemented. Unfortunately there has been some confusion in a number of constituencies where it is assumed that because a serviceman lives in a particular constituency for a

[Mr. Hopkins.]

period exceeding 12 months he automatically qualifies to vote under the Ontario elections act.

Ontario is one of the few provinces which makes provision for absentee votes based on the serviceman's statement of ordinary residence, no matter where he may be in Canada or abroad. If he shows an Ontario residence, he can vote in an Ontario election. If, however, his statement shows that his ordinary place of residence is outside Ontario, then he is advised through service channels that he should not vote in Ontario, even if he is enumerated.

I believe that part of the confusion lies in the fact that the Ontario elections act provides that the Lieutenant Governor in Council may take a special procedure under this act, and one of the special procedures has been the taking of votes by mail of the members of the Canadian forces in Canada and abroad. To alleviate the problem of a heavy mail ballot, the chief electoral officer requested that a member of the Canadian armed forces residing in an electoral constituency that is the same as his ordinary place of residence should be encouraged to be enumerated at his civilian poll.

In conclusion I should like once again to congratulate the hon. member for pursuing this matter, since it demonstrates to me his initiative as a member of this house. However I will direct his comments to the chief electoral officer of Ontario, since unfortunately the Department of National Defence is only an agent in respect of this election procedure.

Mr. Webb: Mr. Speaker, I wonder whether the hon. minister—

The Acting Speaker (Mr. Rinfret): Order. I regret to interrupt, but I must point out that the hon. member cannot intervene in the debate because the procedure is that the question shall be put by the hon. member and replied to either by the minister himself or his representative.

Mr. Webb: With all respect, Mr. Speaker, the time allotted to the minister has not yet expired—three minutes. I have kept track of the time.

The Acting Speaker (Mr. Rinfret): I should like to remind the hon. member that we have all the assistance needed for the timing of speeches in the house by an hon. member or by a minister. We know perfectly well that seven minutes are allotted to a member and

three minutes for a reply on behalf of the government by a minister or his representative. However, I thank the hon. member for his assistance and we shall try to adjust our clocks.

OLD AGE SECURITY—REQUEST THAT MEANS TEST BE ELIMINATED

Mr. Lee Grills (Hastings South): Mr. Speaker, recently I requested that the government give consideration to the elimination of the means test in respect of the supplementary benefits to the old age pension provided for our senior citizens. I have also requested that the misleading information given to recipients of war veterans allowance benefits be corrected. My reason for referring to this subject at this time is that these people now are being asked to forward a further application for supplementary benefits based on an annual means test. I should like to say a "mean" test.

Mr. Knowles: Hear, hear.

Mr. Grills: I would eliminate the "s". Also the unusual increase in the cost of living has had a considerable influence at this time. Over the past week end I have received no less than six inquiries about this particular subject. I have had many—I should say dozens—of requests from people asking for advice as to whether or not for different reasons they should re-apply.

This is something that appears to be fluctuating and those on low income are confused. Many of these people are elderly. They are our senior citizens who are getting on in years, and many of them are easily confused. Surely we should simplify these regulations so they may live easier.

Others who are not as old are discouraged, if not confused, because they are accustomed to working and earning their own living. They are reasonably independent, but they now find that if they earn a few dollars they are no longer entitled to the old age pension supplement.

By this policy the government is destroying any incentive that these people may have to earn extra money, and is destroying their pride and their independence. These people no longer have the satisfaction of personal achievement. The satisfaction of having accomplished something at the end of each day is a source of personal pride to most of us. The government has taken this satisfaction from these people.

The cost of living has soared in the last few years, and particularly during this last year. This has had a tremendous effect on these people. It has a greater effect on individuals who are in their later years, and this will continue even to 1970 when the supplementary old age pension will be paid to individuals then 65 years of age.

Many of these people could make a very worth-while contribution to our productivity. Most of them have made a wonderful contribution to this country in the past and are still willing to do so. Many industries are searching for elderly persons for employment as gardeners or guards. Certainly there is a place for them, but we have denied them this satisfaction.

We have been given a great many figures as to the cost of such a program. Let us consider the cost of administering the present method of giving supplementary payments. I have received hundreds of letters, and have written as many to the department in this respect. Presumably the department has a staff to look after such inquiries. I am sure the revenue department spends a great deal in recovering income tax from these people. I believe that we could do a great deal for these senior citizens at very little cost.

I do not want to be sentimental, but the good book says:

> Honour thy father and thy mother: that thy days may be long upon the land which the Lord thy God giveth thee.

Let me now refer to the misleading information which is given to veterans' widows regarding pension rights. These unfortunate people are led to believe that the supplementary benefits are going to be in addition to their war veterans allowance when actually their war veterans allowance is reduced by the same amount and in some cases in the final analysis the total received is less than prior to applying for the supplementary benefits.

It is my hope that the government will give some consideration in this regard. Many of our veteran pensioners are confused, and many have told me they wish they had never applied for the supplementary old age benefits because they received more before making application. As we approach Remembrance Day, let us remember these people.

• (10:20 p.m.)

Mrs. Margaret Rideout (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, the hon. member

made reference to confusion among pensioners relative to the guaranteed income supplement. I would like to advise him that the program is operating exceedingly well and with a minimum of difficulty when we consider that in the course of a very short space of time we have been able to make supplement payments to more than 700,000 old age security pensioners. The application of the guaranteed income principle has meant that all old age security pensioners have been guaranteed a minimum income of $105 per month.

The income test which is applied is a very simple one based on the applicant's income for the previous year. Because of this, the program requires an annual return in order that eligibility can be maintained. It is not a means test. A means test requires a very close look at a person's assets, property, etc. The income test is very similar to that which more well-to-do persons must carry out in completing an income tax return. It is simply a matter of the applicant declaring to the department his income for the previous year. It does not single out any individual, but treats everybody alike. The application of this principle has meant more money in the hands of those old age security pensioners who need it most—and surely this is as it should be.

I think hon. members might well be interested in knowing that in the next fiscal year some $264 million will be paid out to old age security pensioners as a supplement to their basic pension. The cost of the basic pension for the same year will be $1,317 million.

With regard to veterans, I should like to point out that the allowance paid under the war veterans allowance program is far higher than that paid under the old age security guaranteed income supplement program. Notwithstanding this, a number of war veterans allowance recipients whose income is below $105 per month are being assisted under the guaranteed income supplement program.

Motion agreed to and the house adjourned at 10.26 p.m.

HOUSE OF COMMONS

Friday, November 10, 1967

The house met at 11 a.m.

HOUSE OF COMMONS

RULING BY MR. SPEAKER ON QUESTION OF PRIVILEGE BY MEMBER FOR LAPOINTE

Mr. Speaker: Order. Yesterday at the end of the question period the hon. member for Lapointe (Mr. Grégoire), rose on a question of privilege regarding a statement made in the course of a question posed by the hon. member for Red Deer (Mr. Thompson). At that time I asked the indulgence of hon. members to give me an opportunity to study the record. Having done so I am now in a position to make a judgment. Are hon. members now prepared to hear the ruling I now have before me?

Some hon. Members: Agreed.

Mr. Knowles: Proceed.

Mr. Speaker: Yesterday in addressing a question to the right hon. Prime Minister the hon. member for Red Deer referred to the conduct of the hon. member for Lapointe. Whereupon the hon. member for Lapointe requested the Chair to consider whether there was a breach of the privileges of this house when the hon. member for Red Deer made certain allegations with respect to the hon. member for Lapointe.

It would appear to the Chair that the question raised by the hon. member for Lapointe is in essence a point of order rather than a question of privilege. It seems to the Chair that the words used by the hon. member for Red Deer were unparliamentary and should not have been used under the guise of a question addressed to the ministry to formulate a charge, however indirect it may be, against another member of this house.

Our precedents are clear and of long standing. In this regard I can do no better than cite a portion of a well known ruling by Mr. Speaker Michener which is recorded at pages 583 and 584 of the *Journals* of Friday, June 19, 1959, which in part reads as follows:

> It has been strongly urged by some members that the house should not set in motion its power to try and to judge the conduct of a member unless such member is charged with a specific offence. It is urged further that not only must he be charged, but that he must be charged by a member of the House of Commons standing in his place.
>
> In my view, simple justice requires that no honourable member should have to submit to investigation of his conduct by the house or a committee until he has been charged with an offence.

The proper procedure therefore is that such matters be raised by way of question of privilege followed by a motion. If the hon. member wishes to make a specific charge he will have to give consideration to the formulating of his charge on a question of privilege followed by an appropriate motion. For the time being the hon. member for Red Deer did not make a specific charge set forth in a motion. Since in my view the words used by him yesterday were unparliamentary, I would ask him to assist the Chair in maintaining the proprieties of this house and withdraw the expressions used by him yesterday.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I listened with great respect to the ruling you have just given. As I read the question I placed yesterday I must agree that I did not raise a question of privilege or make a motion; I did not intend to do so. I merely asked the Prime Minister whether anything was being done concerning the situation regarding the hon. member for Lapointe who, as I said—

> —not only has violated his oath but has placed the honour of every member of the house in question—

If such a question directed to the right hon. Prime Minister is in your opinion something that should not have been said, I will be happy to withdraw the statement on that basis. I have to agree with Your Honour, in that you have said I had made no charge. I said merely that the hon. member had violated the oath he took when he assumed his seat in this house. All of us have taken this oath, and I should like to repeat it to Your Honour. It begins:

> I do swear that I will be faithful and bear true allegiance to Her Majesty—

• (11:10 a.m.)

Mr. Speaker: Order, please. The hon. member has said that he wants to refer to the oath. I think all hon. members know what

this oath states. The point is that the hon. member for Red Deer stated that another hon. member had violated his oath, whatever that oath may be. I suggest to the hon. member for Red Deer and all hon. members that this cannot be done without following the proper procedures. It is as simple as this. The hon. member for Red Deer knows what procedure he has to follow if he wants to pursue the matter.

Mr. Thompson: I said earlier, Mr. Speaker, that I did not intend to raise this matter as a question of privilege or make a motion because I do not believe that is the responsibility of a member of the house. But I do believe that the honour of every member who has taken the oath of allegiance and assumed his seat in the house—

Mr. Speaker: Order, please. I gave the hon. member for Red Deer an opportunity to make comments to the house before I gave my ruling. I suggest to him that it is not proper and that it is not in accordance with the practice of the house for an hon. member to rise after a ruling has been given and comment on the ruling. I respectfully suggest to the hon. member that the procedure is very simple. I have ruled that the words used should not have been used in that form, and I am sure the hon. member will agree that the expression should be withdrawn.

Mr. Thompson: I think I did withdraw the statement, Mr. Speaker, if in your opinion the question I asked yesterday constituted a charge. On the basis of Your Honour's ruling I have no alternative but to withdraw it, but I must protest and say that I was only asking a question on a matter that I believed concerned every hon. member.

FINANCE, TRADE AND ECONOMIC AFFAIRS

FIFTH REPORT OF STANDING COMMITTEE

Mr. H. E. Gray (Essex West): Mr. Speaker, I have the honour to present the fifth report of the standing committee on finance, trade and economic affairs, returning to the house Bill No. S-11, respecting Principal Life Insurance Company of Canada—

[*Translation*]

—As usual, the motion is written in French and in English.

[Mr. Speaker.]

[*English*]

FINANCE

ANNOUNCEMENT OF NEW FISCAL MEASURES AND TAX INCREASES

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, I should like to make a brief statement concerning the fiscal position of the government which I will be discussing with the finance ministers of the provinces next week. The government has decided to introduce new fiscal measures, including temporary tax increases, later this month. The government proposes that the arrangements for introducing and debating these be the subject of consultation through the usual channels.

These tax measures will be part of an integrated program to check the inflation of prices and costs now occurring in Canada and reduce excessive pressures on our capital markets. Higher taxes in the coming year will be a better and fairer means of covering our expenditures than attempting to increase our borrowing to levels that could only be reached by inflationary methods that would increase prices further.

Prices and costs are rising at rates which clearly require some restraint through fiscal policy as well as by other means. When our proposed tax increases are combined with restrictions on government spending programs and substantial reductions in our lending programs, the government will be able to hold its over-all net cash requirements and its consequent demands on the capital market to less than $750 million in the next fiscal year apart from unforeseen changes in our exchange reserves.

This is less than half our cash requirements this year. The government has also decided that budgetary expenditures next year, apart from medicare and apart from the writing off in our accounts of Expo deficits, will be held to $10,300 million. This means that we will limit the increase in expenditures to about 4.5 per cent between this year and next, a rate of increase less than half those in recent years.

To the extent that medicare proceeds next year we will, as already indicated, introduce further taxes to meet the cost or make offsetting reductions in existing expenditure programs. We will not increase our borrowings to finance it.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, the minister's carefully worded statement gives emphasis to the serious position in which the country finds itself at this

time, and gives emphasis to the remarks that have been addressed to the government from financial experts and from hon. members in the house which, I can recall, were treated with contempt not so long ago by the hon. member for Davenport (Mr. Gordon), who said everything was rosy and that he was not worried at all about the situation. This was the reaction of the former minister of finance.

We do not know the exact nature of the tax increases, and I find the statement by the Minister of Finance to be an odd way of proceeding. The minister should have announced that he would make a budget speech on a certain night. I think this would assure the country that these matters were being attended to finally. It would have been far better had the minister stated that one week from next Monday or next Thursday he would make a budget speech, at which time he would disclose the tax increases.

Mr. Sharp: May I just ask the hon. member a question. Does he not think it would be desirable, as I said in my statement, for this to be a matter of consultation among the parties in the house?

Mr. Lambert: Again it is difficult for me to say, not having seen the minister's statement in advance.

Mr. Starr: The government is again absconding from its responsibilities.

Mr. Lambert: But I must say that we are in a very singular position, and on behalf of my colleagues and myself I must reserve our position until we have studied the minister's statement. May I say, for instance, that the Minister of National Health and Welfare will be absolutely astounded at the fact that additional taxes will be imposed to cover the cost of the medicare program after it has been said that this will not be done. The minister tells us that to the extent that medicare is implemented additional taxes will have to be imposed. All he is doing is agreeing with what was said at the time the medicare proposal was introduced by the government. I must say that we find ourselves this morning in an extraordinary position.

Mr. T. C. Douglas (Burnaby-Coquitlam): For weeks the members of this party have been urging the Minister of Finance to make a statement on what measures the government proposes to introduce to deal with the very serious inflationary situation which obtains in this country, and the minister has constantly delayed doing so. Now he has made a statement in this very strange and unusual manner. He has told the house that we are going to have some temporary tax increases brought down, but he did not say when. This creates a great deal of uncertainty in the country and particularly in the business community.

The minister says he is prepared to have consultation with respect to the time when this will be done. I submit that the time for consultation was before the minister made his announcement this morning, so that today he could have announced that on a specific date he would bring down a supplementary budget. We have now become accustomed to supplementary budgets. The minister brought down a budget in 1966 and then had to correct it by a mini-budget in the fall of 1966. He brought down a budget in 1967 and now apparently is going to bring down another budget to offset the damage done by the first one, and this is being done even before the first budget has passed through the house. Surely what we are witnessing is the need for action on the part of the government at the present time as they flounder around in a morass of ineptitude.

• (11:20 a.m.)

The minister has announced really two things. The first is that he is going to have to introduce some temporary tax increases. It will be remembered that the minister had one temporary tax increase before, when he introduced the 10 per cent refundable tax on corporation profits. This was later cancelled. However, a very considerable sum of money was collected and I think we have a right to know, and to know very soon, whether that money is going to be refunded in view of the inflationary effect such action would have. I think we want to know also, if there are going to be any temporary tax increases, what particular segments of the Canadian economy are going to bear the burden of these tax increases.

The other thing the minister has announced is that he wants to have some restraint on the demands on the capital market, and he is seeking to work out some arrangements with the provincial governments in this regard. I presume such arrangements will extend down to municipal governments as well. I feel there are two points which have to be kept in mind here. The first is, are all the restraints on access to the capital market to apply only to the public sector of the economy? All across this country high rise,

air conditioned office buildings are being constructed, supermarkets are being built, motels and hotels are being constructed, some of which could be postponed. There is little value in asking the various governments, federal, provincial and municipal to restrain their demands on the capital market if the private sector of the economy is to continue to invade the capital market and continue this inflationary trend.

Mr. Speaker: Order. I think I have to remind the hon. member that according to the standing order the comments to be made should be brief. Perhaps the hon. member for Burnaby-Coquitlam could bear that in mind.

Mr. Douglas: In view of the unusual statement which has been made by the minister, and his failure to proceed in the proper way, it seems to me that some statement is necessary. The concluding remark I wanted to make was that I hope when the minister brings down his statement he will keep in mind the fact that cutting down capital expenditures, without some restraint on the private sector, will have an effect on the employment situation in this country. Unemployment in October is up 60,000 over last year. Employment in the construction industry has fallen by 33,000 in the past month, particularly in the field of house construction. It should be kept in mind that the government should not take steps now which might have been applicable six months ago but which taken now will create further unemployment in midwinter.

I hope the government is now going to grapple with the problems with which they should have been grappling several months ago. I hope we will have this statement fairly soon. So far as we are concerned, we feel that the government's immobility and impotence has been demonstrated in the past few months and we fear the steps they are going to take now are going to be too little and too late.

[*Translation*]

Mr. Gérard Laprise (Chapleau): Mr. Speaker, we have just heard from the Minister of Finance (Mr. Sharp) a very carefully worded announcement that is most significant for the Canadian people. On the eve of Remembrance Day Canadians will have to mark another day of mourning. On the whole, the minister announces another austerity program.

Not so long ago, on June 24, 1962, when the Conservative prime minister of the time announced a mock austerity program, I recall hearing the Liberal members raise a hue and cry against the administration. Today, we are at the same point as we were then, which means, Mr. Speaker, that the more things change, the more they are the same. The minister announced that to remedy the situation and prevent the constant increase in the cost of living, he will levy temporary taxes. Now we know that there is nothing more permanent than what is temporary.

The minister wants to fight the rise in the cost of living by increasing the taxes, even though everyone knows that every rise in the cost of living brings about a decrease in the consumers' purchasing power. That is why, I wonder how the government hopes to ease the economic depression we are facing with such methods.

Therefore, Mr. Speaker, I have little hope that the situation will improve, because the government has no true solution to the present problem.

[*English*]

Mr. Howard Johnston (Okanagan-Revelstoke): Mr. Speaker, it is difficult indeed to comment on so important a topic as the one raised by the Minister of Finance this morning. This is particularly so when one has had no advance notice of the announcement, and when the minister started off so discreetly and gently and in such a quiet voice that one realized only part way through his statement the seriousness of the problem being raised.

The government has produced a financial crisis. One wonders how much more serious it is than the indication we have been given in this most unusual notice this morning. There have been clear warnings in the past. One also wonders whether the policies this government has implemented that have brought us to a crisis in national unity are producing the massive outflow of capital from this country that has been suggested in the last few days.

I suggest that this question of a budget should be clearly and quickly discussed with the house leaders of the other parties. Perhaps the crisis has reached the point where we will need some form of national government. Maybe the government is prepared to go to the people shortly with the financial crisis as the basis for a very sudden election. There is a great deal more involved here, Mr. Speaker, than a gentle warning that taxes will rise and expenditures cut. Consultation is absolutely necessary, and I trust that this

consultation will be of a kind enabling us to ascertain more of the nature of the crisis than was indicated in the announcement of the minister this morning.

BRITISH NORTH AMERICA ACT

AMENDMENT RESPECTING PUBLICATIONS IN BOTH LANGUAGES

Mr. Raymond Rock (Jacques-Cartier-Lasalle) moved for leave to introduce a bill to amend the British North America Act, 1867 and Publication of Statutes Act (proceedings to be printed in French and English on the same page).

Some hon. Members: Explain.

Mr. Rock: Mr. Speaker, the purpose of this bill is to provide for a readily available translation of the debates, bills, records, etc. Precedence in this regard goes way back, as shown in the British Statutes at Large, volume 1, wherein the printing was in both English and French on the same pages from about 1275 during the reign of King Edward I (Statutes of Westminster) up to 1460 in the reign of King Henry VI, and previously to this in English and Latin.

The province of Quebec has been printing its statutes, bills, municipal code, etc. in both French and English on the same pages. The passage of this bill would enhance the bilingual character of parliament and of Canada.

Mr. Speaker: Is it the pleasure of the house that the hon. member shall have leave to introduce the said bill?

• (11:30 a.m.)

Hon. Gordon Churchill (Winnipeg South Centre): No, Mr. Speaker. I am sorry to raise an objection, but I feel we should be careful about this matter. Enlarging the scope of the statute in the way the hon. member suggests will seriously hamper the work of those who must deal with statutes. I understand that a proposal is under consideration to print the Revised Statutes of Canada in both languages in the same volumes. Well, sir, this will add an enormous burden to the work of those who deal with statutes. Quite seriously, on that ground I suggest that this bill ought not to be given first reading at the present time.

Mr. Rock: With respect, Mr. Speaker, for a number of years the province of Quebec has printed its statutes in the way I suggest the federal publications ought to be printed, and I submit that this bill ought to be given first reading. There is information to show that it will not cost the government more money to print this matter in French and English in one volume than to print it in both languages under separate covers. I submit that there will be no added expenditure if the matter is placed under one cover.

Mr. Speaker: Order, please. The hon. member for Winnipeg South Centre has raised an interesting point. Obviously a measure cannot be moved by a private member if it includes a money provision. I think it might be well to leave the matter in abeyance. I might look more closely at the bill before it is submitted to the house for consideration.

[*Translation*]

BRITISH COLUMBIA—YUKON—NORTHWEST TERRITORIES BOUNDARY ACT

ADOPTION OF BOUNDARIES AS SURVEYED AND MARKED

Hon. Jean Marchand (for Mr. Pepin) moved the first reading of Bill No. S-19 (Senate) entitled: "An Act respecting the boundary between the Province of British Columbia and the Yukon and Northwest Territories".

Motion agreed to and bill read the first time.

[*English*]

FINANCE

STATEMENT BY FINANCE MINISTER—MOTION FOR ADJOURNMENT UNDER STANDING ORDER 26

Hon. Michael Starr (Leader of the Opposition): Mr. Speaker, under the provisions of standing order 26 I beg leave to move the adjournment of the house for the purpose of discussing a matter of definite and urgent public importance, namely the indication of the serious national financial crisis contained in the statement made a few minutes ago by the Minister of Finance and the impropriety of his announcing tax increases in this manner. We have just heard—

Mr. Speaker: Order, please. The hon. member may wish to address the Chair and house on the question of urgency of debate. I expect the hon. member realizes that he may have a difficult hurdle to overcome because in the minister's announcement provision

was made for the matter to be considered next week.

Some hon. Members: Oh, oh.

Mr. Speaker: Order, please. The hon. member might address the Chair on that point.

Mr. Starr: In my opinion the urgency of the matter is this. The Minister of Finance has taken the extraordinary step of standing up, after motions had been called, and announcing in the House of Commons that additional taxes are to be imposed on the Canadian people without going into details about when they are to be imposed and what they are. That announcement was made during a day when the markets are open for business.

Some hon. Members: Hear, hear.

Mr. Starr: The minister thereby has created chaos in the economy of this country. That chaos will persist until the minister gives complete details of his intentions, in what areas he proposes to raise taxes and by how much he is to raise taxes. Yet again he is to burden the taxpayer of this country with additional taxes, and the urgency of the matter is so great that we ought to hear complete details of his intentions.

The minister has left the matter hanging; it will remain hanging over the week end and our people will be left wondering what the minister has in mind. His statement was a serious blow to all Canadians in this country. That is the urgent aspect, and that is why the matter ought to be debated at this time. The people of Canada have the right to know what is in store for them. Has the minister's announcement been brought about because of bankruptcy facing this country? Canadians are entitled to know whether their country is bankrupt. They are entitled to know what is behind the government's action which will add to their burdens. The taxpayers of this country already are overburdened.

Mr. Nielsen: The minister should resign.

Mr. Starr: He has a responsibility to explain what is happening.

Mr. Nielsen: He should resign.

Mr. Starr: The minister has a responsibility to explain, particularly since the week end lies ahead and since the markets are open now. Unless there is an explanation, chaos will reign. For all our sakes as well as for the minister's, Your Honour ought to give us an opportunity to discuss this matter at this time. All Canadians have the right to know what is in the minister's mind.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I support this motion, and I submit that the matter is urgent. In my opinion the Minister of Finance has said either too much or too little. For the minister to rise on motions and tell the house and country that taxes are to be increased without saying what that increase will be, and without giving us any idea of what supplementary measures will accompany such an increase in taxation, is bound to cause widespread confusion.

Since the minister made his statement at a time of day when the markets are open, when general consternation will be caused among those trading in stocks and bonds, we may take it that something is seriously wrong. The minister has not told us enough, or he has told us too much. Had the minister wanted to introduce a measure to raise taxes surely he would have consulted with the opposition parties and arranged for time to be set aside for its introduction. A statement might have been made then.

The minister has not done that. For reasons best known to himself he rose on motions and told the house and country that taxes are to be increased. The public, I think, has a right to a much fuller explanation from the minister. Only if Your Honour allows the matter to be debated can the minister make a full statement to the house and clarify what has happened. Only in that way can the question he has raised in the minds of hon. members and of the Canadian people generally be answered.

Mr. Howard Johnston (Okanagan-Revelstoke): I rise briefly, Mr. Speaker, to support the motion for adjournment of debate. The afternoon is short and the business before the house cannot compare in importance with financial crisis that the Minister of Finance suggested exists this morning. I feel it is important for us to hear more from him on this matter. Were the other business adjourned he would have an opportunity to inform us.

Hon. E. D. Fulton (Kamloops): Mr. Speaker, there can be no question, I am sure, but that we are dealing with an urgent situation. On the question of urgency of debate, may I direct Your Honour's attention to the wording of the motion moved by the Leader of the Opposition. You will note, sir, that the motion does not seek to discuss the statement

of the Minister of Finance. It has been said that we shall have an opportunity to discuss it, although the time is not specified. But that is not the point of the motion. The motion seeks to discuss the indications of the serious national financial crisis contained in the minister's statement, which was made on motions, as well as the impropriety of making at this time and in this manner a statement which forecasts an increase of taxes. Those two matters are urgent and they ought to be discussed now.

It is urgent to discuss them so the confusion and consternation the minister's statement will have already created in the financial markets of this country may be arrested. The minister cannot fob us off by saying "You will have an opportunity next week, perhaps, to discuss my tax proposals." A discussion then will not prevent the consternation presently felt in the financial markets and will not deal with the urgency of that matter. A debate now will not give the minister a chance to retrieve himself—he cannot do that—but it will enable us to minimize the chaos that his statement, made at this time and in this manner, undoubtedly has created.

• (11:40 a.m.)

The only way that can be done, in my submission, is by the government through the minister telling the house what measures are proposed, and giving us the precise background in order that the country and the financial markets will know what the situation is, and in order that the reaction of the markets and the country may be intelligently geared to the actual situation and not to the speculation which is bound to exist if there is not an explanation. In this way the house can hold the minister and the government accountable for this unprecedented conduct in announcing tax increases at this time and in this manner, seeking to leave things in confusion and uncertainty until, in the government's good time, it is prepared to let parliament discuss the proposed measures.

For these reasons it is urgent to debate this now, and this urgency cannot be met by allowing the minister to calmly come along and say we can discuss this next Thursday night. The implications for the country are too serious to allow that course to be followed. The situation can only be met by a debate at this time, today and now.

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, perhaps the statement I have made here today will make it evident why the Prime Minister asked some of his colleagues to stay around on this occasion.

Mr. Starr: Is that the only reason?

Mr. Sharp: Yes, the only reason. It has been urged by speakers on the other side that somehow in making this statement today I have produced chaos, as they say, in the financial markets, and that by announcing I am going to be bringing further financial measures before this house I have somehow broken all the precedents and somehow started a new wave of uncertainty in the market.

Hon. gentlemen opposite know this is not true. Every time I make an announcement that I intend to bring down a budget on a particular day exactly the same sort of situation is created. Moreover, in respect of the suggestion that it is unprecedented, for me to announce an intention to ask for further revenues, let me point out to hon. members opposite and yourself, sir, that I have done this on at least one occasion during the time I have been the Minister of Finance, and that was when I said I intended to bring in measures to finance the supplement to the old age pension. These are specious arguments.

May I also add that I regret very much that hon. members opposite on such an occasion should go out of their way to create a feeling of uncertainty and a lack of confidence that my statement was intended to offset—

Some hon. Members: Oh, oh.

Mr. Sharp: Hon. members opposite have been asking me day after day for weeks to make a more definite statement. Now that I have done so they object and say I am creating increased uncertainty. Finally, Mr. Speaker, without straying from the point of urgency—

An hon. Member: You have already strayed.

Mr. Sharp: The reason I said the government proposes that the arrangements for consideration of these measures should be a matter of consultation is that, as the house knows, we are already in the committee of ways and means. Therefore the procedure can be associated with an ordinary budget or otherwise. There is no uncertainty on the part of the government as to timing; there will be plenty of opportunity for these measures to be discussed.

Statement by Finance Minister

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, the minister has not answered the question as to the urgency of debate; he has tried to justify his action. I dispute his statement that he has not created confusion. It is absolutely urgent that we discuss this matter at this time, whether or not there will be an opportunity to discuss it in the future as a result of negotiations. That is very indefinite; we do not know when or under what circumstances there will be an opportunity to debate the question which has now arisen.

I urge upon Your Honour that this whole matter, having arisen as a result of the minister's statement on motions at a time when the markets are open, should be discussed now. The fact that these questions will be discussed with representatives of the provinces will in itself occasion further leaks. The place where announcements of this kind should be discussed is in this house itself. These matters must be debated here. The propriety of this matter and the manner in which this has been done is doubtful. The markets are now open and this sort of action will allow all sorts of things to take place. This action is quite wrong. In light of other matters now before the house, which we must debate at this time, I urge upon Your Honour to allow this motion.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I must say that the conduct of the government today would make a speechless member rise in his place.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: I have never seen the like of this. I doubt whether there is another example of this anywhere. The government has gone from blunder to blunder. It now says, as a result of blunders to date, parliament is not now to have the right to discuss what this government has in mind. The minister says we will have an opportunity, possibly next week, after consultation with members of the opposition, to debate this matter. What specious nonsense is that?

The minister states that from time to time in the past when he announced his intention to bring down a budget, there was naturally a feeling of uncertainty in the country, but that cannot be compared with the present situation. Is what has taken place today the result of something that occurred in the last few hours to bring this government to its senses? The government refuses to tell the people of Canada what has taken place.

[Mr. Sharp.]

The action of the government today will bring about results that one can only measure in imagination unless there is a discussion to clarify the situation. If the government knows where it is going it should let parliament know. Silence now can only lead to uncertainty, the financial consequences of which are bound to be something we have not seen in this country, before. Why does the government not come clean and give us the facts? Why does the minister say that things which have taken place recently make necessary an increase in taxation to meet a situation which has been developing and expanding at a galloping rate for the last year? Why do we have this silence?

I suggest to the government and to you, sir, that this is an occasion when there must be a debate or the results will be damaging to our country to a degree unprecedented in proportion.

• (11:50 a.m.)

Then the minister has the colossal nerve to say the opposition is to blame. We are to blame for daring to ask this government for information. The minister has opened the door; he has drawn back the curtain. Everybody has known that the government has been in difficulties for the last six months, yet the minister has gone his way. Today he announces that next week or some time in the future he is going to let parliament and the people in on the information they have the right to have today.

If ever there was urgency of debate, sir, it is now. There should be no delay until next week in giving this house the information the minister must have. Did the crisis develop while some ministers were almost en route and in flight? They were called home. They are now here. There can be no delay until next week.

What has happened? Why cannot the minister give us today the story of what has taken place in the last few hours which apparently impels him pell-mell to cast parliamentary government overboard? He must know now. We have the right to this information, Mr. Speaker. If ever there was a case made out not only of urgency but urgency of debate, it is this. Wait four or five more days and this country will be in a turmoil.

Some hon. Members: Hear, hear.

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, after listening to the former prime minister of this country I shall be very brief. There are two thoughts in connection with

urgency of debate that I wish to put before the house. The first is that last week—this is what makes the matter even more urgent—the Minister of Finance was in the city of Calgary and told the Young Liberal Association that he would have to increase taxes. So he actually announced his mini-budget in Calgary. Second, this announcement was made on motions, and Your Honour has ruled on many occasions that we cannot debate matters on motions. The only way we can debate this matter, as the former prime minister said, is by doing it today, because it is an urgent matter and it is imperative that we debate it now.

I said the same thing yesterday when the government reopened the discussion we had in the house 18 months ago. These are the reasons why this matter is urgent; the highest interest rates in 40 years, no housing, the highest cost of living, loss of markets—

Mr. Speaker: Order, please. I wonder whether the hon. member is not straying quite a distance from the point. I have the impression that after all the speeches have been made there will be nothing for the Chair to consider because we will then have had a debate.

Mr. Woolliams: I appreciate what Your Honour has said, but I mention these problems to show how urgent the matter really is. The fact that the Minister of Finance rose and debated it shows that he himself believes a debate should take place today.

Hon. L. T. Pennell (Solicitor General): Mr. Speaker, I wish to bring the attention of the house back to the rules of the house. Citation 100 of Beauchesne states very clearly that urgency does not apply to the matter itself but means urgency of debate, when the ordinary opportunities provided by the rules of the house do not permit the subject to be debated. Clearly the statement of the Minister of Finance tells us that an opportunity will be provided for debate. The minister's statement said in part "The government has decided to introduce new fiscal measures, including temporary tax increases, later this month."

I am reinforced in that argument by paragraph 8 of citation 100 which says it is not contemplated "that a question of very wide scope, which would demand legislation to deal with it in any effective manner, should be the subject of discussion on a motion for the adjournment of the house" under standing order 26.

Again, Mr. Speaker, the minister has indicated that legislative action will be taken. I wish to state plainly, shortly and simply that the motion moved by the hon. member for Ontario does not come within the ambit of citation 100.

[*Translation*]

Mr. Gérard Laprise (Chapleau): Mr. Speaker, following the last intervention, I would like also to give my opinion on the urgency of debate.

I think that it would be more urgent to discuss the statement made a few minutes ago by the Minister of Finance and Receiver General (Mr. Sharp) than to pursue the debate on the abolition of the death penalty. Some people are anxious to spare some criminals, but I am convinced that the situation of the consumers, of the Canadian public, is more worthy of immediate attention than that of the criminals.

As for the urgency of the matter, I wonder, Mr. Speaker, whether it would not be more urgent for the Prime Minister himself to give his own resignation and that of his cabinet, and to call a general election as soon as possible, so that the matter can be discussed before the whole Canadian people. I think that would be more urgent than anything else.

[*English*]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, there are just two points I should like to make in support of our contention that there is urgency of debate on this issue. One of the points I wish to make has been brought to the attention of the house by the statement the Minister of Finance made when he spoke in this debate. I took it, when he said in his statement on motions that there would be discussion among the house leaders as to the time to debate these matters, that this meant that as house leaders we would consider just that, namely the time when there would be a budget debate as provided by the rules of the house.

But the minister said in his second statement that what he had in mind was that the house leaders might discuss whether a debate is necessary at all in view of the fact that we are already in committee of ways and means on the resolutions presented last June. Mr. Speaker, do you see what is being proposed? It is being proposed that the House of Commons, with Mr. Speaker in the chair, may not have a chance at all to debate this set of

proposals. The minister's hope is that the house leaders will agree that since we are in committee of ways and means, we will just stay there and deal with the measures that he places before us.

The Solicitor General just now said he thought this motion was out of order because the Minister of Finance had already announced that there would be an opportunity to debate the measure. I suggest the Minister of Finance has made it very clear that he does not want the House of Commons, with Mr. Speaker in the chair, to have a chance to discuss this matter at all. That being the case, it seems to me we are entitled to have this discussion today.

I agree with those who have stressed the urgency of the matter because of the unsettling effect of this announcement, and all that; but I add one other point. Indeed, I said there were just two points that I wanted to make. I gather that the Minister of Finance, when he meets with the finance ministers of the provinces, is not going to sit there like a bump on a log; he is going to tell them something. I suggest that the first responsibility of a minister is to parliament, and he should be telling us before he tells the provinces.

For these two reasons, because we have not been guaranteed a debate at all on this measure with the Speaker in the chair and because we have the right as parliament to have information on this matter from the Minister of Finance before he meets with the provinces, we ought to have this debate today.

Mr. Hees: Mr. Speaker—

Mr. Speaker: Order, please. I wonder if it is the wish of hon. members that we have further contributions to the debate. It is not my intention to cut off hon. members, but I see four or five members have indicated their intention of taking part in this procedural debate and I doubt whether new arguments can be advanced. But again, I do not wish to place myself in the position where it can be suggested that I have cut off debate unduly.

Mr. Hees: I will take just about one minute, Mr. Speaker.

Mr. Speaker: The hon. member for Lapointe.

[Mr. Knowles.]

• (12 noon)

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, I simply want to put forward two arguments in support of the urgency of the debate.

The hon. Minister of Finance (Mr. Sharp) himself saw fit to mention that the right. hon. Prime Minister has asked his ministers to remain in Ottawa for the week-end on account of the announcement which the minister has just made. If the right hon. Prime Minister thinks it urgent and necessary to ask all the ministers to remain here all week-end, Mr. Speaker, the situation must be serious indeed. The whole matter must be extremely urgent, and the financial situation in the country must be exceedingly precarious if 22 ministers are ordered to remain in Ottawa on account of that statement.

Thus, the urgency of dealing with the economic and financial situation in Canada is made evident by the fact that, as in wartime or during very extreme and momentous circumstances, the whole cabinet is ordered to remain in Ottawa. The Minister of Finance and the Prime Minister themselves have indicated the urgency of the matter; if the situation is that critical, it is just as urgent that parliament should know what is in store.

I, for one, should like to know before the week-end what disasters await us, since all the ministers have to remain in Ottawa during the week-end. What is going to happen?

You can imagine the rumours that will spread around the country, when it is known that the cabinet will stay here to consider a very serious situation, of which parliament has no inkling. This adds to the urgency of the debate today. If not, all the ministers would not be ordered to stay here, like a war-time cabinet.

Mr. Speaker, you realize that the Minister of Finance and the Prime Minister themselves have stressed the urgency and the seriousness of the problem. What can be expected during the week-end? The cabinet will sit all through the week-end. Why? Because the situation is serious and disastrous; what cataclysm is in store for us? As you can see, Mr. Speaker, a debate is urgent, because the cabinet itself recognizes it, since all the ministers have to stay here.

The second point I wanted to make is that never before in our history has a Minister of Finance taken pleasure in allowing the anxiety caused by tax increases to persist.

Now, the present minister is doing just that. He announces it, then he proceeds to do it, in two stages. A tax increase being a painful operation, it should be sufficient to announce it once, when it becomes effective. It seems that the minister is indulging in masochism and tries to harm himself by first announcing an increase in taxes and then increasing them.

If the minister deemed it advisable to announce the tax increase in two stages, instead of one, it is that he recognizes the situation as serious. Mr. Speaker, as all businessman in Canada will see it immediately he wants to reassure the creditors of the present government that funds will increase, thanks to new taxes. The Minister of Finance is besieged by creditors, but he cannot pay. So, he says: We will raise taxes, and to indicate his intentions, he announced those tax increases today in order to reassure the government's creditors.

This matter has become urgent, to the point that it should, undoubtedly, be debated no later than today.

Mr. Speaker: I should like to remind the hon. members that this discussion has now lasted nearly an hour. I now recognize the hon. member for Northumberland.

[*English*]

Hon. George Hees (Northumberland): Mr. Speaker, there are two reasons why this matter must be debated today, and both have to do with the financial stability of this country. The fact that the Minister of Finance has announced on the spur of the moment that he must raise taxes has greatly alarmed those people who are active in the financial affairs of the country. In my view the fact that he is not going to explain in the near future why he intends to bring in these measures will cause irreparable damage. He must seize the opportunity to do so today, take the country into his confidence, and explain to us why he must introduce these measures and what are the circumstances forcing him to do so.

The second reason for debating this matter today is, as the minister stated, that he first intends to discuss these matters with the provinces. He will discuss with them what taxes he intends to impose. We all know that when a federal-provincial conference is held in Ottawa there are immediate and simultaneous leaks. It has been the case previously that as soon as those discussing these matters have left the meeting room, information has been leaked to the press and these leaks have received widespread publicity.

This method of dealing with a matter of this urgency is not good enough. For these two reasons, and for the many others that were mentioned today, a debate on this subject must take place right now in the interests of this country.

Mr. Bert Leboe (Cariboo): Mr. Speaker, I will only speak for a moment. I would like to call the attention of the house to citation 100 (2). This is in answer to the plea made by the Solicitor General. The citation reads as follows:

> The "definite matter of urgent public importance", for the discussion of which the adjournment of the House may be moved under Standing Order 26, must be so pressing that public interest will suffer if it is not given immediate attention.

Paragraph 3 of the same citation reads:

> "Urgency" within this rule does not apply to the matter itself, but it means "urgency of debate", when the ordinary opportunities provided by the rules of the House do not permit the subject to be brought on early enough and public interest demands that discussion take place immediately.

The only decision you have to make, Mr. Speaker, is whether or not the public is going to suffer.

Mr. Speaker: I thank hon. members for their helpful contributions. I believe I must express the thought, which I stated a moment ago, that the discussion we have had centred on whether we should have a debate, and hon. members were to advise the Chair. I have the feeling that many of the contributions, perhaps rightly so in view of the importance of the matter, dealt not only with the strict procedural point before the house but also with the substance of the matter. I feel that a number of hon. members who took part in the debate did have an opportunity to express their views about the substance of the situation before us.

Hon. members know that under standing order 26 adjournment motions should not be accepted except in very extreme circumstances. Some hon. members might consider that this is the type of circumstance which would require such a motion to be granted, but I have my doubts about it. Our parliamentary system is based on the premise that the business of the house is dictated from day to day by the government. It is the government's responsibility to bring down

the business which they feel should be considered and debated by the house. As I have said, in my humble opinion there would be a great deal of disorder and disorganization if all the motions for adjournment that are made every week were granted.

The hon. member for Prince Albert said that there will be serious results from the minister's announcement on motions. On the other hand some hon. members, particularly the hon. member for Bow River, indicated that the subject matter of the minister's announcement has been discussed before. To my mind this throws some doubt on the question of urgency of debate today.

In looking over the specific motion submitted to the Chair by the Leader of the Opposition, it seems to me that there is one real point in it which has to be considered by the Chair, namely, whether the house should be adjourned for the purpose of discussing the propriety of the minister making his statement on motions at this time. I think this is a very relevant point and of course it becomes a matter of opinion. Essentially it is a motion of censure against the minister. As hon. members know, according to the rules this type of motion can only be proposed by way of a substantive motion.

• (12:10 p.m.)

My original statement that there will be an early opportunity to discuss this subject matter did not appear to be received with great enthusiasm by some hon. members. However, I am afraid I have to repeat it and go to citation No. 100, paragraph 3 of Beauchesne, fourth edition, which states that this kind of motion should be granted only when there will not be an early opportunity for debate. It is extremely difficult for me to know when this will be—Monday, perhaps Tuesday or later on. I find it difficult to judge. On the other hand, I have to interpret the statement as indicating that there will be an early opportunity to decide the matter raised in the motion of the Leader of the Opposition. As to the second part which deals with the propriety of the minister making a statement on motions at this time I have to rule that this is essentially a censure motion which can only be made in the usual way by substantive motion.

FINANCE

REQUEST FOR DETAILS OF PROPOSED FISCAL MEASURES

On the orders of the day:

Hon. E. D. Fulton (Kamloops): Mr. Speaker, may I ask the Minister of Finance a question in the light of reports which have already come in as to the serious consequences, in the financial markets of Canada, of the statement just made by the minister in the manner he did. Will the minister, to minimize these consequences, take the house and therefore the country into his confidence by letting us know the details of the tax measures proposed and the timing of them and also the details of the reduction in the government's spending program to which he referred?

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, I shall be discussing that with my colleagues and I hope there will also be an opportunity of discussing with the leaders of the other parties in the house both the time and the manner in which I shall make my statement about tax changes. Perhaps it will be in the form of another budgetary message; perhaps it could be in another form in view of the fact that we are now in committee of ways and means. That is the only point I had in mind in saying I thought this would be the subject of consultation.

We shall be bringing forward our proposals as we would if we were bringing down another budget in the sense that we shall make both the nature of the changes and the general financial position of the government known at that time. I did feel it would be very desirable in view of the questions which had been raised both here in the house and elsewhere that I should make it known now that we are bringing down supplementary tax measures, which I did, and second, that we should declare very clearly, so that financial markets and the country at large would understand, what our general objectives are, namely, a limitation upon our expenditure and a limitation upon our borrowing. It is very desirable that this should be known to the house before I have discussions with the provinces. It is absolutely essential in these circumstances that the government should give strong leadership.

Some hon. Members: Hear, hear.

Some hon. Members: Oh, oh.

Mr. Sharp: It has been urged upon the government by members opposite that we should give leadership. When we do we are accused—

Some hon. Members: Oh, oh.

Mr. Speaker: Order. Hon. members will agree that some leniency should be shown both to the hon. member who asked the

question and to the minister in his reply in view of the importance of this matter and in view of the fact that I took it upon myself to refuse the motion.

Mr. Fulton: The purpose of my question was precisely to see whether we could get some leadership from the government at this time. The minister must have misunderstood. What I am asking him now is to take the only action possible to restore order to the financial markets of Canada which are already showing signs of disorder consequent upon his statement this morning. Will he show some leadership now and let the house know what are the measures he proposes and what are the savings in current spending he has in mind?

Mr. Sharp: The statements I made today are intended and are likely to have a stabilizing influence upon our financial markets.

Some hon. Members: Hear, hear.

Mr. Sharp: They can have no other effect except in so far as they are misinterpreted by the opposition which, I regret to say, is acting in a most irresponsible way.

Some hon. Members: Hear, hear.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, in view of the undoubted speculation and possible confusion which may arise out of the minister's announcement that there are to be tax increases, can the minister tell us when he intends to introduce these measures for tax increases? Can he give us a specific date so that members of the house and the public may know when this announcement is likely to be made in precise terms?

Mr. Sharp: As I said in my statement I think it will be later this month. I will announce the exact date in due course.

Mr. Douglas: In view of the importance of having a full debate on whatever the government's fiscal measures may be, will the minister undertake that these measures will be introduced as a proper budget with the Speaker in the chair?

Mr. Sharp: I can assure the house that if that is the wish of hon. gentlemen opposite it will be the action of the government.

Mr. Starr: Where is your leadership now?

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, the minister indicated that his colleagues would come to a decision as to the form of presentation, and that there would then be consultation. When does the cabinet intend to consult the other party leaders? Will it be this afternoon, Monday, or the week after?

Mr. Sharp: The government has in mind a time for the presentation of these measures—

Mr. Churchill: When is it?

Mr. Sharp: —but in view of the other urgent business before the house—

Mr. Starr: What is more urgent?

Mr. Sharp: —the government was reluctant to take a decision, without consultation with members opposite, that there should be a budgetary debate of the ordinary length. However, if hon. members wish to use time for that purpose, certainly the government will be willing to go along.

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I should like to ask the Minister of Finance a more or less philosophical question in the light of his announcement this morning. Will the veterans and their dependants be justified in continuing to look to future events with optimism?

Mr. Sharp: Yes, Mr. Speaker.

Some hon. Members: Hear, hear.

Hon. D. S. Harkness (Calgary North): Mr. Speaker, in view of the fact that the minister stated one of his objectives was to reduce the demand on the money markets, is the hon. gentleman now in a position to inform us how successful the Canada savings bond campaign has been in comparison with former years and, particularly, how much new money he estimates will come in from this source?

Mr. Sharp: I am not yet in a position to say. I am getting current reports and when I am in a position to make a statement I shall do so.

Mr. Harkness: Will the minister be in a position to make an early, comprehensive statement along these lines when he introduces his budget next week?

Mr. Sharp: I expect that when I introduce these supplementary measures I shall give a complete account of the financial position of the government.

Inquiries of the Ministry

Mr. J. P. Nowlan (Digby-Annapolis-Kings): Mr. Speaker, in view of the reply the minister gave a moment ago and in view of his well known fondness for priorities, can the hon. gentleman tell the house where he puts the balance as between a capital crisis and capital punishment?

[*Translation*]

Mr. Speaker: Does the hon. member for Chapleau (Mr. Laprise) wish to ask a supplementary question?

Mr. Gilles Grégoire (Lapointe): A supplementary question, Mr. Speaker.

[*English*]

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I wish to ask the Minister of Finance whether he will be proposing measures to restrain the demands of the private sector of the economy on the money market along with the restraints on the public sector which he has indicated.

Mr. Sharp: Perhaps I can answer that question by saying that one of the main objectives both of the statement I made yesterday and of the message I shall be bringing down is to relieve the pressure on interest rates so that home owners can get their money more cheaply.

Some hon. Members: Hear, hear.

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, I would like to ask the Minister of Finance a supplementary question. Could he tell us if Canada's stupid financial difficulties might be due to the Quebec premier's visit to New York financial circles?

[*English*]

Hon. George Hees (Northumberland): May I ask a supplementary question of the Prime Minister. Does he consider that the continuation of a debate on a subject decided upon 18 months ago is more important than continuing today to discuss the most important financial questions that have faced the country for some time?

Mr. Speaker: Order. This is the same, in different terms, as another question which was asked a moment ago.

Mr. Hees: Mr. Speaker, I should like to direct another question to the Minister of Finance. In view of the fact it is becoming more and more evident that the demand for parity between United States wages and Canadian wages is going to extend to far more industries than the automotive industry and that such parity will require a great deal more productivity in this country than is the case at the present time, could the minister disclose next week what steps the government intends to take to increase productivity in this country?

Mr. Sharp: Mr. Speaker, I share the concern of the hon. member about the trend in the productivity of this country. The government has a great many measures directed to this end. The hon. gentleman is always emphasizing tax incentives. I do not consider they would be the best way. I have the problem under constant review, as have other ministers of the government.

Mr. Hees: I am quite happy to have the minister outline any additional suggestions the government may have to achieve the end we all have in mind, increasing productivity, and that is why I have asked the minister to make a statement next week.

Mr. E. Nasserden (Rosthern): Mr. Speaker, I should like to direct a question to the Prime Minister. Does the statement made by the Minister of Finance today represent the considered and unanimous opinion of the cabinet as a whole?

Mr. Speaker: Order, please.

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, my question is also directed to the Minister of Finance. In view of the situation described today by him will he seek the agreement of the provinces at the forthcoming meeting of provincial finance ministers to establish planning priorities in the economic and social fields?

Mr. Sharp: Mr. Speaker, I am glad of this question because it enables me to answer another question. We will not be discussing tax changes with the provinces. That is the prerogative of this house and I never, under any circumstances, inform anybody of the tax proposals I am going to lay before the house. We will certainly be discussing, however, the question of spending priorities.

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, in view of the last statement by the Minister of Finance I would ask him to take the house into his confidence now and tell us whether he did not, last week in the city of Calgary, announce that taxes would be increased, and does he really feel that was proper for a man in his position?

Mr. Sharp: I rise on a question of privilege, Mr. Speaker. When I was in Calgary the only statement made about taxes was a statement that I and many members of this government have made recently, that to the extent that medicare is implemented taxes will be raised. We have always said that and that continues to be government policy.

Mr. Erik Nielsen (Yukon): Mr. Speaker, may I ask a supplementary question. In the light of the announcement made by the Minister of Finance today, has the government reached the decision to extend the implementation of medicare beyond the target date, July 1 next year?

Right Hon. L. B. Pearson (Prime Minister): The legislation is still in effect and contains that date.

Mr. Nielsen: May I ask a supplementary question of the Prime Minister. Is it the intention of the government to amend the medicare bill before its implementation next July?

Mr. Pearson: I dealt with that question, Mr. Speaker.

Mr. H. R. Ballard (Calgary South): Mr. Speaker, I should like to direct a question to the Minister of Finance. In view of his acknowledgement this morning that a financial crisis exists in the country, I wonder whether he can announce to the house now any reduction of government expenditures in the current fiscal year on behalf of the federal government?

Mr. Sharp: Mr. Speaker, I deny the implication of a financial crisis. The purpose of these measures is to see that our finances remain sound and that the Canadian dollar continues to have the reputation it has enjoyed for so many years.

Mr. Ballard: I would like to direct a supplementary question to the Prime Minister. In view of the events this morning, I wonder whether he does not regret his decision to keep all his cabinet ministers in Ottawa over the week end?

Mr. Speaker: Order, please.

[*Translation*]

[*Later:*]

Mr. Gaston Clermont (Labelle): Mr. Speaker, I should like to put a question to the Minister of Finance. Since he made his announcement to the house, has the minister received any information, as suggested by the hon. member for Kamloops (Mr. Fulton), about an unfavourable reaction from the investment and bond markets?

[*English*]

Mr. Sharp: Mr. Speaker, the information I have received is that the bond market has improved somewhat.

Mr. Nasserden: Mr. Speaker, my question is for the Minister of Finance. Is it a fact that one of the prime considerations compelling the minister's statement today has been the pressure on the value of the Canadian dollar?

Mr. Speaker: Order, please.

Mr. Sharp: No, Mr. Speaker, that is not so.

Mr. Speaker: Order, please. That is what might be termed a leading question.

Mr. Ed. Schreyer (Springfield): My question is for the Minister of Finance, Mr. Speaker. Can the minister say whether the intention with respect to changes in the government's fiscal policy is to bring about an attempt to reduce in a proportionate way demands on the capital market with respect to—

Mr. Speaker: Order, please. The hon. member is asking a question that is much too general. I fail to see how the hon. member can ask such a question during the question period.

[*Translation*]

FAMILY ALLOWANCES

QUEBEC—PAYMENTS FOR INDIAN SCHOOL CHILDREN AT STE-THÉRÈSE DE FORT GEORGE

On the orders of the day:

Mr. Gérard Laprise (Chapleau): Mr. Speaker, I should like to put a question to the Minister of Indian Affairs and Northern Development. Could the minister tell us why Indian parents of children attending St. Theresa Catholic school in Fort George are deprived of social and family allowances?

Mr. Speaker: I suggest that the member should place this question on the order paper.

Mr. Laprise: Mr. Speaker, this is a very urgent question because, according to a communication I received this morning, there is blackmailing in that area, and I would like to know from the minister whether or not the rumour is true.

Inquiries of the Ministry

Mr. Speaker: The member has made representations to the minister, and I take it for granted that they will be taken into consideration immediately.

[*English*]

EXTERNAL AFFAIRS

ESTABLISHMENT OF GOVERNMENT OFFICE IN FRANCE BY QUEBEC

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I should like to direct my question to the Prime Minister. It relates to the fact that several weeks ago the Secretary of State for External Affairs stated that the government was examining the announcement made by the French minister of information with regard to the establishment of an intergovernmental department between the province of Quebec and the government of France. In view of the fact that one Maurice Jacquinot has been appointed by the Quebec minister of youth and sports to establish an office of his department in Paris and that this same Maurice Jacquinot has also assumed the post of secretary general of the political action committee for the independence of Quebec in France as announced in Paris—

Mr. Speaker: Order. I wonder whether the hon. member would ask a question. It seems to me he is making a speech at the present time.

Mr. Thompson: My question is simply this. Has the government made a decision regarding the constitutional validity of such an office in a foreign country, particularly when the man appointed to that office is also acting on behalf of a separatist organization, as the hon. member for Lapointe announced?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I have nothing to say about the man himself who is alleged to have been appointed. I do not know anything about him. However, it is not unusual for provincial governments to have representatives of departments of those governments in foreign countries.

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, I wish to direct a supplementary question to the Prime Minister.

Could he tell us if the money coming from France for a political movement is more closely watched than that coming from large American and British industries which contribute to the election funds of the two main political parties, even to those of the party of the hon. member for Red Deer?

Mr. Speaker: Order.

[*English*]

FARM MACHINERY

CONSIDERATION BY ROYAL COMMISSION OF WAGE DEMANDS

On the orders of the day:

Mr. W. H. Jorgenson (Provencher): Mr. Speaker, I have a supplementary question for the Prime Minister. According to news reports the workers in the farm implement industry will be seeking wage adjustments similar to those achieved by the united auto workers. Can the Prime Minister give us an assurance that an unwarranted increase in the prices of farm machinery will not take place as a result of this demand?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, all I can say on that point at this moment is to call my hon. friend's attention to the fact that the question of parity of wages in the automotive industry was linked with productivity.

Mr. Jorgenson: Would the Prime Minister refer the implications of this demand to the commission that is currently studying the price of farm machinery?

Mr. Pearson: I would be glad to do that, Mr. Speaker. I would think that would be one of the matters they certainly would be discussing, but I would be glad to bring my hon. friend's remarks to their attention.

BUSINESS OF THE HOUSE

MATTERS TO BE CONSIDERED ON MONDAY, NOVEMBER 13

On the orders of the day:

Hon. Michael Starr (Leader of the Opposition): Mr. Speaker, may I ask the Solicitor General, in his capacity as acting government house leader, to indicate, for the purpose of good order and preparation, what the government's intentions are for Monday and Tuesday in so far as the work of the house is concerned?

Hon. L. T. Pennell (Solicitor General): Mr. Speaker, it is proposed to call item No. 35 on the order paper, second reading of Bill No. C-164, to amend the Industrial Development Bank Act. This will be followed by item No. 4, third reading of Bill No. C-150, to establish the Canada manpower and immigration

council, and then item No. 38, second reading of Bill No. C-168, to amend the Criminal Code.

As for the business on Tuesday, I prefer to wait the return of the government house leader who will no doubt be in touch with the leaders of the several parties on Monday.

AGRICULTURE

QUEBEC—STATEMENT ON INQUIRY AS TO ASSISTANCE TO FARMERS

On the orders of the day:

Mr. Bruce S. Beer (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, yesterday the hon. member for Portneuf asked me a question in the absence of the Minister of Agriculture. I am prepared to inform him that no representation has been made by the province of Quebec in respect of his question.

LABOUR CONDITIONS

WINNIPEG—ASSISTANCE FOR EMPLOYEES OF ROYAL ALEXANDRA HOTEL

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Manpower and Immigration. In view of the fact that the Canadian Pacific Railway hotel, the Royal Alexandra, an old landmark in Winnipeg, is to be closed, will the minister make the good offices of his department available to the 100 or more employees who will be put out of work by this closure?

Hon. Jean Marchand (Minister of Manpower and Immigration): Mr. Speaker, this is the first time I have heard that this hotel is going to be closed. Of course the services of the department will be offered to these employees.

[*Translation*]

QUEBEC—INQUIRY AS TO STEPS TO MEET UNEMPLOYMENT SITUATION

On the orders of the day:

Hon. Théogène Ricard (Saint-Hyacinthe-Bagot): Mr. Speaker, I wish to put a question to the Minister of Manpower and Immigration:

In view of the recent statement by Mr. Lucien Saulnier, chairman of the executive committee of the city of Montreal, expressing concern over the constant increase in unemployment in that area, is it the minister's intention to meet him immediately to elaborate plans whereby the city of Montreal and the federal government might relieve the situation?

Hon. Jean Marchand (Minister of Manpower and Immigration): Mr. Speaker, if Mr. Saulnier feels that he should meet the Minister of Manpower and Immigration or his officials, I am entirely at his disposal.

[*English*]

DISCUSSIONS RESPECTING LAY-OFFS OF RAILWAY EMPLOYEES

On the orders of the day:

Mr. Robert C. Coates (Cumberland): Mr. Speaker, I have a question for the Prime Minister. What action is the government taking to meet the serious situation created by substantial lay-offs of railway workers? Are the Minister of Transport and the Minister of Labour discussing this matter with the presidents of the two railway companies?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, every possible action is being taken, but I will be glad to talk to the Minister of Labour and to the Minister of Transport on the specific question immediately.

Mr. Coates: I have a supplementary question for the Minister of Labour. Would the Minister of Labour indicate what he is doing about this serious situation?

Hon. J. R. Nicholson (Minister of Labour): Mr. Speaker, meetings took place yesterday under the chairmanship of the Minister of Transport at which there were representatives of the railways, of my department and of the department of manpower, who have a very special interest in this problem. This matter was discussed and I can say, as the hon. member was assured by the Prime Minister, that every action is being taken that the circumstances warrant.

Mr. Coates: A further supplementary question to the Minister of Labour, Mr. Speaker. Could the minister indicate whether he or any of his colleagues met with the two presidents of the major railways to discuss this problem?

Mr. Donald MacInnis (Cape Breton South): Mr. Speaker, I have a supplementary question arising out of the answer of the minister to the question asked by the hon. member for Cumberland. The hon. member asked whether the minister had met with the railway presidents and the Minister of Labour answered in such a way that the only interpretation that could be put upon it was that

he and his colleague had met with the railway presidents.

Mr. Speaker: Order.

Mr. MacInnis (Cape Breton South): Is this the case, or have they yet met with the presidents of the railways?

Mr. Speaker: Order. The hon. member is simply repeating the question asked by the hon. member for Cumberland.

Mr. Nielsen: Where is the answer?

Mr. Speaker: It is not the responsibility of the Chair to see that an answer is given. If after a question is asked there is no answer then we go on to another question.

Mr. MacInnis (Cape Breton South): On a point of order, Mr. Speaker, the responsibility of a minister in answering, if he so chooses, any question put in this house is to answer it accurately. The Minister of Labour was far from accurate.

MANPOWER

REPORTED CLOSING OF IMMIGRANT TRAINING CENTRES

On the orders of the day:

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I have a question for the Minister of Manpower and Immigration arising out of a matter raised by the hon. member for Burnaby-Coquitlam. Have the Riverdale Collegiate training centre and the Castle Frank training centre for immigrants or other training centres for immigrants been closed down? If so, is this due, as Mr. Fenwick has said, to the government's austerity program?

Mr. Speaker: Order. I doubt that the second part of the question can be asked. The hon. member is asking for an opinion. I have the impression that the first question has already been asked.

Mr. Brewin: May I ask the first question, then? Perhaps the minister will tell the house whether these centres have in fact been closed.

Hon. Jean Marchand (Minister of Manpower and Immigration): Mr. Speaker, I will take this question as notice and answer it on Monday.

Mr. T. C. Douglas (Burnaby-Coquitlam): A supplementary question, Mr. Speaker. May I ask the minister about other statements that have been made by Mr. Fenwick with respect to the curtailment of the manpower training program, which has been reduced from some 2,000 referrals in April to 500 in September? May I also ask the minister about the statement made by Mr. Raymond Poirier, manager of the manpower training centre in Montreal, that out of 63,000 unemployed in Montreal—

Mr. Speaker: Order. The hon. member should ask a question.

Mr. Douglas: May I ask whether it is true that out of 63,000 unemployed in Montreal only 1,000 are receiving training? May I ask the minister to tell the house whether or not the program is being curtailed at the very time that unemployment is rising?

[*Translation*]

Mr. Marchand: I also take this question as notice and I will reply on Monday.

[*English*]

Mr. Ed. Schreyer (Springfield): I should like to direct my question to the Minister of Manpower and Immigration. Has it been brought to his attention that the basic grading features of literacy and skill in the manpower training program have been drastically cut back and reduced in different parts of the country? If the minister is aware of this reduction in manpower training program offerings, can the minister tell us why this is the case?

Mr. Speaker: Order. I fail to see how this type of question can be asked as an oral question at this time.

CANADIAN NATIONAL RAILWAYS

FEDERAL REPRESENTATION AT MEETING RESPECTING ATLANTIC REGION LAY-OFFS

On the orders of the day:

Mr. Robert Muir (Cape Breton North and Victoria): Mr. Speaker, my question is for the Minister of Transport but in his absence may I direct it to the Prime Minister.

Yesterday I asked the Minister of Transport whether he would be present at a mass meeting to be held this coming Sunday in Sydney regarding the drastic lay-offs of C.N.R. employees in the Atlantic region, and at that time the minister said he would not be present. I presume he planned on being in western Canada. As a supplementary question I asked whether the government would

be represented and the minister advised that he would take the question as notice.

Mr. Speaker: Order. Would the hon. member ask a question. I do not think much is to be gained by repeating in full what was said yesterday.

Mr. Muir (Cape Breton North and Victoria): You will understand, Mr. Speaker, that I had to elaborate the question for the right hon. gentleman. May I ask the Prime Minister whether a government representative is going to be present at the mass meeting to be held in Sydney on Sunday?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I will be glad to discuss the matter with the Minister of Transport, who my hon. friend will be glad to know is in the Atlantic provinces.

Mr. Muir (Cape Breton North and Victoria): A supplementary question, Mr. Speaker. Since the Prime Minister has apparently been successful in ordering the Minister of Transport not to go west to further his own personal ambitions—

Some hon. Members: Oh, oh.

Mr. Speaker: Order. The hon. member for Springfield.

Mr. Muir (Cape Breton North and Victoria): A supplementary question, Mr. Speaker.

Mr. Speaker: I did not realize that the hon. member wanted to ask a supplementary question. If he does I will recognize him.

Mr. Muir (Cape Breton North and Victoria): Thank you, Mr. Speaker; I do have a supplementary. May I ask the right hon. gentleman whether he would order the minister to stay in the east and attend this meeting at Sydney on Sunday?

Mr. MacInnis (Cape Breton South): A further supplementary, Mr. Speaker.

Mr. Speaker: Order. The hon. member for Springfield has been trying to get the floor and perhaps we had better pass on to another matter.

Mr. MacInnis (Cape Breton South): I have been trying to ask a question for some time, Mr. Speaker.

Mr. Speaker: Order. I think when the Chair recognizes an hon. member others should give him the opportunity to be heard.

Mr. Muir (Cape Breton North and Victoria): Mr. Speaker, my question is for the Minister of Manpower and Immigration. In view of the serious unemployment in the Atlantic provinces and the lay-offs of Canadian National employees, is the minister going to attend the coming meeting at Sydney which is to deal with this most serious subject?

Hon. Jean Marchand (Minister of Manpower and Immigration): Mr. Speaker, it is not my intention to attend that meeting.

[*Translation*]

EXTERNAL AID

ASSISTANCE TO COUNTRIES PARTICIPATING IN EXPO

On the orders of the day:

Mr. Roland Godin (Portneuf): Mr. Speaker, my question is intended for the hon. Secretary of State for External Affairs, but in his absence I will direct it to the right hon. Prime Minister.

In view of the fact that, under the Colombo plan, many countries in the world receive millions of dollars in aid from the Canadian government, would the right hon. Prime Minister tell us whether Canada has been asked to make special grants to some of the countries represented at Expo '67?

Mr. Speaker: I think the question is too general. I suggest to the hon. member that he could more properly put it on the order paper.

[*English*]

CANADA LABOUR CODE

INQUIRY AS TO PROCLAMATION OF LEGISLATION

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, my question is directed to the Minister of Labour and it relates to the Canada Labour (Safety) Code which was passed last December. Can the minister now say when this legislation will be proclaimed and when the regulations under it will be put into effect?

Hon. J. R. Nicholson (Minister of Labour): Mr. Speaker, earlier in the year, replying to a question in the house, I said that our objective was to have the legislation proclaimed and publish the regulations before the end of the year. There has been no change in that timetable so far as I know.

FINANCE

CONSIDERATION BY PARLIAMENT OF WHITE PAPER ON FOREIGN INVESTMENT

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, in the absence of the President of the Privy Council may I ask the Minister of Finance to indicate whether, when the white paper on foreign investment is submitted to the government, it will be submitted to parliament at the same time.

Hon. Mitchell Sharp (Minister of Finance): I will direct that inquiry, Mr. Speaker, to the President of the Privy Council.

Mr. Starr: Do you know where he is?

Mr. Sharp: Yes.

CRIMINAL CODE

AMENDMENTS RESPECTING DEATH SENTENCE AND LIFE IMPRISONMENT

The house resumed, from Thursday, November 9, consideration of the motion of Mr. Pennell for the second reading of Bill No. C-168, to amend the Criminal Code.

Mr. H. E. Stafford (Elgin): Mr. Speaker, when the house rose last night I was attempting to deal with what I believe to be the mistaken arguments of the hon. member for Northumberland (Mr. Hees) who said in so many words that the retentionists must keep society safe. I pointed out that the abolitionists have an equal concern and interest in the welfare and safety of society.

The retentionists feel that we must continue to resort to what amounts to the last remaining vestige of the law of retaliation—a life for a life. The abolitionists feel that the same end can be accomplished by a sentence of life imprisonment. The onus is clearly on the retentionists to prove that the death sentence is a more effective deterrent than life imprisonment. If they fail to do this it is the duty of this house to pass Bill C-168. A democracy must never impose a greater sentence on one of its people than the minimum necessary to act as the most effective deterrent.

Last night the hon. member for Northumberland left the impression with the house that prisoners serving commuted death sentences are released after nine years. Not one person convicted of capital murder under the 1961 amendment to the Criminal Code has ever been released, for the simple reason that not one is eligible for parole. In addition, he completely ignored that scores of convicted murderers never have been released. He did not say that in 1964 and 1965 only five prisoners whose death sentences had been commuted were released. The hon. member for Northumberland overlooked another point. The regulations under the Parole Act now provide that in a case where the death penalty has been commuted to life imprisonment the inmate cannot be paroled without a recommendation of the parole board and approval of the cabinet and that the parole board cannot make any recommendation until after the inmate has served ten years of his sentence.

I share the sympathy of the hon. member for Northumberland for the family of the merchant who was murdered last Wednesday in Toronto. The hon. member did not mention that in 1959, when he was in the government, the death sentence, which was in force at that time, did not prevent a 73 year old storekeeper from being murdered. In the years 1958 and 1959 there were 33 murderers sentenced to death. The hon. member for Northumberland did not tell the house why this happened at a time—I am speaking of the period which ended on June 30, 1957—when 61.6 per cent of those convicted were hanged.

The hon. member gave a definition of capital murder that was not quite complete. He said that capital murder is murder that is committed in cold blood, murder that is carefully thought out and decided well ahead of time. Capital murder also includes murder committed in the course of an offence such as burglary, whether or not the person means to cause death and whether or not he knows that death is likely to be caused, where the criminal means to cause bodily harm for the purpose of carrying out the offence. The point I am making is that the hon. member directed the attention of the house to the cold, planned, deliberate murder and overlooked the other aspect of capital murder.

The members who spoke yesterday in favour of retention say that the subject matter of this bill has already been decided on by the vote on April 5, 1966. They are obviously disregarding the fact that the bill is being debated in accordance with the rules of the house and that there are obvious differences between the private member's resolution of that time and Bill C-168.

As I pointed out to the house last night, the generalizations of the hon. members who spoke yesterday are only personal opinions

which do not prove the case for retention. I, for one, do not feel that the personal opinions and intuitions of hon. members, unsupported by any real statistical evidence, are as persuasive as the thoroughly documented conclusions of the royal commission on capital punishment and the analytical findings of the many specialists who have concluded that capital punishment cannot be shown to be a unique deterrent to murder.

During the last debate in the house on the abolition of capital punishment, in late March and early April of 1966, 41 members spoke in favour of abolition and 57 spoke in favour of retention. At that time the retentionists relied on the traditional theories prevalent in English jurisprudence a century ago. The traditional theories expressed by those members who spoke in favour of retention were that capital punishment is a necessary deterrent, that society is protected by the removal of the offender and that the onus of reform is on those who favour abolition.

Perhaps I can best illustrate this conclusion by direct reference to some of the statements previously made by those who spoke in this house in favour of retention. The hon. member for Swift Current-Maple Creek (Mr. McIntosh) in his speech asked:

> Who could give the assurance to society that the convicted murderer would not repeat his crime?

The hon. member for Bow River (Mr. Woolliams) in his speech said:

> I do not know whether capital punishment is a deterrent. I do not think anybody in this house can prove it is or not.

In the same speech he also said:

> My heart is with the advocates of complete abolition...

The hon. member went on to say:

> This is no time to mollycoddle those vicious, corrupt, evil men whose sole purpose is to destroy Canada and society.

The hon. member for Acadia (Mr. Horner) concluded his speech by asserting:

> I certainly feel that if we in this house vote in favour of this resolution, we will be doing a disservice to society, and in fact weakening the moral fibre on which we depend so much to protect ourselves and the citizens of this country.

• (12:50 p.m.)

The hon. member for Red Deer (Mr. Thompson) said:

> Capital punishment is necessary for the good of society.

The hon. member for Winnipeg South Centre (Mr. Churchill) had this to say:

> To say that the death penalty is no deterrent is to say that men do not fear death. This, to me, is incredible.

In this instance the hon. member missed the point. Men who plan murder do not expect to face death, as they do not expect to be caught.

Mr. Churchill: Will the hon. member accept a question? He quoted me a moment ago and then he said that men who commit murder do not fear the death penalty. How does he know?

Mr. Stafford: If the hon. member can assure me that when my time has expired the house will give me unanimous consent to continue, I would be glad to answer questions for as long as he likes. As things are, I shall hardly have time in which to finish my own speech.

Mr. Churchill: You evaded the point very well.

Mr. Stafford: I was about to quote the hon. member for Saint John-Albert (Mr. Bell) who said:

> Capital punishment still represents necessary protection for our social order... If I have to choose between the protection of society and the convicted murderer, I am on the side of society.

Here the hon. member missed the point. We are all on the side of society. It is like saying that we are all for motherhood. There is an alternative to the death sentence—life imprisonment.

The hon. member for Prince Edward-Lennox (Mr. Alkenbrack) stated:

> My constituents did not send me to Ottawa to sit in this parliament in order to weaken or to tear down the Statutes of Canada by doing away with any of these laws.

This hon. member too missed the point. He was sent here to amend and strengthen the laws. He said further:

> This is Canada, 1966; if we grant too much leniency and liberty within the social system our political system will suffer, and possibly perish.

I say this is Canada, 1967. I say that we must cast aside the antiquated arguments, theories and ideas of the retentionists and apply to this present-day problem a reasoning based upon modern concepts of criminology and sociology. Today we have a wealth of research and information at our immediate disposal on which to base reform, and we need not and should not retain our

old laws for the sake of retention. I do not know of any leading North American criminologist who is in favour of capital punishment. Thorsten Sellin, professor of sociology at the University of Pennsylvania and perhaps the leading criminologist in the United States, speaking in Toronto on February 7, 1965, on the subject of capital punishment said:

> It is an archaic system of primitive origin that has disappeared in most civilized countries, and is withering away in the rest.

In the debate much was said of the law as it existed in England 100 years ago when 200 offences were punishable by death. As civilization advanced, juries refused to convict simply because the death penalty imposed was out of line with any concept of the minimum necessary to act as a deterrent. So there was an incredible situation in England during the last half of the nineteenth century when one might say unquestionably that juries fraudulently acquitted persons appearing before them. For example, a man charged with stealing 20 shillings, a crime punishable by death, was convicted of stealing 19 shillings and sixpence. Nevertheless, each bill which was introduced in the British House of Commons in those days to abolish the death penalty was opposed by retentionists using the same arguments as we hear today.

A similar situation exists in Canada today with regard to capital punishment inasmuch as juries sometimes compromise and convict an accused of the lesser offence of non-capital murder. Surely critics of this bill would prefer that juries should properly convict, bearing in mind the added safeguard it would provide in that the accused would be imprisoned for life; he could not be released without cabinet approval. As long as capital punishment is retained, juries will decline to convict in many circumstances where they ought to convict. Persons thus found guilty of non-capital murder may be prematurely released under National Parole Board regulations.

I cannot agree with the hon. member for Prince Edward-Lennox when he stated in his speech:

> There is no record and there is no proof that an innocent man has ever been executed for murder.

In the 98 speeches made in this house during the last debate on the abolition of capital punishment, numerous instances were given of innocent men who had been executed. Many volumes have been written on the execution of innocent people. The pardon granted to Timothy Evans a dozen years after he was hanged may have been a very admirable gesture by the British House of Commons, but it was of little practical value to Mr. Evans. Two eminent British jurists, Lord Birkenhead and Lord Shaw, both agree that innocent men have been convicted of murder and executed.

Many persons convicted of capital murder cannot afford the cost of an extensive investigation, and in most cases such an investigation comes to an abrupt halt on the execution of the offender. I would think the possibility of wrongful conviction for capital murder would provide a strong incentive for hon. members to support this bill, especially since we heard so much about the sanctity of human life from the advocates of retention during the last debate.

I certainly do not agree with the member for Saint John-Albert when he said:

> —the onus of proof is still on the abolitionists.

I maintain that the onus is on those who advocate retention to prove that capital punishment is an effective or unique deterrent to murder. Criminologists are against capital punishment because it has not been demonstrated that it is more of a deterrent than the lesser punishment of life imprisonment.

The Wolfenden committee on homosexual and prostitution offences in 1957 was the first real effort to determine the fundamental basis of the criminal law. The whole thrust of criminology since then has been founded on the proposition that the criminal law is a sociological device to prevent acts which are harmful to the community. The second thrust is that, given the harmful act, parliament must decide the most civilized minimum penalty which is a sufficient deterrent against the commission of this offence. A penalty which goes any farther than this is barbaric and is punishment merely to punish.

During this century we have seen the development of many new laws which were non-existent before, for example, those affecting highway traffic, drug additiction, aviation and liquor control. The principle evolved for devising penalties for infractions of these laws is to decide the most just, sensible and economical penalty which will serve as a deterrent.

Mr. Speaker: Order. I regret to have to advise the hon. member that it is one o'clock

—unless it is the intention of the house to allow the hon. member to finish his speech.

An hon. Member: One o'clock.

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2.30 p.m.

The Acting Speaker (Mr. Rinfret): Order. When the house suspended its sitting at one o'clock the hon. member for Elgin had the floor. However, I believe the hon. member for York-Humber has risen in his place.

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

The Acting Speaker (Mr. Rinfret): The hon. member for York-Humber on a question of privilege.

Mr. Cowan: Mr. Speaker, I am rising on a question of privilege in regard to a matter which does not please me because I hold the Solicitor General in such high regard, always have and always will. But because of a proverb which we all know that error flies around the world while truth is putting on her sandals, I wish to refer to some comments made yesterday during the introduction of this bill. The hon. member for Bow River, as reported on page 4085 of *Hansard*, made this statement:

> From April 16, 1963 to September 30, 1967—this was about the time when the offence of murder was divided into capital and non-capital murder—there were 27 convictions in cases of murder but none received the death penalty because the sentences were all commuted.

As reported on page 4086 of *Hansard* the same hon. member also said:

> Does the minister mean to tell us that of the 27 accused who have been sentenced, not one has killed a prison guard or police officer?

Following that, as found on the same page the Solicitor General said:

> I know of no convicted murderer who has been convicted for murdering a prison guard or policeman.

Mr. Speaker, the Solicitor General is held in such high regard throughout the country and his words carry such weight that they should bear fact. I know he must have made a slip when he gave that answer to the hon. member for Bow River. I have in my hand here a statement indicating that on June 1, 1949—

The Acting Speaker (Mr. Rinfret): May I ask the hon. member for York-Humber to state his question of privilege?

Mr. Cowan: Mr. Speaker, my question of privilege is that the Solicitor General in that respect has failed to remind the hon. member for Bow River that Marcotte, the Santa Claus murderer, killed two policemen, which the Solicitor General must know, that Colpitts killed a prison guard at Dorchester, which the Solicitor General must also know, and that at Winnipeg, Manitoba, a policeman killed two women between 1929 and 1944, the second when he was on parole from a life sentence.

I just wish to point out that there are cases in Canada of murderers killing policemen and murderers killing prison guards who have had their life sentences commuted despite this statement by the Solicitor General which appears on page 4086.

Mr. Pennell: Mr. Speaker, in rising on the question of privilege I wish to thank my long-time and warm friend, the hon. member for York-Humber, for bringing this matter to my attention. He spoke to me just before the house rose for the luncheon adjournment.

• (2:40 p.m.)

After looking at *Hansard* it is clear I should have said that no person previously convicted of murder in Canada and released had murdered a prison guard or policeman. The hon. member read *Hansard* literally and the words are perhaps subject to the interpretation he places on them. I acknowledge that fact. In reading the remarks in context with what I said it is clear that I meant no person previously convicted of murder and subsequently released had murdered a prison guard or a policeman. If I have misled the hon. member or any member of the house I apologize.

Mr. Stafford: Mr. Speaker, my speech on capital punishment, like Gaul, has been divided into three parts. It might well be compared with the most elementary lesson in composition; the introduction, the body and the conclusion.

When the house rose at one o'clock for the noon adjournment I was discussing the principles used in determining the proper penalties for the contravention of new laws as they arise, such as highway traffic and aviation laws which did not exist a century ago. In such cases penalties are fixed which will be the minimum necessary to act as a deterrent. If it is later demonstrated that the

penalty under the statute is not a sufficient deterrent, the onus is on those who seek a higher penalty to prove that this is necessary. For the state to act otherwise is a violation of the very principles of our democracy and a mockery of justice.

The trouble with the existing legislation concerning capital murder is that it starts the other way around. We start with the maximum penalty, capital punishment. The retentionists claim that the onus is on the abolitionist to show that capital punishment should be reduced to life imprisonment. This violates the basic principles of our criminal law.

Those who favour retention face another grave responsibility when they consider the defence of insanity set out in the Criminal Code. The defence of insanity is based on the M'Naghten rule which was enunciated in the last century. The M'Naghten rule is based on the Victorian concept of *mens rea*. The accused is legally sane under our Criminal Code if, at the instant the wrongful act was committed, he knew what he was doing. If capital punishment is retained, we must face the fact that we are willing to hang those who are medically insane and do not come under the defence in section 16 of the Criminal Code.

Hanging is a fixed penalty. It is a penalty which is imposed solely on the finding of guilt of the accused. In other crimes, after the finding of guilt there is a further inquiry in order to determine the most appropriate sentence with regard to all the circumstances of the case.

We all realize that the facts adduced at the trial to determine the guilt or innocence of the accused are by no means all the facts which are necessary for the judge to determine the proper sentence for the disposition of the offender. Yet if the accused is found guilty of capital murder he is immediately sentenced and the judge is required by law to sentence him to be hanged by the neck until he is dead.

A capital murder trial is always a difficult experience for the accused. What is to follow in the months ahead is even worse. After he is sentenced the convicted offender is led from the courtroom to his small cell, a light is placed outside the cell door in such a position that a guard can keep the neck and wrists of the accused in full view at all times, even when the condemned prisoner goes to the bathroom. If the conviction is appealed to the court of appeal of the province in which the accused was convicted and then to the Supreme Court of Canada, the months wear on. If the appeals are lost the accused is either reprieved or hanged.

I have never seen a hanging, but I have seen a condemned man facing the prospect of the gallows a few hours before the actual hanging. The torture of the condemned man waiting for such a brutal event is shared by his family, friends and everyone in the jail, including the other prisoners, the turnkeys and the guards. It reaches its peak as the hangman walks into the condemned man's cell where he has been held since his sentence. The final moments arrive, the hangman ties the prisoner's hands behind his back and leads him to the gallows. The hood, the rope—the rest is beyond description. The dead man is cut down; for him the terrible torture of months of waiting is all over. To the retentionist, justice has been done. To the abolitionist, injustice remains.

Retentionists continue to minimize the possibility of a man being wrongfully convicted for capital murder. No system of justice is perfect. The possibility of error in the disposition of any accused is ever present and murder is no exception. It is always difficult to rectify a wrongful conviction in any case, but the difficulty of such rectification is rather obvious when a man has been hanged for capital murder.

I remember hearing a report on the radio when I was a boy about a young American who was to be executed for murder in the United States. Just before his execution he prayed in his cell, not for himself but that his mother would live long enough to learn he was not guilty. Years later an uncle of the murdered girl confessed on his deathbed to the killing. His mother learned the truth, but this was small consolation to her son who had been put to death years before. A look at page five of this morning's *Globe and Mail* will provide hon. members with a recent example of a wrongful conviction in another country.

I would ask hon. members to study these cases and ask themselves, can we afford to hang those convicted of capital murder when the possibility of error is always present? Lord Sankey once said words to the effect that it is better that ten guilty men go free than that one innocent man be convicted.

Show me that the death penalty is a unique deterrent to capital murder and I shall vote for retention. None of the 57 members who spoke in favour of retention in the last debate gave any convincing statistics that capital punishment is a more effective

deterrent to murder than life imprisonment. The case for retention cannot be proved by personal opinions or the vague generalizations of those who have expressed their desire to retain capital punishment.

Parliament has a responsibility as the supreme legislative body. We must not be sidetracked by any false assumption. To do so is to abdicate our basic responsibility. We must never assume that capital punishment is right just because it exists.

The fact is that the statistics available indicate that life imprisonment is as effective a deterrent to murder as capital punishment. If this is so, it is our duty to abolish capital punishment. We must make certain that punishment for any crime is never excessive. The appropriate sentence is the minimum civilized penalty which is sufficient to achieve the objectives of the criminal law. We must go no further. This is the very essence of a democracy. It is for this reason I emphasize that the onus is on those favouring retention to prove that capital punishment is a more effective deterrent to murder than life imprisonment.

• (2:50 p.m.)

It has often been said that Canadians resist change. I hesitate to think that we will be the last free nation to abolish capital punishment. To date 45 jurisdictions have abolished the death penalty, in whole or in part, for the offence of murder. A United Nations report states that there is a major trend toward the abolition of capital punishment and urges member nations to question the death penalty as a means of discouraging crime.

The British royal commission of 1949 to 1953 studied the whole problem and concluded that there is no definite evidence that the abolition of capital punishment has led to any increase in the murder rate, nor its reintroduction to a fall in that rate. Furthermore, I do not know of a noted criminologist who has set out any convincing proof that capital punishment is a unique deterrent to murder.

I respect the personal opinions and feelings of the retentionists. In a matter which is as basic to our democracy as this, we must not sidestep the expert opinions of the criminologists and sociologists of our age and the wealth of experience of other nations in this field in favour of our own personal opinions without the facts to substantiate those opinions.

Fear was expressed by many hon. members who spoke in favour of retention of the danger of paroling a murderer. In general they are the least likely to recidivate. To my knowledge there have been in Canada only two cases of convicted murderers who have murdered the second time. Professor Sellin, in the speech I mentioned a few minutes ago, put it this way:

> The belief that a prisoner serving a sentence for capital murder presents a special danger is another myth. Experience shows the contrary. Homicides do occur in prisons, but they are almost never committed by those serving life sentences but by people committed for robbery, forgery or what have you.

Professor Sellin went on to say:

> Paroled murderers everywhere have the best record of all parolees. Very few of them are again convicted and then usually of relatively minor offences.

I like to think that our civilization is progressing. We can never show the world that we have a respect for human life if we pay only lip service to it.

Mr. F. J. Bigg (Athabasca): Mr. Speaker, I wish to begin my remarks by congratulating the minister on the very non-partisan manner in which he presented his bill and his very eloquent address in favour of the abolition of the death penalty. The minister has been criticized by some who have said he is unworthy of being a minister seized with the responsibility of carrying out the law of Canada to its final conclusion. The same criticism can no doubt be levelled at anybody who is a dyed-in-the-wool retentionist. I hope the debate will continue in this vein and that hon. members will refrain from making partisan remarks because we are endeavouring to consider both sides of the question fairly.

I am not impressed by the argument that because we decided this question 18 months ago we should leave the problem alone. Canadian jurisprudence is not bound by the laws of the Medes and Persians; rather, we are in an evolutionary process and I believe that the evolution in Canadian jurisprudence has been moving toward charity. If the evolutionary process has to move in one direction, I think that is the positive direction in which it should move.

Statistics can be used to prove any point. However, in all the correspondence, opinions and statistics I have read concerning murder I have not seen anything clearly proven except that the statistics do not make out a

clear case. I believe, with the small experience I have had in dealing with criminals, that the reason statistics lie is that we have probably been attacking this problem from the wrong direction. We work backward from the murder and try to figure out whether or not the fear of the rope might have prevented the crime and whether some change in the punishment would continue to deter if, in fact, it has any deterrent value at all.

I do not believe that capital punishment has any deterrent value whatsoever. I believe that the criminal mind is so designed, as are the minds of most people in the human race, that there is in it a feeling of self-preservation, a feeling of indestructibility. Nature has implanted this instinct so deeply in us that it is very difficult for a sane man to imagine himself as a corpse, whether it be on the end of a rope or anywhere else. The hope that springs eternal in the human breast is to preserve one's life, and this gives human beings a completely blind spot in that they disregard the fact that one may have to pay the supreme penalty for one's crime.

If a person has talked to a condemned man I am sure he has discovered that even up to the time the condemned man hears the rasping of the bolt underneath his feet and takes the final plunge into eternity he never loses hope that by some miracle, physical or spiritual, he will be saved from this terrible end. I believe this feeling is universal in the normal man and is much deeper in the twisted minds of those who have committed a cold-blooded and deliberate crime.

The greed which makes people steal, the stealing which is the crime and the narcissus complex which lies behind the crime makes such a person entirely blind to the natural consequences of his act. However, let us not despair, because I believe there is one way of getting to the criminal mind. I have seen this dramatically proven in my short career in the police. The greatest deterrent to crime of all kinds, from a mere breaking of the traffic laws to robbery and murder, is the degree to which you can convince the criminal that he will be apprehended.

The reputation of the mounted police in this country is probably our greatest single deterrent to crime. It is not the penalty that criminals will pay if they are caught which deters them from crime. It is not the whip, the jail sentence, the taking away of their freedom, nor even the rope itself, that deters them. It is the fact that at some moment sooner or later after the crime has been committed they have the conviction that the strong arm of the law will grab them. This is the most terrible moment of a criminal's existence and the time when he feels that crime does not pay. When he has been in jail for any length of time nature takes over and he rationalizes his crime. He may stay in jail anywhere from a few days to 20 years, but I doubt that his attitude toward society is affected one way or the other. I doubt that the sentence in any way helps to cure him. In my opinion, the fear that he will be caught is the surest deterrent to any crime small or great.

• (3:00 p.m.)

I suggest that because we have heard most of the arguments about abolition and retention in their pure form, we have lost sight of the fact that the most important thing which the law enforcement officers in this country can do, from the Solicitor General down to the last recruit in our great police forces, is to develop the skill, integrity, courage and devotion which will bring every lawbreaker in this country to summary justice.

I have heard those in favour of the retention of capital punishment argue that it is cheaper because we do not have to maintain the criminal. I believe we could take an entirely different view on that subject and say we are not spending nearly enough money in this country on the prevention of crime in the first place and, second, in improving the educational methods in respect of our young people. I should like to remind hon. members of the time about 20 years ago when we had a youth and police program which entitled every member of the police force to use the equipment of the force. Police cars were used to transport Boy Scouts to their meetings and thus our young people were encouraged to take the positive steps which help them to build character and resist the temptation to break seriously the law of the country. A very small amount of money was used for the program and yet it has largely been dropped. I do not know what the reason was, but the positive results of that work were dramatic.

I have done a great deal of research on this subject and I could mention which local communities were affected the most by this program. I will mention one area in particular, the city of Hamilton where about 20 years ago a certain police inspector started a program of backyard baseball. By a strange coincidence, after this program had been

going on for one year the city auditors were able to report that the city of Hamilton had saved $7,000 in one year for broken glass alone and that the saving was directly attributable to the work which this inspector had done among the so-called delinquent children of Hamilton. They were normal boys, the same as most of us were, who would rather throw a baseball than throw stones at factory windows. By another strange coincidence, $7,000 happened to be the total annual pay of this police inspector. As a result of his attempt to take a positive approach to crime in general he was able to recoup for the city of Hamilton his complete yearly salary. I do not suppose I have to tell you that when Christmas or St. Valentine's day arrived, he received up to 400 Christmas or Valentine cards from these children who became a credit both to him and to his city.

It is impossible to exaggerate the value of crime prevention. Prevention in the criminal field is not possible without an outlay of money for this purpose, and the money put into a program of this sort would be such a wonderful investment in the end that the few thousand dollars required to improve our police forces and to set up police colleges in every major city to take advantage of the training ability of our great Northwest Mounted Police, now the R.C.M.P., would well repay us.

I know from experience what happens when you have an efficient policeman and he is on the job catching criminals. He may even be the only policeman in a large area in western Canada. In some cases a detachment was removed because there was not enough serious crime in the area to keep them busy. This demonstrated the trust which the people had that criminals would be apprehended.

I would now like to say a word about reform. I am quite sure that everyone within the sound of my voice has long since given up the idea that the Department of Justice is in any way interested in revenge. Let us by all means have protection. If I thought that the death penalty would protect the public and was a real deterrent to crime I would vote for it, because I put the protection of the Canadian public far above any sentimental ideas.

I am not easily moved by the poor criminal looking at the noose from behind the prison bars. This is closing the door after the horse gets out. However, having apprehended the criminal and having put him in jail—and I speak now not only about the ones found guilty of capital murder but about all those who are serving time in jail—we should allocate a sufficient amount of money to provide the kind of environment which will bring about his reform. Surely if a boy who has not lived in decent surroundings and has never been to a beach or had a holiday is put into jail with hardened criminals and sex deviates, put in a concrete tank and left there for any length of time from 24 hours to 24 years, he will not be improved.

I do not suggest for a minute that the Solicitor General should open the doors, let out all the prisoners and send them to Boy Scout camps. Far from it. But now we can build maximum and minimum security institutions and farm schools where these boys can learn to live like human beings and earn an honest living. These places will cost us money and we must be prepared to pay the price. When we build these institutions, let us make sure that there is at least calcimine on the walls. After the one trip I made to St. Vincent de Paul I would need a lot of courage to go there again unless I thought I could do something about it. Having gone through some of our prison institutions, I know that they are not fit for human habitation.

As we build these new institutions in the future, let us give the inmates the same kind of treatment that we would if these were our own boys, because they are our own. We cannot escape our responsibilities toward them just because they have broken the law. We cannot wash our hands of them and pretend they are not here. These boys need good, clean surroundings, fresh air, exercise and sunshine, and they need good, hard, honest work. Today in Alberta they are carrying out what I think is a wonderful experiment. They are giving these young fellows good, hard work to occupy them and they are paying them a token wage for that work so that they do not feel they are slaves. They are given good food and a good, clean place to sleep, as well as some supervision to prevent those aberrations about which I have been talking. This kind of treatment will restore them to full productivity as Canadian citizens. Anything else is sadistic and is at least 2,000 years behind the times.

It has taken us a long time to admit that we are our brother's keeper and it has also taken us a long time to make sure there is no revenge in our disposition of these men and that we are not condemning them eternally but are merely segregating them for the welfare of society. Having done that, we must ensure that every day they are kept in confinement will bring a positive contribution

to the young man's or old man's life so that when he goes outside the prison walls he will be as close to a normal, happy, healthy Canadian as we can possibly make him. There is no longer any room for punishment for its own sake. The only excuse for punishment is to try to reform the man. In many cases society as a whole has been delinquent in this regard. Poverty is still with us and it is the chief cause of the downfall of these people.

• (3:10 p.m.)

Another point I would like to make, although it may sound as if I were straying from the subject, has to do with the sanctity of human life. Many hon. members will probably make reference to this. The sanctity of human life will be used in arguments both for and against capital punishment. One argument is to kill the killer and the other one is to let off the killer. In a week or two we will be debating the subject of the sanctity of human life in respect of abortion and we had better be careful that we are consistent. If killing is so terrible, this should be true both before and after birth. In my opinion, human life is important from beginning to end. I beg hon. members again to try to keep personalities out of this debate. I do not believe it helps the argument one bit if I disagree personally with any member in the government, in the opposition generally or in my own party. This question, I suppose, is a mixed question of law as we try to administer it and of our own consciences as we try to shape the law to bring about a happier, healthier human race.

Mr. B. S. Mackasey (Parliamentary Secretary to Minister of Labour): Mr. Speaker, first of all I should like to congratulate the hon. member for Athabasca (Mr. Bigg) when he emphasizes the necessity in a matter of this seriousness of debating the point at issue rather than yielding to the temptation to take advantage of the debate for petty, partisan political purposes. I believe, Mr. Speaker, that all of us who participated in the discussion of this subject 18 months ago are aware that this is one of the more important debates that present members of parliament will be called upon to deal with. Since I am not a lawyer and my contact with people who have run afoul of the law has been rather remote and certainly infrequent, I have tried to listen to the arguments to see what, if anything, is new compared with the debate that took place a year ago. I found that the debate is indeed following very predictable lines. I think this is not something to make us discouraged because students of many previous debates that have taken place not only in this house but in England and all the countries of the world throughout the decades have found that essentially the arguments for and against the abolition of the death penalty have been constantly repeated.

We all begin in as objective a manner as possible but eventually the debate assumes an emotional character. For instance, Mr. Speaker, there are always those who, in participating in such a debate, quote from the Bible. They ignore the fact that in a country such as Israel, which has closer ties with the Old and New Testaments than any other country, the death penalty has been long since abolished. They ignore the arguments or causes for the death penalty that appear in the Old and New Testaments, causes which were so eloquently put into the record by previous speakers.

There is an old saying, Mr. Speaker, that there are lies, liars and statisticians. During the debate last year, as well as in other debates I have read in the books available in the library, I have noticed a tendency to ignore statistics. Statistics are boring. They are of interest purely to the people who are involved in a way of life that makes statistics more important to them than to us. However, statistics play a very important role in Canadian society. The statistics which the Dominion Bureau of Statistics makes available periodically cover just about every aspect of our economic life, pattern our legislation, influence the public and denote friends.

I believe it is safe to say that one change today compared with 100 years ago is that statistical records are more meaningful today because statistics are carefully analysed in a much more scientific manner. This results primarily from the fact that we have much more sophisticated instruments at our disposal. I do not intend to take the time of the house by reminding hon. members of the modern means of communication at the disposal of our political scientists, criminologists and others who are particularly interested in this topic.

There were three speeches particularly, Mr. Speaker, that interested me. I have just mentioned the one by the previous speaker. Then there was the one made by the hon. member for Bow River (Mr. Woolliams) and a third by the hon. member for Northumberland (Mr. Hees). I mention these two gentlemen in particular not because I have any

issue with them personally but because they are senior members of their party and indeed senior members of the house. I felt that these gentlemen would have some very valid points to make. The hon. member for Bow River is one of the more respected representatives of the legal profession in the house, and the hon. member for Northumberland is a former cabinet member as well as occupying a prominent role in his party.

Running through the remarks of the hon. member for Northumberland were two main themes. The first was the danger to society of convicted murderers when the time came for them to regain their freedom through the medium of the parole board. I am sure the hon. member was quite sincere last night when he emphasized the grave dangers to which society was exposed by the parole of convicted murderers. He pointed out how inefficient we are in Canada—I have to agree with this latter point—in our methods of rehabilitating criminals. The hon. member referred to the small number of psychiatrists and psychologists available for rehabilitation work. Time and time again he emphasized that until we come up with better methods of rehabilitation we should not change our laws in such a way that murderers would eventually regain a place in society.

• (3:20 p.m.)

What puzzled me, Mr. Speaker, was that in effect he was saying, let us kill these people so we will protect society from the potential danger which they represent if they regain their freedom. This reasoning, of course, is very impressive. It impressed me deeply to the point where I obtained from the minister's department certain statistics. I know people say, oh, statistics, but I must emphasize that these statistics are simple, comprehensive and easy to follow. These are the only statistics I intend to quote today. They concern the number of people who have been paroled in Canada, never mind other countries, since 1920. I do not believe anybody can disagree that these figures are easily obtainable from the records of federal, provincial and municipal governments. It may be of interest to know that 122 convicted murderers have been paroled in Canada since 1920. Of the 122, only seven have had their parole revoked; six forfeited their parole; 13 have died; six voluntarily left the country or were deported; 90 are still on parole.

The significant thing, Mr. Speaker, is that this potential threat to society, of which the hon. member for Northumberland (Mr. Hees) spoke very eloquently and sincerely last night, has resulted in but two murders out of the 122 criminals who were released on parole over a period of 45 years. This very telling fact cannot simply be dismissed because it is a statistic. It is not something that we can say is juggled or interpreted in a particular way by an advocate of retention or an advocate of abolition. It is simply a cold, stark fact that 122 convicted murderers were released, only two of whom have recommitted the crime of murder.

The other point the hon. member for Northumberland made, with which of course I most heartily agree, dealt with the need for better rehabilitation facilities. Perhaps if time permits I will be able to support his argument later on in my speech. The hon. member read into the record last night a report that appeared in the Toronto *Star* about an innocent merchant who was shot down in cold blood. He made no attempt of course to relate that slaying with any of the 122 people who have been paroled; nor did he attempt to say that the killer in this case was necessarily one of the 90 people on parole.

I can imagine the shock of people in Toronto, Mr. Speaker, particularly the shock of this unfortunate man's neighbours, because less than three years ago a personal friend of mine, one with whom I had gone fishing on many occasions, a man who was a member of a club to which I belong—there are less than 25 of us—likewise an innocent merchant who ran a grocery store in the city of Verdun, was crossing the street on a Saturday evening to deposit the week's receipts in the outside depository which some banks make available to their customers and, as he reached down and put the key in the lock mechanism, the door of a car that had been standing at the corner opened. A young hoodlum ran out and shot the man, and he died on the spot. Then the young hoodlum picked up the bag of money and left the scene to be caught incidentally a few months later.

This incident gave me great cause for reflection, Mr. Speaker, because essentially I was then and still am in favour of abolition. This was an emotional experience for me because he was not just a mere acquaintance but a very close friend. I received many letters from my constituents after the last debate asking me how I could justify my voting for abolition, in view of this horrible event that had taken place in my riding.

When the police apprehended the murderer, Mr. Speaker, they found that unfortunately this young man had spent some considerable time in a mental institution, that he was quite obviously ill, and the possibility of hanging simply had never occurred to him.

If we in this house should come to the conclusion that killers who calculate committing murder ahead of time should hang, not because they commit a premeditated murder but because these people deserve to be punished, then if you can accept that philosophy I would accept the argument as valid. I could not shed a tear for the hired killers of the Mafia or crime syndicates who get off a plane at Dorval airport with a briefcase, having arrived from somewhere in Europe, snuff someone's life out a day or two later in Montreal and then return home on another plane. I am sure that the cycle occurs in reverse as well, and that people from Montreal travel to Europe and do the same sort of thing.

I do not particularly care whether we kill these people for punishment's sake, Mr. Speaker; but no one has proven logically that capital punishment must be retained as a deterrent. The fact is that people who engage in this type of exercise do not anticipate getting caught. The cold brutal fact of the matter is that in the United States, where some states retain the death penalty and others do not, people of this sort do not even care if they operate in a state that has the death penalty; they are that callous that they never think of getting caught. If they thought they might get caught they would not hire themselves out, for the simple reason they do not relish being locked up in the penitentiary for eight years, ten years, 20 years or a lifetime. So I contend that nobody has proven that the death penalty is a deterrent.

On the other hand, Mr. Speaker, hon. members may ask why we are bringing forward this bill and making a change in the law. There is one factor we must take into consideration. Whether or not we are able to prove that capital punishment must be retained, the policemen of this country believe that the death penalty does give a protection. If they are going to carry out their role properly then we should not take away from them this psychological advantage. For this particular reason though I would prefer complete abolition I am prepared to accept the exception outlined in the bill in regard to our law officers and prison guards because, as I say, they need this psychological protection. I am sure that eventually their fear, their sincere belief, that their job would be more hazardous if the death penalty were removed completely, will also disappear.

The hon. member for Bow River (Mr. Woolliams), in those few moments when he was not attacking the government—I will refer to that matter on another day—spoke very eloquently, drawing on his great knowledge that he has as a top criminal lawyer in this country. I read his speech over very carefully because I take his remarks very seriously on most occasions. He made reference to the report of a commission set up last year by the President of the United States that dealt with the subject of crime. I was unable to get a copy of the report, and I apologize for that.

Mr. Woolliams: I will let my hon. friend have one.

Mr. Mackasey: I am sure the hon. member quoted accurately so I will read from *Hansard*. Both copies in the library were out on loan. Since the hon. member did not tell us in his remarks whether he was an abolitionist or a retentionist, and I cannot presume from his remarks which side of the fence he is on, I think it is fair to quote what he said.

The hon. member referred to an excerpt from the report, and I think it is a very valid one. As reported at page 4085 of yesterday's *Hansard*, the hon. member quoted the report as follows:

> "It is impossible to say with certainty whether capital punishment significantly reduces the incidence of heinous crimes. The most complete study on the subject, based on a comparison of homicide rates in capital and non-capital jurisdictions, concluded that there is no discernible correlation between the availability of the death penalty and the homicide rate."

In other words, the report indicates that, whether or not any one state retains the death penalty, the commission was able to determine that this has absolutely no effect on the incidence or rate of murder. The report went on:

• (3:30 p.m.)

> This study also revealed that there was no significant difference between the two kinds of states in the safety of policemen. Another study of 27 states indicated that the availability of the death sentence had no effect on the rate of assaults and murders of prison guards.

That again proves that the death penalty is not necessarily a deterrent; certainly, it is not

a deterrent with respect to which one can make a significant evaluation.

On page 4086 of *Hansard* the hon. gentleman brought to the attention of the house the following quotation from the same report:

> The question whether capital punishment is an appropriate sanction is a policy decision to be made by each state. Where it is retained, the types of offences for which it is available should be strictly limited,—

That is what this bill seeks to do:

> —and the law should be enforced in an even-handed and nondiscriminatory manner, with procedures for review of death sentences that are fair and expeditious.

Mr. Woolliams: Would the hon. member permit a question?

Mr. Mackasey: Let me finish, please. Continuing:

> When a state finds that it cannot administer the penalty in such a manner,—

I wish to pause there, because I do not like the word "cannot". A bill is before the house that seeks to correct the situation presently existing. All sentences of death recently have been commuted and thus a mockery has been made of the present law. That cannot be justified. I continue:

> —the penalty should be abandoned.

and these words are significant—

> —is being imposed but not carried into effect,—

and that precisely is what has been happening in this country—

> —the penalty should be abandoned.

In Canada sentences of death are passed but those sentences are not carried out. Under such circumstances the President's committee suggests that the penalty ought to be abandoned.

I see that the hon. gentleman wishes to comment. Would he do that after I have finished.

Mr. Woolliams: I merely wanted to ask a question.

Mr. Mackasey: I am speaking from notes and I do not wish to lose the trend of my thoughts. I shall listen to the hon. member when I have finished.

Yesterday the hon. member for Northumberland (Mr. Hees) read into the record an account in the Toronto *Star* which dealt with the brutal, nonsensical killing of a man in Toronto. I wish to read into the record an extract from today's *Globe and Mail*. I am not referring to a *Globe and Mail* of last year, or of ten or 20 years ago; I am referring to today's edition. The subject matter of the article was alluded to by a previous speaker on the Liberal side. The events of the article took place in Germany and the headline of the article is, 'At last'. "Man jailed 7 years for 1947 slaying". The body of the article says:

> Manfred Jung, 40, broke into tears yesterday as a juvenile court sentenced him to seven years in jail for a double slaying 20 years ago.

That he was jailed for seven years is not of great significance. Of great significance, however, is the following paragraph:

> And in the courtroom an 85-year-old pensioner who had spent 18 years behind bars on a false conviction in the case murmured: "At last."
>
> White-haired Johann Lettenbauer had walked out of a prison only two years ago after a new probe of the case cleared him in the 1947 murder of his daughter, Maria, 25, and her 2-year-old son, Arthur.
>
> Police, tipped by an ex-convict, tracked down Jung in 1965 as the real killer and obtained from him a statement admitting he axed to death the young woman and her infant when she found him searching her house for food.

The article concludes by saying that the pensioner received $15,000 compensation for wrongfully spending 18 years of his life in prison. Had the death penalty been in force in Germany during the original conviction we should have had another Evans case. We should have had another case where justice had miscarried.

Some say: What about Canada? Let me answer this way. About a year ago, when this matter was being debated in the house, I happened to turn on a radio to listen to one of those open line shows carried on station CKGM in my area; Mr. Pat Burns was on the air. During that show something of significance happened. The wife of the clergyman who had been attached to St. Vincent de Paul penitentiary called in—unfortunately, the name of the clergyman escapes me but I shall try to find it during the week end. This lady was an avowed abolitionist and she spoke of case after case where people had been convicted of murder. Because of her father's background and because of the work he did, she was able to learn much about the murderers and of the incidents which led up to their lives of crime. During her remarks she said something that was extremely significant. Her husband had been one of the last to speak to Wilbert Coffin, who was found guilty of murder, shortly before he

was hanged. The clergyman is dead; nevertheless, he confided to this woman that after speaking with Coffin a few minutes before the hanging he, the clergyman, would be convinced to his dying day that Coffin was innocent.

If there is no evidence that the death sentence is a deterrent and if we are not interested in maintaining it, should we not abolish it if only to protect the odd person from being found guilty of a crime of which he is innocent?

Many hon. members in this house are lawyers and I respect them sincerely. Surely they must have anxious moments in criminal cases when their clients are found guilty; surely they must ask themselves whether they have overlooked anything, whether they have been negligent, or whether the conviction has resulted from their inability to defend the accused. Bearing in mind the case which I read into the record, it is only reasonable to suppose that judges and juries in cases where the accused has been convicted of capital murder have anxious moments when they consider whether they have acted properly.

Only last year in New York there was a case that might have become another miscarriage of justice. Only the interest of a policeman, who tracked down the real criminal, saved an innocent man. I shall not repeat statistics; to do so would be to repeat what others have said.

• (3:40 p.m.)

The hon. members for Northumberland and Athabasca (Mr. Bigg) said that we must do more to rehabilitate our criminals. The hon. member for Bow River, who has been interested enough in the matter to introduce a private bill touching on the matter, feels that crimes may be prevented in certain ways. It has been suggested that the time to reform criminals is when they begin to engage in crime, between the ages of 10 and 12. I, as a member of parliament, have had some experience in this regard, as have no doubt other hon. members. We have heard of the youngster who for various reasons did not attend school classes; he may have found them too difficult or he may not have been able to keep up with his classmates. He and others like him stay away from school, and graduate to stealing hub caps. Before long they are breaking into local drug stores. When they are 16 or 17 they become bolder and, finally becoming more reckless and having run into the authorities and acquired a record, in the commission of a crime or in a great fluster they shoot someone with a defective pistol.

It seems to me we should be directing more attention to guiding these youngsters between 10 and 14 years old—youngsters who have all the potential of our own children, but who have been deprived of opportunity to display it. I think we could make a tremendous case in this house, if we were really socially minded, for the reduction of our slums, for the cleansing of the rotten cores of our great cities. I think there is a direct relationship between the slums of this nation and the production of criminals. It is unbelievable we should be able to spend millions of dollars on rockets and the exploration of space while being unable to eradicate the slums of this nation, the breeding grounds of crime. With every dollar we spend on clearing the slums and putting up better housing we take a step nearer the day when crime is reduced to a minimum.

I doubt whether I have added anything to the debate. I doubt whether I have persuaded anyone, but I do not think we can justify the continuation of the death penalty as a deterrent. The one statistic I have read into the record shows that only two parolees have ever been convicted of murder a second time. The fact that no one has advanced the argument that the death penalty should be retained as a form of punishment indicates to me that the house should pass the measure before it for the sake of removing, once and for all, the possibility of innocent people being hanged.

Mr. Woolliams: The hon. member for Verdun said he would answer a question. He has been most courteous in his argument, looking at both sides of the question. But let me read him an extract from the debate reported in *Hansard* at page 4108 last night. I want to ask the hon. member whether he agrees with the Solicitor General (Mr. Pennell) in this:

> I hesitate to interrupt the interesting remarks of the hon. member (Mr. Flemming) but it is a deterrent. My point is that it is not a special, unique deterrent. I acknowledge that it is a deterrent.

Does the hon. member agree?

Mr. Mackasey: The Solicitor General is here, and will correct me if necessary, but my hon. friend probably means that though the death penalty is a deterrent in some cases it is probably no more effective than a life sentence would be, or a sentence of 20 years. I suspect the Solicitor General means they are deterrents of equal value, and if this is the case, we should choose the one which

puts an end to the possibility of an irremedial miscarriage of justice. This brings us back to my point that cold blooded killers do not expect to be caught. They contemplate their crime from all angles and if they think there is a prospect of being caught, they do not go on with it. I would suspect that the prospect of life imprisonment would deter these people just as much as the possibility of capital punishment.

Mr. Churchill: Would the hon. member accept a serious question from me on a very serious subject? He mentioned that in the last 45 years only two convicted murderers on parole have committed a second murder. Does this not bear out my argument of last year that the state cannot yet guarantee the safety of its law abiding citizens? In the two instances the hon. member mentions the state let out two murderers, who had already killed two law abiding citizens, at the price of the lives of two more law abiding citizens.

Mr. Mackasey: The hon. gentleman has a valid point. But what he is saying is that because two out of 122 returned to this crime we should keep the other 120 in prison, forgetting that 90 of them, when on parole, led useful lives, rehabilitated as far as the law is concerned, and contributing to society. The hon. member could carry his argument further and say that anybody convicted of anything should be kept in goal for the rest of his life, because this would protect society, taking account of the undisputed fact that criminals do not normally stop committing crimes after a first offence. The hon. member said this was a serious question, and it is. His questions usually are serious. I do not recall his arguments of last year, but he has made a valid point and I am sure the minister will wish to answer it.

Mr. Terence Nugent (Edmonton-Strathcona): I should like to comment first on the question asked by my hon. friend from Winnipeg South Centre (Mr. Churchill). It seems to me he has a valid point when he says the state has failed in this case in its duty to protect citizens from murderers, even if only two paroled murderers have taken the lives of people who would not otherwise have been slain.

All I can say is: I wonder how many innocent people have been hanged on the basis of evidence presented in courts, because of the possibility of injustice which is always bound to exist. I suggest that having regard to the number of hangings and the possibility of error, society has murdered more than two innocent people in its anxiety to protect people, and if we wish to keep a score we had better stop hanging now.

I was most impressed by the presentation of the case for this bill on the part of the Solicitor General (Mr. Pennell). The argument I have always found most impressive is that a society which so respects human life that it will not take it, even after due process of law, is a society which will encourage respect for human life to such an extent that murder will diminish. This is an element in the protection of society against which no one can argue; the best way to protect life is to foster a society which believes in the sanctity of life.

I was not much impressed, however, by the way in which the Solicitor General and the government have been handling this question of capital punishment in the last couple of years. I spoke in favour of abolition last year. We had a debate about 18 months ago—a very good debate, I think, in which most of the arguments for and against abolition were put forward. There has been no startling change in the incidence of crime since then, as far as I can recall, which would create a necessity for this house to debate the subject again—other than the handling by the government of cases involving the royal prerogative. Yet here we find the same people, the same House of Commons, the same parliament, debating the question again. As we were reminded last night by the hon. member for Victoria-Carleton (Mr. Flemming), the house has already made a decision, one which this government has refused to accept; it has refused to carry out the wishes of the people of Canada as expressed by a majority in this house.

• (3:50 p.m.)

Surely the Solicitor General can appreciate the cogency of the argument that respect for human life as shown by the state is likely to have a good effect on the conduct of its citizens, so that it is a powerful force in itself in deterring the taking of human life. This government should be able to comprehend that respect for the wishes of the people—because the supporters of this government form a majority in the House of Commons—is also a very powerful influence on the thinking and behaviour of the citizens of this country. I can think of nothing which is more harmful to a society than when the respect of the populous for the government wanes; nothing is more harmful in a country than bad justice, unless perhaps it is the bad

administration of justice. There is nothing that is more prone to lead people to break the law than when the law itself is held in contempt by those who enforce the law generally.

When we have a government which refuses to obey the law as confirmed by parliament, than I submit the effect on the people of this country is most harmful. How can we in one breath talk about the sanctity of life and the necessity of the state showing a good example—and I feel this is a good, valid and logical argument—when at the same time we have this government doing all it can to hold the administration of justice up to contempt. I think the general manner in which it is presented does more harm to this cause than the Solicitor General's efforts in this regard; that is, the suggestion that policemen and prison guards should be made a special case. I am sure it is the duty of government to encourage the people to have respect for law enforcement officers. Certainly we know that the only way we can have an orderly society where life, limb and property may be held safe is when people have enough respect for the law enforcement agencies that they will give them their full and willing co-operation.

It is absolutely essential that we have respect for our policemen. How can we have respect for policemen if this government tells us that a policeman must have the psychological crutch of knowing that his life, if taken, will result in somebody being hanged, whereas someone can shoot the wife and children of that policeman and then only go to jail for life. Where is the sense and logic in that sort of thing? If it is true, as I have always argued and as the Solicitor General has argued, that hanging is no greater deterrent than life imprisonment, then obviously it is no greater deterrent to the shooting of a policeman. By putting this exception in the bill we do violence to our own arguments. We show weakness in the face of our own arguments, and I submit we hold our law enforcement people up to ridicule as people asking a special favour of parliament, to make them a special class. The suggestion is made that a special bit of protection is needed and that it is the police agencies which must have that special protection.

It is ridiculous to suggest that those people who are paid for the purpose of running the extra risk involved in dealing with the lawless elements and protecting the citizens are themselves the ones who need special protection. Surely all the statistics which have been

[Mr. Nugent.]

quoted have convinced us that hanging is no greater deterrent than life imprisonment. We have looked at the situation in the states and in the countries where they have abolished capital punishment. No one, I am sure, will argue, when we take two states of about the same size and find that the policemen have received about the same treatment in one state where there is no capital punishment as they have in the other, or will suggest that there is a greater incidence of brutality or murder of prison guards in one than there is in the other.

For the life of me I cannot justify in my mind the bringing of this exception into the bill, when to me it seems to be pure hypocrisy or a psychological sop in order to get some police chiefs off the neck of the government. I am aware of the amount of propaganda put out by the police chiefs. But surely the simple fact that they are familiar with crime does not suggest that they understand the psychology of the criminal mind any better than most of us in this house.

I have listened to the arguments in the house and I should like to refer to the speech made by the hon. member for Victoria-Carleton (Mr. Flemming) last night. It was a beautiful example of logic and illogic. He made a very logical speech about the duty of the government to obey parliament and about the unfairness—unreasonableness, I think he called it—and the illegality of the government asking parliament to deal with this matter when we have disposed of it once. That part of his speech I thought was very logical, clear and brief and contained thinking which I do not believe could be improved. Yet at the same time when he considered the question of abolition, his statement was that his duty is to protect the people of this country, and of course he could not consider abolishing the death penalty because it would mean leaving the people defenceless. To me that logic is incomprehensible.

Surely the statistics in respect of two similar states, side by side, which have been studied over a period of years, prove the fallacy of that or of the suggestion that the death penalty is a deterrent. When after years of trial and error we can come only to the conclusion that there is nothing to show that the taking away of the death penalty is likely to lead to an increase in capital murder, how can a man whose mind thinks logically say, "Well, we must keep it or we leave them defenceless." I have listened to the arguments in the house on this question

before. I have made the same arguments before. I do not think we will convince many of the retentionists by simply repeating what they already have before them. We started, some 100 or 200 years ago in England, with 100 or 150 offences for which people could be hanged. Each time the matter came up in parliament and someone suggested that one of these offences be taken off the list in respect of hanging, there was a great cry that the people would be left defenceless and that there would be more and more of that type of crime. So, each time for a hundred different offences we had similar arguments, and each time for a hundred different times the argument was proven to be absolutely false.

We have had that same old argument presented in this house, and no matter how many states have tried it and proven that the taking away of the death penalty does not leave the people defenceless and cause an increase in crime, the retentionists still do not accept the evidence. So, I ask, what do these people need as proof? I suggest that what they need is the five years which are provided for in this bill. Then I suppose they will cower in their beds and be very apprehensive during that five year period. After the end of the five years it may be that crime will have gone down so much that we will say we have found something special, or it may be that action on the part of this government will drive the people mad and the incidence of murder will go up and they will say, "See, we are proven right."

I will have to vote in favour of this bill, although it burns me, to do so. I hope that at the committee stage we can get rid of this exception for policemen. To me it is ridiculous to have in the bill something that makes a mockery of the argument on which I can support the whole bill. I hope, whatever the judgment of the house, that the government will obey parliament. I cannot think of anything more injurious to the respect for this institution than a government which so consistently shows its contempt for parliament as this one does. How can we expect the people of this country to have any faith in the administration of justice and have any belief that there is justice when they are shown such an example by those whose duty it is to guard their institutions and safeguard the administration of justice.

Mr. Churchill: Mr. Speaker, would the hon. member permit a question?

Mr. Nugent: Gladly.

Mr. Churchill: The hon. member was somewhat more severe with the retentionists than is usual for a man of his gentle nature. Is he quite fair in generalizing that the retentionists have used all the old arguments over and over again—because I submit to my hon. friend, for whom I have a great deal of respect, that in the speech I made a year and a half ago I did not use all the old arguments. I advanced what I thought were different arguments in respect of this particular problem, and I am wondering whether the hon. member really wants to generalize to the extent he has under these circumstances.

• (4:00 p.m.)

Mr. Nugent: Mr. Speaker, let me make it clear that when I referred to old arguments I had in mind the argument that we would weaken the deterrent to murder by removing the death penalty. I think this is clear as a result of our experience in respect of those categories of crimes which have been removed from the list of crimes punishable by the death penalty, particularly in the last hundred years. If I said that the retentionists in this house only advanced old arguments, I should like to withdraw that statement. I simply repeat that the strongest argument and the one relied upon by most retentionists is the same argument that has been used a hundred times and disproved a hundred times.

Mr. J. P. Nowlan (Digby-Annapolis-Kings): Mr. Speaker, I listened with interest to the speech of my friend and colleague, the hon. member for Edmonton-Strathcona (Mr. Nugent). I also listened with interest to the hon. member for Elgin (Mr. Stafford). If I hear many more sincere words from abolitionists, such as I have heard, I might be again swayed toward the attitude of a retentionist.

I did not take part in the debate on capital punishment 16 months ago, and I hesitate to take part today because I am firmly convinced that it is impossible to obtain a consensus of conscience in respect to such a delicate subject. I agree with the hon. member for Edmonton-Strathcona that no one can decide this question on the basis of absolute logic. Certainly one cannot be convinced by statistics.

Sixteen months ago when the proposal to abolish capital punishment was first debated in this house I had no hesitation in voting against the resolution. Since then a genesis and mitosis has occurred, as a result of which we now have this government sponsored bill.

I have no hesitation now in supporting this bill in relation to this sensitive problem.

The hon. member for Strathcona and others have eloquently presented arguments in respect of this whole question. Before digressing I want to pay tribute to the Solicitor General (Mr. Pennell) for his eloquent introduction. During the two years I have been in this house I have rarely heard a minister of the crown speak with such obvious feeling. His speech impressed me in such a way that I was carried along by his argument. Few speeches made in this house by hon. members opposite have had this effect. Had I not already decided to vote for this bill, or had I had any lingering doubts about the value of this measure, I certainly should have been persuaded by the Solicitor General. Any doubts I might have had were removed.

I take exception to what the hon. member for Elgin attempted to do today. He has pinpointed several expressions of other hon. members in this house. He has attacked the arguments posed in speeches by obvious retentionists, although I must add that he has only made reference to speeches of hon. members on this side of the house. Unfortunately I did not hear the beginning of his speech last night so do not know whether he referred to any remarks of retentionists on his side of the house, including his lady minister. Also he has made little or no reference to the speeches of abolitionists on this side. I was disappointed by this vein of his remarks.

There is very real concern on the part of members on this side that this will not in fact be a free vote. Perhaps this is because the minister introduced the bill and members on the government side may feel compelled to support it. Many members here feel that hon. members across the way will feel restrained or restricted from voting against the bill. The hon. member for Elgin has done little to dispel this concern.

No one can made a final infallible decision in respect of capital punishment. One must vote according to one's own convictions. Neither logic nor statistics can resolve this problem. I hope members on all sides of the house will avoid becoming involved in partisan crossfire. We should all refrain from pinpointing what other hon. members have said in expressing their convictions, however they have been arrived at. For how can one miss the point, when neither logic nor statistics can prove or disprove it?

[Mr. Nowlan.]

I did not express my viewpoint 16 months ago during the earlier discussion of this matter and I voted for retention, but I have changed my mind, mainly because of the exceptions contained in the bill now before us.

Several members this afternoon have referred to the fundamental problem with which we are now faced. We must do something to change our judicial system, whether or not we retain the death sentence. I am not as well versed in criminal law as other hon. members who have spoken today, but I have had some experience in this field. I have no doubt that the government must stimulate the legal profession into providing assistance to a greater extent than has been the case in the past for those who are charged with criminal offences.

Very few millionaires have been hanged, but many others who are less affluent have been put to death for murder. Individuals with financial resources are able to retain the best possible counsel and can afford an appeal to the provincial supreme court or the Supreme Court of Canada. Very often these people have their death sentences commuted to life imprisonment. Surely we must do something to change this situation, which provides a law for the rich and a law for the poor.

Many members in this house are ready and willing to talk about medicare and other social measures. These things can perhaps be resolved by members of the medical profession, but in law we have a long way to go. I doubt, however, that the question of capital punishment can be exclusively resolved by members of the legal profession or members of the judiciary. Government may have to assist.

• (4:10 p.m.)

Today I intend to advance an argument in respect of the difference between the views held by retentionists and abolitionist. In my opinion after all the various arguments are sorted and sifted this question comes down to a decision in respect of one of two possibilities. There is on the side of those who favour the retention of the death penalty the possibility of deterrence and the protection of society. On the other side there is the possibility of judicial error. I have considered both possibilities and have resolved the conflict in my mind. I have decided that the weight is quite obviously on the side where there exists the possibility of judicial error. I have so decided because obviously one is here dealing with the life of an individual,

who cannot be recalled, if error is in fact found.

This brings me to the exclusion section of the bill. I said in the last debate on this subject that I was not for abolition because I believed the death penalty had some deterrent effect. But I am prepared to accept this bill because I believe the exclusion section is very important, for where police officers or prison guards are concerned the possibility of error is restricted.

Police officers and prison guards fall into a special category. I agree that bank managers and storekeepers, for example, are also in a special category; but police officers and prison guards are delegated by society to work with the people about whom we are talking, whereas bank managers, storekeepers and others are only vicariously involved in this question.

If you have the possibility of deterrence on one hand and judicial error on the other, the possibility of judicial error to a large degree makes me support this bill. You could not so openly have judicial error in anything that might happen to police officers and prison guards who are delegated by society to protect society. Also, Mr. Speaker, because there will be a trial period of five years in this respect, the whole question will again come before parliament after we have had an opportunity to study what happened in that period.

After the trial period we may find that logic and statistics do support either side of this question conclusively. For these reasons I shall put my vote on the side of judicial error. It is very interesting to note that the majority of lawyers who took part in the last debate were more on the side of the abolition of the death penalty than retention. In view of the possibility of judicial error I shall vote for this bill.

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I was going to defer to my very close friend the hon. member for Lotbinière (Mr. Choquette). Is the hon. member better prepared than I am?

Mr. Knowles: Why don't you both speak at once? Be bilingual.

Some hon. Members: Hear, hear.

Mr. Churchill: It is perfectly obvious, Mr. Speaker, that I was not expecting to speak this afternoon. However, it is also known to the house that we are not prepared to have a vote today. If I make a short contribution this afternoon, it is in the interests of parliament itself. It is also due to the fact that I have been doing some thinking with regard to the measure before us and was reaching the point where I felt I would be obliged to say something in this chamber.

When this subject was before us a year and a half ago a great many members of the House of Commons were seriously disturbed and put a great deal of thought and attention into the subject of capital punishment. I frankly admit that I did this myself. I made no hasty decision with regard to how I would vote last year. I make no hasty decision this year. I spent hours and hours last year examining the records that were placed before us, studying the white paper, looking back at earlier discussions on capital punishment and examining my conscience, and I determined that I would put my position on the record prior to casting my vote, in order that it would be perfectly clear, to anyone interested in what I was doing, how I had arrived at my conclusion.

I took the precaution last year of writing out in advance and revising everything I said on that occasion. That is how seriously I dealt with the situation in 1966. Had the opportunity presented itself on this occasion, I would have done the same. I am of the opinion that all hon. members who are participating in this debate are treating it with the greatest seriousness, and other hon. members who are not participating are doing the same because the debate is not confined to this chamber; we carry on conversations in our rooms, in the restaurants and in the corridors, and it is clear to anyone in this building that this subject is not treated at all lightly.

There is at the same time respect for other people's opinions. I do not wish to involve any hon. member in anything I have to say today, except to express my regret that this subject is before us at this time. I was under the impression that 16 months ago this house, after the most careful deliberation and preparation—because the announcement that we were going to consider capital punishment had been made in January, 1966—would settle the issue, as we did, by a free vote and there would then be a lapse of time before the matter would again be brought to our attention. I think it is rather premature to again raise the question in this session. We do not like to repeat all the arguments that were advanced 16 months ago, yet we are obliged to do that or simply

act as machines and cast a vote without thought.

• (4:20 p.m.)

I express this regret because when parliament makes a decision on a matter of major importance, and this is such a matter, I doubt very much that it should be asked to reconsider the matter until there has been a sufficient lapse of time to bring about changed circumstances; and I do not see that there have been any changed circumstances. I express a further regret at the nature of the bill, which is for partial abolition only. I feel truly disturbed and sorry for some very good friends of mine who are deeply concerned about the subject and who spoke in favour of abolition. I feel sorry for those who for years have attempted to have the law changed and last year voted in favour of abolition. I know from conversation with them that they are very disturbed over this bill which proposes partial abolition. As I have said to some of them in all seriousness: How can you vote for the principle of the bill, the principle being partial abolition, when for years you have favoured and are still in favour of total abolition? I believe the government should not have placed members in that embarrassing situation. I think it is unfair. Although one party in this house has already, through its spokesman, said that they will vote for the bill as it stands and then endeavour to change it in committee, again I do not think that party should have been placed in that position. It is a more difficult decision than had to be made 16 months ago. So I criticize the government on that ground.

I said I do not want to repeat the arguments that I used a year and a half ago. I have read them over twice and I cannot for the life of me find that I can, in all conscience, make a change. I am even satisfied with the wording that I used on that occasion. However, I am prepared to have my mind changed with regard to the subject of capital punishment. This is the way I have approached the problem.

When members of the press or the news media have asked me in the last two or three days how I am going to vote on this bill, I have said to them that I cannot give them an answer for the simple reason that I want to study the bill and listen to the debate. Anyone who asks me to say in advance how I am going to vote on the subject, ignores my conception of the function of parliament. I think that the decision should follow debate and not precede it. So it is only for that reason that I have declined to state categorically how I am going to vote. If we have further debate on this subject, the opinion that I may express this afternoon may be changed. I am open to persuasion. If the arguments convince me, or if I find, on consideration, that I have been mistaken or that I am wrong, I may have to change my mind, as did the hon. member for Digby-Annapolis-Kings (Mr. Nowlan), who has said quite frankly that his opinion has changed after having given deep thought to the subject. The debate therefore has served the purpose for which it was designed, namely to alter the opinion of hon. members.

Unfortunately, up to this point I have not heard arguments which would bring me to change the way I voted a year and a half ago. Later today, or on Monday or Tuesday I may hear from others who will persuade me to alter that vote, but up to this point no new argument has been advanced which would be sufficiently powerful to make me change my mind. I have expressed my regret at the method that has been followed on this occasion and I have expressed my regret with regard to the nature of the bill. However, my opposition to this bill is not the result of my irritation at the course that has been followed. I would not found it on such a reason. I object often to the way things are done here, but on this occasion I have not been induced to oppose the bill merely on these technical grounds. However, if I were a convinced abolitionist, I would certainly be very vigorous in my condemnation of the present bill.

I remain unconvinced with regard to the statistical record. I dealt with that matter last year and I do not want to repeat what I said at that time. I do not think that the statistics prove the case one way or the other. When I dealt with that subject on April 5, 1966 I quoted from the white paper which had been put in front of us. I remain unconvinced that fear of death is not a deterrent.

People can only go by their own experience of life, and my experience is that the average person does not want to die. So fear of death operates in our society. I go in fear of death every day when I walk to and from the House of Commons. I do not step off the pavement when the hot-rodders go by here at eleven o'clock at night, or in the way of trucks, buses or uncertain drivers, for the simple reason that I do not want to be killed in that manner. I like to obey the law, but it is not because the law says that I must

follow a certain course and not be a jaywalker or things of that nature. I watch what I am doing on the streets of Ottawa because I do not want to be killed in a traffic accident by some person who is drunk, or by a bad driver. I have had too many narrow escapes not to be a little fearful. I do not differ that much from other people. There may be others who do not care whether they are killed today or tomorrow, but I think they are a very small percentage of the population.

As I mentioned last year, fear of death operates even among those people who are trained to kill, and like thousands of other Canadians I was trained to kill. I do not want to destroy anyone, but in wartime you have no choice. I do not recall any person of my acquaintance during wartime who, without being a coward, was not somewhat careful with regard to his own life. But again my experience is that men do not sacrifice their lives without some reason for it. They do not blindly sacrifice themselves. So I say that fear of death must operate generally in our society. However, there are those who tell me that the murderer takes a different view of life and that he is careless as to whether or not he is killed. He is so sure he will not be found out that he does not care about the penalty. Of course this is something that cannot be backed up by statistical evidence. The only impression I can form is from my own experience and I have reached the conclusion that some people at any rate are deterred by fear of death, and that consequently people like that would not commit a crime because they fear the consequences. Now, if I can be shown to be wrong, then I will have to change my opinion with regard to capital punishment.

• (4:30 p.m.)

Mr. Nugent: Would the hon. member accept a question?

Mr. Churchill: Yes, sir.

Mr. Nugent: The hon. member has said he cannot find that the statistics show anything. I suppose he has looked at them, and finds that the statistics for those states that have capital punishment, and those states where they do not, seem to be about the same. If the hon. member feels that the fear of death should be such a deterrent, would he not expect to find a marked difference in the statistics, if his argument is correct?

Mr. Churchill: I dealt with that argument last year. I quoted the figures from the white paper and I reached the conclusion that nothing was proven either way. If the hon. member can go beyond that, if he will look at what I said on April 5 at page 3866 of *Hansard,* then perhaps he will find his answer. He did not take the precaution of reading my speech of last year. If he will read that and then later on, either here in the House of Commons or when we meet somewhere else, indicate to me that I reached the wrong conclusion, I will be very happy. I know that he will express his point of view with vigour. I was not convinced then and I still am not convinced. I did not say the statistics did not show anything, which is what the hon. member said. I said they did not prove the case.

I dealt with the sanctity of life. This, sir, is a powerful argument indeed. We like to think that human life should be held sacred. We have been living in an age of violence, when we have become callous and indifferent to the loss of human life. Our highway accidents alone, sir, show the indifference of our populace to this. We have not sufficiently stringent laws to curtail the slaughter that occurs on our highways. The state has proven itself indifferent to the sanctity of life because it has failed to take the necessary measures with regard to that problem of our society. I think we could give many other examples to indicate we are not sufficiently concerned with the sanctity of life.

When I read the mortality tables for some areas of Canada, I find they are shocking. Where is our concern for the sanctity of human life? Why are we not doing more about it? I think we are living in an age of violence, in an age when we are indifferent to the sanctity of human life. When this aspect of the question is raised during a discussion of capital punishment, it does not seem to me that it carries as much weight as may perhaps be intended by those who deal with that particular subject.

I suppose one's attitude is coloured by his experience in life. I have lived during a period when the sanctity of human life has been ignored by the world as a whole, when positively millions of people have been killed in one way or another. This, I suppose, has had an effect on society generally, and has made us less sensitive to the problem that we would be if we had been living in a more peaceful period. However, I am not going to prolong what I have to say now. I think that I cannot do any better than read a few of the

comments I made a year ago. I quote first from page 3866 of *Hansard* for April 5, 1966:

> In recent years capital punishment has been sparingly used. The section is there in the act but the cabinet may use its discretion in its application. Commutation of the death penalty, life imprisonment instead of hanging, may be determined by the cabinet judging with great care each case on its merits.

May I just interpolate, sir, to say that for a number of years I was with those who had to make this very serious and awful—using that word in the proper sense—decision as to whether a man would live or die. We had to make a determination of the cases brought in front of us.

Then I went on to say this:

> The abolitionist should have no cause for complaint if the section remains in the act and the death penalty is rarely used.

That is the situation that prevails at the present time and has prevailed for several years, including our administration.

Then, I went on to say:

> The retentionist should have little cause for complaint if the section is retained as the state's reserve power in case of necessity.

You may say that this is not very satisfactory. There are those who argue that the government is not fulfilling its function, is not obeying the law, when it commutes every case that comes before it, as the government has been doing for the last four years. This is a debatable point. Since I am not now in government circles, I can rely only on what I read in the newspapers regarding capital cases.

I can reach my conclusion with regard to the seriousness of them and form an opinion as to whether the guilty person should be subjected to the extreme penalty. However, the members of the cabinet, I know from my own experience, are likely to have information which is not available to me as a member of the general public. Of course the responsibility rests with them, and the prerogative of mercy rests with the governor in council. Whether or not the government has been doing the proper thing over the last four years, I make no decision at this stage, or pass no judgment. I am not in a position to do so without more information; I cannot say whether they are right or whether they are wrong. On the basis of the information I have, I think they have been wrong, but then perhaps they have information which is not available to me.

I thought, on April 5, I had put before the house a compromise. We heard it said yesterday that this bill is a compromise. I thought

[Mr. Churchill.]

that in these two sentences I had a compromise that might carry us along until there was an alteration in public opinion. As a retentionist, as I was then and will remain, unless arguments are advanced to change my opinion, I have no cause for complaint if this section is retained as the state's reserve power in case of necessity.

I want it retained if at all possible as a reserve power in case of necessity. When I was speaking in the earlier debate I was dealing with organized crime and its increase. Among the subjects that bother me, sir, in public life and in private life, the one at the top of the list is organized crime. I have the strongest feelings with regard to this subject. I feel we are failing in our duty as a parliament and as a state in not crippling organized crime, a state within a state which is directing our lives and influencing them. I should like therefore, unless otherwise convinced, to retain this reserve power in our statutes, so that if organized crime gets any worse we will be able to remove from society those people who are enemies of society.

• (4:40 p.m.)

As a friend of mine said to me today at noon, it is something like warfare. We understand war; we have had enough experience of that. But the criminal element in our society, organized crime that exacts life, is acting in the same way as a foreign enemy and should be treated in the same way. Organized criminals who have no respect for life are as serious a menace as a foreign state that wishes to attack our country and to kill our citizens.

So, Mr. Speaker, I have very strong feelings about organized crime, and as a retentionist this is one of the reasons I should like to retain the law as it is, in case of necessity. We may need capital punishment in order to deal effectively with those people who are attempting to destroy our society from within.

I wish somebody would deal with my second to last paragraph on April 5, which I should like to read again:

> Society must decide which life is the more valuable—the child, the woman, the police officer, the prison guard or the criminal. The state cannot guarantee life for all of these at our present stage of development. The state cannot yet guarantee that prisoners will never escape. Psychiatry cannot yet guarantee an absolutely accurate answer to psychiatric problems. The parole system cannot yet guarantee that reformation and rehabilitation have been completely successful. Until those guarantees can be given the state owes a higher duty to its law-abiding citizens, to its women and children, than it does to the criminal.

That is the end of the quotation, and that, sir, is my case.

[*Translation*]

Mr. Auguste Choquette (Lotbinière): Mr. Speaker, I listened very respectfully to the previous speaker and I must congratulate him on his ability to eleborate on a subject without preparation. I found in his remarks the best argument that could be put forward to show that the government is entirely justified in bringing back before the house, this year, a bill designed to abolish the death penalty.

The hon. member for Winnipeg South Centre (Mr. Churchill) expressed his opinion, but he used the following expression: "unless otherwise convinced". He admitted that his opinion was liable to change and that he was prepared to listen to other speakers, to follow closely the arguments that will be presented which might cause him to alter his present views on such a crucial matter as capital punishment.

That is precisely why this year the government—I will not say is taking the risk—shows enough mettle to try and have this problem definitely solved in a perfectly clear manner.

If opinions are so pliable and subject to change within a very short time, it is clear that today, with the assurance that this bill will be adopted, the government is perfectly justified in throwing off a load that was becoming more and more intolerable concerning the fate of those persons who are under a death sentence and who are waiting anxiously until parliament has reached a decision.

Mr. Speaker, last year I had the opportunity to take part in the debate and to oppose the abolition of the death penalty, because I was sincerely convinced that the existence of such a drastic measure was an efficient and imperative means of protecting society from the villainy of those parias who do not and will not respect anything but the threat of a radical punishment, and of the scum that works for organized crime, content with living according to the risks of their vile trade, and to whom life imprisonment is but another way of shirking the responsibilities of life and the obligations which fall on honest people.

This year, my philosophy has not changed much, but the context is different: The government is in a quandary. This is a non-partisan debate; we must say things as they are, see facts as they present themselves. And when I say the government is in a quandary, I mean the whole government machinery: Members of the opposition as well as government members are stuck, due to the fact that persons sentenced to death are waiting to know their fate. I think that the bill as drafted constitutes an ingenious enough compromise to have good chances of being agreed to. It is meant to get the administration out of trouble, as it now is, since to all intents and purposes, the death penalty was abolished in 1962. Legislation may as well sanction the existence of a fact, because otherwise it is hypocritical. A legislation which is never applied cannot give confidence to citizens.

I repeat that this difficulty which the whole administration is facing—and that includes the opposition as well as the government—results from the fact that the death penalty does not exist, to all practical purposes, despite the provisions of an act to the effect that it still exists. As the legislation is constantly disregarded, it may be just as well to amend it accordingly. That is the reason why I will support the measure as introduced.

In the framework of my remarks, I would like to point out that, in addition to maintaining the death penalty when police officers or prison guards are killed, there is another case when the death penalty remains and sections 46 and 47 of the Criminal Code provide for it. Section 46 reads in part as follows:

(1) Every one commits treason who, in Canada,

(a) kills or attempts to kill Her Majesty, or does her bodily harm tending to death or destrcution, maims or wounds her, or imprisons or restrains her;

Section 47 says:

(1) Every one who commits treason is guilty of an indictable offence and is liable

(a) to be sentenced to death—

If it is the offence under section 46(a), namely to kill or attempt to kill Her Majesty or do her bodily harm, then the death penalty will not exist only in the case when police officers or prison guards are killed by a criminal.

• (4:50 p.m.)

I would like to add that, under that section could be included, also under treason, any successful or unsuccessful attempt made on the life of the Governor General and the Prime Minister of Canada, for the very good reason that this section obviously wants to show special respect for those who stand in authority, and since, in Canada, the Governor General and also the Prime Minister are

the symbols of authority, since we live in a democracy, under a responsible government, which is also a great symbol of authority, I think that we could amend section 46 and make it an offence punishable by death to talk of killing or effectively to kill Her Majesty, the Governor General and the Prime Minister.

Mr. Speaker, returning to the heart of the matter, I suggest that it would be important to consider the possibility of creating a commutation court.

When parliament decided to maintain capital punishment, in 1966 and most members of the cabinet, those responsible for commuting sentences, voted in favour of abolition, it became clear that, in spite of the vote in the house, it was only normal for the cabinet not to move against a deeply entrenched philosophy.

I should take this opportunity to extend my warmest congratulations to the Solicitor General (Mr. Pennell), as we know he introduced this bill with deep sincerity, enthusiasm and energy. We know that abolition of capital punishment is a matter extremely dear to him, and his speeches on this subject are suffused with feelings he can hardly contain and with laudable sincerity. We should congratulate him for his wonderful speech yesterday.

Mr. Speaker, I still believe that a commutation court would be the best solution since, even after Bill No. C-168 is enacted, the cabinet will still maintain its prerogative of commuting the death sentence of murderers convicted of slaying a police officer or a jail guard.

I find it difficult to believe that the ministers have the time to make a thorough examination of all cases brought to them. Anyway, commutation should be a judicial responsibility and it is due to an obsolete philosophy, the royal prerogative, that it is felt it should not be dispensed with.

I remember that last year, the former leader of the opposition, now the member for Prince Albert (Mr. Diefenbaker), had most vigorously resorted to this argument of the royal prerogative when I introduced a bill to eliminate the power of commutation.

As far as I am concerned, Mr. Speaker, I still maintain that commutation should be essentially and basically a judicial function and that it should be the responsibility of the judiciary. It is a philosophy that is possibly different from the one now in existence, but I believe that it is the most practical for the good reason that the record of a criminal is always voluminous, requiring opinions advanced by psychiatrists, sociologists, criminologists, in short by people who have gone through the record and who have studied it in depth. They are the only ones in a position to know exactly what attitude to take.

The cabinet, generally speaking, has so much administrative responsibility, so many obligations in this respect, that these things should not normally be part of the responsibilities of those who govern this country.

I respectfully submit that if Bill No. C-168 is not passed—which I doubt very much—the authorities would necessarily have to take steps to set up such a commutation court, or else give the Supreme Court of Canada the power to commute death sentences to life imprisonment.

Mr. Speaker, without prolonging the debate further, I should like to say that, contrary to the opinions voiced by other hon. members, the government does not ignore the decisions of parliament; on the contrary, the government has decided to submit the question to the house again because it wants the decisions made by parliament to be respected.

Others have said that the vote is not free. It is easy, I think, to see that several hon. members on this side of the house will vote against the bill, which will refute the spiteful allegations of undue pressure having been exerted. I have never seen a Solicitor General show more respect for the freedom of expression of his cabinet colleagues than the hon. gentleman who presently occupies this position.

Some hon. Members: Hear, hear.

Mr. Choquette: Mr. Speaker, since I have two or three brief and interesting comments to make, I shall continue at our next sitting.

[*English*]

Mr. Speaker: Order, please. Since it is five o'clock, pursuant to a special order of the house this house is now adjourned until two thirty o'clock, Monday afternoon.

At five o'clock the house adjourned without question put, pursuant to special order.

HOUSE OF COMMONS

Monday, November 13, 1967

The house met at 2.30 p.m.

BRITISH NORTH AMERICA ACT

AMENDMENT RESPECTING PUBLICATIONS IN BOTH LANGUAGES

On the order:

November 8, 1967—Mr. Rock—Bill intituled: "An act to amend the British North America Act, 1867, and Publication of Statutes Act (proceedings to be printed in French and English on the same page)".

Some hon. Members: Stand.

Mr. Speaker: Before the bill stands I might take the opportunity to comment on the point of order raised by the hon. member for Winnipeg South Centre when the hon. member for Jacques-Cartier-Lasalle on Friday last sought leave to introduce this bill. The point of order was raised with the suggestion that this might be a money bill.

I have since then reviewed the terms of the proposed legislation in the light of the definition of a money bill set out at pages 841 and 842 of May's Parliamentary Practice, seventeenth edition. My conclusion is that the present bill does not fall within that definition. May states that a charge must be new and distinct and that it must be effectively imposed. He adds:

> These tests have the effect of excluding from the category of "charges" a considerable number of matters which prima facie involve expenditure.

If this were not so, no public bill could be introduced by a private member, for every bill involves an expenditure of money even if it be only for the printing thereof. If any expenditure is required following the adoption of this bill, it is already covered by section 16 of the Publication of Statutes Act, chapter 230 of the Revised Statutes of Canada, 1952, which reads as follows:

> All expenditures incurred in printing, binding and distributing the statutes shall be defrayed from an appropriation voted by parliament for that purpose.

I must also add that this statute, an act respecting the publication of the statutes, was introduced in the house on March 31, 1925, with the same wording as that contained in section 16 and without a resolution. In other words, if there is any expenditure in the bill proposed by the hon. member for Jacques-Cartier-Lasalle it is already covered by existing statutory authority. Furthermore, a much more comprehensive measure was introduced in the house in 1925 and was deemed not to require a resolution nor the recommendation of the crown.

In view of the law and the precedents I suggest that the hon. member should be allowed to submit the bill to the house, but for today the bill will stand.

SENATE AND HOUSE OF COMMONS

PROPOSED MEASURE RESPECTING THE OATH OF ALLEGIANCE

[*Translation*]

Mr. Auguste Choquette (Lotbinière) moved for leave to introduce a bill respecting the oath of allegiance of members of the Senate and the House of Commons.

Some hon. Members: Explain.

Mr. Choquette: Mr. Speaker, in order to prevent ridiculous charges of violation of the oath of office against parliamentarians who preach constitutional reforms, however radical they may be, provided they are advanced without resort to anarchy and violence, and to prevent the unfortunate incident that would ensue if some members of the Quebec legislature who object more and more strongly to swearing the oath of allegiance in its present form, were they to refuse, something that is more and more possible, according to my information, the purpose of the bill is to replace the oath of allegiance prescribed by section 128 of the British North America Act by the following:

> I swear to be faithful to the democratic government of my country and to its constitution and to do everything in my power to serve them well and to ensure their progress under law.

[*English*]

Some hon. Members: No.

Mr. Speaker: Carried.

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I doubt very much whether this house should be asked to give unanimous consent to a bill of this nature.

Surely this procedure is intended to indicate to the house what a member has in mind. This member is attempting to strike out our oath of allegiance—

Mr. Speaker: Order, please. I hesitate to interrupt the hon. member and I thank him for his comments but, as he knows very well, this motion is not debatable but is subject to a vote. Is the house ready for the question?

Some hon. Members: Question.

Mr. Speaker: Is it the pleasure of the house that the hon. member shall have leave to introduce the said bill? All those in favour 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. I declare the motion lost.

[*Translation*]

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

In the past, the house decided on several occasions that any member could introduce a bill; the attitude of the opposition is anti-democratic and constitutes a gag.

Mr. Speaker: Order. The hon. member knows that there are no grounds for a question of privilege.

[*English*]

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

HUNTING AND FISHING CAMPS IN NORTH

Question No. 367—**Mr. Dinsdale:**

1. How many hunting and/or fishing establishments are now in operation in the Northwest Territories and Yukon Territory?

2. How many are owned and/or operated by Indians or Eskimos?

3. How many are owned by Canadians?

4. How many are owned or controlled by American interests?

5. Where Indian or Eskimo guides are employed, what is the average cost of the services of a guide to the client, and where such guides are in the employ of an outfitter, what proportion of this cost is actually paid to the guide?

6. In the latest year of record, how many non-resident (a) hunting licences (b) fishing licences, were issued in the Northwest Territories?

7. Of this number, how many were issued to (a) Canadians (b) Americans?

[Mr. Churchill.]

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development): 1. In the Northwest Territories there are 25 tourist camps and 13 outfitters which cater primarily to sport fishermen and hunters. In the Yukon Territory there are 21 hunting and 19 fishing establishments.

2. and 3. While it is not the practice to require registration by race or nationality it appears that, in the Northwest Territories, nine hunting and 18 fishing establishments are owned by Canadians, one of the fishing establishments being operated by a Canadian having Indian status. In the Yukon Territory, 21 hunting and 16 fishing establishments are owned by Canadians, two of the hunting and four of the fishing establishments being owned or operated by Canadians having Indian status.

4. As far as can be ascertained, four fishing establishments in the Northwest Territories and one fishing establishment in the Yukon Territory are owned or controlled by American interests.

5. The normal procedure for the hiring of guides is on a wage plus room and board and tips basis, subject to negotiation by the parties concerned. It has been estimated that the average income for a guide, for a two month season in the Northwest Territories, is approximately $1,000, including salary, tips and the value of free board and lodging.

6. In the fiscal year 1966-67, 176 non-resident big game hunting licences and 3,184 non-resident angling licences were issued in the Northwest Territories.

7. Of the angling licences (a) 685 were issued to Canadians and (b) 2,489 to Americans. Of the hunting licences (a) 13 were issued to Canadians and (b) 158 to Americans.

RESULTS IN DESIGNATED AREAS

Question No. 433—**Mr. Andras:**

In areas designated by the Department of Industry (ADA) for industrial incentives, to date, what results have been obtained in attracting new industries or expanding existing industries, since such designation, in communities which prior to designation, had a population under 5,000 people, between 5,000 and 25,000 people, and over 25,000 people, in terms of (a) percentage of the total number of new industries that have located and expansions that have taken place in all designated areas (b) number of existing industries that have expanded in each of the above population classes of community (c) number of new industries that have located in each of the above population classes of community (d) number of new jobs created

in each of the above population classes of community (e) percentage increase in population in each of the above population classes of community, since designation, as compared to the national population increase since 1963?

Hon. C. M. Drury (Minister of Industry): In answer to parts (a) through (d) the following statistics are based upon active applications received by the area development agency as of September 1, 1967, and refer only to establishments participating under the area development program. Active applications include those that have been approved or are under review but do not include applications that have been rejected. The statistics relate to all areas that have been designated under the program since its beginning, July 1963, including those areas that have been de-designated.

	Size of community in terms of total population prior to designation			
	5,000 or less	5,001 to 25,000	25,000 and over	Total
(a) Percentage of new and expanded establishments locating within all designated areas	53.6%	28.9%	17.5%	100%
(b) Total number of establishments undergoing expansion in all designated areas	200	95	42	337
(c) Total number of new establishments locating within all designated areas	215	129	94	438
(d) Total number of direct job opportunities arising out of (b) and (c) above	22,810	13,546	9,998	46,354

(e) Data on population trends are not available in sufficient detail to answer this question completely. Total population increase in all designated and de-designated areas between 1961 and 1966 was 2.3 per cent compared to the national population increase of 9.7 per cent.

OKANAGAN INDIAN AGENCY

Question No. 442—**Mr. Johnston:**

1. Which Indian reservations are at present served by the Okanagan Indian agency?

2. What is the population of each of these reservations?

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development): 1 and 2. The Okanagan and Kootenay Indian agencies were amalgamated in 1966 under the new name "Kootenay-Okanagan agency". The following table shows the names of the bands, the reserves they hold and the approximate on-reserve population of each reserve located within the boundaries of the Kootenay-Okanagan agency:

Band	Indian reserve	Approximate on-reserve population
Okanagan	Okanagan No. 1	526
	Otter Lake No. 2	Nil
	Harris No. 3	Nil
	Priest's Valley No. 6	Nil
	Duck Lake No. 7	19
Westbank	Mission Creek No. 8	Nil
	Tsinstikeptum No. 9	98
	Tsinstikeptum No. 10	23
Osoyoos	Osoyoos No. 1	98
	Osoyoos No. 3	Nil

Band	Indian reserve	Approximate on-reserve population
Penticton	Penticton No. 1	209
	Penticton No. 3A	Nil
Lower Similkameen	Lower Similkameen No. 2	31
	Narcisse's Farm No. 4	12
	Skemeoskuankin Nos. 7 & 8	95
	Alexis No. 9	9
	Ashnola No. 10	16
	Blind Creek No. 6A	Nil
	Blind Creek No. 6	13
	Keremeos Forks Nos. 12 & 12A	Nil
	Range No. 13	Nil
Upper Similkameen	Vermilion Forks No. 1	Nil
	Chuchuwayha No. 2	22
	Chuchuwayha No. 2A	Nil
	Chuchuwayha No. 2B	Nil
	Chuchuwayha No. 2C	Nil
	Wolf Creek No. 3	Nil
	Nine Mile Creek No. 4	Nil
	Lulu No. 5	Nil
	One Mile No. 6	Nil
Spallumcheen	Salmon River No. 1	43
	Enderby No. 2	174
	Sicamous No. 3	Nil
Tobacco Plains	Tobacco Plains No. 2	48
Columbia Lake	Columbia Lake No. 3	77
St. Mary's	Isidore's Ranch No. 4	Nil
	Kootenay No. 1	121
	Cassimayooks No. 5	9
	Bummers Flat No. 6	Nil
Lower Kootenay	Creston No. 1	47
	Lower Kootenay No. 1A	Nil
	Lower Kootenay No. 1B	Nil
	Lower Kootenay No. 1C	Nil
	Lower Kootenay No. 2	Nil
	Lower Kootenay No. 3	Nil
	Lower Kootenay No. 4	Nil
	Lower Kootenay No. 5	Nil
Shuswap	Shuswap	78
	St. Mary's No. 1A (held in common by Columbia Lake, Lower Kootenay, Shuswap, St. Mary's and Tobacco Plains bands)	Nil

MANUFACTURE OF OOKPIKS

Question No. 461—**Mr. Dinsdale:**

1. How many Ookpiks have been manufactured each month by the Fort Chimo Eskimo co-operative since they were first created there, and how many have been sold since manufacturing began?

2. Has the Department of Indian Affairs and Northern Development a considerable supply of Fort Chimo manufactured Ookpiks on hand and, if so, what quantity and how will they be disposed of?

3. Has manufacturing been discontinued recently and, if so, for what reason and for how long?

4. What royalties have accrued to the Fort Chimo Co-operative from commercial enterprises licensed to manufacture Ookpiks?

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development): 1. This information is privileged; the department is not at liberty to provide such detailed information obtained in confidence from this independent cooperative.

2. The department has on hand 24,883 Ookpiks which will be disposed of through Canadian Arctic Producers.

3. No.

4. See answer to No. 1.

PRESS RELEASES BY INDIAN AFFAIRS DEPARTMENT

Question No. 470—**Mr. Howard:**

1. Does the Department of Indian Affairs and Northern Development issue documents with the heading "Press Release Communiqué" and, if so, how many such documents have been issued since the foundation of the said department?

2. What has been the cost of (a) printing the headings (b) typing the stencils (c) mimeographing (d) collating and stapling (e) addressing and mailing the said documents?

3. With respect to the paper used for the said documents, what is (a) its quality (b) its total quantity (c) its total cost?

4. With respect to such a document, containing on the front page thereof the following: "Release time: 3:00 p.m.; Pacific standard time; Saturday, August 12, 1967; An address by the Honourable Arthur Laing, Minister of Indian Affairs and Northern Development, at the annual Vancouver South Liberal picnic, Vancouver, B.C., Saturday, August 12, 1967", what was (a) the total number of such documents so issued (b) the quantity and cost of the paper so used (c) the number of working hours consumed in the preparation and distribution thereof (d) the mailing costs?

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development): In so far as the Department of Indian Affairs and Northern Development is concerned the answers are as follows: 1. Yes, 207 documents.

2. (a) $2,116.50; (b) no stencils are used; (c) no mimeographing is involved; (d) total cost of plate making, printing by offset, collating and stapling the documents amounts to approximately $5,969.50, (e) the department is charged for mailing on a bulk yearly basis by the Post Office Department and therefore it is impossible to estimate the cost of mailing specific documents. The cost of the addressing process is estimated at $477.36.

3. (a) letterhead is on offset book white 40 M.; plain stock paper is white bond 40 M.; (b) letterhead, 415,000 sheets; plain stock paper, 923,435 sheets; (c) letterhead, $2,116.50; plain stock paper, $1,828.40.

4. (a) 747; (b) letterhead, 747 sheets, $3.81; plain stock paper, 5,076 sheets, $11.23; (c) approximately 4½ man hours, excluding the printing time by the Canadian Government Printing Bureau; (d) 360 copies were mailed to members of parliament, in Ottawa. The department is charged for mailing on a bulk yearly basis by the Post Office Department and, therefore, it is impossible to estimate the cost of mailing these specific documents.

AMATEUR BAND RADIO EQUIPMENT

Question No. 480—**Mr. McCleave:**

1. What has been the annual tariff collected on "amateur band only" radio equipment imported into Canada in each of the last five years?

2. Do any Canadian manufacturers produce "amateur band only" radio equipment?

3. In the establishment of tariffs in the past, has consideration been given to differences between "amateur band" and "citizens band" radio equipment?

4. Have submissions been received by the Department of Finance or the Tariff Board to remove tariffs on radio equipment for use on the amateur band and, if so, what consideration is being given to such requests?

Hon. Judy V. LaMarsh (Secretary of State): I am informed by several departments as follows: 1. Information not available.

2. No.

3. The Tariff Board made a comprehensive study of the tariffs on radio and television equipment under reference 123. Its report was tabled March 29, 1965. "Amateur band" radio equipment is mentioned in the report and received consideration. However, in the revised tariff items proposed by the board it would be classified along with other radio equipment rather than being singled out for special treatment.

4. Yes. The Tariff Board has received and is examining such a submission in the context of reference 134.

Questions

REPLACEMENT OF AIR CANADA AIRCRAFT

Question No. 490—**Mr. Forrestall:**

What plans, if any, has the government for the replacement of Air Canada's Vanguard and Viscount aircraft?

Mr. J. A. Byrne (Parliamentary Secretary to Minister of Transport): The management of Air Canada advises that its present planning calls for the eventual replacement on a progressive basis of all propeller turbine aircraft with jets of appropriate size and range.

POST OFFICE CONSTRUCTION

Question No. 495—**Mr. Watson (Assiniboia):**

1. How many new post offices were built in each province in Canada in each year since 1963?
2. What is the minimum postal revenue required to qualify for a federally owned post office?

Hon. Jean-Pierre Côté (Postmaster General):

1.

	1963	1964	1965	1966	1967	Total
Newfoundland	Nil	33	31	20	8	92
Prince Edward Island	Nil	4	6	5	1	16
Nova Scotia	4	18	44	12	11	89
New Brunswick	3	21	23	8	15	70
Quebec	20	41	75	26	58	220
Ontario	21	33	27	18	17	116
Manitoba	4	6	4	2	Nil	16
Saskatchewan	15	9	11	3	Nil	38
Alberta	9	8	4	3	Nil	24
British Columbia	7	4	4	1	4	20
North West Territories	Nil	Nil	1	Nil	1	2
Yukon	Nil	Nil	Nil	Nil	Nil	Nil
Total	83	177	230	98	115	703

New post office buildings under construction as of 25th October 1967

Newfoundland	14
Prince Edward Island	3
Nova Scotia	5
New Brunswick	9
Quebec	18
Ontario	7
Manitoba	Nil
Saskatchewan	2
Alberta	Nil
British Columbia	1
North West Territories	Nil
Yukon	Nil
Total	59

2. Under normal policy, the postal revenue of a post office is not a determining factor in qualifying for a federal building. The main requirement is that an office must be of semi-staff category or higher. Semi-staff classification is attained by means of a unit of work survey with definite guideposts which determine the classification. However, in areas of high winter unemployment, small federal buildings have been constructed under the winter works program. For this program, the cabinet has set as a minimum criterion, that a post office must have a revenue of not less than $1,200 per annum.

[Miss LaMarsh.]

RE-ESTABLISHMENT OF CARIBOU IN CAPE BRETON PARK

Question No. 498—**Mr. Muir (Cape Breton North and Victoria):**

What action to date has been taken by the Department of Indian Affairs and Northern Development to implement the re-establishment of caribou in the Cape Breton Highlands national park?

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development): The following action has been taken to date: (a) Officers of the Department of Indian Affairs and Northern Development have discussed this project with officers of the wildlife service,

departments of tourism, fish and game, province of Quebec. (b) Investigations into capture, transportation, and release have been conducted and no obstacles to the projects have been found. (c) The Quebec wildlife service has advised that March 1968 would be the best time to carry out the transplant. The project is being planned for that time. (d) A further meeting has been planned with officers of the Quebec wildlife service late in 1967 to plan final details of the project.

DISCUSSIONS WITH U.K. ON RECIPROCAL PENSION PLANS

Question No. 507—**Mr. Knowles:**

1. Since May 30, 1966, the date of answers to similar questions, have there been further discussions between the government of Canada and the government of the United Kingdom concerning the possibility of a reciprocal agreement with respect to the Canada pension plan and corresponding legislation in the United Kingdom?

2. If so, what conclusions have been reached?

3. If no conclusions have yet been reached, are such discussions continuing and will a report on such discussions be made to the House of Commons at an early date?

Hon. A. J. MacEachen (Minister of National Health and Welfare): 1. While there has been no meeting of officials, there has been an exchange of correspondence relating to this matter.

2. There are no new developments to report at this time.

3. It is possible that further discussions will be held and, if any conclusions affecting existing arrangements are arrived at, these will be reported to the house.

DISCUSSIONS WITH U.S. ON RECIPROCAL PENSION PLANS

Question No. 509—**Mr. Knowles:**

1. Since May 30, 1966, the date of answers to similar questions, have there been further discussions between the government of Canada and the government of the United States concerning the possibility of a reciprocal agreement with respect to the Canada pension plan and corresponding legislation in the United States?

2. If so, what conclusions have been reached?

3. If no conclusions have yet been reached, are such discussions continuing and will a report on such discussions be made to the House of Commons at an early date?

Hon. A. J. MacEachen (Minister of National Health and Welfare): 1. On July 12, 1966, officials of the Canada Pension Plan met with the officials of the United States social security administration to discuss the question of reciprocal arrangements. As the result of these discussions, in November 1966, the United States government recognized the right of certain Canadian citizens to receive, as of the 1st January 1966, benefits under the United States social security legislation while residing outside the country. Further meetings between the same officials were held on the 26th and 27th September 1967 to pursue the question of reciprocal arrangements between the two countries.

2. There are no new developments to be announced at this time.

3. Further discussions are contemplated.

DISCUSSIONS WITH GERMANY ON RECIPROCAL PENSION PLANS

Question No. 510—**Mr. Knowles:**

1. Since May 30, 1966, the date of answers to similar questions, have there been further discussions between the government of Canada and the government of Germany concerning the possibility of a reciprocal agreement with respect to the Canada pension plan and corresponding legislation in Germany?

2. If so, what conclusions have been reached?

3. If no conclusions have yet been reached, are such discussions continuing and will a report on such discussions be made to the House of Commons at an early date?

Hon. A. J. MacEachen (Minister of National Health and Welfare): 1. Social security officials of the Federal Republic of Germany met with Canadian officials in Ottawa during the week October 16-21, 1967.

2. General agreement was reached on a number of points that would form the basis of an agreement between the two governments. These are being referred for consideration by the two governments.

3. Further discussions are contemplated and a report to the house will be made in due course.

TRANSFER OF ROCKCLIFFE AERODROME TO TRANSPORT DEPARTMENT

Question No. 524—**Mr. Bell (Carleton):**

1. Has any proposal been made for the transfer of Rockcliffe aerodrome from the jurisdiction of the Department of National Defence to the Department of Transport for use as a secondary airport in the national capital region?

2. If so, what action has been taken in respect of the proposal?

Questions

Mr. J. A. Byrne (Parliamentary Secretary to Minister of Transport): 1. Yes.

2. Methods of operating Rockcliffe airport on a caretaker basis, for the use of light local and itinerant aircraft have been explored between the Department of National Defence and the Department of Transport but no decision for transfer has been taken.

EXPENDITURES ON NATIONAL PARKS

Question No. 531—**Mr. Caouette:**

What was the amount spent by the federal government on each of the federal parks for each of the last ten years?

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development):

27053—264½

EXPENDITURES IN THE NATIONAL PARKS OF CANADA

1957–58 to 1966–67 ($000's)

	1957–58	1958–59	1959–60	1960–61	1961–62	1962–63	1963–64	1964–65	1965–66	1966–67	Totals
Banff	4,871.4	5,448.2	6,641.7	5,524.6	4,806.6	2,903.3	3,494.8	3,083.9	3,661.5	3,157.4	43,593.4
Cape Breton Highlands	1,544.9	1,340.9	1,946.6	1,921.1	1,574.0	929.2	730.3	836.7	966.0	805.0	12,594.7
Elk Island	260.1	417.1	343.7	590.1	637.7	577.2	642.6	691.4	385.2	515.9	5.061.0
Fundy	461.3	834.1	620.6	605.2	629.2	834.9	595.2	672.5	762.5	681.8	6,697.3
Georgian Bay Islands	59.8	74.6	93.1	65.6	72.8	75.6	74.8	80.4	110.9	108.1	815.7
Jasper	1,370.1	2,601.0	2,877.9	2,860.3	4,556.7	5,752.3	3,113.6	3,607.5	4,616.8	10,429.9	41,777.1
Kejimkujik	—	—	—	—	—	—	—	—	362.6	252.0	614.6
Kootenay	3,774.1	4,076.2	3,507.8	1,626.4	2,547.2	1,516.9	1,339.8	1,525.2	1,393.8	874.5	22,181.9
Mount Revelstoke-Glacier	159.2	253.4	565.2	960.2	1,563.3	1,231.0	1,247.0	1,277.9	1,514.5	1,928.0	10,699.7
Point Pelee	153.0	135.3	149.6	206.4	238.6	250.1	223.7	170.5	437.5	308.6	2,273.3
Prince Albert	545.8	802.5	961.3	978.5	1,164.8	1,220.8	1,206.2	927.2	849.1	780.8	9,437.0
Prince Edward Island	779.8	584.4	1,002.3	1,432.9	843.9	525.1	544.8	752.7	752.4	380.3	7,598.6
Riding Mountain	693.6	955.3	524.5	1,037.4	1,662.5	1,225.9	1,308.0	967.4	937.3	922.4	10,234.3
St. Lawrence Islands	64.1	85.4	101.9	87.3	84.3	102.4	117.7	135.2	125.6	100.9	1,004.8
Terra Nova	240.1	970.8	727.2	600.1	995.5	599.4	834.2	1,041.8	995.1	763.2	7,767.4
Waterton Lakes	349.7	729.3	1,137.5	772.1	1,035.7	1,086.5	910.9	1,505.1	907.9	609.8	9,044.5
Wood Buffalo	—	—	—	—	—	—	—	—	553.4	653.7	1,207.1
Yoho	408.2	706.4	994.3	1,010.0	892.5	849.8	692.6	833.9	669.5	702.7	7,759.9
Totals	15,735.2	20,014.9	22,195.2	20,278.2	23,305.3	19,680.4	17,076.2	18,109.3	20,001.6	23,966.0	200,362.3

Questions

CONSTRUCTION OF AIR TERMINAL, ROUYN, QUE.

Question No. 535—**Mr. Caouette:**

Have any surveys been made with regard to the building of an air terminal at the Rouyn air field?

Mr. J. A. Byrne (Parliamentary Secretary to Minister of Transport): No, but an economic survey report is programmed for completion by February 1968.

STUDIES ON COMMUNICATION BY SATELLITE

Question No. 540—**Mr. Caouette:**

Does the Canadian Overseas Telecommunications Corporation intend to enter the field of telecommunications by satellite and, if so, are studies being made in this connection?

Mr. J. A. Byrne (Parliamentary Secretary to Minister of Transport): On August 20, 1964, in Washington, D.C., Canada signed the interim and special agreements which had been negotiated by governments of a number of countries with a view to the establishment and operation of an international telecommunication satellite system, and in which 58 nations now participate. Canadian Overseas Telecommunication Corporation was designated by the government of Canada as the operating entity for Canada. The corporation remains active in this field and is operating a satellite earth station located at Mill Village, Nova Scotia, providing telephone and television services between Canada and Europe.

EXPLORATION OF ARCTIC ARCHIPELAGO

Question No. 543—**Mr. Nielsen:**

1. Has the government engaged in discussions with private oil exploration and/or drilling companies with a view to participating in the establishment of a crown corporation for the purpose of channeling public and private investment funds into exploration of the Arctic archipelago?

2. If so, what are the names of the persons, firms and/or corporations with which such discussions have been held?

3. Has any agreement been reached with respect to the establishment of such a crown corporation and, if so, what are the details of such agreement?

4. What is the anticipated investment by the government in the undertaking?

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development): 1. No.

2. N/A.

3. No.

4. N/A.

[Mr. Laing.]

MILL OF KINTAIL AS HISTORIC SITE

Question No. 549—**Mr. Brand:**

1. Have any approaches been made to the historic sites and monuments board for the purchase of the Almonte home of Dr. Robert Tait McKenzie?

2. In view of the many representations, is it the intent of this government to designate the Mill of Kintail as a national historic site?

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development): 1. No. The historic sites and monuments board of Canada does not consider the purchase of houses per se.

It has, however, on two separate occasions considered the national historical importance of the home, known as the Mill of Kintail, and its view has been that the mill is not of national historical significance.

In 1958 the board also recommended that the name Robert Tait McKenzie be added to the list of distinguished Canadians. The board recently considered this matter again and recommended the erection of a plaque commemorating McKenzie.

2. In view of the board's recommendation that the mill is not of national historical importance, it is not intended to designate the Mill of Kintail as a national historic site.

STUDY OF FISCAL MATTERS, YUKON TERRITORY

Question No. 550—**Mr. Nielsen:**

1. With respect to the appointment by the government of Messrs. Touche, Ross, Bailey and Smart, chartered accountants, to conduct a study of taxation and fiscal affairs in the Yukon Territory, is such study to be undertaken on a contract basis?

2. If so, what is the cost to the government of the study to be undertaken?

3. If the study is to be undertaken on a basis other than that of contract, what is the anticipated cost of the same?

4. Was the study specifically requested by the Yukon legislative council?

5. Was the appointment of Messrs. Touche, Ross, Bailey and Smart specifically requested by the Yukon legislative council?

6. Was the Yukon legislative council consulted with respect to the appointment of Messrs. Touche, Ross, Bailey and Smart or with respect to the terms of reference of the study or with respect to any other matter relating to the study?

7. Is any portion of the cost of the study to be charged against the consolidated revenue fund of the Yukon Territory?

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development): 1. Yes.

2. The cost is not to exceed $60,000 plus actual expenses estimated at $6,000.

3. N/A.

4. Yes.

5. No.

6. At a meeting in Ottawa in January-February, 1967, members of the Yukon council discussed the need for and the type of study which would be undertaken by the department. There was no consultation with respect to the appointment of Messrs. Touche, Ross, Bailey and Smart.

7. No.

VALUE OF CANADIAN IMPORTS

Question No. 552—**Mr. Howe (Wellington-Huron):**

What was the total value of all imports into Canada for the years 1965, 1966 and the first six months of 1967 from (a) the British Isles (b) common market countries (c) Japan (d) Hong Kong?

Mr. Jean-Charles Cantin (Parliamentary Secretary to Minister of Trade and Commerce): The total dollar value, in thousands of dollars, of all imports into Canada for the years 1965, 1966 and the first six months of 1967 from specified countries is as follows:

	1965 $'000	1966 $'000	Jan.-June 1967 $'000
(a) United Kingdom	619,058	644,741	343,637
(b) Common market countries:			
Belgium-Luxembourg	72,027	61,555	31,115
France	96,103	106,651	56,389
Germany West	209,517	235,207	116,771
Italy	80,279	86,718	51,593
Netherlands	56,274	60,489	29,472
Totals	514,200	550,620	285,340
(c) Japan	230,144	253,051	140,610
(d) Hong Kong	31,043	38,911	23,384

NEAR ACCIDENT AT MALTON AIRPORT

Question No. 553—**Mr. Sherman:**

Has the Department of Transport established responsibility for the air incident which occurred on October 2, 1967, at Malton airport, Toronto, involving an Air Canada DC-8 and a small privately owned aircraft and, if so (a) to whom has the department assigned responsibility for this incident (b) what disciplinary actions, if any, have been taken against this person (c) what steps is the department taking to ensure that the lives of commercial airliner passengers will not be endangered in incidents of this kind at Canadian airports in the future (d) has any recognition been conferred upon the captain of the DC-8 for his part in this incident and, if so, what recognition?

Mr. J. A. Byrne (Parliamentary Secretary to Minister of Transport): Responsibility for the air incident in question has not been finally determined since the matter is still under investigation. Investigation thus far has established that, apparently for reasons not yet fully determined, the pilot of the light aircraft did not comply with clearances given him by the air traffic control tower.

Without minimizing the seriousness of any incident of this kind, the investigation of the incident so far indicates that, at no time was there an imminent risk of collision and that the action of the Air Canada pilot in altering his approach was a normal precaution which would be expected of an alert and capable aircraft captain in a potentially hazardous situation.

EXPORT LICENCES TO CHINA

Question No. 566—**Mr. Hamilton:**

1. What number of Canadian corporations applied for export licences to export to the People's Republic of China from January 1, 1963 to June 30, 1967?

2. What companies have had their licence requests denied or modified and for what reasons?

3. (a) What companies have withdrawn applications once submitted (b) what was the explanation given for withdrawal?

Mr. Jean-Charles Cantin (Parliamentary Secretary to Minister of Trade and Commerce): 1. From January 1, 1963 to June 30,

1967, 133 export permit applications were received for export shipments to the People's Republic of China.

2. Disclosure of the names of companies involved is not in public interest.

3. (a) Same as for part 2. (b) No explanation is required for withdrawal of applications.

UNEMPLOYMENT INSURANCE APPLICATIONS

Question No. 567—**Mr. Laprise:**

How many initial applications were made by claimants to the unempjloyment insurance commission during the years 1965 and 1966?

Hon. J. R. Nicholson (Minister of Labour): Fiscal year ending 31 March, 1966, 1,189,617. Fiscal year ending 31 March, 1967, 1,212,740.

FISHERIES DEPARTMENT VEHICLE, SHEET HARBOUR, N.S.

Question No. 583—**Mr. McCleave:**

1. Does the Department of Fisheries own a motor vehicle for its operations in and around Sheet Harbour, Nova Scotia?

2. If so (a) for what purposes is the vehicle used (b) how many miles has it travelled this year (c) is use for non-departmental purposes permitted (d) has the department or its local officials at Sheet Harbour received complaints that the vehicle is used for non-departmental purposes?

Hon. H.-J. Robichaud (Minister of Fisheries): 1. Yes, two vehicles.

2(a) One vehicle, a 1966 half-ton pickup based in Halifax, is presently used for transport of biological staff and equipment between Halifax and Sheet Harbour and to operational sites on the East and West Rivers as well as other rivers and streams in the general vicinity of Sheet Harbour in connection with a major fisheries resource development project in that region.

The second, which is a fish transfer tank truck, is used to transfer adult salmon from fish trapping facilities in connection with the East river fisheries development and rehabilitation program, and to transport young salmon smolts from departmental fish hatcheries to release sites on the East river. (b) 12,300 miles and 8,700 miles respectively to the end of September, 1967. (c) No. (d) No.

PROHIBITION OF MAIL FOR CERTAIN COUNTRIES

Question No. 587—**Mr. Schreyer:**

1. Do Canadian postal regulations prohibit the acceptance of letter mail and/or parcel post to certain countries?

[Mr. Cantin.]

2. If so, to what countries does this prohibition extend?

3. On what dates did these postal regulation prohibitions become effective?

Hon. Jean-Pierre Côté (Postmaster General): 1. While letter mail service from Canada is available to all countries, there are certain countries for which parcel post cannot be accepted.

2. Parcel post service does not operate to the following countries: China; Republic of Laos; Mongolia, Peoples Republic; North Korea; North Viet Nam.

3. The parcel post service was suspended on the dates indicated hereunder: China, May, 1949; Republic of Laos, November, 1960; Mongolia, Peoples Republic, the service has never been available; North Korea, July, 1950; North Viet Nam, May, 1959.

CONTINUATION OF OLD AGE SECURITY PAYMENTS AFTER DEATH

Question No. 594—**Mr. Southam:**

Will the government consider the continuation of old age security payments for one year after the death of a recipient, so that his estate may be retained to cover costs of funeral services, and to assist in the rehabilitation or relocation of dependant survivors?

Hon. A. J. MacEachen (Minister of National Health and Welfare): No. The purpose of old age security is to provide for current needs of individuals who have qualified for the pension. The law requires that payment cease with effect from the month following death. Because payment is made toward the end of each month, this means that the final payment in the majority of cases goes to the estate. To the extent this is done, there is some money available for post-death expenses.

The suggested change would cost approximately $80,000,000 per year, and would result in a year's payment going to many pensioners whose estates are already able to take care of post-death expenses. It would also mean a year's payment would go to the estate of many pensioners who had no survivors.

FEDERAL BUILDING CONSTRUCTION, AMHERST, N.S.

Question No. 601—**Mr. Coates:**

On what date does the government intend to initiate construction of the new federal building that will be constructed in Amherst, Nova Scotia?

Hon. G. J. McIlraith (Minister of Public Works): This matter is now under review.

POST OFFICE EXTENSION, AMHERST, N.S.

Question No. 602—**Mr. Coates:**

1. Were properties purchased by the federal government to allow for an extension to the federal building in Amherst, Nova Scotia, that houses the post office and, if so, from whom was this property purchased and what was the cost of the property in question?

2. On what date does the government intend to carry out an extension to the federal building that houses the post office in Amherst, Nova Scotia?

Hon. G. J. McIlraith (Minister of Public Works): 1. Yes, from A. A. Leslie for $16,773.

2. It is not possible to give a date at the present time.

FEDERAL BUILDING CONSTRUCTION, PARRSBORO, N.S.

Question No. 603—**Mr. Coates:**

1. Is it the intention of the government to construct a new federal building that will house the post office at Parrsboro, Nova Scotia, and, if so, when does the government intend to carry out construction of this new federal building?

2. Has a site been selected for this federal building and, if so, what is the site, from whom was it purchased, and what was the amount of the purchase?

Hon. G. J. McIlraith (Minister of Public Works): 1 and 2. See reply to question No. 250 as it appears in *Hansard* of June 26, 1967 on page 1924.

HARBOUR DREDGING, PORT GREVILLE, N.S.

Question No. 604—**Mr. Coates:**

Is it the intention of the government to carry out dredging of the harbour at Port Greville, Nova Scotia, and, if so, when will this dredging operation be under way?

Hon. G. J. McIlraith (Minister of Public Works): There are no plans at present to dredge Port Greville harbour.

HARBOUR DREDGING, PUGWASH, N.S.

Question No. 605—**Mr. Coates:**

1. Will further dredging of Pugwash harbour be carried out in 1968?

2. What was the cost of dredging undertaken at Pugwash in 1967 and what is the anticipated further expenditure for 1968?

Hon. G. J. McIlraith (Minister of Public Works): 1. No dredging is anticipated in 1968.

2. The cost of dredging in 1967 is not yet known because final quantities have not been calculated. The contract award was in the amount of $89,200.

Orders for Returns

EXTENSION OF DEFERMENTS UNDER LABOUR CODE

Question No. 610—**Mr. Johnston:**

1. Have applications been made to extend the deferments ending December 31, 1967, under part I of the federal labour code, dealing with hours of work and granted to the shipping and air transport companies?

2. Is it the intention of the government to extend these deferments?

3. Has any decision been made to fix termination dates for the deferments previously granted to the C.P.R. and all Canadian railways?

Mr. B. S. Mackasey (Parliamentary Secretary to Minister of Labour): 1. No.

2. See above.

3. Discussions are currently being held with unions and managements regarding the termination of the existing Gazette deferments of hours of work on Canadian railways.

QUESTIONS PASSED AS ORDERS FOR RETURNS

AUDITORS FOR CROWN CORPORATIONS

Question No. 414—**Mr. Caouette:**

1. For each of the years 1964, 1965, and 1966, who audited the financial statements of the C.N.R., the Bank of Canada, the Industrial Development Bank, C.M.H.C., and the Canadian Wheat Board?

2. What was paid to such auditors for each of these years?

3. Does the government intend to carry out the recommendations of the public accounts committee that the auditor general of Canada act as auditor for all government companies and, if not, for what reason?

Return tabled.

CONSULTATIONS RESPECTING TRANSPORTATION IN NORTH

Question No. 450—**Mr. Nielsen:**

Since October, 1963, has the government of Canada or any official or employee of the government had any consultations with either the government of the province of British Columbia, or with the government of the United States of America, or with the government of the state of Alaska, or with any official or employee of the said governments with respect to (a) the maintenance or paving of the Alaska highway (b) the maintenance or paving of the Haines cut-off road (c) the construction of a road from Carcross in the Yukon to Skagway in the state of Alaska (d) the acquisition by Canada of a corridor or corridors from the Yukon through the tidewater on the Alaskan panhandle (e) the acquisition by Canada of a "free" port or ports of the Alaskan panhandle?

Return tabled.

Inquiries of the Ministry

Mr. Starr: Mr. Speaker, I rise on a point of order to bring to the attention of the Prime Minister that at present on the order paper there still remain some 145 unanswered questions, not counting the returns that were made and the questions that were answered today. I would ask the Prime Minister to prevail upon his ministers to pay more attention to the questions that are directed to them and stand on the order paper, and deal with them as expeditiously as possible so that answers may be given to the hon. members requiring them.

Right Hon. L. B. Pearson (Prime Minister): I will be glad to bring that matter to the attention of the ministers, and I hope my hon. friend will also be able to bring to the attention of his colleagues the form in which questions should be put in order that the answers might be expedited.

Mr. Starr: I rise on a question of privilege, Mr. Speaker. It is a well known fact, even to the Prime Minister, that questions must be submitted to the Clerk to assure that they are in proper form before they are placed on the order paper.

FINANCE

INQUIRY AS TO PRESENTATION OF SUPPLEMENTARY MEASURES

On the orders of the day:

Hon. J. W. Monteith (Perth): Mr. Speaker, I should like to ask the Minister of Finance whether he is in a position to announce the date of the supplementary budget.

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, I have spoken to the house leader, who will have some discussions with the members opposite about the form this announcement should take. We have a date in mind, and as soon as these consultations are concluded we can make an announcement.

Mr. Monteith: Mr. Speaker, in view of the fact that on Friday the minister agreed to a budget debate, will he not now accept his responsibility and stipulate an early date?

Mr. Speaker: Order, please. The question as posed is argumentative.

[*Translation*]

Mr. Gérard Laprise (Chapleau): Mr. Speaker, may I put a question to the Minister of Finance and Receiver General?

[Mr. Nielsen.]

Following the announcement of November 10 last, can the minister tell us whether he is considering the possibility of reducing the payment of interest on the national debt instead of reducing the personal income by means of a tax increase?

[*English*]

Mr. Speaker: Order, please. I feel the question is out of order.

[*Translation*]

[*Later:*]

Mr. Roland Godin (Portneuf): Mr. Speaker, my question is directed to the hon. Minister of Finance, who intends to pay a visit to the New York financial circles. Could he tell us whether he intends to knock at the same door and hopes to be able to kneel before the same people as the premier of Quebec?

[*English*]

POWER

COLUMBIA RIVER—REQUEST FOR PAYMENT OF BONUS AND OVERDUE INTEREST

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Prime Minister. I apologize for not sending him notice, but I have been busy on the phone as usual. It is a simple question. Can the Prime Minister inform the house what progress has been made in negotiations with the government of the United States for the payment of the $12 million due for the early completion of the Duncan dam, and the interest involved?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I accept the hon. gentleman's apology for not sending me notice. I was also busy on the phone. I will be glad to look into the question to see what progress has been made. I know we have taken up the matter in Washington, and it is a matter of importance and urgency. I hope the minister will be able to report tomorrow.

UNITED NATIONS

CRITICISM OF FOOD AND AGRICULTURE ORGANIZATION BY CANADIAN MINISTER

On the orders of the day:

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, I wanted to direct a question to the Minister of Agriculture, but in his absence perhaps I should direct it to the Prime Minister. In view of the minister's criticism of the

United Nations food and agriculture organization, is it the government's intention to recommend any reduction in Canada's contribution to that agency?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the minister's statement was designed to make sure the money contributed to this very important organization is well spent, and that the administration of the agency itself will make sure it is well spent. This was all he had in mind, to make sure the administration makes certain the money is well spent.

Mr. Patterson: May I ask a supplementary question. I wonder if the minister's views have been formally submitted to the directorate of the FAO?

Mr. Pearson: I know that the Minister of Agriculture is attending the meeting in Rome and has been in touch with the director. I know also that not long ago the director was in Ottawa and we had a chance to discuss with him the administration of this organization.

EXTERNAL AFFAIRS

NORTH VIET NAM—PROTEST RESPECTING CANADIAN POSITION ON CONTROL COMMISSION

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): I have a question I wished to put to the Secretary of State for External Affairs, but in his temporary absence I shall direct the question to the Prime Minister. Has the government received a protest from the government of North Viet Nam concerning Canada's alleged non-neutral position as a member of the international control commission? I ask this question in view of a news report this morning over the Canadian Broadcasting Corporation reporting this protest.

Mr. Speaker: The first part of the question is in order.

Right Hon. L. B. Pearson (Prime Minister): I have also seen that news report, but I have had no message of any kind confirming it. I will get in touch with the minister when he returns later this afternoon to see whether external affairs has had any message from North Viet Nam.

Mr. Andrew Brewin (Greenwood): May I ask a supplementary question. I wonder if the Prime Minister, when speaking to the Secretary of State for External Affairs, would also ask him to look into the question of what steps are taken by Canada, if any, to prevent the export of war materials destined for Viet Nam.

Mr. Pearson: Yes, Mr. Speaker, I will discuss that matter with my colleague.

[*Translation*]

VIET NAM—INQUIRY AS TO RECENT PEACE PROPOSALS

On the orders of the day:

Mr. Alcide Simard (Lac-Saint-Jean): Mr. Speaker, I had a question to put to the Secretary of State for External Affairs, but in his absence I shall direct it to the Prime Minister.

Concerning the war in Viet Nam, could he tell the house whether a recent proposal for a valid and durable peace treaty has been made on both sides by the belligerent parties?

[*English*]

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I am aware of certain proposals that have been made on one side. I am not aware of any proposals for a negotiated peace having been made on the northern side.

[*Translation*]

Mr. Simard: I have a supplementary question, Mr. Speaker. What is the compromise which the right hon. Prime Minister intends to propose to the belligerents concerning the administration of South Viet Nam?

Mr. Speaker: I think the question is much too broad to be answered now.

[*English*]

POLLUTION

REQUEST FOR STATEMENT ON POSSIBLE GOVERNMENT ACTION

On the orders of the day:

Mr. G. H. Aiken (Parry Sound-Muskoka): I should like to direct a question to the Minister of National Health and Welfare. In view of the continuing controversy concerning air pollution in southwestern Ontario, does the government intend to take action on a national pollution abatement program, and provide leadership on a country-wide basis on this urgent matter?

Hon. Allan J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, I am

sure my hon. friend is aware that the provisions of the Ontario air pollution act are capable of dealing with this important situation, and action has already been taken by the government of Ontario. We on our side are preparing considerations that we hope will be reflected in legislative form setting out what we think would be appropriate steps to be taken by the federal government.

Mr. Aiken: A supplementary question in connection with the program the minister has suggested. Will it include both air and water pollution?

Mr. MacEachen: No, Mr. Speaker.

INQUIRIES OF THE MINISTRY

On the orders of the day:

Mr. E. F. Whelan (Essex South): Mr. Speaker, I have a question for the Minister of Finance. Due to the deep concern of the minister over government spending, would he consider as a savings measure the abolition of the Senate or reducing the salary of senators to $1 a year?

Mr. Knowles: Can we not have an answer, Mr. Speaker?

[*Translation*]

Mr. Auguste Choquette (Lotbinière): Mr. Speaker, my question was directed to the Secretary of State, but, in her absence, I could perhaps direct it to the Prime Minister, to whom I would apologize for not giving him sufficient notice.

In view of the resignation of His Eminence Cardinal Léger as archbishop of Montreal, and the tremendous loss suffered by the diocese of Montreal, would the government consider, as a centennial presentation, to provide some assistance to the noble enterprise that this distinguished Canadian personality wishes to undertake for the sake of lepers in Africa?

[*English*]

CANADA PENSION PLAN

INQUIRY AS TO APPOINTMENT OF ADVISORY COMMITTEE

On the orders of the day:

Mr. C. S. Smallwood (Battle River-Camrose): Mr. Speaker, my question is for the minister of health and welfare and arises out of a news release by his department on November 10, when the minister announced the appointment of a committee of 12 members to advise on the Canada Pension Plan, which committee included the former member for Carleton. My question is, is this committee the minister's idea of conformity with the government's recently announced economic guide lines?

Mr. Speaker: Order. This question appears to be argumentative.

CANADIAN BROADCASTING CORPORATION

STATEMENT BY BOARD RESPECTING ACTION BY MINISTER

On the orders of the day:

Hon. E. D. Fulton (Kamloops): I have a question for the Prime Minister. Is the right hon. gentleman aware of a statement being issued this afternoon by the full board of the Canadian Broadcasting Corporation rejecting the charge of rottenness in unspecified areas of management, censuring the Secretary of State by name, and protesting vigorously the action taken by the minister and the position resulting therefrom? In the light of this unprecedented action of the board of a public corporation set up by parliament, has the Prime Minister any comment to make on this matter for the information of the house?

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker, I am not aware that a statement has been issued, though coming into the house I was told one was likely to be issued at four o'clock. Apparently my hon. friend has the inside track on this type of information.

Mr. Fulton: A supplementary question, Mr. Speaker. I am flattered by the last words of the Prime Minister, as to my sources of information, but on the basis of the information which the Prime Minister apparently did receive at the same time I did, has the right hon. gentleman any comment to make?

Mr. Pearson: I certainly have not seen the statement, Mr. Speaker. To that extent my hon. friend has the advantage over me.

Mr. Fulton: I have not seen it.

Hon. Michael Starr (Leader of the Opposition): A supplementary question to the Prime Minister, Mr. Speaker. Would the issuance of the statement by the board of the C.B.C. have any effect on shaking the confidence of the Prime Minister in this corporation?

Mr. Speaker: Order, please.

MANPOWER

REPORTED CLOSING OF IMMIGRANT TRAINING CENTRES

On the orders of the day:

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I put a question to the Minister of Manpower and Immigration on Friday last in connection with the closing of training centres for immigrants. The minister said he would take it as notice and answer the question on Monday. Can I repeat the question now?

[*Translation*]

Hon. Jean Marchand (Minister of Manpower and Immigration): I have inquired about the closing of that school leased by the Toronto school board to the provincial government. The school board has decided to take back for its own use the property leased to the provincial government. We can surely not interfere in that type of transaction.

[*English*]

LABOUR RELATIONS

MONTREAL—STEPS TO DEAL WITH STRIKE OF DOCK WORKERS

On the orders of the day:

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I have a question for the Minister of Labour. Would he tell the house whether his department has taken steps to deal with the wildcat labour dispute of the Montreal docks?

Hon. J. R. Nicholson (Minister of Labour): Mr. Speaker, I cannot accept the premise or the statement that there is a wildcat dispute. The problems with respect to the Montreal docks arise because the Picard committee report, as the result of an act of this parliament, modifies collective agreements that were signed between the parties some months ago. These collective agreements provide for arbitration. The commissioner's report of 190-odd pages must be blended with the agreements which have been entered into between the parties.

Both sides in the dispute as well as the Montreal port council approached me over the week end and have made certain representations. The most effective way for me to answer the hon. member's question, Mr. Speaker, would be to read the telegram which was sent in reply to the port council.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

Mr. Nicholson: The telegram is addressed to Mr. William Baatz, who is the president of the Montreal port council, and reads:

Referring your telegram tenth the collective agreements governing longshoring activities in the St. Lawrence ports provide for arbitration of grievances stop The fact that the agreements have been amended as a result of the Picard report does not affect said arbitration provisions. In view of this and of the urgency of the situation I have sent the following telegram to the Shipping Federation of Canada and the International Longshoremen's Association.

"I am proposing herein to the Shipping Federation of Canada and the International Longshoremen's Association that they agree to the appointment of an arbitrator to be chosen by me to make final and binding decisions with effect until December thirty-first 1967 on the issues which have affected shipping operations at the Port of Montreal and other ports on the St. Lawrence river stop With the end of the active shipping season near and the year-end holiday season fast approaching, it is imperative that full waterfront operations resume at the earliest time stop I would appreciate your immediate advice so that arbitration can proceed."

Mr. Thomas M. Bell (Saint John-Albert): A supplementary question, Mr. Speaker. Will the minister tell the appropriate persons in Montreal and the hon. member for Lapointe (Mr. Grégoire) that we in the maritimes will take this business and be glad to get it.

HEALTH AND WELFARE

MEDICARE—POSSIBLE POSTPONEMENT OF INTRODUCTION

On the orders of the day:

Mr. Robert Simpson (Churchill): I wish to direct a question to the Prime Minister. Since any provincial governments planning to enter the medicare field next July will need to do a great deal of work, is the federal government giving consideration to deferring the date this program is to be instituted?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, that would require legislation, and it is not our intention to bring additional legislation before the house.

VETERANS AFFAIRS

MAINTENANCE OF PREFERENCE IN DEFENCE ESTABLISHMENT APPOINTMENTS

On the orders of the day:

Mr. D. W. Groos (Victoria (B.C.)): My question is for the Minister of National Defence. I regret that I have been unable to give him notice. Has there been any change in government policy with respect to the veterans preference in the taking on and laying

off of hourly paid personnel at H.M.C. Dockyard and other defence establishments?

Mr. Speaker: Order, please. It seems to me the hon. member is asking a question about policy, and I doubt whether it may be answered now. Perhaps there is an element of urgency in the matter which does not appear in the question as asked by the hon. member. Unless there is this element of urgency, I suggest that the question cannot be asked at this time.

Mr. Groos: With all deference, sir, having returned from ceremonies at various cenotaphs across the country which were attended in large part by veterans who have an active interest in the matter, I wish to know if the minister is prepared to answer the question now. If he is not I should like to debate it at ten o'clock.

Mr. Nielsen: It is urgent.

Mr. MacInnis (Cape Breton South): May I ask a supplementary question.

Mr. Speaker: Order, please. The hon. member may not ask another question. I think the hon. member for Victoria (B.C.) will agree that his question ought to be debated at the time of adjournment.

Mr. MacInnis (Cape Breton South): May I put a related question to the minister? Do veterans still enjoy the same preference they have always enjoyed?

Mr. Speaker: Of course the hon. member's question is much the same as the one asked by the hon. member for Victoria. Perhaps we might consider both questions at ten o'clock.

TRANSPORT

BORDEN-TORMENTINE FERRY—REPORTED DRASTIC LAY-OFFS

On the orders of the day:

Mr. Heath Macquarrie (Queens): My question was for the Minister of Transport; in the absence I will direct it to the parliamentary secretary. Has the minister received an urgent communication from the president of the Prince Edward Island Federation of Labour in connection with lay-offs on the Borden-Tormentine ferry service, which are reported so drastic as to leave insufficient deckhands to man the lifeboats on some of the ferries? Will the parliamentary secretary take the necessary steps to have this matter brought under early consideration with a view to remedial action?

[Mr. Groos.]

Mr. Speaker: Order. The hon. member is making a representation to the minister, and I assume it will be be taken into account.

OLD AGE SECURITY

POSSIBLE LOSS OF INCREASE TO WAR VETERANS ALLOWANCE RECIPIENTS

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I wish to direct a question to the Minister of Veterans Affairs. Is the minister now in a position to answer my question of October 18, which I asked again on October 27, as to whether he has found a way by which those receiving war veterans allowances will not lose the $1.50 they will get as an increase in their old age security pensions in January?

Hon. Roger Teillet (Minister of Veterans Affairs): Not as yet, Mr. Speaker.

Mr. Knowles: May we expect an announcement on this matter at an early date?

Mr. Teillet: I certainly hope to be in a position to answer very shortly.

SHIPPING

REPORTED INCREASE IN HANDLING CHARGES AT ST. LAWRENCE PORTS

On the orders of the day:

Hon. Théogène Ricard (Saint-Hyacinthe-Bagot): I wish to direct a question to the parliamentary secretary to the Minister of Transport in the absence of the minister. Is the parliamentary secretary aware that handling charges in the ports of Trois-Rivières, Quebec and Montreal have recently been increased from $3 to $15 a ton? If so, what does the department intend to do about it?

Mr. Speaker: Order. I would think this is a question to be placed on the order paper.

DRUGS

COMPLAINTS RESPECTING VITAMIN CONTENT OF CERTAIN PREPARATIONS

On the orders of the day:

Mr. Robert McCleave (Halifax): I have a question for the Minister of National Health and Welfare. Has the minister received recent complaints regarding changes made by his food and drug directorate in connection with the vitamin content of certain preparations on the market? If so, what is being done about such complaints?

Mr. Speaker: Order. I would think this is a question which might well be placed on the order paper.

Mr. McCleave: Ten o'clock.

INQUIRY AS TO STEPS TO REDUCE PRICES

On the orders of the day:

Mr. William Dean Howe (Hamilton South): I have a question I should like to ask the Registrar General. Can the minister assure the house that the government will still take steps to lower drug prices in spite of the letter he received from the Canadian Medical Association expressing more or less contrary advice?

Hon. John N. Turner (Registrar General): Yes, Mr. Speaker.

FINANCE

CARTER COMMISSION RECOMMENDATIONS—REQUEST FOR STUDY BY PARLIAMENTARY COMMITTEE

On the orders of the day:

Mr. Eldon M. Woolliams (Bow River): I should like to direct this question to the Minister of Finance. In view of the fact that he has now received briefs from the extractive industries, petroleum and mining, and having regard to some uncertainty in those industries, would the minister be prepared to submit the Carter commission report to a joint committee of the Senate and the House of Commons for consideration before bringing down a white paper?

Hon. Mitchell Sharp (Minister of Finance): I do not think that would be a very profitable suggestion to follow. However, I am considering whether I should make a preliminary statement about the whole matter fairly soon.

INQUIRY AS TO INCREASED INTEREST RATE ON ANNUITIES

On the orders of the day:

Hon. Michael Starr (Leader of the Opposition): I wish to direct a question to the Minister of Labour. In view of the fact that the government has increased the interest rate on housing mortgages and removed the ceiling from interest rates charged by chartered banks, is consideration being given to increasing the interest rate on government annuities at the present time?

Hon. J. R. Nicholson (Minister of Labour): No, Mr. Speaker.

UNEMPLOYMENT INSURANCE

BRITISH COLUMBIA—REQUEST FOR EXTENSION OF PAYMENTS TO FISHERMEN

On the orders of the day:

Mr. Barry Mather (New Westminster): I direct this question to the Minister of Labour; it is related to the subject raised the other day by my hon. friends from Skeena and Burnaby-Richmond when they sought to adjourn the house business to discuss unemployment among fishermen on the west coast.

Bearing in mind the unusual situation which affects about 1,000 fishermen and allied workers in British Columbia due to closure of the herring fishery for conservation purposes, would the minister consider making some amendments to the regulations which would allow the Unemployment Insurance Commission to meet this situation?

Hon. J. R. Nicholson (Minister of Labour): This matter has been discussed carefully, on more than one occasion, by me with the Unemployment Insurance Commission as well as with my colleague the Minister of Fisheries.

The decision with regard to the length of the herring season was taken by the Minister of Fisheries after hearing representations from both fishermen and from the employers, the fishing companies. In these circumstances this is not a case for special action by the Unemployment Insurance Commission. Unemployment insurance is based on contributions or credits and is administered on a national basis, not on a regional or sectional basis, and I regret to say that this is not a case in which special action could be taken under the legislation. I might also say that I have agreed to meet with the representatives of the fishermen's union on a visit to Vancouver this coming week end, to explain the situation to them.

MANPOWER

MANITOBA—REPORTED DECREASE IN NUMBER OF INDIANS TAKING COURSES

On the orders of the day:

Mr. David Orlikow (Winnipeg North): I wish to address a question to the Minister of Manpower and Immigration. Has the minister received complaints from the Indian communities in Manitoba to the effect that because of the standard of educational qualifications now required in order to attend retraining courses the number of Indians attending these courses in Manitoba has been reduced from 1,500 last year to virtually none today?

Inquiries of the Ministry

[*Translation*]

Hon. Jean Marchand (Minister of Manpower and Immigration): Mr. Speaker, I am not aware of having received any such communication, but I will inquire about it. Nevertheless, the question contains a false statement. We have not changed the admission requirements to the training programs.

[*English*]

PAYMENT OF SUBSISTENCE ALLOWANCES DURING CHRISTMAS HOLIDAYS

On the orders of the day:

Mr. George Muir (Lisgar): I wish to ask the Minister of Manpower and Immigration whether it is the intention of the government to pay subsistence allowances during the Christmas holidays to those taking courses under the retraining program.

Hon. Jean Marchand (Minister of Manpower and Immigration): This is a matter we are looking into. I hope later to give a clear indication of the way we intend to proceed during the Christmas season.

Mr. David Orlikow (Winnipeg North): When the minister is looking into this matter would he also inquire whether, under the former regulations, the provinces should pay the subsistence allowance during this period?

GRAIN

PROPOSED INCREASE IN AMOUNT AVAILABLE FOR CASH ADVANCES

On the orders of the day:

Mr. A. C. Cadieu (Meadow Lake): I had intended this question for the Minister of Trade and Commerce. In his absence perhaps the parliamentary secretary would answer it. Has the department taken any action in connection with the question put by the hon. member for Moose Mountain asking that cash advances on farm stored grain be doubled, in the light of the very difficult situation faced by western farmers in meeting their creditors?

Mr. Bruce S. Beer (Parliamentary Secretary to Minister of Agriculture): I believe the Minister of Trade and Commerce answered this question in the house on Thursday evening.

Mr. G. D. Clancy (Yorkton): Mr. Speaker, may I ask a question supplementary to that asked by the hon. member for Meadow Lake. How are we going to make up that 23 cents a bushel?

[Mr. Orlikow.]

Mr. Speaker: Order. The question is argumentative.

[*Later:*]

Mr. C. S. Smallwood (Battle River-Camrose): Mr. Speaker, I rise on a question of privilege with reference to the answer by the parliamentary secretary to the Minister of Agriculture to the question asked by the hon. member for Meadow Lake. The parliamentary secretary informed the hon. member that an answer was given to the question on Thursday night last. I have referred to *Hansard* of last Thursday and his name is not in *Hansard* of that date.

Mr. Speaker: Order. After all these questions and points of order I suggest we might return to the business of the house.

Mr. Beer: Mr. Speaker, in reply to the question of privilege raised by the hon. member for Battle River-Camrose, I think I did mislead the house in saying Thursday evening. It was on Tuesday evening last, as recorded at page 4027 of *Hansard*.

[*Later:*]

Mr. E. Nasserden (Rosthern): Mr. Speaker, I wish to direct a question to the Prime Minister. Has a committee of the cabinet been asked to report to the Prime Minister on the impact of diminishing cash returns from wheat sales?

Mr. Speaker: Order. The hon. member knows that type of question cannot be asked. He is asking for communications between members of the government, and that is not in order.

Mr. Nasserden: Then may I ask the Prime Minister whether such a committee has been appointed.

HOUSING

INQUIRY AS TO INVITATIONS AND AGENDA FOR CONFERENCE

On the orders of the day:

Mrs. Grace MacInnis (Vancouver-Kingsway): I wish to direct this question to the Minister of Labour in his capacity as minister in charge of housing. Is the hon. gentleman now in a position to tell us which provinces have accepted the invitation to attend the housing conference on December 11?

Hon. J. R. Nicholson (Minister of Labour): Eight or nine, I think. Further acceptances or communications may have come in over the week end.

Mrs. MacInnis (Vancouver-Kingsway): Could the minister indicate some of the principal matters to be discussed?

Mr. Byrne: Housing.

Mr. Nicholson: As I have already announced, the Prime Minister will probably be making the agenda public after it has been settled. The agenda has not yet been settled; we are still working on it.

Mr. Erik Nielsen (Yukon): Mr. Speaker, may I direct a supplementary question to the Minister of Labour. I wonder if he remembered not to overlook invitations to the Yukon and Northwest Territories representatives to attend this conference.

Mr. Speaker: Orders of the day.

Mr. Nielsen: As a further supplementary question, Mr. Speaker, can the minister say whether these two areas of Canada, which suffer the same housing problems, were invited to send representatives?

Mr. Nicholson: Mr. Speaker, the invitations were extended by the Prime Minister to the premiers of the provinces.

HEALTH AND WELFARE

REQUEST FOR STATEMENT ON CIGARETTE SMOKING, ADVERTISING, ETC.

On the orders of the day:

Hon. Michael Starr (Leader of the Opposition): Mr. Speaker, I wish to direct a question to the Minister of National Health and Welfare. I refer him to my question of October 20 when I asked:

> Because of the urgency of the situation will he very shortly make a statement in the house regarding cigarette smoking, government intervention in respect of advertising and so on?

To which he replied that he would give consideration to the suggestion. Has he had time to think about it, and has he decided to make such a statement?

Hon. A. J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, I did answer at least one question put by the hon. member for Simcoe East since that question was asked by the Leader of the Opposition, and my parliamentary secretary has made several statements on the late show. At the present time there is no intention of making any further statement, except that I have under consideration the sending of this whole question respecting cigarettes and their effects to a parliamentary committee for study.

Mr. Barry Mather (New Westminster): Mr. Speaker, I wish to address a question supplementary to that asked by the Leader of the Opposition in regard to the problem of cigarette smoking and advertising. Can the minister indicate when a decision will be made in regard to referring this whole matter to a committee of the house? Will it be shortly?

Mr. MacEachen: Yes, Mr. Speaker; this week.

DOMINION-PROVINCIAL CONFERENCE

INQUIRY AS TO PROVINCES ACCEPTING INVITATION TO ATTEND

On the orders of the day:

Hon. R. A. Bell (Carleton): Mr. Speaker, two weeks ago today I asked the Prime Minister whether he would consider communicating with the provinces, and thereafter would lay on the table of the house and have printed as an appendix to *Votes and Proceedings*, the correspondence relating to the proposed dominion-provincial conference to be held early next year. Has that been done, and when can we expect to have the correspondence laid on the table and printed?

Right Hon. L. B. Pearson (Prime Minister): Yes, Mr. Speaker; I think it was on the same day that I sent telegrams to all the provinces. I do not know whether we have had replies from them all. If we have not, I think we should at least give consideration to tabling the replies of those provinces that have agreed.

POWER

COLUMBIA RIVER—REQUEST FOR FURTHER STUDY OF TREATY

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Minister of Energy, Mines and Resources at the request of a number of trade unions interested in this matter, and I apologize for not sending him notice. Would the minister consider submitting the Columbia river treaty to an appropriate committee for further study, so we could have a parliamentary post mortem to assist the government in establishing national water policies?

Hon. Jean-Luc Pepin (Minister of Energy, Mines and Resources): Mr. Speaker, I do not think a post mortem would be very useful in this case, as most of the project has already been realized.

BUSINESS OF THE HOUSE

REQUEST FOR ANSWERS TO QUESTIONS ON ORDER PAPER

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. When the Prime Minister is speaking to his colleagues about answering questions on the order paper I wonder if he would see whether arrangements can be made so that an answer can be given on Wednesday of this week to my starred question No. 618, concerning consideration of a parole for Steven Truscott.

Right Hon. L. B. Pearson (Prime Minister): I think we will have that ready by Wednesday, Mr. Speaker.

Mr. Eldon M. Woolliams (Bow River): As a supplementary question, would the Prime Minister also consider my starred question No. 569, placed on the order paper on October 30, referring to grain?

Mr. Pearson: October 30; is that the date?

Mr. Woolliams: Yes.

Mr. Pearson: I will try to get an answer to that.

Hon. R. A. Bell (Carleton): As a further supplementary question, when the Prime Minister is considering that would he also go back to September 25 and my starred question No. 387 of that date, relating to the rights of employees of the Senate and the House of Commons?

Mr. Pearson: Mr. Speaker, I do not know whether this is a point of order, but it might be desirable for certain hon. members, who have asked questions and are wondering why there is delay in getting answers, to get in touch with the minister concerned, who will be able to explain to them in detail how long it will take to answer some of the questions and how many thousands of dollars are involved in answering them.

Mr. Bell (Carleton): Mr. Speaker, the particular question to which I refer requires only an answer of yes or no.

INDUSTRIAL DEVELOPMENT BANK ACT

AMENDMENTS INCREASING CAPITAL AND BORROWING AUTHORITY, ETC.

Hon. Jean Chrétien (for the Minister of Finance) moved the second reading of Bill No. C-164, to amend the Industrial Development Bank Act.

[Mr. Pepin.]

[*Translation*]

He said: Mr. Speaker, in the twenty-three years in which it has been in operation the Industrial Development Bank has made a significant contribution to the development of small and medium-size business in Canada. Over this period it has authorized over $965,000,000 in loans to more than 14,000 customers.

The bank was established in 1944 to provide a source of medium and long-term finance for businesses unable to raise funds from other sources on reasonable terms and conditions, with particular consideration to be given to the financing problems of small enterprises.

The statute continues to contain the fundamental stipulation that the bank is a lender of last resort, that is, that an applicant must demonstrate that financing cannot be obtained from conventional sources on reasonable terms and conditions. The other major criterion set forth in the act is that the amount to be invested in the enterprise by persons other than the bank and the character of that investment must be such as to afford the bank reasonable protection. The degree of equity and, of course, the degree of managerial capacity in the enterprise are the basic factors which determine whether it will prosper and in so doing contribute to the welfare of the national and local economy as well as the owner or owners.

Operating within this frame of reference the bank has, over the years, fulfilled parliament's desire that it should give particular consideration to the financing problems of small enterprises. In the eleven months ending August 1967, for example, of the nearly 2,000 loans made, 46 per cent by number were for not more than $25,000 and a further 27 per cent by number were for $50,000 or less. Over the whole period of its existence, 90 per cent of the loans authorized have been for $100,000 or less, 70 per cent for $50,000 or less and 50 per cent for $25,000 or less.

[*English*]

Originally the I.D.B. was empowered to lend only to manufacturing concerns, but successive amendments to the act have enlarged its scope of operations and since 1961 the I.D.B. has been permitted to lend to virtually every kind of business enterprise. Forty eight per cent of the total amount of loans authorized in the fiscal year 1966 went to 16 different categories of manufacturing. Some other types of businesses and the percentage of the total they accounted for were

as follows: commercial air services, 2 per cent; transportation and storage, 3 per cent; construction, 5 per cent; wholesale trade, 8 per cent; retail trade, 10 per cent; agriculture, 6 per cent; restaurants, motels, hotels, recreation services, 10 per cent.

• (3:20 p.m.)

A continuing effort has been made to ensure that the organization of the bank is responsive to the needs of small and medium size enterprises in all parts of Canada. The bank's head office is located in Ottawa. The operational direction of the bank is centred in the general manager's office in Montreal. Last year a major reorganization of the bank was undertaken to further decentralize administration in line with the I.D.B. objective of improving the quality and speed of service and maintaining a closer contact with regional developments. This involved the establishment of four regional offices—Atlantic, Quebec, Central, and Western—each headed by a newly appointed assistant general manager. Along with these changes, increased responsibility for approving loans was delegated to assistant general managers located at Halifax, Montreal, Toronto and Winnipeg. Over 80 per cent of all loans are now approved at regional offices or local branches of which there are 28 across the country.

The I.D.B. continues to bend every effort through its advertising program and its advertised visits to bring the nature of its services to the attention of businessmen. Officers make frequent visits to centres removed from the larger towns in which branches are located. These visits are advertised in advance in the local newspapers and other media and have been increased in number in each of the last few years. Last year 510 visits were made to 197 cities and towns compared with 436 to 143 communities in the previous year.

Over the years the I.D.B. has developed a very competent staff of credit officers, engineers, analysts and so forth. Every effort is made in the investigation of each application to arrive at a viable proposition in which the I.D.B. can participate. It is no surprise, but rather proof that the I.D.B. has been doing its job and taking risks, that on occasion a credit will get into difficulty. Again this is a situation where the staff of the bank do everything possible to enable the business to work itself out of its difficulties.

The cost of the attention and time devoted to accounts and the variety of skills and experience required for their administration is one of the reasons net income before provision for losses is running below one per cent of loans and investments outstanding. Finally, I should say that the I.D.B. gives particular attention to applications it receives in areas of the country of slow growth and to making its services known.

I believe the I.D.B. record is one that invites the confidence of the house in the proposal to increase its lending capacity in order that it may continue and expand its service to the small businessman of Canada.

[*Translation*]

Mr. Speaker, before resuming my seat, I would like to deal with two questions asked by the hon. member for Peace River (Mr. Baldwin) and the hon. member for Nanaimo-Cowichan-The Islands (Mr. Cameron) who worried about the effect the increase of the capital of the Industrial Development Bank would have on our money supply. I must tell my hon. friends that the Bank of Canada always takes into account the monetary expansion of all those institutions, and in the case of the Industrial Development Bank in particular, it is much easier because its board of directors is the same as that of the Bank of Canada.

[*English*]

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, we have heard a good deal from the minister about the Industrial Development Bank but very little about the bill before us. I believe that the two questions which most of us ask have not been answered and there has been no reference to them. However, let me comment on the bill itself as far as I can with some reference to the work of the bank as it relates to the changes brought about.

There are really only two matters in the bill. One involves appointing the deputy minister of industry to the board and the other involves an increase in the capital of the bank and funds available for loans. This debate gives us the opportunity of appraising the work of the Industrial Development Bank. I welcome this opportunity which we have all too seldom.

One criticism of the Industrial Development Bank is that while it is called a bank and operates like a bank, its very title obscures its real function which is industrial development with a greater risk factor than commercial lending institutions want to accept. The minister during his introduction described it as a bank of last resort. We must

ask ourselves whether the addition of the deputy minister of industry to the board of directors and the substitution of that deputy minister for the deputy minister of trade and commerce on the executive committee will have any effect on the operation of the I.D.B. I recognize that this change will bring the knowledge of the deputy minister to the deliberations of the bank and in some cases I assume this will be of assistance. However, aside from that I cannot visualuze very much benefit arising from this addition. The whole thing seems to be a bit of a smokescreen. In fact, with the exception of the area development agency, where considerable activity is apparent, the job of the remainder of the Department of Industry is lost in obscurity for many of us. There is a great fear growing among industry and business in this country that the Department of Industry is developing into another massive red tape agency. There are forms to be filled out in triplicate which did not exist before. With particular regard to the administration of the Kennedy round tariff changes, the Department of Industry has not made any real contribution so far as we can see to the realm—

Mr. Speaker: Order, please. I do not wish to restrict the hon. member in his speech, but he has suggested that the debate on this bill opens up an opportunity to debate the Department of Industry and its operations. Having glanced at the bill I cannot come to that conclusion. It seems to me the purpose of this bill is to add a certain official, namely, the deputy minister of industry or his representative, to act as an official of the I.D.B. I doubt that this is wide enough to allow a general debate on the Department of Industry.

Mr. Aiken: I do not intend to debate the Department of Industry at any great length except as it is relevant to the I.D.B. and how it operates. That is what I was leading up to, but perhaps I should come to that now and then refer to the Department of Industry.

I was about to say that the attitudes adopted in the Department of Industry, about which undoubtedly the deputy minister has some knowledge and over which he must have some control, are not the types of attitudes we want brought to the Industrial Development Bank. The situation is bad enough as it is and more procedural roadblocks would represent the worst thing that could happen to the I.D.B.

[Mr. Aiken.]

• (3:30 p.m.)

There is at the present moment too much red tape in the bank. This is the tenor and burden of the remarks I am about to make. I have no reference at all to personalities because there are no names involved. But the person who holds the office of deputy minister of industry is added to the board. I see no particular benefit in this in view of the way in which the Department of Industry has developed to date. It is possible that the approach, knowledge and methods of operation of the department may become clearer to us and it may then be obvious that it will have something of benefit to bring to the Industrial Development Bank, but at this moment I can see very little use in it.

The Industrial Development Bank has a weakness in that it is oriented toward getting all the paper work done, all the mortgages, collateral chattel mortgages, leases, crossleases, subleases and everything else in proper order. These are important in a sense because the bank does have to protect the public money that is lent. But even the minister's statement today told us that this is an agency of last resort to industry. This conforms to my own idea of the work of the Industrial Development Bank, namely, to provide funds to developing industries which cannot obtain them from normal sources in the commercial field.

I believe that the weakness of the Industrial Development Bank is that it does not attend to the major functions for which it was set up, the support of new industry or the expansion of existing industry. After the field work is carried out and approved I have often seen months go by before the paper work has been completed. I have in my office half a dozen files of cases where the field officers have looked at the project, found good justification for supporting it and have presumably made a recommendation, although these are not always available, but after the recommendation has been made time has gone by as innumerable forms are filled in and further questions are posed and answered. I have known of one or two applications in my own area where the whole project has fallen by the wayside while the people concerned have been waiting for the I.D.B. to complete its paper work.

This is what is wrong with calling it a bank. It is not a bank at all. This is a complete misnomer. It is really a lending agency and an agency of last resort. The approach so often taken is: We are a bank and must make sure that we will get our

money back. If they can get their money back, so can a commercial lender. I say, therefore, this should not be the first concern of the Industrial Development Bank, but in many cases I am afraid it is.

I suggest that it is the possibility of the project being successful that counts and not the paper work. I think all or a major portion of the effort should be put into the aspect of the work concerned with getting the field officers' reports and going over the financial returns. Then if the project looks like a good thing for the community and for industrial development, why not carry it out? Even after approval is given to many of these projects there seems to be some delay and nobody can understand where it occurs. This is my criticism of the I.D.B. and I have been constant in this criticism for some time.

There must be paper work. Anybody who practices law or in the commercial field knows that funds must be protected. But surely this can be done in a minimal sort of way, because if the project is going to fail the government does not want the business back. The business is of no value except in its resale. What is really wanted is a producing industry to assist the economy. If a business is no good I say dump it rather than stalling it by a whole lot of red tape.

I should like to turn to another aspect of the bank and be more specific than general. I refer to the tourist industry as it relates to the work of the Industrial Development Bank. In 1961, as the minister pointed out, the work of the Industrial Development Bank was expanded to include tourist operations, hotels, motels and other lodgings. In 1961 only two loans were made totalling $110,000. Presumably they were granted under some other category. But in 1962 after the act was changed 145 loans totalling $8,470,000 were made by the Industrial Development Bank under the classification shown in the annual report as hotels, motels and other lodgings. In 1963, 126 loans were made. In 1964, 145 loans were made. This is the highest the program has ever gone. In 1965 the number of loans granted started to go down again and only 103 were made for a total of only $4,803,000. In 1966, 130 loans totalling $6,728,000 were made.

It is obvious from these figures that the largest boost in terms of loans and dollars was in 1962 when the act was changed. In spite of a 25 per cent increase in the total amount of loans and a 15 per cent increase in the total number of loans made by the Industrial Development Bank from 1962 to 1966, the hotel, motel and lodgings item has decreased. In other words, while all other loans have increased by 25 per cent in respect of amount and 15 per cent in respect of number, those made to the tourist industry have decreased.

I think there is feeling in the tourist business once again that it is the forgotten industry. More than any other industry in this country the tourist business requires the stability of public support because it is a high risk business. Bad weather, external events, war scares and even Expo '67 can hurt this industry in any section of the country and on a national basis. My reference to Expo '67 is merely to point out that in this year a great deal of the tourist business was centred in one particular spot. While it was good for that area, it was not as good for many others. So the tourist business fluctuates up and down and the commercial lenders will not touch it with a ten-foot pole, as the saying goes, people in this industry just cannot get loans.

There is some assistance under the Small Businesses Loans Act for the improvement of existing premises and there is some under the Industrial Development Bank Act, but there is very little assistance of any other kind. The tourist industry is still the third largest producer of foreign currency, ranking after newsprint and wheat. The year 1966 showed the travel industry creeping very close to those two industries in volume. It is anticipated that the tourist business will bring in either this year or next, but almost certainly this year, $1 billion in foreign currency from people visiting this country from abroad. We do not have the figures for 1967 and we should not really count this year because of our centennial celebrations and Expo. Undoubtedly the figures for this year will be somewhat unrelated and we have to set off against them the expenditures that were made in connection with Expo '67.

• (3:40 p.m.)

However, my point is that we were able to spend money in order to bring people to Canada this year and we must not let the tourist industry down in subsequent years. We have to assist our tourist operators in maintaining a high standard of modern accommodation, good food and surroundings comparable with what we showed our visitors in 1967. Expo will disappear to a large extent but apparently some other type of operation will be continued on its site. Visitors to Canada in 1967 were given a very

good impression of this country, its architecture and our ability to erect good buildings on good locations. I believe we have to continue to do so in order to attract people to return to Canada. If we provide them with good accommodations, good meals and good surroundings in the future, our tourist industry will keep improving year by year. We certainly cannot do so without spending a little money. I also point out that the money is lent by the Industrial Development Bank, not given away, and in nine cases out of ten it comes back to us. I urge the minister and the bank to give more attention to loans for the accommodation of the travelling public. I think that it will be money well spent on a continuing basis.

Having said a number of things that may not have been very complimentary, I should like to add a word of commendation for the work that has been done. Many excellent loans have been made in all the areas where the bank has operated. I am sure that industrial production in Canada has benefited greatly and the tourist industry itself has had a considerable amount of support from the I.D.B. However, the full potential of the bank has not yet been reached and I think that the provision of further funds under this bill should kelp. If the effect of the bill will be to increase the funds available, if these funds are used in a prompt and efficient manner, and if the bank gives priority to the purpose for which it has set up, then I am sure that some good will come out of the increase. I believe that we must be careful that the I.D.B. does not enter into competition with commercial lending institutions. If it follows the admonition given to it from time to time that it should be a lending institution of last resort, that it should take some risks and that it should consider the likelihood of success of these projects rather than the paper work involved, then this bill will serve some useful purpose. Therefore, I can do nothing else but support it.

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I listened with interest to the minister's brief statement in introducing Bill C-164 to amend the Industrial Development Bank Act. First, may I say that the members of this party have always supported this legislation because we believed that this type of bank would provide capital for small industry and small business which was socially desirable and which was recommended largely on that account. I have some personal knowledge of the administration of the act and of the benefit it has given to certain small industries in the constituency which I have the honour to represent.

I was very glad to hear the minister mention that in recent years the basis for loans to small business and for the development of the tourist industry has been somewhat widened. He said that the major purpose of these amendments is, first, to provide that in addition to the deputy minister of trade and commerce the deputy minister of industry shall be a member of the board. I think that is a good thing. I like to see co-ordination between the various departments and the lending agency concerned.

I should like to say to the previous speaker that I thought he was splitting hairs when he said the I.D.B. is not a bank. Under our law it operates as a bank and it does not make much difference whether it is called a bank or a lending agency. As the minister told us, it is a bank of last resort for those who cannot obtain credit through the normal channels. I have seen that happen on a number of occasions. I am sure that the hon. member for Victoria-Carleton (Mr. Flemming), who is looking at me now and who for a good many years, has been interested in the lumber business, knows what I am talking about in this respect because I have seen a number of smaller industries which would not have had an opportunity to get started had it not been for the advantages obtained under this act. Since that time they have made a success of their operations, but on occasion it required a little more faith than one can possibly get from the ordinary bank manager. These people had the courage and the knowledge necessary but they wanted a longer term loan and they wanted a little more confidence in their ability to operate the business for which they were applying for a loan.

The other important amendment raises the authorized capital of the bank from $50 million to $75 million, which I am sure we all support.

I was also glad to hear the minister say that efforts have been made in recent days to decentralize the operations of the bank. That was one of the criticisms I had. There was a tendency to feel that because of the lack of decentralization decisions were made by people who were not always on the spot to see the local circumstances and so on.

I am very glad to hear also of the division of the country into various regions for the purpose of the administration of the act and

also for the establishment of local offices. As I said before, the act has been of considerable benefit to the area I have the honour to represent, but I support the argument made by the previous speaker when he said that on occasions there is a tendency for what appear to be unnecessary delays on account of what he termed paper work.

Mr. Leboe: Hear, hear.

Mr. Herridge: I see we have a backwoods triangle this afternoon, consisting of the hon. member for Victoria-Carleton, the member for Kootenay West and the hon. member for Cariboo (Mr. Leboe), all of whom are interested in the same industry and have had some experience in this regard.

I have noticed on a number of occasions that there appear to be unnecessary delays in coming to a decision with respect to the granting of a loan. I do hope the minister recognizes this and will bring it to the attention of the bank's officials. I know of one or two instances where the delay carried on for some time and people were left in the lurch until they knew exactly what they could do. In the meantime the weather changes. Summer turns to fall and fall to winter and then the operations have to be deferred until spring. I do hope the minister realizes this. I believe this difficulty will be somewhat overcome by the decentralization of the administration.

• (3:50 p.m.)

I have one or two other suggestions to make. I am glad to see that the deputy minister of trade and commerce and the deputy minister of industry will both be members of the board of directors. I welcome this indication of co-ordination between departments because these departments are in a position to supply information that will be required by the bank with regard to certain areas or regions.

I do suggest that some economic research should be done in all areas of Canada in which applications are being received for loans from the bank. Circumstances are changing very quickly in these times. In my own district, for instance, roads and highways are being built today which provide access to certain recreational areas which did not exist five years ago. I believe that the directors of the bank or their staff have to keep in close touch with the economic and social developments of the areas concerned. I believe this will require almost year to year economic research or surveys in the various districts. It is not sufficient to deal with information that was up to date ten years ago.

I was very pleased to hear the hon. member who preceded me deal with the tourist industry. I am glad to know that the bank is now making loans for the development of tourist areas. I represent a district comprising 20,000 square miles, a little garden of Eden. This is one of the advantages I have over the previous speaker. There are many opportunities for the development of the tourist industry in my area. In my own constituency, for example, there are six hot springs, five of which are not developed. These excellent springs provide mineral water at high temperatures and offer great opportunities for the people. I am not suggesting they can all be developed immediately, but I do suggest that every consideration be given by the directors of the bank to keeping in close touch with local circumstances. This can be done by maintaining communication with local organizations such as municipal councils, chambers of commerce and other groups that are interested in the development of the district.

I am very pleased to see the interest being taken in my own district by other than commercial groups. I refer to trade unions, farmers institutes, women's institutes and other organizations of that type which are not interested in the profit-making aspects of development but are interested in the total development of the district. In my own district we have two regional boards representing towns, cities and villages and they receive information with respect to the development of local areas. I believe that the information they have and the information these various organizations can give to the staff of the bank will be most useful.

I should like to see a closer relationship between the staff of the bank and the public than has possibly existed in the past. I believe it would be a good idea also if the members of the staff had an opportunity on occasion—I am not sure at what level this could be done—to address meetings of chambers of commerce or trade unions. I think it is most important that the members of our trade unions and other groups become inspired by the possibilities for development in this country.

I have told this story before but I am going to tell it again. Too many young Canadians are growing up without being conscious of how grateful they should be for living in this country. I was in England in

1956 at the time of the Suez crisis and attended the House of Commons. I said to a friend of mine that I wanted to see what had happened in connection with the rebuilding of the slum areas. My wife and I were taken down to a slum area in a taxi. I said, "Let us get out here and walk around." It was not long before I met an old cockney lady who stopped to talk to me and tell me of her war experiences. She said she was born on that street, she would die on that street and no blooming Hitler was going to blow her out of there. She invited me in for a cup of tea and told me her long history. She said, "I have had a rough old time in life but I have a great deal to be grateful for". I said, "Madam, what have you got to be grateful for? You seem to live in very modest circumstances." She said, "What have I got to be grateful for?" She then told me that she lived in a land of freedom and had an opportunity to do things for other people. She then said, "I have a personal reason, sir. From the time I was 14 until the battle of Britain I had to take medicine for my bowels and I have not had to take any since."

I wish some of our young people would get that spirit and be grateful for the opportunities presented them in this country. With all the difficulties we have today, financial and otherwise, we are very fortunate to be Canadians. I do hope that even in this field the officials of the bank or the appropriate members of the staff will take the opportunity on occasion of informing local organizations of the functions of the bank and its efforts to provide capital for small industries and small businesses that cannot usually obtain capital from the ordinary banks, and the opportunities that exist for the development of our country. This is an agency which provides socially desirable capital for the development of any district by loans to industry or small business.

Mr. John M. Reid (Kenora-Rainy River): Mr. Speaker, I just want to take a few minutes of the time of the house to join with those members who have congratulated the officials of the Industrial Development Bank on the excellent job they have done over the years. At the same time, I should like to express a few criticisms I have of the bank to indicate the spheres in which I think improvement can be achieved. First of all, I congratulate the government upon taking the forward step of expanding the bank's authorized capital to $75 million from $50 million. I only hope that now, having given the bank this additional capital, the Industrial Development Bank will utilize it in a fashion more in keeping with the 1960's and 1970's.

The Industrial Development Bank was set up in 1944. It seems to me that all the purposes, which the parliament of that time indicated should be fulfilled by the bank, have not been fulfilled. The reason for this is simple. There is always a conflict between the legislators and those who have to administer the legislation. Usually we do not object to officials taking some time to work out the difficulties which they encounter, but it seems to me that in 1967 the Industrial Development Bank should be taking a look around and expanding the services it provides, particularly to those who have come to it as a last resort.

One way in which I think the bank could expand its services would be to remove the existing restrictions on the type of loans it makes. As I understand the situation, the Industrial Development Bank makes loans for a maximum period of ten years and does not accept bonds. This situation imposes a drastic limit on the amount of financing a person or company can accept and also restricts the areas into which the bank might go. It seems to me that under the bank's present charter there is power to accept bonds and debentures from private companies as well as to extend the ten year period. I suggest that 20 years would be a more acceptable period of time, given the interest rate which the bank is now charging. I am told that their interest rate is now 8.5 per cent. It seems to me that any business which the bank might assist, having regard to an interest rate at that level plus the amount of the loan, has to be generating cash on a truly impressive scale. This type of business, one would think, would be looked after by the chartered banks but, as we are all aware, until the passage of the revised Bank Act they have not shown too much initiative in going into these areas.

• (4:00 p.m.)

Another point I should like to make is that several members have risen to suggest that the I.D.B. is not a bank but rather a funding agency of government. This may be true, Mr. Speaker, but in my interpretation of the bank's activities it is a bank. It treats its customers as a bank would and I am told by people who have applied and received loans from the I.D.B. that they undergo more investigation from the I.D.B. than from the more commercial lenders.

I think this is a worth-while approach on the part of the bank. I do not believe that government money should be spent on projects that have little hope of success. I understand that the approach of the bank now is to look at an idea and at the management that is going to put that idea into operation. No longer is it absolutely necessary to have the backing of distinguished personalities in the particular area or to have the greater amount of capital needed. Consideration is now given more in proportion to the amount of managerial ability required. My understanding is that the bank is now making more detailed investigations into the capabilities of those who are going to operate these businesses, and this seems to be a step in the right direction as a means of evaluating loans.

Unfortunately, Mr. Speaker, one of the difficulties with which we are faced is that this procedure does have the effect of delaying the granting of loans, because such investigation is very time consuming. In addition, one of the other functions of the bank is that of a management training ground for people who borrow money from it. Unfortunately, many people come to the bank with ideas but they lack the knowledge of the market situation that is necessary as well as the managerial ability that is required. Often the bank has been able to provide these people with advice of the sort that is necessary to the successful conclusion of their business.

Another comment I want to make that I should like to see the bank become a little more speculative in its approach. I understand that one of the criticisms of the bank is that it is too much like a commercial bank, that it is too conservative in its approach in areas where such loans might be of a speculative nature.

Coming as I do, as the hon. member for Kootenay West (Mr. Herridge) put it, from the backwoods and being, I suppose, a member of the backwoods triangle to which he referred, I too would like to see more money expended on tourism but only on propositions that are viable and have a chance of success.

Over all, Mr. Speaker, I think the bank has filled a void that has been caused by the highly centralized form of banking we have in Canada. It has filled this void admirably, I think, and I understand that the recent reorganization has assisted even more in making the bank more accessible to people of more modest means who find the road to commercial loans blocked.

However, Mr. Speaker, I urge that the minister refer these comments to the bank, and particularly I urge them to review their lending practices and broaden the variety of loans they presently make in order to provide people who are looking for money with more flexible opportunities than are available under I.D.B.'s existing approach.

Mr. Terence Nugent (Edmonton-Strathcona): Mr. Speaker, I listened with a great deal of interest to the opening speech of the minister on the amendments to the act but I must confess I was a little disappointed at the paucity of the information. While it is nice to have a general review of the business the bank has been doing, the amount of money involved and the type of investments it has dealt in, I think the minister should have given us some background information as to the reasons for the proposed amendments to the act.

Two questions in particular come to my mind. First, what the government is now doing, in effect, is proposing to parliament that we triple the potential lending power of the bank. Second, we are apparently taking the accent off the Department of Trade and Commerce and transferring their interest in this bank to the Department of Industry. We are adding the deputy minister of industry to the board of directors and substituting him on the executive board for the deputy minister of trade and commerce.

This must be a policy move, Mr. Speaker, and the members of this house would be interested in knowing what exactly these two departments are going to do. What now makes the work of this bank of more interest to the Department of Industry? Bearing in mind that we are going to triple the lending power of the bank, and in view of today's economic difficulties, we in this house have pertinent questions to ask in relation to whether this tripling of the lending power comes about because of a change in policy by the government and whether the government is now easing restrictions so that the bank can now lend money in broader or more speculative fields.

The minister mentioned that the reserve for bad debts has been kept to less than 1 per cent. Is there any thinking on the part of the government that this is unduly restrictive, that it is too much in keeping with the practice of banks in general, that we can safely increase that margin and ease restrictions on lending so as to help more people financially, even though it may mean setting

a reserve of 3 per cent, 4 per cent or 5 per cent for bad debts?

I also hope the minister will tell us before we go into the committee stage the reason for the change of accent from the trade and commerce department to the industry department. Is the deputy minister of trade and commerce, who has always had an interest in the bank, going to maintain his staff that kept in touch with the bank while the deputy minister of industry similarly gathers a new staff about him to keep in touch with the same body? Is there any possibility of removing responsibility from the deputy minister of trade and commerce in this sphere? Does this change mean that we are going to be more interested in domestic trade, in such things as tourism and so on, and that the bank is no longer going to assist people in the manufacturing field who are dependent to a great extent on exports?

I should also like to know whether the change being made in the board of directors means that the government feels that the lending of the bank should be restricted to domestic industry and that riskier enterprises that depend on export trade are going to be downgraded? Will the public get this impression? That is why I say the minister should tell us whether there will be any policy change in connection with the granting of loans by the bank.

Is the bank from now on going to concern itself more with matters of local interest or with depressed areas? How much accent is going to be put on country-wide development, on national problems? Will both the deputy minister of trade and commerce and the deputy minister of industry be on the board of directors of the bank so that the general policy decisions that are made by the bank will have, shall we say, more government direction than used to be the case with regard to our day to day financial problems?

• (4:10 p.m.)

At a time of high interest rates like the present we know it is more and more difficult for industry in this country to borrow money from the banks. Fewer and fewer of our industries can afford to borrow their operating capital. In view of the objective of the government of tripling the available lending power of the Industrial Development Bank, can we take it that the government is attempting to step into this gap to some extent? Will the Industrial Development Bank fill the gap for industries that two years ago would have been able to borrow from the commercial banks but because of increased interest rates cannot now afford commercial bank rates? By increasing the lending power of the I.D.B. is it thought by some that we shall ease inflationary pressures in this country? If that is so, may we not expect this matter to come before parliament again next year if inflationary pressures have not eased?

Has the I.D.B. lent all its available capital? The minister has not told us whether the request for additional capital has been instigated by the bank. Has there been a greater demand for the bank's funds than the bank has been able to meet? Have loans been applied for which under normal conditions, had the bank sufficient money, would have been granted? Can the minister say whether a sustained demand for extra capital is responsible for the bank seeking to increase its lending power? Those are legitimate questions.

Does the government think that by appointing two deputy ministers to the board of directors it can influence the fields in which the bank will lend money? Or does the government wish to ease the restrictions on lending, to operate the bank on principles other than those followed by commercial banks and thus automatically create a greater demand for its money? Is there to be a change in the interest rate? We know what has happened to commercial bank interest rates; they have risen. We know what happened to the interest rate on mortgages which are guaranateed by the government; it has risen to a maximum of 8 per cent. Are we to anticipate an increased demand for I.D.B. loans if the interest rate is to be below the commercial rate? Does the government intend not to grant all loans? I ask that because it seems to me that demand for I.D.B. loans will greatly increase. Have all these factors been considered?

In discussing the clauses of the bill we shall be interested in hearing from the minister comments with respect to the deputy minister of industry and the deputy minister of trade and commerce, also details of the administrative changes, why they are necessary, and how the government is to avoid overlapping and duplication of costs. Before closing the debate the minister should tell the house what policy matters are involved in this bill.

Mr. John Gilbert (Broadview): Mr. Speaker, I shall be only a few minutes but I wish to make a couple of observations. I note that

the main purposes of the bill are to increase the authorized capital from $50 million to $75 million, and to increase the borrowing power of the bank from five times to ten times the aggregate paid-up capital and reserve fund.

At the resolution stage of the bill the Minister of Finance pointed out that the debt to capital ratio of incorporated federal trust and loan companies is 15 times the authorized capital and reserve fund. In this bill the bank's borrowing power has been increased to ten times the amount of its paid-up capital and reserve fund. It strikes me as odd that we should restrict the operation of this bank more than we restrict the operations of federal loan and trust companies.

In his introductory remarks the minister said that mainly the I.D.B. is to be a bank of last resort. I have the impression that the bank takes pride in this appellation. The I.D.B. charges between 8 and 9 per cent interest on prime loans. Since commercial banks, which before the Bank Act was amended were restricted to a ceiling of 6 per cent, can now charge a much greater rate, I suggest that the I.D.B. ought to compete with the commercial banks. One can anticipate that I.D.B. interest rates will increase substantially as time goes on. The banking business is competitive and as commercial bank rates increase I expect that the I.D.B. rate will go up to around 10 or 11 per cent on prime loans. Such an interest rate will add to the cost of living. Any borrower will add the money he is charged by the bank to the cost of his product and as a result living costs will increase. The I.D.B. ought to take that into account. It might be wise for it to adopt the principle followed by co-operatives of rebating a certain amount of money to borrowers who have good repayment records. If 10 per cent, 11 per cent or 12 per cent is charged on loans the cost of living will be bound to increase, and this we do not wish to see happening.

Perhaps the underlying aim of the bank ought to be to foster the development of secondary industries so that they can rationalize and specialize and compete in world markets. With the changes to be brought about as a result of the Kennedy round tariff adjustments, a special emphasis will be placed on our export trade. The bank has a vital function to play in encouraging our secondary industries and in helping them to rationalize, specialize and compete in the markets of the world. Such aims ought to be inherent in the philosophy of the bank. It should not adopt a hold-back attitude, nor should it be, to use the minister's phrase, a bank of last resort. Rather it should be imaginative and resourceful and take the initiative in its lending field.

In the newspapers last week I noted a report that two commercial banks were competing with respect to interest rates on short-term notes. Those rates had risen to 7 per cent and the governor of the Bank of Canada stepped in and told the banks to stop what they were doing. I should like to see the I.D.B. take more initiative and give the commercial banks more competition. It should not adopt a second-rate position in the financial community.

Bearing all these matters in mind I do not hesitate to commend the I.D.B. for its past work. I hope that we can look forward to the bank playing an important role in the economy of the country in the future.

Hon. Hugh John Flemming (Victoria-Carleton): Mr. Speaker, because of the important changes contained in the bill and because of the remarks of the parliamentary secretary I feel compelled to make some comments about this matter. As has been said, the main change in the legislation is the substitution of the deputy minister of industry for the deputy minister of trade and commerce on the board of the bank. If the parliamentary secretary were to ask my advice I would say to him: Leave both those deputy ministers on the board.

• (4:20 p.m.)

Speaking as a person interested in the development of business, it seems to me we should accomplish two things—

Mr. Chrétien: May I point out to the hon. gentleman that they are both on the board, though there is only one on the executive board?

Mr. Flemming: Thank you. I am pleased to have that correction. I had in mind that there was a substitution. In any event I favour having both men as directors and it would appear now as though through a leak of some kind the government was aware of this.

I was about to offer the observation that two types of business are involved here, as my friend the hon. member for Edmonton-Strathcona (Mr. Nugent) has pointed out. First, the Department of Trade and Commerce would, generally speaking, be interested in the development of trade and industry

designed primarily to serve the export market. Second, there is need for the development of industry to produce goods for consumption on the home market. So it appears to me we will get a double benefit from these appointments, and I am glad the parliamentary secretary has set me right.

Mr. Macdonald (Rosedale): On a point of order, Mr. Speaker, and as a simple matter of courtesy, I think the hon. gentlemen should refer to the minister as the Minister without Portfolio rather than parliamentary secretary.

Mr. Flemming: It is true I have referred to the minister as parliamentary secretary, but I do not think he needs help from anybody to set anyone straight. Perhaps he is not so thin-skinned as the hon. member who has just spoken.

I am pleased to learn there is a degree of decentralization. I know this exists in these various regions. A few minutes ago the hon. member for Parry Sound-Muskoka (Mr. Aiken) said that the Industrial Development Bank was a bank which lent money in circumstances beyond the ability of the regular chartered banks to cope with or operate. I think this is correct. To quote the phrase he used, it is considered to be a bank of last resort. Bearing this in mind, the fact that the bank has operated for so many years with so little loss, on a percentage basis, might speak well for its management. On the other hand, it is perhaps an indication that the conditions imposed have been just a little too tough.

The hon. member for Kootenay West (Mr. Herridge) tells us he knows of businesses which have come into being on account of help from the Industrial Development Bank. And so do I. To the extent of my knowledge, I am unaware of any bad debt which has been encountered, so it seems to me we are entitled to take a certain amount of satisfaction in the operations of this bank. In the next few minutes I will suggest a few things which in my opinion would improve things still further; they have to do with the Atlantic provinces, in particular.

I think it appropriate that emphasis should be placed on the so-called designated areas and that it should also be placed on small business loans. In the Atlantic provinces an undue proportion of our businesses are operating under both these general headings. It has always been my submission in connection with monetary policy that a distinction should be made between one part of Canada and another. Even before I came into this chamber I argued that it was unfair to regions in Canada which were not experiencing inflation to apply the same principles as far as monetary policy is concerned as apply to regions where there is a good deal of inflation.

It seems to me that conditions have not changed and I therefore suggest to the Minister without Portfolio (Mr. Chrétien)—

Mr. Macdonald (Rosedale): Hear, hear.

Mr. Flemming: —that he take note of this contention. I believe it would be good policy and good business if there were a greater degree of leniency attached to the making of loans in some parts of Canada where the need is greater than in other parts. I have no hesitation in saying that I refer specifically to the Atlantic provinces when I make this statement. We have small businesses and we certainly have an undue proportion of designated areas. This is something which might well be considered by way of further amendment if the government in its wisdom decides to bring in such a provision.

As I have indicated, the Atlantic provinces have no inflation. However, at the present time we are following a policy in the monetary field which applies to the whole of the country, a policy which is uniform in its application. This is what I object to. I believe a greater leniency should be shown in connection with the Atlantic provinces than is shown in other parts of Canada where there is not so much need.

Mr. Chrétien: May I interrupt at this point simply to say that the bank does take account of the fact that a business is located in a designated area? I pointed this out in my speech.

Mr. Flemming: I thank the minister for that assurance; I am certainly very pleased to hear him make it.

There is one other point I would like to mention before I sit down. It concerns the requirements of the bank in connection with the security upon which loans are made. To my own certain knowledge there have been times when people have been discouraged from making application because of the fact that undue emphasis seemed to be placed on the legalities leading up to the loans themselves. I speak from knowledge when I say that loans which had been approved have been rendered impossible on account of the time lapse in searching titles. I know some people whose applications for an extension of their loan brought about a demand that the same search which had been made a year or

so earlier in connection with title be repeated a second time. This is unnecessary, in my opinion, and something should be done about it. Not only does it cost a great deal of money, and a fee of a few thousand dollars is important to a small borrower, but this procedure causes delay. Very often the time element is important in business.

• (4:30 p.m.)

These are the observations I wished to make in connection with the bill. I hope the minister in charge will take some notice of them. I hope these additional funds be provided so that the provisions of this legislation can contribute to the development of the country even more than they have in the past.

Hon. R. A. Bell (Carleton): Mr. Speaker, I rise only to suggest to the Minister without Portfolio (Mr. Chrétien) that at a reasonably early date the whole operations of the Industrial Development Bank should be referred for study by the standing committee on finance, trade and economic affairs. I have a very deliberate reason in so suggesting.

It was the intent of parliament to create an industrial development bank, but that structure which we are now considering is neither industrial, development, nor a bank. I think we ought to get to grips with the issue and see what has gone wrong. In my view—and I have sat on the other side and had some responsibility, as the Minister without Portfolio has this afternoon—one could get a loan from the Industrial Development Bank when one could get a loan from any chartered bank or any other financial institution but very rarely could one get a loan under other circumstances. In other words, this bank has become so rigid in its operations that it does not give the opportunities or the credit that it was the intent of parliament it should give.

If it is to be a development bank then it must be a bank that is prepared to take some risks, an agency that is prepared to participate in the development of this nation. I suggest to you, sir, that in its operations over the past number of years this bank has not been ready to do that. I think the way to come to grips with the matter is to let the officers of the bank come before the standing committee, say what their lending techniques are, why it is that they have adopted such rigidity, why they are so inflexible in their lending policy, and then let the members of the House of Commons decide whether this is good enough for what we call an industrial development bank, an institution which I say is not any one of those three words.

Mr. Deputy Speaker: Order. I must advise the house that if the minister speaks now he will close the debate.

Mr. Jack Roxburgh (Norfolk): If I may have a minute, Mr. Speaker, I just wish to say I could not agree more wholeheartedly with the hon. member for Carleton (Mr. Bell). He has described the situation as I have found it and I only hope that when the bill has been passed the Industrial Development Bank will have a little different outlook.

[*Translation*]

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I did not intend to participate in the debate on this matter this afternoon, but the words of the hon. member for Carleton (Mr. Bell) struck home in a personal way, since for some years I also have received at my office numerous complaints over the delays and complications entailed by the administrative procedure of the Industrial Development Bank.

I should like to support the request made by the hon. member for Carleton that this bill be referred to a committee of the house so as to enable us to discover the weaknesses in the present set up of this federal organization.

Several businessmen could have saved their businesses had it been easier for them to obtain the funds which this organization places or should place at the disposal of Canadian business leaders.

If I had the opportunity, I could give the minister cases of hardship where people had to mortgage the business which they were launching with, presumably, substantial help from the Industrial Development Bank but which entailed responsibilities involving not only the business itself but the private life and property of the people seeking financial assistance from the Industrial Development Bank.

There are some extremely serious cases where, as was said by the hon. member for Carleton, that government agency mortgages the rolling stock, the industrial machinery and the building, so that the borrower finds himself in a situation where he owns nothing and where everything is in the hands of that corporation, thus restricting his ability to borrow further with the banks in order to facilitate the current administration of his business.

In view of the present business situation and competition, we understand that business people must on occasion obtain sometimes substantial credit on a temporary basis. It happens sometimes that such credits are frozen due to the requirements of the Industrial Development Bank.

I should like to ask the minister to grant the request presented to him by the members of the opposition and also by the government member who has just given us his support in that respect, so that we may review not only the internal structure but mainly the over-all structure of that body, so that those who need funds for the expansion of their business may get them with easier standards than those in force at the present time.

I think that all those who have had to go to that crown corporation know that it is more difficult for them to obtain a loan from that federal organization than from an ordinary chartered bank and that the conditions of the loan are often far more severe than on the normal credit market.

Mr. Speaker, I therefore ask the minister to kindly consider the request made by the members of the opposition.

[*English*]

Mr. Chrétien: Mr. Speaker, before the bill receives second reading I should like to reply to some of the comments made by opposition spokesmen and by some members of this side of the house. First, I want to thank hon. members for their very positive approach to the matter. They made some criticisms and I am glad they did so. Many of the criticisms were factual. As a private member of the House of Commons I found on occasion that the paper work involved in obtaining a loan from the bank was quite excessive in relation to the amount of the loan involved. I assure hon. members that I will inform the officers of the bank of their criticisms in this respect.

One of the questions raised concerned the membership of the deputy minister of industry on the bank board. To me it seems obvious that with the establishment of the new Department of Industry it was important for the sake of the bank's good administration to have the deputy minister of industry appointed a member of its board. But in making such an appointment the policy of the government with respect to the bank was not changed and is not changing. The appointment was not made because the bank wanted to put more emphasis on local or internal industries and not to take into account as well those industries which produce goods for export abroad.

Further, because this is an industrial bank it was decided that it was preferable to have the deputy minister of industry on the executive committee rather than the deputy minister of trade and commerce. On the executive committee we have to retain a balance between those who are civil servants and those appointed from outside the government service and, as I say, because of the nature of the Department of Industry and because the bank is an industrial one, the deputy minister of industry was appointed to the executive. This does not change the policy of the government. The bank will continue to make loans to all types of industries and there will be more funds available for this purpose.

• (4:40 p.m.)

I am glad to have the opportunity to reply to the question of the hon. member for Edmonton-Strathcona (Mr. Nugent). Let me assure him that there is no purpose or intention to permit the Department of Industry to become involved in the operations of the bank.

An hon. member also asked why we decided to increase the amount of money available to the bank. It was felt by the government that the increase was necessary because in a short time there would be no funds available to the bank to lend to industry. For this reason we have been obliged to propose this increase. The total commitments of the bank at the end of September amounted to $387 million. At this time the bank cannot lend more than $420 million. One can see that the bank is rapidly approaching the point where funds will not be available. With the change proposed in the bill the bank will have a lending capacity of $1,045 million. This will facilitate the operations of the bank.

That is about all I have to say at this time but I will be pleased to answer any questions hon. members wish to ask during the clause by clause consideration of the bill. Let me again thank hon. members for their suggestions. I was pleased to note that the hon. member for Kootenay West (Mr. Herridge) apparently agrees with the operation of the bank and the proposed increase. Members of his party are usually very critical of any financial matters before the house. I believe his suggestion was very good that the bank should publicize its operations to a greater extent.

Mr. Nugent: Would the minister answer a question?

Mr. Chrétien: Yes.

Mr. Nugent: I am glad the minister gave some information in respect of the increase in the funds available. I ask the minister whether there have been requests for money which exceed the amount now available. Is it necessary to increase the amount available by three times and does this mean there will be a change in the method of lending or the amount of risk to be involved? Is it the opinion of the government that the bank's lending capacity should now be tripled and will the bank continue to do business as it has in the past?

Mr. Chrétien: Mr. Speaker, the bank is rapidly approaching the point when it will have used up the available funds. Normally it is not necessary in this type of thing for the government to come to parliament every year for authorization. We have tried to forecast future money needs, and we have agreed with the bank officials that we should triple the amount available in order to make it possible for the bank to continue its operations according to the law.

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

On clause 1—*Bank continued.*

Mr. Aiken: Mr. Chairman, I should like to ask the minister a question relating to both clauses one and two. Why is the deputy minister of industry being appointed to the board of directors under clause 1 whereas under clause 3 he is being substituted for the deputy minister of trade and commerce on the executive committee?

Mr. Chrétien: Mr. Chairman, as I said a moment ago, this was felt necessary because of the nature of the Department of Industry and the Industrial Development Bank. The government felt it was appropriate to have the deputy minister on the board. It was felt that the deputy minister of industry should be substituted for the deputy minister of trade and commerce on the executive board because of the nature of the Department of Industry and its close relationship to the development of industry in this country. It was judged more appropriate to have the deputy minister of industry rather than the deputy minister of trade and commerce on the executive committee. There was only one position available and we wanted to maintain a balance between those individuals from the administration and those from outside. This is what the government has attempted to do.

Mr. Nugent: The minister has indicated that because of the structure of the Department of Industry it was desirable to have the deputy minister on the board. That does not answer our question. Why is it necessary for the purposes of the bank to have both these deputy ministers on the board of directors? I am not clear as to the distinction between the jurisdictions or duties of these two gentlemen and I cannot understand why it is necessary to have both on the board of directors. I can understand one or the other acting as spokesman for the government to present government policy, but at this time when we are trying to keep down the cost of administration why can we not just have a straight substitution? Surely it should be possible to have one deputy minister assume the responsibility of acting as spokesman for government policy and thereby avoid this proliferation of administrative costs.

Mr. Chrétien: It was our feeling that the deputy minister of trade and commerce could be very useful because he meets representatives of all kinds of industry in Canada which have products to sell abroad. As there was only one position available on the executive committee it was decided that we should have the deputy minister of industry. As I said, it was felt that the deputy minister of trade and commerce could make a useful contribution to the board.

Mr. Nugent: I am still not satisfied with the answer. If I understand the situation, it is the function of the board of directors to guide the policies of the bank, and it would be the deputy minister's responsibility to pass along government policy and make sure that policy was followed. Surely there must be sufficient co-operation between these two deputy ministers that either one could act as the voice of government without the necessity of maintaining two staffs. Can we not cut down a little on this cost?

Mr. Leboe: Mr. Chairman, can the minister indicate whether or not there will be any change in the lending policy of the bank in respect of designated areas?

• (4:50 p.m.)

Mr. Chrétien: As I said earlier, the bank uses the fact that an area is designated as another argument in favour of granting a

loan to an applicant. As I said, the function of the Industrial Development Bank is to be a lender of last resort for the benefit of the industrial development of the country. The government has designated areas in which the growth of industry is too slow. There should, therefore, be an incentive to the bank to lend money for development in these areas, and I think the bank does this.

Mr. Monteith: Mr. Chairman, did I understand the minister in closing the debate on second reading to say that one reason the deputy minister of industry was being put on the board of the bank was to help maintain the balance between civil service and public representation on the board?

Mr. Chrétien: No, Mr. Chairman, that is not what I said. I said that some people are appointed to the excutive board from outside the civil service and others are appointed who are civil servants. Therefore, in order to keep the balance between them we decided to replace the deputy minister of trade and commerce with the deputy minister of industry. If we had appointed only the deputy minister of industry we would have lost the balance.

Mr. Monteith: In other words, Mr. Chairman, there would be too much civil servant influence if both deputy ministers were put on the board?

Mr. Chrétien: We need enough civil servants, but not too many.

Clause agreed to.

Clause 2 agreed to.

On clause 3—*Executive committee.*

Mr. Bell (Carleton): Mr. Chairman, I believe clause 3 is the one to which the minister was referring when he spoke of keeping the balance between appointments from the administration and those appointed from outside. Perhaps the minister would refresh my memory as to the exact composition of the executive committee. As I recollect, the directors who are members of the executive committee of the Bank of Canada are the governor, the deputy governor, the deputy minister of finance and one other. That would mean we have three inside and one outside. With the deputy minister of industry it will be four and one, and one other director selected by the board. This means four administration and two non-administration, if my recollection of the situation is correct.

I am not prepared to concede, of course, that you can ever have too many civil servants. I think I represent more civil servants than any other member and I really do not think there are quite enough civil servants. But apart from that, I should like to see that the balance between administration and non-administration is kept equal.

Mr. Chrétien: I see in the report of the bank that those who are members of the executive committee of the Industrial Development Bank are Mr. Bryce, Mr. McIntosh, Mr. Taschereau and Mr. Warren. With the change Mr. Warren would be replaced by the deputy minister of industry, so we will have the same kind of board as we had before.

Clause agreed to.

On clause 4—*Alternate member.*

The Chairman: Shall clause 4 carry?

Mr. Bell (Carleton): Before clause 4 carries, Mr. Chairman, I should like to say that I think the minister has confirmed precisely what I said, namely, that there are four internal and two external members of the executive committee.

Mr. Chrétien: Yes, but if we had another civil servant the balance would be worse than it is now.

Mr. Bell (Carleton): I would not use that particular adjective in this connection.

Clause agreed to.

On clause 5—*Capitalization.*

Mr. Monteith: Mr. Chairman, this clause has to do with increasing the authorized capital. Would the minister give us a run-down of the principle in calling up the stock? I understand that by the end of 1965 shares had been issued amounting to $38 million out of $50 million. At the end of 1966 the figure was $41 million. I refer to paid-up capital stock. As of September 30, 1967, the figure was $44 million. There was an unused balance there of $6 million. Five times that would give an additional lending power of $30 million. I am not saying that the additional lending power requested should not be granted, but I am wondering what the principle is behind the issuing of this capital stock.

Mr. Chrétien: Mr. Chairman, I do not quite understand the hon. member's question. I said previously that the commitments of the

bank at the end of September were $387 million and there was a possibility of $421 million being required. Therefore we were coming to the end of the money available and this is why it was decided we should proceed at once to increase the lending power of the bank in order to be sure that we will never be short of money for the operation of the bank.

Mr. Monteith: I gather that the stock is issued as required. In this case there will be an increase to $75 million. Of course, the figure will be ten times that, including the reserve. I gather that the stock will be issued to the Bank of Canada only as the money is required for lending purposes.

Mr. Nugent: Mr. Chairman, the remarks I wish to make apply to both clauses 5 and 6. Concern has been expressed by several hon. members as to the method of lending by the bank. The question asked in many of the speeches made on second reading was, will the bank's lending be broadened? I gather from the minister's reply that the lending will be on exactly the same terms and there is no change in policy with respect to the bank's operations. I understand that the government is just looking forward a long time, having regard to the present rate of lending and the using up of the allowable capital, and is providing in effect a long-term leeway by asking for a tripling of the amount of money available.

Mr. Chrétien: The policy of the government is that the bank shall operate to the best possible advantage. The policy of the bank is in the ultimate result the responsibility of the director of the bank. But it was made clear in my statement at the beginning of the debate on second reading that we want the bank to make funds available for the development of industries, particularly the smaller industries, in Canada. It is the intention of the government that because of this bill more money will be available, and we hope and expect that the bank will operate in a way that will be efficient for those who want loans from the bank. We hope this measure will make it easier for people to obtain loans. But the bank is a lender of last resort, and one of the conditions is that a man has to prove that he cannot obtain funds from the normal lending institutions. He has to establish this.

The bank should keep in mind too the viability of the project. We cannot, as a government, decide in each case and it is up to the management of the bank to make the decision. But because we made some changes over the last few years whereby we have opened offices everywhere in Canada, rather than having a very centralized operation it will be easier for the banks to make loans and for those who need loans to get them. Therefore the communication will be better between those who need money and the bank. I think this change in the administration of the operation will enable more loans to be made to those who need them and can meet the requirements of the bank.

• (5:00 p.m.)

Mr. Nugent: Mr. Chairman, I just wanted to be sure that the only change, in the minister's mind, that might occasion more money being lent is the fact that more offices have been opened and they are readily available to people who wish to obtain loans. But no matter how many voices may be heard in the house we hope that the functions of the bank will be broadened and the lending policy eased to some degree so that the bank will take a little higher risk. None of these things are factors in the increase of money now being granted and we do not see the bill accomplishing any of these objectives. All we are doing is providing additional funds for the bank to operate in the way in which it has operated until now. The only improvement, as the minister said, is that it may have more lending power because more offices have been opened and ordinary citizens may approach the bank more readily. Is that essentially what we are trying to achieve in the bill?

Mr. Chrétien: What we are trying to do here is to give more money to the bank. That is what this bill is designed to do. I believe that what has been said in the house today will be considered by the bank officials. However, the goals of the bank will not be changed by the bill. This bill is designed solely to increase the capital of the bank. However, I can assure the hon. member that this will be a step in the right direction and that the comments made in the house will be kept in mind by the officials of the bank.

Mr. Gilbert: Mr. Chairman, subclause 2 of clause 2 reads:

> The Bank of Canada shall subscribe for the seven hundred and fifty thousand shares referred to in subsection (1) at par and shall pay the amount of such subscription at such times and in such amounts as the Board may determine.

Why should the Bank of Canada subscribe totally for the purchase of the shares? Is

there a restriction that only the Bank of Canada can subscribe or is it possible for the public to subscribe? Has the minister any idea on whether the Canada Development Corporation will be permitted to subscribe in the future?

Mr. Chrétien: As I understand the bill, only the Bank of Canada can subscribe. However, the hon. member should keep in mind the fact that the operation of this bank is not necessarily a profit making one. The bank is there to help those who are in need of funds and cannot obtain them from other sources. It is not a bank which is in business to make money. So if the public wants to buy some shares and make no profit it is up to them, but I think only the Bank of Canada will be interested in doing that.

Mr. Leboe: Can the minister tell us whether or not the bank actually has made money?

Mr. Chrétien: According to the report it is making some money but in relation to the size and the nature of the loans it is a small amount.

Mr. Monteith: I assume that the question I put to the minister earlier in the form of a statement is correct in that the stock is only issued and paid for by the Bank of Canada as required so as to maintain the proper ratio to the loans made.

Mr. Chrétien: Yes, Mr. Chairman.

Mr. Monteith: I have one other question and I assume this is the only place where I can ask it. In the financial statement for the year 1965, other liabilities are listed at $500,990. In 1966 this figure was reduced to $411,659 but as of September 30, 1967 it is up to $9,754,000 plus. Can the minister give us any reason for the tremendous increase in this figure?

Mr. Chrétien: Unfortunately I do not have this information at hand at the moment.

Mr. Monteith: Could the minister send a memo up to the gallery? I should like to point out that I think the minister should sit in the front row with his officials in front of him so he can answer these questions. The other night we ran into the same difficulty with another minister.

Mr. Chrétien: I think I will be in a position to give an answer to this question in a few minutes. May I suggest we go on with the other clauses, Mr. Chairman?

[Mr. Gilbert.]

Mr. Gilbert: Could the Minister without Portfolio tell us what is the range of the interest rates charged by the I.D.B. at present?

Mr. Chrétien: My information is that the interest rate charged on the latest loans was in the range of 8.5 per cent. The hon. member mentioned a few moments ago in his speech that he expected the bank to lend money at 10, 11 and 12 per cent. I have been informed that in the past the bank has never lent money at such rates.

Mr. Gilbert: Mr. Chairman, what I said was that probably in the future that is what the rate will be. The minister has told us that at present the interest rate is 8.5 per cent. Does he anticipate an increase in the interest rate similar to the increase in the interest rates presently charged by banks?

Mr. Chrétien: I cannot give the hon. member any assurance on that point because this is a matter of policy to be determined by the bank directors.

[*Translation*]

Mr. Ricard: I only have one or two questions for the minister.

A few moments ago, I think he said that the Industrial Development Bank was a non-profit organization. But the minister also said that the bank had made some profits. In which way does the department dispose of the profits of the Industrial Development Bank?

Mr. Chrétien: Well, the Industrial Development Bank has the same board of directors as the Bank of Canada. If profits are made, they must naturally be added to the assets of the bank and they are used for other financial operations within the bank. These funds are not disposed of in any other way.

[*English*]

Mr. Herridge: Mr. Chairman, I am not quite in order but I should like to put a question to the minister. It is not related directly to this clause but I think it will help fill the intermission. I would like the minister to indicate what can be done by the staff to inform persons interested in the activities of the bank. I am thinking of chambers of commerce, trade unions or other groups which would like to hear about the operations of the bank and the facilities it offers to particular groups, regions or districts.

Mr. Chrétien: Would the hon. member kindly repeat his question? I hope he will excuse me but I was in conversation when he asked me his question.

Mr. Herridge: Can the minister inform the house what can be done by the staff of the bank to inform groups interested in the operation of the bank and its application to the circumstances of a particular town, city, municipality or region so that they can be informed of the relationship between the bank and the area in which they are directly concerned?

Mr. Chrétien: I stated at the beginning that the officials of the bank travel throughout the country and meet businessmen so as to provide them with the information required. If the hon. member has any suggestion to make in order to help his area in that respect, the bank will be happy to heed it. Mr. Chairman, I am a bit embarrassed by the question asked by the hon. member for Perth. It is always easy for lawyers to embarrass people by using legal terms. The hon. member is an accountant, but I am a little bit confused by the question.

• (5:10 p.m.)

Mr. Monteith: May I repeat it? I will put it in very simple terms. At the end of September, 1966, other liabilities are listed as $411,659, and at the end of September, 1967, other liabilities are listed as $9,754,140. Why is there such a big increase in one year and what goes to make up that increase?

Mr. Chrétien: The reply to this question is that there is an interim statement issued and when the normal statement is issued it indicates a difference in the kind of liabilities that are tied together. This is where the difference appears. I believe that when the last statement is issued there will not be this difference.

Mr. Monteith: In other words, the statement appearing in the *Canada Gazette*, part I, of October 28, will not be the final statement?

Mr. Chrétien: Yes, sir.

The Chairman: Shall clause 5 carry?

Mr. Bell (Carleton): I do not understand the difference between an interim statement and a normal one. I wish the minister would explain that.

Mr. Chrétien: When the last statement appears there is a wider coverage and that is why there is a difference between the two.

Mr. Monteith: When the final statement is prepared could there also be included an explanation as to why the figures published in the *Canada Gazette* of October 28, 1967 are different from the final figures?

Mr. Chrétien: I think that is a very good suggestion and I will inform the bank officials of your statement.

[*Translation*]

Mr. Valade: Mr. Chairman, I should like to ask the hon. minister whether he could give us some information which I consider rather important for businessmen who, at a given moment, must find financial help within a relatively short time.

I should also like to ask the hon. minister whether he can tell us how long an industrialist or a businessman must wait after he has applied for a loan before actually receiving the money. Could the minister tell us whether maximum and minimum delays have been fixed for these loans?

Mr. Chrétien: Of course, it is rather difficult, Mr. Chairman, to give the hon. member for Sainte-Marie (Mr. Valade) an exact answer, because that depends to a great extent on the nature of the loan, the type of operation involved and the guarantee which the business itself may represent.

If, for instance, a guarantee on real estate is involved a search must be made on titles and all sorts of legal operations are needed to make sure that the titles are true, and that takes considerably more time than if the guarantee offered consists in stocks or movables.

Mr. Valade: On this point, Mr. Chairman, could the minister tell us the minimum time required for a loan, let us say, of a relatively small amount?

Mr. Chrétien: I am advised that, sometimes it takes no longer than a week, but I am under the impression that this is not always the case.

Mr. Valade: Mr. Chairman, this is a very important matter to which I would like the minister to give some attention. That is the whole justification of the Industrial Development Bank.

As far as the question I put to the minister is concerned, it often happens that businessmen are in a situation where they need money whatever the current rate of interest; it matters little to contractors whether they

borrow at 8, 10 or 12 per cent in some circumstances.

If the minister tells me that sometimes a loan is granted within a week, I think that he is picking an exception. In fact, I have been aware of certain cases where, for loans from $10,000 to $50,000 at the maximum, borrowers have had to wait more than 3 months before securing such a low loan, when they had the minimum of securities required by the Industrial Development Bank.

I wanted to ask the minister if he could give the assurance that the administrative formalities will be simplified, so that those who need money will not be forced to wait until their enterprise is in danger. That is the assurance I would like to get from the minister.

Mr. Chrétien: Mr. Chairman, I can assure the hon. member that his remarks have been noted and that they will be submitted to the board of directors of the bank. I said earlier in my remarks, on the debate on second reading, that as an individual or member of parliament I had had to put up with delays on a few occasions, something which had not pleased me. I feel, on the other hand, that the bank is doing what it can. It might be a good thing, however, if it speeded up its operations a little.

[*English*]

Mr. Monteith: Mr. Chairman, just to keep the record straight, am I to understand that the figure for other liabilities totalling $9,754,140 for the Industrial Development Bank, which appears in the *Canada Gazette* for October 28, 1967, will be reduced when the final statement comes out?

Mr. Chrétien: Yes.

Mr. Monteith: Am I to understand also that when the annual statement does come out, the report of the president and statement of accounts for the fiscal year 1967, the difference will be explained, that is, why other liabilities are not this figure of $9,754,140 but somewhat less? If there is any great difference between the previous fiscal year and this fiscal year, I think that should be explained also.

Mr. Chrétien: Yes, I agree; that is a very good suggestion. I was confused at the beginning because I did not have the figures at hand so I was not in a position to compare them. The hon. member has a very good point and I think the bank will take the necessary steps to make this situation clear in the future.

[Mr. Valade.]

The Chairman: Shall clause 5 carry?

Clause agreed to.

• (5:20 p.m.)

On clause 6—*Aggregate liabilities.*

Mr. Aiken: Mr. Chairman, clause 6 deals with the amount of paid up capital and the total contingent liabilities of the bank. I should like to make some inquiries of the minister as to why the loss ratio between the various categories of loans is not shown in the annual statement of the Industrial Development Bank.

The loans that are made are shown by category, being broken down into the type of industry to which the money is lent and so forth, and this does give us some idea where the bank is investing its money. However, I think it will be of help to hon. members if we know where these losses are sustained and in what categories of loans the bank's operations are too far out on a limb.

This whole problem relates to the matter raised by the hon. member for Sainte-Marie as to the degree of risk that the bank is prepared to take and the amount of security that it requests. This matter concerns not the field staff or the district offices but the attitudes of head office and the administrative procedures that are adopted. If we had some idea of the loss ratio between the various categories this might explain the reluctance to make certain loans. It might also explain some of the delays in the procedure. Would the minister tell us whether these losses are broken down and, if so, where we could find the breakdown?

[*Translation*]

Mr. Chrétien: Mr. Chairman, on this point, I think that what the hon. member for Parry Sound-Muskoka (Mr. Aiken) has just said is most appropriate. Unfortunately, at this time, it is not to be found in the annual reports of the bank. However, I shall pass on the suggestion of the hon. member, because it would enable people interested in the operations of the Industrial Development Bank to see how the loans are authorized and where the greatest risks are involved in the loans that they can make.

[*English*]

Clause agreed to.

Title agreed to.

Bill reported.

MANPOWER AND IMMIGRATION COUNCIL

PROVISION FOR APPOINTMENT OF MEMBERS, ADVISORY BOARDS, ETC.

Hon. Jean Marchand (Minister of Manpower and Immigration) moved the third reading of Bill No. C-150, to establish a Canada Manpower and Immigration Council.

Mr. Robert McCleave (Halifax): Mr. Speaker, when this bill was considered some time ago in committee of the whole house attempts were made by the opposition to require that the council being established by the bill lay before parliament an annual report. This suggestion, which I think by the time my speech is finished will be proven to have ample precedent in Canadian as well as English practice, was rejected by the minister. Later in my speech, Mr. Speaker, I am going to move an amendment that the bill be sent back to committee of the whole for the purpose of inserting in it an extra clause requiring that an annual report be made to parliament by this council. However, I hope it will not be necessary for me to move the amendment. I hope the minister will indicate that he and the government have changed their minds and will accept some form of reporting on the part of this important council to the house as a whole.

First of all, Mr. Speaker, I must give the minister and the government marks for the fact that this council and the various boards established under the legislation will mean in effect the participation of many citizens, perhaps hundreds of citizens, in a very important field of government. These citizens will be able to give to the minister and his department, and I hope to parliament, their suggestions and advice on matters pertaining to manpower and immigration. I therefore hope that my hon. friend the Minister of Manpower and Immigration (Mr. Marchand) will accede to what I think is a pretty reasonable request by members on this side of the house and will take the initiative to implement my suggestion, in which case I will not have to move my amendment.

Before I cite some 50 to 75 examples of exactly how various corporations, boards, commissions and other statutory bodies established by parliament make their reports, I should like to make one very brief observation and then raise some questions which I hope the minister will answer. I realize that at this stage unanimous consent would have to be given the minister to answer, but I hope the house will do exactly that.

Since the bill received committee study, Mr. Speaker, there have been several significant developments. The bureau of statistics has reported that in the one year period between October of last year and October this year there has been a very sharp increase in unemployment. In recent days this was brought home drastically to us when the Canadian National and Canadian Pacific Railways laid off large numbers of their workers across the country. Initially the number was 4,000, but if the hon. member for Burnaby-Coquitlam (Mr. Douglas) is looking into the right crystal ball the number may be in the neighbourhood of 10,000, the figure he mentioned in the house the other day.

This situation poses important problems for the Minister of Manpower and Immigration and for the policies being pursued by the government. I also wish to ask 10 or 12 questions that I think should be answered at this time. For example, how much of this problem is caused by the lack of sales of wheat and coal in western Canada? How much of the problem is caused by technological change in Canada? How much of it is caused by our productivity problems?

The Minister of Finance (Mr. Sharp) said in a speech to the chamber of commerce in Quebec on November 8:

> One of the reasons why our prices and costs have been increasing rapidly is that in recent years the increase in our productivity has not been satisfactory. This disappointing increase has not been due to insufficient demand nor is it the result of inadequate investment.
>
> To my mind, the causes are deeper and more complex. They lie in the weaknesses of our system of education and training, and this is equally true of management and workers. They lie in the lack of manpower mobility; and in the need for greater specialization in our industrial structures. We must concentrate on those areas where we are strongest and our productivity is highest.

• (5:30 p.m.)

I suggest that the Minister of Manpower and Immigration knows that these are factors that make his duties more difficult. I also hope that the minister will call to the manpower and immigration council experts who will offer their advice as to how the government may overcome that problem which was so aptly delineated by the Minister of Finance.

My next question has to do with inflation. The governor of the Bank of Canada, Mr. Louis Rasminsky, spoke to the Canadian Club of Winnipeg on Wednesday, November

10. I quote in part from the report of his speech carried in Thursday's *Globe and Mail*:

> The ... recent substantial increase in interest rates, which has occurred in spite of a flattening out of private investment and a large increase in the money supply.

This turn of events is unusual, since it seems to be a departure from what has happened in the past. How will this affect our problems in respect of manpower and immigration? The minister of natural resources of Saskatchewan last week told the Saskatchewan wheat pool that Canadian capital is moving from this country to help to develop other countries which have fewer resources than we have. Again I ask, how will this factor affect the minister's ability to deal with the proper use of Canadian manpower resources? Because of the anticipated adverse effects some industries may experience as a result of the implementation of the Kennedy round tariff decisions, what has the minister in mind? Then there is the slowdown in the construction industry.

Another question I wish to ask is with respect to manpower and unemployment insurance. Those two functions of the department which were carried on under one head, so to speak, have now been separated. Has that separation created additional problems? On this point I understand that the hon. member for Oxford (Mr. Nesbitt) is to elaborate later in this debate.

What is the government doing to help to create new jobs? What can the department of manpower do to enable farmers, who face a real problem in finding help in times of mounting unemployment, to obtain help on their farms? These are some of the questions that the minister ought to answer. The matters they raise touch on policies that the minister, his department and the government must develop to overcome the problems our country faces. As the minister did not answer certain questions when his estimates were before the house, I hope he will answer some of those which have been put to him during this debate.

I wish to talk about the amendment I shall present later which will embody a requirement for the new manpower and immigration council to report to parliament. The minister's argument on this suggestion is found on page 2524 of *Hansard*. One point he made was that if the council were required to report to parliament, labour and management would attempt to take special stands.

Sir, economists and men from all walks of life make up the Economic Council of Canada. They will never agree unanimously on any proposal. But when that council makes a most thorough report in its annual review we may take it that it represents a consensus of opinion within the council. That report ought to be heeded. If the members of the economic council can reach agreement on certain proposals, surely it is not asking too much for representatives of labour and management to reach agreement with respect to certain matters that affect them.

The minister's second argument is also found on page 2524 of *Hansard*. His contention was that the sort of amendment I propose ought not to be accepted. He said, in effect, that the chairman of the council might try to embarrass the government. This, I submit, is a strange argument to come from the mouth of one of Her Majesty's ministers. I hope that the minister or any subsequent minister in his position will appoint the best man for the job. I hope that he will not appoint some Charlie McCarthy who will echo any partisan bias uttered by the minister's party. The man who is appointed to the job should do a job, in the interest of all Canada; he ought not to work for the minister or the minister's party. As we know, political parties come and go.

Mr. Knowles: Hear, hear.

Mr. McCleave: The hon. member for Winnipeg North Centre says, "Hear, hear." I do not wish to become partisan. My only point is that I do not think the minister's argument holds water. He ought to look for the best man in the field and not for one who, when the government changes, will embarrass the new administration.

The minister also said that he could report to the house on the work of the manpower and immigration council when his estimates are being considered. Possibly he could report and possibly he could answer questions. Nevertheless, under the guillotine system with which we unfortunately shrouded this chamber it turned out that the minister could not answer questions when his estimates were considered since the time for discussion expired before the list of speakers was exhausted.

I am trying to be as non-partisan as possible and I hope the minister will not mind my dealing with his argument. In the past, when dealing with these matters, both sides have been at fault. The point I am trying to make is that the questions involved here have to do

with remoteness of control, or closeness of control—it depends on how you look at it. It must not be forgotten that the council is being created in this chamber, and it is in this chamber that the money for its operations as well as other government operations is authorized. I hope the minister shows his wisdom and changes his mind. I hope he will adopt something similar to the first part of the Economic Council of Canada Act which deals with how that body is to report to parliament.

In referring to specific examples of parliamentary creations in the past and their relations with parliament, we must remember that under the Prime Minister of this country there are the Economic Council of Canada, the Science Council of Canada and the Company of Young Canadians. All those creations of parliament report directly and independently to this house.

I am about to refer to the 1966 Canada Year Book and to a list of government agencies or bodies set up by legislation found therein. I have made no deletions from that list. There have been some organizational changes and some bodies that reported to one minister or came under one department now come under another minister or department. I may say that to present my argument most conveniently I am following the 1966 year book.

• (5:40 p.m.)

First, under the Minister of Agriculture (Mr. Greene) we have the Agricultural Products Board, the Agricultural Stabilization Board, the Board of Grain Commissioners and the Farm Credit Corporation, all of which issue separate reports to the House of Commons. In one or two cases they address their reports to the minister but the minister tables them in parliament.

Under the Minister of Energy, Mines and Resources (Mr. Pepin) we have the International Boundary Commission, the Atomic Energy Control Board, Atomic Energy of Canada Limited, the Dominion Coal Board, Eldorado Mining and Refining Limited, Eldorado Aviation Limited and the National Energy Board, all reporting to parliament.

Mr. Marchand: Does the hon. member recognize that all these boards have executive powers?

Mr. McCleave: If I read the whole list I believe the minister will realize that not all these statutory bodies are in that category.

The Canadian Permanent Committee on Geographical Names reports to the same minister and its work comes before us in the minister's own report rather than as a separate report. The work of the Board of Examiners for Dominion Land Surveyors is described in the minister's annual report. We are told that in 1964 the board tested 44 would-be land surveyors, only 11 of whom passed. I noticed this information in the report of the department of mines and technical surveys for 1964. The Canadian Council of Resource Ministers issues a separate report to parliament.

Under the Secretary of State for External Affairs (Mr. Martin) the External Aid Office issues a separate report to parliament. The International Joint Commission, Canadian section, reports to the minister.

Next I turn to the Minister of Finance and Receiver General of Canada (Mr. Sharp). The Royal Canadian Mint, the Bank of Canada, the Industrial Development Bank, the Canadian Wheat Board, the Department of Insurance, the Municipal Development and Loan Board, all issue separate reports to parliament. The Tariff Board reports both through the minister and by the issuance of separate reports, and the Inspector General of Banks is required to report under certain sections of the Bank Act. These are separate reports to parliament.

Under the Minister of Fisheries (Mr. Robichaud), the Fisheries Prices Support Board and the Fisheries Research Board of Canada issue separate reports. The International Fisheries Commission reports to the minister.

Under the Minister of Forestry and Rural Development (Mr. Sauvé) the Eastern Rockies Forest Conservation Board makes a separate report.

I turn now to the Minister of Indian Affairs and Northern Development (Mr. Laing). The Commissioner of the Northwest Territories, the Commissioner of the Yukon Territory, the Northern Canada Power Commission and Northern Transportation Co. Ltd. each make separate reports. The National Battlefields Commission lays its budget separately before parliament. Only the Historic Sites and Monument Board is included in the minister's report.

In the department of the Minister of Industry and Defence Production (Mr. Drury) the Canadian Government Printing Bureau, Canadian Arsenals Limited, Canadian Commercial Corporation, Crown Assets Disposal Corporation, Polymer Corporation Limited,

and the National Research Council report separately to parliament. The Adjustment Assistance Board reports through the minister's annual report, as does the National Design Council created by a former government. Most of these bodies have reported separately to us. I note that the Area Development Agency reports separately through the minister's report.

Under the Minister of Labour, the Canada Labour Relations Board reports to us from time to time and also reports through the minister's annual report. Central Mortgage and Housing Corporation reports separately as does the Unemployment Insurance Commission. The Merchant Seamen Compensation Board reports to the minister for inclusion in his annual report. Their report for 1966 is to be found at page 54 of the departmental publication.

Under the Minister of Manpower and Immigration (Mr. Marchand) we find the National Advisory Council on the Rehabilitation of Disabled Persons and the National Technical and Vocational Training Advisory Council issuing separate reports to us. So there is precedent within the minister's own bailiwick for the course I am suggesting.

Let us turn to the Minister of National Defence (Mr. Cadieux). Defence Construction (1951) Limited reports separately to us. Then there is the Defence Research Board. Though my research took more than a week I failed to find out how the Defence Research Board reports or to whom it reports.

The next department on my list is the Department of National Health and Welfare. I could not find out how the Advisory Council of Consumers reports. The Canadian Council on Nutrition reports through the minister's report as does the Dominion Council of Health. The National Advisory Council on Fitness and Amateur Sport issues its own separate report and also is in the minister's report. I do not know how the National Council on Welfare reports. This minister has lately taken on responsibility for the Atlantic Development Board which reports separately to us.

Turning to the Minister of National Revenue (Mr. Benson), we come to the Tax Appeal Board whose decisions are, of course, published from time to time. Under the President of the Treasury Board we find, of course, the Treasury Board whose warrants are issued and reported from time to time. The Minister of Public Works (Mr. McIlraith) is responsible for the National Capital Commission which makes a separate report.

[Mr. McCleave.]

Under the Registrar General (Mr. Turner) we find the Director of Combines Investigation and Research, the Patent and Copyright Office, the Restrictive Trade Practices Commission and the Trade Marks Office, all of which make separate reports.

All the diamonds in the widespreading crown of the Secretary of State (Miss LaMarsh), with one exception, report separately. Listed here are the Board of Broadcast Governors, Canada Council, Canadian Broadcasting Corporation, Centennial Commission, Public Service Commission, National Film Board, National Gallery, National Library, National Museum of Canada, Office of the Chief Electoral Officer, Public Printing and Stationery Department Publications Branch (Queen's Publisher) and the National Arts Centre Corporation. The Office of the Representation Commissioner reports to the minister and Public Archives sends a report separately though there is no statutory obligation to do so.

Responsible to the Solicitor General (Mr. Pennell), the Canadian Penitentiary Service, the National Parole Board and the Royal Canadian Mounted Police all issue separate reports.

Under the Minister of Trade and Commerce (Mr. Winters) we find the Canadian Corporation for the 1967 World Exhibition, the Corporation and Labour Unions Returns Act Administration, the Dominion Bureau of Statistics and the Exports Credits Insurance Corporation, all reporting separately to us.

Beneath the wing of the Minister of Veterans Affairs (Mr. Teillet) we find the Army Benevolent Fund Board reporting separately, and the Canada Pension Commission and the War Veterans Allowance Board which issue reports to the minister for incorporation in his annual report. I do not know how the Commonwealth War Graves Commission reports.

• (5:50 p.m.)

Finally we come to the Minister of Transport (Mr. Hellyer), that figure of unified fun. Air Canada reports separately, as does the Board of Transport Commissioners for Canada, the Canadian Maritime Commission, Canadian National Railways, Canadian Overseas Telecommunication Corporation, the National Harbours Board and the St. Lawrence Seaway Authority. All these issue separate reports. The only one in the minister's empire that does otherwise is the Air Transport Board. That could be in the minister's

annual report, although I went through a couple of them and could not find it.

So, sir, I suggest there is ample precedent as to the general practice over past years for a statutory body such as is being set up here to report in some way to the House of Commons.

In my researches I also went to the classic writers on this subject. Again the question is the closeness or remoteness of control exercised by parliament. Since it seemed to me that this matter had been approached on a somewhat pragmatic basis, and probably more so in Canada because there is less dealing with this subject here than in England where there is some but not very much, I started with good old Edmund Burke—a Tory should start with a Tory—in order to try to find a philosophy that could be suggested in regard to this matter. In his work published in 1808 Burke had this to say:

> The House of Commons was supposed originally to be no part of the standing government of this country. It was considered as a control, issuing immediately from the people.

Burke depicted it as being to the higher part of government what juries are to the lower part of government. Then he said:

> —this character can never be sustained, unless the House of Commons shall be made to bear some stamp of the actual disposition of the people at large.

I suggest that the actual disposition of the people at large, if they have any preference or think of it at all, is to want to know rather than to have it otherwise.

Finally, I quote a constitutional authority of the past, Walter Bagehot. In his work on the English constitution he defines the real function of the house as comprising three elements: first, "to express the mind of the people"; second, "to teach the nation what it does not know"; third, "to make us hear otherwise what we should not."

As I pointed out at the start of this address, there are grave and important responsibilities resting on the shoulders of the Minister of Manpower and Immigration. I do not think anybody in this house wishes him ill in the discharge of those responsibilities. Indeed, we all wish him well. We hope that his manpower and immigration council will gather to it the best talent that is available in Canada, giving citizens the right to participate and play their part in dealing with the difficult problems, some of which I have enumerated.

Therefore I hope that in dealing with the question of whether or not the council should report to parliament we will approach it on the very broad basis that parliament should be jealous of its right to require such reports and very reluctant not to do so under such circumstances unless there is good reason otherwise. I do not think any group of citizens on the council or on the boards set up by this legislation will feel themselves inhibited in any way. Certainly those on comparable councils have not from knowing that their chairmen at least would draw up a report on their activities dealing with some of the problems they had explored and reporting on them to the House of Commons. Therefore, sir, to make my point I move, seconded by the hon. member for Argenteuil-Deux-Montagnes (Mr. Régimbal):

> That Bill C-150 be not now read a third time but be recommitted to the committee of the whole house for the purpose of adding a clause which would require the proposed council to report to parliament annually.

The Acting Speaker (Mr. Rinfret): Is the house ready for the question?

Some hon. Members: Six o'clock.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, in the minute or two before we adjourn at six o'clock I do not wish to discuss the amendment but I do want to speak on the bill itself for which third reading is being sought.

Some hon. Members: Six o'clock.

Mr. Brewin: Mr. Speaker, some hon. members are seeing the clock at six.

[*Translation*]

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Rinfret): Order, please. It being six o'clock, it is my duty pursuant to provisional standing order 39A, to inform the house that the questions to be raised at the time of adjournment tonight are as follows: The hon. member for Lotbinière (Mr. Choquette), Federal-provincial conference—inquiry concerning the agenda of the next conference; the hon. member for Queens (Mr. Macquarrie), Transport—Borden-Tormentine ferry service—reported numerous lay-offs.

[*English*]

At this time the Chair has a certain intuition that hon. members wish to suspend the sitting until eight o'clock. Is this unanimously agreed?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Rinfret): Agreed. Accordingly the sitting of this house is suspended until eight o'clock and consequently I do now leave the chair.

SITTING SUSPENDED

SITTING RESUMED

The house resumed at 8 p.m.

MANPOWER AND IMMIGRATION COUNCIL

PROVISION FOR APPOINTMENT OF MEMBERS, ADVISORY BOARDS, ETC.

The house resumed consideration of the motion of Mr. Marchand for the third reading of Bill No. C-150, to establish a Canada Manpower and Immigration Council, and the amendment thereto of Mr. McCleave.

Mr. Brewin: Mr. Speaker, I composed my words, partly with the understanding that the minister would be here—and I am glad to see that he is arriving. During the resolution, second reading and committee stages on this bill we expressed our views that the council for which provision is made in the bill might well be very useful, and therefore we have approved of its creation. I do not intend to repeat what was said in the earlier debate, but I think the usefulness of the council, as with all councils, will depend very much on its composition. I notice it can contain up to 15 members and I know the minister will appoint representatives of business and labour.

Let me point out that during the hearings of the special joint committee on immigration we received extremely helpful advice from a number of groups, especially groups and organizations of new Canadians. It is my hope that there will be some representation on his council of these groups, which in themselves are composed of former immigrants, because in part the council will have to deal with the problems of immigrants.

We also received excellent briefs from trained and experienced social workers. I hope they also will be represented. It is unnecessary for me to suggest to the minister that a council of this sort without a woman member would not be of the proper council. At the risk of having the minister think we have a tiresome habit of repeating some ideas again and again I want to repeat a theme we have discussed in this house from time to time. I refer to the suggestion that the manpower training program is being allowed to lag because of overly rigid regulations.

Mr. Michael Fenwick, who is a vice president of the Ontario Federation of Labour, speaking recently at Niagara Falls used some harsh language about the minister. I do not endorse this language, but he said the minister was scuttling the adult job retraining program in Canada. Perhaps that is not true, and unfair, but some of the things Mr. Fenwick said are disturbing, and I should like to put them to the minister to give him the opportunity of replying. I might add that Mr. Fenwick is not only a vice president of the Ontario Federation of Labour, he is also a member of the metropolitan Toronto advisory committee on manpower and retraining. I presume he knows what he is speaking about in respect of this particular field. He said:

> —the whole program of adult education and retraining is going down the drain because of the restrictions placed on the unemployed who want to upgrade themselves.

He then went on to say, referring I suppose to the metropolitan area of Toronto:

> —referrals by the manpower department for training have dropped from 2,000 a month last April to 500 in September.

I have other figures in this regard, as I am sure the minister has. Mr. Fenwick went on to say:

> —that manpower training has been a victim of the government's program to cut expenditures.

Mr. Fenwick then explained in a little more detail what he meant when he said there was no retraining for unemployed persons who could find a job in their trade in another community. I can understand that there might be situations in which, if a person was ready to move to another area and qualified to fit into a job which was open to him somewhere else, there might be some reason for questioning whether or not that man should in every case be allowed to take a retraining program. However, as the retraining program is for the purpose of upgrading skills, and in many cases if a man is married with a family it might be impractical for him to move to some other area, this rule which suggests that there is no retraining is far too rigid. I should like to ask the

minister whether that rule exists and whether it is as rigid as Mr. Fenwick apparently thinks it is.

Mr. Fenwick went on to say some other things. For instance, he said this:

—as a result of the government's austerity program, the Riverdale collegiate training centre, where immigrants had been taught, is closed, as is the Castle Frank centre.

I asked the minister about this on orders of the day, and if I understood his reply correctly he said it was true the centres had been closed, but suggested this was because they belonged to the board of education, which needed them for its own purpose and had asked to have them back. I should like to ask the minister whether an effort is being made to find other locations where this training can be carried on. It seems to me there must be other premises in the city of Toronto which could be made available for this purpose.

Mr. Fenwick made another statement which I think is very serious, if it is correct. He said that—

—A. W. Fair, co-ordinator of manpower training in Toronto, has reported to the advisory committee that 80 teachers have left because they feel there is no future for the program as a result of the economy move.

I presume he referred to 80 teachers in Toronto. If this is so, or even if this figure is a mistake, it would seem to cripple a program of this kind. I do not know what sort of educational institution or organization could lose 80 teachers in one area, because they do not have confidence that the program will continue without crippling its program.

When I raised this same matter during consideration of the minister's estimates he was not able to speak in the house but very kindly wrote to me and other members in explanation. He seemed to imply in his letter that the training program was going to expand. However, if it is going to expand, it is rather serious, if it is true, that 80 teachers in one area have left because they do not have confidence that this program will continue.

• (8:10 p.m.)

These are not just the views of Mr. Fenwick. Although Mr. Fenwick is on the advisory council, he may easily be mistaken. I have here another newspaper clipping which appeared in the press at last week where Mr. R. M. Warren, executive director of the manpower services division of the Ontario labour department said this:

The fact that negotiations dragged on this long has kept the level of the program down.

He is referring to the two governments that used to share responsibility for the adult retraining program. I understand that negotiations are continuing with the provinces. If I understand correctly, until recently Ontario and British Columbia had not signed agreements, although they may have by now. It is six months since the act was originally passed. Mr. Warren went on to say, and I presume he is dealing with the Ontario figures, that before April the division had 8,000 trainees enrolled in on-the-job courses. The number fell to 3,000 in midsummer, but has since grown to about 4,000. Mr. Warren was speaking in November. I know that the minister when writing to me on this subject, and no doubt to other hon. members, said there was a temporary lull during the summer and the apparently unsatisfactory figures are due to the fact of the seasonal lull and full employment. Now we have not full employment, and the seasonal lull must surely be over. The same article quotes Mr. E. L. Kerridge, administrator of the Ontario manpower department's retraining program, who said that the monthly enrolment is running at 70 per cent of the level in 1966, when 60,000 took the department's retraining courses. Again, I suppose he is speaking about the province of Ontario, which he would know. But this 70 per cent figure does not fit in at all with the rather soothing letter the minister sent to me in which he indicated that the temporary lull was over and there would be a gradual increase in this program.

I do not think Mr. Fenwick, Mr. Warren or Mr. Kerridge would make these statements unless they were correct. The total result of these figures seems to indicate a rather serious lack in this program. I ask the minister to give an assurance to the house that this manpower training program will not be cut down because of any economy drive or axe wielding by his colleague the Minister of Finance (Mr. Sharp), because in my judgment it would be a shortsighted and foolish policy to cut down on this type of government spending. It would not do anything to cure inflation.

We can understand that the Minister of Finance is anxious to cut down government expenditures in order to halt inflationary trends in the economy. There may be some fairly obvious places to make these cuts, and

I could suggest a few myself. But I think it would be the height of folly to cut down on programs that are designed to increase productivity and the employability of Canadian workers.

I hesitate to get into the dismal science of economics and the painful subject of inflation, but I understand that a major cause of inflation is excess on the demand side of the economy as against the supply side. The direct cutting down of expenditures can of course reduce demand. But if the cuts are directed at programs like manpower, then productivity and economic growth are diminished and all you have done is keep the inflationary pressure just about where it was before, but at a lower level of production and employment. I hope the minister can assure us that if economies are necessary they will not be carried out at the expense of training programs designed to increase the productivity of Canadian workers and upgrade their skills so they can produce more. It would be a very foolish policy if it were so.

I now wish to refer to a particular branch of this program as it affects a particular group of people. In so far as there are reductions in these training programs, and in so far as they especially affect immigrants, this would be doubly disastrous. It would be disastrous for the immigrants themselves and disastrous for Canada. The government's white paper on immigration throughout bases government immigration policy on the contribution that trained and skilled immigrants can make to an economy of growth. The white paper first of all assigns responsibility in this respect. It says on page 39:

Thereafter—

That is after the immigrants have come to this country.

—the manpower division will assume responsibility for the counselling and placement of workers and such family counselling as may be needed in addition.

I commend this white paper to the minister. I know he produced it himself, or his advisers did. It was produced with some fanfare, as I recall it. The white paper goes on to say in paragraph 103:

People who come to Canada should receive the kinds of services they need to start productive employment as soon as possible. They may need language training, short courses in Canadian techniques and standards in their occupational field, labour market information and counselling, and even internal mobility assistance. These are manpower services. Immigrants must be made aware of them and be put in touch with the manpower organization which can provide them. Conversely, the manpower organization will be in the best position to assess labour shortages in industry and to advise immigration authorities about these. Thus there will be a close working relationship between manpower and immigration officials in assisting immigrants both before and after they arrive in Canada. Sufficient financial and personnel resources will be made available to ensure that no immigrant will lack any help he may want in getting established or fail to realize that such help is available.

[Mr. Brewin.]

I commend that passage of the white paper to the minister. It obviously makes sense that if you are bringing people to this country as immigrants, one of the main policy reasons for so doing is that they may add to the productive resources or pool of this country. It does not make any sense if they are not given fully adequate retraining facilities, as this paragraph of the white paper provides. If you are closing down training centres and making regulations that may make it difficult for immigrants to obtain retraining, you are in my view denying the very policy put forward in the white paper.

Manpower and immigration must work together. The minister heads both these departments. I do not think they can be working together very well if, as I hear from quite a number of my constituents, they were participating in these training programs, receiving on-the-job training and being supported during this period, as is necessary, but were then cut off from the programs. I ask the minister to again look into this question. I ask him whether Mr. Fenwick is wrong and whether the 80 teachers who have resigned are wrong. If the minister is right in saying that this has nothing to do with the government's austerity program and there really is no endeavour to cut down manpower training, but in fact the reverse, I hope he will make this crystal clear. There is obviously a lot of misunderstanding, even in circles which ought to be fairly well informed about this particular matter.

• (8:20 p.m.)

I do not wish to belabour these points and I do not desire to discuss at length the amendment which was proposed by the hon. member for Halifax (Mr. McCleave). It seems to me that it deserves support and I hope the minister will consider it. As I understand it, it proposes that an annual report be made to parliament by the manpower council which we are are setting up. I cannot imagine what harm that would do. In fact I think it will do some good. The minister said once before that this council is merely an advisory body, not an executive one, and that it does not

have any power. Why should not the benefit of at least some of its advice come to parliament in an annual report? I think the minister will agree that the parliamentary committee consists of many members on all sides of this house who are knowledgeable with regard to matters of immigration, and I am sure there are many members of the house who are knowledgeable about manpower matters. The more information given to parliament on this matter, the more effectively can parliament do its job.

The minister has shown good judgment in accepting many of the suggestions made by the parliamentary committee and those made by various members of the house in debates on his estimates. I cannot imagine any reason why he should be afraid of having an annual report made. As I understand it, this does not mean that every little bit of advice that is given to him by this council has to be produced in the annual report. It does mean that this council, which will broadly represent all of Canada, will deal with subjects of extreme interest. Manpower policies play a bigger and bigger role in the up-to-date economy, an economy that is looking for growth. This is a tremendously important subject but a new one. Immigration policies on the other hand have benefited for years by open and frank discussion in the house. Therefore I think the amendment proposed by the hon. member for Halifax (Mr. McCleave) deserves support and I would suggest to the minister that he might seriously consider accepting it, rather than requiring the house to divide on it.

In short, Mr. Speaker, we are prepared to support that amendment and to support the bill, because we think this manpower council may be worth while. But we take this opportunity to say we are very disturbed by reports—whether they are made accurately or inaccurately the minister will have to say—from reliable and knowledgeable people which indicate that in fact the manpower program is failing and is not doing the job it was supposed to do.

Mr. Ralph Cowan (York-Humber): Mr. Speaker, I wish to make some comments with regard to the third reading of Bill C-150, an act to establish a Canada manpower and immigration council, primarily because of the fact that owing to the velvet glove form of closure which we have on debates of the estimates of the departments I was not able to participate in the discussion of the estimates of this department when they came up on October 26. One way of silencing debate is to have the house leader of a party announce that agreement has been reached between the party house leaders. It is rather interesting that the house leaders of some parties do not even consult the members of their party, but simply inform them that they have reached an agreement without prior consultation with the party members.

Mr. Knowles: Speak for your own side.

Mr. Cowan: I am speaking for this side and I have no hesitation in identifying it. I do know of another party, the house leader of which consults the members of his party, and knows what they think.

Mr. Knowles: Thank you.

Mr. Cowan: It is pointed out in the bill that the council is set up to advise the minister on all matters to which the duties, powers and functions of the minister extend; to advise the minister on all matters pertaining to immigrants to Canada; and to advise the minister on such other matters as the minister may refer to the council for its consideration. I take it, Sir, that this council will have full authority to cover the entire field under the domain of the Minister of Manpower and Immigration (Mr. Marchand), and I wish to make some comments in that regard.

I sincerely hope that under clause 11 (e) which states that the council will be asked by the minister to advise the minister on such other matters as the minister may refer to the council for its consideration, the minister will ask them for some consideration of the use of the words "deportation" and "deport" when it comes to dealing with would-be immigrants to Canada. The words "deportation" and "deport" have a bad connotation in the minds of a great majority of the public. When people think of someone being deported, they think of banishment or exile. We remember well the history books in which we were told about deportation to Australia or deportation from France to Devils Island off the South American coast.

I know no reason why these two words should be emphasized so often in the interdepartmental correspondence and rulings of the department, and I would certainly like to see this new advisory board asked for their opinion on it, because I am certain that the great majority of its members, if not all of them, would be against the use of these words. In the army when soldiers are absent without leave they are not called deserters: Heaven forbid. A soldier can be absent without leave for a large number of reasons and

he is then known as being A.W.O.L. The army would not think of classifying these men as deserters until there had been a protracted absence from the army parades, longer than an absence of two or three days or even two or three weeks. This is termed as A.W.O.L., not desertion. The army knows that the word "desertion" carries connotations which would make the family of the soldier quiver. Certainly when we use the words "deport" or "deportation" in matters of manpower or immigration we are using words which carry evil connotations in the minds of a great majority of the public. In fact, there is a ruling in the department that once a would-be immigrant has been deported, he has tremendous barriers to overcome before this application for the status of a landed immigrant in Canada would even be considered a second time.

I should like to draw to the attention of the minister a few cases of which I have personal knowledge and ask him if he would not have these regulations reviewed by the new council of manpower and immigration, if the department itself will not change them. I am not a lawyer myself, therefore I am unable to collect from immigrants when I give them advice on how to meet the officials of the Department of Manpower and Immigration, but I have had a great deal of first hand information because I have taken immigrants before these special inquiry officers, and before the immigration appeal board. Let me quote a case in point. A few days ago we were discussing the subject of capital punishment. Some are endeavouring to prove that a policeman is more important in the scheme of things than, for instance, eight civilians such as the ones who were killed in Saskatchewan. If this law is passed, the man who killed the eight civilians might receive a life sentence, but if he had killed one policeman he would be hanged. The Solicitor General (Mr. Pennell) informed us of the number of Canadian murderers whose sentence of death had been commuted, after which they were paroled and are now moving around in Canada.

• (8:30 p.m.)

Speaking on the immigration matter, I will give hon. members a case in my own riding of York-Humber involving a European couple who have eight children, all living in Canada. The man and his wife came to Canada on a visit eight or nine years ago. When they arrived at Halifax the mother was told she could stay, but the father was told he had to take the next boat back to the country from which he came. The mother came through to see their eight children, one of whom lives in York-Humber. She returned to her homeland in Europe and a couple of years later the mother and father, anxious to see their children, flew to Canada once more. The mother was told she could stay and visit, but the father was told he would have to return to his homeland. He returned to his homeland and the mother of the eight returned to her homeland also. Now the father who is 76 and the mother who is 74, are anxious to be landed in Canada where all eight children reside. Five of these children are Canadian citizens and the other three are waiting to fill out the five years residence in Canada before they can apply.

These two people in Europe have no other family than the eight children in Canada. The father is told he cannot come here. Our moral attitude toward this man is so high that because he was convicted of theft 37 years ago in his homeland and spent six years in the penitentiary in his homeland, he is not a fit nor proper person to associate with Canadians. Why, it might lead us down the primrose path to hell, if we had a thief wandering amongst us. This man is the father of five Canadian citizens and the father of three people who hope to be Canadian citizens. We will not let this convicted thief from Europe who did six years in the penitentiary lead us astray, but we parole convicted Canadian murderers. How ridiculous can we get? Are we going to say that paroled convicted Canadian murderers have such a high moral attitude they are fit to associate with us, but we cannot allow a convicted thief to come into this country because of the influence he would have on people residing in this dominion?

Another point I should like to have the minister refer to this new advisory committee, if the department will not take steps to have the regulations changed, concerns a man residing in York-Humber. He has resided there for the past several years. He was born in Europe and his mother and father brought him to this country when he was three years old. When they had been here seven or eight years, the father applied for Canadian citizenship and his application was granted. A year or two later his wife applied for Canadian citizenship, and it was granted to her almost automatically. I don't know why they did not apply at the same time. The boy, who as I have said was three years of age when the mother and father brought

him to this country, was about 11 when the father and mother applied for Canadian citizenship.

Only last year this boy, now a man of 34 and residing in York-Humber, who is married and has a family, had reason to approach the Supreme Court of Ontario with regard to a slight change in name. When the application was made through his lawyers, he was asked if he were a Canadian citizen. "Certainly," he said, "I am a Canadian citizen." They asked him to produce proof he was a Canadian citizen—and I make no apology for talking about citizenship at this time, because this man was an immigrant during the time of which I am speaking, he has only been a citizen for about three weeks. As I have said, his reply was, "Certainly, I am a Canadian citizen." The law courts asked him to produce evidence. Of course he was supposed to get his father's citizenship papers. Fortunately he was able to do so because his father is still living about a quarter of a mile from the northern boundary of York-Humber. He lives in the riding of York West. The interesting fact is that when the father's Canadian citizenship certificate was produced, the department was asked if this gave the son Canadian citizenship. The father had been granted citizenship in 1947. Lo and behold, we were told, because I checked the certificate with the department myself, the boy was not a Canadian citizen. His name did not appear on the certificate issued to the father in 1947.

This strikes me as ridiculous. This boy was 11 years old when his father applied for Canadian citizenship. I was told that the boy was being protected by the Canadian government because if he did not want to become a Canadian citizen when he was 21 he did not have to be a Canadian citizen. He could retain the citizenship of his birth. Surely when a boy is a minor and the father and mother apply for Canadian citizenship it should be granted to the minor in the family as well as to the mother and father who have made the application. After all, the minor could not apply at that time.

I have a brother who was born in Springfield, Massachusetts, when my mother and father were there in 1904. I can assure you that this brother of mine never applied for Canadian citizenship in this country. They returned to Canada when he was eight or nine months old and he simply grew up as a Canadian. When he became of age, he voted as a Canadian. I have never found any immigration or citizenship official chasing him around to say that his name does not appear on his father's or mother's birth certificate and therefore he is not a Canadian citizen. Why should this boy, who was brought from Europe, be forced to apply on his own behalf to have Canadian citizenship granted to him?

I regret to advise you that this man has been employed for the last several years with an aeronautical engineering firm which has government contracts for the defence department. Since he has access to what they call classified information, he was checked out twice by the Royal Canadian Mounted Police as to his loyalty to the country. My regret in this matter is that although he was not a Canadian citizen he was passed by the Royal Canadian Mounted Police on two occasions as being a loyal Canadian citizen and a British subject.

Well, when this matter was drawn to the attention of the immigration department, because he was only an immigrant, and to the department of citizenship when we were applying for citizenship, I must say we got immediate and speedy action. I was at the citizenship court hearing of the application and I do not believe it took more than 90 seconds. I am happy to say he got his citizenship papers. Why is there a regulation to the effect that minors are not Canadian citizens unless their names appear on the father's or mother's citizenship certificate? If their names do not appear, those children remain citizens of the country in which they were born until they are 21 years of age and make the decision for themselves. In my opinion, this is something that should be cleared up by the Department of Manpower and Immigration, without waiting for this advisory council. Surely we do not need to have an advisory council to indicate the injustice of that situation.

Another matter I should like to draw to the attention of the minister and the department—and I hope he will draw it to the attention of the advisory council for some advice, if the department cannot make up its own mind—concerns an article that appeared in last Saturday's Toronto *Daily Star*. The point I want to emphasize relates to what used to be called an illegitimate child, but I thank God that some years ago the province of Ontario had enough intelligence and spirit of compassion to prompt it to change the birth certificates of children, so that there are no more illegitimate children born in that province. There may be illegitimate parents, but how can there be illegitimate children?

The child has nothing whatever to do with the fact that he has been born.

On the page opposite the editorial page of the Toronto *Star*, there was a letter written by Ralph Drummond of Vaughan Road, an address in the riding of York South. The letter reads in part:

> In England some years ago I became the father of a little girl. I wanted to marry her mother, but she wasn't the marrying type. We did live together happily for six years, and then she deserted me and the child. A little girl needs a mother, so in my desperation I sent her to my mother and father—to be taken care of and later I followed her there.
>
> In 1963 I came to Canada as a landed immigrant and two years later I got married here, hoping to make a new home for my daughter. Now, the Canadian immigration officers tell me she can't come to Canada because I am not regarded as her father.
>
> This child has already had trouble enough in her life without suffering more because of a silly law like this. What can I do?
>
> Ralph Drummond
> Vaughan Rd.

• (8:40 p.m.)

The Toronto *Star*, after checking with the immigration department, advises that the immigration department does ask Victorian questions about the legitimacy of people seeking to enter the country. It goes on to say:

> Immigration policy is that a child of an already landed immigrant may be admitted to join her father—if she meets the definition of a child laid down in immigration statutes. That definition is a simple one: "A child is the issue of lawful wedlock."

Mr. Drummond has told the *Star* that he was not in a state of lawful wedlock when his daughter was born; therefore for Canadian immigration purposes his daughter is not a child. Thus it follows by natural extension that Mr. Drummond is not a father. Then the *Star* article asks "See?" It goes on:

> Mr. Drummond is caught in a bureaucratic nightmare; and the most interesting thing about it is that if he had been living in Ontario when his daughter was born, and he were now trying to arrange for her to join him in some other country, he would have no problem at all.
>
> The question about illegitimacy Canadian immigration officers ask, Ontario authorities refuse to answer—and they have worked out an eminently civilized system for the protection of the child in this kind of situation.
>
> When a child is born in Ontario the birth certificate gives only the details relating to the child: name, sex, place and date of birth. Nobody is ever going to find out about illegitimacy from that source, and that is the most practical help any such child could be given.

I was thinking about this Ralph Drummond and his little girl and how she has not been admitted to Canada, a country with such a high moral atmosphere that it allows convicted murderers out on parole to live among us, to associate with our women and children. Yet it cannot allow a little child such as this to enter this puritanical and pristine paradise.

[Mr. Cowan.]

This reminded me of William Wordsworth, one of the greatest poets ever produced by England. When I asked a number of members of parliament here this afternoon if they could tell me what happened to William Wordsworth's daughter, who was born of a French mother, when he made a trip to France in 1792 and 1793, they expressed amazement when I questioned them. They did not know that William Wordsworth had a daughter before he was legally married in England to Mary Hutchinson many years later. William Wordsworth had a daughter by Annette Vallon, and my authority for this is a book I have in my hand which I obtained from the parliamentary library entitled "William Wordsworth and Annette Vallon".

I would ask hon. members whether they realize that under our immigration laws, which state that the child of an already landed immigrant may be admitted to join her father only if she meets the definition of a child laid down in the regulations, the issue of William Wordsworth, who was later poet laureate of Great Britain, would not have been allowed into this country. How ridiculous can we get, Mr. Speaker?

The Department of Manpower and Immigration seems unable to change these regulations. In the name of heaven I ask the minister to make such a policy change the first item of reference when this advisory council is appointed so that the little girl of Ralph Drummond of Vaughan Road is allowed to arrive in Canada and live with her father who is willing to look after her. The article in the *Star* continues:

> Mr. Drummond is a decent man trying to do the best he can in a difficult situation; and it is sad that for two years he has had to thrash about in this kind of quibbling quagmire.

It is the department of immigration that the *Star* is calling a quibbling quagmire.

> Twice he has appealed the immigration department's ruling, the last time with documentation from England to prove that there he is regarded as the father of his own child—and twice his appeals have been denied.

Therefore, Mr. Speaker, I ask whether the minister will refer this matter to the advisory council, as I am sure he will find good sense among the people he plans to appoint to that board.

I now come to another interesting case which has been given wide publicity this past week end in the Canadian publication *Weekend* which has a circulation of more than two million copies an issue and more than 10 million readers.

Mr. Orlikow: Are they audited figures?

Mr. Cowan: Mr. Speaker, I have been asked whether these are audited figures. The hon. member is now invading a field in which I spent more than 30 years of my life. The circulation figures for *Weekend* are not audited, and the circulation figures for the *Canadian* magazine are not audited.

I will tell the hon. member the reason for this. When the audit bureau of circulation in Chicago, which consists of Canadian and United States publisher members, audits a daily newspaper it gives only an average figure over a 12 months period; it does not give an audited figure for any day of the week. Much as *Weekend* would like to have an audited figure for Saturday circulation it is unable to get it. The audit bureau of circulation audits only on a day basis, if there is a more than 15 per cent variation in the Saturday circulation compared to the other days of the week. So that this question brings forth the answer that the figures are not audited; but I know the total circulation is more than two million and the number of readers is more than 10 million.

This article has something to say about the Canadian immigration department. They do not call it a "quibbling quagmire"; they refer to it as "Ottawa's red tape jungle". The story has to do with a young couple from South Africa—he the son of a Capetown publisher and she the daughter of a well-to-do lawyer. They have now been accepted for enrolment by Simon Fraser University in British Columbia next January, but the entire article in last Saturday's *Journal*, which was also featured in last Saturday's Montreal *Star* and Toronto *Telegram*, has those terrible words "deport" and "deportation" all the way through it.

This young couple are the type of people that our immigration officers abroad are seeking. But because they came here of their own volition and paid their own fare, as the article says "Ottawa's red tape" practically strangled them. This article gives us the facts and figures and relates several weeks of embarrassment they endured in Halifax. It refers to the marvellous assistance given to them by the present member for Halifax (Mr. McCleave), and it would appear there is some hope that the immigration department is going to realize that they should be allowed to stay in the country.

The interesting thing is this, Mr. Speaker. This couple has been here now for about a year. On October 18 a baby, Shannon Neill, was born in Halifax—a Canadian. I am wondering whether the department of immigration will advise the deportation of the mother and father and if they are going to keep the baby in Canada, because the baby is native born. I should like to see the baby remain here, as well as the mother and father.

The article goes on to point out that the department of immigration has taken tremendous umbrage over the fact that the Neills were, the department said, in Canada as immigrants without the required medical certificates. I have bumped into this situation so often, Mr. Speaker, that it is appalling. People come over here on visitors visas. They have never been in Canada before; they see the country and they like it. That is not so strange, because we like it too; but having seen it and liked it these people desire to stay. They are then immediately accused by the department of immigration of having lied when they said they were coming in as visitors.

The department of immigration officials point out to them that they did not come in as visitors but came in with the single, solitary intention of staying on as immigrants. It almost appears as though a person cannot form an opinion of Canada while here on a visitor's visa or on a three month visit without being accused of lying if he says he would like to remain here as an immigrant.

As I say, Mr. Speaker, I have had this situation thrown up to me too often by the department of immigration when I have talked to them about would be immigrants. They even say that the man in question "admits" that he came into this country wishing to be an immigrant. I contend that the word "admits" should be struck from the vocabulary of the officials of the department of immigration. A man or woman may say that he or she likes the country and wants to stay; but immediately they are charged by the department with the statement that they have admitted they wanted to stay when they first came. In fact they may have only concluded that they would try to stay in the country a week after they arrived. I suggest that this practice is unfair to would be immigrants. If hon. members have not read this article in *Weekend* which deals with the fortunes of these young people from South

Africa, I urge them to do so as it will open their eyes as to the manner in which the immigration department operates.

• (8:50 p.m.)

The article talks about how this couple left Capetown, South Africa. They worked their way through nine countries in South Africa and eight in Europe. They worked their way to The Hague where they applied at the Canadian immigration office for entry into Canada. The article says that Mike did a stint as a deckhand on a Rhine river barge, with his wife as barmaid; then he got a construction job; that he worked in a candy factory and she waited on tables in a college dining hall. Everywhere they paid their way. They came to Canada by air line, again paying their own way. But when they got here they were told that they had misled the immigration department because they were not tourists, but would-be immigrants. The article says:

> Immigration officials in Halifax believed the Neills had tried to trick them—and nothing makes civil servants more angry. The Neills, they felt, had wilfully misrepresented themselves by claiming to be tourists when they had every intention of remaining in Canada; they were not tourists at all but immigrants without visas. Said one official: "If the Neills had only told the truth when they arrived, instead of trying to put one over on us, we might have been able to help them."

I am happy that one official in the immigration department knows what is the truth. Pilate asked: What is truth? And human beings ever since have been trying to find the answer. But this immigration official knows the truth; oh yes. If they had only told him the truth he would have known it right away.

Then the article contains this interesting statement:

> Then Canadian immigration ordered the couple deported. And the bitter part of deportation is that once the offenders are sent out of Canada they are seldom permitted to return.

I have already said how ridiculous it is to tell people, "You have no medical certificate with you, therefore you should be sent back to the land from whence you came." In the name of heaven, why can't they be examined in this country? We claim to have the finest doctors in the world. Even if there is some brain drain to other nations, I do not for a moment admit that the general average of medical practitioners in this country is lower than the general average of medical practitioners anywhere in the world. If doctors in Europe, Africa or South America can issue medical certificates that the immigration department will accept, surely to heaven the immigration department of Canada will accept a medical certificate that is signed by Canadian doctors who have examined the would-be immigrant here. I think that the proposed manpower and immigration council would make such a recommendation the moment they were asked for an opinion on the matter.

I have appeared with immigrants before these so-called special inquiry officials or officers, and before the Immigration Appeal Board. I regret to say that I am not 100 per cent happy with the qualifications of the special inquiry officials and I am not happy with some members of the former immigration appeal board. I remember a case in point, which involved a Jamaican who was refused landed immigrant status here. He started off in the regular way by making an application, and he was sent to be examined by a special immigration officer—the term may be "special inquiry officer" because the initials are S.I.O. I went to the hearing with the Jamaican and I was disgusted at the way one official of the immigration department plied the would-be immigrant with questions, just as if he were a crown attorney questioning the accused in a court case.

A stenographer was there taking down the replies and questions. After finishing the questioning the special inquiry officer disappeared, and while he was out of the room he changed from his role of crown attorney, which he had taken up while examining, to the role of judge. He sat in judge's chambers for a while, came back in about 15 minutes and said, "Oh, we have considered the matter and you are not a suitable person to be in this country. You will have to get out." You have all heard the expression judge, jury and executioner? Well, the immigration department have a crown attorney and a judge, all in one person. I do not believe that these functions should be carried on by any one official of the department of immigration.

In one recent case that I had, not being a lawyer I could not collect; had I been a lawyer I would have expected to collect from the immigrant.

Some hon. Members: Hear, hear.

Mr. Cowan: The special inquiry officer asked a number of questions.

Mr. Woolliams: Perhaps I ought to raise a question of privilege.

Mr. Cowan: The immigration official asked this fellow from Jamaica a trick question in

mathematics; the Jamaican, who was under tremendous pressure to give the right answers so that he could stay in this country and bring his family in, made a mistake. I give full credit to the Minister of Manpower and Immigration (Mr. Marchand); he granted this chap a special minister's permit and I give him full credit for his compassionate spirit.

The Immigration Appeal Board takes a different view from that of the minister. The special inquiry officer asked this man a trick question and he gave a wrong answer. He was wrong in his mathematics and that, therefore, showed that he did not have sufficient education to enter this country.

I have a daughter, Mr. Speaker, who has taught school in Jamaica for the past two years and she has been interested in the history of that country. I say to you, in all sincerity, Great Britain has been the dominant and controlling power in Jamaica for 300 years. What do you think of an educational system that is bequeathed to Jamaica after 300 years of control which makes a Jamaican who is under great pressure answer that four times two and a half is ten and a half? I do not consider that a reflection on the Jamaican; I consider that to be a reflection on the educational system. Oh yes, we talk about the white man's burden; but I can tell you, some white men do not pick up too heavy a burden, even though they talk about it a great deal. I think that that is a reflection on the educational system that was established in Jamaica with a lot of fuss and fanfare, as if it were 100 per cent all right. For a man to answer that four times two and a half is ten and a half is a reflection on the educational system, and not on the man.

Let me carry this further. This special inquiry officer asked questions about almost everything, and the would-be immigrant, if he wanted to enter, had to answer correctly. For instance the officer asked when the first world war broke out; when did the second world war break out; when was the date of this and the date of that, and he got some very intelligent answers, I can tell you.

Then all of a sudden the special inquiry officer said: "What was the date of the armistice in the second world war?" I said, "Just a moment, just a moment." I had not said a word until then. I said, "There was no armistice in the second world war; there was unconditional surrender, and nothing else." After that the special inquiry officer said, "Oh. Then, what was the date of the unconditional surrender in the second world war?"

There we had an immigration official who didn't know what he was talking about, so how could the would-be immigrant answer correctly? Mr. Speaker, the minister has said on several occasions that we have to upgrade the quality of the staff in the immigration department. Believe me, I know we have to, and I know where the minister can start making the improvements. I shall be glad to give him the name of the man; I shall gladly tell him who the official is, I can assure you.

Gentlemen, I ask the immigration department to give attention to the four cases I have brought up. They show that the regulations are ridiculous. They should be corrected or scrapped. I do not know what better description there can be of the regulations under which the department's people are working than the *Star*'s description of "a quibbling quagmire." I sincerely hope that the special advisory council for the Department of Manpower and Immigration will be instituted quickly, because the immigration department surely needs help.

• (9:00 p.m.)

[*Translation*]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, I shall certainly not follow along the same lines as the previous speaker, even though I always like to hear the hon. member for York-Humber deal with a matter which makes everybody wonder what he is driving at. While listening to him talk about abortions, illegitimate children and parents, I thought he would ask the Minister of Manpower and Immigration (Mr. Marchand) to provide retraining courses for those babies and their parents.

But, on the contrary, he merely dealt with bureaucratic mistakes in matters of immigration, and I think that such mistakes are being made not only in the immigration branch of the department, but also in the manpower branch. The more progress is seemingly made, the more the government is heading towards a totalitarian bureaucracy which will prevent it from acting according to its own standards, in spite of statutes which, at first, often seem effective.

With regard to Bill No. C-150, since I shall only deal with the Canada Manpower and Immigration Council, I must say that it surely looks, at first sight, like an amendment to the previous bill. It corrected some deficiencies of the previous bill, but I am afraid that the staff which has just been appointed to implement this bill will cause the greatest upheaval ever seen. In fact, according to the

bill, the council will consist of 16 responsible members who will be assisted by four different boards, advisory boards made up of 60 members, which makes a total of 76 members. All those people, as stated in the bill, are to advise the minister. In other words, our minister will have plenty of advice from now on.

They will have:

(a) to advise the minister on all matters pertaining to the effective utilization and development of manpower resources in Canada, including immigrants to Canada and their adjustment to Canadian life;

(b) to refer those matters that the minister requests or that the council deems appropriate, to the appropriate board for a report;

(c) to advise the minister with respect to any report received by the council from a board;

(d) to advise the minister on the establishment of local and regional manpower committees pursuant to Part III; and

(e) to advise the minister on such other matters as the minister may refer to the council for its consideration.

Mr. Speaker, I suppose that after all those referrals, the candidate will have to wait two, three, four or five months, maybe a year, before being told finally: My friend, you cannot qualify for those retraining courses. We already have abundant proof of such a situation.

In fact, I have communicated with the minister who is quite favourable to our requests in that regard. It is not the minister that I wish to blame. I mainly want to stress the intricacies of this legislation similar to all the others, to indicate that those who are responsible for the implementation of those pieces of legislation are mixed up themselves, in short, that they often cannot see their way clear. Then, we come up against cases as funny as those which have occurred in my area the past week, that is since the beginning of the courses. For example, just to mention one of those cases, when we were discussing the eligibility of a candidate, and since the minister was quite often out of his office, I received from his executive assistant the following letter, and I quote:

Under the new—

That letter dates back to July 28.

—adult occupational training program in operation since April 1, 1967, the federal government pays the full cost of the training courses including allowances.

That is rather clear.

—training courses are purchased from the government of the province, from private institutions or from industry after consultation with the provincial authorities.

[Mr. Gauthier.]

That is where some difficulties arise because if a list of the institutions involved was available, it would be more useful. In fact, the case that has occurred is precisely one involving a young man who went to take a course in hairdressing and it is only after repeated investigations, after a month and a half, that it was discovered that the institution had not been recognized by the government.

At first, this might seem like a trifle but if such cases are multiplied, I guarantee you that many are lost. It seems to me that in order to correct such a situation, it should be possible to obtain from the department a list of the institutions officially recognized by the government so as to direct those who write to us.

After all, our job as members is to serve our people, and to guide them and I think this would be of some help to us. Then, we would not have to keep running to the minister or to the department to try to find out the truth in this area.

Just recently, I questioned the minister again about certain things. I find that, in spite of his reply, there remains some ambiguity in certain respects. His reply, dated October 31, read as follows:

Last Thursday, during the debate on the estimates of my department, you asked certain questions on our manpower programs. I had hoped to answer them without delay but, as you know, I did not have the opportunity of doing so. I am therefore writing to you to explain at least the main points you brought up.

I want to thank the hon. minister because he never fails to answer our questions promptly. Frankly, I was afraid he might grow tired of all the questions, all the letters, but no, we always receive a proper reply.

You have mentioned the three-year rule applicable to training allowances. You seem to think that, to be part of the active population since the last three years, it is necessary to be registered in our manpower centres.

In this respect, when I asked the minister—and I am very pleased with his information since, as it happens, I discussed the matter with some manpower centres officials in my riding, who told me that it was necessary to be enrolled at the manpower centres to be part of the labour force—he answered that it was not necessary. Again the matter is solved. I continue quoting his letter:

I should like to clarify this essential aspect of eligibility to the training program. Anyone who has quit school, in other words, who has not had formal training for a year, and is a year older than the mandatory school attendance age, is eligible for the training program.

This is a very embarrassing clarification indeed for some manpower centre officials. Two different manpower centres will often give a different interpretation of this rule.

I will give a few examples in a moment.

Therefore, the program applies not only to workers but also to most housewives.

There, things become complicated.

Moreover, it is not indispensable for apprentices to have been out of school for a year.

There things get even more complicated. In the case of an apprentice, if he was a student, if he has not been out of school for a year. I just had such a case—the person had left school nine months before. I told him: It is useless, you have not been out of school for one year. There, we are given another precision. I do not know their definition of the word "apprentice". If he is an apprentice who works as such in a shop, it is not necessary for him to have been out of school for a year, I think.

I hope the minister will be kind enough to correct me if I am wrong, but I understand that the technician has completed his course and has gone to work as an apprentice; if, after nine months, he wants to get training in another field, he can be allowed to take those courses.

• (9:10 p.m.)

The three-year rule applies only to training allowances. The program that the Acting Leader of the Official Opposition initiated in 1960 provided only for small training allowances. Those allowances were far from enough for the workers who needed retraining. As a result, even though that program was designed to help the jobless, the average age of those who attended our training courses was only 22, whereas the average age of the unemployed was 35.

The new program is designed to help adults who need it most.

On that point, I fully agree with the minister that adults who need it most should be helped. Not old people. Last winter and also this year, people of 57, 58, 60 and 61 years of age have been seen to return to school at the 4th or 5th grade level. What a joke. The only reason they go there is to get their cheque and meanwhile, they take the place of workers of 32, 33 or 34 who wish to retrain.

They are entitled to allowances if they have dependants.

I must stress the fact that nobody has to register in a Canadian manpower centre or in any other institution, or to really have a job in order to be considered a member of the labour force.

Things get a little complicated here and what is happening now? Well, if a mother of ten or eleven children decides at the age of 49 or 50 to complete her studies, she will leave her family diring the day to take these courses, but not really to study. Of course, some of these women start afresh to improve their minds, but they go there mainly to get their cheque and they come back in the evening. This will not bring much profit to our population.

All this means, is that it is not necessary to be at school or at home, instead of looking actively for work. I understand that your criticism applied in fact to the former Program 5 which was replaced by the new act adopted in April 1967.

I thank you for having given me, through your speech in this house, an opportunity to clarify certain aspects of training in our act.

I think that if the crowd of new employees that will deal with these functions can interpret this act as clearly as you can I think it will benefit the population in the years to come.

But, once again, that is not what happens. On the one hand, there will be 76 federal employees, and the other hand, the provincial employees as in all the other joint plans. That is the source of the conflict.

There comes a time when the representative of the school board does not sing the same tune as the federal representative and the victim of the misunderstanding is the candidate who is simply turned down.

That is the type of case we have in our areas at the present time. I studied this one case: a fellow who is unemployed, the typical guy for admission to the course went to the office at Roberval. He was just turned down. He went to the Dolbeau office, where he was accepted. Then, a transfer was operated. In the meantime, his wife, who had completed the 9th grade years ago, wanted to repeat that year again, in order to attend a high-fashion training course for which Grade 9 education was required. In view of this complication, the man was accepted but his wife was turned down the next day, and I am still wondering why. We are now trying to locate the person actually responsible for this situation, but with all this red tape, I think it will take a long time to find out who was responsible.

I have here the case of a young man who dropped out of school four years ago. He has a grade eight education, but he was refused. Why? There is no way of knowing. Unemployed, he simply wants to acquire skills, but he is refused. One Monday, the representative of a regional school tells him: We have no more room, no more classrooms, no more

teachers. When he is not refused there, he is refused by the manpower office.

I think, Mr. Speaker, that the minister will have to see to it that things are cleared up, so that federal and provincial officials may work along the same lines. They must interpret the same act the same way, and I want, tonight, to call especially the attention of the minister to the matter about which I talked to him this afternoon concerning agricultural courses for the farmers.

As I said earlier, these past years in our region we have had amateur farming. We have some solid farmers who simply want to learn more about running a farm or attend some other courses, mostly to learn more about farm management and, in my opinion, these courses should take precedence over all the others this winter, at least for the farmers in my riding. We expected to have at least three or four courses in the whole region, because the regional school in my riding concerns the whole county of Roberval. The regional school, Louis Hémon, is for the whole county. While we expected about 200 or 250 young farmers—not old ones, but young farmers around 30, 32 and 35 years of age—who are settled on good farms and who want to acquire new skills to enroll for courses, we have been told this afternoon that a maximum of 80 can be accepted. This reminds me of the selection which was practised for a long time and which still exists today in certain faculties at university level: fifty per cent of the candidates are automatically eliminated. Eighty only are admitted while it would be easy to accept 200 or 250 candidates. Eighty for the whole area, out of a population of 54,000. We shall have eighty farmers who will take these courses.

I think this is abnormal and absolutely insufficient. Just this morning, I received a letter from the president of the UCC which reads as follows:

> I got information from the Roberval Manpower Center. Mr. Beaudet came to meet a group of farmers from St-Félicien, La Doré, Ste-Méthode to tell us that the government allowed only 80 farmers to take courses in the Louis Hémon regional school area, that is, for St-Félicien—

—the most important agricultural parish—

> —St-Félicien only, 7 to 8 farmers would be entitled to these courses. It is ridiculous because every day, on the radio, farmers are invited to register when it is well known that they are not accepted.

• (9:20 p.m.)

Therefore, I think it is very bad publicity for this new bill which will be passed. I myself heard on television this advertisement inviting farmers to register for those courses.

[Mr. Gauthier.]

Imagine all these young farmers who want to do well, who wish to improve, being told: the government so decided. I myself got in touch this afternoon with the minister who told me: There is a board and there is an agreement. He admits that it is a federal-provincial agreement.

Mr. Speaker, after getting the reply "That has to do with the federal-provincial agreement", you get the impression that everything has been said, but in fact nothing has been said. I think they will never agree about that federal-provincial agreement. In fact, I notice that the representative of the provincial government seems to compete a little with the representative of the federal government. Each one pulls his own way and all that time our people who are waiting for the retraining courses will wait all winter without getting anywhere.

The amendment moved by the Conservatives reads as follows:

> That Bill C-150 be not now read a third time but be re-committed to the committee of the whole house for the purpose of adding a clause which would require the proposed council to report to parliament annually.

Well, Mr. Speaker, I do not think that it is an unreasonable request. The filing of a report once a year is required from all those boards. I think that it is normal and I am even surprised that it does not appear in the bill. It is probably an oversight. Normally a board must at least submit a complete report once a year. It may perhaps present short reports scattered here and there as mentioned in the bill, to advise the minister and his officials of the various advisory boards. There will be at least 50 of those boards, namely an advisory board on adult occupational training, an advisory board on the adjustment of immigrants, an advisory board on the co-ordination of rehabilitation services for disabled persons and an advisory board on manpower and immigration research.

With all those boards and councils, the minister will need a good head; otherwise he will be quite mixed up with all the small reports which will reach him, and everything will be done in a haphazard fashion and, as usual, it will be the worker who will have to wait for service somewhat adapted to his needs. As I have already said in this house, it will be another of those pieces of legislation which will probably be used as a smoke screen to brag about achievements, when, in fact little or nothing will have been done.

That will not be because of the legislation but because of the attitude of those who will be called upon to implement it and who very often do not have the required qualifications to execute the government's programs, which I believe are well-intentioned. But I think the main weakness in the implementation of this act will be with the bureaucrats, that there again the government will be completely submerged by the voices and opinions of the bureaucrats, that it will end up by saying what it always says: Those are the agreements, those are the federal-provincial agreements. In fact, it is a little like when a department wants to rid itself of a problem, it establishes a royal commission. That is a sort of royal commission of enquiry to rid the governments but I think it creates a most unhappy situation for those who are waiting for such legislation to try and better their lot and make agriculture take a step forward in the province of Quebec.

Mr. J.-A. Mongrain (Trois-Rivières): Mr. Speaker, I thank the members of the official opposition for greeting my intervention with such enthusiasm, but to reassure those whom it might worry, I shall say that I intend to be very brief.

Mr. Speaker, I simply want to say that if it was the privilege of the opposition to introduce such an amendment to the motion for third reading, it is surely my privilege to object for reasons I deem reasonable.

If the responsibilities of the council which is to be established by this bill are considered it will be noted that its function under clause 11 is:

> To advise the minister on all matters to which the duties, powers and functions of the minister extend, and in particular—
>
> (a) to advise the minister on all matters pertaining to the utilization and development of manpower resources in Canada, including immigrants to Canada and their adjustment to Canadian life;
>
> (b) to refer those matters that the minister requires or that the council deems appropriate, to the appropriate board for a report;

Mr. Speaker, if all the advisers and ministers whether in commissions or as individual were required to report to parliament—and I regret to differ from my colleague from Roberval (Mr. Gauthier) who said that the minister would need a very sound head to consider this—I believe that parliament would be considerably embarrassed tomorrow if in addition to the reports we already receive from crown corporations and from all departments concerned, all advisers of the minister were to report to us in detail.

My impression, Mr. Speaker, is that this amendment is not consistent. It is not motivated and it is quite sufficient for us members of parliament—and speaking for parliament as a whole—to have each year a report from the minister who himself would be responsible for the good or bad advice supplied by his advisers and if his report of the minister based on the advice of his advisers or of the boards established to help him to administer better, is not satisfactory, the opportunity will be given us to hear it once a year, to criticize it and to put to him the necessary questions.

I think that in this perspective must be considered the function of the Department of Manpower and Immigration, and the function of the members who want to question and find out what is happening within the department and who also occasionally want to bring up grievances. But I do not think it is reasonable to ask all the advisers of all the ministers of all the governments to report to us on top of that.

Besides, I have the feeling that under certain circumstances, their advice to the minister will be confidential. It would be unwise to publicize those matters, and hon. members would be the first to realize that there are cases, mainly with regard to immigration, which are confidential.

• (9:30 p.m.)

I therefore intend to object to this amendment, because I find it neither justified nor logical in the circumstances.

The hon. member for Roberval (Mr. Gauthier) said earlier that he could not understand why some courses are not more readily provided. I am always sorry to disagree with him because he is a hard worker who is greatly interested in his constituents.

I have had the same experience in my riding. I found out myself that since education comes under provincial jurisdiction, the federal government cannot intervene if the province decides against selling those courses, to use a current expression, or if the province feels it cannot afford to sell those courses to the department of manpower.

I do not think that the constitution allows for federal taxes to be used for education purposes. I can hear the general outcry this would give rise to in many quarters, even if it were for as praiseworthy a purpose as that of giving courses to farmers or those who are in need of retraining.

I submit once again to my colleague for Roberval, for whom I have the greatest respect that he should try to set up some

liaison between the provincial representatives in his area, the members of parliament and the ministers, in an attempt to make them understand that closer co-operation is urgently needed between the provincial and federal governments if we want the manpower retraining policy to work smoothly.

I would have just a few words to add, Mr. Speaker. Besides, I want to be brief. However, I should like to remind the minister—I do not want to give the impression that I am blaming him, because I know the enormous work he had to do to answer my many requests—that there are in my county immigrant cases which are delayed unfairly.

I think that tonight I will do something I never did before, though I spoke of it on several occasions. I thank the minister for all the trouble he went to and for the voluminous correspondence which he sent me dealing with these problems. However, I see that all the decisions of the department concerning the cases in which I am interested, are based on the report of the local official.

He must not be just a nobody, since he signs "senior immigration officer". Surely he must rate pretty high.

Now, I am quite tempted to lay a formal charge against this senior immigration officer for failing to give his immediate attention to the reports requested by the minister and his senior officials and moreover for showing a lot of ill-will.

It is not very often that I agree with the hon. member for York-Humber (Mr. Cowan), but earlier, when he spoke of this kind of red tape which has given some sort of a complex to some government employees in some departments—I think this is to be found in the immigration department—I did. They have this sort of complex which makes them feel that immigrants try to fool them. They do not realize that these people, these new immigrants, have to adapt to new conditions, to discuss or answer questions, while being handicapped, right from the start, by all these things they have to learn and get used to.

Now, I return to the case and I think it is not necessary to repeat the names in this house. The hon. minister has them on his desk. I think there are three cases outstanding. One of them is particularly sad, because the act compels this young man to six months' apprenticeship if he wants to get the diploma for which he has taken courses, but he cannot work without the permission of the department of immigration. The local senior officer has been troubling him with all sorts of red tape for at least seven or eight months to my knowledge.

I think this is an intolerable situation. Once again, I do not blame the minister, but I mention it because if it is multiplied by 265 counties, our productivity will be deplorable although the minister is trying to modernize and to increase the efficiency of his retraining branch of the manpower and immigration department.

The other case concerns a Frenchman and seems unexplainable. He has been granted permission to immigrate and has been starving since his arrival. He was given, from time to time, a small allowance that did not even cover his room and board. It is unthinkable in my opinion, that this young man should have been allowed to immigrate here, without first making sure that he could adapt himself to those new conditions.

Moreover, I fail to see why provincial authorities in Quebec, who always lament the fact that French-speaking immigration is below expectations, should totally neglect a French immigrant, full of good will, who met all the requirements when he came here, in brief, why there should not exist some type of welcoming committee to help him understand, as well as adapt to this new environment in which he will have to live.

I think, therefore, that the blame is to be laid at the doorstep not only of federal immigration officers, but also of those people in Quebec who have the responsibility of welcoming French-speaking immigrants and helping them adapt to this new environment with which they will have to cope.

There may also be some false propaganda in France, because we are so anxious to attract French-speaking immigrants that we dazzle these prospective immigrants with the possibility of living in a sort of little Klondyke where they will easily discover a small gold mine which will enable them to live quietly and well, whereas that is not exactly the case.

I shall limit my comments to these few words, Mr. Speaker, if only in order to give an example to the hon. members opposite who objected earlier to my intervention and to teach them to make their remarks brief and to the point.

• (9:40 p.m.)

Mr. Gauthier: Mr. Speaker, as for the remarks of the hon. member for Trois-Rivières (Mr. Mongrain) on my speech, I would like to ask him whether he heard me when I said

that the minister had replied that a federal-provincial agreement was involved after I had indicated to him that only 80 candidates had been accepted by the Louis Hémon school board. So it is not the sole responsbiility of the provincial member as the hon. member for Trois-Rivières seems to indicate—

Mr. Speaker: Order. The hon. member has already made his speech, he cannot start over again.

Mr. Mongrain: Mr. Speaker, it seems to me I could discern a question, even though it was wrapped up in all sorts of precautions. I presume you will allow me to reply rather briefly. Obviously, there is a federal-provincial agreement under which, as I understand it, Ottawa buys the training from Quebec. Quebec sells the training it can and will give and the federal must submit to the decision of the province, because if the province does not wish to sell the training, then the federal government is powerless. I know for a fact that Ottawa is prepared to buy all the training the unemployed might need. I am not trying to defend the minister, since I know he is able to defend himself. It is because I have lived through that experience at home and, at first, I had the same feelings of revolt that the hon. member has. However, the operation of the machinery was explained to me by both sides.

[*English*]

Mr. David Orlikow (Winnipeg North): Mr. Speaker, it is not my intention to be too long, and I certainly have no intention of holding up the debate, although I do hope that at some point we would get answers from the minister to some of the questions we have asked.

Mr. Marchand: The hon. member will have to complete his remarks before ten o'clock if he wants some answers tonight.

Mr. Orlikow: It is now before ten o'clock. But I want to say to the minister that perhaps I would not have taken the floor tonight had the minister treated me in the same way as he has treated some other hon. members. I have not quite figured out how he divides the sheep from the goats, and whether my colleague and deskmate, the hon. member for Greenwood (Mr. Brewin) is a sheep or a goat, because he received a letter from the minister answering some of the questions which he raised and even some he raised tonight, while I have raised the same questions with regard to the sharp drop in the number of people who are taking retraining courses in Toronto, and particularly the sharp decrease in the number of immigrants who are able to take courses in English, and have never received an explanation from the minister as to precisely what are the reasons for that sharp drop.

The minister, of course, continues to assure us that the money is there and that in the coming year the department intends to spend more money than the federal government has ever spent in retraining. But the fact is that all the figures which we have been able to get from various sources indicate that the number of people taking the retraining courses in some of the big Canadian cities such as Toronto and Ottawa has decreased very sharply.

However, Mr. Speaker, I want to raise a question which was raised by my colleague, the hon. member for Springfield (Mr. Schreyer), several weeks ago and about which I have some new information which I want to bring to the attention of the minister. I am not doing so with the hope or the expectation that he can do anything about it tonight, or even that he can answer the questions and doubts which have been raised and which I will recount, but I list them in the hope that the minister will look at these problems in the next couple of weeks and rectify what I think are serious errors in the approach to retraining on the part of his department. I am referring to the problems of training courses for Indians which have come to light in the province of Manitoba. I want to tell the minister that I hope we will not get the same answer from him on this problem as we received in connection with our criticisms and our questions about the training of immigrants. We were told then that we received our information from the wrong people, that is from the provincial departments of education which were really hostile to the department of manpower for reasons which were not justified.

The information which I will give the minister today, in connection with the catastrophic drop in the number of Indians in the province of Manitoba who are being trained in the retraining program, came to me from officials of another federal department, that which deals with Indians, namely the Department of Indian Affairs and Northern Development. According to the information which I received today, in the last year, before the Department of Manpower and Immigration took over the whole program of manpower training, there were between 1,800

and 2,000 Indians in Manitoba who were able to take courses under the old Program Five. The courses they took may not have been of much use in terms of getting jobs in the cities of Canada, but they were a great deal of use for Indians working in and around their reservations. There were courses last year on how to build houses, a very important one on Indian reserves. There were handicraft courses and courses in agriculture. All these courses under the old Program Five which, as the minister knows, was administered by the provinces although paid for by the federal government, were available and, as I said, there were 1,800 to 2,000 Indians who qualified and took these courses before the federal department of manpower took over the retraining programs. This year, which is only in its seventh month, the number of Indians who have taken courses and who will begin the courses which have been approved is less than 200. Even if one assumed that the year started very slowly because this is a new department, and even if one tripled that number for the five remaining months of the year, the number of Indians who will qualify for retraining courses in Manitoba in the coming year will be not more than a third of the number who qualified for these courses last year.

I want to say to the minister—and I do not say this in a critical sense—that I think the minister will agree with me that there is no group of people in Canada who need the opportunity of education and of manpower training courses more than our Indians. The department of Indian affairs has done a tremendous job in upgrading the education of Indians in recent years, although perhaps not as much as some of us would have liked, and I am sure not as much as the officials of the department would have liked. But the fact is that they still have a long way to go and I think it is a tragedy that what was a promising program last year has now virtually come to a halt.

I asked the minister a question about this during the question period today and he told me it is not true that the educational standards the department requires now before people can qualify for retraining courses are higher than they were previously, before the department operated the manpower retraining courses. If that is his answer, then I wish he would communicate his policy to the field officers in the locality. I have been told, and as I say this information came to me today from officials in the Indian affairs department, that the reason for this drop is that the councillors working for the manpower department have pretty well adopted the policy that if a person does not have a grade 8 education, or the equivalent, he is not eligible to enter one of the manpower retraining courses. The fact is of course that there are a number of Indians, particularly those who are in their thirties and forties, who do not have more than a grade 6 education or its equivalent. It is for this reason, to a very large extent, there has been this substantial drop of which I have been speaking tonight.

• (9:50 p.m.)

I understand that the deputy minister held a meeting in Winnipeg with the various officials and said that, in his opinion, the manpower training courses were available for any person who was willing to work. However, the manpower councillors in Manitoba have repeatedly, particularly in isolated areas where the Indians live, questioned the Indians on whether they have applied for work. The Indians have said; No, we have not applied for work. They meant they had not applied for work because there would be no point in applying for work in those areas, since there has not been any work available. These Indians therefore have been turned down when they have applied for permission to qualify for the manpower retraining courses.

I have heard stories to the effect that when 40 or 50 Indians have applied for permission to take courses, these councillors have only approved three or four applications. I want to say to the minister that I find this a very disturbing situation. I do not expect the minister to be able to give answers tonight, but this situation is one he should look at very carefully, and if the facts which have been recounted to me by the officials of the Indian affairs branch are true, then a good deal more co-operation and consultation is needed between the two federal departments. I consider this to be a retrograde step and I hope that the number of Indians taking the training courses will be increased in the very near future.

[*Translation*]

Hon. Jean Marchand (Minister of Manpower and Immigration): Mr. Speaker, I regret I have only a few minutes left to answer all questions that have been asked.

Since I consider it urgent that the bill before us should become law, I shall answer briefly the main questions, even if I have to

take other means to convey the answers to those who asked questions which I consider as less important.

The main point, Mr. Speaker, is that it is suggested that under the new manpower training program, there will be less training in Canada this year than last year.

I think that some members and especially the member for Greenwood (Mr. Brewin) pointed out that at a certain time during the year there were fewer people in training than last year. They are right and I gave them the reason. Of course, it is because of the period of the year but especially because of negotiations taking place between the provinces and the federal government. I can assure all those who follow this problem very closely, and rightly so, that for next year—and here, I am not making arbitrary forecasts—we signed with the provinces for at least 8 million hours of training, that is for 135,000 persons in Canada, plus 82,000 who were already in training on April 1, under the former program, which means that more than 200,000 persons will be trained next year, and that under a formal agreement signed with each province. That, Mr. Speaker, is more people than we ever have in the past. It is three times the number there was when the hon. member for Ontario (Mr. Starr), was heading that department. It is three times as much as in 1963.

I understand the concern of the members of the house, Mr. Speaker. It is a new program, there are uncertainties as there are also in the field of immigration. New regulations are being put into force, I am not blaming anyone for asking himself questions but I think that some hon. members are really too hard at this time when those legislative innovations are barely a few months old.

In any event, I will take the time to answer those questions in detail. For instance, under the new manpower program, the jurisdiction is clearly divided between the provinces and the federal government. That has not been understood.

Therefore, there are groups of workers, of unemployed or of trained persons who, in the past, came under program No. 5 and who come now under provincial responsibility. Now, that distinction may not be readily admitted, but it is actually included in the new legislation. I hope to have another opportunity to restate the underlying principles of our programs.

The Indians, for instance, are in that case. They have a rather special status in Canada, and the federal government has a special role to play with regard to them, in that it carries out provincial responsibilities, but under the manpower program only, Indians are placed on the same footing as other Canadians by my department, and not by the Department of Indian Affairs and Northern Development. And it is the same thing for immigrants.

At any rate, Mr. Speaker. I want to conclude my remarks at once with regard to the amendment. Since it is strictly an advisory council which has no other power than to advise the minister, I do not see why as suggested by the hon. member for Trois-Rivières (Mr. Mongrain) we should ask that council to report directly to the house. All the information which the council has in hand, the house could get from the minister, on other occasions. The crown corporations or government agencies which the hon. member for Halifax (Mr. McCleave) has listed, are all corporations with an executive power while this council is simply an advisory council to the Minister of Manpower and Immigration.

Mr. Speaker, even if I am convinced that the amendment is submitted in an effort to help and not to hinder the department unnecessarily, I think that it would complicate the legislation and change the nature of the council if the house agreed to send the bill back to the committee of the whole and to agree to the amendment of the hon. member for Halifax.

[*English*]

The Acting Speaker (Mr. Rinfret): Is the house ready for the question?

The house divided on the amendment (Mr. McCleave) which was negatived on the following divison:

• (10:00 p.m.)

YEAS

Messrs:

Aiken	Code
Alkenbrack	Dionne
Asselin (Charlevoix)	Douglas
Ballard	Flemming
Barnett	Fulton
Bell (Carleton)	Gauthier
Bell (Saint John-Albert)	Germa
Bower	Gilbert
Brewin	Godin
Cadieu (Meadow Lake)	Grafftey
Cameron (Nanaimo-Cowichan-The Islands)	Grills
Churchill	Harkness
Coates	Horner (The Battlefords)
	Howard
	Irvine

Division

Knowles	Nugent
Laprise	Orlikow
Loney	Prittie
MacInnis (Cape Breton South)	Pugh
MacInnis (Mrs.) (Vancouver-Kingsway)	Rapp
MacLean (Queens)	Régimbal
Macquarrie	Ricard
McCleave	Sherman
McKinley	Simard
McQuaid	Simpson
Madill	Smallwood
Monteith	Smith
Muir (Cape Breton North and Victoria)	Southam
Nasserden	Starr
Nesbitt	Stefanson
Nielsen	Valade
Nowlan	Webb
	Winch
	Woolliams—64.

NAYS

Messrs:

Allmand	MacEachen
Badanai	McIlraith
Basford	McNulty
Batten	McWilliam
Béchard	Marchand
Beer	Matheson
Berger	Matte
Byrne	Mongrain
Cadieux (Terrebonne)	Neveu
Caron	O'Keefe
Cashin	Ouellet
Chatwood	Patterson
Choquette	Pennell
Chrétien	Pepin
Clermont	Pilon
Côté (Longueuil)	Racine
Crossman	Reid
Drury	Richard
Duquet	Rideout (Mrs.)
Ethier	Rinfret
Faulkner	Robichaud
Forest	Sharp
Goyer	Stafford
Gray	Stanbury
Habel	Stewart
Haidasz	Tardif
Harley	Teillet
Hopkins	Thomas (Maisonneuve-Rosemont)
Hymmen	Tolmie
Isabelle	Tremblay (Richelieu-Verchères)
Jamieson	Trudeau
Johnston	Turner
Laniel	Walker
Laverdière	Whelan
Leblanc (Laurier)	Winters—73.
Lefebvre	
Legault	
Lessard	

Mr. Speaker: I declare the amendment lost.

Mr. Brown: I was paired, Mr. Speaker. Had I voted, I would have voted against the amendment.

Mr. Tucker: Mr. Speaker, I was paired. Had I voted, I would have voted against the amendment.

[The Acting Speaker (Mr. Rinfret).]

Mr. Speaker: Is the house ready for the question on the main motion?

Some hon. Members: Question.

Some hon. Members: No.

• (10:30 p.m.)

Mr. Speaker: There is no unanimous agreement. Should I submit the matter again to the house as to whether there is agreement that we proceed with the main motion?

Some hon. Members: Question.

Mr. Marchand moved the third reading of the bill.

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

BUSINESS OF THE HOUSE

Mr. Starr: Mr. Speaker, I wonder if the government house leader could tell us what the business will be for tomorrow and the following days, if possible.

Mr. MacEachen: Tomorrow we will continue with the second reading of the bill on capital punishment. When that is passed we will go into committee and complete the committee stage. Following that we will go into committee on the bill on corporate and consumer affairs, and then we will deal with the budget bills. We will discuss these items in this order.

Mr. Starr: When the house leader mentioned the budget bills did he mean the first half of the budget bills?

Mr. Bell (Carleton): Surely the minister meant the resolutions.

Mr. MacEachen: Yes, the resolutions. I thank the hon. member for Carleton.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the house under provisional standing order 39A deemed to have been moved.

[*Translation*]

DOMINION-PROVINCIAL CONFERENCE—INQUIRY AS TO PROPOSED AGENDA

Mr. Auguste Choquette (Lotbinière): Mr. Speaker, a few days ago, I asked the Minister of Justice (Mr. Trudeau) a question to determine whether the agenda of the federal-provincial conference which is to take place shortly had been decided upon.

Furthermore, I insisted to get a definite answer, simply because recent events led me to believe that the provinces and especially the province of Quebec—invited to submit the various problems they would want to see discussed during this federal-provincial conference, would like to debate the famous problem that has been the subject of a resolution which created a great stir; it was agreed to by the political commission of the Progressive Conservative party, agreed to by the hon. member for Winnipeg South Centre (Mr. Churchill), agreed to by the hon. member for Carleton (Mr. Bell), and by all the others who are in favour of the two nations concept.

[*English*]

Mr. Churchill: I rise on a question of privilege, Mr. Speaker. This is the third time the hon. member has made that statement in the House of Commons, twice in my absence, and it is untrue.

Mr. Speaker: Is the hon. member rising on a question of privilege?

Mr. Churchill: Yes, sir. My question of privilege is this: This is the third time the hon. member has made that statement. Twice he made it when I was overseas and now he repeats it. It is untrue and should be withdrawn.

Mr. Speaker: Obviously, this is a question of debate. The hon. member makes a statement and the hon. member for Winnipeg South Centre (Mr. Churchill) denies it. It is the duty of all hon. members to accept the statement made in this house by an hon. member standing in his place, in the way that the hon. member for Winnipeg South Centre has done. I take the liberty of reminding the hon. member for Lotbinière that he must, of course, limit his contribution to this debate to the essence of his question, which is whether a certain matter will be considered by the federal-provincial conference. This is what he should be discussing at this time.

[*Translation*]

Mr. Choquette: Mr. Speaker, I am pleased that the hon. member for Winnipeg South Centre has at long last repudiated the policy of his party.

The question I put and that I repeat this evening in more elaborate fashion is the following: As the Minister of Forestry and Rural Development (Mr. Sauvé) has indicated in a speech in Quebec city that the door is open for a discussion of a much wider gamut of issues at the coming federal-provincial conference to be held in January, and as everyone knows that Marcel Faribault, who convinced the Conservative party at the Maison Morency to adopt the two-nations theory, is now one of the main advisers of Mr. Johnson and of the Quebec government, I want to know whether or not the Quebec government has asked that the two-nations concept, with all the implications it involves, be discussed at the coming federal-provincial conference.

Two founding peoples means that there must not be any more federal-provincial conferences in the future. If there are two founding peoples in Canada, it means that in the future we will have conferences where on the one hand representatives of the French-Canadian nation will discuss with representatives of the English-Canadian nation on the other. That and nothing else is what the two founding peoples theory means, a theory adopted by the Conservative party, repudiated by the hon. member for Winnipeg South Centre who, tonight, is ashamed of that political group which betrays his hopes, his ideal, his philosophy. If the hon. member is honourable, let him dissociate himself from such a policy, that is all I can suggest to him.

In closing, Mr. Speaker, I ask what the agenda will be, if it has been determined? What kind of agenda have the provinces submitted to the federal government for discussion in January next of the two founding peoples theory? Will the question of the two founding peoples concept be raised as it is expected by Mr. Johnson and the Conservative party or will the question of a centralizing federal system be raised, along the thoughts of the hon. member for Winnipeg South Centre and the hon. member for Carleton.

We would like to know those things, because they are important. We have had enough of the political hoax plainly shown by the Conservative party since its famous new look which we have noted this evening as being—

[*English*]

The same old look and the same old gang of the Conservative party.

[*Translation*]

This is the question which I am directing to the Minister of Justice.

Mr. Speaker: Order.

Proceedings on Adjournment Motion

[*English*]

An hon. Member: You go with Grégoire.

[*Translation*]

Hon. P.-E. Trudeau (Minister of Justice): Mr. Speaker, if the reply is reduced to its barest essentials, it is sufficient to say that the agenda of this conference was suggested by the federal government and that a constitutional bill of rights will be discussed. However, the Prime Minister (Mr. Pearson) also indicated that he was open to any suggestion from the provinces in respect of this agenda. The Prime Minister has stated to the house that the replies had not all been received, but that he would try to get leave from the provinces, as soon as possible, to table their replies in the house. Eventually, we shall be able to draw up an agenda, when all the replies will have been received.

• (10:40 p.m.)

[*English*]

TRANSPORT—BORDEN-TORMENTINE FERRY—REPORTED DRASTIC LAY-OFFS

Mr. Heath Macquarrie (Queens): Mr. Speaker, my question today arose after my visit to Prince Edward Island this past week end. I am sure that had the hon. member for Prince (Mr. MacDonald) been able to be here for question period he would have raised it. My colleagues from the province and I have discussed it today. Whether the Prince Edward Island federation of labour or any of its members have formally protested to the minister, I do not know. I do know however that there is widespread anxiety over the matter in Prince Edward Island, and that Prince Edward Island labour was represented at the recent meetings held in Moncton.

We have few enough sources of employment in our province and our region, Mr. Speaker; we can ill afford further diminution of these opportunities. Unemployment in the Atlantic region is chronically too high. Since 1963 decisions of this government have contributed to loss of jobs for Island people.

For example, there was first of all the closing of the repair and maintenance depot at Charlottetown airport in 1963, early, I believe, in those "60 days of decision". The Queen Charlotte naval base has been closed. Other factors contributing to the situation are these. The new car ferry promised in 1967, called after a father of confederation, will not be completed in centennial year; I am advised that it is already a year late. The causeway, tenders for which were called in 1965, was with maximum progress to have been finished in 1970. The Prime Minister's press release in July 1965 indicated that $30 million a year would be spent on this great and useful project. How far we are off the target date, both in work accomplished and in funds expended, is now a matter of record.

What calls me here tonight, Mr. Speaker, is that the possibilities for new employment opportunities which have been missed in this connection are immense. The ferry is late, the causeway is late and the trains are getting later still. The train from Moncton now arrives in Charlottetown, when it is on schedule, at 12.45 midnight, six hours after leaving Moncton. It used to arrive at 9 p.m. It is therefore not surprising that this train is not overwhelmingly popular with the travelling public in this, the jet age. Unless the trains have better and more comfortable facilities, and swifter schedules, it is unlikely that they will be favourites of the travelling public.

I am confident, Mr. Speaker, that part of the Canadian National Railways troubles in Atlantic Canada is its failure to update its equipment and its services to the public. In this particular instance the C.N.R. must be strongly criticized for its handling of the situation, for its abrupt dismissal of hundreds of employees, many with long years of faithful service. Men whose whole life was railroading now find themselves in the ranks of the unemployed and faced with a workless winter of discontent. I have been advised that about 40 men from Prince Edward Island were among those to be separated from their employment. I have recently been told that this is a conservative estimate.

It is said that unusually heavy cuts are being made in the Prince Edward Island-New Brunswick ferry service. Men of experience in these matters feel that there are not enough deckhands being retained to man the lifeboats, should an emergency arise. This is a very serious matter and I hope that corrective measures will be taken if this is the case. I know of no technological advances which suggest that a cut in the crew of these ferries is propitious. If x men were needed to man these ships last year, they cannot properly be manned, it seems to me, with a smaller crew this year.

Generally speaking, Mr. Speaker, our unemployment figures are disturbing. Just because Atlantic Canada has long been at the top of the list in unemployment figures and at the bottom of the list in statistics relating to income is no reason to make us special targets for this present phase of job losses. That a crown corporation in an area of

unique dominion responsibility, such as this ferry service, which was one of the essential terms of confederation in our union with the dominion in 1873, should become a major contributor to unemployment, is utterly deplorable. I therefore appeal to the minister or his representative to see that special efforts are made to diminish the economic distress which this new blow will bring to our people.

Mr. J. A. Byrne (Parliamentary Secretary to Minister of Transport): Mr. Speaker, since receiving notice that this matter would be raised this evening, perhaps owing to the holiday we experienced difficulty in obtaining figures about the loss of employment complained of in the question raised this afternoon.

The question I have to answer is with respect to the reported drastic lay-offs on the ferry service between Borden and Tormentine. I was not apprised of the other questions that the hon. member for Queens was to raise this evening, about closure of airport services and so on. I regret, as does the government, that the island suffered difficulty through unemployment in transportation services. I am sure, nevertheless, that the one incident complained of cannot be the major contributor to unemployment in Prince Edward Island. The information I have been able to obtain is that two ferries are operating between Borden and Tormentine, the *Prince Edward Island* and the *Abegweit.* Two men have been laid off on each ship, which means that one crew member per shift on each ship has been laid off.

This does not appear to constitute a serious problem. We have been assured by the Canadian National that the reduction of one man per shift in no way represents a hazard, nor will that lead to inefficiency in the ferry service. As a matter of fact, the contrary is true. The Canadian National are prepared to argue that this step will contribute significantly to the efficiency of the operation.

Motion agreed to and the house adjourned at 10.50 p.m.

HOUSE OF COMMONS

Tuesday, November 14, 1967

The house met at 2.30 p.m.

HOUSE OF COMMONS

CONGRATULATIONS TO MEMBER FOR ONTARIO ON SERVICE AS LEADER OF OPPOSITION

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I should like to call the attention of the house to the fact that barring unforeseen and unexpected circumstances, this is the last day on which the hon. member for Ontario (Mr. Starr) will be the Leader of the Opposition, and I would like to congratulate him if I may. I hope he will not misunderstand me when I offer the congratulations of the house on the way he has carried out his responsibilities. Of course, Mr. Speaker, there have been times when he has been quite unreasonable and strong headed in his criticism of the government, but he seems to get away with that sort of thing yet maintain the regard, respect and affection of us all. Let me say, Mr. Speaker, that he will move over in a political but not a physical sense, and we are delighted that he will still be around.

Perhaps a more important reason for rising on this day is that the hon. gentleman's last day as Leader of the Opposition is his first day as a young man of 57. I should like to extend to him our congratulations and to wish him many happy returns.

Hon. Michael Starr (Leader of the Opposition): Mr. Speaker, I want to thank the right hon. Prime Minister for his flattering and kind words. They almost made me feel like a blushing bride. I appreciate his thoughtfulness in directing these words to me.

May I say that as a short term interim leader I have had the good fortune to receive the full co-operation of the members of our party, and thus my task was made easier. I know the new leader on his arrival in the house tomorrow will receive the same co-operation, and I am sure, the Prime Minister will suitably welcome him.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I hope the members of this party may be allowed to associate themselves with the words of the right hon. Prime Minister in extending congratulations to the hon. member for Ontario on the able manner in which he has discharged his duties as acting Leader of the Opposition. We also wish him good health and good fortune on his birthday anniversary.

[*Translation*]

Mr. Gérard Laprise (Chapleau): Mr. Speaker, we want to join with the other hon. members in offering our best wishes to the present Leader of the Opposition.

[*English*]

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, lest our silence be misunderstood, we in this group want to associate ourselves with the expressions of good wishes to the hon. member for Ontario.

• (2:40 p.m)

BRITISH NORTH AMERICA ACT

AMENDMENT RESPECTING PUBLICATIONS IN BOTH LANGUAGES

Mr. Raymond Rock (Jacques-Cartier-Lasalle) moved for leave to introduce Bill No. C-183, to amend the British North America Act, 1867 and Publication of Statutes Act (proceedings to be printed in French and English on the same page).

Motion agreed to and bill read the first time.

EXTERNAL AFFAIRS

VIET NAM—REPORTED STATEMENT BY MINISTER RESPECTING U.S. POSITION

On the orders of the day:

Hon. Michael Starr (Leader of the Opposition): Mr. Speaker, in view of the fact that the Prime Minister was so kind to me earlier today I shall refrain from asking him a question about the C.B.C. Instead I shall direct my question to the Secretary of State for External Affairs and ask him whether the statement he made yesterday to the effect that the United States has no right to be in Viet Nam—I might say this was widely quoted in the press—represents a new hardening of the government's attitude on this matter, or does it now represent the government's policy?

Inquiries of the Ministry

Hon. Paul Martin (Secretary of State for External Affairs): I did not make any such reference to the United States action in Viet Nam. I understand that the Canadian Press have corrected this erroneous report, and I am grateful to them for correcting it as quickly as they did.

Mr. Starr: I wish to address a supplementary question to the Prime Minister. Since there seems to be confusion in the minds of members of the press when quoting the Secretary of State for External Affairs, will the Prime Minister very shortly make a clear cut statement of the government's policy on Viet Nam, as well as other matters, and allow a day for discussion of this very important matter in the house?

Right Hon. L. B. Pearson (Prime Minister): I think it might be very useful, in due course, to have a discussion of this matter if the parliamentary timetable will make that possible. I could, of course, call my hon. friend's attention to the fact there will be a supply motion very shortly, and this would be a wonderful opportunity to introduce that subject.

Hon. George Hees (Northumberland): May I ask a supplementary question. In view of the fact that the Canadian Press is singularly accurate in its reporting of what public figures say, will the Secretary of State for External Affairs outline to us just what it was he did say on this very important matter; because it is important to the country.

Mr. Speaker: Order. The hon. member knows that no question can be asked about a statement made outside the house by a minister. The only question that is generally accepted is one directed to the Prime Minister requesting information as to whether the alleged statement represents government policy. The Secretary of State for External Affairs has replied to the first question on the subject.

Mr. Hees: May I ask a further supplementary question. Does the Secretary of State for External Affairs consider that the United States has a right to be in Viet Nam?

Mr. Speaker: Order, please.

Mr. Erik Nielsen (Yukon): Mr. Speaker, I have a supplementary question for the Minister of External Affairs. Can the minister say whether the partial broadcast of his remarks in his own voice to this effect and also the Canadian Press quote are incorrect?

[Mr. Starr]

Mr. Martin (Essex East): No, Mr. Speaker, they were not incorrect; but so that my hon. friend will not convey the wrong impression, what I said over the radio had nothing to do with the question put by the acting Leader of the Opposition.

NATO AND NORAD—REQUEST FOR STATEMENT OF GOVERNMENT POSITION

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): In view of another newspaper report concerning a purported statement by the Secretary of State for External Affairs to the Canadian Club in Toronto, to the effect that Canada intends to remain loyal to NATO and NORAD, will the minister make a statement to the house on this important decision so the members will be officially informed?

Hon. Paul Martin (Secretary of State for External Affairs): If my hon. friend will look at *Hansard* for April 11 he will see that I did make a statement on behalf of the government outlining our position with regard to NATO. He will find also in the records of the external affairs committee of the other house a full statement on these two collective security arrangements. Likewise if he will examine the records of the external affairs committee of this house he will find some very edifying reading material.

GRAIN

REQUEST FOR INCREASE IN CASH ADVANCES

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): May I direct a question to the Minister of Trade and Commerce and ask if he has received a telegram from the National Farmers' Union requesting an increase in cash advances on farm stored grain to $1.10 per bushel on wheat, 70 cents per bushel on barley and 40 cents per bushel on oats. If the minister has received such a request, what action does the government intend to take in respect of this very reasonable proposition?

Hon. Robert Winters (Minister of Trade and Commerce): Mr. Speaker, I have received such a request, and I received a similar request from the president of the Manitoba wheat pool. I am now in the process of preparing an answer, but my answer will be the same as that given in the house previously, namely that the government is not currently contemplating a change in the cash advances program.

Mr. Douglas: A supplementary question, Mr. Speaker. In view of the fact that competitive trading has compelled the Canadian Wheat Board to sell wheat at 4 cents a bushel below the proposed floor in the new international grains arrangement, 1967, is the government initiating discussions with other wheat exporting countries with a view to trying to get some agreement to remain within the price range set out in the proposed agreement? If so, with what countries have these discussions been held and what response has been received?

Mr. Winters: Mr. Speaker, not all grades of wheat are trading below the minimum agreed to at Geneva. I think the hon. member is referring particularly to No. 1 northern which has shown the result of highly competitive market conditions recently. I can assure the hon. member that we are discussing this problem with other wheat producing and exporting countries.

CANADIAN BROADCASTING CORPORATION

STATEMENT BY BOARD RESPECTING ACTION BY MINISTER

On the orders of the day:

Mr. Howard Johnston (Okanagan-Revelstoke): Mr. Speaker, my question is to the Prime Minister. In light of the startling criticism of the Secretary of State contained in the statement read by Canadian Broadcasting Corporation President Alphonse Ouimet on behalf of the directors of the C.B.C., has the government asked for the resignation of these directors?

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker.

Mr. Johnston: A supplementary question, Mr. Speaker. Is any reply contemplated by the government and, if so, what is the nature of that reply?

Mr. Pearson: Mr. Speaker, I am examining the statement at the moment.

Hon. E. D. Fulton (Kamloops): A supplementary question, Mr. Speaker. I should like to ask the Prime Minister whether by his last reply he intends the house to understand that he will be making a statement on this matter in the very near future.

Mr. Pearson: Mr. Speaker, I will decide that after examining the statement very carefully.

Mr. Fulton: A supplementary question, Mr. Speaker.

Mr. Speaker: Order. I suggest to the hon. member for Kamloops that things are getting a little too complicated. The hon. member for Yukon asked a supplementary which had nothing to do with the matter being discussed at the moment. The hon. member for Kamloops wants to return to that question. We will return to him eventually.

[*Later:*]

Mr. Fulton: Mr. Speaker, the supplementary question I wanted to ask was whether the Prime Minister is satisfied that leaving the matter in its present state with this controversy raging will not create great difficulties in obtaining reputable people to serve on the board in the future.

Mr. Pearson: Mr. Speaker, the hon. gentleman is too pessimistic in this regard.

[*Translation*]

UNEMPLOYMENT INSURANCE

REQUEST FOR INCREASE IN BENEFIT PAYMENTS

On the orders of the day:

Mr. Alcide Simard (Lac-Saint-Jean): Mr. Speaker, I wish to put a question to the right hon. Prime Minister.

In view of the excessive increase in the cost of living, does the government realize the necessity of increasing unemployment insurance benefits?

[*English*]

HEALTH AND WELFARE

MEDICARE—ALLOCATION OF RESPONSIBILITY FOR POSSIBLE POSTPONEMENT

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): If the Minister of Finance were here, Mr. Speaker, I should probably address this question to him. Perhaps it ought to be addressed to the Prime Minister in any event. Have the provinces indicated that they will ask the federal government at the financial conference this week to share with them in the responsibility for delaying medicare? If so, how many provinces are making such a request and will the federal government go along with them or not?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I have no knowledge to that effect, but I shall be glad to discuss the

matter with the Minister of Finance when he returns this evening. But I have no information to that effect in the form in which the question was put by my hon. friend.

Mr. Knowles: A supplementary question, Mr. Speaker. Is it still the government's position that there will be no amendment to the medicare legislation which provides that medicare is to come into effect on July 1, 1968?

Mr. Pearson: Mr. Speaker, I dealt with that question yesterday.

Mr. Eldon M. Woolliams (Bow River): A supplementary question, Mr. Speaker. I wish to ask the Prime Minister if his government has arrived at any conclusion about what medicare will cost the federal government if it is implemented on July 1, 1968.

Mr. Pearson: It is impossible to come to that conclusion until we know the intentions of the provinces, Mr. Speaker.

HIGHWAY SAFETY

INQUIRY AS TO SAFETY STANDARDS RESPECTING TIRES

On the orders of the day:

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, since the secretary of transport of the United States government has just announced in Washington new federal tire standards for the protection of the United States motoring public, when does the Minister of Transport intend to announce similar Canadian standards for the protection of the Canadian motoring public?

Hon. Paul Hellyer (Minister of Transport): We are busily working on this problem at the present time, Mr. Speaker, to see what we can do and what should be done as expeditiously as possible.

[*Translation*]

EXTERNAL AFFAIRS

MEXICO—INQUIRIES RESPECTING MISSING CANADIAN COUPLE

On the orders of the day:

Mr. J.-A. Mongrain (Trois-Rivières): Mr. Speaker, I wish to put to the Solicitor General a question of which I gave him notice yesterday.

In view of the fact that, on or about September 16, two young Canadians, Marjorie Sharp and Bertram Kidd, disappeared at the Mexican border and also that the parents have been complaining since that date that they are not getting the sympathy and the assistance of the authorities, could the minister inform the house whether the R.C.M.P. has been alerted and report on the progress of the measures taken?

[*English*]

Hon. L. T. Pennell (Solicitor General): Before answering, Mr. Speaker, I should acknowledge that the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) wrote to me on October 24 about the same matter. The R.C.M. Police have been in touch with Interpol, Mexico, and with the F.B.I. Inquiries are continuing in Mexico and the United States on the part of Mexican authorities and the F.B.I. respectively. The R.C.M. Police have made all possible efforts and later this day will let the parents of both persons concerned know the results to date of the R.C.M. Police investigation.

INQUIRY AS TO CONTROL OF ARMS EXPORTS

On the orders of the day:

Mr. Andrew Brewin (Greenwood): My question is for the Secretary of State for External Affairs. I wish to ask him whether, in view of Canada's position on the international joint commission in Viet Nam, he or his government will or will not re-examine what can be done to prevent war material for use in Viet Nam from being exported from Canada.

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the Prime Minister dealt with this matter at some length a few months ago. I add that this government's policy is not to export military equipment to Viet Nam. This policy is being implemented effectively by the control procedures established pursuant to the Export and Import Permits Act.

Because of the open border between Canada and the United States there are no controls with respect to goods exported to that country. I ask my hon. friend who criticizes Canada, I know with no ill feeling, to recognize at the same time that another member of the commission has sent aid to the north.

Mr. Brewin: On a question of privilege, I did not criticize Canada by my question; I criticized the Canadian government.

SHIPPING

MONTREAL—SURCHARGE ON PORT HANDLING CHARGES

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I think the most appropriate minister for me to address my question to is the Minister of Trade and Commerce. Further to the announcement yesterday by the Minister of Labour respecting the difficulties in the port of Montreal, has the Minister of Trade and Commerce received any complaints concerning the recently announced 25 per cent surcharge on port handling charges at Montreal? Also, is the minister investigating the serious effects of these added costs on the sale of Canadian products abroad?

Hon. Robert Winters (Minister of Trade and Commerce): No, sir, I have not.

FISHERIES

INQUIRY AS TO ESTABLISHMENT OF FRESH WATER FISH MARKETING BOARD

On the orders of the day:

Mr. Eric Stefanson (Selkirk): Mr. Speaker, I wish to direct a question to the Minister of Trade and Commerce. When will the government report on its position with respect to the recommendations of the McIvor commission on fresh water fish marketing?

Hon. Robert Winters (Minister of Trade and Commerce): Mr. Speaker, we completed our preliminary studies. With respect to the provincial governments concerned we are prepared to collaborate with them in developing suitable joint marketing arrangements and we have told them so. The Minister of Fisheries, I understand, plans to meet with representatives of the provinces concerned to determine to what extent the other aspects of the commission report should be implemented, having regard, of course, to the provincial and federal respective jurisdictions.

BUSINESS OF THE HOUSE

CONSIDERATION AT SAME TIME OF OLD AND NEW BUDGET PROPOSALS

On the orders of the day:

Hon. J. W. Monteith (Perth): I should like to address a question to the Minister of National Health and Welfare in his capacity as leader of the house. Does the government intend to present its supplementary budget before we deal with the resolutions pertaining to last June's budget, so we can deal with the resolutions of both budgets together?

Hon. Allan J. MacEachen (Minister of National Health and Welfare): The announcement of business last night indicated that we would wish to proceed with the budget resolutions following the committee stage of the corporate and consumer affairs bill. However, I would be happy to consider the suggestion made by the hon. gentleman.

EXTERNAL AFFAIRS

VIET NAM—REPORTED STATEMENT BY MINISTER RESPECTING U.S. POSITION

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): I wish to direct a question to the Secretary of State for External Affairs and ask whether his criticism yesterday was directed against Australia, New Zealand and other countries which are engaged in the war in Viet Nam when he used these words:

> No nation has a right to interfere in the matters of other countries except under the auspices of the United Nations.

Mr. Speaker: Order. I suggest to the hon. member that the question as asked is not in order, because he is inviting the minister to comment on a speech he made outside the house. There might be some other way of asking the question. It might be asked directly by the hon. member for Winnipeg South Centre.

Mr. Churchill: I was using the direct words of the minister; I thought he would like to give the house an explanation. Against whom was he directing his criticism? Surely he would not be going back to the Russian entry into Hungary a few years ago?

Hon. Paul Martin (Secretary of State for External Affairs): The hon. gentleman was apparently basing his question on a press report. I might say to him that there is no one in these matters who is a greater master of distortion and confusion.

Mr. Churchill: On a question of privilege, I want to save the dean of the house from a grievous error. In the 32 years he has been here I do not think he has committed an error like that, and I am sure he wishes to withdraw and apologize to the house and set a better example to junior members like myself.

Some hon. Members: Oh, oh.

Inquiries of the Ministry

Mr. Speaker: I am sure the minister of external affairs did not want to impute false motives to the hon. member for Winnipeg South Centre, and perhaps he should be given an opportunity to explain.

Mr. Martin (Essex East): I did not want to impute motives, of course. Perhaps the word I should have used was the word "forged".

An hon. Member: Shame.

Mr. Churchill: I am grateful to the minister now for giving me the opportunity to rise on another question of privilege with which I hope you will deal, Mr. Speaker, as it was dealt with several years ago by the former Speaker.

The minister is using the word "forged" in relation to an allegation made by himself and others on that side at the time I read into *Hansard* a letter which had come into my possession bearing the signature of Mr. Butterworth. At that time, when this matter was considered, the Speaker ruled that such an accusation could not be made with regard to my action.

As the minister has now, in an attempt to malign me, used this word, I hope further encouragement from me will suggest to his alert mind that he should withdraw such an expression because he must, I think, watch his image across the country in connection with future leadership capabilities.

Mr. Speaker: Order, please. I remember the incident to which the hon. member refers because I believe I was accidentally in the chair at that moment, and I would think that again the Secretary of State for External Affairs should be given an opportunity to indicate to the house that he does not want to impute motives. Certainly hon. members of the house, and particularly senior members, should be particularly careful in the expressions they use.

Some hon. Members: Hear, hear.

Mr. Martin (Essex East): Mr. Speaker, as my hon. friend has said I have been in the house a long time, and I think I do understand the motives of members opposite. I sat in the opposition myself. But when hon. gentlemen start needling they must expect a response. I do not want to impute any motives. I do not want to be unfair to my hon. friend, and I forgive him for anything he may have said about me.

Some hon. Members: Oh, oh.

[Mr. Churchill.]

Mr. Churchill: Mr. Speaker, the Secretary of State for External Affairs is now trying to make a joke of a very serious matter. All he has to do is withdraw the accusations and the situation will be cleared up.

Mr. Martin (Essex East): Mr. Speaker, I made no accusations against my hon. friend.

Mr. Speaker: Order, please. I expect it would be using unparliamentary language if the minister, or any other hon. member, accused another hon. member of knowingly using forged documents. There is no question whatever that forged documents can come accidentally into the hands of any member of the house. If an hon. member represented such documents as authentic certainly this would be wrong, and it would be unparliamentary to suggest that documents are being used in this way. I suggest to the Secretary of State for External Affairs that he should indicate to the house that he did not make a reference to the use of documents in this way.

Mr. Martin (Essex East): Mr. Speaker, I made no accusation against my hon. friend. He is the last person in the world against whom I would make such an accusation, and that is the situation. I told him that I did not impute motives. Within the rules of the house I had no right to do so and in fact was not doing so. I would ask him to be equally generous.

Mr. Churchill: Mr. Speaker, I regret I am still not satisfied with this. The suggestion that I have at any time used in this house a forged document is a despicable attempt to attack my reputation. You yourself, Mr. Speaker, mentioned that forged documents might accidentally come into the hands of members. I have no knowledge that ever in my lifetime has a forged document appeared in my possession.

Mr. Speaker: Order, please. Without getting into an argument that may go on for hours I submit it is not unparliamentary—and this is what I have said before—to suggest that a member has had in his possession or has quoted a document which is not authentic if the hon. member does not know it is not authentic. Unless the minister has said anything beyond this I really do not see what he has to withdraw.

Hon. Michael Starr (Leader of the Opposition): Mr. Speaker, I rise on this question of privilege. I think we have come pretty low in this house when a senior member like the

Secretary of State for External Affairs uses the word "forged" in connection with another hon. member, because it reveals to me that he is returning to the cannibalism he practised when he was in the opposition. I think the word "forged" should be withdrawn so the record is clear.

Mr. Speaker: Order, please. I am sure that on reflection hon. members will agree with me that it is not unparliamentary to refer to a document as a forged document. I certainly cannot see what is unparliamentary in this. What is against the rules of the house is for an hon. member to say that another member has used a document which he represented as being authentic, knowing it was not. This certainly would be unparliamentary and would have to be withdrawn. There is a clear line between the two, but I must suggest to hon. members that not much can be gained by pursuing the matter further.

Mr. Churchill: Mr. Speaker, I did not start this interchange; the Secretary of State for External Affairs did. I now ask the Secretary of State for External Affairs to prove his implied charge that I used a forged document in the house. Now then, if he has the evidence let us have it. He has not got the evidence; that is why he is afraid to do it.

Mr. Martin (Essex East): Mr. Speaker, I may be accused of many things but my hon. friend will not be able to accuse me of being afraid to deal in debate with him or anyone else in this house.

Mr. Churchill: I accuse you right now.

Mr. Martin (Essex East): I made it clear, Mr. Speaker, that I had made no accusation against my hon. friend, and I readily accept his denial of something which had not been said in this instance. Since he has made a denial, under the rules of the house willingly I accept it without any reservations.

Some hon. Members: Withdraw.

Mr. Martin (Essex East): There is nothing to withdraw.

Some hon. Members: Withdraw.

Mr. Speaker: Order, please.

Mr. Starr: Now you are back to your normal state, something you have kept in check for three years.

Mr. Speaker: Order. This exchange between the two members is getting somewhat out of control. I really do not think, and I repeat, that there was anything to withdraw. The minister has just made a statement in which he said he did not impute any motives to the hon. member. To all intents and purposes he has withdrawn anything he might have said which might have hurt the hon. member, and which might have been unparliamentary. I now recognize the hon. member for Burnaby-Coquitlam.

Mr. T. C. Douglas (Burnaby Coquitlam): Mr. Speaker, I want to ask a supplementary question of the Secretary of State for External Affairs. In view of the uncertainty as to what the minister did say or did not say in his speech to the Canadian Club over the week end, I wonder if he would make available copies of that speech to members of the house.

Mr. Martin (Essex East): I would be very glad to do that, Mr. Speaker.

Mr. Erik Nielsen (Yukon): Mr. Speaker, I direct a supplementary question to the Secretary of State. Will she communicate with the officials of the C.B.C. to ensure that the tape of the minister's speech, to which reference has been made, will be preserved and be available for the external affairs committee?

Hon. Judy V. LaMarsh (Secretary of State): Mr. Speaker, it seems to me that really my hon. friend himself has pretty good lines of communication with the C.B.C.

Mr. Nielsen: As a supplementary question, would the minister answer my question and give the house the assurance that she will see the officials of the C.B.C. in order to preserve that tape?

Miss LaMarsh: Surely that is the responsibility of the external affairs committee. It is its business; it isn't my business.

Mr. Nielsen: As a further supplementary, will she communicate with the officials of the C.B.C. to see that the tape is preserved and not destroyed?

Mr. Speaker: Order.

NORTH VIET NAM—PROTEST RESPECTING CANADIAN POSITION ON CONTROL COMMISSION

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, my question is for the right hon. Prime Minister. Further to my inquiry of yesterday

concerning a reported protest from the government of North Viet Nam, has the Prime Minister as yet had an opportunity to consult with the Secretary of State for External Affairs, and has the government of North Viet Nam in fact sent a protest to the government of Canada concerning Canada's alleged non-neutral behaviour as a member of the international control commission.

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker.

HOUSING

ATTENDANCE OF OPPOSITION MEMBERS AND AGENDA FOR CONFERENCE

On the orders of the day:

Mr. Reid Scott (Danforth): Mr. Speaker, I have a very non-controversial question to pose to the Minister of Labour in his capacity as the minister who, when he isn't the Minister of Labour, devotes his spare time—

Some hon. Members: Order.

Mr. Scott (Danforth): — to Canada's outstanding social problem, namely the housing crisis—

Some hon. Members: Order.

Mr. Scott (Danforth): Mr. Speaker, this can't go on.

Mr. Speaker: Order, please. The hon. member is unhappy with the reaction, but I must say he does not help his own cause very much.

Mr. Scott (Danforth): Mr. Speaker, I spent all week end thinking of a nice, non-controversial way in which to pose this question.

Mr. Speaker: The hon. member has not been very successful.

Some hon. Members: Oh, oh.

Mr. Scott (Danforth): Well, I will try again. In any event it is a question to our part time minister of housing—

Some hon. Members: Oh, oh.

Mr. Scott (Danforth): Can the minister now give an answer to the very reasonable requests that we have been making for four or five weeks? Can he now inform the house as to the agenda for the forthcoming housing conference, and has he reached—

Some hon. Members: Order.

[Mr. Nesbitt.]

Mr. Scott (Danforth): Can we have no order on the government side? In particular, has the minister reached any decision on his agreement to consider the possibility of having our municipalities represented, and also having representatives from the opposition parties?

Hon. J. R. Nicholson (Minister of Labour): Mr. Speaker, the first part of the question has been answered almost every day of late, or nearly two or three times a week and, as late as yesterday, I believe, to the effect that the agenda has not yet been settled and I have said that when it has been settled it will be announced. It also has been stated that it is not expected to be settled before at least a couple of weeks. That part of the question was answered yesterday.

The second part of the question, as to whether the municipalities would take part in this conference, also has been dealt with. The Prime Minister in his letter to the provincial premiers suggested that they might bring along some advisers. The municipalities, to use a colloquialism, are creatures of the provinces. The door is open for them to make suggestions at that time.

In respect of the last point, I should like to say that that matter is still under advisement.

Mr. J. R. Keays (Gaspé): I have a supplementary question, Mr. Speaker. Has the minister been in touch with the house leader or the chairman of the committee on housing, urban development and public works to determine whether this committee should be convened in order to hear the complaints from the cities and towns as well as from the national associations in Canada?

Mr. Nicholson: Mr. Speaker, when this question was asked on an earlier occasion I stated that the committee does exist, and said that what it does is the responsibility of the committee.

Mr. Keays: Mr. Speaker, I have a supplementary question for the chairman of the committee, the hon. member for Rivière-du-Loup-Témiscouata. Has any action been taken toward convening the committee?

[*Translation*]

Mr. Rosaire Gendron (Rivière-du-Loup-Temiscouata): Mr. Speaker, we will be happy to hold a meeting of the committee as soon as the house refers to it some matters for consideration.

[*English*]

AIRPORTS

DORVAL—DELAY IN CONSTRUCTION OF RUNWAY

On the orders of the day:

Mr. Raymond Rock (Jacques-Cartier-Lasalle): Mr. Speaker, my question is for the Minister of Transport. In view of a statement made last night by the minister to the effect that the department has delayed the building of a runway at Dorval airport, I should like to ask whether there are to be similar delays in respect of other Canadian airports.

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, there are some other airports in the same predicament. I should like to say, however, that it is a matter of regret that we are not in a position to proceed with the new runway at Dorval at this time. I hope it will not be long before we are in a position to do so in order to ameliorate the noise.

Mr. Rock: I have a supplementary question, Mr. Speaker. Is a new runway to be built for the Toronto airport?

Mr. Speaker: Order, please. This question should be placed on the order paper.

IMMIGRATION

BRITISH COLUMBIA—NON-PARTICIPATION IN REFUGEE SETTLEMENT PLAN

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I have a question for the Minister of Manpower and Immigration. My question is that which I posed to the acting minister on November 3. Perhaps I might read the question again:

> I should like to direct a question to the Acting Minister of Manpower and Immigration. I ask the minister whether a statement can be made as soon as possible as to why the province of British Columbia is not participating with the department to bring handicapped refugees and their families to Canada this year, as is the situation with eight other provinces.

I wonder whether the minister is now in a position to reply.

Hon. Jean Marchand (Minister of Manpower and Immigration): Mr. Speaker, I regret that this question was not drawn to my attention. I hope I will be in a position to answer it tomorrow or the day after.

Inquiries of the Ministry

CANADIAN NATIONAL RAILWAYS

REQUEST FOR REPORT ON DISCUSSIONS WITH RAILWAY MANAGEMENT

On the orders of the day:

Mr. Robert Muir (Cape Breton North and Victoria): Mr. Speaker, my question is for the Minister of Transport. Has the minister met with the president of the C.N.R. regarding lay-offs of railway employees in the Atlantic region? May I also ask what efforts are being made by the minister to rescind these lay-offs?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, this question has been raised before. I have met with the president of the C.N.R. and have discussed with him the root cause of the lay-offs. In addition to the seasonal lay-offs which normally occur during this time of year they are attributable to the reduction in the bulk loadings of freight cars in all parts of Canada, including the maritimes. I hope the level of activity in respect of car loadings will increase substantially in the months ahead and that this will make it possible to rehire as quickly as possible many of the men who are presently without work.

Mr. Muir (Cape Breton North and Victoria): Mr. Speaker, I have a supplementary question. May I ask the minister what this government intends to do with regard to the many men across Canada who are being laid off and find themselves in dire circumstances due to the fact that they do not have any employment because of the neglect on the part of this government.

Mr. Speaker: Order.

Mr. Hellyer: Mr. Speaker, the Minister of Manpower and Immigration has been involved with this problem from the beginning, and all government departments are interested in seeing what they can do to ameliorate the lay-offs.

Mr. Thomas M. Bell (Saint John-Albert): Mr. Speaker, I have a supplementary question for the Prime Minister on the same matter. Has the Prime Minister received the representations from the Canadian federation of mayors urging that the Atlantic provinces and northern Ontario be exempt from the federal government's economic restraint policy and, if so, has he had an opportunity to consider it?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I do not recall seeing that telegram but I will look into it right away.

Inquiries of the Ministry

Mr. Bell (Saint John-Albert): Mr. Speaker, will the Prime Minister in the meantime give every assurance that no more of these economic restraint measures will be applied in the Atlantic provinces?

Mr. Muir (Cape Breton North and Victoria): Mr. Speaker, I have a further supplementary question which I should like to direct to the Minister of Manpower and Immigration. May I ask in a little different way a question I have asked him previously. What efforts are being made by the minister or by the officials of his department to assist the 400 or 450 employees who are being laid off in the Atlantic region by the C.N.R.?

Mr. Speaker: Order. The hon. member said that he would ask the same question in a different manner. The question does not seem to be much different than the one he asked before.

Mr. Muir (Cape Breton North and Victoria): May I rephrase my question. Apart from recommending that they get out of the Atlantic region and apart from grants for the removal of people from the Atlantic region, what is the minister doing?

Mr. Speaker: Order.

CANADA PENSION PLAN

REQUEST FOR INCREASE IN EXEMPTIONS RESPECTING TRANSIENT LABOUR

On the orders of the day:

Mr. W. H. A. Thomas (Middlesex West): Mr. Speaker, I have a question for the Minister of National Revenue. On November 7 the minister assured the house that the matter of contributions under the Canada Pension Plan legislation for transient labour on farms would be discussed with the provinces. Can the minister say whether this discussion is expected to take place at the coming conference?

Hon. E. J. Benson (Minister of National Revenue and President of the Treasury Board): Mr. Speaker, the representations which were received and which came from the farm organizations and some hon. members on this side of the house including the hon. member for Norfolk were in respect of three matters. The first had to do with the matter of deducting income tax from wages of employees. The second had to do with the matter of unemployment insurance exemptions in the case of farm workers and the third was in respect of the Canada Pension Plan.

[Mr. Pearson.]

The first two questions were settled to the satisfaction of the farmers, because these are matters which come within the powers of the federal government. The third one has to be discussed with the provinces. It is not a matter to be considered at the forthcoming federal-provincial conference but is one which will require consultation when the Canada Pension Plan as such is being dealt with.

COMMONWEALTH RELATIONS

RHODESIA—CANADIAN INITIATIVE TO IMPROVE SITUATION

On the orders of the day:

Mr. Heath Macquarrie (Queens): Mr. Speaker, my question is for the Secretary of State for External Affairs. It is a little more temperate than those of a moment ago but I am sure is equally important. It is prompted by a statement made by Commonwealth Relations Secretary Thompson to the British House of Commons to the effect that the rebel Smith régime and the United Kingdom government are further apart than ever on the question of U.D.I. Can he advise whether in these regrettable circumstances Canada, as a leader in commonwealth action, is contemplating any initiative to narrow the gap and improve this most serious situation?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, if the Canadian government were in a position to further this matter outside the context of United Nations, where this problem presently resides, my hon. friend may be assured that the government would be only too anxious to do all it could consistent with its declared policy, a policy which is supported by all the commonwealth governments.

However, the matter is now before the United Nations. The Secretary General will shortly be making a report on the operation of sanctions, and I think until that report has been made it would not be prudent to go any further at this moment.

Mr. Macquarrie: A supplementary question, Mr. Speaker. May I ask the minister whether this means that he feels there is no further course of action within the commonwealth context that Canada can take?

Mr. Martin (Essex East): I believe that is the present situation, Mr. Speaker.

HOUSE OF COMMONS

PROCEDURE FOLLOWED IN MATTERS DEBATED ON ADJOURNMENT MOTION

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I should like to raise a point of order dealing with a rule of the house that has application to the question period and the adjournment motion which comes at ten o'clock at night. I raise this point of order so that we may obtain a ruling from Your Honour to guide us in the future. I think there has crept in a flagrant abuse of rule No. 39, section 5, which reads in part as follows:

> A member who is not satisfied with the answer given to a question asked on any day at this stage, or a member who has been told by Mr. Speaker that his question is not urgent, may give notice that he intends to raise the subject matter of his question on the adjournment of the house.

I suggest that at times hon. members have had questions ruled out of order by Your Honour but nevertheless have raised those questions on the adjournment motion. I do not believe this was the intention of the rule. Second, it was understood when this rule was first introduced that during the course of the adjournment debate we would not raise points of order or questions of privilege during that very short period, because a member has only seven minutes in which to present his case and the minister has only three minutes in which to reply.

I had to raise a question of privilege last night, and I notice that on other occasions points of order have been raised. On October 23, as reported at page 3410 of *Hansard,* Mr. Deputy Speaker interrupted to point out the following:

> I should point out to the hon. member for Parry Sound-Muskoka (Mr. Aiken) that it is not usual, and certainly was not contemplated at the time when adjournment proceedings were instituted, that there should be any points of order during an adjournment debate.

I think that was understood when we introduced this rule. I suggest it was never contemplated that attacks would be made on members of this house during the adjournment debate; there would be simply a statement with regard to a question asked earlier in the house to which the member had not received a complete answer from the minister, and the minister would then be in a position to give a more comprehensive answer.

It appears now that the hon. member for Lotbinière (Mr. Choquette) is using this type of debate to make attacks. The attacks are being made on me, on other members of our party and on the Conservative party as such. I do not object to that provided this privilege is extended to others. I have not yet participated in adjournment debates, but I may do so.

I direct your attention, sir, to these facts. On October 4 a question was asked by the hon. member whom I have mentioned. It was not commented upon by Mr. Speaker. On October 5 a similar question was asked by the hon. member, as appears at page 2835 of *Hansard,* and it was declared out of order. Nevertheless the member somehow or other had the subject matter discussed on October 23. If you will examine page 3409 of *Hansard,* Mr. Speaker, you will find that the title of his statement is "Federal-Provincial Conference. The Two Nations Concept."

I cannot find any preceding question addressed to a minister on that subject. There was no question addressed to a minister in the course of the hon. member's statement. It was just an expression of opinion by the hon. member, followed by interruptions and points of order by the hon. member for Parry Sound-Muskoka, the hon. member for Brandon-Souris and others.

I ask the following question. First, how did that subject matter get on the order paper without a previous question having been put to a minister? The second question refers to yesterday's occurrence. On November 13 the hon. member for Lotbinière asked the following question, as reported at page 4228 of *Hansard:*

> Mr. Speaker, a few days ago I asked the Minister of Justice (Mr. Trudeau) a question to determine whether the agenda of the federal-provincial conference which is to take place shortly had been decided upon.

The matter was discussed by the hon. member last night. In the course of his remarks he was chiefly concerned with making an attack upon me, which I was able to refute on a question of privilege. Then followed a statement by the Minister of Justice.

I am asking, sir, whether you will undertake—I am not asking for a ruling at this moment unless Your Honour feels you are prepared to give it—to review the use of this particular procedure in our house and decide whether there is validity to my claim that this rule is being flagrantly abused, by inadvertence or by hon. members not understanding the rule as it was put before us in the past.

Amendments Respecting Death Sentence

Mr. Speaker: Order, please. We do not want to become involved in another procedural debate today. I will not prevent the hon. member for Lotbinière making a reply in respect of this matter, but I suggest to him that I understand the situation very well and am prepared to answer the point raised by the hon. member for Winnipeg South Centre.

[*Translation*]

Mr. Auguste Choquette (Lotbinière): Mr. Speaker, briefly and calmly, I should like to say, in order to assist you in making a ruling if it were at all possible, that when we put a question which is judged by you as not being urgent, it is normal to postpone it until 10 o'clock. I think that, in the cases referred to by the member for Winnipeg South Centre (Mr. Churchill), the questions were of national concern but were not deemed urgent, and normally they were postponed until 10 o'clock.

Moreover, the member greatly exaggerates when he says that I attacked him. Mr. Speaker, on this point I think I am entitled to say that I have never attacked him; I had the misfortune of telling him that he had supported the concept of two founding peoples. That he considers that as an insult, I understand, Mr. Speaker.

Mr. Speaker: Order, please.

Mr. Choquette: I understand that he may consider this as an insult—

[*English*]

Mr. Speaker: Order, please. This is what I was afraid of when I suggested to hon. members that we should not get into a further procedural debate. I am in full sympathy with the point made by the hon. member for Winnipeg South Centre. On the other hand, I do not think much could be gained by reviewing in detail the two incidents to which he has referred. There is no question but that the rule specifies that a question can be debated at the time of adjournment at ten o'clock only if the hon. member who has asked a question is not satisfied with the answer given or if the Speaker rules that the matter is not urgent.

The difficulty is that very often under pressure the Chair will call a question out of order meaning that it is out of order because it is not urgent. I am sure it would be helpful to all hon. members if this distinction were made by the Chair. On the other hand, I can assure the hon. member for Winnipeg South Centre that a special effort will be made by both those at the table and the Chair to police the questions perhaps a little more closely.

• (3:30 p.m.)

CRIMINAL CODE

AMENDMENTS RESPECTING DEATH SENTENCE AND LIFE IMPRISONMENT

The house resumed, from Friday, November 10, consideration of the motion of Mr. Pennell for the second reading of Bill No. C-168, to amend the Criminal Code.

[*Translation*]

Mr. Auguste Choquette (Lotbinière): Mr. Speaker, to continue my remarks of a few days ago, I should like to suggest that it is normal to accentuate curative justice rather than punitive justice although the latter does not exclude the former.

Penalty is a form of therapy and in a society wishing to be more civilized than vindictive, it is proper to eliminate any revenge factor in the application of any sentence.

Nevertheless, Mr. Speaker, the corrective viewpoint, in the light of rehabilitation within which any good system of justice must try to operate is not inconsistent with the retention of a penalty to fit the crime.

Human sciences have progressed immeasurably in the past decades but have never gone and never will go far enough to uproot the major principle of individual responsibility.

Sociology, psychiatry, criminology have thrown light on a multitude of human phenomena; they often are the X-rays of the conscience of the individual. They make transparent reasons for the exoneration or the extenuation of guilt. But the day those sciences attempt to encompass all human acts within rigid determinism or airtight fatalism, I say those sciences will then betray their mission, betray their ideal, that is leading man towards ever greater heights of dignity.

That is the danger that threatens our society today, Mr. Speaker. That is the trap that lies open to our modern society: that of explaining everything, that of justifying everything outside man's free will, of reducing all human activity, all individual behaviour to a science of phenomena, abstracting the concepts of responsibility, the concepts of reward and punishment, which are intrinsically bound to the exercise of one's free will.

We all agree, Mr. Speaker, that society must aim at the highest degree of civilization

and that the state must make its indispensable contribution towards its achievement. But there is another imperative task, the burden of which must be assumed by the state, and that is contributing to the security of the public. There is more than that, Mr. Speaker.

Not only is it the prime duty of the state to ensure the security of the public but it is also its duty to see to it that there is a feeling of security; in other words, not only is it the right of the people to have the protection which they may normally expect from society, but it is also their right to feel protected. The higher crime rate, its violent and brutal manifestations, the numerous prison breaks decrease the feeling of security among the population. The role of the state, as I said, is not only to ensure an effective degree of security but also to strengthen the feeling of security, that is to say the population has the right to be protected and also to feel protected.

What is happening today with all the measures which the people feel will improve the lot of the criminals? All of them contribute to decrease the feeling of security, and even if the people are effectively and truly protected, it remains that they are losing more and more the feeling of security and they feel less protected.

For that reason, I would say that it is essential, before initiating any reform in depth, to enlighten public opinion. Even though the abolitionists' argument be philosophically right and well grounded upon facts or statistics, if the public is worried, concerned, and doubtful as to the protection and security to which they are entitled from the state, abolition becomes improper and its advocates are wrong; it is necessary to reassure the people. Mr. Speaker, even if the abolition of the death penalty may be justified, the government has not completely fulfilled its task if the Canadian people still feel worried and insecure. This is why I say the government should launch a widespread campaign of education to prove that its action is appropriate, so that the people may feel more secure.

When we visit our ridings, rural ones in particular, we see that a great many country people are afraid. I think this fright could lead to social confusion, Mr. Speaker, and even to collective panic. Not only must the government ensure a real and effective protection, it must also provide a feeling of security which is lacking at the present time.

The people who are not very well informed and who hear about all sorts of bills to ease the burden or the condition of criminals wonder to what extent they are being protected. Mr. Speaker I repeat that even if they are really protected, the state must do more than just that. It must give them the feeling that they are protected and that they live in security.

That is why I urge the government, in implementing all the amendments to the Criminal Code, to undertake an information campaign to show the people that they are well protected; to shed light on the maximum security system which exists in some of our prisons and penitentiaries; to illustrate the efficiency of our police force. Otherwise, the feeling of insecurity may bring about a social breakdown and a collective panic.

Secondly, I feel that the bill, even though I am not satisfied with it, deserves to be supported for the simple reason that I am against hypocritical laws. I cannot accept a law which departs from its true significance.

There exists now, on the one hand, a law which is not enforced and, on the other hand, a state of affairs which contradicts the existence of this law; in other words, capital punishment has in practice been abolished. Therefore, it is abnormal that our statutes should contain a provision which is never enforced and that is why, being against hypocritical laws, I feel I should support this measure in the form in which it has been presented to the house, so that the law may be amended in accordance with the existing state of affairs.

However, this bill has a shortcoming in that it makes no distinction, practically speaking, between capital and non-capital murder. Capital murder implies premeditation and this is explained in section 202 (a), which is to be amended; in other words, according to this section as it now stands, capital murder is premeditated, and non-capital murder is not.

With such an amendment that distinction no longer exists and it is precisely in the case of policemen's murders that there is more often a lack of premeditation, because criminals will immediately murder policemen, when caught red-handed, to permit or facilitate their escape. There is then no premeditation. This is why the oversight in the bill is such that the distinction between capital murder and non-capital murder does not exist for all practical purposes.

However, I object and intend to move an amendment before third reading, because I think that any person convicted of premeditated murder—if capital punishment is to be

abolished, it should be so, and for all practical purposes, it is abolished—in accordance with the present section 202(a), should necessarily be sentenced to life imprisonment. I also feel that there should not be any commutation. In my opinion, it is essential to convince the people that there is a justice and that they are secure and protected.

There are too many escapes from our penitentiaries. If the population is led to believe that those who have the right to kill can eventually be released after ten or fifteen years, we contribute to lessen that feeling of security and, from a social and collective point of view, this is disastrous and detrimental. That is why I believe that every individual convicted of premeditated murder should be imprisoned for life.

May I be allowed as third—

• (3:40 p.m.)

[*English*]

Mr. Scott (Danforth): Will the hon. member permit a question?

Mr. Choquette: Yes.

Mr. Scott (Danforth): I am very interested in his thoughtful speech. He has mentioned the need for a murderer to hang in the case of a premeditated murder. I wonder whether in his research he has come across a case where a person who deliberately premeditated a murder had in his mind the thought of arrest and conviction and therefore the deterrent value of hanging.

[*Translation*]

Mr. Choquette: Mr. Speaker it is in fact an interesting question, but I think this is all a matter of surmise. There is no unshakeable proof. The hon. member knows very well—his interest in this question is very well known—that statistics themselves prove nothing; it is admitted that nothing can be proved with statistics. The only thing there is, I feel, is intuitive evidence and this is often stronger than a legal proof.

Many women have unfaithful husbands but will never be able to prove it but they know it intuitively. In this case, it cannot be proved legally but by intuition, it is known. Humanly speaking, it is obvious. I see that some members have a really distraught look when I speak like this—do not worry, I shall not betray any secret.

Some hon. Members: Ha, ha.

[Mr. Choquette.]

Mr. Choquette: Mr. Speaker, this is what I mean.

Mr. Asselin (Charlevoix): Explain.

Mr. Choquette: The hon. member for Charlevoix wants me to quote examples. I have too much consideration for him; far be it from me to compromise—

Mr. Asselin (Charlevoix): On a point of order, Mr. Speaker. I did not understand very well. Could the hon. member say that again?

Mr. Choquette: The hon. member asks me to quote examples. I answer him that I have too much consideration for him and far be it from me to compromise him.

Mr. Asselin (Charlevoix): On a point of order, Mr. Speaker. I am fully aware that the hon. member is not alluding to me personally, but I must tell him that by quoting examples, he is in no danger whatsoever, because being a bachelor, he can do what he likes.

Mr. Choquette: Thank you. I would even say that on occasion I have eyed the wife of the hon. member for Charlevoix, who is most charming and whom I know as a faithful spouse.

Mr. Speaker, to return to a living subject rather than a mortal one, I should like to point out the following: should such a bill be accepted, it would mean that the abolition of the death penalty had been ratified legally. Everyone knows that. Now, I feel that if we want to go that far, an information campaign is the first requisite to give more security, that is a greater sense of security. It is important for the people to feel protected, to feel secure.

Secondly, I would say that, to strengthen this feeling of security, we ought also to make of life imprisonment a mandatory, non-commutative form of punishment. This would be inflicted on anyone convicted of wilful murder, if it should be found actually desirable to distinguish between voluntary and involuntary homicide, between wilful and unintentional murder. As the former is much more serious than the latter, a more severe form of punishment is called for.

Moreover—and this is the most important point I wanted to make in my remarks this afternoon—I feel that it is high time a compensation system was introduced in this country in behalf of the criminals' victims. Criminals are always present in our minds and we always deem it sadder and more horrible when the criminal is being led to a

cell after committing a crime but the heart-breaking situation in which the victims or the wives of the victims of murderers or of criminals without conscience is always ignored or set aside.

If I may refer to a few notes which I had the opportunity of picking up and studying—it might be good to draw the attention of the house to the fact that in the province of Ontario for instance the government is seriously studying the possibility of establishing a system of compensation. A similar study is also under way in Alberta, but no concrete action has been taken. On the other hand, a white paper has been submitted to the Manitoba legislature, in which the operation of such a compensation system is described. I think that the Solicitor General or the senior officials of his department would be well advised to study closely the proposals contained in this white paper.

It should also be noted, Mr. Speaker, that section 474 of the municipal by-laws of the city of Vancouver contain the following provision:

[*English*]

Upon the recommendation of the board, the council may in its discretion award compensation not exceeding the sum of $5,000 to any person who has sustained loss by reason of property damage or by reason of personal injuries to or the death of a person occasioned by such person having assisted a police constable in the execution of his duties.

• (3:50 p.m.)

[*Translation*]

Of course, the rules which exist in Vancouver aim simply at protecting or rewarding in some way those who help police officers acting in the course of their duties.

A compensation system in Canada could consist of a federal-provincial fund to which the federal government and the various provincial governments would subscribe and which would be used to compensate the crime victims or the families of crime victims. This compensation fund, Mr. Speaker, could be administered by a special board which could be set up by each province, or by a crime victims compensation board, and the money used to compensate the unfortunate victims of crime would come from this federal-provincial fund.

And I think that it is urgent to have such a thought, once again, to give confidence to the people who are worrying, and rightly so. As for the members who do not believe that, let them travel through their ridings and ask their constituents what they think. People tell us: You always do something for the criminals; now do something for the victims. That is what we hear in our ridings; sometimes we hear startling remarks from these people who wonder to what extent they will be protected in the future. That is why the government should launch an information campaign which would show clearly the generous attention given by the government to criminals' victims.

Mr. Speaker, those are the few remarks I wanted to make. I wish to say, in closing, that in 1967, especially for a government which set up the whole social machinery we are enjoying today, it might be its greatest achievement if it perfected that procedure and took with the provinces the initiative of creating a compensation system in favour of the victims of criminals or the families of those victims, and not only of those who came to the help of police officers on duty. That is urgent, essential and fundamental if we want to create, in the minds of the people, the image of a government which is concerned, not only about the criminals, but also about society in general, about its protection and especially about the protection of the victims of those scoundrels, those bandits without conscience or respect for anything except fear.

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I listened with considerable attention and respect to the speech made by the hon. member for Lotbinière (Mr. Choquette). I think it is one of his serious speeches. I congratulate him and exhort him to continue in this vein.

I must also say that I was impressed by the way the Solicitor General (Mr. Pennell) introduced his bill to the house. I want to congratulate him and I must say that it is the most important and the most difficult case that he has pleaded in his political career. He has done so with complete objectivity and I must say that it was most agreeable to hear him, particularly to read over the arguments he submitted to the consideration of the house.

Obviously, we could recapitulate all the arguments brought forth during this debate and ask: Was it necessary for the government to require the house to make a decision once again on such an important question?

Last year, we had the opportunity, through a free vote, to reject private bills to abolish capital punishment. This year, according to reports and surveys by the Canadian Press and other papers, the spread in the 142 to 112 vote may be still reduced. We may well

see this bill passed to abolish capital punishment, except in cases of murder of prison guards or policemen. This would certainly mean considerable extension of the scope of the legislation.

In 1961, our government had brought down legislation to define capital and non-capital murder. I believe that this difference has helped the judge presiding over a murder case to address the jury more intelligently. It was sometimes difficult in the past, under the former legislation, to instruct the jury in helping them reach a verdict.

We had thought last year that the extension of the scope of the 1961 legislation would have been sufficient to give food for thought to the people who are inclined to disrupt the established social order.

The minister tells us that the bill is a compromise; it is really a compromise which will impede the freedom of every member in deciding for or against the abolition of capital punishment, except in the two cases stipulated in the bill.

Of course, I respect the opinion of the member for Lotbinière on this question, because it is so personal, almost a matter of conscience. I would not want for anything in the world to try and influence the decision of any member. Last year, the hon. member for Lotbinière was a keen retentionist, and this year, he tells us he will vote in favour of the bill introduced by the Solicitor General. His main argument is to get the government out of the dilemma in which it finds itself at present.

• (4:00 p.m.)

Mr. Speaker, I know what throes and difficulties the Solicitor General sometimes goes through when he has to review a death sentence, when he has to submit the case for examination to his colleagues of the cabinet, when, as the member for Lotbinière (Mr. Choquette) pointed out this afternoon, we know that since 1963 the cabinet has practically abolished the death penalty.

That is the situation. It was the member for Lotbinière who told us, last Friday, November 10, 1967 I believe, in his opening remarks, that one of the arguments that led him to change his mind was that the government has reached a dead-end, since the laws in our statutes must be respected by the government and parliament, and the situation being what it is he felt bound to support the compromise bill introduced by the Solicitor General.

Perhaps, as I said earlier, this is such a personal matter that I would not want to find fault with the hon. member for Lotbinière, but I would say this is a case in point, that the way this government has introduced this bill to the House of Commons will infirm the freedom of choice of several members.

In this respect, of course, I cannot agree with the way in which this compromise bill was introduced. If a free vote had really been wanted with regard to the bill before us, I would have preferred it to be introduced as a private member's bill, like last year, so that each member could have complete personal freedom to decide upon such an important matter.

Of course, I do not intend to recapitulate the arguments for the retention of the death penalty. During this debate, I have heard some very objective arguments for and against the death penalty.

The abolitionists tell us that the onus is on those of us who are still in favour of retaining the death penalty to prove that it is a deterrent for those who are about to kill someone.

Such arguments have been rehashed for years. If we look at the white paper which was presented in 1965 by the late Hon. Guy Favreau then minister of justice, we find that the United Nations were unanimous in their statement on that subject that the deterrent factor was still important enough to prevent the commission of a murder. It is an argument of natural law, I think that any person has the human desire of self-preservation.

We can see it every day. When you are on the sidewalk, you will not attempt to cross the street if you think that you may be run over by a car. If you take a fishing trip, you will take every precaution not to drown.

Man is inclined to preserve his precious life. All our actions, all our personal activities, twenty-four hours a day, are aimed at this goal.

When abolitionists say that today the death penalty is no longer a deterrent on criminals, I say that they are wrong, and if they will just scrutinize the arguments of the royal commission on that matter, they will see that judges, expert criminologists who testified before the commission unanimously agreed that the deterrence of the death penalty is still the main reason which prevents criminals from committing crimes.

In order not to take up too much time, Mr. Speaker, I will not repeat all the arguments I presented last year on this subject. I shall

simply say that I am in complete agreement with the hon. member for Lotbinière when he says that our society suffers from feelings of insecurity with regard to the murders so often committed in Canada and particularly in the province of Quebec. The hon. Registrar General (Mr. Turner) could certainly confirm that not a week passes without the newspapers in Montreal or the province of Quebec reporting one or two murders, and sometimes more, committed in the Montreal area.

According to the weekend newspapers, a building watchman was killed in Montreal because he had not paid his share.

The same thing happened in Rimouski over the weekend. Murder is increasing considerably in the province of Quebec and has been in fact since the death penalty has been abolished in Canada.

The police in the province of Quebec and in some parts of Canada, society, the police forces are not fighting at the present time against two or three murderers but against syndicates of murderers, hired gunmen who kill people disliked by other people. Now, Mr. Speaker, I must say that police machinery is powerless to destroy such syndicates, those networks of criminals breeding not only in the province of Quebec but throughout Canada.

The question we ask, on becoming aware of such increases in crime, is the following: Is it the proper time for the government and parliament to broaden out the legislation which I think is necessary to punish adequately people who take the lives of others?

It is often claimed that statistics prove little, but to support my statement that the number of crimes has considerably increased in Quebec, I must say that I received, last year, from the province of Quebec, certain statistics on the fearful rate of increase in the number of murders in Quebec. I quoted them last year, but to support my statement this year, I shall read to you the table I have received for the years 1946 to 1967, showing the horrifying and enormously convincing fact which will inspire us to think twice before proceeding with the abolition of capital punishment.

Mr. Choquette: Are those Mr. Wagner's figures?

• (4:10 p.m.)

Mr. Asselin (Charlevoix): Those are the figures given by the Attorney General of the province, and also, the results of investigations we made. I think that you made some also, Nevertheless, we should refresh the memory of the members of the house, who will be called upon to vote on such an important matter; we should think twice before voting freely on that bill.

There were 36 murders in Quebec in 1946, 32 in 1947, 32 in 1948, 29 in 1949, 34 in 1950, that is an average of 32 murders a year during five years. There were 40 in 1951, 42 in 1952, 43 in 1953, 32 in 1954, 36 in 1955, that is an average of 38 murders a year for those five years, and an increase of 13 per cent compared with the five previous years. There were 40 murders in 1956, 37 in 1957, 39 in 1958, 44 in 1959 and 47 in 1960, an average of 41 murders for those five years, and an increase of 12 per cent compared to the five previous years.

We now come to the year when death sentences have been systematically commuted. In 1960, there were 47 murders; in 1961, 57; in 1962, a little less, that is, 45, but in 1963, there were 63; in 1960, there were 47; in 1964, 54 and in 1965, 65, throughout the province, or a yearly average of 57 murders over five years, and an increase of 28 per cent as compared to the five previous years.

Mr. Speaker, those are figures which in my opinion, should give cause for reflection to those who have not studied this question in depth.

When the time comes to vote for the abolition or the retention of the death penalty, I feel that the members of this house should have a sole object in view. We are here, Mr. Speaker, to enforce the laws enacted by parliament, to watch over the established social order and to pass legislation intended for the majority of the people.

If, sometimes, we pass ad hoc legislation, it is because there is a need for it. The bill under consideration is a piece of ad hoc legislation, since the majority of people will not feel safe, as was said so eloquently this afternoon by the hon. member for Lotbinière, if we abolish the death penalty in all cases except for the murder of prison guards.

I ask you this question, Mr. Speaker: Is my life, your life, the life of other members of this house not as precious as that of any prison guard or police officer? We know, of course, that when those people chose the job of a prison guard, they accepted the risk inherent thereto: We must protect the people's life. When bandits hold up a bank, they are usually armed. They can shoot, on the slightest provocation and kill all the people on the premises. They are fully armed, they have already premeditated their crime, their

murder and we are going to protect them from capital punishment?

I say, Mr. Speaker, that the death penalty is the most important argument for dissuading those crime syndicates that have no other profession, and live off their crimes. I say that the people of the province of Quebec are concerned. Go meet your electors, members from the province of Quebec; you will see that our people feel apprehensive about this bill, they feel insecure, they wonder where we are going.

Mr. Speaker, these days, for the sake of stealing $5 or $10, one does not hesitate to turn a family of seven or eight into the street. It happened in Montreal. A taxi driver was murdered in order to steal $5 or $10 from him. It sometimes happens that five or six children are left homeless as a result of murder.

We are here to protect society, and if criminal themselves do not exhibit any sign of rehabilitation, I do not think we should show them any sympathy. If they show any desire to be rehabilitated, to live within an organized society such as ours, we might be inclined toward greater sympathy for them.

Mr. Speaker, I wish also to support the proposal—I had it here, in my notes—made this afternoon by the hon. member for Lotbinière as to a compensation fund for the victims of criminals. In 1967, in a modern society such as ours, I think we should have an adequate compensation fund for assisting —as I said a few months ago—orphans left homeless just because a gangster or a gunman killed a man, the sole support of a family, for a mere $10.

But we must go farther than that, and I think that is the mistake of the laws contained in our statute books. We should deal with the root of the evil and set up appropriate mechanisms to fight juvenile delinquency.

During my leisure time, I still have the opportunity to go to court. Every time I attend a sitting of the court of sessions of the peace, I see about ten young people, between the ages of 10 and 20. Some of them are appearing before the court for the third time at 17. Of course, if these young people are not rehabilitated, if we do not have the means to help them, to keep in touch with them, to give them good advice and to find them employment, these people will certainly become the murderers of tomorrow. It is not when they reach 40 that we should, in my opinion, think of rehabilitating hardened criminals. An article which I read recently

[Mr. Asselin (Charlevoix).]

concerning the psychiatric care provided in penitentiaries for hardened criminals said that when a man reaches 35 or 40 years of age, psychiatry can no longer help him. Therefore, I think the federal government, in co-operation with the provinces, should organize to fight juvenile delinquency effectively. That is where we must begin, at the root of the evil.

Of course, one cannot always lay the blame at the door of parents and say that it is solely their responsibility. There are cases where the parents cannot intervene and, I repeat, it is then up to society to provide efficient means to prevent juvenile delinquency in the country. That is the only way to build an honest society made up of honest people.

Before closing my remarks, Mr. Speaker, I should like to make a final suggestion. Everyone knows that the matter under consideration is extremely important. It will have widespread social repercussions, it will also have an impact on established order, on social order. I wonder whether, instead of submitting, for the second time, this bill to the approval of the house or to a free vote of the hon. members, the government should not have determined through a referendum, the views of the people of Canada with respect to the abolition of capital punishment as advocated by the Solicitor General of Canada? If our people are as concerned as they seem to be, I think they ought to be consulted on a question of such momentous importance.

Mr. Speaker, I hope that each member of this house will conscientiously face up to his responsibilities when the question of the abolition of capital punishment is put to the house. I think each of us will have to act not only having regard to the implications of the bill now under consideration, but bearing in mind also the protection which the community expects from the legislation passed in this house. This is why I cannot accept the bill introduced as a compromise by the Solicitor General and I will not change my mind; I will vote for the retention of capital punishment.

• (4:20 p.m.)

[*English*]

Hon. John N. Turner (Registrar General): Mr. Speaker, I rise to participate in this very urgent debate with a great deal of personal feeling—

Mr. Cowan: Mr. Speaker, may I rise on a point of privilege at this time?

The Acting Speaker (Mr. Rinfret): The hon. member for York-Humber on a point of privilege.

Mr. Cowan: Mr. Speaker, the bill which is being debated in the house at the present time is going to be decided by a free vote, and I would like to point out to you that all the speakers from the Liberal side of the house so far have been for the bill and for the abolition of capital punishment—

The Acting Speaker (Mr. Rinfret): Order.

Mr. Cowan: Why can't some retentionist Liberals be given an opportunity to speak?

The Acting Speaker (Mr. Rinfret): I regret to interrupt the hon. member but the Chair cannot foresee the opinions which are to be submitted by hon. members on either side of the house. If any one of the 264 members wishes to participate in this debate I think in due course he or she will have all the time allowable and the opportunity to do so.

Mr. Cowan: Mr. Speaker, not all of the opposition to the bill is from the other side of the house.

The Acting Speaker (Mr. Rinfret): The Registrar General.

Mr. Turner: Mr. Speaker, as I was saying, it is with a great deal of personal emotion that I participate in this debate. I want to emphasize to the house that no subject has given me more concern or caused me more personal anguish since my election to this chamber. At the outset I want to pay tribute to the very many outstanding speeches that have been made, some of them quite remarkable, on both sides of the house, not only in this debate but in the debate that preceded it 18 months ago.

No matter what his convictions may be I think each member of the house would say to the Solicitor General (Mr. Pennell)—I have the advantage of friendship here, which makes it even more imperative for me to say through you, sir, to him—that his speech was as sincere and as eloquent as any I have read, and I regret I was not here to listen to him. He was as convinced and convincing, at one and the same time, as he always is when something of great moment to him is in his heart and on his lips.

There are legitimate, heartfelt differences of opinion in the house on this subject, as there must be because what we say here and how we think here reflect the differences of opinion across the country. I suppose one's personal reaction toward capital punishment depends very much on one's views of the purpose of punishment. What is the purpose of punishment? Is it retribution? Is it deterrence? Is it remedial, reformatory or a means of rehabilitation? As professor Thorsten Sellin put it, "Is punishment a matter of dogma or is it empirical or utilitarian? I would say there must be a basic emotional conflict in everyone who contemplates the subject and attempts to make up his mind about it.

I would think that everyone must be divided between his reactions or feelings with regard to doing away with a particularly repugnant penalty which represents a collective killing by society, and an equally valid instinct on the other side, grounded in the moral law of reward and punishment, which would contemplate the death penalty as the only just punishment capable of symbolizing society's revulsion for the ultimate crime of murder. There is a strong instinct in many people that the sanction of the law against murder should properly reflect the importance which society attaches to the maintenance of that law. Those Canadians who hold that view attach so high a value to the sanctity of human life that they feel that the law which translates this feeling into effective form should provide the maximum sanction for its deliberate breach, and no other penalty should be considered adequate.

One's judgment about this question depends largely on whether one accepts primarily the old moral law of punishment in retributive terms or whether one is influenced by the behavioural sciences which tend to diminish the scope of free will and to emphasize the factors of heredity, environment, stress, and so on. Capital punishment is an area of human concern in which intellectual and emotional liberalism in people may well come into conflict with an upbringing based on the strictness of the moral law and the inevitability of retributive punishment for wrongs committed. There are two pools within every man.

This is not the only area of this type of difficult personal decision. What about divorce, where our instincts for a pluralistic society and our instincts for not legislating against somebody else's morals come into conflict with our belief that the family unit is fundamental to the structure of western society? What about abortion where the liberal instinct in favour of individual choice runs

up against the feelings for the sanctity of human life?

I want to say, Mr. Speaker, that intellectually and emotionally I advocate the abolition of the death penalty, but I recognize the deep instincts of what I believe still to be the majority of the people of this country for retribution for the heinous crime of murder. I believe that although we in this chamber do have a duty to lead public opinion we must not move too far in advance of that opinion. I believe that the ordinary person in this country has the right to expect that the law will be respected and crime punished. I believe also that many people in Canada will not easily be convinced that the abolition of the death penalty will not offend against that principle.

My vote, sir, the last time this measure came before the house on April 5, 1966, was cast against the main motion but in favour of the amendment introduced by the hon. member for Cartier (Mr. Klein). The amendment introduced by that hon. member, for which I voted, called for the abolition of the death penalty except in the case of the murder of a police officer or a prison guard acting in the course of his duty.

The substance of the hon. member's amendment has been substantially reproduced in the Solicitor General's bill, subject of course to the additional rider that no one in respect of whom a death sentence has been commuted to imprisonment, or upon whom a sentence of imprisonment for life has been imposed as a minimum punishment, shall be released from prison without the prior approval of the governor in council, and subject to the additional rider, as the Solicitor General now reminds me, of the five year trial period. I do not particularly fancy substituting for the discretion of the National Parole Board the judgment of the governor in council, but I do recognize that if this is to be a trial period and if we are to assure the people of Canada that commutation will not be lightly undertaken and this law lightly based, then perhaps during this trial period the judgment of the parole board should be substituted by that of the cabinet.

I supported the amendment of the hon. member for Cartier. I now support the bill of the Solicitor General as being a progressive step toward the abolition of the death penalty within the limits of the present climate of public opinion, within the present climate of opinion within the House of Commons and within the current state of our laws and practices in penal reform.

[Mr. Turner.]

• (4:30 p.m.)

I believe I owe it to the members of this house and certainly to my own constituents to give my reasons for supporting the abolition of the death penalty within the context of this bill. First of all, I think the statistics advanced on either side of the argument do not prove anything one way or the other. I, therefore, am reasonably persuaded that capital punishment does not act as a deterrent. It may be that the deterrent factor may operate in the case of protecting prison guards or police officers, particularly where the prisoner has nothing to lose.

I do reject, however, the argument recited from time to time on behalf of those who support the abolition of the death penalty that because the deterrent value of capital punishment has not been proven the burden of proof is on the retentionists in view of the enormity of the crime and the fact that the taking of life is so unnatural and repugnant. I do not think the burden of proof argument adds anything. I believe the answer is that the burden of proof is on anyone who wishes to change a law regarding the protection of society or the isolation of crime. In any event I feel that capital punishment has not been established as a deterrent to murder sufficient to justify its retention.

As a lawyer I must also admit that despite the improvements in our legal procedures, including exhaustive appeals, there is always the possibility of error. There is always the question of the fallibility of human judgment. There is always the possibility of the execution of an innocent man, and I need do no more than cite the case of Timothy Evans which was brought to our attention by my colleague the Solicitor General. I admit that this is rare; thank God it has not happened too often. When it does happen, however, the consequences are beyond redemption and beyond our contemplation, because when an innocent man is so wronged there is no possibility for society thereafter to redeem itself to him.

It has been an old principle of common law that it is better that 99 guilty men go free than for one innocent man to be hanged. This was the basis for the burden of proof as it still exists in our criminal law, "beyond any reasonable doubt." It is because I question whether it is ever beyond any reasonable doubt that I support the abolition of the death penalty. No human institution is perfect. Society does not have the type of perfect organization which can judge properly

in cases where the risks involved in judgment are so high. No human institution is capable of objectively analysing the motives of men, the provocation they may be under or the pressures to which because of environment they may be subjected, or the extent to which these factors affect the action or conduct of every man and woman. Without this objective analysis no one can be sure that the ultimate punishment—death—is a proper one. With that punishment and that risk the judgment would have to be perfect.

I believe that surely we have now reached the degree of civilization which enables the community to protect itself against murderers by means other than the death penalty. Is capital punishment the only method of prevention? If one discards the theory of retribution, and if one dismisses the effectiveness of the deterrent, then the question remains whether capital punishment is any longer the only indispensable protection against murderers. As the hon. member for Hochelaga (Mr. Pelletier) said during the last debate, this is more than a police matter. It is a problem of civilization, it is a matter of social progress, moving away from the horrible resort of society's collective execution of one's fellow human being.

Although I say this reluctantly as a lawyer, because we are taught in the practice of law to believe that everyone is equal before the bar, I also feel there is some risk that the penalty may be applied unequally. The lawyers in this chamber know that the conduct of any trial, whether it be civil or criminal, depends a good deal on the mood of the community. It depends, if it is a jury case as a capital case is, on the composition of the jury. It certainly depends on the competence of the judge and depends very much on the skill of the advocates on either side at the trial, whether for the prosecution or the defence. It depends a good deal upon the bearing, conduct or appearance of the accused. It depends also a good deal upon the resources of the accused and whom he is able to retain, although I am glad to say that legal aid in most of our provinces will tend to minimize that. Judge Jerome Frank used to say that a trial was the product of the witnesses' prejudices and the court's state of indigestion. I never went so far as to accept that cynical view of the law, but it brings home in rather a startling way what I was trying to say, that is, that there are unequal risks before the bar. The law does inflict its penalties unequally upon us.

These arguments seem convincing and persuasive to me. They are not overwhelming because, as many members have pointed out during the course of this and the last debate, no one is really absolutely certain of the position to take. The decision is as much intuitive as rational. I also admit that these arguments I have recited out of the collective intuition of my mind should lead us to vote for total abolition. I feel as I felt last time that the arguments carry persuasive weight, but I recognize that for a great part of the population of Canada—and this is reflected in the views of hon. members who disagree with what I am saying—probably the majority of the people of Canada, the death penalty symbolizes the moral repugnance of society for the most heinous act a person can commit—murder. Retribution is a profound instinct which is difficult to dislodge. I agree with Father Kelly of St. Michael's College who said that retribution is no longer a ground for punishment, but for a great many people that will take some convincing.

There is also a profound feeling in many people that the death penalty is a deterrent. That feeling is very deep-rooted in many people and we ought to respect that belief particularly in view of the possibility that it may be right. What I am saying is that there is no moral absolutism or certainty about this question. The police and prison officials are particularly strong advocates of retention. Law enforcement authorities almost unanimously entertain the view that the death penalty is an effective deterrent to murder. They believe that the death penalty protects the police against the criminal. I do not agree, but they believe it. In the mind of the law enforcement officer the time-proven deterrents to crime are sure detection, swift apprehension and proper punishment. To his mind each of those elements is a necessary ingredient. Proper punishment for murder, in his opinion, is the death penalty. I believe that in view of the difficult and dangerous responsibility we place upon prison guards and police officers we have a duty to deem them deserving of support and respect. They do have a special knowledge, they do have a special feeling, and they have delicate and dangerous responsibilities.

• (4:40 p.m.)

There is also a very wide public feeling—it was expressed in the house just recently by the hon. member for Lotbinière (Mr. Choquette)—that it is premature to abolish the death penalty until substantial reforms in

penology, psychiatry and measures for the rehabilitation of criminals have been made. There are also many people who feel deeply that there is ambiguity in an attitude which calls for eliminating the death penalty for murder while at the same time making no provision out of public funds for the support of victims of such a crime. I agree with the hon. member for Royal (Mr. Fairweather) who said during the last debate that, logically, compensation for victims of crime has nothing to do with the argument for abolition. I admit that. But there is plenty of emotional connection between the two subjects.

In the light of this divided public climate, in the light of the divided opinion which reflects that climate in the House of Commons, the bill introduced by the Solicitor General is in my opinion a compromise which can be accepted. The hon. member for Kamloops (Mr. Fulton) in the last debate said that the argument on abolition should relate to the nature of the crime and not to the individuality of the victim. But if there is any logic in this it is that both the exceptions, police officers and prison guards acting in the course of their duty, represent not a crime against an individual as such but a crime against the state itself since both guards and police officers represent the authority of the state in its preservation of law and order.

If treason is still punishable by death, and it is under articles 46 and 47 of the Criminal Code, as are offences under the National Defence Act such as cowardice in time of war—hon. members will find these offences listed in sections 64 to 71 of that act—they are so punishable because they are offences against the state.

Mr. Sherman: Mr. Speaker, would the minister permit a question? Would he not concede that offences such as treason and those under the National Defence Act are much more likely to be premeditated than the offences of murder?

Mr. Turner: I would say that some of the offences under the National Defence Act are committed on the spur of the moment in time of war, and yet they are punishable by death. If we are to be really logical we should eliminate the death penalty for treason and for offences committed under the National Defence Act. These offences still carry the death penalty because they are offences against the state. Therefore there is still a good deal of logic in protecting those officers of the state who are acting in support of public order. Eliminate one of these and eliminate them all. But if we are talking about logic, there is here a possibility of logic.

So I say again, Mr. Speaker, that this bill is a progressive step toward the abolition of the death penalty within the limits of reasonable persuasion of the public in the present climate. I am confident that the bill will carry the house. If on April 5, 1966, those who supported total abolition had also voted for the amendment of the hon. member for Cartier, that amendment would have carried. If the hon. member for Bow River (Mr. Woolliams) wants to ask why this bill is being brought once again before the house I would say—I am expressing my personal opinion—that the justification I see in it is that I do not believe the proper opinion of the house was registered in the last debate.

Some hon. Members: Oh, oh.

Mr. Turner: No, I should not say that.

An hon. Member: That is out of order.

Mr. Turner: I realize, Mr. Speaker, that the way I put that offends the rules of the house and I apologize to hon. members for putting it that way. All I am saying is that if the amendments had been brought forward in a different order, there might well have been a different result.

An hon. Member: It is quite possible.

Mr. Turner: Yes, it is quite possible. I did not mean to reflect upon a vote of the house. I put it in an indelicate way. I intend to exercise my vote with the greatest concern. I want to say, before concluding, that I do not believe any vote on the death penalty can be isolated from the whole context of criminal law reform. I think we have neglected criminal law reform in this country. The lawyers of this house have to take their share of the blame because I do not think we have been as vociferous in the vanguard of legal reform as we should have been.

I accept my share of responsibility in this connection. I was director of the legal aid bureau of Montreal for a number of years before I came into this house. I do not think that as a member of parliament I have done or said enough on the question of legal reform since I was elected. I hope that one of the results of this debate will be to prompt those of us us who have legal training to work toward this reform.

Our state of penology is not contemporary. We have made no efforts at the national level to compensate the victims of crime. Our rehabilitation procedures are backward. The Juvenile Delinquents Act needs to be updated. A commission has inquired into this and made a report. The Solicitor General has told us that he has submitted a draft bill to all the provincial attorneys general. The Juvenile Delinquents Act should provide for uniformity of treatment on a national basis because it is a subject of common concern to all Canadians.

I think we need a sweeping review of the entire question of law enforcement. We must attack the causes as well as the effects of crime, the war on poverty, housing, the environmental causes such as broken homes, the whole question of marriage and divorce, the problem of drugs. I believe we need to stimulate research and establish in universities across this country institutes of criminology, assigning to each university some specialized branch of the subject. I believe we have to review questions of sentencing, bail, detention before trial, indefinite detention, uniformity of treatment and educating judges after their appointment. If judges with only civil experience are to sit in criminal courts, there is nothing wrong with educating them in this regard.

Mr. Woolliams: We do it for years when we are practising law.

Some hon. Members: Oh, oh.

Mr. Turner: All this is a national responsibility. I believe we must be humane as a government but we must also respect our responsibility to protect citizens from the threat and injury arising from breaches of the criminal law. I hope this debate will do more than determine merely the question of abolition, however important that is. I hope it will stimulate a new Canadian concern and a new concern within the bounds of this house for the larger questions of rooting out and minimizing criminal acts in the future. I want to thank the house for its attention, Mr. Speaker.

Mr. Woolliams: Mr. Speaker, I should like to ask the minister a question. I listened with great attention to his speech. With regard to the reasons he gave for accepting this compromise would he be fair enough to say—I am sure he would—that the reason for the compromise is that we have actually had abolition *de facto,* if not *de jure,* since 1963 or even before?

Mr. Turner: I am being absolutely sincere in my reply, Mr. Speaker. I said that I believe this bill to be drafted in a form that will carry the house. I believe also that if a similar procedure had been attempted on an earlier occasion it might well have achieved the same result. I cannot accept the premise in the hon. member's question. This is my sincere view.

• (4:50 p.m.)

[*Translation*]

Mr. Choquette: Mr. Speaker, I should like to put a question to the minister as he has had some experience as cabinet member.

Does he not agree that there should be a commutation court, or some other court of last resort, to whose discretion commutations could be referred instead of to the cabinet? The latter really does not have time to study thoroughly the files submitted to it.

Mr. Turner: Mr. Speaker, in reply to the hon. member for Lotbinière, I would say that, eventually the whole question of commutation must be entrusted either to a court or to the National Parole Board; but, as I said in my speech, in order to impress the public with the seriousness of the situation, I feel that for a five-year trial period it might be preferable to leave commutations to the discretion of the cabinet.

Mr. J.-A. Mongrain (Trois-Rivières): Mr. Speaker, at the outset I simply wish to renew a kind of act of faith. Since I came to this house, I have tried, as far as possible, to support the government and to refrain from causing trouble with regard to its administrative responsibilities. Besides, that is what I had promised my constituents when they elected me as their representative in the House of Commons. I have disagreed with the government on a few occasions, and I shall disagree again on this bill.

The other aside I wish to make is to stress, along with all members of this house, my great respect for the personal integrity of the Solicitor General (Mr. Pennell) and the strong impression he created by his intervention the other day.

After this, Mr. Speaker, I should like to take the privilege, like all other members, to state frankly and quite openly, what this free discussion enables us to say even though in my case, being independent, discussion is always free. I may be more explicit and slightly more violent this afternoon. Some hon. members said that feelings should not be involved in our interventions and yet, having listened to all the speeches, I did not see many who did not plead their case with a feeling shared by the whole house.

Now, Mr. Speaker, after this, I shall categorically oppose this bill and I will vote against it for two reasons. First, my electors were categorical. I had a questionnaire distributed in my riding and 95 per cent of the people answered that they were in favour of retaining capital punishment in cases of capital murders proven beyond any doubt. The second reason why I shall oppose this bill, Mr. Speaker, is because of the obvious and numerous defects that it contains.

I was even surprised to see that the hon. Solicitor General of Canada, who is an upright man and everybody's friend, was chosen to submit this bill to the house, which bill I find, for certain reasons, unacceptable and scandalous. It was even called a compromise, and this is true; it is a kind of subterfuge to impress the members and to obtain a majority vote which will run counter to the general feeling of parliament as was expressed last year.

Mr. Speaker, I even think that this bill brings discredit on the government.

I am one of those who have heard it said several times—and again, recently, by the hon. member for York-Humber, who quoted many instances in support of his argument —that the government gave indications of being vacillating, of lacking in firmness, of being compelled to make all kinds of compromises to rule the country, to such an extent that throughout the land, editorial writers and the man in the street doubt that it possesses these steadfast qualities required by governments to show that kind of leadership which is required at this time.

I think that this bill is a case in point that the government hems and haws, fails to accept its responsibilities and has to resort to subterfuges so that its proposed legislation is enacted by parliament, while being aware that most members of parliament, as well as the majority of the Canadian people, are against it.

When I see a government use subterfuge to obtain the good will of parliament, I am led to question this respect towards our parliamentary institutions which are several hundred years old, towards our parliament which is supposed to be sovereign and to express the will of the people.

The bill is unacceptable and I submit as proof the very arguments advanced in support of the bill. In my opinion, these arguments are questionable. For instance, false figures have been quoted, distorting the truth. I should like to give an example—I do not have time to give more than one—taken from an editorial published in the November 13 issue of the Ottawa *Citizen* under the title:

Does hanging deter? Abolition foes must offer proof.

Here is the last paragraph:

[*English*]

—But the Solicitor General produced heartening figures: 45 prisoners whose death sentences were commuted were released on parole between 1957 and 1965. Forty are now living useful lives. Five had their parole revoked but not for murder offences.

[*Translation*]

Mr. Speaker, these releases on parole were authorized at a time when people were hanged on circumstantial evidence. I submit that those figures do not reflect the truth. Now people are hanged because they are found guilty of capital murder beyond any suspicion, for which proof has been made beyond any reasonable doubt. Therefore, that is not the case any more, and figures do not reflect the truth; furthermore, the same devices were used in many other cases. Arguments as misleading were advanced, for instance, when someone recalled the tortures of the middle ages, when people were quartered, scalded, or amputated of their ears, their fingers and their feet, and all that.

Everyone knows that that has not been done for many centuries and it is false representation to bring forth such arguments.

People speak of judicial errors, some of which have been quoted. But everybody knows that, today, criminals are hanged for capital murder only, that is for murders that have been proved without any doubt. Why then speak of judicial errors?

The hon. Registrar General of Canada (Mr. Turner) said that the legal or judicial system or the legislation are deficient and that even the judges would need to complete their education. Therefore, let them complete their education, but do not free criminals while waiting for the law to be improved and for the judges to learn how to deal with the cases that come before them.

• (5:00 p.m.)

It has been said among other things that public opinion favours abolition. I say that it is untrue, I say that if a referendum were held throughout Canada today the vast majority of Canadians would oppose abolition of the death penalty. In fact, I know that several of my colleagues tried in their ridings the experiment I carried out in mine, that is to day they sent a questionnaire to their electors to find out what public opinion was and the great majority was in favour of retaining the death penalty.

I am told, Mr. Speaker, that hon. members should educate the people. I think that is true but we should wait until the people have been educated before foisting on them measures they do not want. We have been sent here to serve the people and to comply with their wishes. Now, if it is deemed advisable to abolish the death penalty, let us start by educating the people and make them understand the reasons for its abolition, but let us not abolish the death penalty without educating the public beforehand.

I was surprised to hear the arguments put forward by the member for Lotbinière (Mr. Choquette), because, at first, he was in favour of the bill and then, he was against it. He admitted, nevertheless, that public opinion was not ready to accept the abolition of the death penalty.

In addition, Mr. Speaker, I say that this bill is unacceptable, because when one argues for the respect of human life to demand that 4 or 5 criminals not be hanged every year and that two or three be hanged for having killed peace officers, I find it a rather unexplainable ambiguousness that the Registrar General failed to clear up when he said: Those are people who commit, to a certain extent, crimes against the state.

Mr. Speaker, if the Prime Minister (Mr. Pearson) were murdered, or the Solicitor General, or the member for Lotbinière, or the chairman of the house, that would be a crime against the state. It seems to me the persons found guilty of the crime would deserve hanging every bit as much as the murderer of a prison guard who, in many cases, is uneducated. The argument is, therefore, contradictory; I dare not say misleading because I have too much respect for the hon. members and the hon. ministers who have advanced such an argument here. But if the concern for human lives is so great, so dear to the heart of all the members of this government, why then has an unanimous, eloquent and vigorous protest not been organized in this house in recent months against the wars which are killing thousands of people in some countries of the world?

At a time when Canada is accused of selling the United States arms that are used to kill the Vietnamese, why did we not raise a general protest? I am sure that the government would have had the support of all members to protest against mass killing of innocent people to satisfy questionable interests which I have no time to discuss at this point.

If the concern over the protection of human lives is so deep, let it first start by stopping these killings. On the other hand, if these cannot be stopped, let a protest rise strong enough, eloquent enough, unanimous enough to awake world conscience to this series of crime, implied in wars now being waged mostly against civilians.

I feel that if it is out of concern for the sacredness of human life that an effort is made to save two or three murderers each year, while continuing to hang two or three who kill guards, while letting thousands of civilians be massacred in unexplainable and absolutely unacceptable wars. There is something wrong somewhere, Mr. Speaker. I think it should be the responsibility of this house, in order to maintain Canada in its mission as peace-maker in the world, to maintain the respect of the smaller nations, precisely to

raise an eloquent voice and ask that this killing of civilians in totally unjustified wars be brought to an end.

I say, Mr. Speaker, that if we have so much at heart the sacredness of human life, there are still thousands of Canadians who die for lack of means to pay for the expensive services their cases require; those who are rich can afford them, but the poor cannot, due to all sorts of complications in our social legislation. Hundreds, if not thousands die, Mr. Speaker, and there is an effort to be made in that area. Our time would have been better spent, these past four or five days, in looking after the welfare of these special cases and we would have saved many more lives; we would also have saved innocent lives instead of guilty lives and we would have served Canada.

Mr. Speaker, since we are speaking of the respect due to human life, thousands of people are dying throughout the world. I know that Canada is making an effort to try and supply those countries where people die of hunger, while Canadians are living in abundance, but I say we should endeavour to increase our efforts, and instead of saving the lives of two or three criminals a year, we would be saving thousands of lives. Thus, we would contribute to further increase the consideration the people of the smaller nations may have for this country called Canada, which should be a symbol of peace, charity and mutual assistance throughout the world.

Mr. Speaker, it has been said that our role is to provide for the rehabilitation of criminals, not for their being put to death. I agree to that, but everyone says that our penal system is obsolete and out-of-date, that our prisoners are kept like wild beasts behind bars. Everyone knows that our jails lack essential staff; we have an inadequate number of qualified guards, psychologists, psychiatrists, sociologists, pedogogists and doctors; we are short of everyghing, even of material facilities, such as proper jails. That is so true, Mr. Speaker—unfortunately, I do not have the figures on hand—that each year, a rather large number of prisoners hang themselves in jail, because penal system is so obsolete and intolerable.

With regard to that rehabilitation argument, I say that we put the cart before the horse. Let us start by setting up an up-to-

[Mr. Mongrain.]

date penitentiary system, by equipping that system with the necessary experts and then, I shall have no objection. But, let us start by reviewing our legislation, by educating our magistrates, by making sure that those we sentence to imprisonment for capital murder can really be rehabilitated to a certain extent, at least, and will not later on present a danger to society and will be able to contribute usefully to the common good, and not wallow in the emptiness of inaction, if not in other unbearable conditions.

Therefore, Mr. Speaker, that argument is not acceptable either. I shall even go further than that by saying that this bill represents moral compulsion for some hon. members.

Mr. Speaker, this is the proof I give now—we say that the truth comes out of the children's mouth—it is probably the youngest Liberal member who had the naïvety to give us the reasons for that legislation. This is on page 4163 of the official report, and it is a statement by our friend the hon. member for Lotbinière (Mr. Choquette) for whom we have a great deal of admiration. He gave us a lesson in linguistics this afternoon. He almost fascinated us, we rushed to encyclopedias in order to follow him. But, sometimes there was a certain inconsistency in some of his statements; he happened to contradict himself. I want to quote now a candid confession for which I commend him. On occasion he speaks frankly, which is to his credit, and he tells us this:

This year, my philosophy has not changed much—

Of course, he has to be forgiven for his little capers, since they do happen sometimes in the Liberal party—

—but the context is different: the government is in a quandary.

There is the reason for the bill, the hon. member for Lotbinière just told us: the government is in a quandary.

—This is a non-partisan debate; we must say things as they are, see facts as they present themselves. And, when I say that the government is in a quandary, I mean the whole government machinery: members of the opposition as well as government members—

Of course, it was necessary for him to camouflage that so as to avoid being sent for by his whip tomorrow morning and being

scolded, as it happens to him sometimes when he makes revolutionary statements.

Mr. Speaker, I say it is shameful for a government made up of such respectable men as those we have there, to be forced to introduce a bill as compromising as that, to get out of an embarrassing situation. The question should be put frankly: Are you for or against the death penalty? If a majority of members of parliament decide in favour of its retention, let us comply with the wishes of parliament if we really believe in its value as a representation of public opinion. Otherwise, Mr. Speaker, there is something amiss.

Mr. Asselin (Charlevoix): We voted on that question last year.

Mr. Mongrain: That is true; the measure was put to a vote last year and the government took it upon itself to commute the sentence of all those who have been condemned to death since.

Mr. Gauthier: That is ridiculous.

Mr. Mongrain: My colleague, the hon. member for Roberval, says that that is ridiculous. A harsher word could be used and it could be said that it is proof of that arrogance that the opposition has sometimes held against the government, that contempt for the decisions of parliament in which I did not really believe when I first came here, so guileless that I was, and I felt that opposition members treated the government too severely sometimes. But I think that in this case the government has slipped badly, as it has been accused of, and I feel that that is inadmissible.

Mr. Speaker, since when do we appraise the value of human life in the same manner as meat in a butcher shop? Since when is the life of a prison guard deemed to be worth more than that of the hon. member for Lafontaine (Mr. Lachance), of the hon. member for Lotbinière or Roberval, in short, of anyone here, including the Prime Minister and the Solicitor General? Since when can this be allowed to conceal what is actually a procedural error?

I feel that the government would have behaved in a much more respectable manner if it had clearly asked the same question: Are you for or against the death penalty? A beneficial result would have been, at least, that each of these debates would have contributed to the education of the public.

As I said earlier, I shall not be forever so strongly in favour on the death penalty, but I say that we should, beforehand, pass certain measures such as, for instance, the reform of our penitentiary system and obtain the assurance that our penitentiaries will be provided with all the experts required to ensure rehabilitation.

Mr. Speaker, I think the spineless attitude of the government, an attitude I would describe as scandalous and disquieting, will contribute to deepen the menace of anarchy facing Canada today. We are at a point where so much freedom is being claimed for our people that it degenerates into licentiousness and orgies in many cases; we have reached the point of defending bandits, traitors and spies with more courage, and we might say with more eloquence and more virulence, than we seem prepared to use to protect the public weal. I wonder, Mr. Speaker, whether it is not time to put a stop to this attitude and to show that the government is firm enough to fulfil its responsibilities.

It is asked: Why should the government have the right of life or death? Why? Because the government has been given the responsibility by public opinion. The government has been given authority by public opinion and they must exert it as well as all the duties and responsibilities connected with it. I would go further and say that Catholic philosophy in which I have been brought up claims that all authority stems from God, and if the government needs the authority to put an end to a life and maintain order in society, the government must fulfil their responsibilities, even if it is difficult to do so. It is even more important in this era of licentiousness we are entering, in which apparently everything is permitted, everything must be excused in the name of this sacred freedom that is claimed and which too often degenerates in orgies.

Mr. Speaker, I shall vote against this bill and I submit that, in view of its incoherence and its compromising appearance, they are

almost scandalous in certain cases, the minister should rise and say: We withdraw this bill and ask simply: Are you for or against capital punishment? At least, we would have contributed to educate the public. Why waste four or five days time? Why? Mr. Speaker, I spoke a while ago of the speech made by the hon. member for Lotbinière, and I was forgetting to mention it. Has not moral pressure been practised on some hon. members who are now in favour of capital punishment but who, in conversation in the lobbies or in the offices, gathered that it might be wiser to change their opinion this year?

Yes, the government is in a tight spot. If the favours of the government are to be preserved, those at the helm of the government must not be displeased. Of course, it is a very human line of thought, Mr. Speaker. I do not think I am making a rash judgment in referring to this. Again I say that it is unworthy of respectable men, for whom I have respect, who are today at the helm of the government in this country.

So, Mr. Speaker, first things first: Let us begin by educating the public, by thoroughly amending our penal system, by educating our judges, by making sure that the law is the same for the poor as well as for the rich. If we want to prove our respect for human life, let us begin by saving the lives wasted and sacrificed by the thousands, by the tens of thousands, for stupid wars, or, at least, by raising our voices in eloquent protest to awaken the world's slumbering conscience; in this fashion, we shall have served the community and those who claim that the public demands the death penalty.

Before resuming my seat, I should like to refer to the situation in Great Britain; to this effect, I quote from the November 7 issue of the Ottawa *Citizen*, an article headlined:

• (5:10 p.m.)

[*English*]

Bring back noose, Britons cry.

[*Translation*]

It reads as follows:

[*English*]

Britain's five year experiment—

[*Translation*]

They, too wanted a five year period of trial.

[*English*]

Britain's five year experiment with the complete abolition of capital punishment is two years old on Wednesday and already a petition to bring back hanging is gathering 5,000 signatures a week...

Home Secretary Roy Jenkins—Britain's minister of justice and police—disputes the statistical connection. But estimates made by Jenkins' own ministry shows 35 "capital murders" last year and 32 the year before—

[Mr. Mongrain.]

That compares with an average of 20 a year before Britain abolished capital punishment.

[*Translation*]

And a little further, it is said:

[*English*]

While the Commons voted 355 to 170 to abolish the death penalty, public opinion polls showed 70 per cent of the electorate opposed the abolition—

[*Translation*]

I think that is the general feeling here, in Canada. In my opinion, this government has no right to ignore the general feeling of the people of Canada; it has no right especially to introduce a compromise ball, a subterfuge bill to mislead any hon. member who, in accordance with the wishes of his constituents, feels in his own heart and conscience that the death penalty should be maintained in cases of undisputed murder.

[*English*]

Mr. Choquette: May I ask the hon. member a question, Mr. Speaker?

[*Translation*]

Mr. Mongrain: Certainly, providing he asks it in French.

Mr. Choquette: The question I wanted to ask to the hon. member is the following. Not very long ago he made a rousing appeal here, in the house, in favour of convicted separatists and he asked the Prime Minister (Mr. Pearson) if it would not be appropriate to grant them an amnesty and to petition Her Majesty the Queen accordingly.

Would the hon. member agree, as a generous gesture of amnesty towards those whose cause he was pleading recently, to vote in favour of a measure which will precisely save them from the sad fate he has in mind?

Mr. Mongrain: Mr. Speaker, when the hon. member for Lotbinière speaks, he always gives me the impression of being a conjurer who tries to make you see one thing while

doing something else under cover. He is wrong in saying that I pleaded the cause of the separatists. The hon. member of Lotbinière is wrong in saying that because I have risen in the house several times to speak against separatism. When I pleaded the cause of two separatist students sentenced to prison, and not for murder, I asked, during the visit of the Queen, that she use her royal prerogative to grant amnesty to those two students who were not accused of murder. The hon. member for Lotbinière therefore did not present the case in its true light. They were two students considered as accessory and, furthermore, minors who had been deluded. I told myself: The royal prerogative might exist. There we had youngsters who had not been accused of murder. They could be rehabilitated, and that is why I rose in the house, and I will do so any time.

In the case of capital murders, as if, for instance, someone deliberately killed the member for Lotbinière because he is against the British crown, and if it were done by the member for Winnipeg South Centre (Mr. Churchill), then I would not intervene, not even to beg the Queen—

[*English*]

The Acting Speaker (Mr. Tardif): The hon. member for Calgary North (Mr. Harkness).

Mr. Choquette: May I ask the hon. member another question?

Mr. Rapp: No.

[*Translation*]

The Acting Speaker (Mr. Tardif): A moment ago, the member for Lotbinière asked permission to put a question but, in fact, he did not put a question but made a short speech. This time, does he wish to put a question?

[*English*]

Mr. Choquette: If the hon. member for Three Rivers allows the question it is my right to ask it.

The Acting Speaker (Mr. Tardif): Order. The hon. member for Calgary North has been recognized by the chair.

Hon. D. S. Harkness (Calgary North): Mr. Speaker, when I spoke in the debate on the abolition of capital punishment just over a year ago I did not expect that the house would be debating the matter again within such a short time. Actually, I think it is improper to do so in view of the fact that the present parliament is just two years old and the house gave a definite expression of its view on this matter some one and a half years ago. In addition, Mr. Speaker, the majority of the people in this country are opposed to the abolition of capital punishment, as the Registrar General (Mr. Turner) indicated in his remarks and with which view I agree. There are also many very urgent matters which the house should be considering. Therefore for these reasons I think it is a mistake to bring the bill in now, and I deplore the position taken by the government in regard to it.

• (5:20 p.m.)

The Registrar General spoke of the various theories on capital punishment which motivate different people. For example, there is the utilitarian approach, the retributive approach, the humanitarian approach and so on. So far as most people are concerned these approaches are intermingled, but basically my approach to the matter is from the utilitarian point of view.

I commenced my speech a year and a half ago by saying that the basic question we must consider is the protection of the general public. I reiterate that and should like to emphasize it. I do not think there is any question that all other considerations are secondary to the basic one of the protection of the lives of our citizens. Some abolitionists favour abolition on humanitarian grounds, some feel repugnance, which I think we all feel, to hanging a man by judicial process, and some are afraid that there is an infinitesimal chance, as the Registrar General mentioned, that an innocent man might be hanged. Nevertheless, in my view all these considerations are subservient to our main concern, the protection of the ordinary citizens of this country.

One takes for granted that organized society must use sanctions to prevent the murder of its citizens, to prevent their physical injury, the forcible removal of their property or the impairment of their rights to property. Everyone admits that sanctions are necessary to prevent this kind of thing. Some think they are necessary from a punitive point of view, the idea being to take a tooth for a tooth. The great majority—everybody, I believe—think that such sanctions are required to protect the ordinary citizens of the country and they must be continued.

All these factors being taken for granted, and I think the Solicitor General, the Regis-

trar General and others in favour of the bill will agree that this is so, the argument really boils down to this. Is capital punishment an effective and necessary deterrent or are other deterrents equally effective? My view, which I hold strongly, is that capital punishment is necessary. It is the most effective deterrent to murder which exists and therefore for the protection of the general public it should remain part of our law. I shall therefore vote against the bill.

In the past great masses of statistics have been cited as to the relation between the number of murders and the existence or absence of capital punishment. These statistics formerly were used with great assurance by abolitionists who attempted to prove that capital punishment was not necessarily a deterrent to murder. Recently, I note, they do not place nearly the same reliance on those statistics. It has become clear that nothing one way or another can be proved from them. The Registrar General said as much in his speech a few minutes ago. Other abolitionists have also admitted that, and the Solicitor General when discussing the bill said, as found on page 4078 of *Hansard*:

> I concede that I cannot number the occasions when the death penalty might have been a deterrent. Indeed, I do not claim that statistics are proof conclusive—

He goes on to say that in his view statistics are relevant. He used many statistics and examples from various countries to try to prove his contention that capital punishment is not necessarily a deterrent to murder. Summing up at the bottom of the page he said:

> —these statistics show with remarkable consistency that the abolition of the death penalty did not lead to an increase in the rate of murder.

I take exception to that statement and I dispute its accuracy. One might take the little book on capital punishment and material relating to its purpose and value which was issued by the government in 1965 and select all kinds of examples to prove the case either for or against abolition. The example which carries most weight, to my mind, is the one which was used by the hon. member for Trois-Rivières (Mr. Mongrain). What has happened in the United Kingdom? It is two years since they abolished the death penalty. In that regard I wish to quote part of an editorial in the October 30 issue of the Calgary *Herald*. It puts the matter clearly and reads as follows:

> Canadian parliamentarians should take careful note of the weight of public opinion in Britain which favors a return to capital punishment in that country.

[Mr. Harkness.]

> There are lessons which should be learned from the British experience before the Canadian House votes for the second time in as many years on abolition of the death penalty in this country.
>
> The record in Britain indicates that the murder rate and the incidence of violent crime have both risen since abolition.
>
> Britain abolished capital punishment two years ago for a five year experimental period. There were 35 capital murders in Britain last year and 32 in 1965, compared with an average of just over 20 in the previous eight years when the death penalty was in effect.

That is an increase of 65 per cent and should give the abolitionists cause for thought. The editorial goes on to say:

> Britain is universally regarded as one of the most civilized countries in the world, not given to the type of violence that typifies crime in many other countries. The fact that violent crimes have increased since abolition should make Canadian lawmakers stop and think before casting their votes in the forthcoming debate on following Britain's example by abolishing the death penalty for a five year trial period in Canada.

This example is particularly important to use because our traditions and our respect for the law are much the same as Britain's and justice in this country is administered very much as justice is administered in Britain. As the editorial says, Britain has the smallest incidence of violent crime and shows the greatest respect for law of any country in the world. For the murder rate to increase in Britain is a clear indication that the same thing might happen here if the death penalty is abolished, and I hope it will not be.

I will not quote many statistics. When the Solicitor General says that the balance of evidence shows that abolishing capital punishment does not lead to an increase in the murder rate, I do not think he can prove his case. I have cited the example of Britain. On page 89 of the little blue book on capital punishment which I referred to a few minutes ago the homicide rates for the New England states are shown to be the lowest in the United States. Again, those states have a stronger tradition of respect for the law than other parts of that country. In any event, we see that the murder rate for Maine, which has no capital punishment, from 1940 to the present time has consistently been higher than the rates for New Hampshire, Vermont, Massachusetts and Connecticut.

• (5:30 p.m.)

The rate in Rhode Island, which also does not have the death penalty, is very slightly higher than the rates in these other states, all of which have the death penalty. These figures are not conclusive. I do not think they

prove very much, but I think they do disprove the statement of the Solicitor General that the weight of the statistics supports his case for abolition. I think the reverse is the situation.

The statistics which have much more value from any point of view are those showing the homicide rates for different countries and these are to be found at page 86 of this same book. Homicide death rates per 100,000 of population are shown in two tables. Beginning with El Salvador, which has by far the highest rate of any country with 44.3, here are some rates in various countries where the death penalty exists: Bolivia, 6.6; U.S.A., 5.8; Spain 1.4; Canada, 1.2; Australia, 1.1; New Zealand, 1.1; France 0.8; Ireland, 0.6; Scotland, 0.6; England and Wales, 0.5. I wonder why there should be such a difference between the situation in Spain and the situation in Italy, a country without the death penalty, where the rate is 2.4. In many respects these are similar countries. The indication is that the absence of the death penalty in Italy is a factor to which the difference might be attributed.

In the next column we find a list of countries where the death penalty is not imposed. The rates are: Columbia, 15.9; Puerto Rico, 14.1; Costa Rica, 5.0; Dominican Republic, 4.9; Finland, 4.6; Italy, 2.4; Austria, 2.1; Portugal, 1.6; Belgium, 1.4; West Germany, 1.2; Denmark, 1.0; Switzerland, 1.0; Sweden, 0.8; Norway, 0.5; The Netherlands, 0.4. These statistics are not conclusive in terms of evidence but in my opinion they demonstrate strongly that where a tradition of respect for the law is strong the homicide rate is low, and that where a tradition of violence exists the homicide rate is high. We note this particularly in the United States where there is a low rate in the New England states and a much higher rate in the southern and some of the western states where a tradition of violence has existed since pioneer days.

If we turn from statistics, as I think most of us do when considering this subject, as a means of proving the value of capital punishment as a deterrent to murder, we are left with the question: What is there to fall back on? I suggest that what we have to rely on chiefly is the application of common sense to our own reactions and the reactions of other people we have observed throughout our lives in connection with the effect of deterrents on them in dissuading them from entering on a life of crime or breaching regulations and laws in any way. I submit that the chief reason the majority of people do not break the law is fear of the consequences. I further submit that the greatest fear known to a human being is the fear of death.

The argument has been advanced that the fear of life imprisonment is just as great as the fear of death; some have suggested it is even greater. I do not believe that those who argue in this way have examined their own reactions and their own thinking. If they were to do so I do not think they could possibly put forward such as argument honestly. No one who has had experience in a war and has seen men under fire can fail to be convinced that the fear of death is the greatest fear there is so far as the vast majority of people are concerned. There may be the exceptional individual who does not fear death but such people are few indeed, and I have yet to see one when under fire.

It has been argued that the criminal mind does not fear death. I reject the idea that there is a criminal mind as such. I believe that all human beings react to basic situations in the same way and that criminals have the same reactions as the rest of us. In my opinion their fear of death is just as great as that of any other individual. They may overcome that fear and carry out certain actions just as soldiers do in a war but nevertheless the fear is there, and I am convinced in my own mind that in a large number of cases it serves as a deterrent to crimes of murder which would otherwise be committed.

I reject the argument that life imprisonment is just as great a deterrent as capital punishment. I reject it because along with the punishment of life imprisonment there is always hope. Hope is the emotion which keeps people going in any type of activity and as long as a prisoner has hope that he will one day be free a life sentence will not be nearly as powerful a deterrent as the death penalty, particularly since the so-called life sentence very rarely amounts to that. The Solicitor General himself knows that practically every one of these sentences has been reviewed and the prisoner paroled in the course of time. Again, there is always the hope of escape. For these reasons I reject the argument that life imprisonment is anywhere near as powerful a deterrent to the commission of murder as the fear of death, particularly the fear of death by hanging which is a particularly repugnant way to die according to most people's thinking.

Another argument put forward by the Registrar General is that an innocent man might be executed in error. An instance of

this was given by the Solicitor General. I admit there is a chance of this happening but I submit that as things are at the present time, and as they have been for the last ten years in Canada, the likelihood of such an error is infinitesimal. First of all, the whole trial process makes it most unlikely that a jury would bring in a verdict against an innocent man, though this might happen. Let us not forget, though, that these cases are all reviewed by the cabinet, and if there is any chance whatever that the man concerned is not guilty the sentence is commuted. In these circumstances I say that the chance of an innocent man having been executed in Canada during the last ten years has been infinitesimal. The chance always exists, there is no doubt about that, but it is so small that I think it could be left out of consideration entirely. Certainly it does not weigh with me as a strong argument in favour of the abolition of capital punishment.

I take objection to the present bill even more strongly than I did to the abolition bill we discussed a year and a half ago. I say that instead of a compromise it is really a bill of expediency. It is contrary to the principle of abolition. I do not see how any conscientious abolitionist can vote for this bill because it retains the death penalty in the case of policemen and jail guards. Of course I do not see how any conscientious retentionist can vote for it either. Therefore, in my view everyone who firmly and conscientiously believes in abolition should vote against the bill and everyone who firmly and conscientiously believes in retention should also vote against it.

• (5:40 p.m.)

Undoubtedly the bill is contrary to the general theory of deterrence and in addition it is objectionable because it makes two classes of citizens in this country so far as the imposition of the death penalty is concerned. On the one hand you have policemen and jail guards. If they are murdered, presumably their murderers are to be executed. If you or I or any other member of the general public is murdered, our murderer is not to be executed. Why should Canadians be divided into two classes of citizens from the point of view of the punishment which is to be given to their murderers? It is completely illogical and in my view contrary to good law as well as contrary to the whole concept of the equality of people before the law.

In this debate up to now I have not heard any really good reasons advanced why there should be these two classes of citizens. Inasmuch as the bill provides for the death penalty so far as prison guards and policemen are concerned, certainly it admits that it is a deterrent. It retains the death penalty in those cases on the very grounds that it is a deterrent. Therefore why abolish it so far as the general public is concerned, about whose protection the government should, in my view, be much more concerned than with a limited number of policemen and jail guards? I think that the real reason for the introduction of this bill so soon after the last one was defeated is that it is an attempt to rescue members of the government from the position of defying the law. In effect that is what they have been doing because they have commuted every death sentence. They have refused to accept their responsibilities in regard to reviewing death sentences. They have been defying the will of parliament as expressed here only a year and a half ago. I can see no other reason why this bill is introduced now except to get the government off the hook.

The bill is repugnant to me on that ground. It is repugnant to me on the gound of dividing Canadians into two classes from the point of view of punishment. In addition, I am opposed to it on the general philosophical ground that a deterrent of this kind is necessary. I think members of the government should have accepted their legal responsibility over the past several years and seen, to it that in cases where there was no question of guilt whatsoever the law as it stands on the statute books was carried out. The members of the government have refused to do that. They have commuted every case, no matter how bad it was, and thus refused to accept their legal responsibility. For all these reasons I trust that the majority of the members of the house will vote against this bill, as they did a year and a half ago, and that it will be defeated.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to join with other hon. members who have paid their compliments to the Solicitor General (Mr. Pennell) for the excellent way in which he presented this bill when he moved its second reading last Tuesday. I should also like to agree with the remark made this afternoon by the Registrar General (Mr. Turner), which has also been made by other members, that once again we have been having an excellent debate. Our views vary from one extreme to the other, but somehow or other this kind of debate does seem to inspire members to speak both from the heart and

from the mind and I am sure it can be said of this debate, as it was said of the capital punishment debate of 1966, that it is parliament at its best.

I should like to divide the remarks I wish to make and put them under two general headings. That in itself is unique for me. My speeches usually have three headings and a few amendments as well. But today I have just two general headings. First I would like to indicate, even though it is a case of repeating some things that have been said, why I stand with those who favour total abolition of capital punishment. After I have done that I should like to take a look at the present bill in what I think is its proper perspective.

With respect to the question of capital punishment itself it seems to me, Mr. Speaker, that the Solicitor General was perfectly right the other day when he pointed out that it is the last survival of the idea that punishment has to fit the crime. As he pointed out, we do not burn down the house of an arsonist. Neither do we maim or disfigure a person who may have maimed or disfigured a victim. If I may go on, we do not steal the property of a person who has committed a theft. We do not practice punishment or vengeance in this way except in the case of murder. Here we still seem to carry on the idea that there is something valid about the concept of a life for a life. To me, Mr. Speaker, it is completely uncivilized. It is a barbaric practice which is not worthy of a twentieth century society.

I know that there are those who say they are concerned about the victims of crime and that we should not be concerned in a softhearted way about the criminals who commit crime. But I would like to say, as I have said before, that what bothers me most about capital punishment is what it does to society itself. When a hanging takes place—and I am grateful that there has not been one in Canada for almost five years—it is not just the hangman who is performing it. It is not just the law in some detached way which is going through its processes. We, the people of Canada, are there. We, the citizens of this country, acting through the state of which we are a part, are committing the act of destroying a life. I suggest, Mr. Speaker, that it is not the mark of a civilized society, that it is not the answer to the seriousness of the crime of murder.

It is interesting, although a bit staggering, to read the sections of the Criminal Code that deal with capital punishment. If there are members of the house who have not read them recently I would suggest that they do so. As a matter of fact I read them a day or two ago to a visitor to my office and after I had finished reading them my visitor asked me, "When were those sections written"? The saveregy and the barbarity with which the details are spelled out as to how society takes the life of a criminal, arranges for his body to be buried within the prison walls and so on, sounded to him like something out of the middle ages. I urge that we face up to the fact, if we ask that capital punishment be part of the law of this land, that we are asking for a barbaric practice which does not go with modern society.

I feel also that the retention of capital punishment on society's part is an admission of failure, a counsel of despair. We live in an age when we are conscious of the wonderful things we can do. Any day now we are likely to pick up the newspaper or turn on the radio and learn that we have put a man on the moon. Before long there may be many men and women on the moon. We have built computers which can do the work of hundreds, even thousands of people. We have made tremendous advances in medical science and we have even made some advances in the social sciences. We are in an age which has seen an explosion of knowledge. As after-dinner speakers sometimes remark, there are more scientists alive today than existed in all the previous ages of man's history. Indeed, more knowledge is accumulated in a generation today than was accumulated in centuries before.

• (5:50 p.m.)

It strikes me that it is a terrible commentary for us to boast of living in a wonderful age among intelligent people and yet not have any better answer to the problem of crime, particularly the problem of the supreme crime of murder, than just that we put the person out of the way. I submit that to follow that counsel of despair is an admission of failure which society ought not to be making. I know the argument is advanced—it has been advanced by the last speaker and others who have taken the side of capital punishment—that we must consider the matter of the protection of human life, indeed, that we must consider the sanctity of human life. I go along with that phrase 100 per cent, or 1,000 per cent if you like; but I submit that life imprisonment or imprisonment until there is no danger of the crime being repeated is just as much a protection for the individual as is capital punishment. I suggest, on the other hand, that so long as the state

continues to practice violence—because that is what it is when the state puts a man to death—we are keeping alive the practice of violence in a way which is against the protection of the people themselves. It really is no protection to these innocent victims who are mentioned, the people who might be molested if criminals escape or are released. There is no protection provided by the state keeping alive the practice of violence. That practice does the very opposite.

I agree with the hon. member for Trois-Rivières (Mr. Mongrain) and others who have spoken in this debate when they say there are other forms of violence which we must get rid of, especially the violence of war such as we have in Viet Nam today. I agree also that other forms of violence such as those depicted on some of our television screens, and so on, contribute to this whole atmosphere, because the idea of persons killing each other is thus kept alive. However, the fact that other forms of violence which take place create the wrong ideas in people's minds is no reason for keeping extant this form of violence, namely, the actual deliberate legal taking of a human life by the state. I believe that if we want to recognize the idea that human life is sacred and that life must be protected, we must see to it that the state does not indulge in the practice of violence and does not indulge in the taking of human life.

This afternoon the Registrar General said one or two things which were well put, although I feel I must comment on them. He said he thought it was not proper to use statistics in this debate to argue that the burden of proof was on one side or the other. Then he said where, in his opinion, he thought the burden of proof lay. He said the burden of proof rested on those who want to change the law. That is a plausible argument, but I think it could well be modified and put this way: The burden of proof rests not merely on those who would change the law but on those who would change the practice. I am delighted that the practice in Canada at the present time is not to hang people. We have not had a state exection in this country since the end of 1962, nearly five years.

Mr. Cowan: Despite parliament's vote of a year ago.

Mr. Knowles: I shall refer to that. If I do not get to it before six o'clock I shall do so at eight o'clock. For five years the practice of this country has been that we have not had capital punishment. I suggest that any vote of parliament which would require—and I will return later to that word as I use it in this sense—the government again to start nanging people would be a vote which would change our practice and would result in a backward step being taken. I believe also that those who wish that we take that step are the ones on whom the onus of proof rests.

In his defence of the retention of the death sentence to some extent, namely, the extent set out in this bill, the Registrar General also said that the death sentence symbolizes the repugnance of society for the crime of murder. If I may use his own words, Mr. Speaker, I would suggest that the death sentence does something else. It symbolizes society's resort to violence, society's recognition that it has not found the answer to crime. It is an admission of our failure; it is a counsel of despair in which we ought not to indulge.

These are the reasons I hold to the view, which I have held through all my adult life, that we should not have capital punishment in this country. I hope the day will come when we will get rid of it altogether. This leads me to the second part of my remarks, namely the things I wish to say concerning the bill which is before us. However, I see from the clock and from your posture, Mr. Speaker, that it is about six o'clock.

The Acting Speaker (Mr. Tardif): Order. It being six o'clock the house will now proceed to the consideration of private members' business as listed on today's order paper, namely, private bills and public bills.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Tardif): It being six o'clock it is my duty, pursuant to provisional standing order 39A, to inform the house that the questions to be raised at the time of adjournment tonight are as follows: The hon. member for Kootenay West (Mr. Herridge), National Defence—possibility of joining South American nuclear-free treaty; the hon. member for Winnipeg South (Mr. Sherman), National Defence—Winnipeg—theft of arms from Minto armouries; the hon. member for Victoria, B.C. (Mr. Groos), Veterans Affairs—maintenance of preference in defence establishment appointments.

PRIVATE BILLS

Mr. Nasserden: Mr. Speaker, I rise on a point of order. After consultation with a

number of hon. members of the house, including those in whose names bills numbered 1 to 7 appear on the order paper, I believe there may be a general inclination to give unanimous consent to the consideration of Bill No. S-20, to incorporate the Co-operative Trust Company Limited, which stands in my name.

• (6:00 p.m.)

The Acting Speaker (Mr. Tardif): Does the house give unanimous consent that Bill No. S-20 be now considered?

Mr. Cameron (High Park): Mr. Speaker, I consent on the assumption that there will be a very limited debate on the bill or in fact no debate at all. The hon. member for Rosthern spoke to us about this matter and it was agreed that his bill would receive priority if there were no debate on it.

Mr. Howard: Mr. Speaker, we have no objection to giving unanimous consent to having the bill called for second reading but I would point out that the assumption just expressed by the hon. member for High Park is purely that, just an assumption, and should not form part of any agreement to proceed with the bill.

Mr. Deputy Speaker: Perhaps I should point out to the house that of the items preceding No. 8, Nos. 1, 2, 4 and 7 could be stood at the request of the hon. members sponsoring the bills and each could retain its place if there were a request from the government to do so. Items Nos. 3, 5 and 6 are for resuming debates; therefore they are orders of the house and unanimous consent would be required to stand them. Perhaps we could proceed with the order standing in the name of the hon. member for Rosthern if the house would agree by unanimous consent to stand items Nos. 1 to 7 inclusive for the time being and that they retain their positions on the order paper.

Some hon. Members: Agreed.

Mr. Deputy Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Deputy Speaker: The house will then proceed to—

Mr. Cameron (High Park): Mr. Speaker, I want to accommodate my hon. friend to the greatest possible extent. However, when this matter was mentioned to me I was given to understand it had been arranged that this bill would receive second reading with no debate. I referred just now to a minimum of debate. Under the circumstances I do not see how I can consent to this bill being proceeded with now. I regret it very much, but if there is not unanimous consent I believe we should proceed with the items as they appear on the order paper.

Mr. Nasserden: Mr. Speaker, I would be prepared to move the motion without any debate at all and without making any introductory remarks. I understand there might be very limited remarks by an hon. member of another party. I do not think this bill would take very long at all. I would really appreciate the co-operation of the house if I could have it.

Mr. Barnett: On the point of order, Mr. Speaker, I do not wish to indulge in semantics but it is my understanding that the arrangement was that there would be a reasonable amount of debate on the bill. I have had a chance to look at the bill. I think it is an important one and should not simply be passed as certain bills have been at other times in this chamber without any comment at all from interested members. I was not a party to any private discussion on the matter. It would seem to me that this is the kind of bill that could be given second reading after a reasonable amount of debate.

Mr. Cameron (High Park): Mr. Speaker, I am relying on my good friend the hon. member for Comox-Alberni that there will not be an extended debate. I understand that hon. members have explored the ambit of the bill and are prepared to give it the attention they think it deserves but they do not think it will take too long.

Mr. Deputy Speaker: Is it agreed that by unanimous consent we proceed with item No. 8?

Some hon. Members: Agreed.

CO-OPERATIVE TRUST COMPANY LIMITED

Mr. E. Nasserden (Rosthern) moved the second reading of Bill No. S-20, respecting Co-operative Trust Company Limited.

He said: Mr. Speaker, Bill No. S-20 provides for the incorporation of the Co-operative Trust Company of Canada. I should like to thank all hon. members for their co-operation in giving precedence to this bill today.

Co-operative Trust was first incorporated by an act of the legislature of the province of Saskatchewan 15 years ago. It was created to serve a special purpose in that province and

has shown consistent growth. The share capital and reserves have grown from $50,000 in 1952 to $1,473,000 in 1966. Offices of the company are maintained at Saskatoon, Regina, Melfort and Swift Current. The officers of the company are: Gordon South, Melfort, president; William Cummins, Saskatoon, vice president; H. A. Wagner, Saskatoon, general manager, and Al Martin, Saskatoon, secretary treasurer.

The main functions of the company are to provide long-term mortgage funds and trustee services for co-operators and credit union members. I believe the passage of the bill will improve the efficiency and service of this company. It is with pleasure that I leave it to the disposition of the members of the house.

Mr. Frank Howard (Skeena): Mr. Speaker, with respect to the understanding that there would be no debate on this bill I should perhaps make my position clear so there will be no misunderstanding on this aspect of the matter. I am sure the hon. member for Rosthern (Mr. Nasserden) will not mind if I disclose the tenor of the conversation we had on the telephone about this matter. The hon. member called earlier today and pointed out that he would like to proceed, with unanimous consent, with this bill. He asked if there was any objection—I am not sure whether he said on my part or on our part, meaning members of our party—and I told him there was no objection but that he should consult members who had bills on the order paper in a position of priority over this bill. I mentioned specifically the hon. member for High Park (Mr. Cameron) because I know he is interested in one bill that stands in second position on the order paper and another, which is a resumed debate, a little farther down the order paper. That was the extent of the conversation. There was no request at any time by the hon. member for Rosthern with regard to limiting the debate and certainly no mention of no debate at all.

I think hon. members who know my position with regard to limiting or dispensing with debate on any item before the house will probably understand that I would not have agreed in any event to such a proposition made privately. In this respect I am always reminded of the motto of Benito Mussolini and the Fascist party when they took office in Italy some time in the 1920's. It was adopted from an old Roman slogan and simply said: No debate, just obedience.

I do not think we can agree in a matter such as this to the concept of no debate. We want to know what this bill is all about. I have related the extent of the conversation I had with the hon. member for Rosthern. We look upon the bill before us in a light and from a point of view entirely different from that with which we look at other bills that come before the house during this hour. This is the second occasion, as I recall, when we have dealt with a bill during private members' hour to incorporate a co-operative or credit union under one or other of the federal laws relating to companies engaged in the financial field in one way or another. Accordingly, we look upon it from an entirely different point of view than we do other bills which are dealt with during this hour.

• (6:10 p.m.)

I am sure that the Senate banking and commerce committee which considered this bill looked at it from a similar point of view. I say this because of the speed with which the bill proceeded through the Senate once it came up for consideration there. It was given second reading on the first day of November, just 14 days ago, and referred to a standing committee which presumably held hearings, although I do not know that for sure, and considered the bill. It then came back to the Senate, was considered in committee of the whole of the Senate and passed on November 8. It was then sent here for consideration of the house on November 9. So it took eight days for the Senate to consider the bill, including the days on which it was given second and third reading.

There is an aspect of the bill about which I feel some doubt and reluctance. However, I do not mean to imply that I have any regrets about giving the bill passage at this or at any other stage. My doubts relate to a principle we discussed on another occasion with respect to another bill which was before parliament during the last session and is now before us again. I refer specifically to the bill seeking to incorporate the Excelsior Life Insurance Company. If my memory serves me correctly, that bill contains a provision stating that the company is not to be incorporated as a federal company by the parliament of Canada but is to be continued as a federal company. Yet the fact is that until that time that company had been a provincially incorporated company. We expressed some concern about parliament being asked to declare something which is not a fact and had not been a fact until that time, namely, that the Excelsior Life Insurance Company has been a federal company ever since May 4, 1910, when in fact it has been a provincially incorporated company under the laws of Ontario,

if I recall correctly. Parliament is being asked to pass a law saying that the Excelsior Life Insurance Company shall be considered to have been incorporated as a federal company on May 4, 1910 when that is in fact not so. We expressed some concern about that when the Excelsior Life Insurance bill was being considered both in the house and before the committee.

The bill before us respecting the Co-operative Trust Company Limited seeks to do the same thing, and this gives me some concern. The situation is almost parallel to the one with regard to the Excelsior Life Insurance Company bill. I say "almost parallel" because Excelsior Life is a foreign owned company incorporated as a promoter while the company we are now considering is more in the nature of a co-operative credit union and has a different control structure within the trust company. However, Co-operative Trust Company Limited seeks to be continued as a body corporate under the new name of Co-operative Trust Company of Canada and "shall be deemed to be a company incorporated by special act of the parliament of Canada". In other words, this company is asking parliament to say that it shall be deemed that Co-operative Trust Company Limited has been a federally incorporated company since March 24, 1952, the day upon which it was incorporated by a special act of the legislative assembly of the province of Saskatchewan. We know that this is not the case.

This is a matter which must be explored and which undoubtedly will be explored by the standing committee to which this bill is referred. Basically there is a difference between the Co-operative Trust Company which is now seeking to be incorporated and the Excelsior Life Insurance Company and all the other privately incorporated companies which fall within this category. This being so, perhaps we should approach this company in a different way.

The basic principle of ownership within a privately owned company is that money counts and money talks, and there is a relationship between the amount of money invested in the company by way of share capital and the degree of control over the company. Let us take as an example the Seaboard Finance Company of Canada, in which the hon. member for High Park (Mr. Cameron) has a great interest. As I understand the system, if a person owns 1,000 shares in that company he has 1,000 votes and if he has one share he has one vote. The basic principle is that money controls and dictates the policy of the particular private company in question. In the credit union and co-operative movements the principle is entirely different. It is that all shareholders have the same voting power. This is the basis of the bill before us. It is not money that counts or the total number of shares which any individual, any society, credit union or co-operative owns in the company. The fact is that each shareholder is equal to the other shareholders so far as his voting power in the company is concerned.

However, there is one exclusion in the bill before us. As I read the bill it says that notwithstanding section 46 of the Trust Companies Act each shareholder shall be entitled at all general meetings of the company to one vote only and no shareholder shall vote except through its representative or representatives in accordance with the by-laws. It then goes on to provide that the company may buy from the holder or holders thereof any of the shares of the company. In other words, each shareholder is equal to the other shareholders, and the principle that people, not money, controls the company and its activities is of paramount importance in our consideration of the bill.

• (6:20 p.m.)

I point out that the shareholdings of the company are of some importance because they indicate the degree of control which exists over the company and the manner in which it may be exercised through the one vote per shareholder principle contained in the bill. As of April 30 there were 257 credit unions, all of them in the province of Saskatchewan, which were shareholders. There were also 35 provincial co-operatives and 11 central co-operatives, including the Saskatchewan Wheat Pool, the Saskatchewan Co-operative Credit Society and others which I shall not enumerate. All in all, there were 303 shareholders in control of the company.

It is interesting to note that the authorized capital of the company is $3 million divided into shares of $10 each which means 300,000 shares available in the treasury of the company. Of these shares, only 303 have been issued, so it would appear that if this company receives federal incorporation and goes into business under the aegis of the parliament of Canada there will be ample unissued shares in the treasury to embrace other credit unions and co-operatives in other provinces which may want to become shareholders and participate in the growth and development of the company.

It is interesting to note from a political point of view that it has long been the contention of the C.C.F., our predecessor, and of the New Democratic party that the government has a distinct role to play in the formation and development of credit unions and co-operatives. We believe that the government should be in the forefront in assisting the development and formation of credit unions and co-operatives because it is through either or both of these organizations that people have an opportunity of regulating the economy in so far as its effects on them are concerned. Through credit unions there is perhaps as good an opportunity as exists anywhere in the world for people to have some control over inflation because credit unions are, in effect, a banking system and the members of credit unions are able to control interest rates and lending activities. This gives them more control over inflationary pressures than is provided through the chartered banks which are able to do whatever they wish.

It is interesting to note that the provincial government of Saskatchewan gave some assistance to this company following its incorporation in 1952 by providing a fund of approximately $4.5 million so that it could get into operation as a credit union. In 1965 the government withdrew that assistance on the understanding that the co-operative trust company had developed to the point where it could operate on its own. It has continually expanded its operations since the discontinuance of that assistance in 1965.

I see you rising in your seat, Mr. Speaker, so I assume that my time has expired. I think I should conclude my remarks by saying that I look forward to the consideration that will be given this bill when it reaches the committee stage.

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, there are just a few words I should like to add to the remarks made by the hon. member for Skeena (Mr. Howard) in connection with this bill. One reason why I feel this bill requires at least some discussion in the house is that it should be made clear it is a different type of financial bill from many of those with which we are called upon to deal during this part of our proceedings. The purpose of the bill is to incorporate Co-operative Trust Company Limited. I suppose one might assume from the title that the company is a true co-operative organization. However, I do not know that the word "co-operative" has any copyright attached to it.

[Mr. Howard.]

One has to consider the activities that have taken place from time to time in this chamber. I recall an application for a change of name of a company. I have forgotten the original name of the company but it was proposed that the name be changed to "Beneficial Finance Company". We had some discussion about who was going to be the beneficiary of that change in name. I think it is quite proper that there be sufficient discussion and explanation of this bill so it is clear that this proposal, in fact as well as in mane, concerns the establishment of a co-operative organization.

The hon. member for Skeena has set out a good deal of the factual background and the present composition of the shareholders of this organization. It is also a fact that the company expects to operate in other provinces than Saskatchewan where it originally established its operations.

I believe the only other point I should like to make relates to the fact there is a specific clause in the bill which would exempt this company from certain operations of the Trust Companies Act. In other words, this bill, as well as another one which was put forward earlier in the session, emphasizes the need for that long-promised piece of legislation in respect of the federal incorporation of co-operatives. The provinces have acts which enable the chartering of co-operative organizations. There have been passing references from time to time to the introduction of parallel legislation by the federal government but so far we have been waiting in vain for such a proposal to appear on the order paper.

I should like to reiterate what I have said in earlier debates on this subject, namely, that the fact this bill is being introduced in this way emphasizes once more the lack of federal legislation in this field. I should like to take this opportunity to urge the government once again to take steps to close this gap. There are at the present time artificial restrictions on the operation of co-operative organizations in this country because they are not able in the ordinary way to transcend the limitations of their provincial charters as co-operatives.

I was interested to note that this bill was introduced in the other place by an honourable senator whom some of us remember as the distinguished former member for Spadina in this house. Knowing his longstanding interest in the type of organization under discussion, so far as I am concerned that fact is some recommendation for the favourable consideration of the bill in this house. I think it is quite appropriate that the hon. member

who has proposed the bill to this house for second reading should come from the province of Saskatchewan where this co-operative trust organization had its genesis.

• (6:30 p.m.)

Motion agreed to, bill read the second time and referred to the standing committee on finance, trade and economic affairs.

SEABOARD FINANCE COMPANY OF CANADA

Mr. A. J. P. Cameron (High Park) moved the second reading of Bill No. S-15, to incorporate Seaboard Finance Company of Canada.

He said: Mr. Speaker, the purpose of this bill is to incorporate a small loans company within the meaning of the Small Loans Act, revised statutes of Canada, 1952, chapter 251. Section 2 (f) of the Small Loans Act defines a small loans company as being "a company incorporated by a special act of parliament and authorized to lend money on promissory notes or other personal security and on chattel mortgages". Thus the formation of a federal small loans company can only be effected by way of a petition to parliament.

Also it is possible for a provincial company incorporated by way of letters patent to obtain a licence from the federal department of insurance and thereby become authorized to carry on the business of making small loans. Federal companies incorporated pursuant to the provisions of the Small Loans Act are obliged to conform with many of the regulatory provisions, both financial and otherwise, of another federal act known as the Loan Companies Act, revised statutes of Canada, 1952, chapter 170.

The general operations of provincially incorporated companies licensed to make small loans are of course governed by provincial legislation. All companies in the business of making small loans, both federal and provincial are bound by the same federal regulations with respect to the interest which may be charged in connection with small loans.

At the present time there are in existence only about six federally incorporated small loans companies. On the other hand, there are scores of provincially incorporated loan companies which have been licensed by the department of insurance to make small loans. It is of course considerably easier and less expensive to incorporate a provincial letters patent company.

The proposed small loans company would be known as Seaboard Finance Company of Canada. There is already in existence an Ontario company, Seaboard Finance Company of Canada Limited. Should a charter be granted under the provisions of the Small Loans Act, the existing Ontario company would immediately proceed to sell all of its commercial paper to the new federal company. The Ontario company would also immediately proceed to effect a change in its corporate name to one completely dissimilar to that of the federal company. Also the objects of the Ontario company would be changed from those of a loan company to those of a holding company.

The existing Ontario company, Seaboard Finance Company of Canada Limited, was incorporated by Ontario letters patent on August 17, 1955. When it commenced its operation in Ontario it did so on a small scale. That being the case, it did not wish to go to the expense of petitioning parliament for its charter under the Small Loans Act. However, at the present time Seaboard is a large organization operating on a nationwide scale in every province except Prince Edward Island and Newfoundland. Seaboard therefore feels it should more properly be operating under a federal rather than a provincial charter. As a federally incorporated small loans company, Seaboard as I have said would be bound to many of the provisions of the Loan Companies Act and would thus come under the more direct control of the federal department of insurance. That being the case, the proposed change has, I understand, the blessings of the department of insurance.

Mr. Frank Howard (Skeena): Mr. Speaker, this is not the first time that this company has sought to incorporate itself under federal law.

Mr. Barnett: It is an old friend.

Mr. Howard: Yes, an old companion. I do not know whether the bill is exactly the same in its terms as it was last session. I have not checked it through and I assume it is. If it is not the same, in so far as one extremely important particular that was outlined last session when the bill came up for debate is concerned, I am sure the hon. member for High Park (Mr. Cameron) would have disclosed that fact to the house so as to ease the passage of the bill here and in the appropriate standing committee.

First of all it might be pertinent to consider the company as being, perhaps, inappropriately named. I say that, having read the proceedings which took place before the Senate banking and commerce committee on June 28 this year. Perhaps the company

should not be named Seaboard Finance Company of Canada but rather "Predatory Finance Company of Canada". Because there is no doubt that operations of companies incorporated under the Small Loans Act—

Mr. Cameron (High Park): Mr. Speaker, I rise on a question of privilege. My hon. friend has made an allegation in connection with the proper name of this company. I feel he should explain himself. There are many, many such companies in Canada doing this type of business. Does he include them all in this category or is he just picking out this particular company? I should like to know that.

Mr. Howard: Mr. Speaker, the hon. member for High Park should know better than to ask questions such as that.

Mr. Cameron (High Park): Well, I don't know better.

Mr. Howard: That is an admission that should really have gone unsaid. The hon. member for High Park—and I say this in a kindly way—knows that he was the one who moved second reading.

Mr. Cameron (High Park): I want no kindness from my hon. friend.

Mr. Howard: It is just in my nature to be kind. I cannot help being kind to the hon. gentleman for High Park. He was the one who moved second reading of the bill a moment ago, and that is the bill I am talking about. I would not presume to discuss the structure and operation of any other companies, except the company named in the bill before us.

I had made reference, Mr. Speaker, to the minutes of proceedings of the Senate banking and commerce committee on June 28, 1967, when that committee was discussing this particular bill, and I was pointing out that having read those proceedings perhaps we should change the name of this company to the "Predatory Finance Company". I am sure we all know what a predator is. I know, if the hon. member for High Park does not know, of many, many people in my own constituency, people I have known personally for many years, who got themselves into the clutches of some of these finance companies, and were milked bone dry of every penny they had in order to pay their debts to these companies, and in order to pay the exorbitant, usurious interest rates charged by companies such as and including Seaboard Finance Company of Canada. That is why I used the term "predatory", which is appropriate to that type of finance company. A better term perhaps might be "parasitic". It is known that once people get into the clutches of outfits such as this one that seeks incorporation, they are milked of every last cent.

• (6:40 p.m.)

Mr. Cameron (High Park): Might I be permitted a question? Does the hon. member for Skeena not think that it would be better to talk about the principle of the bill rather than making general comments about finance companies?

Mr. Speaker: Order, please. The hon. member for Skeena knows the rules, I am sure, and I am sure he will abide by the requirement to limit his remarks to the subject matter of the bill which is now before the house.

Mr. Howard: I should be glad to do that, Mr. Speaker. The hon. member for High Park asked a question and I tried to answer. He cannot object, I submit, if I do answer. He ought to accept remarks that I make. I might also say, since the hon. member for High Park asks me to stick to the principle of the bill, that it has no principle. He is asking too much. Companies such as this show relatively little principle in their lending operations and in the greed with which they prosecute or persecute those who fall into financial difficulties with them.

The proceedings of the Senate banking and commerce committee disclosed interesting reasons with respect to the company's incorporation. And these remarks, I submit, deal directly with the principle of this bill. The proceedings before the committee of the other place disclosed that the company has offices across the country and that it desires federal incorporation, feeling that the circumstances are appropriate. Further, the company is interested in protecting its name, Seaboard Finance Company of Canada.

The hon. member for High Park said that the company originally was incorporated 12 or 13 years ago. It will be interesting to know why a company incorporated under Ontario provincial law could obtain a name like Seaboard Finance Company of Canada Limited. That is an all embracing name for the Ontario authorities to give a company. The implications of the name are inescapable. It suggests that the company is all-Canadian and that it has been given authority to conduct business by this parliament. I have no doubt that the company seeks to

protect this name. It has been using the name and exploiting it—unknowingly, perhaps—but none the less it has used it throughout all the years that it has conducted business in this country. I might add that this point did not escape the astute Senators on the committee. It might be apropos for me to quote from the proceedings of the standing committee on banking and commerce of Wednesday, June 28, 1967 where, at page 21, the following is found:

Senator Thorvaldson: Mr. Chairman, I want to ask Mr. Humphrys what is the full name of the present Ontario corporation.

Mr. Humphrys: Seaboard Finance Company of Canada Limited.

Senator Thorvaldson: May I ask how they could get that name for an Ontario company? That takes in a lot of ground.

Mr. Humphrys: It certainly strikes me that they went rather far in granting that name.

Senator Thorvaldson: If I were to ask for the incorporation of a company with such comprehensive name in Manitoba or in Saskatchewan, would I get it?

The reply of Mr. Humphrys of the department of insurance is indicative of the attitude that the companies branch takes in this country, and puts in shallow light the comment of the hon. member for High Park who said that this bill has the blessings of the companies branch. Mr. Humphrys in his reply said, "I would hope not." He would hope that no other company incorporated under provincial jurisdiction would be given such an all-inclusive, comprehensive name that embodies the word "Canada". Mr. Humphrys' remark lends force to my contention that the company is interested in protecting its name. Mr. Humphrys also says that federal incorporation will bring the company additional prestige.

Also, another aspect of this matter seems to escape hon. members. This is not an ordinary company on which parliament should place its hand and bless with incorporation. This company falls outside the circumscribed area enunciated not long ago by the Prime Minister (Mr. Pearson). In a nation-wide telecast he spoke about foreign ownership and said that he and the government wanted companies operating in Canada to be controlled by Canadians. It behooves parliament to follow this lead and to assist the Prime Minister. It is inconsistent with that concept and philosophy for members of the political party which forms the government of this country to run counter to the Prime Minister's wish. By introducing before this house bills which relate to companies under foreign control, hon. members are violating that spirit and that should not be permitted. I cast no reflection on the sponsors of such bills because each of them is doing what he believes is correct.

Once he has been asked to sponsor a bill in parliament either because he comes from a particular area or because he has some knowledge in the financial field, the hon. member concerned considers it an act of grace to take the step requested of him. This of course does not always imply that the hon. member sponsoring the bill necessarily endorses what is contained in it. There have been occasions in the past when hon. members have tried to get bills through the house, though they did not agree with them in all respects. Such a situation is before the house at the present time. I am not suggesting this is so in connection with the current bill, because I do not know the position taken by the hon. member for High Park (Mr. Cameron), but there is certainly such a situation existing with respect to another bill, the mover of which does not necessarily agree with what is contained therein.

• (6:50 p.m.)

However, that is neither here nor there. I say there is a conflict between what we are being asked to do today with respect to Seaboard Finance Company on the one hand, and what we are being asked to do by the Prime Minister (Mr. Pearson) on the other hand, a course which naturally follows from the enunciations of the President of the Privy Council. I believe that is the post the hon. gentleman presently holds; and perhaps I might transgress the rules for a moment simply to say I am referring to Mr. Walter Gordon. I say this in order that there may be no confusion in cabinet ranks as to the minister to whom I am referring. Heaven knows, there is enough confusion there already without adding to it. Statements have been made by this hon. gentleman, and others, pointing out how important it is that we should try in the most earnest way to bring such companies as this into the hands of Canadians, and under Canadian control. I say there is an inconsistency between what is being asked of us with respect to this bill and what is being asked of us, as a matter of public policy, by the Prime Minister.

On this occasion—and this may be a rare occasion in political life—we agree with the Prime Minister and we do not agree with the bill now before us. We take this attitude because the bill concerns a wholly-owned

subsidiary of a United States parent company. The company we are dealing with gets part of its finances from the United States parent company. I do not know the extent to which it was financed prior to the declaration by President Johnson of certain guide lines with respect to sending money out of the United States, but it certainly received a hefty chunk of finance from the parent company in years past, and this ties the company in even more directly with the United States parent.

As I understand it, even though the capital stock of the company is to be $500,000 there is no intention of disposing of any of this stock through the stock market or otherwise. I may be wrong in this assumption, but from reading the minutes of the proceedings in the other place I got the impression that this company would be in the same position as the Ontario company, that is, a wholly-owned subsidiary of a company in the United States. I also got the impression that the company which was incorporated under Ontario law would cease to function as a company making loans under the Small Loans Act, and would become a holding company engaged in some activity which escaped me, in my quick reading of the Senate minutes. It appears that the company before us will be the one engaged in the small loans field, from which it will undoubtedly realize a fairly lucrative income. I say this because, as we all know the interest rates charged by this company will be no different from those charged by other companies operating under the Small Loans Act, and these rates range in the order of 18 per cent, 20 per cent, 24 per cent or maybe even more on the borrowings made by individuals.

It seems to me that this parliament should take a long, hard look at a company which comes before us as this one does, saying: We want to be incorporated because we desire the prestige which comes from incorporation by the parliament of Canada, because we want to protect our name and because we have been doing business throughout Canada, anyway, and we should like the sanction of the federal parliament to continue.

I say we should take a serious look at this bill before giving endorsation to a company which is charging interest rates up to 24 per cent, and maybe more. We all know how difficult it is for an individual in present circumstances to meet even what we now consider to be normal interest rates in the area of 7 per cent or 9 per cent. When people are faced with repayment of the capital they borrowed, plus these extremely high interest rates we can realize what this squeeze on their incomes means.

We are all aware of the blandishments and the enticements offered by companies such as this in order to encourage people, for example, to consolidate their debts— "Why make seven or eight payments a month when you can make just one?" Borrow from us, the advertisements say, and we will help you out. I remember an advertisement which read: "Live within your income, even if you have to borrow from us to do so." Rather than close on a note which would invoke objections from the hon. member for High Park I will refrain from repeating the name which I think should be applied to this kind of company.

Mr. Speaker: Order. The hour for consideration of private members business has now expired. It being seven o'clock I do now leave the chair.

At seven o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

CRIMINAL CODE

AMENDMENTS RESPECTING DEATH SENTENCE AND LIFE IMPRISONMENT

The house resumed consideration of the motion of Mr. Pennell for the second reading of Bill No. C-168, to amend the Criminal Code.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, in the portion of my remarks which I made before this debate was interrupted at six o'clock I gave in capsule form my reasons for favouring the total abolition of capital punishment. It is my belief that it is a barbaric practice for which there is no place in civilized society. I believe that an intelligent and resourceful people should find a better answer to the problem of crime.

Now I turn to a look at the bill itself which is before us and I should like to address myself in particular to those members, most of them retentionists, who have argued that we who are abolitionists cannot vote for the bill because it does not go all the way. I also want to address myself to any abolitionists in our midst who may feel

uneasy, as I do, about voting for this bill for the reason that it does not provide for total abolition.

I think we have to look at this bill, not as an abstraction, not as though we were legislating *de novo*, for the crime of murder, but rather we have to look at this bill in the perspective of Canadian history. The fact is that until a few years ago Canadian law with respect to murder was clear and absolute. The penalty for it was death. It is also true that for many years that penalty was carried out far more often than has been the case in the last decade or so.

But the day came when the arguments for the abolition of capital punishment carried such weight that various governments interpreted the feeling of society to be that the practice of capital punishment should be at least curtailed. We have carried out that desire to curtail by stages the practice of capital punishment. One of the most important stages came when the Diefenbaker government divided murder into its two categories, ordinary murder and capital murder. The purpose of that division was simply to limit the extent to which capital punishment might be practised.

In addition to that step, which reduced the number of occasions on which capital punishment could be carried out, at one stage of our development there was introduced into our law the proposition that a person under 18 years of age at the time he committed a murder was not to be hanged, even though he might be found guilty of capital murder. Those are two steps, among others, that have been taken in the development of our criminal law to limit the practice of having as the penalty for capital murder.

Another step that we have taken, even though it has not been taken by parliament itself, is that which has been taken by the present government and the government just before it in commuting an ever larger and larger number of death sentences. I see this as a response of the Diefenbaker government and of the present government to society's belief that the practice of capital punishment, if it cannot be totally abolished, should at least be cut down, should at least be curtailed. I think the commutations the previous government effected and those we have had from the present government are part of the story of our limiting the practice of capital punishment, and I submit that this bill has to be looked at in that perspective.

Again I say that the bill is not an abstraction. It is not a case of drafting for the first time the law with respect to murder. If it were, I could not accept it. Rather, it is a case of taking one more step in cutting down the number of occasions on which capital punishment can be practised. It not only cuts down the number of times that there can be capital punishment, but it cuts down the number of occasions on which a judge will pronounce the sentence upon a convicted murderer, that he is to be hanged by the neck until he is dead, and may God have mercy on his soul.

I think that even that method of pronouncing the sentence, as is done a good many times a year right now, even though it may be commuted later, is part of the barbarism of which we should rid ourselves. The point I am trying to make at this stage of my remarks is that this bill should be looked at, both by the retentionists who think there is some lack of logic in our voting for it and by the abolitionists who have honest questions, not as an abstraction, not as something that stands on its own feet, but as another step in the progress of getting rid of capital punishment altogether. I hope that day will come and I believe it will. I do not think there is any doubt about it, that just as there are many countries and jurisdictions that have done away with it, we will join the rest of the civilized countries in doing away with it ourselves.

• (8:10 p.m.)

There is no doubt where I stand. I would like to see capital punishment completely done away with right now. However, from the debate of a year and a half ago, from the vote that came at the end of that debate, from speeches made in this debate I know that it is not now possible. But as one who thinks that capital punishment should be abolished completely, I could not look at myself in the mirror—

An hon. Member: You startle me, too.

Mr. Knowles: My hon. friend looks at me as if to say that that would be more horrible than capital punishment. Perhaps I had better change the figure of speech. I could not rest easy if I were to vote in such a way as to prevent the taking of the further step which is involved in the passing of this bill. Therefore, I ask my hon. friends, like my neighbour from Winnipeg South Centre (Mr. Churchill), who are concerned about the logic of our position, and others who are abolitionists and who worry about the logic of voting for this bill that does not go all the way, to

look at it in this context. I should like to say to my hon. friend from Winnipeg South Centre that his concern about our position reminds me of a Presbyterian being concerned because a Mohammedan is not reading the Koran. It is up to each of us to decide what is logical for himself. I make the plea to the hon. member for Winnipeg South Centre, to the hon. member for Calgary North (Mr. Harkness) and others, that they realize that this proposition which we have before us tonight is one more step along the road toward getting rid of capital punishment. I think therefore it is a good step, and that those of us who may wish to go further should support this bill without any question.

In the same context I should like to say a word or two in reply to those who have argued that the government had no right to bring this measure back to parliament only a year and a half after it had been dealt with here in the House of Commons. I should like to say quite frankly that I take the opposite view. I believe the government not only had the right but the responsibility to bring this question back. Some hon. members, particularly those on the majority side of the question a year and a half ago, have argued that that vote settled the question. I should like hon. members to look at the motion that was voted on, and then answer the question: What did it settle? It was not a piece of legislation; it was a resolution by four private members which expressed the hope that such and such would be done. The house did not go along with that opinion and did not agree that a change in the law should be made. That is all that can be said for that vote. We did not decide to make a change.

In the meantime, in this country we have had in power a government which holds certain views on this matter. I happen to agree with those views and happen to be glad that death sentences have been commuted. We have in this country what is known as responsible government. When there is responsible government the government is supposed to find out whether it has the endorsation of parliament for what it is doing. The present government feels that capital punishment is something it does not wish to carry out. That being the case, and since there has not been a clear decision on this issue, I think the government not only had the right but the responsibility to bring this matter back to parliament and obtain a decision on its own proposition. It is, of course, a compromise. I believe the Solicitor General (Mr. Pennell) was perfectly correct in saying that as a compromise it lacks certain logic. It was difficult for him as an abolitionist to put it forward, but if it is a workable and enforcable compromise, surely it is better than the position we have been in.

Mr. Mongrain: Would the hon. member allow a question? What in his opinion would be a clear decision? He has just mentioned that there was no clear decision. What would be a clear decision of parliament on this question?

Mr. Knowles: I made that statement because the motion which was before us a year and a half ago was in the name of four private members and it contained the words which are always contained in a private member's motion, to the effect that in the opinion of this house such and such be done. It was not actual legislation. Motions of that type when passed do not make a clearcut decision; legislation does. I believe this legislation, if passed, will contain a clearcut decision. It is precisely because that decision was not clearcut a year and a half ago, precisely because the government differs from the majority and because the government wishes guidance and wishes an understanding on the part of the house concerning its position, that it has both the right and the responsibility to bring this matter back to parliament in the form of actual legislation such as we now have before us.

Mr. Churchill: Would the hon. member permit another question? My question is supplementary to the one which was asked and answered a moment or two ago. What does the hon. member say about the position taken by the Prime Minister in the speech from the throne of January, 1966, when he indicated that the subject matter of capital punishment would be before the house for decision so that—he used these words—the matter might be settled once and for all? The resolution was brought forward by representatives of the various parties in the house and despite the fact that it was a private member's resolution it was in response to the Prime Minister's suggestion in the speech from the throne that it be done in that way. A decision of the house was made, but it was not once and for all.

Mr. Knowles: Mr. Speaker, there are many things in the course of human development which just do not become settled once and for all. We are not that kind of society. I realize this is perhaps difficult for me to say, when I happen to think as I do, but the road

to progress is in the direction of the abolition of capital punishment. Those who disagree may not feel this way; but I think that is the way of progress and that the issue will not be settled until we have gone all the way. However, whatever the Prime Minister may have said in the speech from the throne in 1966 in the words which he put into the Governor General's mouth, it is obvious that the vote did not settle the question once and for all.

An hon. Member: No, no. We did vote.

Mr. Knowles: Have there been any hangings since that vote was taken?

Mr. Choquette: No.

Mr. Knowles: All right; at least in the eyes of the government the matter was not settled once and for all. I believe the government had the right and the responsibility, since it was not prepared to accept that vote as an indication of the way it should go, to bring its own measure before parliament. The motion of 1966 was not a government measure; it was a measure brought in by four private members. Now we have a measure brought in, which is a cabinet measure. Even though there is a so-called free vote, it is government legislation. I suggest this is a much clearer way to determine the will of parliament on this issue. What will happen, if there should be a murder of a prison guard or a policeman, when the conviction comes before the cabinet, is another question. There still may be commutation, and therefore even that part of the issue may not be settled by this. But if we pass this bill, then at least in 99 out of 100 cases we will be doing away with the death sentence and the law which requires that society do away with certain human beings.

I suggest, even though I would have preferred to see a bill which provides for total abolition, that the government is to be commended for bringing before the house a workable compromise and one which moves in the right direction. Because it moves in the right direction I hope the house will give this bill its endorsation.

Mr. Korchinski: May I ask the hon. member a question? In view of the fact that this now is a government bill before the house, does he not think that conceivably it could be construed as a vote of confidence in this government and that a measure like this might bring on an election?

Some hon. Members: Oh, oh.

• (8:20 p.m.)

Mr. Knowles: Mr. Speaker, because of the way in which the government has introduced the bill I hardly believe it could be considered as a measure which would bring about a vote of confidence in the government in the usual political sense. However, I think it is a crucial test of the government's moral authority. I think the government is morally right in the stand it has taken, and I hope the house will support it.

Mr. Mongrain: Mr. Speaker, could I venture to put another question to the hon. member?

Mr. Knowles: Certainly.

Mr. Mongrain: Will the hon. member have the same attitude when the government refuses to increase pensions to civil servants after dozens and indeed hundreds of interventions by the hon. member?

Mr. Knowles: Yes, I take the same attitude. No question is settled once and for all until it is settled the right way.

An hon. Member: And the right way is your way.

Mr. Hubert Badanai (Fort William): Mr. Speaker, the reason I wish to speak on second reading of the bill is that I have taken part in every debate on the subject of capital punishment since Mr. Frank McGee, former member for York-Scarborough, introduced a bill in the house in 1959, and similar bills in 1960 and 1961 and again on April 5, 1966. I have spoken in every debate on this subject because it is a humanitarian question of great interest to the people of Canada.

I spoke on those occasions in support of the principle of abolition. Now I propose to endorse wholeheartedly the bill which the Solicitor General (Mr. Pennell) introduced with an eloquence and sincerity that would have done justice to a Winston Churchill. I wish to congratulate the Solicitor General.

After each of my former modest contributions to the debates, having expressed my views against the retention of capital punishment I invited comments from my constituents. As a result I received a great number of letters for and against the retention of the death penalty, with the number favouring abolition on the increase each successive year.

Judging from this experience I found that clergymen in general were against the death penalty. Most judges and policemen are for

it. Women are divided; there are those favouring abolition on moral grounds and those favouring retention as a protection against sex crimes. But in all I discovered that people who were once for the retention of the death sentence were gradually becoming converts to the idea that the death penalty is no longer considered an effective deterrent to murder.

Undoubtedly the general feeling swinging toward abolition had the effect of influencing the previous Conservative government to introduce Bill No. C-92 in May, 1961, the passing of which divided murder into capital and non-capital categories. It was a step in the right direction but it did not go far enough. The *Globe and Mail* devoted an editorial to the passing of Bill No. C-92 in 1961, concluding with these words:

> The new amendment will reduce the number of cases in which the government is required to exact the extreme penalty or to interfere with the law, but they do not answer the moral question: Should society kill any man whatever his or her crime?

The last debate on the subject, which as I have indicated took place in April, 1966, in this house, in the press and at public meetings indicated quite clearly that public opinion in Canada is moving faster toward abolition than at any time in the past. A growing number of Canadians regard hanging as a barbarous relic of the past, no longer necessary in the administration of justice.

Basically then, the revulsion against the death penalty is growing because of a growing concern for the dignity of man which favours a more hopeful attitude toward murderers. It seems to me that the issue is between two schools of thought, one thirsting after justice and the other urging, not forgiveness but rather the rehabilitation of the criminal.

Religious leaders of various denominations have gone on record as being opposed to the death penalty. As an example, the Canadian section of the Lutheran Church at one of their recent convocations passed a resolution urging the Canadian government to abolish capital punishment. Rev. J. Harwood-Jones of St. Thomas the Apostle Church, Ottawa, said in a sermon:

> First, it would be good if we could avoid distortion of the issue by sentiment. Our emotions are rightly affected by learning something of the background of murderers, and also by a consideration of their victims and relatives on both sides. But such sentiments should not govern our conclusions.

The whole matter of vengeance runs completely contrary to any religious concept, namely, God's forgiveness of man and his charge to us to forgive one another. And let us not think of this concept purely in terms of forgiveness between individuals but the forgiveness by society of its offending members, to say nothing of the forgiveness between nations.

I should like to quote from a letter to the editor which appeared in the Ottawa *Citizen* of November 10, 1967. This letter contains these illuminating statements:

> In this day of ecumenism it is the task of Christian and Jew alike to bring our great spiritual and ethical heritage to bear upon the moral problems of society. One such problem, which challenges all who seek to apply God's will in the affairs of men, is the practice of capital punishment. In the light of modern scientific knowledge and concepts of humanity, the resort to our continuation of capital punishment by the federal government is no longer morally justifiable.
>
> There is no crime for which the taking of human life by society is justified, and it is the obligation of society to evolve other methods in dealing with crime. Those who take religion seriously should join with like-minded individuals in trying to prevent crimes by removal of their causes and to foster modern methods of rehabilitation of the wrongdoer in the spirit of the religious tradition of mercy and repentance.
>
> This is an opportunity for social action in the finest religious sense. If those of us who are concerned do not speak up, then we do nothing more than perpetuate a punishment with no useful purpose, a punishment that is nothing more than a barbaric anachronism.
>
> Let us strive to eliminate capital punishment which lies as a stain upon civilization and our religious conscience. Let us put the death penalty alongside the thumb-screw and rack—in that encyclopedia of man's inhumanity to man.

What about the deterrent effect? Capital punishment cannot be proven to be an effective deterrent to would-be murderers. No dramatic increase or decrease in the murder rate has been reported from those states or countries where capital punishment has been abolished, as pointed out by the Solicitor General in his masterful presentation of facts and figures. If capital punishment is not a deterrent—it is certainly not a means of reform—it appears simply as a form of corporate vengeance, which some feel to be justified.

• (8:30 p.m.)

Norway has had no death penalty since 1905, Sweden since 1921, Denmark since 1930, and Switzerland since 1942. Thirteen of the states in the United States have abolished capital punishment, and the other states are currently taking positive action to abolish it.

Why? Because suddenly public opinion has swung behind abolition.

There is a strong horror of executing innocent persons. Representative J. Charles Whitfield of Houston, Texas, an abolitionist, some time ago pointed out that six men in Texas were executed, but it had later been found that they were not guilty.

Last night I came across a story reported in a weekly publication about a man who had been sentenced to hang for a murder he never committed. He had been framed by a railroad detective, of all people. This happened in 1928. This man was working in a railroad shop in Dunsmuir, California, and going out steadily with a nice girl. He went over to her house one night and found her all upset. She subsequently told him that a railroad detective had come up to her on the street and made improper advances. When she rebuffed him, he made obscene and insulting remarks to her. She ran home in tears. When her boyfriend heard this it made him quite angry. He went to his office and demanded that the railroad detective apologize to this girl. He was just laughed at and told to get out. A fight ensued and, in a blind rage, the young man gave the detective a severe beating and left him sprawled on the floor shouting: "You will regret the day you laid a hand on me".

Four years later the young man had good reason to remember it. He was working in a lumber yard in a town in the state of Oregon when a railroad steward named Fred Sullivan was found murdered. Someone had entered the dining car while it was on a siding and battered Sullivan while he slept. It looked like a case of robbery. Sullivan died without regaining consciousness. Police and railway detectives began rounding up suspects, and on the day after the attack two detectives picked the young man up on the job at the lumber yard, which was a mile from the siding. They drove him to the railroad yard where the attack took place, and he almost dropped from shock, because standing there was the railroad detective he had beaten up four years earlier for insulting his girl. The detective had learned that the young man was working at the lumber yard and had told the police to pick him up.

The young man was taken to jail and searched, but nothing incriminating was found on him. The jail warden and his wife, Mr. and Mrs. Edward Rae, went over his clothing with a magnifying glass looking for bloodstains, but found none. The railroad detective who hated the young man went to the jail and took his clothes away saying he wanted them put under a microscope. The prisoner never saw his clothes again until the trial, at which time a six inch blood stain was found on the trousers.

At the trial the jury returned a verdict of guilty, after they had deliberated for only 45 minutes. He was sentenced to hang; but only a week preceding the date of execution the state supreme court agreed to review the case. The execution was postponed, and two months later the governor of the state commuted the sentence to life imprisonment. The case had aroused some public clamour against hanging, and the state law was changed. Oregon abandoned execution by hanging.

In September, 1951, 21 years later, a woman named Mrs. Albert Borden sent an affidavit from Chicago where she lived to the Oregon parole board. Mrs. Borden said her former husband had died and that on his deathbed he told her he had killed the steward, Fred Sullivan, during a robbery. The affidavit said that the prisoner, whose name was Theodore Jordan, had no part at all in the crime. Who can say there could not be such an occurence in Canada?

Two years ago the state senate and the assembly of the state of New York passed a bill abolishing capital punishment for most offences, reserving the extreme penalty for a person killing someone on duty, or for a life convict who commits a murder in prison or while trying to escape. This was a bill very similar to the one now before us.

Centuries ago the death penalty was imposed for many different crimes, which had nothing to do with murder. We have come a long way from the days when people were hanged for stealing a loaf of bread. Since those days, the death penalty as a punishment was imposed for treason, rape, murder and a few other special crimes. In recent years we have come to adopt a more civilized attitude. I was particularly interested in reading of the stand against the death penalty taken for the first time by the United States department of justice, under which the F.B.I. operates.

In a letter to congress two years ago, the deputy attorney general declared himself against the death penalty, in the following terms:

> Modern penology with its correctional and rehabilitational skills affords far greater benefits to society than the death penalty, which is inconsistent with its goals.

One other reason for a change of heart of those who once believed in capital punishment but who are being converted to the belief that capital punishment should be abolished, is the tremendous influence of television programs, such as "The Defenders", a popular feature carried by the C.B.C. a year or two ago, which has done much to inform the public of the human errors that can occur in a trial. People are beginning to realize that an execution can come before all the facts are obtained.

In 1949 a man by the name of Evans was hanged in London for the murder of his wife and child. Five years later a man named Christie, living in an apartment in the same house, was arrested and convicted for having murdered several women, including Mrs. Evans, for whose murder her husband was hanged five years earlier. This particular case was the subject of an analysis by judges and members of the bar, and was shown on April 23, 1962, in a C.B.C. television program known as "Background".

A royal commission on capital punishment was appointed by the government of Great Britain in 1949, and after four years of study, it submitted its report to parliament in May, 1952. I quote from it the following brief extract:

> Capital punishment has obviously failed as a deterrent when a murder is committed. We can number its failures. But we cannot number its successes. No one can ever know how many people have refrained from murder because of the fear of being hanged. For that we have to rely on indirect and inconclusive evidence. We have been told that the first thing a murderer says when he is arrested is often: "Shall I be hanged?" or "I did it and I am ready to swing for it", or something of that kind. What is the inference to be drawn from this?
>
> Clearly not that the death penalty is an effective deterrent, for he has not been deterred; nor that he consciously considered the risk of the death penalty and accepted it; still less that the death penalty was not as effective a deterrent as some other punishment might have been. The true inference seems to us to be that there is a strong association between murder and the death penalty in the popular imagination.

I was rather impressed by the statement of the hon. member for Athabasca (Mr. Bigg) when he said that the fear of a would-be murderer is the fear of being caught. That is the real deterrent.

In my view, the questions to be considered are, first: Do hangings offer protection to society? This appears to be the sole reason advanced by those opposed to abolition. The second question is: Do hangings deter other murders? This is the only logical reason for retaining the death penalty. The next question is: Do hangings give the families of victims satisfaction? I honestly believe the answer to all of these questions is "No". Eminent criminologists agree that it is not so. Prominent lawyers and people dealing with rehabilitation also say the same.

• (8:40 p.m.)

I am convinced now more than ever that by advocating the abolition of capital punishment I am serving the best interests of justice and the interests of humanity. If it were possible for me to plead with greater force at this moment, I would gladly do so. I wish to commend the Prime Minister (Mr. Pearson) for giving parliament another chance to end hanging. This question is to be treated on non-party lines and above politics or partisan bickering, as indeed any measure concerned with humanitarianism should be dealt with.

Capital punishment has a symbolic importance. It is a symbol of an approach to crime that has been tried in the balance of history and found wanting. It stands for the very passions that contribute to crime. It was amid deep horror and brutality in the world of 1941 that Winston Churchill wrote these words:

> The mood and temper of the public with regard to the treatment of crime and criminals is one of the most unfailing tests of the civilization of any country. A calm dispassionate recognition of the rights of the accused, and even of the convicted criminal against the state; a constant heart searching by all charged with the duty of punishment; a desire and an eagerness to rehabilitate . . . tireless efforts, unfailing faith that there is a treasure, if you can find it, in the heart of every man. These are the symbols which . . . mark and measure the stored up strength of a nation . . . proof of the living virtue in it.

A year ago last June at a special dinner meeting in Confederation Hall attended by members and senators, I heard a member of the British House of Commons conclude an eloquent address on capital punishment with this quotation from one of Bernard Shaw's plays:

> And so to the end of history murder shall breed murder, always in the name of right and honour and peace, until the gods are tired of blood and create a race that can understand.

The United Nations report on capital punishment of 1962 indicates that the great majority of criminologists, sociologists, penologists and psychologists favour abolition. The death penalty not only brutalizes society but actually promotes a disregard for human life and thereby helps create an environment which encourages further violence

and crime. As someone once said, capital punishment, while pretending to support a reverence for life does in fact tend to destroy it.

I cannot think of a more fitting quotation with which to conclude my remarks than a paragraph from an editorial in the Ottawa *Citizen* of June 28, 1965:

> The *Citizen* stands for abolition because it does not believe capital punishment deters murder, and because it believes that executions degrade society, whereas abolition would to that extent enoble it and thereby enoble every individual member of society.

And again from the editorial pages of the *Citizen* dated March 7, 1966, I should like to quote the following:

> The trend in the western world is to abolish the death penalty as a barbaric relic of the past. Studies carried out in those countries where abolition has taken place show that the hangman's rope cannot be regarded as an effective deterrent to murder. A private member's bill was recently the vehicle for getting rid of capital punishment in Britain. It is to be hoped that this action is repeated in Canada.

After listening to several excellent contributions to this debate from both sides of the house, I wish to congratulate those who have taken part in the debate, and I am encouraged to think that after the division bells have ceased to ring and this bill comes to a vote, the majority of the members of this house will place Canada on the list of enlightened nations by outlawing the death penalty, with the exceptions contained in the bill which should satisfy the consciences of those who voted against abolition in 1966.

Mr. A. D. Alkenbrack (Prince Edward-Lennox): Mr. Speaker, I know we speak for the vast majority of the Canadian people when we deplore the actions of this government whereby, despite the serious economic ills which now beset our country and the need for useful and beneficial legislation concerning economic matters, the government now wastes the time of parliament by sponsoring this bill dealing with the Criminal Code, which will be productive of nothing of benefit to Canada. In fact, this bill tampers with the safety of the citizens. I was surprised also a few moments ago to hear the hon. member for Winnipeg North Centre (Mr. Knowles) say that a compromise is better than the direct will of the Canadian people as expressed by the majority in parliament not very long ago.

I have followed this debate with interest, and I now have some remarks I wish to make concerning this Bill No. C-168. It is only 18 months ago that this government received instructions from the parliament of Canada, and thereby from the people of Canada, to maintain and enforce capital punishment for capital murder. These instructions have been flouted, Mr. Speaker, and disobeyed by the Prime Minister (Mr. Pearson) by the Solicitor General (Mr. Pennell) and by all the cabinet.

In the meantime I have endeavoured, as an advocate of the retention of capital punishment, to point out a few of the facts of government to the members of the cabinet whose duty it is, from time to time, to make the painful and sometimes unpleasant decision as to the life or death of certain citizens. These cabinet members receive certain added emoluments because of these other onerous duties. This cabinet has said, in effect, by its actions, right from the time it was sworn into office, "We want to be rid of this obligation; we will not back up the dutiful decisions of the judges of our courts".

Surely, Mr. Speaker, every capital murder case that comes before the cabinet for either confirmation of the death sentence or for commutation has not been always worthy of commutation. The position of the Prime Minister, the Solicitor General, yes, and the government as a whole, regarding the protection of persons and property, the upholding or obeying of the law, the support of the judiciary, has been completely indefensible. Having regard for our system of responsible government, I might say that the actions of the government, or lack of them, might have resulted in the resignation of the government in days gone by. But no, Mr. Speaker, this government just has a little conference with some of its crutches, namely the members of the N.D.P., and that great sentimentalist the Solicitor General trots out Bill No. C-168, which is the greatest anomaly of compromise and contradiction in the sad history of the Pearson régime.

Now, Mr. Speaker, I do not need to repeat the clauses of the bill. Hon. members know the bill provides for the abolition of capital punishment for a trial period of five years in cases of capital murder, except for the murder of certain categories of policemen and prison guards.

• (8:50 p.m.)

On April 5, 1966 we voted in this house on what was known as the Klein amendment, which had pretty much the same effect as the

provisions of this bill. A minute ago I mentioned the New Democratic party in connection with the bill that is before us. I note that on the night of April 5 when the house voted on the Klein amendment, which was negatived 179 to 74, only two members of the N.D.P. voted for the amendment. Yet 18 months later, I note that one of their members last week on a television appearance affirmed and reaffirmed that—and I quote his words—"We are supporting the bill". How politically inconsistent can the N.D.P. members be, Mr. Speaker?

I also ask the question: How inconsistent can the government become? Both the government members and the members of the N.D.P. are whipped into line on this so-called free vote; and in terming it a so-called free vote I am only quoting the hon. member for Winnipeg North Centre (Mr. Knowles), who a few minutes ago referred to the vote in his speech as a "so-called free vote".

Now, Mr. Speaker, what is the meaning of the term "so-called" in everyday life? It is an expression of artificiality; it is an expression of phonyness. Yet here we have the hon. member for Winnipeg North Centre, an able spokesman for his party, admitting that it is a so-called free vote. It is nothing of the kind, as far as the members of the government party and the N.D.P. are concerned.

What a sad state of affairs, Mr. Speaker, when the government discriminates in its legislation and meddles with the well tried law of the land. By the proviso in the bill which excepts murders of policemen and prison guards the government hope to attract my vote, the vote of a retentionist. By the provision of a five year trial period of abolition of the death penalty they are wooing the abolitionists. By doing this they hope to make the Monday morning sessions in the cabinet room more pleasant in the future in spite of the rise in the crime rate. This bill does nothing to protect the rights of the masses in Canada.

I now have something to say, Mr. Speaker, regarding this five year trial abolition period. On April 4, 1966 I reminded this house of the historical fact that in many cases where capital punishment has been abolished by an act of government in other countries and states, it has been reimposed within a short time to combat the homicide which continued and increased, finally incensing the population to the point that its return was demanded.

We now have the case of Great Britain, that great, generous and enlightened country,

[Mr. Alkenbrack.]

a leader down through the centuries in responsible government and legislation; and in this connection I quote an article by Don MacGillivray in the Ottawa *Citizen* of November 7, 1967. Headed "After two years of abolition, bring back noose, Britons cry", the article commences:

> Britain's five-year experiment with the complete abolition of capital punishment is two years old on Wednesday and already a petition to bring back hanging is gathering 5,000 signatures a week.
>
> Led by Duncan Sandys, former Conservative cabinet minister and now one of the most effective opposition members of the British House of Commons, the campaigners for renewal of the death penalty claim the murder rate and incidence of violent crime have both risen since abolition ...
>
> The list of capital crimes was whittled down until, in 1955, an experimental "no-hanging" period was begun during which all death sentences were commuted. This was similar to the undeclared no-hanging policy followed for the past four years by the Pearson government in Canada.
>
> In 1956, the British House of Commons voted to abolish capital punishment but the House of Lords refused. Then, in 1957, the Homicide Act limited the death penalty to "capital murder" defined as murder committed during a theft, in resisting or avoiding arrest, or escaping legal custody, murder of police and prison officers and murder by shooting or causing explosions.

This latter offence is also becoming common to Canada.

> Although this act stood unchanged for eight years it contained almost incredible anomalies. It was capital murder to shoot someone with intent to kill, but not to poison or drown them with the same intention. A man might rape and kill a woman and not be guilty of capital murder—unless he stole her handbag.
>
> Although capital murders averaged 20 a year, the maximum number of executions was five a year, and this dropped to three in 1962, two each in 1963 and 1964, and none in the 10 months of 1965 while the death penalty remained in effect.
>
> During the debates that led to temporary abolition it was evident that M.P.'s and their constituents didn't see eye to eye.

I claim this is now the case in this country, Mr. Speaker.

> While the Commons voted 355 to 170 to abolish the death penalty, public opinion polls showed 70 per cent of the electorate opposed to abolition and only 23 per cent favouring it. Partly because of this public attitude, abolition was made a five-year experiment. Unless parliament renews it by July 31, 1970, the Murder (Abolition of Death Penalty) Act will expire and Britain will return to the 1957 law.

Both in the last debate on capital punishment and also in this one, Mr. Speaker, much has been made of the claim that execution is not a deterrent. Such negative thoughts and statements are nothing but a myth. Britain

has tried abolition and found it wanting, as this recent article to which I have referred informs us.

I have also looked in the bill, Mr. Speaker, for penalties which you would think a government bill would provide in cases of treason. What about punishment for acts of treason? Those found guilty of such crimes are certainly just as deserving of the ultimate penalty as any perpetrator of capital or premeditated murder. Forces are working both in this country and in this chamber right now, Mr. Speaker, for the dissolution of confederation in Canada. If these people do not change their ways they will certainly one day have to stand trial for sedition and/or treason. By having no farsighted provision for such eventualities in Bill No. C-168, this government in its soft and foolish policy of being all things to all people is only inviting another "Northwest rebellion", only this time in some other part of the country.

This bill, Mr. Speaker, is nothing but a strange contradiction of well founded principle. It further confuses the situation. All through the life of the present government we have had an oligarchic, arbitrary commutation of all death sentences by the cabinet. In other words, Mr. Speaker, there has been abolition of the death penalty by what I have to refer to as an "absolute power", which is vested in the prerogative of the cabinet. Indeed the Solicitor General, who is an avowed abolitionist, by this bill is now asking for a form of conditional capital punishment.

• (9:00 p.m.)

With all the deep regard that I have for the police departments of this country, for before coming here, while in municipal government, I was associated with them for ten years, and with all the deep regard that I feel for our valued prison guards, for I was associated with them in the protection of persons and property in county affairs before coming here, I still will not vote in a way that will classify and evaluate human life in Canada. The lives of all law abiding citizens of this country I hold in equal regard with the lives of persons belonging to any group or category. I will not be lured into voting for this bill because it has some hypocritical government connection with provision of capital punishment for murderers of police and prison guards. I have a basic reason for saying this, Mr. Speaker, because I do not believe the Prime Minister, the Solicitor General or the cabinet, when they say in this bill that they will back up the judgment of the courts in case a murder of this kind happens in the future. Even then I do not believe that the cabinet will do their duty. Any cabinet capable of commuting the sentence of the infamous Santa Claus murderer in Montreal of a few years ago, is incapable of any performance of justice.

Mr. Cowan: Hear, hear.

Mr. Alkenbrack: Another point I wish to make is that the government should watch carefully, not just the murder rate but the general crime rate in the country as a whole. The general crime rate, if we include crimes that range from petty crime to major and capital crimes, is the criterion. The murder rate of course is variable. When the general crime rate is increasing, as it is today, this is no time to reduce capital penalties. Our unsolved crime rate, especially the unsolved murder rate, is increasing.

I shall now talk of something with which hon. members no doubt are familiar. I wish to quote from the Ottawa *Journal* of October 3. The headline of the column reads, "Offer Reward For Fireman's Murderer", and it is followed by a question mark. The column reads in part:

> City council will ask the Ottawa police commission whether a reward can be issued for information leading to the arrest of the murderer of an Ottawa fireman.
>
> Alderman Claude Bennett contended a reward might assist police in their apparently fruitless search for the killer of Leopold Roy.
>
> Mr. Roy, who served as caretaker of a Sandy Hill apartment building in addition to his position on the fire department, was stabbed to death this summer by an intruder he was trying to eject from the building.

I do not wish to support legislation that will bring solace or relief to Mr. Roy's murderer. In Canada, today, we have many unsolved murders. We have one in the county of Lennox and Addington. The murderer of Aubrey Sedore, a trapper who was murdered in the 1930's in Kaladar township more than 30 years ago, has never been solved. His murderer is still at large or, if dead, unconfessed.

I say to this house that it is not the wish of the majority of the people of Canada to abolish capital punishment for a trial period, or for any period. And he who would fly in the face of and in contempt of the will of the Canadian people is a presumptuous and foolish person.

I wish to raise another point along the same lines, Mr. Speaker. I have before me a

letter addressed to the editor in this morning's edition of the Montreal *Gazette*, a great and informative newspaper. The headline over the letter reads, "Capital Punishment: The People's Choice?" The body of the letter reads as follows:

> Sir,—In the Canada pavilion at Expo, there were several displays at which visitors could register their opinion on a variety of controversial subjects. One of these carried the question "Should we abolish capital punishment?" The numbers registered on the panel during the last week of Expo were, 19,000 for abolition, 5,500,000 for retention. Even allowing for all possible forms of error, this would seem sufficient to indicate an overwhelming public sentiment against abolition.
>
> Does this have any effect on the people whom we send to Ottawa to represent us?

I am reading the words of the letter addressed to the Montreal *Gazette*. They continue:

> It does not appear to. Our M.P.'s obviously do not give two hoots what we, the people, think, or else a bill for abolition could not expect to get any support whatever.
>
> It is my opinion that the main purpose of the instigator of the present bill, the Attorney General, Mr. Larry Pennell, is to avoid the responsibility for carrying out an unpleasant duty. In parenthesis, one may remark, he does not carry out his duty, since all death sentences are automatically commuted.
>
> If Mr. Pennell finds it so distasteful to perform a duty which is part of the job he undertook to do, does he find it equally distasteful to accept the stipendiary emoluments attached thereto?
>
> The logic of capital punishment may be argued from either side, with equal lack of success. This is not a question for thinking; it is a gut feeling. Therefore it is something on which none can be an expert. It only remains then, for the legislators in parliament, to be guided by the obvious wishes of the people they are supposed to be serving.
>
> It is a paradox of our times, that those whose hearts bleed for those guilty of blood by choice, are probably the same people who will support measures to snuff out the lives of the innocent unborn.

The letter is signed, "D. E. Scrimshaw". I do not know the man who wrote the letter but I agree with much that he said. Mr. Scrimshaw's last paragraph also contains a point worth noting. He reminds us that there are other forms of murder, such as the killing of an unborn baby by aborting the mother. Yes, Mr. Speaker, it is strange that there are parties and members in this house who would deny the state its undeniable right to take life but yet, in another facet of so-called human progress and survival, would freely allow and vote for abortion on demand. For all I know, and this may be beside the point, the same people might allow the indiscriminate practice of euthanasia in our hospitals.

[Mr. Alkenbrack.]

Before taking my seat I wish to ask some questions. In bringing this bill forward did the Solicitor General consult the Minister of Justice? We have heard nothing from the Minister of Justice in this regard—at least I have not heard him speak. He has as much jurisdiction and seniority in this matter as the Solicitor General has—perhaps more. I should not think that the office of the Solicitor General ought to have powers greater than those of the office of the Minister of Justice and Attorney General of Canada. Surely the Minister of Justice does not and cannot totally agree with this bill.

Mr. Orlikow: Did he vote for abolition?

Mr. Alkenbrack: The people of Canada are asking this question. Moreover, did the Solicitor General consult the attorneys general of the provinces before drafting this bill? I am sure that they are not satisfied with it either, and they are called on to enforce and administer the criminal law. Did the Solicitor General consult the Canadian Federation of Mayors and Reeves? Did he consult the municipal associations of the provinces? Did he consult the Association of Chiefs of Police?

Mr. Nielsen: There was no consultation.

Mr. Alkenbrack: Did he consult the Police Officers Association of Canada, which is a separate association These are some of the questions that the Canadian people are asking.

I wish to ask a question about certain murders committed by immigrants in this country. I shall refer to this matter, Mr. Speaker, because it is of local and national interest. I am informed that last spring here in the city of Ottawa an Italian immigrant was acquitted of the murder of his brother-in-law. The murder arose as a result of a family quarrel.

• (9:10 p.m.)

The jury brought in a verdict of not guilty, though it was the opinion of the general public, of the law enforcement officers and of Judge Donnelly who presided that this was a ridiculously lenient action on the part of the jury. I believe this man shot his brother-in-law twice, using a shotgun. I understand that the accused and his friends put on a real demonstration and celebration in the courtroom after, reluctantly, the judge had to tell the accused he was free to go.

My question, Mr. Speaker, is this: Is this man still in Canada? He had only been here some 15 months before committing this act. I

ask the Solicitor General, the Minister of Justice (Mr. Trudeau) and the minister of immigration (Mr. Marchand) whether it is intended to allow him to remain in Canada. Is he a desirable candidate for Canadian citizenship? Yes, Mr. Speaker, he was acquitted of this charge. But for taking the law into his own hands he should be returned to the country of his origin. I leave this question with the Solicitor General for whom I have the greatest personal respect, and with the minister of immigration, because I think it is a timely one. What is to be done in a case like this? I await their information regarding this case.

Mr. Speaker, I have outlined some of the thoughts which arise in my mind as I am confronted by my personal sense of responsibility for the continuance of responsible government, justice, and the protection of human life and property in this great country of 20 million people, all of whom are engrossed in the battle of life in all its stern severity across the far reaches of three and three quarter million square miles. I told this house 18 months ago that it is my firm opinion the state has the prerogative of retaining the right to demand the life of any of its citizens for any of the varied offences of capital crime, and crimes against the state. I have not changed that opinion and I cannot and will not support this bill because of the unwise and conflicting, discriminatory duplicity of its component clauses.

[*Translation*]

Mr. Yves Forest (Stanstead): Mr. Speaker, the house is once again called upon to vote on a measure designed to abolish the death penalty, under a different form this time, since capital punishment is being retained for the murderers of peace officers, prison guards, etc., in the performance of their duties and this, for a five-year period.

The Solicitor General (Mr. Pennell) made everything perfectly clear, and if I cannot agree with him and with the object of this bill, when every member must act and vote according to his own conscience, everybody acknowledges, however, his great sincerity and competence.

As he mentioned, it is a compromise admittedly designed to attempt to have the bill approved by a majority of members, because I say that the bill, as worded, is not logical and only gives more weight to the argument of retentionists by acknowledging capital punishment as an effective deterrent.

I also feel that the nature of the crime should be taken into consideration rather than the individual or the victim. In spite of the April 5, 1966 vote, we have known abolition in fact if not in law, as indeed we have since 1962, the present government having merely enlarged upon what was being done under the previous administration.

Every death sentence, without a single exception, since the last vote, was commuted by the cabinet. I am willing to believe that those few cases were studied according to their merits and the decisions made accordingly. Indeed, I shall not criticize. But if the act remains as it is, if this procedure continues and becomes established, that is, if all death penalties imposed by the various courts and confirmed by the courts of appeal are commuted automatically and without any distinction, then one must conclude that the law is not being respected, that discretionary powers cease to be so when they are exercised in such fashion as to suggest that discretion is no longer exercised.

During this debate and the previous one, it has also been mentioned that it was up to those who advocate the retention of the death penalty to prove the merits of their decision.

Without insisting on this suggestion, because the discussion should not take place in this way, I think it is up to those who want to modify or change legislation to submit forceful and decisive arguments. One cannot request the abolition of a measure which has been in existence for several hundred years without giving excellent reasons. It is not only an old and venerable law, but it has been fought against for a century and succeeding legislators have surely not maintained it only in a sadistic or revengeful spirit.

It must be said and repeated that the law was substantially modified in 1961, when the Criminal Code was amended, and that the death penalty was only retained for premeditated and deliberate homicide, when the accused acted in full knowledge and in full possession of his faculties. Even then, the jury had the right to recommend mercy for an accused thus convicted.

This measure, together with obligatory revision of the case by a court of appeal, the right to appeal to the Supreme Court without applying for permission, and the possibility of commutation of the sentence by the cabinet, are all guarantees which make sure that the conviction is fair, based on facts and

justified according to law. The possibility of a miscarriage of justice, which is often cited as an argument in favour of abolition, is therefore so slight as to be in my opinion non-existent. Under our judicial system of British origin, wherein the accused is presumed innocent until the crown establishes, without the shadow of a doubt, that he is guilty, it is practically impossible that an innocent person should be convicted; innocence will always create a reasonable doubt which will bring acquittal. This possibility being so remote, it cannot be a factor where the common good and the protection of society are involved.

Under our system, it is understood that convicted people are denied commutation privileges, by virtue of the principle that granting acquittal is better than running the risk of convicting an innocent person.

Mr. Speaker, as was mentioned earlier, we are dealing here with an extremely serious issue, since human lives are at stake; moreover, it is a very emotional subject and sensibilities can turn both ways, first toward the victim, and later toward the convicted murderer.

We have an obligation, however, to think deeply about this matter before reaching a decision based on our conscience. And, contrary to what some members on the other side have suggested, I think this is a free vote where one and all can and must vote according to their conscience, and I do not believe that pressures have been exerted, at least on the members who sit on this side of the house.

Mr. Speaker, there are good arguments for and against the abolition of capital punishment. The debate of almost two years ago and the one we are having now have generally been maintained at a high level of discussion.

I need not quote statistics to show that the crime wave that our country is subjected to is on the increase from one year to the next.

You have only to read the daily newspapers to be convinced that there are more and more major crimes and that criminals are more and more daring. Moreover, we have to deal in our country with organized crime which does not have scruples about suppressing those who can interfere with their activities of all kinds.

• (9:20 p.m.)

I think it is not yet time to put on white gloves to deal with these people who do everything possible to destroy our country and our society. The death penalty is the

[Mr. Forest.]

ultimate way of protecting our community against this category of criminals. Besides, they will be the only ones to be executed. I mean those who, deliberately and knowingly, deprive their fellowmen of their sacred right to live.

The reason for the existence of capital punishment is the duty of society to protect the integrity and the lives of its members against those who threaten them. In the present circumstances, this protection against a conscious murderer is impossible without the death penalty, unless you submit him to an imprisonment that is humanly unbearable. Society and, therefore, the state have the right and the duty to defend the community against aggressors, from without, as in times of war, and from within, as in the case of treason, by demanding the death of the guilty; if the citizen may defend his life by taking that of his attacker, so can the state when a criminal attacks and endangers the life of the community by taking upon himself to murder his fellowman. There is really no other efficient means to protect the public against those who have defied the supreme law, namely that the individual does not have the right to kill.

That the death penalty should also be a deterrent, that it should force the potential murderer to pause, is a secondary effect that adds to its usefulness. But, alone, it would not make it legitimate, because society would not have the right to hang a murderer merely to scare others or to discourage them from doing the same thing.

But I am convinced that the death penalty has a true deterrent effect and that the fear of death really acts as a check. To think otherwise is deluding oneself because that is the conviction of every human being. There is nothing as final on earth as death, and where there is life there is hope.

Mr. Speaker, it is impossible to count those who were checked on the road to murder by fear of being hanged, but that is obvious and I am convinced that as a deterrent no substitute can be found for the death penalty.

Imprisonment of murderers for life will also encourage repeaters especially in case of escape. Despite the exception contained in the bill in regard to police officers and prison guards in the exercise of their functions, the prisoner would then be practically safe from any sentence other than the life sentence he already has to serve.

Mr. Speaker, I do not want to go over all the arguments against abolition of the death

penalty, but I am convinced that since the last vote on that question nothing has happened to make me change the views I expressed here in March 1966 and it is not the change in the bill which will have any bearing on them.

The statistics quoted on both sides about the crime rate after and before the abolition of the death penalty in some countries or states do not impress me much because they can be interpreted in various ways and there are too many differences between one country and another, one period and another, to reach safe and valid conclusions.

The abolishment of capital punishment is also premature, because we are far from having reached the stage where we can do without it. Our organizations for crime prevention, our system for the rehabilitation of criminals, and our social classes still need some considerable improvement before it can be considered. In this connection, I especially hope that the methods for the imprisonment of younger delinquents, who are often placed with hardened criminals, will be improved. In the matter of rehabilitation, we must specially think about them, because we should look after them when they can still become useful citizens.

Mr. Speaker, before concluding and in order not to repeat the arguments already raised, I consider that this penalty, which moreover could be the electric chair as well as the gas chamber, etc., is not a brutal nor a vengeful act, but solely tends to prevent the culprit from repeating the same crime, or others from doing the same and it is particularly aimed at enabling the community to do its duty, protect the life of its deserving citizens and finally to provide for its own security.

[*English*]

Mr. L. R. Sherman (Winnipeg South): Mr. Speaker, my position on the subject of capital punishment is known in this chamber. I disclosed it some 19 months ago when members of the house first had the opportunity to debate and vote upon this urgent social question. At that time, sir, as the record will show, I stood for abolition of the death penalty. That is the position, sir, for which I still stand, and I deeply regret that the members of the house have not been given the opportunity again to weigh this question in its full ramifications in their hearts, and to express their honest opinions on it in its full ramifications, freely and openly.

I am keenly disappointed that the bill now placed before us by the government does not go as far as it should. It is only a part way measure, retraining the death penalty for those who kill policemen or prison guards, and abolishing it in other categories of murder, for a five year trial period only.

I offer these remarks with no reflection intended on the hon. Solicitor General (Mr. Pennell). I believe that he has waged a sincere and conscientious battle for a long time to achieve abolition in this country, and I believe he has been hamstrung by his colleagues to the extent that expresses and manifests itself in this part-way bill, this part measure, this compromise piece of legislation that we have before us today, which I am certain does not satisfy the Solicitor General any more than it satisfies me. My criticism, sir, is not directed toward him; it is directed to the government in general.

I suggest that the members of the government have ignored their responsibilities, as few governments in our time have ignored responsibilities on so pressing and compelling a question as this. For four years the members of the government have flouted the law of the land. They have lacked the courage to resolve the problem. They have lacked the spine to show any leadership in this area, and now they have put an abolitionist like me, sir, in an almost impossible position by trying to use me in this confrontation to get themselves out of trouble.

For four years we have had *de facto* abolition, because of a spineless government. For four years they have flouted the law of this land. Now they want to take the consciences and the sincere principles of every abolitionist in this chamber and twist them and use them to their own advantage, merely to achieve justification and vindication for what they have been doing, and for what they have not had the courage to do. In my opinion this is four years of despicable hypocrisy, and now we come to the greatest hypocrisy of them all, a so-called free vote on capital punishment.

I submit that this is not a legitimate free vote, because the universal ramifications of the question, and the implications of the question, are not involved in the issue on which we are voting. The principles at stake here are principles with which and in which there is no honest compromise. Why should there not be a bill on the subject before this chamber, sponsored by representatives of all parties, so that there would be a true, legitimate, free vote on the government side of the

chamber as well as on the opposition side? This, sir, is little short of scandalous. I think it is a travesty of parliament, and a prostitution of the concept of the free vote.

The members on the government side—and I state this just as my own opinion—would appear in many instances to be paying only lip service to the principle, the compromise principle embodied in the legislation which is being piloted through the house by the Solicitor General. To me they do not appear to be speaking with any sincerity, with any conviction, with any conscientiousness, where the basic question of capital punishment and its abolition is concerned. This factor, combined with the compromise aspect of the bill itself and the compromise philosophy behind it, makes me feel that if I vote for the bill I am allowing myself to be used by government in a cynical travesty of parliamentary honesty.

And yet, as an abolitionist, how can I vote against this bill? How, in all conscience, can I vote against a measure that, no matter how cynical, takes us at least partially along the path of what I consider to be progress, along the path to total abolition? But it leaves an unsavory taste in my mouth as I participate in this debate and as I subsequently will rise to participate in the vote on this question. It puts me in an excruciating position as far as my conscience is concerned.

I am not concerned here, at this moment, with the pros and cons of the capital punishment argument. They were argued knowledgeably, in a scholarly fashion and most eloquently 19 months ago in this house, and again during the past few days by experts in jurisprudence, experts in social work, and experts in living. These speeches have contributed an expertise, knowledgeability and impact to the argument that I could not hope to match. I said what I had to say on this subject 19 months ago.

• (9:30 p.m.)

As I said, I believe in the abolition of the death penalty in all cases and I believe in a sentence of life imprisonment which means life imprisonment. So far as I am concerned the aspect of the bill which calls for cabinet review of any parole possibility satisfies me substantially on the question of the meaning of the term "life imprisonment", the question of the validity of the penalty and the enforcement of the same.

The two positions pro and con the death penalty have been well, adequately and interestingly argued. I do not intend to go into that argument again tonight. At the moment I am concerned only with the propriety of the action and the position of the government in bringing in a bill of this kind. I have great respect for the hon. Registrar General (Mr. Turner), but as I listened to him this afternoon I almost decided to change my position from abolitionist to retentionist. I thought that he dealt in rampant superficialities. He seemed to be rationalizing all the way through his speech. I have heard him give much more compelling and impressive speeches than the one he gave this afternoon, and I am left wondering what faction or element in the Liberal party the Registrar General was trying to accommodate in that exercise in legalistic convolution.

He spoke of compromise. Why is it that the Registrar General, who is one of the rising stars in Canadian public life, or perhaps I should say one of the risen stars, should be so concerned with compromise. He spoke of logic and raised the argument that people still can be sentenced to death for treason, and therefore we should not concern ourselves with the abolition of the death penalty in cases of murder unless we go all the way and include treason. I believe there is a good argument for including treason in the overall umbrella. I believe, however, that all these things are diversionary tactics, smoke screens, red herrings and side issues. There are not nearly as many people in this country who go about overtly or accidentally committing treason as there are people who for one reason or another commit murder. We are dealing with a subject which is far more urgent and compelling. I do not know whether there is anyone who is incarcerated in an institution in this land today under sentence of death for treason; there may be.

This question of treason came up only this afternoon. I had not considered it until the Registrar General raised it and I have not had an opportunity to investigate it. I submit, however, that there must be far fewer people in this country who have been sentenced for treason than have been sentenced for murder. In my question to the Registrar General this afternoon I suggested that in any event I doubt that it would be possible for a man to commit treason inadvertently, because by definition treason is a deliberate, premeditated act. Murder, in most cases, is neither deliberate nor premeditated. So we are dealing with an entirely different situation. When the Registrar General drags in these other issues I think he is obscuring the basic agonizing confrontation of conscience with

which we are faced in this chamber at this time.

The Registrar General spoke of the desirability of compensation for the victims of murder. I suggest to him that the victims of a murder include the relatives of the murderer. They are the victims of the crime just as much as are the relatives of the person who died as a consequence of the act. I hold no brief for brutality, killing or murder. But I suggest that if any of my relatives should commit a murder I would feel just as much a victim of that crime as members of the family of the direct victim. I say that the bill which is before this house at the present time, in essence, does in fact concern itself with victims of murders, because part of the charity and part of the Judaic-Christianity contained in the compromise legislation being piloted through the house at the present time by the Solicitor General is intended for the relatives of the murderer. The bill says that the family of the unfortunate man or woman who happened to be the instrument of fatal forces over which, for one reason or another, he or she had no control, or failed to exercise the proper control, should be shown some charity. That family would be given hope that such a soul might be saved, and that such a person need not necessarily be committed to the gallows.

Therefore, I suggest to the hon. Registrar General, that on one level it could be argued that this legislation does concern itself with the victims of murder. However, with respect to the specific category of the direct victim about which he was speaking, I concur in his point of view. I believe this is something to which long ago we should have addressed ourselves. But I suggest that he is obscuring the basic issue at this time by talking about matters of that kind. There are many such things which are needed in this society. Perhaps this will come next. But let us not drag red herrings into a highly emotional issue.

The Registrar General said in effect that he would be voting for this compromise bill because the majority of Canadians stand for retention, and only such a limited bill could pass. I hope I am not misconstruing the import of his remarks. I think this reflects a pretty serious repudiation of the whole responsibility of leadership. I suggest that in his capacity as a minister of the crown, it is his duty to give the people of Canada some leadership and some direction on a question like this, not merely to follow.

Early in his remarks he said he was intellectually in favour of abolition. I wonder how one can be intellectually committed, be a minister of the crown, be a man who has the capacity for leadership and the potential which he has, and fail to bring more than compromise, accommodation and acquiescence into an issue such as this.

In respect of the bill itself, I suggest that it is impossible for a retentionist to support it in full conscience. It is equally difficult for the abolitionist to do so. A few moments ago my Winnipeg colleague, the hon. member for Winnipeg North Centre (Mr. Knowles) said that this is a difficulty which should not be allowed to cloud, sidetrack or abort our deliberations on this bill. He suggested that merely because it is not perfect, because it does not go all the way, because it does not satisfy the full conscience either of the retentionist or the abolitionist, we should not conclude that it compromises our positions, and decide to hold out for something better. I believe this is a valid anxiety and I feel the same way myself.

Some people like myself, who believe in abolition, very well might feel that this bill is not worth voting for because it does not go all the way. The hon. member for Winnipeg North Centre has given expression to this anxiety, and has pointed out that it would be unfortunate if people came to this conclusion. He suggested that those of us who are in favour of abolition should be willing to take half a loaf if we cannot have the whole thing, and that we should regard this as a kind of milestone and worry about the next half of the path after we have passed the first milestone. I believe I subscribe to the position of the hon. member in this regard, although I am not happy about the compromise and accommodation into which I am forced.

• (9:40 p.m.)

I wonder why special consideration for police officers and prison officials has been written into this legislation. My friend and colleague from Digby-Annapolis-Kings (Mr. Nowlan) said in a speech on this subject last Friday that police officers and prison officials have been delegated by society to work with the offenders about whom we are talking. I do not often disagree with my colleague the hon. member for Digby-Annapolis-Kings, but I disagree with that assumption. I do not believe these prison officials and police officers have been delegated by society to work with these offenders. I believe they have chosen that line of work for themselves. I

agree there is a great deal of risk involved and that they are not paid enough. I say we should pay them more to compensate them for the risk.

I do not think they should be put into a special category wherein their lives are set up as something more sacred than the life of a Jewish storekeeper, such as the one in Toronto who was shot in cold blood the other day and whose wife subsequently died of a broken heart. I believe that man's life is just as valuable and important as the life of any police officer or prison official that I know. I think if we paid them properly they would not mind undertaking the risks that they do; they would undertake them happily and willingly just as men in many walks of life undertake risks. What about nuclear scientists, what about radiation technologists, what about medical men in certain categories working with certain viruses, what about soldiers, what about pilots? They risk their lives every day.

Police officers and prison officials also risk their lives every day. I agree there are probably limited instances where people are channelled into lines of work that they do not particularly aspire to or desire, but in most instances they are in that line of work because they are motivated to it and at some level of their personality, mentality and psyche they are satisfied with the kind of work they are doing. They would certainly like, and expect to be compensated for the extra risk they are taking, but I suggest there is quite a discrepancy between monetary compensation and the kind of quasi-religious compensation that we are injecting into this proposed legislation.

In conclusion I should like to attest, for the sake of the Solicitor General, that I intend to vote for this bill. I intend to vote for it while agonized and torn by conscience. It does not satisfy my heart for one moment. I feel that my position may be construed in some quarters as a rather unfortunate one, in that at one level I think it could be suggested, as I said earlier in my remarks, that I am being used here in an exercise that is not really a true and legitimate expression of conscience on this question. But I believe the Solicitor General has conscientiously and sincerely in his heart laboured and toiled in these vineyards to produce a step along the path of Canadian social progress that I believe is necessary, desirable and worth while. Because in the two years I have been here the Solicitor General has impressed me as much as anybody in this chamber, I intend to support the bill.

[Mr. Sherman.]

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I should like to make some remarks about Bill No. C-168, an act to amend the Criminal Code. This bill introduced by the Solicitor General (Mr. Pennell) the other day proposes to confine for an experimental period of only five years the possible imposition of the death penalty to murderers of police officers and prison guards while on duty. In short, the crux of this bill is a change in the definition of capital murder.

This new bill aims to repeal section 202A of the Criminal Code by stating that murder is capital murder only when a police officer or prison guard is murdered while on duty. This means that one class of our society is being favoured by the bill. The bill affords special protection, special treatment, favourable discrimination to people who are well trained to defend themselves, and people who are well armed.

The bill does not offer any of this special consideration to the helpless, innocent and undefended citizens such as the gentleman referred to by previous speakers, a tailor in my riding of Parkdale, who was shot to death last week. For this reason Bill No. C-168 I think can be regarded as objectionable and unfair.

Furthermore, Mr. Speaker, I think this bill is logically indefensible. Because the basis of the bill is that capital punishment does not and will not protect anyone, I ask: Why preserve capital punishment for the murderers of policemen or prison guards only?

Arguments have been made in the house that the death penalty should be abolished because life is sacred; but facts do not bear this out. The law of our country permits the police to shoot to kill if they are apprehending a suspected criminal. It also permits us to shoot to kill in self-defence, and it sends members of our armed forces to war and to kill. If life is really sacred and inviolable, logic dictates that we make no exceptions, that we carry out this principle to its full logical conclusions.

I also truly believe that this bill is ill-timed. It is ill-timed and premature because the Canadian Committee on Corrections, established by this government in June, 1965, under the chairmanship of Hon. Mr. Justice Roger Ouimet is still studying a broad field

of penal and legal problems including sentences, parole and rehabilitation. This bill could have been withheld until the committee on corrections had published its report.

I also am inclined to think that in view of the various arguments, opinions and doubts raised by many hon. members of the house during this debate, the issue of capital punishment should be referred to the justice and legal affairs committee of the House of Commons, which could also study the recommendations of the Canadian Committee on Corrections.

Most Canadians, according to various Gallup polls, feel that the fear of the death penalty does indeed act as a deterrent to murder. Repeated annual surveys which I conducted in the federal constituency of Parkdale, which I represent in this house, also reveal that the majority are against the abolition of the death penalty for capital murder.

It has also been mentioned several times during this debate that in Great Britain, where an abolition bill was approved for a trial period of five years, there has been an increase in the number of murders committed and consequently there is a widespread demand for the return of capital punishment. The federal government in Canada has virtually abolished capital punishment since 1963, and yet the number of violent crimes, murders and other forms of criminality have increased. Crime in Canada has increased even though punishment has been lessened and parole made easier.

It should also be of interest to hon. members of the house to know that the average time served on commuted death sentences where parole has been granted comes to an average of 8 years and 10 months in 13 cases paroled by the government since April, 1963.

• (9:50 p.m.)

Two murderers whose death sentences were commuted were paroled after only five years of imprisonment. I think many Canadians believe that life imprisonment means life imprisonment; but we should all be aware by now that life imprisonment does not mean incarceration for life.

Furthermore, Mr. Speaker, I am of the opinion that the alleged deterrent effect of capital punishment can be neither proved nor denied absolutely. Many other associated aspects of the matter of murder and murderers require deep study. One of them, as mentioned before, is the question of what kind of compensation a government should make available to the families of the victims of an act of murder. Perhaps the government should now refer the whole matter to the justice and legal affairs committee of the House of Commons, because I believe it needs a very thorough examination. I do not see why we should now be forced to vote on this bill when we are not properly prepared to do so.

Mrs. Jean Wadds (Grenville-Dundas): Mr. Speaker, as usual in most debates in this house we have heard some very interesting speeches, some excellent ones and some amazing ones. It seemed to me that one of the most amazing I have heard for quite some time was made this afternoon by the Registrar General (Mr. Turner). It seems to me a pity that, this afternoon at least, his good looks were not matched by logic. I do not mean to take advantage of him, since the hon. member for Winnipeg South (Mr. Sherman) has just reviewed the minister's speech rather closely and carefully. I must say however, that I do not think it was a speech of the calibre one could expect from the minister on a subject as serious as this one.

In case I appear to be envious I must admit that he has a great deal going for him. Certainly he has all the qualities of a popular, successful and young politician. He is certainly young, he is attractive, he is bilingual, he is hard-working and he is even liked by everyone in the house. But even if he is almost too good to be true, still he cannot accomplish the impossible, that is to be all things to all men. Of course he can try, and he tried very hard this afternoon. He had the additional misfortune, however, of being followed by the hon. member for Calgary North (Mr. Harkness). I do not think anyone has ever criticized him for trying to be all things to all men. If he ever did try, he has long since given it up as a useless effort. I agree with him entirely, that this so-called compromise bill makes it very difficult for those who favour abolition of capital punishment and makes it equally difficult for those who favour retention of capital punishment to reach a decision on this matter. It cannot in all conscience be supported by either.

I have wanted to speak on this bill for two reasons, the first being that I consider it a very obvious and blatant abuse of our parliamentary system, and the second that I am against the bill itself. We hear many justified and proper criticisms of the workings of this house, but it seems to me that surely one rule of the house that has not yet been disputed is that when the majority makes a decision and

votes on whether a measure is to be passed or rejected, this majority decision should stand. This subject was thoroughly and fairly debated only a year and a half ago and was fairly voted upon. Because some people did not like the result, the subject matter of the bill was brought before us again, although many serious and pressing social and economic problems have not yet come up for debate. If this procedure is to be followed, a swapping game might take place in the house. It would be much better to vote against one's conscience and get on to other things that are equally important and pressing.

I object strongly to the bill itself because it seems to me to be a silly compromise whereby the death penalty is considered to be sometimes right and sometimes wrong. We have heard a great deal from those who object to the harshness of the ultimate punishment. In fact those who put forward this argument go so far as to object to punishment as such. This train of thought has always been a mystery to me, since it seems very obvious that human beings must be checked in their wrongdoing to other human beings, or our progress in civilization will be halted.

I disagree with those who say that this bill represents a step forward in our society. If a child is allowed to go unchecked, his demands upon the people around him will become completely unbearable. I agree that it would be a lovely world if everybody could have everything he or she wanted, including good looks, beauty and brains, but there are some things that even this government cannot give to everyone. Until we attain this perfect world, there will be envy and jealousy, and these emotions will continue to be directed toward other people, according to the violence of the personalities involved. Our society must have some rules to check these extreme actions. I hope we can reach the stage when no one will need to steal or want to steal and when no one will want to murder, but as long as these crimes are committed, society must show its objection to them.

I do not agree that punishment is not a deterrent. It certainly is for me, and I am a human being. This opinion has been expressed by many, many people to whom I have spoken on this subject. I object strongly and completely to the theory that abolition of the death penalty constitutes social progress. I like progress, I like speed and I like change in some things, but I do not want to be

prevented from enjoying a walk by myself in our countryside or on our city streets. It is surely reassuring to see a well-groomed policeman to remind citizens and visitors from other lands that we have law and order, and that we have people here to protect it. It is a reminder that laws must be obeyed and that human beings will be protected as they go about their work and their pleasure.

It is surely equally distressing to see these law keepers having to go about in pairs. This is a shocking reminder that we know there are people in society who will use violence to remove the enforcers of law, and that there are people determined to break our laws as they personally see fit or wish to do. I agree with those people who consider that the murderers of policemen must be punished in the most severe possible way, and that the death penalty must be retained for those who commit this crime, but this very admission overlooks the repeated argument that the death penalty is not a deterrent. Surely if this bill has any reason for being presented, it is to protect policemen and guards and to lessen the number of murders of these men. No one can disagree with this aim. But if the death penalty is to be a deterrent to hardened, determined criminals who will even go so far as to murder policemen and guards, then surely it must be admitted that it is some deterrent to the less hardened and the less determined murderers who only want to commit easier murders on old, defenceless people or children who have no weapons, knowledge, experience or training in how to defend themselves.

• (10:00 p.m.)

Surely, Mr. Speaker, the whole point of this debate is to arrive at fewer murders, to improve our control of murder. If the death penalty is accepted as a means of improving our control of murder against one group of citizens, how can it not be an improvement in our control of murder against another group of citizens? Our whole democratic process is based on equal respect for human beings. If we are to retain the death penalty for those who murder policemen and guards because they are so important in maintaining law and order and respect for law and order, why should we not give such important people special priority in all things? Where do we draw the line? They are important, it is quite true. By this line of reasoning, they have a right to first and immediate attention from doctors, dentists, butchers, bakers, everyone who can keep them strong and in

the best shape for such an admittedly essential job in society. Can it not be argued reasonably that others who save life such as doctors, surgeons and great research men, should also have the highest protection of our society. If they are murdered, our society loses enormously and they, too, should be included in this special protection.

Sometimes it is argued that the death penalty should only be maintained for treason, and so it goes. Who is to decide what is the worst kind of murder? The murder of a young person may remove from this world the very person who might have discovered a cure for cancer or a cure for some other disease that would save millions of lives. The murder of policemen and guards is certainly not permissible, and I agree that our society should make it clear and plain that this is so; but neither is the murder of any other human being. There are thousands, probably millions, who feel the death penalty is a deterrent to murder. It is a long established practice that before repeal or revision of a statute, those who seek the alteration must accept the onus for substantiating their claim that a requirement exists for such change.

The people most immediately involved with protecting and apprehending murderers, our policemen, do not want abolition. In other areas of our society, we base our decisions on the opinions of those most closely connected with the problem, so why not do so in this important case? There are many people in the country who understand the processes of government better than we blinkered politicians sometimes realize. This is an emotional issue. Members of this house searched their souls during the last debate, as was obvious by the calibre of the speeches.

What is the Canadian public going to think of political morality if for no apparent reason an influential number of politicians now change their opinions, some 18 months later. This is supposed to be one of the most serious, if not the most serious question that we are asked to vote upon. It is a matter of life and death, not only the life or death of convicted murderers, but of life or death of the victims. It is admirable to have great pity for anyone who is in such a state that he will murder, but as much or more pity should surely be shown for the victim and those who mourn him.

It was my impression that the subject was taken very seriously in April last year, that the speeches were very carefully prepared to obtain every ounce of influence the speaker could muster, and every ounce of conviction. I would suppose, from considering carefully all speeches on the subject, that this is a decision based on the deepest roots of individual conscience. Some members of this house are more sensitive than others, some have higher I.Q.'s than others, but surely there is a rock of conscience in each of us that sets our limits and sets our values. This does not change; or if it does, there must be some new influence, some new knowledge.

If anyone can produce new influences, new knowledge, it will be worth hearing, but I feel very sure that Canadians inside or outside this house, who fear the increase of violence, can have found nothing to ease their fears in this last year or year and a half. Having been brought up in the trust of law and order, I cannot believe that it is unsafe to walk on the streets of many North American cities, even in broad daylight. Still we hear and see every day that this is so. Law and order is a vital, essential part of civilization.

I hope I am at least average in tolerance and sensitivity. I have been accused of too much individuality, and indeed I do not take second place to any member of this house in my respect for the individual. I would like to credit all my colleagues with a great respect for their fellow men; but I do not believe this involves license for those who go beyond civilized limits; and murder is beyond civilized limits.

I will not repeat the degree of emotionalism which I touched upon in my last speech on this subject, but it is indicative that not one mother expressed objection to my statement. If my much beloved child murdered, I can think of no other punishment that could allow me to face the mother of the victim. It is murder that we should be worrying about, not the punishment.

Is there great public demand for abolition of capital punishment? Was there a great public outcry 18 months ago when the majority of members of parliament did not want abolition? Was there a great public outcry, or indeed any private communications, that M.P.'s were not properly representing the country? Not to me, and I have certainly been clear enough on the subject.

I wish I could always speak with such conviction, Mr. Speaker. I speak from the depth of my own conscience and with complete confidence that I am representing a definite majority of the people in my constituency and the people I meet; and I think I get around as much as most members of this house.

Proceedings on Adjournment Motion

BUSINESS OF THE HOUSE

Mr. Starr: I should like to ask the house leader whether there is any change in the plans, or whether we will go on with this debate tomorrow, and on Thursday if necessary?

Mr. MacEachen: There is no change in plan, Mr. Speaker.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the house under provisional standing order 39A deemed to have been moved.

NATIONAL DEFENCE—POSSIBILITY OF JOINING SOUTH AMERICAN NUCLEAR-FREE TREATY

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, on October 24, as reported at page 3422 of *Hansard*, I asked the following question:

> Mr. Speaker, I wish to address a question to the Secretary of State for External Affairs. In view of the fact that the Latin American nuclear-free zone treaty would ban nuclear weapons from two thirds of the western hemisphere, and in view of the fact that the NORAD agreement is up for renegotiation at this time, has the government considered the possibility of joining the South and Central American nuclear-free zone as a positive step toward nuclear disarmament?

Then, Mr. Speaker, you intimated that you thought the question was much too general in scope to be dealt with at that time.

Why are we particularly interested in this question, Mr. Speaker? The members of this group have always been very concerned about the question of nuclear weapons. So that the house will know where we stand on this issue I want to quote from the "book of words"—the New Democratic party's resolution on this subject:

> The New Democratic party believes that nuclear weapons on Canadian soil and in the hands of Canadian forces abroad add nothing to the security of Canada or of the western world. They serve only to reduce the effectiveness of Canada's role in disarmament and to encourage the spread of nuclear weapons. The New Democratic party, therefore, reiterates its opposition to nuclear weapons on our soil or for our forces anywhere and calls for the cancellation of the government's plans to acquire nuclear weapons. Instead, Canada should immediately join with Norway, Sweden and other smaller countries to establish a non-nuclear club within the UN consisting of nations which undertake not to produce, stockpile, use or permit on their soil nuclear weapons of any sort.
>
> The New Democratic government will remove the useless and dangerous nuclear warheads on Canadian soil.

[Mrs. Wadds.]

Because of our attitude to this whole question I was very interested to read of the Latin-American nuclear free zone treaty, which promises to do just that, as far as the South American continent is concerned—to keep nuclear weapons away from the territory of all sovereign states between the Rio Grande and the south. Agreement on the terms of the agreement was reached at Mexico city on February 14, 1967, at which time 17 countries signed; four more have signed and others are signing. Personally, I believe that for Canada the treaty represents an opportunity and a challenge. That is the thinking of the members of this group. It offers Canada the opportunity to get rid of the presence on Canadian soil of nuclear weapons at air defence command stations which, in the words of the treaty, "make it a target for possible nuclear attacks." The possibility of joining this great denuclearized area of South and Central America arises at a time when the North Atlantic air defence agreement is up for renegotiation. NORAD has long outlived its usefulness from our point of view, and we have advocated for some years that Canada should withdraw from NORAD. But Canadian politicians continue to give lip service to the value of NORAD to Canada, and are reluctant to change their point of view in this respect.

• (10:10 p.m.)

I note that the parliamentary secretary is prepared to give me an answer. I should like him to tell this house, in reply to my question, that Canada and the Canadian government accept the challenge and opportunity presented by the treaty I have just mentioned.

Mr. D. S. Macdonald (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I accept the challenge presented by the ignorance of the hon. member and will respond to his question. The first remark to be made is that the North American air defence treaty has neither relation to nor implication for the recently concluded treaty to prohibit nuclear weapons in Latin America or the Caribbean. As the hon. member knows, the government of Canada has been a strong advocate of nuclear disarmanent in the 18 nation disarmanent committee and has welcomed the conclusion of the Latin American treaty.

It should be borne in mind by the hon. member and his party that this treaty very precisely establishes which countries are

entitled to membership and what the geographical boundaries are to be. In particular, the treaty is open to accession by all independent states in the western hemisphere lying south of the Mexican-United States border or in the Caribbean sea. The nuclear powers and extra-regional states having dependent territories in the zone are, moreover, asked to respect the treaty by acceding to separate protocols. As you will note, Mr. Speaker, no provision is made for the accession of countries like Canada which physically lie outside the zone and which do not possess nuclear weapons or have dependent territories in the zone. The question of Canada's joining the zone does not therefore arise.

We have of course commended the Latin American initiative in forthright terms. In his address of September 27 to the United Nations General Assembly, the Secretary of State for External Affairs (Mr. Martin) said:

> I am sure we should all wish to congratulate the states of Latin America and the Caribbean for reaching agreement to establish the first nuclear-free zone in an inhabited part of the world. This treaty will lend impetus to the non-proliferation negotiations, which have now been intensified in Geneva and will shortly be before this Assembly.

Hon. members will see how warm we have been in our commendation of the Latin American initiative, and how we have, as far as possible, identified ourselves with it. More important, however, is the conclusion, we believe, of the universal non-proliferation treaty, and this is one aspect of disarmament to which the Canadian government has attached high priority within the context of the 18 nation disarmament committee held as a result of the United Nations initiative.

As a member of the Geneva disarmament committee Canada has been active in all stages of the negotiation of a non-proliferation treaty, and we shall continue to do our utmost to bring it to fruition as a logical and more universal sequel to the Latin American treaty.

NATIONAL DEFENCE—WINNIPEG—THEFT OF ARMS FROM MINTO ARMOURIES

Mr. L. R. Sherman (Winnipeg South): Mr. Speaker, on the week end of October 29-30 there was a raid on the property of the Department of National Defence in Winnipeg, the Minto armouries. Stolen were six .303 calibre Bren guns on bipods, one .30 calibre Browning gun, one ammunition magazine for these weapons, one bayonet and several flare pistols.

No ammunition was stolen, presumably because no ammunition was kept in the storeroom from which the other items were taken. In any event, a Winnipeg police spokesman has confirmed that suitable ammunition can be purchased easily from commercial outlets. The Bren guns and the Browning gun were chained to bolts embedded in the floor of the quartermaster's store in the armoury. The chains were cut by the thieves. The weapons were not equipped with breach blocks but the thieves took both practice and regular blocks, breaking into a locked metal cabinet in the same room to do so. The block is, of course, part of the loading mechanism and its possession makes each stolen gun completely usable.

A number of theories have been advanced as to the reason these guns were stolen. There is a great deal of speculation as to the motive, and some of the theories offered are rather imaginative. The question has been asked: What is the ultimate destination of these weapons? Are they to be delivered to Cuba or to Israel, or to an organized crime syndicate in the United States or in another part of Canada? Were they taken by thieves planning to use them in a bank or payroll hold-up, or were they taken merely as a prank?

Winnipeg police are working on the case and will undoubtedly solve it before too long. Public curiosity as to the motive of the crime will then be answered. But this aspect of the affair is really not germane to my participation in this adjournment debate. The main purport of my remarks is not directed to the question of motive, though that is undoubtedly important. The main purport of my remarks has to do with the unsupportable position of the Department of National Defence when a D.N.D. installation can be broken into and robbed in circumstances such as this.

The questions I ask tonight are those I asked earlier in the house. The basic question is why a Department of National Defence stronghold could be breached by thieves after the authorities had been warned that a raid was coming. This is the thunderbolt in the whole incident. It is bad enough that national defence property should be vulnerable to thieves at any time, but after an advance warning the situation becomes incredible.

An army spokesman has disclosed that the Winnipeg police did tip the army off a week before the raid, and Chief Constable George Blow confirms this. The police apparently told

the army they had heard that a raid was expected at one of the city's armouries, and in response to this warning the army intensified its security guard at both Minto and McGregor armouries. One is left bewildered by such a set of circumstances. The obvious question is: How was it that in such a situation Minto armouries proved vulnerable, and how many other national defence installations across the country are similarly vulnerable?

Here are the facts, taken from Winnipeg newspapers—the *Tribune* and the *Free Press*. Internal security was checked and a mobile radio patrol was alerted to watch Minto and McGregor armouries. It appeared that the thieves knew in advance where to look for the weapons. They scaled a wire fence and sawed through two bars of a sub-ground basement window. Inside, they sawed through a steel screen mesh in an opening above the door to the quartermaster's store where the guns were kept.

• (10:20 p.m.)

Lately, in the process of investigation, it has been reported that there were no army guards on duty at Minto armoury on October 30 when the theft took place. Personnel on the grounds that night, as reported by the Winnipeg *Free Press* of November 8, consisted of civilians only, two caretakers and a fireman.

My question to the government, sir, is: How could this situation have occurred in the light of an advance warning by the police that they expected such a raid, and what does this hold for our Department of National Defence installations right across the country?

Mr. D. S. Macdonald (Parliament Secretary to Secretary of State for External Affairs): Mr. Speaker, before the house wonders if there has been a re-assignment of functions I should say on behalf of the Minister of National Defence (Mr. Cadieux) that tonight's inclement weather has prevented him from being here and accordingly I have been asked to represent him. There is really not much that I can add to the information which has already been given to the hon. member for Winnipeg South (Mr. Sherman) by my colleague the Solicitor General (Mr. Pennell) on November 3.

I am informed that the Winnipeg city police have this matter under active investigation, and the military and the R.C.M.P. are giving them every assistance and co-operation. I am also advised by the departmental officials concerned—and the hon. member has confirmed this in his own remarks, describing the elaborate security precautions that were taken in a physical way to protect the equipment—that the precautions which were applied to the Minto armouries were considered adequate.

I am sure the hon. member will agree that no security system is perfect, and none could be perfect where these weapons have to be in continuous and frequent use. I am informed that this is the first loss of weapons through theft from an armoury in over two years. I would agree that it has been an unfortunate incident, but I have every confidence that the police authorities will apprehend these criminals.

Before closing, Mr. Speaker, might I congratulate the hon. member for Winnipeg South on his very fine address earlier this evening, which was refreshing—

Mr. Speaker: Order, please. The hon. member for Victoria, B.C.

VETERANS AFFAIRS—MAINTENANCE OF PREFERENCE IN DEFENCE ESTABLISHMENT APPOINTMENTS

Mr. D. W. Groos (Victoria (B.C.)): Mr. Speaker, anxious as I am to get an answer to the question I posed to one of the ministers yesterday, I must ask if you would mind deferring the question until tomorrow because the weather has prevented the spokesman for the department from being present tonight.

Motion agreed to and the house adjourned at 10.25 p.m.

HOUSE OF COMMONS

Wednesday, November 15, 1967

The house met at 2.30 p.m.

NEW MEMBER

Mr. Speaker: I have the honour to inform the house that the Clerk of the House has received from the chief electoral officer certificate of the election and return of Hon. Robert L. Stanfield, for the electoral district of Colchester-Hants.

NEW MEMBER INTRODUCED

Hon. Robert L. Stanfield, member for the electoral district of Colchester-Hants, introduced by Hon. Michael Starr and Hon. Théogène Ricard.

HOUSE OF COMMONS

CONGRATULATIONS AND WELCOME TO NEW LEADER OF OPPOSITION

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I have already congratulated my hon. friend the Leader of the Opposition on his accession to the leadership of his party, and I should like to congratulate him today on his election to the House of Commons and the taking of his seat in this chamber. In offering congratulations, Mr. Speaker, perhaps I could call attention to the fact that he is succeeding in Colchester-Hants a member of quiet sincerity and friendly disposition who had won the affection of all members of this house who knew him.

It is interesting, at least it was interesting to me during the deep research I have conducted on this subject in the last few hours, to realize that the hon. Leader of the Opposition is the third member of his party who has held this post in the last 30 years who had previously served as premier of his province. I can assure the hon. gentleman of my design and my desire to co-operate with him in every possible way, as of course should be the case between two men who are endeavouring to serve the country in the two most important positions in the House of Commons.

• (2:40 p.m.)

I hasten to add, Mr. Speaker, that I do not include in that offer of co-operation the realization of the hon. gentleman's announced patriotic duty to bring about without delay a general election. I consider it my patriotic duty to save the country from a general election for as long as possible, though I do not expect any co-operation from the other side of that high endeavour.

The hon. gentleman assured Canadians the other night in a television broadcast that, among other things, he was anxious to make parliament work more effectively. I look forward to working with him in every way I can in the achievement of this important goal. There are other ways in which, subject to our different parliamentary and party responsibilities, I know we will be able to collaborate; but whether in collaboration or in criticism, in approval or in disapproval, I know the hon. gentleman who has now taken his seat is actuated, as I hope and believe we all are in this house, only by a desire and a resolve to serve Canada.

Some hon. Members: Hear, hear.

Mr. Pearson: In that spirit, Mr. Speaker, we on this side convey to him our best wishes as he takes on new and important responsibilities in this house.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, the members of this party would like to associate themselves with the comments of the right hon. Prime Minister in extending a welcome to the Leader of the Opposition. I want to assure him that those around him are not as blue as they appear at the moment.

Mr. MacEwan: You can say that again.

Mr. Douglas: I also want to tell him that his very easy admission to this house is not to be taken as a precedent, and that we will endeavour to make his next entry into the house more difficult. As a matter of fact, Mr. Speaker, the New Democratic party had two reasons for hoping that the Leader of the Opposition would enter the house quickly. The first is that we feel that in our parliamentary system it is much more expedient to have the leaders of the political parties in the

house taking part in public debate and expressing the views of their party on important public issues. The second reason is that with the closing of coal mines and steel plants in Nova Scotia we thought it would be better to get him out of the province before he wrecked the joint.

Some hon. Members: Oh, oh.

Mr. Bell (Saint John-Albert): Just as happened with Saskatchewan.

Mr. Douglas: We thought it would be preferable to get the hon. gentleman into the House of Commons where the only thing he could wreck would be the Tory party; and in that endeavour he will have our wholehearted co-operation. He cannot expect any help from the government, because they are busy wrecking the economy of the country.

Some hon. Members: Oh, oh.

Mr. Douglas: In a more serious vein, I wish to extend on behalf of our group our heartiest congratulations to the Leader of the Opposition on his election as leader of his party, and to welcome him to the House of Commons. If I might add a personal note, I had the privilege of working with him at one or two federal-provincial conferences. I know him to be a man of high dedication, good judgment and sound common sense. As Leader of the Opposition he takes on a heavy responsibility. From his past record and from my brief association with him I am convinced that he will discharge his responsibilities in a manner which will bring credit to himself, distinction to his party and benefit to the people of Canada.

[*Translation*]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, the members of this party would not miss the opportunity to add a few words of welcome to those addressed by the right hon. Prime Minister to the Leader of the Opposition (Mr. Stanfield) to whom we should like to say that we have followed attentively the evolution of his party, particularly the selection made the supporters of a democratic government in his riding.

We most sincerely congratulate the new Leader of the Opposition and wish him to work with all the parties in the house for the future of Canada, which means that we assume the opposition will work seriously and constructively, not negatively. On the other hand, our party will always stand ready to co-operate with the other parties toward the objective of all Canadians, that is the progress of the country through ever more advanced, ever more sincere legislation for the economic development of the country.

I trust that the new Leader of the Opposition will bring to this parliament a constructive factor, and I am sure that if we all work hand in hand in the house, we shall succeed in an action not likely to destroy Canadian unity but to make it stronger still.

[*English*]

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, as yesterday we joined in words of good wishes to the hon. member for Ontario, so today we join in welcoming the Leader of the Opposition as he takes his seat in the House of Commons. We as parliamentarians have a common responsibility and face a tremendous challenge. To the extent that we can work together in the interest of the nation and the solution of its problems, this responsibility rests on us all. If the Leader of the Opposition can use his influence to give direction, and if he can point the way for the leaders of his party to play a constructive role in this house, then to that extent we shall be in his debt. In this way we join in the expressions of welcome to him this afternoon.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I need hardly tell you, and through you the members of this house, what a privilege it is for me to take my seat today as a member of the House of Commons. Though I have been accustomed to sitting in a legislature or parliament of somewhat greater antiquity, nevertheless I am aware of my great privilege in being finally in this house.

• (2:50 p.m.)

It would be a privilege in any circumstances; it is a tremendous pleasure for me to enter this chamber as the Leader of the Opposition under your Speakership, sir; to sit in a chamber presided over by a Speaker of such tact, humour and firmness. I think a member of an opposition is always aware of the importance of the Speaker and my first duty is to pay my respects to you, sir, as I now do, and to assure you that I will always wish to co-operate and do nothing to increase

your difficulties, since I appreciate very much the privilege of sitting in this chamber with you in the chair.

Some hon. Members: Hear, hear.

Mr. Stanfield: I wish to thank the Prime Minister for his very friendly and kind welcome to me today. I wish to thank him in particular for the kind remarks he made about my predecessor in Colchester-Hants, a very gallant Canadian who has done so much to serve his country.

Some hon. Members: Hear, hear.

Mr. Stanfield: Of course it remains to be seen what service he has rendered his country in this instance.

Some hon. Members: Oh, oh.

Mr. Stanfield: I assure the Prime Minister that it will certainly be my endeavour, and I am sure the endeavour of the opposition, to assist in the operation of the house and in forwarding the business of the country.

I am fully aware of the importance of the position I now hold as Leader of the Opposition. I think a good opposition is essential to good government, and if by being a good opposition we incidentally improve the government in the process, this will be something in which we and the Canadian people alike will rejoice. More seriously, we have a heavy responsibility on our side of the house and we shall do our best to discharge it properly.

I wish to express my appreciation also to the leaders of the other parties who have welcomed me here this afternoon. I should like to say a word particularly to the leader of the New Democratic party about his reference to the many services I have performed in Nova Scotia. He omitted, however, to refer to one service which I often claim to have performed in Nova Scotia. I was a little surprised that when referring to my wrecking activities he did not refer to the manner in which we had succeeded in wrecking his party in that province.

Some hon. Members: Oh, oh.

[*Translation*]

Mr. Stanfield: Mr. Speaker, of all the problems that concern our country, the one that goes deepest is that of unity.

As I take my seat in this house for the first time as leader of a great party, I must say that my presence here would be a great disappointment to me if I did not succeed in doing my share toward building a united Canada.

Some hon. Members: Hear, hear.

[*English*]

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

SETTLEMENT OF ARAB REFUGEES IN CANADA

Question No. 459—**Mr. Dinsdale:**

1. Has the government established a policy to resettle Arab refugees in Canada?

2. If so, how many Arab refugees have come to Canada under the scheme?

Hon. Judy V. LaMarsh (Secretary of State): I am informed by the Departments of External Affairs and Manpower and Immigration as follows: 1. No.

2. Not applicable.

HOUSING PROGRAM FOR INDIANS

Question No. 478—**Mr. Dinsdale:**

1. Since the inauguration of the housing program for Canada's Indian population, how much of the $112,000,000 has been expended?

2. How many houses have been completed?

3. How many houses are under construction?

4. Where are they located?

5. How many houses have been built for Indians living off the reserves and where are they located?

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development): The program referred to was a 5 year $112,000,000 expenditure for the physical development of Indian reserves of which $75,000,000 is to be used as assistance to provide houses in the 5 year term. As of August 31, 1967, $16,822,130 has been expended.

2. As of August 31, 1967, 3,435 houses have been completed.

3. As of August 31, 1967, 1,096 houses are under construction.

4. Maritime region, 104; Quebec region, 265; Ontario region, 431; Manitoba region, 781; Saskatchewan region, 724; Alberta region, 490; B.C. and Yukon region, 460.

5. Indians who qualify for housing assistance off Indian reserves may choose to have

a house constructed, purchase an existing house, or purchase a house constructed by a developer. As of September 30, 1967, 85 Indians have been approved for assistance under the "off-reserve housing program". Statistics are not available on the choice of house the Indian has or will select. All houses selected must have Central Mortgage and Housing approval. Indians qualifying for off reserve assistance are located as follows: Maritime region, 4; Quebec region, 2; Ontario region, 14; Manitoba region, 21; Saskatchewan region, 13; Alberta region, 4; B.C. and Yukon region, 27.

CANADIAN PAVILION AT EXPO

Question No. 492—**Mr. Forrestall:**

1. What is to become of the Canadian pavilion at "Expo 67" after the exhibition closes?

2. Specifically, what plans does the government have for Katimavik?

Hon. Robert Winters (Minister of Trade and Commerce): 1 and 2. Negotiations, which are taking place between the city of Montreal and the government of Canada for the disposition of the Canadian pavilion, including Katimavik, have not yet been concluded.

ROLLED STEEL IMPORTS

Question No. 496—**Mr. McCleave:**

1. What was the total value of rolled steel imported into Canada in 1966, from what countries was it imported and in what dollar volume in each case?

2. What was the amount of rolled steel imported into each province of Canada in 1966, by dollar volume?

Mr. Jean-Charles Cantin (Parliamentary Secretary to Minister of Trade and Commerce): 1. The total value of rolled steel imported into Canada in 1966 was $207,000,000 of which $48,402,000 was material of a class or kind not made in Canada, and $29,000,000 represented importation in rolled form of ingots sent to the United States for purposes of conversion.

Details by country and dollar value for each of the countries for the 55 classes of rolled steel imported into Canada in 1966 may be found on pages 128 to 134 (commodity classes 444-05 to 447-99) of the December 1966 issue of the Dominion Bureau of Statistics publication, "Imports by Commodities", catalogue number 65-007, which is available in any public library or the library of parliament.

[Mr. Laing.]

2. The amount of rolled steel imported into each province of Canada in 1966, by dollar volume is as follows:—

Newfoundland	$ 1,184,944
Nova Scotia	3,292,297
Prince Edward Island	583
New Brunswick	2,937,537
Quebec	82,600,677
Ontario	85,260,221
Manitoba	2,566,586
Saskatchewan	260,794
Alberta	1,383,060
British Columbia	28,243,601
Yukon	889
Total	$207,731,189

RECIPROCAL PENSION PLAN, CANADA-FRANCE

Question No. 508—**Mr. Knowles:**

1. Since May 30, 1966, the date of answers to similar questions, have there been further discussions between the government of Canada and the government of France concerning the possibility of a reciprocal agreement with respect to the Canada Pension Plan and corresponding legislation in France?

2. If so, what conclusions have been reached?

3. If no conclusions have yet been reached, are such discussions continuing and will a report on such discussions be made to the House of Commons at an early date?

Hon. Allan J. MacEachen (Minister of National Health and Welfare): 1. No.

2. See answer to 1 above.

3. If some type of mutually satisfactory reciprocal arrangement can be worked out, further discussions will be undertaken. Information would be made available to the House of Commons at the appropriate time.

CITIZENSHIP COURTS

Question No. 568—**Mr. Hales:**

1. Where are the courts of Canadian citizenship located?

2. Who is the president of each court?

3. What is the age of each president?

4. Is there a statutory retirement age for these presidents?

5. Are any presidents being retired within the next six months?

6. If so, what are their names?

Hon. Judy V. LaMarsh (Secretary of State): 1, 2 and 3

Location	Name of presiding officer	Age of presiding officer
Halifax	Mrs. Allie Ahern	64
Moncton	K. B. Carson, Esq.	64
Montreal	R. Deguire, Esq.	63
Ottawa	J. A. Dawson, Esq.	68
Toronto	W. M. Cory, Esq.	71
Toronto	K. L. McKenzie, Esq.	60
Hamilton	R. H. Tugman, Esq.	64
London	C. C. Calder, Esq.	57
Sudbury	O. J. Godin, Esq.	56
Winnipeg	Vacant	
Regina	B. Korchinski, Esq.	61
Edmonton	O. W. Allen, Esq.	56
Calgary	V. A. Cooney, Esq.	59
Vancouver	E. V. Chown, Esq.	70

4. No. Appointments are made by the governor in council pursuant to the Citizenship Act. Some have been at pleasure, some for fixed terms.

5. Yes.

6. (a) R. H. Tugman, on April 5, 1968. (b) W. M. Cory, on March 31, 1968. (c) E. V. Chown, on August 14, 1968.

*WHEAT EXPORTS

Question No. 569—**Mr. Woolliams:**

1. How many bushels of wheat were exported from Canada in July, 1966; August, 1966; September, 1966; and October, 1966?

2. How many bushels of wheat were exported from Canada in July, 1967; August, 1967; September, 1967; and October, 1967?

3. How many dollars subsidy has been paid by the government out of the Canadian treasury in reference to any wheat sold below the minimum floor price contained in the new international wheat agreement?

Hon. Robert Winters (Minister of Trade and Commerce): The reply to this starred question involves quite a few figures, Mr. Speaker, and I wonder if the hon. member would be willing to have the answer taken as read and allow it to be printed in *Hansard*?

Mr. Speaker: Is this agreed?

Mr. Woolliams: Agreed.

[*Editor's Note: The answer above referred to is as follows:*]

1. The number of bushels of wheat exported from Canada in July, 1966; August, 1966; September, 1966; and October, 1966 is shown in the attached table.

2. Export statistics for September, 1967 and October, 1967 are not yet available. The number of bushels of wheat exported from Canada in July, 1967 and preliminary statistics for August, 1967 are shown in the attached table.

3. Nil.

Month	1966 (Bushels)	1967 (Bushels)
July	56,027,820	42,960,260
August	68,096,911	25,038,808*
September	59,081,615	N.A.
October	45,578,813	N.A.

*Preliminary

N.A.—Not available

FINAL EXPO DEFICIT

Question No. 573—**Mr. Harkness:**

1. What has been determined as the final deficit for Expo '67?

2. What is the amount of this which is to be borne by the federal treasury?

Mr. Jean-Charles Cantin (Parliamentary Secretary to Minister of Trade and Commerce): 1. The final net cost for Expo '67 has net yet been determined in that it will take some weeks before the financial accounts can be finalized.

2. The federal treasury will bear 50 per cent of this net cost.

Questions

HABITAT '67 AT EXPO

Question No. 606—**Mr. Coates:**

1. What was the final cost of Habitat '67 and was this cost shared by the government of Canada, the government of the province of Quebec and the city of Montreal, or was it the sole responsibility of the government of Canada?

2. What is the estimated salvage value of Habitat '67?

3. What was the total revenue received in leases and rentals for space provided during the period that Expo '67 was in operation?

Mr. Jean-Charles Cantin (Parliamentary Secretary to Minister of Trade and Commerce): 1. The final cost of Habitat '67 will be $22,669,350. Habitat '67 is an asset owned by the Canadian Corporation for the 1967 World Exhibition, whose ownership is 50 per cent with the government of Canada, 37½ per cent with the province of Quebec and 12½ per cent with the city of Montreal.

2. The Canadian Corporation for the 1967 World Exhibition's approved budget includes an estimated asset value for Habitat '67 of $7,447,740.

3. The total revenue received in leases and rentals for space in Habitat '67 during the period that Expo was in operation was $287,800. Twenty six units were used for exhibit purposes for which no revenue was received.

COMPANY OF YOUNG CANADIANS—LOOSE LEAF BINDERS

Question No. 612—**Mr. Smith:**

1. How many loose leaf binders were circulated by the Company of Young Canadians for the purpose of keeping records of their activities?

2. What was the cost per binder?

3. What was the total cost?

4. Was consideration given to spending this money for the purpose of purchasing school books for children in deprived areas of northern Canada?

Mr. John R. Matheson (Parliamentary Secretary to Prime Minister): I am informed by the Company of Young Canadians as follows:

1. Four hundred and fifty loose leaf binders have been distributed.

2. Cost per binder (with printing), $1.27.

3. Total cost, $571.50.

4. No.

[Mr. Cantin.]

ENGINEERING STUDY, GEORGIAN BAY SHIP CANAL

Question No. 617—**Mr. Bell (Carleton):**

1. When was the last engineering survey made of the feasibility of a Georgian bay ship canal, and by whom?

2. Would the government consider instituting a new study to bring up to date the engineering aspects and financial estimates of such a ship canal?

Hon. G. J. McIlraith (Minister of Public Works): 1. In 1904-08 by the Department of Public Works.

2. The information presently available to the department does not justify a new study.

*STEVEN TRUSCOTT—PAROLE RECOMMENDATION

Question No. 618—**Mr. Knowles:**

1. Has the government, or any minister thereof, since the date on which the Supreme Court of Canada gave its answers to the question put to it concerning the case of Steven Truscott, considered recommending that Steven Truscott be granted a parole?

2. If so, what has been the result of such consideration?

3. If a decision to recommend a parole has not yet been made, is the matter now under consideration?

Hon. L. T. Pennell (Solicitor General): The parole regulations provide that in a case of this kind no parole may be granted without the approval of the governor in council on the recommendation of the National Parole Board. The regulations further provide that the board shall not recommend a parole to the governor in council until at least ten years of the term of imprisonment has been served.

The eligibility date for consideration of parole in this case will be in June, 1969. Action by the government or any minister thereof is governed by the parole regulations.

CENTENNIAL MEDALS

Question No. 621—**Mr. Brand:**

1. How many centennial medals have been awarded to civilians?

2. How many of these recipients are women?

Hon. Judy V. LaMarsh (Secretary of State): 1. The awarding of the centennial medal is in progress; many nominations have yet to be received and considered.

2. See answer to 1.

NORTHUMBERLAND STRAIT CROSSING

Question No. 624—**Mr. Macquarrie:**

1. In each of the years from 1957 to 1967, what amounts were expended on the Northumberland strait crossing project?

2. How many contracts have been let for construction of highway approaches on (a) the New Brunswick, and (b) the P.E.I. side of the Northumberland strait crossing project, and what is the amount of each contract?

3. What is the total length of highway to be constructed in each province under such contracts?

4. What is the length of new railway line constructed on the New Brunswick side of the crossing?

5. What was the total cost of this rail line construction?

Hon. G. J. McIlraith (Minister of Public Works): 1. 1957-58, Nil; 1958-59, $347,603; 1959-60, $154,091; 1960-61, $8,040; 1961-62, $9,141; 1962-63, $49,296; 1963-64, $499,796; 1964-65, $1,239,077; 1965-66, $1,650,001; 1966-67, $4,317,352.

2. (a) Two: Highway approach and railway grade, $1,696,660.00; Murray Corner Road, overpass construction, $219,366.50. (b) Three: Approach grade, $1,149,483.00; Seven Mile Bay road, overpass construction, $192,093.60; Albany interchange construction, $799,742.50.

3. New Brunswick: 4.53 miles and the Murray Corner road overpass. Prince Edward Island: 3.95 miles and the Seven Mile Bay road overpass and the Albany interchange.

4. 4.98 miles.

5. $883,936.

Hon. J. A. MacLean (Queens): Mr. Speaker, I would ask that question 599 standing in my name be dropped for redrafting.

Mr. Speaker: Is it agreed?

Some hon. Members: Agreed.

QUESTIONS PASSED AS ORDERS FOR RETURNS

*GRANTS AND BENEFITS TO EXPO COUNTRIES

Question No. 502—**Mr. Rynard:**

1. What was the total cost of grants and benefits given to heads of states and other dignitaries of countries visiting Canada during centennial year?

2. What are the names of the countries and the amounts of grants and/or benefits each received?

3. What are the names of the countries listed as being underdeveloped?

Return tabled.

Hon. G. J. McIlraith (Minister of Public Works): Mr. Speaker, I wonder if I could have permission of the house to have question No. 197 called.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

LAND EXPROPRIATIONS, NATIONAL CAPITAL

Question No. 197—**Mr. Caouette:**

Since 1927, how much has the federal government spent each year on the expropriation of land and property for the purposes of the national capital (a) on the Ontario side (b) on the Quebec side?

Hon. G. J. McIlraith (Minister of Public Works): It is impossible to answer this question in the form asked, as it is not clear what is meant by the expression "expropriation of land and property for the purposes of the national capital". However, it is possible to give the information as to the total value of lands and property expropriated by the National Capital Commission and by its predecessor, the Federal District Commission, from 1927 to date.

Prior to the year 1962 the National Capital Commission and its predecessor only expropriated land for its purposes as laid down in the National Capital Act. Since that time the commission has also expropriated land for other federal government departments and agencies.

If this is the information desired, I would ask that the question be made an order for return.

Mr. Speaker: Order, please. Is it agreed that the question to which the hon. minister has referred be made an order for return?

Some hon. Members: Agreed.

BUSINESS OF THE HOUSE

CONSIDERATION AT SAME TIME OF OLD AND NEW BUDGET PROPOSALS

On the orders of the day:

Hon. J. W. Monteith (Perth): Mr. Speaker, yesterday I asked the house leader whether he would give consideration to having the resolutions under the forthcoming supplementary budget and the previous budget discussed at the same time. The minister said that he would take this into consideration. I should like to ask him whether he has had an opportunity to do that.

Inquiries of the Ministry

Hon. Allan J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, I have considered this matter and have had an opportunity to speak to the Minister of Finance, but we have not concluded any arrangement as yet. As soon as an arrangement is made I shall be glad to notify the house.

INDUSTRY

SYDNEY, N.S.—FEDERAL ASSISTANCE IN MAINTAINING OPERATION OF STEEL PLANT

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I should like to direct this question to the right hon. Prime Minister. Has he received a telegram from the steel workers local in Sydney, Nova Scotia, asking the government to state clearly what financial assistance it is prepared to give in conjunction with the government of Nova Scotia for the purpose of guaranteeing the continuance of the steel plant at Sydney beyond April, 1968? In view of the fact that the Hawker Siddeley company and the government of Nova Scotia are now engaged in negotiations, it would seem important that the government should now make some statement in this regard.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, discussions regarding Dosco are going on with the government of Nova Scotia. The premier of the province will be in Ottawa tomorrow. The discussions will be continued with him in respect of all aspects of this very difficult and serious problem. As soon as there is something to announce with regard to a federal decision on this matter I shall be glad to announce it in the house.

Mr. Douglas: I have a supplementary question, Mr. Speaker. May I ask the Prime Minister whether there has been any exchange of correspondence between himself and the premier of Nova Scotia concerning what financial commitment the federal government is prepared to make; and would the Prime Minister be prepared to have the correspondence tabled?

Mr. Pearson: Mr. Speaker, there have been letters and communications on all aspects of the problem, as well as individual telephone conversations and oral discussions. I would prefer to make a decision in respect of what can be tabled with regard to the communications as soon as we have completed the discussions.

[Mr. Monteith.]

[*Translation*]

EXPO '67

INQUIRY AS TO DISPOSITION OF ASSETS

On the orders of the day:

Mr. Alcide Simard (Lac-Saint-Jean): Mr. Speaker, I have a question for the Prime Minister.

Did the Canadian government officially promise the city of Montreal to pay its share of the cost of a permanent exhibition that will be worthy of the prestige gained by "Man and his World"?

[*English*]

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, discussions among the Minister of Trade and Commerce representing the federal government, the provincial government and the municipality with regard to the disposition of Expo property and assets are going on. As soon as these discussions have been completed an announcement will be made by the minister in the house.

INQUIRY AS TO DISPOSITION OF CANADIAN INDIAN PAVILION

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development. Can he inform the house whether the Canadian Indian pavilion at Expo has been offered to or accepted by the city of Montreal? If so, will it be maintained in its present condition and on the present site?

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development): Mr. Speaker, the city of Montreal, in the person of the mayor of Montreal, has indicated an interest in acquiring the building but no decision has been taken as yet.

EXTERNAL AFFAIRS

CYPRUS—POSSIBLE EXTENSION OF CANADIAN COMMITMENT

On the orders of the day:

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. As the present mandate for the UN peacekeeping force in Cyprus is about to expire, is it the intention of the government to renew Canada's contribution for a further period of time?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the mandate of the force will be considered by the security council prior to the termination date of December 26. Until we know what decision the security council takes it is not possible to say what course we will follow.

CANADIAN BROADCASTING CORPORATION

STATEMENT BY BOARD RESPECTING ACTION BY MINISTER

On the orders of the day:

Mr. R. Gordon L. Fairweather (Royal): Mr. Speaker, I have a question for the right hon. Prime Minister. Now that the right hon. gentleman has had an opportunity to study the recent statement of the directors of the Canadian Broadcasting Corporation about the Secretary of State's reference to its management, what has been the response of the right hon. gentleman to the statement, and does the board continue to enjoy the confidence of the Prime Minister?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, public broadcasting, and the Canadian Broadcasting Corporation as the instrument of public broadcasting, receives and will continue to receive the confidence of the government. In so far as the particular statement is concerned, if I have anything to say about it I will say it when I make my contribution to the debate on the broadcasting bill.

Mr. R. W. Prittie (Burnaby-Richmond): May I ask a supplementary question, Mr. Speaker. Is the Prime Minister in a position now to say when he will announce the appointment of the new president and executive vice president of the C.B.C.?

Mr. Pearson: Mr. Speaker, I will be in a better position to do that once the broadcasting legislation is in effect.

FINANCE

REQUEST FOR DETAILS OF PROPOSED REDUCTIONS IN ESTIMATES

On the orders of the day:

Hon. George Hees (Northumberland): Mr. Speaker, I should like to direct a question to the Minister of Finance. Can the minister advise the house when he expects to announce the reduction in the spending estimates for 1967-68 which he has said he intends to make?

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, I will be making a statement both about the spending in this fiscal year and our plans for next year when I make the statement I promised to make in the house when I bring down my supplementary financial measures.

Mr. Hees: I have a supplementary question, Mr. Speaker. In view of the fact that when speaking in New York last night the minister said that the economy measures he is adopting at present should have been introduced in 1965, could he advise the house why there has been this two year delay?

Mr. Sharp: I rise on a question of privilege, Mr. Speaker. I did not say that in New York.

Mr. Hees: On a question of privilege—

Mr. Speaker: Order, please.

TRADE

WHEAT—POSSIBLE SALES RESULTING FROM WHEAT BOARD ACTIVITIES

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a question for the Minister of Trade and Commerce. Reports of a speech prepared for delivery by the minister to the Saskatchewan wheat pool in Regina indicate that officials of the Canadian Wheat Board have visited Brazil, Lebanon, Morocco, the Philippines, Venezuela and Taiwan. Have any sales of wheat resulted from these visits?

Hon. Robert Winters (Minister of Trade and Commerce): Mr. Speaker, this is part of the board's program of pursuing every possible market. The officials of the Canadian Wheat Board have visited other countries. I mentioned those named in order to illustrate the work the board is doing. They have been making sales. Sales are being made on a day to day basis to these countries and others.

Mr. Korchinski: Mr. Speaker, I should like to ask a question which is supplementary to my original question. Since my information would lead me to believe no sales have been made, would the minister be prepared to indicate to the house the amount of grain which has been sold?

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, in view of the answer given to question No. 569, to the effect that no subsidy in fact has been paid in respect of any sales; and in view of the fact that exports dropped

from 68 million bushels to 25 million bushels in August, is there any firm contract now with new customers in respect of Canadian wheat which has been made by the Canadian Wheat Board which the minister can report today?

Mr. Winters: Mr. Speaker, there are no firm contracts, but we are selling on a continuing basis. As I informed hon. members earlier, our negotiators are in Canton today. I believe they arrived there yesterday, to resume negotiations for a further contract with the Chinese. We are pursuing all other marketing opportunities.

POWER

COLUMBIA RIVER—REQUEST FOR PAYMENT OF BONUS AND OVERDUE INTEREST

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I have a question I should like to direct to the Secretary of State for External Affairs. Is he now in a position to report to the house with regard to the negotiations with the United States concerning payment of the $12 million for early completion of the Duncan dam and the interest on the overdue payment?

Hon. Paul Martin (Secretary of State for External Affairs): Yes, Mr. Speaker. On November 9 the congress of the United States passed the appropriation bill containing authorization for the payment to Canada of the amount owing under the Columbia river treaty since July 31 for flood control benefits arising from the operation of Duncan dam. The usual constitutional and procedural steps are now under way in order to permit payment of this amount to the government of Canada as trustee for the province of British Columbia. The payment will therefore be received in the near future.

As to the claim for interest on the overdue payment, this aspect is being actively discussed with the United States authorities through our ambassador in Washington. The federal and provincial authorities are consulting with one another with regard to this question.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to direct a question to the Minister of Labour who reports to this house on behalf of the unemployment insurance commission. Will the minister use his good office to suggest to the acting head of that commission that communications could be improved between its offices and the offices of the manpower division? I ask this question because recently there has been a division between these offices and the lack of reasonable communication is causing much confusion.

Mr. Speaker: Order, please. The hon. member has made his representation.

POLLUTION

SUDBURY, ONT.—SULPHUR DIOXIDE LEVEL AT INTERNATIONAL NICKEL PLANT

On the orders of the day:

Hon. E. D. Fulton (Kamloops): Mr. Speaker, I should like to ask the Minister of Energy, Mines and Resources whether he is now in a position to answer the question I asked him some time ago regarding the allegation of air pollution in Sudbury, at which time he undertook to make an investigation and advise the house?

Hon. Jean-Luc Pepin (Minister of Energy, Mines and Resources): Mr. Speaker, I thought it was well known in the house that air pollution falls under the responsibility of the Minister of National Health and Welfare.

Mr. Fulton: It was the Minister of Energy, Mines and Resources who undertook to make an investigation and give a reply. If hon. gentlemen can sort out their respective jurisdictions perhaps we could have an answer from one of them.

Some hon. Members: Oh, oh.

Mr. Fulton: Mr. Speaker, inasmuch as the Minister of Energy, Mines and Resources assumed jurisdiction on an earlier occasion, will he now surrender it back to his colleague the Minister of National Health and Welfare in order that I might get an answer?

Hon. Allan J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, I am afraid that at the moment I may have to engage in another transfer of responsibility. This matter is capable of being handled under the Ontario air pollution act. However, if my hon. friend is satisfied I will try to get him an answer.

SHIPPING

MONTREAL—REQUEST FOR APPOINTMENT OF ADMINISTRATOR

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, my question is for the Minister of Labour and relates to difficulties which have arisen in the port of Montreal. Has he received a telegram from international longshoremens' association locals in that area complaining that the Picard recommendations are being only partially implemented by the employers, and suggesting that Judge Lippe or some other suitable person be appointed as administrator? Has the minister received such a telegram, and what action does the government intend to take in this regard?

Hon. J. R. Nicholson (Minister of Labour): Mr. Speaker, I not only received that particular telegram but I also received a telegram from the shipping federation, which has thrown the ball the other way. Both sides seem to have difficulties, as I mentioned the other day, in fitting all the recommendations and conclusions in the Picard report into the collective agreements signed some months ago. It is true the suggestion has been made that an administrator be appointed, but the government has no authority to make such an appointment. The government cannot appoint such an arbitrator. The parties themselves might perhaps appoint an administrator if they were both agreed. After there has been an exchange of ideas between parties, and with their consent, my department or perhaps I personally could participate. I cannot give a definite answer as to what actually is happening today or whether a solution is in sight.

Mr. Douglas: In view of the fact that in this instance both the employers and the employees seem to be agreed that an administrator should be appointed, and have suggested Mr. Justice Lippe, will the minister consider bringing both parties together to see whether such an administrator can be appointed in order to prevent any further dislocation in shipping?

Mr. Nicholson: My office was in communication with both sides yesterday, and we are awaiting their replies.

[*Translation*]

UNITED NATIONS

POSSIBLE APPLICATION FOR ADMISSION BY THE VATICAN

On the orders of the day:

Mr. Maurice Allard (Sherbrooke): Mr. Speaker, I wish to direct a question to the Secretary of State for External Affairs.

In view of the steps taken by the Vatican state to be admitted to the United Nations, does the Canadian government intend to support or oppose that membership bid?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I have not received any confirmation of the fact that the Vatican state had submitted a request for membership to the United Nations. In any event, I will investigate the matter and I will be very happy to report later to the hon. member, if need be.

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

In this connection, is it the intention of the government to accredit an ambassador to the Vatican state?

Mr. Speaker: I think that the second question is not of immediate urgency.

[*English*]

HOUSING

REQUEST FOR CONSIDERATION BY PARLIAMENTARY COMMITTEE

On the orders of the day:

Mr. Reid Scott (Danforth): Mr. Speaker, I have a question on housing for the part time Minister of Labour.

Mr. Speaker: Order, please. The hon. member for Danforth knows that I have sought his co-operation by asking him to refer to ministers by their proper titles or portfolios. Perhaps this is not a matter of such great consequence, but I do feel that the proprieties of the house require that ministers be identified in this way.

Mr. Scott (Danforth): Mr. Speaker, of course I appreciate your—

An hon. Member: Ask your question.

Mr. Scott (Danforth): Mr. Speaker, if hon. members opposite will be quiet I should like to address you as to the responsibility—

An hon. Member: You are very sensitive.

Inquiries of the Ministry

Mr. Scott (Danforth): You are the sensitive people, not me. In view of the difficulty in the last few weeks of obtaining a firm statement from the minister regarding housing policy, perhaps I may address this question to the Prime Minister. Having regard to the minister's answer yesterday to the hon. member for Gaspé, will the Prime Minister consider referring this very severe problem in respect of housing to the appropriate committee of this house in order that it may be convened during this session? This would provide an opportunity for members of all parties to consider this extremely serious problem, in respect of which this government has not been able to come up with an answer.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, as the hon. member knows there will be a very important housing conference in a few weeks. I will be glad to discuss his particular suggestion with the Minister of Labour.

Mr. Scott (Danforth): Since the Prime Minister has referred to this important housing conference will he now indicate that all material will be made available to members of the house as well as to members of the press? Will he also indicate whether any decision has been made in respect of allowing representatives of opposition parties to be present at least as observers?

Mr. Pearson: Having regard to the latter part of the question, Mr. Speaker, inasmuch as public sessions are involved I am sure members of the opposition will be welcome. So far as documentation is concerned, I think there is a good deal to be said for making at least some of the papers produced by both the federal and provincial governments, providing the latter are agreeable, available to the public before the convention opens.

Mr. J. R. Keays (Gaspé): Mr. Speaker, I rise on a question of privilege relating to the persistent refusal of the government, and particularly the minister in charge of housing, to convene the committee on housing, urban development and public works in order to deal with stagnation in housing in this country.

Some hon. Members: Order.

Mr. Keays: I raise this question of privilege because of the government's assurance that in setting up standing committees the work of parliament would be expedited and would form an integral part of the operations of this house.

[Mr. Scott (Danforth).]

Mr. Speaker: Order, please. The hon. member was generous enough to give me advance notice of his proposed question of privilege. I indicated to him that I have serious reservations as to whether this is a question of privilege. If the hon. member will consult the authorities, particularly Beauchesne, he will recognize that a question of privilege is one which affects a member's personal position as a member and one which attacks his personal reputation. I fail to see how the reputation of the hon. member for Gaspé is affected by the fact that a committee is or is not called.

I bring this to his attention, but at the same time I do not want to prevent him from expressing his views, which he may want to do. However, this should be done as quickly as possible.

Mr. Keays: Mr. Speaker, the present situation is one which warrants the attention of the government. The reason for my question of privilege is that too many Canadians are being deprived of proper shelter. If this matter cannot be put in the form of a question of privilege I intend to place a motion on the order paper, and at that time will ask the co-operation of the Prime Minister to see that this—

Mr. Speaker: Order, please. I suggest to the hon. member that he has found the correct solution to the problem, and that the placing of a motion on the order paper would be an excellent way of bringing the matter to the attention of the house.

FINANCE

REPORT OF TASK FORCE RESPECTING FOREIGN OWNERSHIP IN CANADA

On the orders of the day:

Hon. Michael Starr (Ontario): Mr. Speaker, I wish to address a question to the President of the Privy Council based on a statement made yesterday by the Minister of Finance with regard to the treatment of foreign investment. Unfortunately the minister is not here to deny it. My question is as follows. Can the President of the Privy Council say when the long awaited report of his task force, which is investigating the effects of foreign investment, will be published; and, whether, when this report is ready, it will be made available to parliament before the government gives its official approval.

Hon. Walter L. Gordon (President of the Privy Council): Mr. Speaker, I think I said on another occasion that the task force is

preparing certain studies for the government. Once the government has had a chance to consider them, it may or may not decide to publish a white paper on the subject. However, I think it most unlikely that the report of the task force would be made public.

PRIVILEGES AND ELECTIONS

CONSIDERATION OF ELECTIONS ACT BY HOUSE COMMITTEE

On the orders of the day:

Mr. Heath Macquarrie (Queens): Mr. Speaker, I have a question for the Minister of National Health and Welfare in his capacity as house leader. Considering that two general elections have been held since the Canada Elections Act was considered by the standing committee on privileges and elections, will the minister advise the house whether it is intended to have this act referred to the committee at an early date lest the unexpected event overtake the unrevised statute?

Hon. Allan J. MacEachen (Minister of National Health and Welfare): It is expected that the report will be sent to the standing committee at an early date, and ample opportunity will be given for discussion.

[*Later:*]

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I have a question which is supplementary to the question asked earlier by the hon. member for Queens. I am not sure whether it should be addressed to the Prime Minister or the Secretary of State. Is the government preparing draft legislation based upon the report of the royal commission on election expenses, so it can be submitted to the committee of the house on privileges and elections, as well as the report itself?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I think it would be our intention to send the report to the committee.

INDIAN AFFAIRS

REQUEST FOR EARLY MEETING OF HOUSE COMMITTEE

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, I have a supplementary question which I wish to direct to the Minister of Indian Affairs and Northern Development in connection with the setting up of the committee on Indian Affairs. The minister indicated this would be done, and informed us that he had discussed it with the chairman of the committee. Can he tell the house when this will be done?

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development): Not today, Mr. Speaker.

[*Translation*]

FINANCE

INQUIRY AS TO POSSIBLE LOAN TO GREAT BRITAIN

On the orders of the day:

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, I have a question for the Minister of Finance and Receiver General, but, in his absence, I would like to direct it to the right hon. Prime Minister.

Could the Prime Minister tell us whether the Canadian government will participate in the loan made by the British government to save the pound sterling, and to what extent and under what conditions will Canada participate in this loan floated by Great Britain?

Mr. Speaker: I suggest that this question is of such scope that it can hardly be put on the orders of the day.

Mr. Grégoire: Mr. Speaker, on a point of order. This loan is now being floated and will be approved very soon. There are, in fact, several countries, and France is one of them, who have already indicated their contribution, and I was wondering if the Canadian government would participate in this operation to save the pound sterling through this loan of $250 million. That is what I wanted to know from the Prime Minister.

[*English*]

[*Later:*]

Mr. L. R. Sherman (Winnipeg South): Mr. Speaker, my question is to the Prime Minister and it arises out of a question asked a moment ago by the hon. member for Lapointe having to do with whether Canada had offered a loan to Britain. Can the Prime Minister tell the house whether, in view of the current financial crisis in this country, Great Britain has offered a loan to us?

Inquiries of the Ministry

[*Translation*]

CANADIAN CONSTITUTION

INQUIRY AS TO FEDERAL REPRESENTATION AT MONTREAL MEETING

On the orders of the day:

Hon. Martial Asselin (Charlevoix): May I put a question to the Minister of Justice and Attorney General?

The minister is aware that next week, in Montreal, the Estates General of French Canada are meeting. In view of recent events and of recent discussions in Quebec on constitutional questions, could the minister reconsider and send as observers to these meetings some members of his government in order to be informed of the important questions which will be dealt with.

Hon. P.-E. Trudeau (Minister of Justice): Mr. Speaker, the minister involved has never been invited to send members of the government to these meetings. Personally, I hope these meetings will be most fruitful and will enable the province of Quebec and French Canadians to define as much as possible their thinking on the constitutional question.

Mr. Asselin (Charlevoix): Mr. Speaker, may I put a supplementary question?

If the minister has not been invited to send members of the government, would he agree that members of his party attend these sessions as observers?

Mr. Speaker: Order.

[*English*]

ROYAL CANADIAN MOUNTED POLICE

POSSIBLE PURCHASE OF U.S. WEAPONS FOR RIOT CONTROL

On the orders of the day:

Mr. Robert McCleave (Halifax): Mr. Speaker, I have a question for the Solicitor General. It arises out of a C.B.C. television program last night which showed that strange and satanic weapons, chemicals and vehicles were being developed in the United States for crowd and riot control, and in which the suggestion was made that some were being sold to Canada. Can the hon. gentleman say whether these weapons are being bought by the R.C.M.P.?

Mr. Speaker: Order, please.

[Mr. Sherman.]

REPORTED PURCHASE OF OTTAWA VALLEY FARM

On the orders of the day:

Hon. R. A. Bell (Carleton): Mr. Speaker, may I ask the Solicitor General whether he is in a position to end what is described in today's press as the deep secret or mystery of the purchase by the R.C.M.P. of a large farm in the Ottawa valley?

Mr. Speaker: Order. The question is posed in such a way that it is impossible for the Chair to determine whether this is a matter of national importance and immediate urgency. I suspect that it might very well wait for a while before being answered.

Mr. McCleave: Mr. Speaker, I rise on a point of order. I raised a question which I think is not only important but urgent, one which demands some answer to satisfy the public with regard to an hour long program last night which had somewhat horrifying implications.

Mr. Speaker: Order, please. I was under the impression that perhaps the hon. member might want to put that question on the order paper.

IMMIGRATION

BRITISH COLUMBIA—NON-PARTICIPATION IN REFUGEE SETTLEMENT PLAN

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, yesterday the Minister of Manpower and Immigration indicated that he might be in a position today to answer my question relating to the program to bring handicapped refugees to Canada. If he is in a position to do so, will he also perhaps give the reason British Columbia is not participating in that program? Is the minister able to reply to my question now?

Hon. Jean Marchand (Minister of Manpower and Immigration): I am aware that British Columbia has refused to co-operate, but it did not give us any reasons for turning down the proposal.

Mr. Howard: Mr. Speaker, perhaps I could state the reasons at ten o'clock.

TRADE

EMBARGO ON EXPORT OF CHAROLAIS CATTLE TO U.S.

On the orders of the day:

Hon. Théogène Ricard (Saint-Hyacinthe-Bagot): Mr. Speaker, my question is

addressed to the Minister of Trade and Commerce. Is it his intention to remove at an early date the embargo placed on the export of Charolais cattle to the United States?

Hon. Robert Winters (Minister of Trade and Commerce): Mr. Speaker, we are watching that situation very carefully. Of course we want to do what is in the best interests of Canadian livestock breeders and operators, and I may have something further to say at a later date.

VETERANS AFFAIRS

INQUIRY AS TO REPORT ON PENSION COMMISSION

On the orders of the day:

Mr. D. V. Pugh (Okanagan Boundary): Mr. Speaker, I have a question for the Minister of Veterans Affairs. Can he tell the house whether the translation of the Woods commission report has been concluded, and when this report will be filed in the house?

Hon. Roger Teillet (Minister of Veterans Affairs): Mr. Speaker, the translation has not yet been completed. We are trying to hurry it as much as possible.

Mr. H. W. Herridge (Kootenay West): I have a supplementary question, Mr. Speaker. When the report is available will it be referred as soon as possible to the standing committee on veterans affairs?

Mr. Teillet: Mr. Speaker, I have already answered that question. This is a matter which will have to be decided when I receive the report.

INCOME TAX

DEADLINE FOR REGISTRATION OF CHARITABLE ORGANIZATIONS

On the orders of the day:

Mr. H. R. Ballard (Calgary South): Mr. Speaker, I should like to ask the Minister of National Revenue a question in connection with receipts for charitable donations. Acknowledging that recent amendments to the Income Tax Act have placed an unduly heavy burden on his department—

Mr. Speaker: Order, please. Would the hon. member put the question directly?

Mr. Ballard: —would the minister consider extending the deadline for registration of charitable organizations from December 31, 1967 to December 31, 1968?

Amendments Respecting Death Sentence

Mr. Speaker: Order, please. The hon. member has made a representation to the minister. If he wishes he may place the question on the order paper.

Mr. Ballard: Ten o'clock, Mr. Speaker.

• (3:40 p.m.)

CRIMINAL CODE

AMENDMENTS RESPECTING DEATH SENTENCE AND LIFE IMPRISONMENT

The house resumed, from Tuesday, November 14, consideration of the motion of Mr. Pennell for the second reading of Bill No. C-168, to amend the Criminal Code.

[*Translation*]

Mr. Maurice Allard (Sherbrooke): Mr. Speaker, this bill introduced by the hon. Solicitor General of Canada (Mr. Pennell), on behalf of the government, is intended to abolish, for a period of five years, the death penalty for murderers, except in the case of murder of police officers, prison guards and other employees of the same category, acting in the course of their duties.

The said bill, if passed and put into force, could remain the law of the land if, within five years, the House of Commons and the Senate request it by resolution.

To my mind, the government is bringing down undesirable legislation, because the question has already been decided by the house last year and nothing, no major event, has happened since, likely to alter the situation. The valuable time of this parliament should rather be spent in finding quickly an efficient remedy to poverty, unemployment, inflation, to the most disquieting increase in the cost of living, and to increasing productivity.

As a matter of fact, in the spring of 1966, the House of Commons voted down 179 to 74, an amendment to a bill similar to the one now before us, also seeking the abolition of capital punishment except in cases of murder of policemen and prison guards.

Why does the government so soon renew the attempt after the house has taken a position so obvious and so decisive?

Is the present government mocking the democratic decision of the representatives of the Canadian people? I believe, Mr. Speaker, that we are discovering such an autocratic government.

On the very principle of retention or abolition of capital punishment, on April 5, 1966,

the House of Commons made a definite decision, at least for the duration of this twenty-seventh parliament, for the retention of capital punishment by a vote of 143 to 112.

In spite of this clear majority decision, the government, within a few months and under the same parliament, submits anew the same subject matter of an amendment that was voted down by a solid majority of 105 votes.

Does the government consider hon. members of this house so fickle as to change their opinion from one season to another? I think the present government, Mr. Speaker, is wavering in irresponsibility and equivocation. Furthermore, the present government makes a mockery of existing legislation and of the views of the majority of the members elected by the Canadian people since they have commuted to life imprisonment all death sentences that were brought before them since April 1966. That is contempt of parliament, arrogance and faint-heartedness.

If the government wants all Canadians to respect the law as it stands today, let it set the example. That is the price we must pay to obtain better results in establishing public peace and order.

I am convinced that hon. members are consistent and that this bill will be defeated. If such a question must be brought up again for consideration, I feel that it should be dealt with by a future parliament. Then, the whole principle of abolition or retention of the death penalty, in every case, can be dealt with.

Everyone in this house knows that I favour retention of the death penalty. Indeed, on page 1748 and following of *Hansard* for May 30, 1958, as well as on page 3271 and following of *Hansard* for March 28, 1966, one can read the arguments I put forward and still uphold for the retention of the death penalty to serve as an efficient deterrent of capital murder, as an appropriate punishment, as a protection for the prison administration, as a means of eliminating as much as possible the increase in professional criminals, and as an example.

In my statement of March 28, 1966, I disclosed to the house the results of a survey I made in the riding of Sherbrooke, and the conclusions arrived at after consulting the members of the junior chamber of commerce of Sherbrooke. In the first case, 88 per cent of the replies favoured retention. In the second instance, 73 per cent of the members of the junior chamber of commerce of Sherbrooke opposed abolition of the death penalty.

[Mr. Allard.]

I can tell the house that since March 28, 1966, the same views are being held and the great majority of my electors object, like I do, to any amendment to the Criminal Code on this important point.

Besides, the bill introduced by the Solicitor General proves unsatisfactory and contradictory in several respects. I shall point out a few of them.

The bill retains hanging merely with a view to protecting prison guards and police officers, as a deterrent of capital murder. It is a clear admission that capital punishment helps to restrain murderers. Now, if hanging is still a great deterrent of murders in the case of prison guards and police officers, it remains so just as much in the case of other citizens.

Those exceptions made for two groups of citizens, in the performance of their duties, imply a discriminatory attitude towards other human lives. As far as I know, we all have equal rights to live and to have our life protected.

Suppose, Mr. Speaker, that the hon. Solicitor General, accompanied by a guard, should visit a penitentiary and that two prisoners would kill them both. In one case, the criminal would be hanged because he would have killed the guard, while the other would be spared because he would have killed the Solicitor General. Mr. Speaker, I have too much respect for the life of the hon. Solicitor General whom I consider as useful to society as that guard. That is why I cannot accept such an imbroglio. Furthermore, let us be more logical. Why should we give more protection to prison guards and police officers? These people are professionals; they are often armed and protected from murderers, while the great majority of citizens who are quietly attending to their business do not expect to be killed and would deserve as much protection, if not more.

Statistics show that, since 1945, in Canada, out of about 250 capital murders, only four guards in federal penitentiaries were murdered and only 19 police officers have suffered the same fate, that is hardly 9 per cent of victims.

What does the government do, through the medium of its bill, to prevent murderers from killing other citizens, representing 89 per cent of the victims since 1945, such as bank employees and the innocent victims of jealousy and revenge? What is the government doing also to protect judges, lawyers, court officials and private detectives?

It is obvious, Mr. Speaker, that this bill is an incoherent text which does not even call into question again the basic principles of the matter under consideration.

I ask hon. members to do as I am doing, to kill this bill right now and to hold it up to ridicule.

It will have shown once more that the present government is a past master at wavering, equivocating and fumbling.

In closing, Mr. Speaker, I want to insist on the obvious contradictions of some hon. members of the house, particularly the hon. member for Lotbinière (Mr. Choquette) who sits on the government side.

I read again, in the official report of the house, the position he took in 1966 on this important issue. I noted on page 1060, where he expressed very vigorously and with much conviction, on February 10, 1966, his first views on this important question of the maintenance or abolition of capital punishment. As shown on pages 1060 and 1061, he said:

—I respectfully submit that the prospective debate on capital punishment should be delayed as much as possible because I think the time is not ripe for such a debate, for the following reasons:

—among various reasons, he said that:

—from 1961 to 1965, there was, in the province of Quebec, an average of 57 murders per year, that is 28 per cent more during the period when the new government mitigated the penalty by commuting death sentences.

The stand taken by the hon. member for Lotbinière is very clear. He said in the house that day that it was not the moment to deal with this question in view of the increase in the number of crimes committed between 1961 and 1965 which, incidentally, is still rising.

Moreover, on March 24, 1966, in his great speech on the main motion, the hon. member for Lotbinière denied the federal cabinet the right to commute death sentences. He advanced many arguments in favour of the maintenance of capital punishment.

I wish to refer the hon. member for Lotbinière and the other hon. members to the eloquent plea he addressed to the house on that occasion.

• (3:50 p.m.)

Now, how come the hon. member for Lotbinière has changed his mind this year? Does he want to back up this government, who takes the members of this house for changelings, for reintroducing a specific issue which was rejected last year by a significant majority, namely, 105 votes. Does this government expect the same members to change their mind, when called upon to vote on the same issue, the same principle?

Well, I did find one changeling in the house, namely, the hon. member for Lotbinière. To this effect, I would refer you to the vote taken on the amendment moved by the hon. member for Montreal-Cartier (Mr. Klein). As a matter of fact, this amendment called for the withdrawal of the main motion, that is, to retain the death penalty only when the victims were jail guards or police officers.

We see on page 3910 of *Hansard* that the hon. member for Lotbinière voted against that amendment. He now says that he will support a motion on the same subject matter brought forward by his government. This is a glaring contradiction, unworthy of hon. members of this house who, from one week to the other, want to change their minds about such basic and important matters.

I understand that, this year, the motion is brought forward by the government of which he is a member—there is probably some partisanship involved—while last year, it was moved by several members of the government and opposition who were asking for a free vote. But this year, the motion is brought forward by the government itself and we see the hon. member for Lotbinière change his mind. This is unfortunately what we call partisanship when such an important issue is involved.

Moreover, Mr. Speaker, with respect to this amendment of the hon. member for Cartier, we notice that nine ministers, including the Prime Minister (Mr. Pearson) have voted against the amendment that contains essentially the motion introduced by this government and the Prime Minister.

Well, let us be logical at least if we want the Canadian people to believe that their representatives are consequential and logical, specially on such important matters. And I notice in this vote taken on this amendment in 1966 which is substantially the same as the government motion, that nine ministers and the Prime Minister have voted against it, that is, to maintain total capital punishment, without any exception.

Well, how can the hon. Prime Minister and these nine ministers, after hardly a few months, vote quite logically and decently for a motion they defeated last year on an

amendment that is in substance exactly the same?

We notice also that the hon. Registrar General (Mr. Turner) shows an attitude somewhat more logical than the hon. member for Lotbinière, because last year, in 1966, the hon. Registrar General had voted for the amendment moved by the hon. member for Cartier. He had voted for the retention of capital punishment only for the murderers of prison guards and policemen. This week, he has indicated that he would vote for the motion introduced by the government of which he is a supporter. Here at least is a logical man. In fact, he is more logical than his leader, the right hon. Prime Minister, who voted against the amendment.

The right hon. Prime Minister, through his cabinet, is going to vote for something which he condemned last year. This is known as tergiversation, a policy of procrastination on the part of the present government which has an effect not only on this most important moral and social question, but on all sectors of the Canadian economy.

I shall conclude here my brief remarks. I urge all the hon. members whose name appears in *Hansard*, who voted last year on the amendment introduced by the hon. member for Cartier (Mr. Klein) and rejected it as being unacceptable, in accordance with their conscience and because they believed it necessary to retain capital punishment in Canada for the various reasons that were given, to behave in a way that is logical, and seemly and shows that they are aware of their responsibilities. Therefore, I invite the hon. members on the government side as well as on the opposition side, who voted against that amendment last year, to vote the same way, so that the Canadian people may realize that we, the legislators, are not weathercocks, people who say one thing today and who will say the opposite tomorrow. The Canadian people must be conscious of the fact that when their legislators rise to speak in this house, they do so with a sense of responsibility, after thoughtful, consideration and not on the spur of the moment, liable to change their mind the following week, and that when we vote on a question we do so knowledgeably, conscientiously and permanently.

[*English*]

Mr. Jack Roxburgh (Norfolk): Mr. Speaker, before dealing with the problem of abolition I wish first to congratulate sincerely those who have spoken in this debate so far. I am sure they were sincere in their remarks.

[Mr. Allard.]

I concur in the statement of the hon. member for Elgin (Mr. Stafford) when he acknowledged that the death penalty is a deterrent. I know that some retentionists will lift their eyebrows at that statement. The death penalty was and is a deterrent. At the same time we must not forget to take into consideration what criminologists, sociologists and royal commissions which have been engaged in a full-time study of this problem have said. They agree that life imprisonment is as great a deterrent as capital punishment.

Mr. Scott (Danforth): Hear, hear.

Mr. Roxburgh: Do you not think, Mr. Speaker, that no matter how we feel individually as members of this house we ought to take into consideration the findings of those who have studied this matter and who have given their full time to that study? In other words, let us take a little advice from those who have made a full-time study of the question of capital punishment. I do not think that I know more than any other member of the house, be he a retentionist or abolitionist. I feel that I am an average man.

Mr. Ricard: Would the hon. member permit a question? Would he be kind enough to tell us what he understands by life imprisonment?

Mr. Roxburgh: So far as I am concerned we must leave that definition to the bill in its final form.

Mr. Ricard: Can the hon. member not give a definition?

Mr. Roxburgh: I think we should leave that matter to the decision of those who know how best to deal with it.

Mr. Ricard: Oh, yes.

Mr. Roxburgh: Personally, I have tried to look at this entire question logically and I am willing to take the advice of those who know what this matter is about. Surely not one member of the house, including the hon. member who just asked the question, thinks he knows more about this subject than those criminologists who day in and day out, 365 days of the year, deal with these people. Surely they know more about the subject than hon. members who make 20 minute speeches about it in the House of Commons. Certainly they know more. Let us take their advice and let us give this bill a chance.

Mr. Ricard: The hon. member ought to give us a definition.

• (4:00 p.m.)

Mr. Roxburgh: An abolitionist does not become an abolitionist overnight. Let us be honest about this. Abolitionists have formed their views gradually over the years after searching their hearts and looking into this matter. Possibly they were retentionists before they did so. Last night the hon. member for Prince Edward-Lennox (Mr. Alkenbrack), I believe it was, told the house that in the first two years of abolition in Great Britain the murder rate had risen. I am sorry the hon. member is not in the house at the present time but I should like to point out for the benefit of those who are in the house that right here in Canada in 1958 and 1959 33 people were murdered compared with 19 people in the two previous years, an increase of about 8 per cent. This only goes to illustrate that sound judgment on any matter cannot be made on the basis of short-term statistics. This is why the Solicitor General has asked that the abolition of the death penalty be given a five-year test period.

Like many other straight abolitionists I am not satisfied with the bill as it is. But I honestly feel it is a forward step. As an abolitionist I would like to have seen these reservations left out. Incidentally, most of us have been members of this house for a considerable period now and I think we would all agree that without doubt one of the finest pleas for abolition this parliament has ever heard was that made by the Solicitor General the other day. In the course of his speech he pointed out that the reservation affecting police officers and others in similar position would, if nothing else, give moral support to the men and women engaged in law enforcement, people who, by the way, are doing a terrific job for us in Canada.

Realizing there are many who wish to speak and that time is limited I should like to deal with three points before I sit down. First, can something be done for the convict and for society by imposing life imprisonment rather than capital punishment? It seems to me this is a most important consideration. I want my retentionist friends to search their souls. Is capital punishment fair to people in all walks of life?

I could go into many individual cases which might throw light on whether a person serving a life sentence can be of value to society. I will confine my examples to two prominent cases that everyone knows about. Consider the case of Robert Stroud, the celebrated bird man of Alcatraz who became a world authority on birds. The work this man did in the little time and space available to him was something out of this world. Then there is Nathan Leopold who as an 18-year old Chicago youth figured in one of the most bizarre murders in legal history. Yet this man, now released from detention, is working on research into diseases in South America on behalf of the United States government, and if his work ends as expected it will mean the saving of thousands of lives.

However, what concerns me more is the question whether capital punishment is fair and just to people in all walks of life. Sing Sing has become quite a name. Louis E. Laws of that prison, who has escorted some 150 men and women to the death chamber, has said: "All were poor; most were friendless." Clinton P. Duffy of San Quentin hated the death penalty because, he said: "It hits the little man who is poor, poor not only in material possessions, but in background, education and mental capacity."

Recently, prison director Alexander of the United States criticized capital punishment on the grounds of its failure as a deterrent, the possibility of false conviction, and the fact that a capital punishment sentence is applied more easily to penniless convicts than to those with sufficient funds to carry them through the necessary appeals and legal manoeuvres. He went on to say that a grossly disproportionate number of minority and poverty stricken groups were victims of the death sentence.

We in this parliament represent all the people. Let retentionists not forget that they too represent the little man as well as the fellow who has some money in his pocket. Indeed, they represent a good many more poor people than they do people with sufficient money in their pockets to enable them to get clear away from the death sentence.

I realize there are very few hon. members present on the benches opposite. They were all here earlier to hear their new leader. I never saw such a group. Very few of them have showed up across the way until the new Leader of the Opposition came along, and I only hope—

Some hon. Members: Question.

Mr. Roxburgh: All right. I will continue. I see that the hon. member for Bow River (Mr. Woolliams)—I almost said "Bull River"—has just come in. During his remarks he spoke highly of our courts of justice, and, indeed, I believe we have some of the finest in the world. But I should like to ask him this

question. How does he explain the fact that people with money have a much better chance of escaping execution than those without money? There is no argument against that.

• (4:10 p.m.)

There is a saying that the rich man may find it pretty difficult to enter the kingdom of heaven, but there are far fewer rich men who ever enter the execution chamber. I ask hon. members to think of the little man who elected them to represent him. Think about him when he comes before the courts without any money. I know of one case where the prosecution spent $40,000 and the little man, the defendant, had one lawyer and about $1,800 or $2,000 for his defence. That is justice in our courts. To my way of thinking this points out a very grave weakness in the administration of the justice in democratic countries. No matter how we may look at it, the little man with no money is left holding the bag, whether it is his neck that is at stake or whether he may be facing a period of time in jail.

Many years ago Thomas Jefferson said, "I shall ask for the abolition of the punishment of death until I have the infallibility of human judgment demonstrated to me." This brings me to my third point, that the possibility of a mistake is always present. Michigan Senator Philip A. Hart pointed out in a recent speech before the senate that error in court proceedings is not an extreme rarity. He went on to point out that during the period 1889 to 1927 of 406 persons sent to Sing Sing for execution 50 were found, upon reconsideration, to have been sentenced in error. Yet we are told that there is no chance of an error in our courts. Here is proof. It bears repeating, and I am going to repeat it, that out of 406 persons sent to Sing Sing for execution 50 were found, upon reconsideration, to have been sentenced in error. I know the retentionists will say, that the 50 got off but the very fact that such error could happen leaves one with a feeling that some of the remaining 356 might very easily have been innocent also.

None of us wants to face death, but to have the noose put around your neck or walk into the gas chamber must be an awful death. I think I can take as much as any man. I have gone through a lot in life, but I think this would be one of the hardest deaths Jack Roxburgh could face.

In closing, Mr. Speaker, may I point out that practically all the democratic countries of Europe, except France, Spain and the Iron Curtain countries, have abolished the death penalty. Mississippi has not abolished it. I say to hon. members opposite who I personnaly know are retentionists, are you putting yourselves in the same class as the people of Mississippi who are a disgrace to the United States? Are you putting yourself in that class? If you vote for the retention of the death penalty in this country you will certainly be doing that. Rather than an eye for an eye or a life for a life, let us pass this bill, and give it force for a five-year period. What is to be lost by giving it a five-year trial? I thank you very much, Mr. Speaker.

Mr. Hales: Would the hon. member for Norfolk permit a question?

Mr. Roxburgh: I guess I pretty well have to in deference to my hon. friend from Wellington South.

Mr. Hales: Is the hon. member for Norfolk going to vote for the bill, knowing full well that the bill does not spell out what life imprisonment means?

Mr. Roxburgh: Very definitely. I have no hesitation whatever. I can just imagine what might happen if a case came before my hon. friend if he were in the government, because I know him well enough. We do change sides from time to time, Mr. Speaker, and I understand that the opposition feel they are going to be the government pretty soon. This is what we hear from them. My hon. friend will most likely be minister of industry in such a new government. I know that if he were sitting on a case, knowing there is so much difference between cases, he would realize you cannot make one judgment for everything. That is not democracy. I think that answers the hon. member's question.

[*Translation*]

Mr. Roland Godin (Portneuf): Mr. Speaker, for the fourth consecutive day, we are considering this Bill C-168 which allows us to discuss a subject which has been considered and voted on a year and a half ago. And since only a few people are affected by this bill, I am led to believe that it is one of those bills which the government chooses to introduce in order to distract parliament's attention from the true problems which, in my opinion, are the following: the government financial crisis, the housing shortage and increasing unemployment.

And, while honest Canadians, millions of unemployed across the country wonder what the future has in store for them we, the

representatives, discuss a bill which will ensure a wonderful future to a few gangsters.

• (4:20 p.m.)

And this bill is summed up in the explanatory note to section 2:

The purpose of this bill is to confine the imposition of the death penalty in relation to murder to the murder of police officers and others employed for the maintenance of the public peace, acting in the course of their duties, and to the murder of prison guards and other officers or permanent employees of prisons, acting in the course of their duties, for an experimental period of five years.

Supposing that the bill is passed, what effect will it have on the peace-loving people of this country? What will be its influence under the present government? The bill says: "for an experimental period of five years". Whose lives will be spared during this trial period? How will this period be conducted?

Since there has been no hanging in Canada ever since the Liberal government came to office, that is since 1962, in what category can we put the last four years? How can we consider a period where the sentences are commuted by the government? Can the cabinet take upon itself to ignore the instructions of parliament and the sentences meted out by our courts? We know that, at the end of February 1966, twenty death sentences had been commuted by the cabinet and it was only the beginning, since the Department of Justice has another list, as evidenced by page 8336 of *Hansard* of October 5, 1966. To another question which I put, namely No. 1929:

Are there any persons, at the present time, considered by the Department of Justice as "condemned to death" and being held in Canadian prisons?

Hon. Lucien Cardin, then minister of justice, answered yes to my question.

Here is the second part of my question and I quote:

If so (a) what is the number, by province (b) on what date is each such person expected to be executed?

This is the reply I got:

As of September 6, 1966 the answers are: (a) Quebec 9. (b) The dates presently set by the Courts for execution are: September 23, 1966 (1 person); September 30, 1966 (3 persons); October 14, 1966 (1 person); December 9, 1966 (1 person); December 16, 1966 (2 persons); January 13, 1967 (1 person);

Since that list was published, the matter of executions has never come up and the minister of justice of that time chose to hand in his resignation.

This bill proposes something rather strange, that is to restrict capital punishment. It is a rather strange proposal in my opinion, since that punishment has been non existent for four years. How come, within the present legislation, gangsters who have murdered police officers, have never been put to death? The answer to that question perhaps lies with the R.C.M.P. as we learn from a report in l'*Action*, a Quebec newspaper, of January 18, 1966, under the heading:

"Crime syndicates are developing rapidly in Canada for three reasons", which I take the liberty to quote:

According to R.C.M.P. report, crime syndicates in Canada related to the American mafia are developing rapidly because of political corruption, fear and inadequately applied laws.

The report goes on to say that to continue to prosper, organized bands of criminals must have two assets: inadequate application of laws resulting partly from the division of jurisdiction between the federal, provincial and municipal governments, and protection against trials and interventions.

"To secure such an immunity, they have to pay bribes to persons having a certain authority in the police, municipal administrations and to politicians."

Mr. Speaker, I think that this article is self-explanatory, and I still say that this bill will deprive the people of their rights. It might be true that police officers are in danger and that their life is at stake sometimes, but that is debatable if one considers that other people are in danger, such as clerks in stores and watchmen in some buildings. Those people are all the more in danger because they lack the training and the weapons of the police officers to protect themselves.

I submit that the proposal to retain the death penalty only for the murderers of police and law officers and prison guards is a strange one and that, if unfortunately it were adopted, it would give dubious results.

Several factors make it impossible to appraise a human being. It is unfortunate that in order to manage to save a few heads, the government had to decide in favour of classifying the victims. Why put more emphasis on punishing the murderer of a bachelor police officer and consider the killing of a head of family as a second degree murder? How can one ignore the murder of an irreplaceable mother and think only of protecting a prison guard who can be replaced at any time on the mere recommendation of a political organizer?

If the bill under consideration were to be passed, what treatment would be meted out to those who take pleasure in planting bombs

and committing mass murders? In addition, I cannot find anything either in the bill regarding the punishment provided for someone who would blow up a plane, for instance, with its 50 or 100 passengers.

Imagine a revolution during which hundreds of persons would be killed. On the basis of the present bill, it is clear that the murderers would simply be imprisoned, but it would merely take the arrival of a Castro to open all the prisons and all those murderers would be decorated and treated as heroes. The murder, as provided in this bill, would be a capital murder inasmuch as the corpse would meet the requirements of the classifiers.

As the manager of a business during many years, I have sent to the slaughter-house several heads of cattle. There is a scale of grades in such a business. If you send a steer to the slaughter-house, for example, it will be graded choice No. 1 or choice No. 2. There is the first grade, medium grade and commercial grade. In the case of fresh pork, it will be graded A, B or C and downgraded if it is too fatty. However, in the case of human beings, the law simplifies this classification, in the sense that the ordinary citizen is excluded, and only those who wear a policeman's badge, a tin star, as they say, before the massacre, are being considered.

The list of people for whom this bill provides protection is too short, I think, and this makes it unacceptable. I know that several members are of the same opinion.

On looking over *Hansard* of Friday, November 10, on page 4163, we find that the hon. member for Lotbinière (Mr. Choquette) suggested a longer list. Since he has no family, this member, in his eloquent appeal for additional protection, has thought of his spiritual leader, the right hon. Prime Minister of Canada (Mr. Pearson). He also suggested another name, that is, our national father, the governor general.

• (4:30 p.m.)

Mr. Speaker, I will support the suggestion made by the hon. member for Lotbinière on condition that he add to his amendment the names of my wife and my six children, as well as that of the leader of the Ralliement Créditiste, the hon. member for Villeneuve (Mr. Caouette).

Some hon. Members: Hear, hear.

Mr. Godin: I think that, to be fair to the people of Montreal, who have their own tastes and cannot care less about federal politics—I speak here for 70 per cent of the people of Montreal who never vote—we would have to add another name, that of the mayor of Montreal, Mr. Jean Drapeau.

Some hon. Members: Hear, hear.

Mr. Godin: I shall vote against this bill because I also know the views of the voters in my constituency. During the winter of 1966, I held a sort of referendum in my riding on the retention of capital punishment. Out of 3,125 replies received at that time in answer to my questionnaire, 2,978 supported the retention of capital punishment whereas 147 were against it. I am preciously keeping all these letters which bear the signature and address of every citizen who has made it his duty to express an opinion.

Now, the percentage of those who favour retaining capital punishment is possibly higher in Portneuf than in other ridings of the country and I think there are three reasons for that.

First, there is envy. The workers, the taxpayers in the constituency of Portneuf are envious of the royal treatment given to bandits in penitentiaries, because where former inmates come back to see us, they explain how they are fed and we realize that 60 per cent of the population of the country cannot afford such food and such menus.

The citizens of Portneuf are envious also of the long holidays of various duration given to certain bandits on the Florida or California coasts.

The second reason, Mr. Speaker, is that the people of Portneuf have a long memory and here, the motto of Quebec "Je me souviens" takes another meaning. The citizens of Portneuf remember that in the Quebec area several young boys were strangled by a former inmate who had been sentenced to life imprisonment but who was liberated through certain influences. The people of my area also remember that the same prisoner escaped from jail in Quebec city, carrying the governor of the jail on his back.

These citizens also realize, Mr. Speaker, that the endless succession of trials held for those people, those individuals, those bandits, those murderers who normally should have been hanged a long time ago, is very costly for them.

The third reason, Mr. Speaker, is that Portneuf is situated on the north shore of the St. Lawrence, behind the constituency of Lotbinière. Now, being situated behind the constituency of Lotbinière does not prevent

Portneuf from being the most beautiful riding in the country and one of the most picturesque areas of the globe since we have the river, plains and mountains.

But, precisely, because it is situated behind the constituency of Lotbinière, each time the citizens of Portneuf look to the other shore of the St. Lawrence they see the forests of Lotbinière which were once changed into burial grounds. Every time we go to the south shore, when travelling to the Beauce or the Eastern Townships, we sometimes go to Sherbrooke because it is also a beautiful spot. It is also absolutely necessary to cross the riding of Lotbinière. Well, every time we travel on those roads, we cannot help but think that we are driving on corpses. No mistake is possible: several miles of roads in the riding of Lotbinière have already been paved with corpses.

All these events, Mr. Speaker, have contributed to enlighten my constituents who are extremely dissatisfied with the attitude of the present government in the last five years as regards the death penalty.

Besides, Mr. Speaker, for three days, some members have been plucking at our heartstrings by harping on the cruelty of it all. Well, I say to them that if it is cruel to execute a murderer, why not close all the prisons? Indeed, I feel that it is just as cruel to lock somebody up for the rest of his life. And what about this bill in regard to the financial crisis of the government?

Interesting figures are indeed given in this regard on page 2760 of the official report of March 16, 1966. It is expensive to keep a criminal in prison. I should like to quote some figures. As hon. members know, family allowances have remained the same for the last twenty years, but the cost of keeping a prisoner has increased in proportion to the rising cost of living.

In 1962-63, for instance, as is shown on page 2760 of the French version of the official report of March 16, 1966, it cost $2,572.65 to keep a single prisoner in minimum security institutions; in 1964-65, it cost $3,019.92.

Mr. Speaker, that means that one single prisoner costs more per day to the government than the monthly family allowances. Indeed, considering the fact that in our ridings widows and needy mothers, under our present welfare system, must be content with an allowance of $5.50 per day for a family of six, while the amount spent in our penal institutions is $8.00 per day for each prisoner, it is obvious that the country cannot afford to finance a collection of bandits.

Mr. Speaker, I therefore move, seconded by the hon. member for Sherbrooke (Mr. Allard), that the debate be adjourned immediately.

[*English*]

Mr. Deputy Speaker: Is the house ready for the question?

Some hon. Members: Question.

Mr. Deputy Speaker: The question is on the motion of Mr. Godin. All those in favour will please say yea.

Some hon. Members: Yea.

Mr. Deputy Speaker: All those against the motion will please say nay.

Some hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the motion is lost.

And more than five members having risen:

Mr. Deputy Speaker: Call in the members.

The house divided on the motion (Mr. Godin) which was negatived on the following division:

• (4:40 p.m.)

YEAS

Messrs:

Alkenbrack	Johnston
Allard	Keays
Asselin (Charlevoix)	Kindt
Ballard	Korchinski
Bell (Saint John-Albert)	Lachance
Bigg	Lambert
Bower	Laprise
Brand	Leboe
Cadieu (Meadow Lake)	Loney
Churchill	MacEwan
Cowan	MacInnis (Cape Breton South)
Crouse	MacLean (Queens)
Dionne	Macquarrie
Fane	MacRae
Flemming	McCleave
Fulton	McLelland
Gauthier	McQuaid
Godin	Madill
Grégoire	Monprain
Grills	Moore (Wetaskiwin)
Gundlock	Muir (Cape Breton North and Victoria)
Hales	Muir (Lisgar)
Hamilton	Nasserden
Horner (Acadia)	Nesbitt
Horner (The Battlefords)	Nowlan
Howe (Wellington-Huron)	Nugent
Irvine	Pascoe

Division

Patterson	Smallwood
Racine	Southam
Rapp	Stefanson
Régimbal	Thomas (Middlesex West)
Ricard	Wadds (Mrs.)
Rynard	Watson (Assiniboia)
Sherman	Webb
Simard	Woolliams—71.
Simpson	

NAYS

Messrs:

Addison	LaMarsh (Miss)
Andras	Laniel
Asselin (Richmond-Wolfe)	Leblanc (Laurier)
Badanai	LeBlanc (Rimouski)
Baldwin	Lefebvre
Barnett	Legault
Basford	Lessard
Batten	Loiselle
Béchard	Macaluso
Beer	MacDonald (Prince)
Bell (Carleton)	Macdonald (Rosedale)
Benson	MacEachen
Berger	MacInnis (Mrs.) (Vancouver-Kingsway)
Brewin	Mackasey
Brown	McCutcheon
Byrne	McIlraith
Cadieux (Terrebonne)	McKinley
Cameron (High Park)	McNulty
Cameron (Nanaimo-Cowichan-The Islands)	McWilliam
	Martin (Essex East)
	Martin (Timmins)
Cantelon	Mather
Cantin	Matheson
Caron	Matte
Cashin	Monteith
Chatwood	More
Clancy	Morison
Comtois	Munro
Côté (Longueuil)	Neveu
Côté (Nicolet-Yamaska)	Nicholson
Crossman	Noël
Deachman	O'Keefe
Douglas	Olson
Drury	Otto
Duquet	Ouellet
Émard	Pearson
Enns	Pennell
Ethier	Pepin
Fawcett	Pilon
Forest	Prittie
Gendron	Prud'homme
Germa	Pugh
Gilbert	Reid
Gordon	Rideout (Mrs.)
Goyer	Rinfret
Grafftey	Rochon
Groos	Roxburgh
Habel	Saltsman
Harley	Sauvé
Herridge	Scott (Danforth)
Hopkins	Smith
Isabelle	Stafford
Jamieson	Stanbury
Jorgenson	Stanfield
Klein	Starr
Knowles	Stewart
Laing	Tardif
Teillet	Turner
Thomas (Maisonneuve-Rosemont)	Wahn
	Walker
Tolmie	Watson (Châteauguay-Huntingdon-Laprairie)
Tremblay (Matapédia-Matane)	Whelan
	Winters
Trudeau	Yanakis—125.
Tucker	

• (5:20 p.m.)

Mr. Speaker: I declare the motion lost.

Mr. Nielsen: Mr. Speaker, I rise on a question of personal privilege. Your Honour will have noted that I abstained from voting. I did so upon the ground that I believe myself to have an interest in the subject matter of the bill, not a financial interest but one affecting the ethics of my profession which prevents me from recording my vote on any aspect of this matter.

I am still an active participant in my firm's practice of law in the Yukon. At the moment a member of my firm is engaged in the defence in two separate cases of individuals who have been charged with capital murder. Hon. members will readily understand my position if a conviction or convictions results and capital punishment was eventually retained by one vote. A serious conflict would immediately arise.

I therefore do not consider it proper for me to participate in any vote at any stage of the proceedings on this bill while my firm is engaged as I have described. Had I considered myself free to vote on the final determination of this matter, Mr. Speaker, I would vote for the retention of capital punishment.

Some hon. Members: Question.

Mr. Speaker: Is the house ready to vote on the main motion?

Some hon. Members: Question.

Mr. Speaker: Hon. members realize that we need unanimous consent to proceed and that at least one hon. member has called it five o'clock.

Mr. Starr: Who is that?

Mr. Speaker: The hon. member has identified himself. It being five o'clock the house will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions, public bills.

• (5:30 p.m.)

[*Translation*]

NATIONAL DEFENCE

PROPOSED ESTABLISHMENT OF SUMMER TRAINING COURSE OF CANADIAN YOUTH AS CENTENNIAL PROJECT

Mr. Gérald Laniel (Beauharnois-Salaberry) moved:

That, in the opinion of this House, the government should consider the advisability of including in its Centennial projects the formation of a training service for Canadian youths aged between 15 and 20 years under the responsibility of the Canadian Forces; this service to be on a voluntary basis and allow the youths to spend two or three months a year in various camps or military institutions throughout the country, alternating their stay from one year to the next in different regions of Canada; the whole project to be organized in co-operation with the Departments of Education of the various provinces and enable the teachers to join the Canadian Forces for the same period so that they might take an active part in this program; and such service to be one factor in uniting young Canadians who, through it, would learn to know each other better and to know their country, and develop a better spirit of discipline and citizenship, all within the framework of a program of physical and linguistic education.

He said: Mr. Speaker, during the few minutes that will follow, we will have a debate which, in my opinion, may be somewhat more constructive than the one we have had for the last few days, at least it will be a debate that will make us look forward, since it concerns the Canadian youth.

Mr. Speaker, on two previous occasions, I introduced in the house a motion with a view of creating a compulsory training service for Canadian youths aged between 18 and 21 years of age.

Some members of this house may wonder why this year I have changed my project to make it voluntary and applicable only during the school holidays period.

For a very simple reason, Mr. Speaker. I realize more and more the advantages such a service of military training would have for our youth. I have also realized, however, that because of many sociological, political and economic factors, such a service, were it to be compulsory, could not be expected to be established within a short period of time.

I have therefore arrived at a compromise and I hope that all members of this house will support my proposal today, since it is urgent to provide our young people with a complementary educational and training system which will, in my opinion, meet a growing need.

Our young people themselves suffer and, without realizing it, blame society which fails to provide them with all the means they need to develop in the twentieth century.

As a matter of fact, the development of our educational system and the great need of skills in this spatial and electronic era result in the production of specialists, but more and more formal education and the moulding of the character of the individual are overlooked.

Of course, I know, and Your Honour also, that the government is seeking now much more to find means of reducing its expenses than to introduce legislation aiming at increasing the taxpayers' burden.

Nevertheless, the fact remains that priorities must be exercised, and I for one believe that tomorrow's generation should have priority nowadays.

Obviously, there is no question of asking the government, at the present time to spend millions of dollars at once, but to suggest that an exhaustive study be undertaken, whether directly by the staff of the department or through referral of the matter to the national defence committee, with respect to the advantages of such a project and on its social and economic implications.

Mr. Speaker, very few will deny the benefits of a stay of a few months or of a few years in a military institution or in our armed forces. Many hon. members have known military life personally and now acknowledge that they derived significant benefits from it.

Most of us know our cadet corps, our militia units, our active units, our military colleges, etc., which are all permament testimonials to what military training brings to young people and to the fact that it gives them the opportunity to support one another in an environment where authority is recognized by everyone and, especially, appreciated because it is respected and undisputed.

In this motion, Mr. Speaker, I only propose, in fact, the establishment of a civic training program, which is more than is now offered through cadet corps, and that could be done through a reorientation of the present program of cadet corps with the possibility of increasing their number considerably during the holidays while extending a little the training period during that time.

Centennial Youth Summer Program

• (5:40 p.m.)

I do not intend to repeat here all the arguments mentioned in previous debates in favour of a military training program for young people, compulsory or not, because we all know the general benefits such a measure could have, namely discipline, respect for authority, respect of our institutions, physical training, school of bilingualism and finally a strengthening of national unity.

Even if at the present time, Mr. Speaker, our young people show a certain laxity of conduct, I know—and I am in a position to know because I am the father of six children—that around 15 or 16, those young people are looking for something to do in their spare time. Even if they do not all belong to them, they are especially attracted to the cadet corps, military or parish, and to the organizations which regroup them in an environment other than the usual student and family circle.

Since, within our present society, our youth has very few opportunities to express itself and to satisfy that natural need to regroup itself without giving the impression that it seeks to upset the established system, in time it becomes nonchalant, idle and without ambition, and we know the results of that.

Mr. Speaker, I am convinced that if the federal government were to establish a voluntary training program for our young people, during the holiday period, that is for about two months a year, with a well-defined program and the possibility of three consecutive stages—one in each of the main areas of the country starting, of course, with the province of residence—and ending with a fourth stage, involving, for the deserving ones, an optional stay in our various military bases abroad or on a ship of the Canadian navy on a cruise around the world, then I think we would really be of service to our young people.

Some will say that our cadet corps effectively offer such an advantage at this time, but I doubt that our actual program does meet the exact requirements for the physical training service that I am now suggesting. First, it is absolutely necessary that pay rates be sufficiently interesting to attract a maximum number of young people, thus to provide them with potential reasonable earnings that, surely, could be useful to them during the academic year. Moreover, much more stress should be placed on the development of a comprehensive program, spread over the first three years, at least, I mean three consecutive summer terms during which physical training would be supplemented by language studies, Canadian history courses—of the authentic variety—world history courses, all within the framework of military discipline, under the direction of Canadian Forces specialists, with the co-operation—and this point is quite noteworthy—of a number of professors and educators.

Mr. Speaker, as is mentioned in my notice of motion, this should be fully set up in co-operation with provincial departments of education who, I have been given to understand, would not object to such a program, more especially as teachers would be asked to join the armed forces for the same period, so that they could belong in an active way, as some of them already do—quite successfully besides—to our different cadet corps linked with the Canadian armed forces.

In order to make the program more attractive and to enable our young people to know the country and the Canadians of different areas, I think we should provide stays at different places from one year to the other. This would give the young Canadian an opportunity to spend the first summer in his province, in his own surroundings or at least near home and then to visit two successive areas. But he would always stay at least once in an English speaking locality if he is French Canadian and in a French speaking place if he is an English speaking Canadian. This would be an excellent way to promote bilingualism and national unity.

I have already discussed this suggestion with some senior officers in the armed forces, and I do not believe that the capital expenditures necessary for this project would be so high, because existing facilities could be used, perhaps after some alterations or improvements. Moreover, several of these facilities are not fully used during this summer period. As for the equipment, I do not see any problem, since part of the equipment of our armed forces becomes obsolete in time, even if it is not used.

There remains the question of the total cost. It is very difficult to estimate the actual cost of such a program, unless you have detailed information concerning all the military facilities existing in the country and you know where they are located and how they should be improved. You must also have a very definite idea of the immediate objectives concerning the use of existing facilities and

concerning the availability of certain elements of our armed forces during this summer period. In my opinion, such a program could initially involve about 100,000 young Canadians. If need be, this number could be increased gradually every year.

I have not been able to check the probable cost of the operation, Mr. Speaker, but, on the basis of the figures I quoted when my first motion for compulsory service was introduced, I think that with 100,000 Canadians participating in this program, the maximum cost to the country—this may come as a surprise to the hon. Minister of National Defence (Mr. Cadieux), but such is indeed my figure—will be about $60 million. Moreover, this would include some 5,000 teachers and about 10,000 members of the armed forces, who would be in charge of co-ordinating and administering the program. This sum of $60 million would cover a monthly salary of $100 for the students and $400 for the teachers, and I also take into account the cost represented by 10,000 members of the armed forces working during this period. Furthermore, this figure covers living expenses, food, clothing, transportation and other related services such as hospitalization and so on.

Some people might doubt the accuracy of the figure I have quoted; however, I think it is realistic. The first figures I obtained in 1964 seemed realistic to me. I have therefore made comparisons; I have taken into account certain factors, including the cost of organization, and I think the amount of $60 million is not as far out as it might sound.

As I already said, such a project must necessarily be founded on various studies and on a careful estimation of its cost. Therefore, I do not wish to get involved in a controversy over the matter of cost. All I am asking this government is to consider the possibility, and in the light of the advantages the program could bring and of its cost, to decide whether it will offer to Canadian youth what it lacks today.

I will conclude by saying, Mr. Speaker, that it is difficult to assess those long-range advantages, but I can assure you beforehand that we would find therein the best unity factor for young Canadians who will take our place tomorrow; they would have the chance of knowing each other better, of learning about their country and they would develop a better spirit of discipline and citizenship, thus getting ready to play their part as citizens and while having a wonderful opportunity to become bilingual in this country where the two founding and linguistic groups are the basis of our existence.

Mr. Speaker, all the Canadians I am sure, with very few exceptions, would be grateful to the house if that resolution were passed this afternoon.

• (5:50 p.m.)

[*English*]

Mr. Heath Macquarrie (Queens): Mr. Speaker, in the few minutes available I can only say in general terms that I congratulate the hon. member for directing the attention of the house to an important, timely and perhaps timeless matter. It is not only in our own time that the youthful generation is disquieted about those of us who are of riper years, as the prayer book puts it. It is not only now that the young have called their elders "squares", or whatever the modern jargon of the day happened to be.

Having made that general and sound sociological observation, I think we do live in an age when there is an excessive restlessness among our youth which we disregard at our peril. It behooves all public people at all levels of government to note carefully the way in which their institutions take note of what is sometimes called the generational revolt.

We live in an age of restlessness and protest; we live in an age when people, both young and old, are more mobile than ever before. I am attracted by the suggestion that we should find some means whereby groups of young people might move from one part of the country to another. I am attracted by the idea that in the process of living together there could be a greater facility and felicity developed in the two languages of this country. This development is something to be desired. Some of us in our mid-forties may not become proficient bilingually before we reach our mid-fifties, although we might try, but I think the people in younger groups might succeed and any attempt in this regard would be a notable, and perhaps noble, service on the part of the government.

I cannot comment on the details of the hon. member's program. I am not a military expert and I do not know what would be the demands of such a program upon the existing institutions. Nor do I know the problems which might be presented to the military establishment in training of a group which would be at best, quasi-militaristic. This problem would require a good deal more consideration.

The suggestion that emphasis be placed upon training in language and in physical education is one that I heartily commend. Being neither an outstanding physical specimen of manhood nor an outstanding linguist I can say that had a program like this been in effect 20 or 30 years ago things might have been better from a personal standpoint. In a more serious vein, I believe this is the kind of thing we should be thinking of more often in this legislative chamber, particularly when very often we seem bound to become a mill for grinding out a lot of legislation, some of which is pretty tedious and much of which is controversial. We should take a look at some of those things which are more fundamental to the over-all life process and look at some of the values of this society we seek to serve rather than concentrate merely on the mechanics of existing institutions of that society. To this extent I should like to commend the hon. member for bringing our attention to this matter of importance.

I have seen a few proposals like this in recent years and I think this is altogether wholesome and good. If this can be done through the existing Department of National Defence, with co-operation from the departments of education, it is a splendid idea. If it does no more than bring about a greater degree of co-operation among provincial departments of education this would be a very favourable step. We suffer greatly from too much differentiation from province to province in the field of education. There are far too many tight little empires built in departments of education all across the land, and I believe our young people are suffering as a consequence. In a highly mobile society such as ours this should be looked at in a corrective way. Therefore I should like to commend the hon. member for his thoughtful contribution on a very important matter.

[*Translation*]

Mr. Jean Berger (Montmagny-L'Islet): Mr. Speaker, under normal circumstances, I would have been most happy today to join with my colleague for Beauharnois-Salaberry (Mr. Laniel), not only to support, but also to promote his very interesting motion.

Unfortunately, we all know what sad fate is in store for motions of this type under the obsolete rules of the house. In spite of my personal feelings expressed on other occasions with regard to the practice of killing bills, to my regret, I must use up the last remaining minutes to congratulate my colleague for Beauharnois-Salaberry and ask the Minister of National Defence (Mr. Cadieux)—who, I noticed, has listened very carefully to my colleague's suggestions, even though we will not have much success today—to see to it that his department which is under such a competent and able management—and I congratulate the minister on his recent appointment—take it upon itself to introduce a bill which would then be much more acceptable.

Far from me, Mr. Speaker, the thought of creating a tide of marked militarism, something about which many of our compatriots are always suspicious and rightly so. I have taken due note of the principle laid down in the motion, that service would be on a voluntary basis. Having had the opportunity of witnessing the efficiency of summer holiday training of cadets, for instance at the Farnharm camp in the eastern townships, I can only agree that our youth is greatly lacking in the spirit of discipline, of order and of respect for the established authority, at every level.

They no longer believe in anything, or anybody, follow any instructions, wherever they come from. The spirit of unconditional freedom, if I may use the expression, cannot fail to cause us deep concern. I think that this is one of the best ways to counter this mad race to the sorry rules of anarchy and revolution.

Mr. Speaker, the house is aware of the unfortunate happenings nowadays, in sorry associations or communities of hippies, beatniks and others, who feed on LSD, marijuana or free love, and it is with measures like the one proposed by the hon. member for Beauharnois-Salaberry that we undoubtedly will fight more efficiently and get better results.

Mr. Speaker, in closing and in view of the fact that we can make no further progress today, I express the wish once again that this idea will not become a dead letter in the pigeon holes that are already bulging with forgotten files of the House of Commons. I am convinced that the hon. Minister of National Defence, who understands the problem well, will consult his senior officers and implement in a tangible way with more chances of success if the initiative is taken

by the government, the bill advocated by my colleague, which I support with all the sincerity I am capable of.

Mr. Speaker, I see it is now six o'clock. I look forward to the government's action.

Centennial Youth Summer Program

The Acting Speaker (Mr. Tardif): The hour provided for the consideration of private members' business has now expired.

[*English*]

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

27053—273½

HOUSE OF COMMONS

Thursday, November 16, 1967

The house met at 2.30 p.m.

FINANCE

REQUEST FOR POLICY STATEMENT ON TAXATION REPORT

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I thought I should direct my first question to the right hon. Prime Minister. In view of the widespread interest in the country in the Carter commission report, can the Prime Minister advise the house when we might expect some declaration of government policy or intention in this regard?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, it is an honour to receive the hon. gentleman's first question; I hope they will all be as simple as this one. It is simple, Mr. Speaker, because I cannot give the answer. I can tell the hon. gentleman that the Minister of Finance expects to be able to make a statement on this matter shortly, and I hope this will be next week.

SHIPPING

MONTREAL—INQUIRY AS TO FEDERAL INTERVENTION IN DISPUTE

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I direct a question to the Minister of Labour regarding the dispute in the port of Montreal over the implementation of the Picard report. In view of the fact that the Shipping Federation of Canada have rejected the minister's proposal for the appointment of an independent arbitrator, may I ask the minister what steps he is now taking to bring both parties together in an endeavour to find a solution to the implementation of the Picard report?

Hon. J. R. Nicholson (Minister of Labour): Mr. Speaker, this is a difficult question to deal with, because I cannot accept the premise that the shipping federation has turned down the suggestion made by the minister. The shipping federation has asked for additional information. I am still in communication with the federation, as we are in communication with the unions involved. When the exchange of useful information has been completed I will make a decision as to whether any intervention is necessary or advisable. In the meantime I might say that reports that I have received within ten minutes of coming into the house indicate that conditions are closer to normal than they have been for several days.

Mr. Douglas: A supplementary question, Mr. Speaker. May I ask the minister if he has met with both parties and if the government is giving consideration to following the course which he pursued in respect of the dispute on the Pacific coast, of introducing legislation and appointing an administrator to prevent further dislocation in the port.

Mr. Nicholson: I have nothing to add to my earlier answer, Mr. Speaker.

[*Later:*]

Mr. Joseph Macaluso (Hamilton West): Mr. Speaker, I have a question for the Minister of Labour and I regret that I did not give him notice. In view of difficulties being experienced in the port of Montreal will the Minister of Labour bring the parties, the shipping federation and the I.L.A., together to meet with Mr. Picard in order that he may interpret the contents of his report which apparently they are having difficulty interpreting themselves?

Mr. Nicholson: Mr. Speaker, there is nothing that I can usefully add to the answer that I gave earlier to the hon. member for Burnaby-Coquitlam.

[*Translation*]

ROYAL CANADIAN MOUNTED POLICE

PROTECTION FOR PROPERTY OF MEMBERS OF PARLIAMENT

On the orders of the day:

Mr. Réal Caouette (Villeneuve): Mr. Speaker, I should like to put a question to the Prime Minister.

When vandals attack and damage the property of a member of parliament, can the latter, regardless of his political affiliation expect the protection of the R.C.M.P.?

Inquiries of the Ministry

[*English*]

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I am sure all members regret the indignity to which my hon. friend was subjected, and if there are any appropriate steps that can be taken, I know we will all wish to take them. I shall be glad to look into the matter. Meanwhile may I welcome the hon. gentleman back to the house; I heard that he was indisposed recently. I hope he is feeling strong and fit again.

Some hon. Members: Hear, hear.

[*Later:*]

Mr. J.-A. Mongrain (Trois-Rivières): Mr. Speaker, my question is addressed to the right hon. Prime Minister. I apologize for not having given him notice. In view of the fact that a well known separatist uses federal services to promote his ideology and is even granted a medal for his outstanding services to Canada, would the government consider studying the possibility of indemnifying members of this house who suffer damage for having made it their duty to act as defenders of confederation?

Some hon. Members: Hear, hear.

Mr. Speaker: Order, please. The question is interesting but—

[*Translation*]

—I do not think it is in order.

[*English*]

TRADE

PROPOSED U.S. QUOTA RESTRICTIONS ON IMPORTS

On the orders of the day:

Hon. George Hees (Northumberland): I wish to address a question to the Minister of Trade and Commerce. In view of the report from Washington that 81 members of the United States Senate are prepared to vote for the imposition of import quotas on foreign goods which would be given easier entry into that country because of the Kennedy round tariff reductions, would the minister give consideration to going to Washington and making clear to the United States congress that Canada, which is the best customer of the United States, will retaliate in equal measure if such restrictions are placed on the importation of our goods into that country?

Hon. Robert Winters (Minister of Trade and Commerce): Mr. Speaker, I saw the report in question and we interpret it differently. At the bottom of the last paragraph of the report I saw in the press there is reference to a gentleman who said he had been told that 81 senators are backing some form of import quota; the report itself has to do with a growing movement to fight protectionist feelings in the United States. We of course are supporting all such moves to offset protectionist measures. Nearly all United States Secretaries have given evidence in Congress against these pressures and the President himself has said that they must not succeed.

I have been in Washington once and I am prepared to go again if I feel that the prevailing climate will benefit from my visit. Our ambassador is in touch almost daily with the appropriate officials in Washington, and I can assure the hon. member that we are doing all we can to offset protectionist pressures.

Mr. Hees: A supplementary question, Mr. Speaker. Is the Minister of Industry in a position to announce the measures the government is prepared to take to ease the impact on producers who produce primarily for the Canadian market and who would be adversely affected by Kennedy round tariff reductions?

Hon. C. M. Drury (Minister of Industry): I ask the hon. gentleman to be patient, Mr. Speaker.

Mr. Hees: A further supplementary question, Mr. Speaker. Does the minister not realize that I asked a similar question just two weeks ago, when I was promised an answer in one week? Patience can last just so long.

HEALTH AND WELFARE

REQUEST FOR RECOGNITION OF WORK OF DR. GORDON MURRAY

On the orders of the day:

Mr. P. B. Rynard (Simcoe East): I wish to address a question to the right hon. Prime Minister. It is based on a report of recent research work carried out by a Canadian medical specialist, Dr. Gordon Murray, who, after years of painstaking work on animals and people, apparently has made a major breakthrough in neurosurgery. Doctor Murray was born in Ontario, is a graduate of the University of Toronto, and has had a long list of successes in the research field.

Some hon. Members: Hear, hear.

Mr. Rynard: His newest achievement, if it is confirmed by further successes, will bring new hope to millions of people. Would the Prime Minister consider making a suitable acknowledgement of what might be one of the great breakthroughs in this field?

Right Hon. L. B. Pearson (Prime Minister): I shall be glad to do anything I can, and I am sure all members wish to show their admiration and respect for Doctor Murray's achievement, which is one of a long list of his achievements in this field. As my hon. friend knows, outstanding achievements in this field are recognized; in the first awards of the Order of Canada, Doctor Murray was made a companion of that order.

HOUSING

MATTERS TO BE CONSIDERED AT DOMINION-PROVINCIAL CONFERENCE

On the orders of the day:

Mr. Reid Scott (Danforth): Mr. Speaker, I have a question concerning the most urgent social problem in Canada today, our national housing crisis. Since Canada, unlike most countries in the world, has no ministry of housing and urban affairs I am required, in this bizarre circumstance, to direct my question to the Minister of Labour.

Mr. Speaker: Order, please. The hon. member knows or ought to know the rules; questions ought not to be prefaced by the kind of statement the hon. member has made, which was really a speech. The rules allow the hon. member to ask questions at this time but not to make a speech.

Mr. Scott (Danforth): Thank you, Mr. Speaker. As I was saying—

Mr. Speaker: Order. I asked the co-operation of the hon. member. He obviously wants to flout the rules of the house. That is not permitted to any member, including the hon. member for Danforth.

Some hon. Members: Hear, hear.

Mr. Scott (Danforth): I now rise on a point of order.

Some hon. Members: Oh.

Mr. Scott (Danforth): All right; you can get all the excitement you want. I would ask the Chair with all due deference—and the Chair knows in what esteem it is held by every member of this house—to explain to me the way in which I am flouting the rules.

Mr. Speaker: Order, please. The hon. member is in no position to ask explanations of the Chair.

Some hon. Members: Hear, hear.

[*Translation*]

MANPOWER

REPORTED CLOSING OF IMMIGRANT TRAINING CENTRES

On the orders of the day:

Hon. Jean Marchand (Minister of Manpower and Immigration): Mr. Speaker, in reply to a question of the hon. member for Greenwood (Mr. Brewin) the other day concerning the closing of Castle Frank school in Toronto, I gave a correct answer that was unfortunately incomplete. I mentioned that the school had been taken back by the Toronto school board. That is true, but what I failed to mention is that those courses have been transferred to two other schools, one being Brockton school which was later closed. It is true that this school has been closed due to a shortage of students, because we had not sent a sufficient number of them there. We now hope that, before long, there will be enough students to justify the resumption of those courses.

INDUSTRY

POSSIBLE PURCHASE BY QUEBEC OF DOSCO INSTALLATIONS

On the orders of the day:

Mr. Alcide Simard (Lac-Saint-Jean): Mr. Speaker, I should like to put a question to the Prime Minister.

Does the Canadian government intend to co-operate with the Quebec government in the purchase of the Dosco facilities in Quebec to prevent the closing down of the Sydney blast-furnaces?

[*English*]

Right Hon. L. B. Pearson (Prime Minister): The government of Nova Scotia has, of course, been in touch with this aspect as well as with other aspects of this important problem, and some of my colleagues are meeting the premier of Nova Scotia this evening.

[*Translation*]

ASSISTANCE FOR GOLD MINES IN NORTHWESTERN QUEBEC

On the orders of the day:

Mr. Réal Caouette (Villeneuve): Mr. Speaker, may I direct a question to the Minister of Energy, Mines and Resources?

Inquiries of the Ministry

Is the department now holding discussions with the provincial authorities about the gold mines in northwestern Quebec, particularly in Malartic and Val-d'Or, in order to remedy a situation which is becoming serious?

Hon. Jean-Luc Pepin (Minister of Energy, Mines and Resources): Mr. Speaker, I intend to pay a visit quite soon to the new Quebec minister of natural resources, and that is one of the matters I would like to discuss at that time.

[*English*]

ADMINISTRATION OF JUSTICE

INTRODUCTION OF AMENDMENTS TO JUVENILE DELINQUENTS ACT

On the orders of the day:

Mr. G. H. Aiken (Parry Sound-Muskoka): I had a question for the Solicitor General; in his absence perhaps I might address it to the Minister of Justice. Yesterday the press announced a bill in connection with amendments to the Juvenile Delinquents Act, but there seems to be no notice of such a bill on the order paper. Will the minister advise us whether the government intends to take the house into its confidence and circulate this draft bill?

[*Translation*]

Hon. P.-E. Trudeau (Minister of Justice): Mr. Speaker, subject to any correction by the Solicitor General, I would say that the bill is ready; however, consultation was held with attorneys general of the provinces where this legislation will be implemented, so that the bill will be introduced at a later date. I think that is how matters stand at this time.

[*English*]

Hon. E. D. Fulton (Kamloops): Mr. Speaker, I have a question for the Prime Minister arising out of the reply just given by the Minister of Justice to my colleague from Parry Sound-Muskoka. Will the Prime Minister ensure that the bill in question is made available to parliament, which after all will finally be called upon to enact it, no later than it may be made available to others even though those others are admittedly concerned?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I will be glad to discuss that with the Minister of Justice and see if I can satisfy my hon. friend.

[Mr. Caouette.]

[*Later:*]

Hon. L. T. Pennell (Solicitor General): Mr. Speaker, perhaps I might be permitted to supplement the answers of the right hon. Prime Minister and the Minister of Justice to questions relating to the Juvenile Delinquents Act. I wish to advise the house that the department reduced the recommendations contained in the report on juvenile delinquency into a loosely drafted, discussion form of bill. Then we sent copies to the several attorneys general to obtain their comments, also inviting comment from other interested bodies. We will later firm up government policy and submit a bill to the house.

HEALTH AND WELFARE

MEDICARE—DISCUSSIONS WITH PROVINCES RESPECTING ILLNESS PRIORITIES

On the orders of the day:

Mr. L. M. Brand (Saskatoon): I have a question for the Minister of National Health and Welfare. In view of the minister's statement to the Canadian Medical Association in June regarding priorities of illness, and in view of the impending implementation of medicare, has the minister or his department prepared a list of illnesses in order of priority?

Hon. Allan J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, of course no statement was made along the lines suggested by my hon. friend.

Mr. S. J. Enns (Portage-Neepawa): Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare, supplementary to that asked by the hon. member for Saskatoon. Since the implementation of medicare is an impending fact, has the shortage of doctors been taken into account and are any preparations being made to alleviate this shortage?

Mr. MacEachen: Yes, Mr. Speaker.

DIVORCE

INQUIRY AS TO INTRODUCTION OF LEGISLATION

On the orders of the day:

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I wish to direct a question to the Prime Minister. In view of the very great interest being evinced in the subject of divorce reform, irrespective of the date the government has in mind for debating this

issue would the right hon. gentleman consider introducing the bill for first reading, so the country and parliament may have an idea of what reforms the government proposes submitting?

Right Hon. L. B. Pearson (Prime Minister): I would like to do that, Mr. Speaker, and as quickly as possible.

Mr. H. Russell MacEwan (Pictou): Mr. Speaker, may I ask the Minister of Justice if there is a bill ready to deal with this very important matter of divorce.

[*Translation*]

Hon. P.-E. Trudeau (Minister of Justice): Mr. Speaker, the bill is ready and has already been printed. Now the question is when it will be possible to introduce it in the house.

[*English*]

HOUSING

MATTERS TO BE CONSIDERED AT DOMINION-PROVINCIAL CONFERENCE

On the orders of the day:

Mr. Reid Scott (Danforth): Mr. Speaker, I wish to direct a question to the Minister of Labour. In view of the continuing rise in rents throughout Canada, which is partly attributable to the housing shortage, can the minister tell the house whether the subject of some sort of joint program to deal with the problem of high rentals will be on the agenda he is preparing for the forthcoming housing conference?

Hon. J. R. Nicholson (Minister of Labour): I have already said several times of late, Mr. Speaker, that we have invited the views of the provinces as to what the agenda should be. If not this particular item, one related to it is almost certain to be on the agenda, although the agenda has not yet been settled and I cannot make a definite statement.

Mr. Scott (Danforth): As a supplementary question, would the minister give us some indication of when we might expect a statement in the house as to what the agenda will be?

Mr. Nicholson: Mr. Speaker, I said the day before yesterday—and I have said this three or four times a week and I made it clear at least two weeks ago—it would be at least another week or ten days before the agenda could be settled, and once it is settled the house will be advised.

Mr. A. D. Hales (Wellington South): As a supplementary question, Mr. Speaker, is the minister giving consideration to extending the loans on existing housing? I think if this were done it would help tremendously.

Mr. Nicholson: That matter is under continuous study.

Mr. David MacDonald (Prince): Mr. Speaker, I wish to direct a supplementary question to the Prime Minister with respect to the federal-provincial conference on housing. As a result of the lengthy representations made last week by the association of mayors and municipalities, has this group been asked to send representatives in their own right to the conference, in view of their heavy responsibilities in this area?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, as stated previously in the house, in the invitations which were sent to the provinces they were told that if they included in their delegations, which would be the appropriate constitutional way, representatives of the municipalities, this would be very welcome to the federal government.

Mr. Erik Nielsen (Yukon): As a supplementary question, Mr. Speaker, may I ask the Prime Minister or perhaps the Minister of Indian Affairs and Northern Development whether representation has been requested from the elected representatives of the Yukon and Northwest Territories to attend this housing conference.

Mr. Pearson: Mr. Speaker, we are following the appropriate constitutional procedure here also, as followed by previous governments including that of the party of my hon. friend.

Mr. Nielsen: Mr. Speaker, might I ask the Minister of Indian Affairs and Northern Development whether an invitation has been extended to the elected representatives of the territories for representation from those bodies.

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development): Mr. Speaker, I might say, and I hope my hon. friend would agree with me, that there are just as serious problems in the two territories as in other parts of Canada. I believe he also would agree that they are almost entirely different and are being handled today by the commissioners in close co-operation with the people there. I think they are making a great

deal of progress. However, I would think that representatives who might come from there would have very little to offer to the conference which is being held down here.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I have a supplementary question for the Prime Minister. While allowing the provincial governments to bring municipal representatives certainly would be an acceptable procedure, I should like to ask the Prime Minister whether he is aware that this would not include the officers of the association of mayors and municipalities, since they would not likely be part of the provincial delegations. Would the Prime Minister give consideration to asking the provinces whether they would object to having the officers of the association of mayors and municipalities represented at the housing conference?

Mr. Pearson: Mr. Speaker, I shall be glad to consider that. There are other organizations and associations which are very interested in the problem of housing which also have expressed their interest in attending this conference.

SHIPPING

INQUIRY AS TO STRIKE OF PILOTS ON WEST COAST

On the orders of the day:

Mr. D. W. Groos (Victoria (B.C.)): Mr. Speaker, my question is for the Minister of Transport but, if I may, in his absence I should like to address it to the acting minister who I understand is the Registrar General. I regret that I have not given him notice. Is the minister in a position to report to the house on the present state of affairs on the west coast with regard to the strike which began yesterday of ships' pilots serving the Victoria, Vancouver and Nanaimo areas?

Hon. John N. Turner (Registrar General): Mr. Speaker, the officials of the Department of Transport, and the minister have been in touch with both parties to this dispute; that is, the British Columbia coast pilots and the chamber of shipping in British Columbia. As a result of telephone calls to the chamber of shipping last night and the meeting being held between the pilots and the chamber this morning, we feel that the situation might very well improve.

[Mr. Laing.]

FINANCE

MEETING OF FINANCE MINISTERS IN OTTAWA

On the orders of the day:

Mr. Melvin McQuaid (Kings): Mr. Speaker, my question was originally intended for the Minister of Finance, but in his absence I would direct it to the right hon. Prime Minister. Is it correct that the provincial ministers of finance are holding their meeting today in the ballroom of the Skyline hotel here in Ottawa? If so, how in this time of austerity can this unwarranted expenditure of the taxpayers' money be justified in view of the fact that adequate space is available—

Mr. Speaker: Order, please.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I rise on a point of order. I think this question should be answered, because the statement is not correct. The meetings are being held in the west block of the parliament buildings.

[*Translation*]

EXTERNAL AFFAIRS

VIET NAM—CAMBODIAN PROTEST RESPECTING CANADIAN POSITION ON CONTROL COMMISSION

On the orders of the day:

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I wish to put a question to the Prime Minister.

We have learned in the news this morning that during an interview given to a representative of the C.B.C., Prince Sihanuk of Cambodia charged the Canadian members of the Control Commission in Viet Nam with being partial and favouring the work of the Americans. I should like to know from the Prime Minister whether Prince Sihanuk has made similar representations to him?

[*English*]

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker; I have seen a telegram about this statement alleged to have been made which is quite false and untrue. I hope the Secretary of State for External Affairs will be able to make a supplementary reply tomorrow or the next day giving some evidence as to the source of this statement.

[*Translation*]

Mr. Asselin (Charlevoix): Mr. Speaker, may I put a supplementary question.

In view of the fact that a similar complaint has been made against the members of the

Canadian Control Commission in Viet Nam on several occasions, would the Prime Minister object to having these members appear before the external affairs committee to explain?

[*English*]

Mr. Speaker: Order, please. I suggest to the hon. member for Charlevoix that perhaps this is the type of question which is not in order at this time.

CYPRUS—REQUEST FOR STATEMENT ON OUTBREAK OF FIGHTING

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to direct a question to the right hon. Prime Minister in the absence of the Secretary of State for External Affairs. Is the Prime Minister in a position to give the house a report on the present fighting in Cyprus, particularly in respect of any involvement of Canadian troops?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I did receive a report just before I came into the house but I am afraid I do not have it with me. Possibly the Minister of National Defence could say something about this, as I know he received the same telegram.

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, the incident referred to by the hon. member for Oxford occurred yesterday, when Greek troops opened fire on Turkish Cypriots in a small community in south Cyprus called Ayios Theodoros.

Some hon. Members: Hear, hear.

Mr. Cadieux (Terrebonne): There were approximately 20 casualties among the Turks and Greeks. No United Nations soldiers were wounded and no Canadian soldiers were involved. I understand that a cease fire was agreed upon during the course of the night and that the incident is now over, at least for the moment.

Hon. Michael Starr (Ontario): Mr. Speaker, I should like to ask the Minister of National Defence whether he can indicate any timetable for the possible withdrawal of Canadian troops from Cyprus. Will he also at the first opportunity make a statement as to the cost to the Canadian government of keeping its troops there?

Mr. Cadieux (Terrebonne): Mr. Speaker, I do not think it is for me to say when Canadian troops should be withdrawn from Cyprus. As the hon. member knows, this mandate is supposed to be considered for renewal or non-renewal on December 26 next. It will be for the government to indicate to the Minister of National Defence whether we should continue to keep Canadian troops there.

POLLUTION

REQUEST THAT MATTERS UNDER FEDERAL JURISDICTION BE ASSIGNED TO ONE MINISTER

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to direct a question to the Prime Minister. In view of the widespread and increasing public concern over matters of pollution, and in view of the difficulty we are having in getting answers to questions about this subject because it falls within the responsibility of two or three ministers, will the Prime Minister consider assigning matters relating to air and water pollution within federal jurisdiction to one minister so we can make some progress in this regard?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I do not think there is the confusion that my hon. friend fears. Perhaps I should consider taking pollution under my own control.

Mr. H. E. Gray (Essex West): Mr. Speaker, I have a supplementary question I should like to direct to the Minister of National Health and Welfare. Have federal officials been invited to attend the provincial conference on pollution which will be convened by the government of Ontario between December 3 and December 5 in Toronto?

Hon. Allan J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, there is to be a meeting held in Toronto as a sequel to an earlier meeting in Montreal of the conference of resource ministers. Federal officials have not been invited to attend.

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a supplementary question for the Minister of National Health and Welfare in relation to his answer that the federal government has not been invited to attend a council of resource ministers' meeting. The federal government is a member of that council of resource ministers. Why would it need an invitation?

Mr. MacEachen: On a point of order, Mr. Speaker, the hon. member misunderstood me.

I stated that this meeting to be held in Toronto was a sequel to an earlier conference of resource ministers.

Mr. Knowles: On a point of order, Mr. Speaker, should not these questions now be directed to the Prime Minister, since he has taken charge of pollution?

Mr. Baldwin: The minister of pollution.

TRANSPORT

DISCUSSIONS IN WASHINGTON BETWEEN CANADIAN AND U.S. MINISTERS

On the orders of the day:

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I should like to ask the Acting Minister of Transport if he can inform the house whether the Minister of Transport is having talks with his counterpart, the secretary of transport in Washington; and is he in a position to make public the subject of their conversations?

Hon. John N. Turner (Registrar General): The answer is yes, Mr. Speaker, but I think the minister would prefer to make his own statement on his return from Washington.

PROPOSED MEETING TO DISCUSS ATLANTIC PROVINCES PROBLEMS

On the orders of the day:

Mr. Thomas M. Bell (Saint John-Albert): Mr. Speaker, I should like to ask the Prime Minister whether he has any information in respect of the intimation that was given at a transportation meeting in Halifax last night that the government would be willing to meet the four Atlantic premiers to discuss transportation matters. If so, when and where will such a meeting take place?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, my hon. friend was good enough to give me notice of this question, which accounts for the fact that I have an answer to it. I am informed there has been no such invitation received and that no steps have been taken by the Minister of Transport to call a conference of this kind. However, if the Atlantic premiers desire to have such a meeting I am sure the minister will be glad to accommodate them.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. C. S. Smallwood (Battle River-Camrose): Mr. Speaker, I should like to direct a question to the parliamentary secretary to the minister of external affairs, and I shall do so if he will return to his proper place.

Mr. Speaker: Order, please. Perhaps the hon. member should direct his question to the Prime Minister.

Mr. Smallwood: Then I will direct my question to the Prime Minister. Will the right hon. gentleman ask the parliamentary secretary to the Secretary of State for External Affairs to divulge to the members of the house the results of the poll that he apparently is now conducting?

Some hon. Members: Oh, oh.

Mr. J. P. Nowlan (Digby-Annapolis-Kings): Mr. Speaker, I wanted to ask the Prime Minister a question along those same lines. In view of the stated intention of the government that the vote on capital punishment shall be a free vote—and I am a member on this side of the house who feels very much involved—will the Prime Minister assure the house that the apparent poll being conducted by the hon. member for Rosedale, the parliamentary secretary to the Secretary of State for External Affairs, is not a poll on capital punishment and in no way reflects intimidation of government members?

Mr. Speaker: Order, please.

Mr. D. S. Macdonald (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I rise on a question of privilege. Since hon. members have seen fit to draw attention to my activities—and I appreciate their interest in my career—I should like to make it clear to them that I am not conducting a poll on behalf of the Prime Minister or any other member of the government on the question of capital punishment.

COMMONWEALTH RELATIONS

RHODESIA—POSITION OF GOVERNMENT RESPECTING SANCTIONS

On the orders of the day:

Mr. Heath Macquarrie (Queens): Mr. Speaker, I should like to ask a question of the right hon. Prime Minister about the troubled Rhodesian situation in respect of which he gave leadership. The other day the Secretary of State for External Affairs indicated that the government feels there is no further action which could be taken within the Commonwealth context. Will the Prime Minister

advise the house whether the government still regards the existing measures as serving a useful purpose, and is it intended that Canada will continue—

Mr. Speaker: Order, please. I suggest the hon. member's question is of a very general nature and seeks the expression of an opinion. I doubt if such a question can be asked at this time.

BUSINESS OF THE HOUSE

REQUEST FOR MEETING OF COMMITTEE ON CROWN CORPORATIONS

On the orders of the day:

Mr. Reid Scott (Danforth): Mr. Speaker, I have a question for the Minister of National Health and Welfare in his capacity as house leader. Several weeks ago I asked him whether in view of the importance of our crown corporations, and in view of the need for our committees to work efficiently, the government would consider referring something to the committee on crown corporations so it might hold at least one meeting during this session.

Hon. Allan J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, the last time my hon. friend put this question he asked whether we would refer anything to the committee. I would be glad to consider whether we will refer something.

UNITED NATIONS

CENSURE OF PORTUGAL OVER INVOLVEMENT WITH ANGOLAN MERCENARIES

On the orders of the day:

Mr. David MacDonald (Prince): Mr. Speaker, my question is to the Prime Minister. In light of the motion of censure yesterday afternoon by the security council on Portugal's involvement with Angolan mercenaries moving into the Congo, has our government, which is a fellow member with Portugal of NATO, communicated to the government of Portugal our displeasure at their support of the mercenaries in Angola?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I would have to look into that matter. I have not had a chance to study the messages that I know have come from New York on the subject.

FINANCE

INQUIRY AS TO PAYMENT OF REFUNDABLE CORPORATION TAX

On the orders of the day:

Hon. George Hees (Northumberland): Mr. Speaker, I should like to direct a question to the Minister of Finance, but because of his absence at the federal-provincial conference I would ask my question of the acting minister who can draw it to the minister's attention so he may reply on his return to the house. When does the government plan to start refunding the 5 per cent refundable corporation tax which was imposed in the budget of 18 months ago?

Mr. Speaker: Order, please. This question does not appear to be of immediate urgency.

CANADIAN BROADCASTING CORPORATION

STATEMENT BY BOARD RESPECTING ACTION BY MINISTER

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the right hon. Prime Minister. He was asked a couple of days ago whether he was prepared to make a comment with regard to the statements made by the Secretary of State with respect to the Canadian Broadcasting Corporation and the statement issued by the directors. In view of the fact that the Prime Minister then said he was considering this matter, I would ask whether he is prepared to make a statement; or does he intend to make a statement?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I think it was in answer to a question yesterday that I indicated the results of my consideration of this problem, to the effect that while I reiterated the strong support of the government for public broadcasting and for the Canadian Broadcasting Corporation as the agency in this country for public broadcasting, I think I said that any further statement I would make would be when the bill came back to the house. I will be making it then.

[*Translation*]

LABOUR RELATIONS

BOARD DECISION RESPECTING REPRESENTATION OF C.B.C. EMPLOYEES

On the orders of the day:

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, I would like to direct a question to the

Minister of Manpower and Immigration. Could he tell us the house when the government expects to make the required changes with respect to the Canadian Labour Relations Board, also, when the government will inform us of the decision it has reached with respect to the application of C.N.T.U. to represent the employees of the C.B.C. French network?

Hon. Jean Marchand (Minister of Manpower and Immigration): Mr. Speaker, I think this question should not be directed to the minister of manpower, but to the Minister of Labour.

While I am on my feet, Mr. Speaker, I should like to answer the question put to me by the hon. member for Lisgar (Mr. Muir) and the hon. member for Winnipeg North (Mr. Orlikow) concerning retraining allowances.

I was asked if the retraining allowances would be paid during the holiday season. The answer is no, because the new system is founded on the principle that the worker who takes retraining courses is not a student; he is performing an activity that is normal in this day and age, and must be considered as a worker and not as a student. However, they will have the benefit of statutory holidays just as workers do.

Mr. Grégoire: Mr. Speaker, I should like to ask a supplementary question, not the one answered by the minister, but another, which I should like to direct to the hon. Minister of Labour, since it is within his jurisdiction.

Could the minister tell us whether the government is about to reveal its intentions concerning amendments to the act governing the Canada Labour Relations Board and the request of the C.N.T.U. to be allowed to represent the employees of the French network of the C.B.C.?

[*English*]

Mr. Starr: Mr. Speaker, I rise on a point of order. This question is not supplementary to the statement made by the minister.

Mr. Speaker: Order, please. The hon. member will have noticed that some confusion arose because the minister took the occasion while on his feet to answer another question. I believe the hon. member for Lapointe has the right to an opportunity to ask a supplementary to the question he asked in the first instance. The Minister of Manpower and Immigration said the question asked by the hon. member for Lapointe should not have been

directed to him but to the Minister of Labour, and I am now giving the hon. member an opportunity to ask that question.

Mr. Starr: On the point of order, Mr. Speaker, the hon. member for Lisgar was rising to ask a supplementary question directly connected with the answer given by the minister.

Mr. Speaker: I would think that in about 30 seconds the hon. member for Lisgar will be given that opportunity.

Hon. J. R. Nicholson (Minister of Labour): Mr. Speaker, with regard to the first part of the question asked by the hon. member for Lapointe, I can assure the hon. member and the house that the legislation which the government said would be laid before the house at this fall session will be on the order paper in the very near future. With regard to the second part of the hon. member's question, may I say that I do not think it is appropriate on the orders of the day.

Mr. George Muir (Lisgar): Mr. Speaker, a supplementary question to the Minister of Manpower and Immigration. I agree with the minister's statement that these are not ordinary students. Some of them are family men—

Mr. Speaker: Order, please. Is the hon. member asking a supplementary question?

Mr. Muir (Lisgar): I am just coming to the question, Mr. Speaker. I am wondering how the minister thinks these people are going to live, particularly over the Christmas holidays, without any remuneration.

Mr. Speaker: Order, please. Orders of the day.

Mr. Orlikow: A further supplementary question, Mr. Speaker.

Mr. Speaker: Order, please. Orders of the day.

CRIMINAL CODE

AMENDMENTS RESPECTING DEATH SENTENCE AND LIFE IMPRISONMENT

The house resumed, from Wednesday, November 15, consideration of the motion of Mr. Pennell for the second reading of Bill No. C-168, to amend the Criminal Code.

Mr. Speaker: The hon. member for Lafontaine.

Some hon. members: Question.

Mr. Starr: Filibuster by the government.

• (3:20 p.m.)

[*Translation*]

Mr. Georges C. Lachance (Lafontaine): Mr. Speaker, on April 4, 1966, I had the privilege to address this house on a bill regarding the abolition of capital punishment. Today, 19 months later, I could make the same speech, word for word, but I do not want to take up the time of this house. However, with your permission, I should like to read the following part of that speech:

> I can assure you, Mr. Speaker, as well as all my colleagues, that whatever the outcome of this debate, I shall not consider it as a defeat or a victory, because I am much less concerned with knowing if murderers will be hanged in the future than with the fate of all the prisoners in our jails and penitentiaries, as well as their future when they come back to civilian life.

And I explain, Mr. Speaker, simply—

[*English*]

Mr. Speaker: Order. May I bring to the attention of hon. members that the hon. member for Lafontaine is having some difficulty being heard because of the many conversations that are taking place.

[*Translation*]

Mr. Lachance: Thank you, Mr. Speaker. I shall give an explanation. I say that whether or not the bill before us is passed—I leave that entirely to the majority of the house—I for one am not in a position to decide on the advisibility of maintaining or abolishing the death penalty. However, I must admit that I do not approve its abolition for one class of the society and its retention for another.

I respect the opinion of those who favour abolition and of those who are opposed to it. I respect the opinion of the member for Rosedale (Mr. D.S. Macdonald) who tries, by respectable means, to sound out the members of the house on that matter. I respect the opinion of the Solicitor General (Mr. Pennell) who advocates the abolition of the death penalty. I respect the opinion of the hon. member for Trois-Rivières (Mr. Mongrain) who favours its retention.

Personally, I am not ready to reach a decision on that matter, because I feel that we are not mature enough to do so. When we have the means to rehabilitate our prisoners; when the present government or any other government has passed the legislation which will enable us, for instance, to open the doors of the civil service, to destroy criminal records, to set up a probation system, and finally has taken all the other measures about bail, etc., I feel that we will be in a position then to decide on the fate of the prisoners in our penitentiaries.

I have a feeling that we are putting the cart before the horse, and that is why I once asked the hon. Solicitor General whether the government should not present its legislation concerning penitentiaries and correctional institutions.

After having discussed the matter with certain persons, I was told that it was almost impossible for the government—and I readily understand why—to introduce legislation in that field before the report of the commission of inquiry, namely the Ouimet commission, had been submitted. I am also told that this commission will be in a position to submit its report in about two or three months at the most.

Therefore, Mr. Speaker, this is why yesterday I voted for the adjournment of this debate and this is why today, I intend to bring forward an amendment to this proposal.

I will certainly be in favour of the abolition of capital punishment, Mr. Speaker, when the government is in a position to propose adequate legislation in that field. Now, since the government cannot introduce a piece of legislation in this public sector before that commission has submitted its report, I feel, therefore, that we should have the opportunity to study that report before deciding to abolish capital punishment.

I do not want this debate to become impassioned and emotional; as I said earlier, I respect the opinion of all supporters of retention or abolition. As a matter of fact, I am only concerned with the fate of prisoners capable of rehabilitation, and if I am told that all prisoners are likely to be rehabilitated, well I am especially interested in the lot of the majority of them, since, actually, only a very small number of convicts may be liable to capital punishment, that penalty being meted out at present only to those guilty of premeditated murders.

I say and I repeat that I consider this matter as a free vote. Surely, the house accepts the decision agreed upon by the various political parties of the house, namely that this will be a free vote. I trust no one will accuse anyone, not even the government, in this connection, for having voted for or against capital punishment. This is a free vote. Let everyone decide according to his

conscience. There should probably be more free votes on questions of this kind. How could we possibly approach similar problems in the near future if the vote to be taken, perhaps today or in the next few days, is to be interpreted by the various news media as the vote of members who followed the dictates of their party leaders?

Personally, I consider this vote to be free. I have never been pressured by either side, I am particularly happy to say. It is with complete freedom of conscience that I am making this speech, that I stated my position yesterday and that I shall do so again in a few moments.

Mr. Speaker, there is not much I can add on this subject; this debate was already initiated 19 months ago, and it continues today. Unfortunately, I have yet to meet one single member in this house who is satisfied with this bill. I do not think that the house should decide upon a bill that no one, not even the voters, finds satisfactory. At least, if we are going to abolish the death penalty, I think society wants us to take action at the same time for the rehabilitation of prisoners, those who will remain in jail until the governor in council decides otherwise.

That is why I move, seconded by the hon. member for Argenteuil-Deux-Montagnes (Mr. Régimbal), since this is a free vote—the following amendment:

That all the words after "that" be struck out and the following substituted therefore:

"the bill be not now read a second time but that the subject matter of the said bill be referred to the committee on justice and legal affairs for consideration in the light of studies on the penitentiary system in general and on the rehabilitation of prisoners in particular".

• (3:30 p.m.)

[*English*]

Mr. Speaker: Order. I have before me the amendment proposed by the hon. member for Lafontaine. I have some doubt whether the amendment is acceptable from the procedural standpoint. Perhaps hon. members might have comments to make to enlighten the Chair. One difficulty is that no copies of the amendment are available for hon. members to study and consider. Perhaps I should read the amendment presented in French and hon. members can listen to the English interpretation.

[*Translation*]

Moved by Mr. Lachance, seconded by Mr. Régimbal: That all the words after "that" be struck out and the following substituted therefore:

[Mr. Lachance.]

"the bill be not now read a second time but that the subject matter of the said bill be referred to the committee on justice and legal affairs for consideration in the light of studies on the penitentiary system in general and on the rehabilitation of prisoners in particular".

[*English*]

Are there any procedural difficulties that hon. members can foresee for the amendment?

Mr. Turner: Yes, Mr. Speaker. I would object to the amendment at this stage on the ground of irrelevancy. Not having the advantage of a copy of the amendment before me I will do the best I can.

Citation 203 (1) of Beauchesne states that it is an imperative rule that every amendment must be relevant to the question under discussion. The law on the relevancy of amendments is that if they are on the same subject matter as the original motion they are admissible, but not when they are foreign thereto.

What this amendment attempts to do is to refer the subject matter of this bill to a committee. This is not for the purpose of discussing the question of the abolition of capital punishment, either totally or partially, but of referring to the committee the whole subject of remedial reform and reform of penology. I suggest that on this ground alone the amendment should be ruled out of order. It raises a new question that goes beyond the subject matter of the debate before the house and should only be considered in a separate motion or resolution put before the house.

Mr. Régimbal: Mr. Speaker, may I say a few words in answer to the point that has just been made. I understand the minister's interpretation of irrelevancy but I would suggest that this amendment is relevant to the subject under debate at the present time.

The crux of the debate so far has centred upon taking sides on whether hon. members are for or against taking away life. I suggest we are on the wrong track when we take this approach. What we should be discussing, I think, is whether it is opportune at this time to make a change. As soon as you suggest change, Mr. Speaker, naturally you have to consider alternatives. There are no alternatives outlined in the presentation that has been made; it is just a question of life or death. No change is suggested in our penal procedures.

I believe we would be well advised to wait until the Ouimet commission has made its

report vis-à-vis changes in our penal procedures before we make up our minds on this question. My point really boils down to this: we are not talking of life and death but of change. I believe that at this stage the house has not sufficient information to enable it to make up its mind on instituting a change, and will not have until it receives the expert opinion of the Ouimet commission.

Mr. Lambert: Mr. Speaker, I too at first blush was tempted to agree with the Registrar General, but I think he has missed a very salient point. This bill does not only deal with a redefinition of capital murder; it also deals with the release of any person whose sentence has been commuted to life imprisonment or who has been sentenced to life imprisonment.

In objecting to the amendment the Registrar General seized upon the suggestion that rehabilitative and penal procedures are extraneous to the principle of this bill. I would point out that these matters are precisely germane to the bill. We are not only considering the abolition of capital punishment or the retention of capital punishment. I suggest that is an over-simplification. There is also in the bill a second provision relating to the release of any person who may have received a life sentence.

Therefore I put it to Your Honour that a study of the processes of rehabilitation is most germane to this whole question. It goes to the heart of the matter. Many hon. members have grave misgivings about capital punishment or the abolition thereof because they feel that a man convicted of capital murder cannot be rehabilitated. I therefore put to Your Honour in the strongest of terms that this amendment is quite in order.

With regard to referral of the subject matter and so forth, I suggest that Your Honour has accepted many amendments of this kind. The only question is whether the proposed amendment goes beyond the purposes of the bill, and I put it to you that it does not.

Mr. Speaker: I assume the hon. member for Lafontaine would want to argue in favour of his amendment. I must tell him that after reflection, and in spite of the difficulties to which the Registrar General referred, I believe the amendment should be accepted. It is a reasoned amendment. Normally reasoned amendments suggesting that a subject matter be referred do not include words which go beyond referring the subject matter to a committee. Additional considerations are embraced in the amendment proposed by the hon. member, but I do not think they are irrevelant. In view of these considerations I suggest to the house that from the procedural standpoint the amendment should be accepted.

Some hon. Members: Question.

Mr. Speaker: Is the house ready for the question on the amendment moved by the hon. member for Lafontaine?

• (3:40 p.m.)

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I wish briefly, to add my remarks in support of the amendment which has been moved. The question of the retention or abolition of capital punishment is the germane issue in this debate so far as I am concerned and not the question of a partial retention for a limited group of persons. That, to me, negates the principle of retention.

In my opinion this is a bad bill. Its principle is bad. It abandons all the moral arguments that were put 18 months ago, arguments with which I may not agree but which involve questions of morality and ask the question whether capital punishment is a deterrent. All such considerations have been scrapped by this bill. Certainly it is as immoral to take the life of a murderer who has killed a policeman or security guard as the life of a murderer who in an armed robbery has killed an elderly widow or any other person. The dealth penalty is kept as a deterrent to prevent the murder of policemen or prison officials. That is the only reason for retaining it in the bill. The death penalty will have a deterrent effect and therefore its inclusion in the bill abuses all logic. That is why this is an entirely bad bill.

On another point also I say that this is a bad bill. Cabinet is the court of last resort with regard to parole. I can think of nobody less well constituted than cabinet to make ultimate decisions with regard to the approval or denial of parole of a convicted murderer who has been sentenced to life imprisonment. I think it is quite wrong. This bill perpetuates the involvement of cabinet in questions of criminal punishment and rehabilitation.

I can readily envisage that in one year, because of a certain prevailing political climate, the cabinet may be tempted in the exercise of its judgment with respect to a man who comes from a certain area to say, yes, it is all right to release this man, and several months later, as a result of a changed

political climate in the same area, with respect to a convicted murderer the cabinet may say, No, this man shall not be released. A political decision will have been taken, because the decisions of cabinet are political. I do not think that a man's release from a life sentence should depend on a political decision. This, to me, is quite wrong and for that reason again I say that this is a bad bill.

The implications of the bill ought to be studied. In particular, the implications of clause 2 ought to be studied carefully and we ought to determine whether policemen and security guards should have a protection that is denied to others. I admit that theirs is perhaps a more hazardous calling but I do not think that any other citizen ought to be less well protected. The entire question raised by the government's proposal ought to be studied in committee where we could hear representations from the public.

It must be remembered that this bill was introduced not as a result of public clamour. Prior to the introduction of the bill there was complete quiescence so far as the public was concerned. There was no public debate and the newspapers were quiet.

I submit that no matter on which side of the question hon. members of the house may be, they ought to agree that the amendment is reasonable under the circumstances. I urge all my colleagues in the house to support it. We are dealing with a moral question and we ought to resolve it according to our own persuasions after we have assessed what the government proposes.

[*Translation*]

Mr. J.-A. Mongrain (Trois-Rivières): Mr. Speaker, I too should like to support the amendment of the hon. member for Lafontaine (Mr. Lachance) for reasons which have not been mentioned yet. And I think everybody would be glad to hear me express them.

For instance, I listened to all the speeches made here and I noted that even the sponsors of the bill and those who intend to support it seemed embarrassed in presenting their arguments, which were weak. In fact, I have rarely seen so many intelligent people using such weak arguments.

Even questionable figures and facts have been quoted. For example, it has been said that in a given period of time—I do not remember the exact dates or figures—so many people have been sentenced to death, so many to life emprisonment, so many paroled, and that the results are good. Well, that is false reasoning because we are talking of an era when death penalties and life imprisonment were meted out on circumstantial evidence and open to doubt.

I mention this as an example. Several other examples have been put forward in support of the bill. Mention was made of the slaughter of the condemned in the Middle Ages: quartering, scalding of prisoners, cutting off their limbs. All this is completely beside the point and denotes the weakness of the movers case.

I have even heard the hon. member for Lapointe (Mr. Grégoire) and I mention his case among others, say that this legislation on capital punishment is hypocritical legislation but that he would vote for it. Something is not clear in the mind of the hon. member for Lapointe, to be sure, and he would like some clarification. I felt he was most uncomfortable at being forced to vote for hypocritical legislation.

I have heard another opposition member, I think it was a member from Winnipeg, tell us that he would vote for the bill, but that his conscience was troubling him because of many things, of several considerations he did not understand, and that he would support it reluctantly. Therefore, he is not satisfied. I heard that in all corners of the house.

• (3:50 p.m.)

I have stated, Mr. Speaker—and I think that by doing so I have expressed an opinion set forth by many others—that I would not object to the abolition of capital punishment when I will be convinced—rehabilitation should be alleged instead for the abolition of capital punishment—that the government has the necessary means to organize an efficient rehabilitation system. Now, I would like to know exactly what the conditions are in that connection, and I am sure that other hon. members would also like to hear about that, because when we are told that rehabilitation is intended, when necessary means are lacking as at present, I feel that some false representations are made.

Surely, we would better know what to think if the committee on justice and legal affairs would take maybe a few weeks or a few months to meet with everyone concerned, to study the matter, to find out if we are actually ready to take rehabilitative action, if adequate staff and facilities are available for this purpose. Following this, several of us, perhaps, would take a different attitude.

Accordingly, one point I would like to stress is that in all the arguments, pro and

con, I have heard, I did sense quite clearly, among both abolitionists and retentionists, some degree of concern that was shown in many different ways. That is why I think it would be useful to refer this bill to the above committee for consideration, in order to clear away all doubts and to appease everyone's conscience.

If it is decided that we have the means to rehabilitate criminals, some members, I am sure, will know where they stand. If not, we will also know where we stand. If the hon. member for Lafontaine—and I know he is not the only one in this case—hesitates to make up his mind, it is precisely because we do not have a definite answer to all these questions and, in my opinion, this is a sign of anxiety on the part of most members, which makes them support the amendment of the hon. member for Lafontaine.

[*English*]

Mr. H. R. Ballard (Calgary South): Mr. Speaker, I should like to speak in favour of this amendment. I might inform Your Honour that I did not take part in the debate 16 months ago, nor have I participated thus far in the debate on this occasion.

I might also say there are a number of members in the house who are in the same situation as myself. We recorded our votes when a similar measure was before the house almost a year and a half ago, but we are still not absolutely convinced either one way or another on the question of abolition. I should like to be in the position of so many other members of the house who are avid supporters either of abolition or of retention. But there are many people in this chamber who cannot come to a decision of this magnitude with such ease and surety.

Discussing this question with some of my colleagues I find that some are expressing a different view from the view they expressed 16 months ago. All of us, I think, with the exception of those who are avidly for or against abolition, are searching for the truth. To whom can we turn in this search?

All of us have listened very carefully to the speeches that have been made or have read carefully the speeches made by various members of the house whom we respect and have weighed the arguments for and against abolition, arguments put forward in all sincerity by the hon. members making the presentations. Many of us have received reams of publications from various interested individuals and organizations. We have received letters from church groups, for example, which are very much in favour of abolition and go to great lengths to quote passages from the Scriptures in support of their view. They quote the commandment, "Thou shalt not kill". We have also received literature from other church groups warning us that we ought not to do away with the death penalty on the authority of quotations such as "They that take the sword shall perish with the sword." And so on.

We cannot turn to the churches for guidance because they use the Scriptures to support the conflicting points of view. We cannot turn to statistics to prove the case one way or another because statistics can be presented in such a way as to support any desired point of view. In a recent article in the *Financial Post* I read the statement that between 1955 and 1967, 160 people had been sentenced to death. Through a letter from the chiefs of police association it has recently come to my notice that murders, both capital and non-capital, increased from 217 in 1962 to 243 in 1965. The point is that the article in the *Financial Post,* which was in favour of abolition, sought to give the impression that there had been a decrease in the number of murders committed in this country. Yet the chiefs of police—and they should know—have indicated that murders have in fact increased in Canada. I think it would probably be well to put on record this letter which came into my hands this morning, because I think it has great relevance.

Mr. Speaker: Order, please. I hesitate to interrupt the hon. member but I suggest to him that contributions to the debate now should be addressed to the amendment before the house and not to the general debate on second reading. I am wondering whether the speech the hon. member is making might not have been made when we were considering second reading. I bring this to this attention kindly and ask him to keep in mind that we have a specific amendment before us.

Mr. Ballard: I thought I was being specific in directing my attention to the amendment which I wholeheartedly support. I am trying to demonstrate to the house that there is a group in this chamber who even at this late stage are still searching for the truth.

I divide the house into three categories, those who are ardent abolitionists, those who are ardent retentionists, and a third party, a grey area if you wish, composed of people who have made no firm decision on how to vote with respect to the measure now before the house.

The Prime Minister (Mr. Pearson) has promised a free vote and our leader has assured us that we on this side will be able to vote on this question according to our individual consciences. It is therefore up to us to decide, in accordance with the dictates of our own consciences, the position we should take. The point I am trying to make is that there are two areas of consideration which ought to be taken into account. The first concerns our ability to rehabilitate criminals if this bill is passed. If we find, as a result of the study being made by the Ouimet commission, that it is possible to fully rehabilitate convicted criminals, opponents of capital punishment will have an additional argument in favour of the passage of this bill. However, if the commission finds it is not possible to rehabilitate these people, such an opinion would, I think, influence us to vote against the bill. This is the argument I am trying to make.

• (4:00 p.m.)

I am concerned about the letter from the Canadian Association of Chiefs of Police which appears to refute the argument put forward that removal of the death penalty leaves the incidence of crime in this country unaffected. I was interested to find out that the British royal commission which studied this matter from 1949 to 1953 examined the records of several countries and found that the abolition of the death penalty had not increased the incidence of homicide in them. But it also found out that when the death penalty was reinstituted it has no appreciable effect on whether there were more or fewer murders. Yet today the Canadian Association of Chiefs of Police has written a letter which seems to indicate to the contrary. With your indulgence, Mr. Speaker, I should like to quote a portion of this letter to bear out the point I am trying to make. It is a letter from the Canadian Association of Chiefs of Police to the Solicitor General (Mr. Pennell), dated November 15, 1967, and the third paragraph reads:

> With crime showing an increase of 11.8 per cent in past year and 35 per cent increase in past five years and murders, capital and non-capital, increasing from 217 in 1962 to 243 in 1965 and attempted murders from 83 to 111 in the same period, the Canadian Association of Chiefs of Police is appalled by the persistence of the abolitionists in parliament, supported by certain outside organizations, to attain their objective.

A letter such as this falls into the area of the search for truth, because after all the police of this country are those who are most closely connected with the handling of crimes. I would think, Mr. Speaker, that we should have another document at hand, namely, the report of the Ouimet commission which would give further creditable guidance that could be accepted by members of the house. It is for that reason that I think hon. members, whether they be abolitionists or retentionists, or those in the grey area, should give favourable consideration to the amendment moved by the hon. member for Lafontaine.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I shall be very brief on this issue. It had not been my intention to speak in the debate. My views are well known. I have spoken in the house a number of times, and outside it, as a complete and wholehearted advocate for abolition of capital punishment. For that reason I will not repeat what I have said before and in any event I could not do so now because it would be out of order when dealing with the amendment.

I intend to vote against the amendment for a number of reasons. In the first instance the bill as it stands is not wholly acceptable to me. On the other hand, it does constitute some benefit, some improvement on the existing law. Therefore I want the opportunity to vote for it. Second, and even more important, having got the bill through second reading and into committee it is then open to myself or to any other hon. member to propose and support an amendment which would put fairly and squarely before the house and the country the main question, which is the total abolition of capital punishment. Such an amendment may well be lost but there will be an opportunity to debate it. The only opportunity that I see for myself, holding the views that I do, to cast my vote for an amendment embodying complete abolition is when we get the bill into committee of the whole house.

If I vote for the present amendment I am in effect voting to kill the bill. It would be as though I were voting against the bill on second reading. For these simple reasons I propose to vote against it.

I agree that there are certainly cases when the subject matter of a bill may be referred to a committee, but I would point out that the present matter has been canvassed in this house and throughout the country for many years. It has been the subject of a number of debates in the house. People have come to certain conclusions. I would now like the matter brought to the stage where we can have a vote on the bill, get it into committee

of the whole house, and then have an opportunity to express my views in favour of complete abolition. The only way I can do so is to help get the bill through second reading.

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I spoke on this measure last Friday on very short notice because there was not the attendance in the house that we had anticipated on a Friday afternoon, despite the intense interest that some people on the government side have indicated in this bill. I am speaking now simply because I have been reading the speeches and listening with the greatest of care to those that have been made in the interval.

I said on Friday that I was open to have my point of view changed if the weight of argument persuaded me to take that step. I have not yet been convinced because I have found that those who have spoken for retention advanced arguments that have not yet been met in debate by the other side. I think that this subject should be debated not simply with a series of set speeches but with an exchange of opinion back and forth in the house, not necessarily across the floor but an exchange of opinion from various parts of the house with regard to the debating points that are made.

Last Friday I particularly requested that somebody deal with two matters that I raised a year and a half ago and which have not been answered in debate yet. I hoped that someone, yesterday or today, would have dealt with the speech made by the hon. member for Charlevoix (Mr. Asselin) who produced statistics showing an astonishing increase in crime in one area of our country. But there has been no answer to that. I wonder that the debate is not being conducted in this fashion.

What has just been said by my colleague from Peace River brings me to my feet this afternoon. I understood him to say that the bill as it now stands is not wholly acceptable but he would like to vote for it because it appears to create an improvement in our existing law, and that at the committee stage he hopes to have the opportunity of setting the issue of abolition or retention clearly before hon. members in black and white. It seems to me that we do not have to move into committee of the whole house to deal with that issue. We can deal with it on second reading. The precise issue of abolition or retention was dealt with by the house a year and a half ago. When he was forecasting the discussion of capital punishment during that session, the Prime Minister (Mr. Pearson) expressed the hope that it would be decided once and for all. That is what we thought a year and a half ago, except that by "once and for all" we did not mean for eternity.

• (4:10 p.m.)

After that debate and decision I carried away the hope that in the next year, two years or three years certain improvements would be made in our parole system, in our prison system and in our law enforcement which would make it possible, after a period of years had elapsed, for people to be able to come to us and give us the assurances we require, assurances of the protection of law-abiding citizens, and ask us to strike out of our statutes capital punishment and retain life imprisonment. In the intervening year and a half, however, these changes have not been made. Consequently the amendment which is in front of us has been drafted, I believe, just because in the minds of those who have placed it before us there is the same thought I had that the changes we desire in our country have not been brought into effect. This is the reason I have not yet been convinced that this bill should be proceeded with. I wish to see these changes made.

As I stated very clearly a year and a half ago and as I repeated the other day in the house, I want to be certain that the law-abiding citizens of this country will be protected and that criminals will not be released from imprisonment to inflict other crimes on the populace. All too frequently, sir, this is what has happened, and it is not necessarily confined to those who are imprisoned because of a commutation of the sentence of capital punishment. Others who have been in prison for other serious crimes have been paroled and have then committed even more serious crimes after they have been let out. This is what really bothers me. I will continue to be bothered by it. I cannot tolerate these crimes against children and women.

Some hon. Members: Hear, hear.

Mr. Churchill: A few years ago in Winnipeg there was an incident involving a man who had been imprisoned, I forget for what reason, who was paroled and considered ready to enter society. Within just blocks of where I live three young boys were killed. Incidents of this kind remain with one. It so

happened that I had no one in my family of the age of 11 or 12 years. The crime was a terrible shock to the community and to the families of these innocent young boys who had been killed. This is what bothers me when we speak now about abolishing capital punishment. My feeling for the sanctity of human life does not go to the extent of protecting people in our society who will commit murder deliberately or who cannot be restrained, whether or not they are capable of restraint.

The second thing that bothers me, which I mentioned on Friday and on other occasions, is that I am worried about the increase of organized crime on this continent which has infiltrated into our country. The people who are given the responsibility to look after our law enforcement have warned us about this time and again. Week after week the newspapers give us indications, through stories of armed robbery and murder, that organized crime has gained a foothold in this country. Where is the protection for society? Are elderly storekeepers and bank managers to be put up as targets by society for these criminals? Are they to be not protected? This strikes me as being odd. It might be different if we were able to provide protection for these people, but we are not providing it.

Before we are asked to abolish capital punishment I say, let us bring in the necessary protective devices. It seems to me that we face the necessity to increase our law enforcement bodies in this country. We are faced with the necessity to give them better training perhaps because organized crime apparently is being operated now by people who are extremely skilful and highly intelligent. Our law enforcement officers require the training and equipment that will enable them to combat this. It appears to me that our parole system must be most carefully examined because mistakes have been made in the past. How many more victims must be put up from among our law-abiding citizens before we correct these errors?

As I have said, the study of psychiatry has not advanced to the stage where we can be given absolute proof that a man who has been imprisoned and apparently has settled down and is ready to re-enter society will in fact be a law-abiding citizen when he returns. Scientific advancement is proceeding by leaps and bounds, but are we doing enough in that particular field? Is it here that we should be putting some of our money, instead of wasting it in other directions, in an effort to find out exactly what it is that motivates certain people to indulge in a life of crime? In these fields, and there are others, I think more work should be done. When that has been done and when we can have some assurance that there is protection for defenceless people in this country, then it will be time enough to abolish the penalty of capital punishment. I know how terrible it is that life should be taken by the state but I think it is even more terrible that the state should be so careless of the life of law-abiding citizens that it will give the advantage to the person who wants to strike against law and order in our country. A choice must be made on that ground.

The amendment, as I understand it, is asking for a further study of this problem, for further restraints to be imposed on those who want to break the law in our country and that we do not actually abolish this supreme penalty. I should like to return to the proposition I put forward a year and a half ago and repeated on Friday. It is not a completely satisfactory one; it is a compromise. I did suggest, however, that I would offer no criticism of the government exercising the prerogative of mercy as can now be done by the governor in council. As I said, as a result of the facts at my disposal I would not criticize the government for exercising the prerogative of mercy if it should wish to continue to commute death sentences.

Let us accept that fact for the time being but at the same time let us retain capital punishment on the statute books in case of necessity. By that I mean the eventuality of an outburst of organized crime or an increase in capital murder. Reference already has been made to this by the hon. member for Charlevoix (Mr. Asselin). In such a case it might be necessary to exercise capital punishment. Once a statute is struck off the statute books it is very difficult to reinstate it. I would hate to go through the parliamentary experience, if capital punishment had been struck off the statute books, of having to introduce a bill to reinstate it. Why not leave it on the statute books and carry on as we are at the present time, whether the government is right or wrong in what it is doing?

• (4:20 p.m.)

It is not that I am a thoroughly convinced retentionist, and I am not really emotionally aroused except when crimes are committed against the two classes I mentioned, small children and women. But it is sound, common sense to keep the law on the statute books rather than strike it out and find to our horror a few years later that it should never have been struck out and have to

reinstate it. For those reasons I support the amendment.

The Acting Speaker (Mr. Tardif): Is the house ready for the question?

Some hon. Members: Question.

The Acting Speaker (Mr. Tardif): The question is on the amendment of Mr. Lachance. All those in favour will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Tardif): All those against will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Tardif): In my opinion the nays have it. I declare the amendment lost.

And more than five members having risen:

The house divided on the amendment (Mr. Lachance) which was negatived on the following division:

• (4:30 p.m.)

Division

YEAS

Messrs:

Aiken
Alkenbrack
Asselin (Charlevoix)
Ballard
Beaulieu
Bell (Saint John-Albert)
Bower
Brand
Churchill
Code
Cowan
Crouse
Dionne
Fane
Flemming
Fulton
Gauthier
Godin
Grills
Gundlock
Haidasz
Hales
Hamilton
Harkness
Hees
Horner (Acadia)
Horner (The Battlefords)
Howe (Wellington-Huron)
Johnston
Kindt
Korchinski
Lachance
Lambert
Leboe
Loney
MacEwan
MacLean (Queens)
Macquarrie
MacRae
McCleave
McLelland
McQuaid
Madill
Mongrain
Monteith
Moore
More
Muir (Cape Breton North and Victoria)
Muir (Lisgar)
Nasserden
Nesbitt
Noble
Nugent
Ormiston
Pascoe
Patterson
Pugh
Racine
Rapp
Régimbal
Ricard
Rock
Rynard
Simard
Simpson
Smallwood
Southam
Starr
Stefanson
Thomas (Middlesex West)
Thompson
Valade
Wadds (Mrs.)
Watson (Assiniboia)
Webb
Woolliams—76.

NAYS

Messrs:

Addison
Allmand
Andras
Asselin (Richmond-Wolfe)
Badanai
Baldwin
Barnett
Basford
Batten
Béchard
Beer
Bell (Carleton)
Benson
Berger
Bigg
Blouin
Boulanger
Brewin
Brown
Byrne
Cadieux (Terrebonne)
Cameron (High Park)
Cameron (Nanaimo-Cowichan-The Islands)
Cantelon
Cantin
Caron
Chatwood
Chrétien
Clancy
Comtois
Côté (Longueuil)
Crossman
Deachman
Douglas
Drury
Émard
Enns
Ethier
Fairweather
Fawcett
Foy
Gendron
Gilbert
Gordon
Goyer
Grafftey
Gray
Groos
Habel
Harley
Herridge
Hopkins
Hymmen
Jamieson
Jorgenson
Klein
Knowles
Laflamme
LaMarsh (Miss)
Laniel
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Legault
Lessard
Loiselle
Macaluso
MacDonald (Prince)
Macdonald (Rosedale)
MacEachen
MacInnis (Mrs.)
Mackasey
McCutcheon
McIlraith
McKinley
McNulty
Marchand
Martin (Timmins)
Mather
Matheson
Munro
Neveu
Nicholson
O'Keefe
Olson
Orlikow
Otto
Ouellet
Pearson
Pennell
Pepin
Peters
Pilon
Prittie
Prud'homme
Reid
Richard
Rideout (Mrs.)
Rinfret
Rochon
Roxburgh
Saltsman
Sauvé
Sharp
Sherman
Smith
Stafford
Stanbury
Stanfield
Stewart
Tardif
Thomas (Maisonneuve-Rosemont)
Tolmie
Tremblay (Matapédia-Matane)
Tremblay (Richelieu-Verchères)
Trudeau
Tucker
Turner
Wahn
Walker
Watson (Châteauguay-Huntingdon-Laprairie)
Whelan
Winch
Winters
Yanakis—125.

Amendments Respecting Death Sentence

• (4:40 p.m.)

During the taking of the vote:

[*Translation*]

Hon. Martial Asselin (Charlevoix): Mr. Speaker, before the question is put to the vote I should like to rise on a point of order.

I do not know whether it would be possible to change the voting procedure for this once.

We have been told that this is a free vote, like the one which took place yesterday, but in my opinion this freedom has been compromised. I would suggest, Mr. Speaker, if possible, that we vote in alphabetical order, A, B, C, D; I think this would be an excellent way to make sure that the vote is really free.

Mr. Speaker: Order. I would suggest to the hon. member that this procedure, although perhaps democratic, would be very complicated, and I do not think we have the time to try such a highly complex procedure.

[*English*]

There is no objection to the Clerk seeing the members who are to the left.

• (4:50 p.m.)

After the taking of the vote:

Mr. Speaker: Order. I declare the amendment lost.

Mr. Nielsen: Mr. Speaker, I abstained from voting for reasons expressed last night. Had I voted I would have voted in favour of the amendment.

Mr. Ralph Cowan (York-Humber): Mr. Speaker, I rise to make some comments on the bill which is now before the house. Primarily since I believe this entire matter was decided in April of 1966. I see no reason whatsoever for bringing it on the floor of the house once again so soon. Before I resume my seat I will intimate to the house the reason behind this move.

I have in my hand *Hansard* for January 18, 1966. In the speech from the throne, as recorded on page 9, there appears the following paragraph:

> Arrangements will be made for you to decide the issue of capital punishment at an early date.

That "early date" was April, 1966.

Then on January 20, two days later, in his speech on the address in reply to the speech from the throne, the hon. member for Algoma East, the Prime Minister (Mr. Pearson), used these words, as reported on page 70 of *Hansard*:

> The Leader of the Opposition (Mr. Diefenbaker) drew attention to the desirability of doing something at once about the situation with regard to capital punishment... It is, I think, essential that a decision be taken by this parliament one way or another with the least possible delay so as to get out of the situation we are in now—

I ask hon. members to note the words of the leader of the government that the matter was to be put to a decision of this parliament. This parliament today, in November 1967, is the parliament that was sitting in January, 1966. The Prime Minister continued as follows:

> —I hope before many days have gone by the members of this house will have an opportunity to declare themselves, as members of the house, on this important problem, and settle it once and for all.

Some hon. Members: Hear, hear.

Mr. Cowan: What do the words "a decision will be taken by this parliament one way or another" and "the members of this house will have an opportunity to settle this important problem once and for all" mean? We were given that opportunity in April, 1966, and I believe that we did make a ruling and settled the matter once and for all. Why the cabinet does not follow the instructions of parliament I have been unable to find out.

On June 22, 1966, Mr. Speaker, after the house had voted and parliament had expressed its desire in this matter by a majority of 31 in a vote of 255 members, the leader of the government, in answer to a question from the then leader of the opposition as reported at page 6572 of *Hansard*, had this to say:

> —I think we in the government have to give consideration to this important matter in the light of the discussions and the decisions reached or not reached by the house in the previous debate—

What decision was not reached by the house in the previous debate, Mr. Speaker? In April the house ruled that capital punishment should be retained. In June, three months later, we have the leader of the government stating that in the light of the discussions and the decisions reached or not reached by the house in the previous debate the government would have to consider the question. I submit we reached a decision which, I am sorry to say, has not yet been put into effect.

On January 13, 1967, the hon. member for Winnipeg North Centre (Mr. Knowles) asked the administration a question about bringing

in its own bill to abolish capital punishment. As reported at page 11757 of *Hansard* he asked:

> Can the Prime Minister tell the house the position of the government with respect to this matter?

The Prime Minister replied:

> As my hon. friend knows, there is a great deal of urgent legislation before the house. I cannot deal with this matter at the present time.

In January of this year, Mr. Speaker, there was a great deal of urgent legislation before the house so we could not deal with the question of capital punishment again at that time. It is very nice to realize that in November, 1967, there are no urgent problems facing this country. Evidently we have solved the housing crisis. We have stemmed rising unemployment figures. The cost of living is no longer going up. The situation at Sydney is something of the past. The meetings now being held between the provincial representatives and the Minister of Finance (Mr. Sharp) signify nothing; evidently the question is not urgent. Because of urgent legislation before the house in January we could not deal with capital punishment; in November we are dealing with it. Some of us in this house are well aware, Mr. Speaker, that there are urgent problems before the country today that require the attention of parliament.

On April 20, 1967, the then leader of the opposition, who seems to be persistent, indicated in his remarks that capital punishment might be discussed. In reply, as reported at page 15135 of *Hansard,* the Prime Minister said:

> I mentioned this as one of the problems which the government has been considering. It is not a matter which can be dealt with this session but I hope it could be dealt with this year in a responsible way.

● (5:00 p.m.)

As a member of the House of Commons, Mr. Speaker, I consider that a slur on the way in which this question was dealt with in April, 1966. It was dealt with in a responsible way at that time. I do not know how other members of the House of Commons reacted, but that was the statement that was made on April 20, 1967, this year.

On April 21 the then right hon. leader of the opposition asked when the government would introduce a bill to abolish capital punishment and the Prime Minister in answering said:

> The right hon. gentleman asked me a question which he introduced by saying:
>
> "A little earlier in his remarks he said that capital punishment might be discussed."
>
> The right hon. gentleman was referring to myself.

Then the Prime Minister proceeded to quote what he had said the day before:

> —but I would hope it could be dealt with in a responsible way.

He then added:

> I hope this can be done, and done as quickly as possible.

I maintain that this matter was handled in a responsible way in April, 1966.

Some hon. Members: Hear, hear.

Mr. Cowan: It does not need to be brought up again in November, 1967. Having in mind the vote for the retention of capital punishment, I asked the leader of the government on October 11, 1966, the following question, to be found on page 8515 of *Hansard:*

> Mr. Speaker, I have a question I wish to address to the right hon. Prime Minister. Speaking in the house on August 31 in respect of the maintenance of railway operation bill, as reported at page 7909 of *Hansard,* the Prime Minister said that when the will of parliament is expressed by legislation the law abiding citizens of Canada will observe the will of parliament.

Some hon. Members: Hear, hear.

Mr. Cowan: Then I went on to say:

> I should like to ask him, does the cabinet not observe the Criminal Code and the law with regard to capital punishment, as it appears in the Criminal Code and as sustained by a vote in this house last April?

An hon. Member: Keep it up, Ralph.

Mr. Cowan: The reply of the Prime Minister was:

> Yes, Mr. Speaker; and when a jury makes a recommendation for mercy it has invariably been accepted in the form of commutation by the government.

I wish to point out to you, my fellow members of the House of Commons, that the cabinet has commuted seven death sentences and in five of the cases there was no recommendation for mercy. In one case of commutation three jurors asked for mercy and nine were against. In the case of Fulton, one juror was for mercy and eleven were against.

In referring to the commutation of the death sentences of seven murderers I wish to refer directly to the bill which says that the sentence of death will be carried out only against those who kill policemen or prison guards. One of the seven whose death sentence was commuted was Marcotte who slew two policemen in St. Laurent, near Montreal.

I shall never forget the words of Mr. J. J. Robinette, Q.C., who, in speaking at Belshazzar's feast in the west block one and a half years ago, said when asked a simple question: "If you commute the sentence of Marcotte how can you hang anybody after that?" This is the cabinet to which we are asked to entrust the task of making certain that those who kill policemen will be hanged. This cabinet has a record of commuting the sentence of Marcotte, a man who killed two policemen. He was not hanged.

We are asked to entrust this cabinet with carrying out the sentence of death against those who murder prison guards. Yet we have the case of Colpitts, a 19-year old man who in Dorchester Penitentiary, New Brunswick, killed a 49-year old guard. His death sentence was commuted to life imprisonment. In his case the jury divided, three for mercy and nine against. This is the man who said he would kill the next prison guard he had the chance of killing. Now he is in the British Columbia penitentiary, on the far side of Canada, because the guards at Dorchester were resentful of his having killed one of them.

When it comes to commuting death sentences to life imprisonment I wish to show the house that life imprisonment does not mean a thing to this cabinet. Life imprisonment, by the cabinet's actual performance, means on the average, a sentence of eight years, ten months and one day.

In my hand I have some figures which I secured from the deputy solicitor general. These are the figures that were used by the Solicitor General in introducing the bill and have to do with commuting death sentences. I told the deputy solicitor general that I would not use names. The facts in this document pinpoint exactly what I have been saying. The document is entitled, "Average Time Served On Commuted Death Sentences 1957-1967 Where Parole Has Been Granted." The record is here. In 1963, immediately after this administration came to power, one man was paroled after serving seven years, three months and eleven days. The next man served seven years, three months and eleven days. The third man on the list served seven years, three months and eleven days. No. 4 served nine years, eight months and four days. The fifth man served five years, two months and eighteen days. The next man served eight years, eleven months and ten days. The next served fourteen years and six days. The next served nine years, nine months and nine days. The next served five years, four months and twenty days. The next served eight years and eight days. The man after that served nine years, eleven months and seven days. The next served ten years, four months and twenty days. The thirteenth served twelve years, one month and twenty two days.

By taking the aggregate number of days in the year, the average sentence works out to eight years, ten months and one day for those who have been convicted of murder, sentenced to be hanged and had their sentences commuted to life imprisonment by the present cabinet. Such people are released after serving eight years, ten months and one day of their sentences.

Mr. Lambert: Shame.

Mr. Cowan: There is something wonderful about these commutations. Dion, who killed four little boys in Quebec city, had his death sentence commuted. So did Wolfson on the west cost who killed two little twin girls. Apparently it makes little difference whether you kill little boys or little girls and whether you live east or west. You will be excused from paying the death penalty and will be granted life imprisonment for the next eight years, ten months and one day. I am not asking what the cabinet considers life imprisonment to be. They have shown what they consider life imprisonment to be by the 13 commutations which have been granted since this administration came to power.

Mr. Lambert: Sit up and take notice.

Mr. Cowan: I assure you, my friends, that I cannot support this bill in this form because it destroys the great principle of justice that all are equal before the law. Why is it that if one kills a woman the only penalty imposed under this bill is life imprisonment, which will mean imprisonment for the next eight years—

Some hon. Members: Ten months and one day.

Mr. Muir (Cape Breton North and Victoria): It might be four or five years.

Mr. Cowan: If the next man happens to kill a policeman or a prison guard he will swing for it. I tell you that the man or woman does not live who can tell me that any policeman or prison guard of this country is more important to this nation than my wife or my three daughters or my six grandchildren.

Some hon. Members: Hear, hear.

Mr. Cowan: I bring it down to the personal factor and speak of myself and my family but may I say that I do not hold these women in any higher respect or regard than I hold all womankind in Canada. I am speaking for the women and children of this nation. I resent this separation of the population into two classes, leaving policemen and prison guards up on a high plateau and the others, the women and children, down in the ruck.

• (5:10 p.m.)

Speaking personally again, I was born on the corner of Stanley and Union streets in Ottawa in the ward known as New Edinburgh. I knew the people of the district, and I always got along with the policemen at Rideau Gate and the other entrances to Rideau Hall. You know, I always thought that the inhabitant at Rideau Hall was the important fellow. I always believed that he was a big man and that he was there for a certain reason. But what does this bill do? It says that if a man goes into Rideau Hall and shoots the Governor General or his wife that man will be imprisoned for eight years, ten months and one day. If any man shoots the policeman at the gate, he will swing for it. I ask you: Why keep the Governor General inside Rideau Hall when he is not as important as the policeman at the gate? Let us put the valuable man, the policeman, in Rideau Hall and put the Governor General at the gate.

Some hon. Members: Oh, oh.

Mr. Cowan: The comparative value of the two men has been amply demonstrated in this bill.

Another point. We have seen how the Governor General and his lady take second place to a policeman or a prison guard under the terms of this bill. Here we are. The taxpayers of Canada know that members of parliament are paid $18,000 a year. Cabinet ministers are paid $35,000 and the Prime Minister is given $45,000. What we are asked to decide today is: Should that man in Shell Lake, Saskatchewan, when he is convicted, be hanged for killing eight civilians or be given a sentence of eight years, ten months and one day, while the next man who kills one policeman swings for it? Do not eight civilians equal one policeman? Do not eight civilians equal one prison guard? I ask you.

Why cannot this decision be made without throwing this entire house into a turmoil for the second time in 18 months? I have several questions I wish to ask. We talk a great deal about the vote on the flag. That vote on the flag was something. When that vote was taken it was supposed to give us a flag for the rest of time, a flag that all Canadians could be proud of as we saw that red maple leaf fluttering over our heads in a parade. The flag question was supposed to have been settled once and for all. But do you know, Mr. Speaker, that fewer people voted on the flag question than voted on the subject of capital punishment in April, 1966? There were 241 votes cast on the flag; there were 255 cast on capital punishment.

If you can bring back on the floor of this house a capital punishment bill after 255 members declared themselves on the question of capital punishment in April, 1966, when do we bring the flag question back, since only 241 voted on it?

Some hon. Members: Hear, hear.

Mr. Cowan: I should like to point out that last night there was a vote in this house. In April, 1966, 255 people voted on capital punishment and now efforts are being made to upset the declared will of parliament made known at that time. Last night there was a motion for the adjournment of the debate. How many members voted on it? One hundred and ninety six—125 to 71. That makes a total of 196 people who last night had the opportunity of adjourning the debate. The vote this afternoon was roughly the same. Here we are in a rump parliament being asked to change the decision 255 people made and declared in April, 1966.

I say to you that that was one of the heaviest votes ever recorded in the House of Commons. I believe there was only one other vote in which more members took part. Yet the cabinet does not accept that vote of 255 members as establishing a decision. Moreover, there is a little string attached to the bill before us in that we cannot vote on it again for another five years. Why not? After all, we are being asked to vote now on a bill which was the subject of a decision of the house in April, 1966, only 18 months ago.

There are questions which need to be answered in connection with this vote and I regret that I should be the one who is bringing them forward; I had hoped that many members would have done so. The big underlying question is: How do we force the cabinet to carry out the declared will of parliament? How do we proceed when parliament says it believes in the continuance of the death penalty and the cabinet commutes every death sentence thereafter? That is the

problem which faces this county and which faces this House of Commons—to get some responsibility from the cabinet toward members of the house.

Some hon. Members: Hear, hear.

Mr. Cowan: I have said before that this bill will destroy the underlying principle of our society that the law secures equal justice for all. How will this be possible when one man who murders a civilian faces life imprisonment amounting to eight years when another who murders a policeman or a guard receives capital punishment? It is not possible under such circumstances to say there is equal justice for all.

I do not wish to refer at any length to the speech made when this bill was introduced. We were asked at one point by the Solicitor General (Mr. Pennell): "Have we the right to abandon the hope of reforming even one of these men?" He was speaking of convicted murderers sentenced to death. Let me say we certainly have the right to abandon hope for these men, and this is given to us by the Lord himself. When He was sending the 12 disciples on missionary work we find, as set out in the tenth chapter of Matthew, that He divided the 12 into groups of two and they went about the country preaching, healing the sick and restoring sight to the blind. And our Lord and Master said—and I do wish this House of Commons would listen to Him: "Whosoever shall not receive you nor hear your words, when ye depart out of that house or city, shake off the dust of your feet".

The Lord did not say to His disciples: Spend the rest of your lives trying to convert the first people you meet. Where should we be today if Paul had spent his entire life in Iconium and in the Arabian peninsula? He spent two years there. He sowed the seed. Then he went to the seacoast of Asia Minor and later into Macedonia. Are we to condemn Paul for having abandoned the heathen in Iconium and in the Arabian peninsula or for having abandoned the heathen on the seacoast of the Mediterranean when he went to Greece? We are certainly not instructed to spend our lives talking to people who will not receive the word or the truth when it is presented to them. The good book still says: "Whosoever sheddeth the blood of man, by man shall his blood be shed".

I wish to mention a statement made the other day by the hon. member for Lotbinière (Mr. Choquette) who remarked that since the law was not being observed we should change the law. That is an easy solution to the problem. If the cabinet will not enforce the law, then change the law so that the cabinet will have the law on its side; if the cabinet is breaking the law, change the law because it is not nice to have the cabinet break the law. I have seldom heard a more specious argument.

I turn now to another point. We are told that a man who kills one policeman will be hanged. If he kills one prison guard he has "had it". What happens to a man sentenced to life imprisonment? Let us take it he has killed the eight people who were murdered at Shell Lake, Saskatchewan. What happens to that man if he is sent to prison and "knocks off" a couple of prisoners he happens to dislike? Note, he does not kill a prison guard; he is careful in that respect; he has to watch himself. If he kills a prison guard—goodnight. He has already killed eight people, he figures he no longer has a great deal to lose, so he decides to kill a couple of prisoners whom he happens to dislike.

I say that every one of these commutations of sentence has been illegal. What defence is offered for the illegality? When we raise the point we are informed that the cabinet has "exercised mercy". The quality of mercy is always appropriate, 24 hours a day, 365 days a year. What I object to is the fact that this mercy is always shown to the murderer. Why cannot the government show some mercy to the families of the victims of these murders?

• (5:20 p.m.)

Repeatedly, of course, we are told that compensation for the innocent victims of crime is a provincial matter. Let me point out to you there is the exercise of mercy in the commutation of these death sentences because there is no law against mercy. But also there is no law prohibiting the Canadian government from giving money, giving compensation to the innocent victims of criminal acts. I do not think any provincial government would object to the federal government doing that.

The federal government wraps this robe of self-righteousness around it and says, "We are commuting the death sentences because we are exercising mercy," Yet when we ask them to show a little mercy to the innocent victims of crime they say, "Provincial law prohibits it." I point out that Saskatchewan has passed a law to provide compensation for victims of crime, Ontario is taking some action, and so is British Columbia. Why does mercy always go to the murderers and no

consideration at Ottawa to the innocent victims of crime? I have a resolution on the order paper calling upon the cabinet to consider the question of compensation for the innocent victims of crime. It has been debated for one hour in the past year and a half, and it was talked out by a parliamentary assistant who said he did not understand it.

In his speech the Solicitor General referred to hanging regulations in New Zealand. Might I point out to him that New Zealand is the first self-governing country in the world that brought in a measure to provide compensation for the innocent victims of criminal acts. Why is the cabinet not following the example of New Zealand in that repect if it is going to try to follow the example of New Zealand in regard to capital punishment?

I am not a lawyer but I want to refer to some of the reasons and arguments that were used by the Solicitor General in his speech. You will find, as recorded on page 4080 of *Hansard,* he submits "that on close examination it will be seen"—something or other, and then on page 4078 we have this:

> It is for them—
>
> The retentionists.
>
> —to prove that the death penalty is such a special and unique deterrent that there is no other way by which society can be protected from murderers. It is upon their shoulders that the burden of proof clearly rests, and in my view they cannot escape that duty.

Then he brings in a bill to deter murderers from killing policemen and killing prison guards. He is condemned by his own words, and by the words in the bill. I refer again to his statement, "It is upon their shoulders that the burden of proof clearly rests..."

Mr. Speaker, and members of the House of Commons, there are a number of people awaiting execution at the present time in this dominion of Canada, under sentence of death by the courts, legally constituted courts, well manned courts, well operated courts that have been bringing justice to this nation for well over 100 years. I am only a private citizen. I am not a lawyer. I would not stand up and criticize the courts of this land the way the abolitionists are standing up and talking about the possibility of error. Particularly I think it is poor taste to have the Solicitor General referring to the possibility of error in the courts that are under the control of the Minister of Justice (Mr. Trudeau) and himself. I now come to his statement:

> It is upon their shoulders that the burden of proof clearly rests, and in my view they cannot escape that duty.

Among those awaiting execution in this country today are two separatists in the city of Montreal. They have been convicted of killing a man in a gunshop. In the evidence they gave in court they said they were seeking ammunition, rifles and guns in order to carry out their dastardly purposes. I am 100 per cent against separatism. I am against separatists. I am against the murders of men, but if this parliament passes this bill today or tomorrow, I ask the members of this house, do you know you are going to give life sentences to these two men now under sentence of death? They are separatists who have already killed a man and said in open court that they were looking for guns and ammunition to promote the cause of separatism. This is civil disobedience. This is the next thing to sedition. We still retain the death penalty for treason.

Members of the cabinet want to have the death penalty for the murderers of prison guards and policemen, but if a man is a separatist in Montreal and says he is a separatist, when he has already killed a man and is convicted of murder, and says he was getting the ammunition in order to strengthen an insurrection, then this parliament is asked to commute his death sentence.

I say to you in this parliament that the members of the cabinet commuted the death sentence on Dion, who killed four boys, they commuted the death sentence on Hasse who killed two young girls, they commuted the death sentence on Marcotte who killed two policemen. Why don't they have the character to commute the death sentence on two separatists in Montreal? Are they afraid of causing trouble for the separatists in Montreal? I say this cabinet has to use its backbone and hold this country together.

Some hon. Members: Hear, hear.

Mr. Cowan: I regret that my time is running out, Mr. Speaker, but one of the most despicable chapters in Candian history has to do with the Mackenzie government of 1873 to 1878. I have here in my hands the Dufferin-Carnarvon correspondence, 1874-1878. I wish hon. members would read it. It is out of the parliamentary library but I have other volumes at home.

You will remember that in the days of Mackenzie Lepine was convicted of murder in the shooting of Thomas Scott in Manitoba in the uprising in those parts. When Mackenzie came into power he was faced with the conviction of Lepine for murder, and Lepine had been sentenced to death. The jury which convicted him consisted of French speaking Canadians, English speaking Canadians and halfbreeds out in Manitoba. Mackenzie and Blake—they sat for Lambton and Oxford —had a tremendous amount of support behind them from the province of Quebec.

The people of Ontario were demanding that Lepine be executed for the murder of Scott. The people of Quebec did not want Lepine executed. Well, how to get themselves off the hook? Just read the Dufferin-Carnarvon papers. You will read in the Canadian history books what happened when Mackenzie and Blake were considering this matter. All of a sudden a telegram arrived from Great Britain, Her Gracious Majesty Queen Victoria had commuted the hanging sentence on Lepine to life imprisonment.

We are told in our Canadian history books that Mackenzie and Blake were astounded by this telegram, but they told the people of Ontario that Lepine's sentence had been commuted to life imprisonment by the Queen. Not until 50 years after Lord Carnarvon's death—he was Secretary of Colonial Affairs in those days—did it come out that in order to placate the people of Quebec Mackenzie and Blake, in a roundabout and indirect way—the correspondence is there, don't take my word for it—got the message to Dufferin, "Will you ask Carnarvon to ask the Queen to commute the death sentence and take us off the hook?" And when the Queen commuted the death penalty they told the loyal Canadian subjects of Her Majesty, and they accepted it, that this was a regal action. But five years later we fire-eating Liberals sent Blake over to England to tell the Queen she could no longer interfere in Canadian affairs, such as commuting the death sentence on Lepine.

I say to you, Mr. Speaker, this parliament today is being asked to commute the death sentence on two separatists in Montreal, two men who murdered a gunshop employee in Montreal, so that the cabinet will not have the responsibility of commuting those sentences.

We have a law of the land which says that those people who commit murder shall be hanged by the neck until they are dead. That law was passed years ago and was sustained in April, 1966. I ask the cabinet to show some

[Mr. Cowan.]

leadership and carry out the expressed will of parliament instead of coming in here with a bill without explaining to the members of the house that the first two people who will benefit from it are two avowed separatists, two confessed separatists, one of them a recent immigrant from Algiers. Let us keep this country together, and let us not get English speaking Canada on its ear once more.

Some hon. Members: Hear, hear.

Mr. Speaker: Is the house ready for the question on the main motion?

[*Translation*]

Mr. J. R. Comtois (Joliette-L'Assomption-Montcalm): Mr. Speaker, in view of the fact that I seldom take the time of this hon. chamber, I will take a few minutes to participate in this discussion, even though I think it is useless to go over all the arguments already brought forward last year.

This bill is an effort to save the lives of bandits and criminals while we are preparing to take the lives of innocents in making abortions legal and, Mr. Speaker, the arguments we are given to support the abolition of capital punishment are the same—

[*English*]

Mr. Patterson: Mr. Speaker, I wonder why the translation is not coming through? Could we have the translation?

Mr. Speaker: I understand there is some mechanical trouble but we are making an effort to rectify the situation as quickly as possible.

• (5:30 p.m.)

[*Translation*]

Mr. Comtois: Mr. Speaker, the arguments we are given to support the abolition of capital punishment are the same that will be brought forward soon to support abortions.

We have reached the point of collective folly of legalized crime; legislation is sought favouring all crimes against nature such as homosexuality and abortion. We will undoubtedly reach mercy killings at an early date.

Capital punishment may not be the sole nor the best deterrent, but it solves the case of a criminal guilty of capital murder once and for all.

Instead of wasting our time, Mr. Speaker, let us consider the thousands of victims who are in need because of these very same murderers.

I think the life of an innocent person is more important than that of a criminal.

I believe in the protection of honest citizens, not in the protection of criminals.

Abolition of the death penalty becomes a direct or indirect encouragement to crime, rape and murder. Yet, Mr. Speaker, crime hardly needs encouragement if we refer to an item in a weekend newspaper, which says that in Quebec alone the police has nine murders to clear up this year, not counting those of last year; that between the 1st and the 8th of November, 24 armed robberies were committed in the city of Montreal alone: 4 in banks, 7 in drugstores, and 13 in other businesses. And the same item states that this is seasonal.

In agreeing to this bill, Mr. Speaker, we go back a hundred years, at a time when local authorities in towns and villages employed professional killers to maintain order and to guarantee the safety of their citizens.

Mr. Speaker, will the famous gunfighters return to shoot down ruthlessly those bandits who will not fail, themselves, to come back to loot, rape and kill honest people?

When we have reached the point of instructing our policemen to shoot to kill, as is so rightly said, it will then be too late. The best solution is still to retain the death penalty for capital murders, as provided under the existing legislation.

I would not want, Mr. Speaker, through lack of courage, to have the feeling, later perhaps, of being responsible for a crime that could have been avoided through fear of the death penalty. That fear remains an excellent deterrent, and I shall vote against any amendment to the existing legislation.

[*English*]

Mr. Howard Johnston (Okanagan-Revelstoke): Mr. Speaker, I join with those who have had high praise for the eloquence of the Solicitor General (Mr. Pennell) when he argued the case for total abolition in introducing this bill. I submit, however, that the bill itself does not bear out the substance of his eloquent address. It is a bill to retain the death penalty and in retaining that grim measure the bill invests it with a value that the abolitionists have long denied—the quality of deterrence. The bill strikes at the heart of the abolition cause, bolstering at the same time the popular but irrational faith in the death penalty as a deterrent to the would-be murderer. At the same time it places a five year trial period on this unsatisfactory legislation, ignoring the fact that we have already had a five year trial of total abolition in fact if not in law.

The thinking behind these retreats from the principle of total abolition does little credit to the institution of parliament. Does the Solicitor General really advocate, as the bill so clearly indicates, that a murderer of a police officer whose deed passes all the criteria of being sanely premeditated, should hang for his crime. Surely not. To return to hanging now would be the rankest discrimination against such a murderer whose crime in all likelihood would be less repugnant than the crimes of those individuals whose sentences have already been commuted. We are being asked to reduce the number of cases calling for commutation. The government has grown weary of compromising and is asking parliament to share the burden. One can sympathize with the problem but not with the proposed solution.

This bill guarantees that we will have capital punishment on our statutes for at least five more years. By focusing attention now on the narrow range of exceptions, it poses the possibility of public pressure concentrating on those rare exceptions to force a return to executions. What the minister is doing and what the government is doing, Mr. Speaker, is gambling that the minister or a subsequent solicitor general could resist that pressure, intensified by the focus inherent in his own bill.

There is no need, therefore, to repeat in this debate any of the arguments for or against abolition as such because this is not a bill to abolish capital punishment. Many people have assumed it is and have argued very eloquently and have repeated the arguments put before us a year and a half ago. Others have argued for retention. But it is all in vain because the bill does not abolish capital punishment.

One suggestion I would make to those who advocate retention is that they not link abortion with murder, because if they do then they really believe these two things are the same.

An hon. Member: They are.

Mr. Johnston: Then we have each year in Canada several hundred thousand murderers who are never brought to any trial at all.

There is, however, another area in which debate is required. The bill raises very sharply an important question. How significant is a parliamentary decision? On the international level this government is

engaged in an attempt to destroy an independent political régime on the tenuous grounds that no country is worthy of independence that it has majority rule. At the same moment in this parliament we are busy ignoring a majority decision of a parliament elected by majority rule. It would be better, I should think, to protect democracy at home than to attempt to improve someone else's regardless of the distance.

There are those who see the progress to abolition as inevitable. We have heard the argument: Pass this bill and move part way along the predestined course; compromise now for the eventual good. But surely we know by now that progress is not inevitable and that democracy is not the inevitable product of natural process but rather a careful man-made construction. We cannot afford to ignore a parliamentary decision even from the worthiest of motives. We cannot afford to ignore a decision of parliament even if we believe, as I do, that it was wrong. The missing factor that permitted the presentation of this bill was respect—respect for the institution of parliament and respect for those with whom we disagree.

• (5:40 p.m.)

[*Translation*]

Mr. Antonio Thomas (Maisonneuve-Rosemont): In introducing Bill No. C-168, Mr. Speaker, the Solicitor General (Mr. Pennell) made a magnificent and stirring speech in favour of abolition of the death penalty, and I congratulate him for that. Unfortunately, he has not succeeded in convincing me, because many of his arguments are not new but repetitious.

It is sometimes difficult for a government member to dissociate himself from his leaders, but we must not forget that we have our own responsibilities. As for me, I represent people whom I have consulted in order to find the best course to follow.

Therefore, I feel torn between conflicting emotions: on the one hand, friendship and submission, on the other, my conscience and my duty. The people of Maisonneuve-Rosemont have conferred a mandate upon me and I am responsible to them. I constantly reflect on my duties and the role I am called upon to play.

I am willing to assume that role, within the party, provided no one forgets that structures exist. As long as I believe it is possible to reach our goals within the framework of our party, I shall respect its rules, even at the risk of being considered taciturn.

[Mr. Johnston.]

At times, listening to speeches simplifies one's task. I often repeat myself in mine, without repeating the speeches of others, and I know beforehand that my remarks are debatable, but the speech of the hon. member for Victoria-Carleton (Mr. Flemming), on page 4106 of *Hansard* is fairly well in keeping with my own ideas, and I endorse it. I am therefore saving time.

Moreover, I deny what the hon. member for Northumberland (Mr. Hees) said and which is recorded on page 4117 of *Hansard*:

> Anyone who believes that this is going to be a truly free vote as far as the members on the other side of the house are concerned is, I think, only deluding himself. This is a government bill. The government cannot afford to lose this vote. Word has gone out through the ranks of the Liberal party that this is a government bill and must be backed.

Others have spoken in the same vein, including the hon. member for Prince Edward-Lennox (Mr. Alkenbrack). I do not accept this statement.

Moreover, the vote will show that there are exceptions to every rule. It must be admitted that everyone has his own conscience and that everyone must face up to his responsibilities.

Since they do not understand or they misunderstand the reason why this bill has been submitted to the house, several seem embarrassed, including yours truly. However, I did not want it and I did not ask for it. I have not even been consulted; that is why I feel reluctant.

It is only 19 months since I had the opportunity to express in this house my personal opinion on capital punishment and I did it quite conscientiously and freely. Since then, my opinion has not changed.

On the contrary, the increase in the number of crimes committed shows that those who voted in favour of maintaining capital punishment were closer to a real solution, according to our system of parliamentary democracy. Parliament returned a majority vote in favour of retaining capital punishment, but the abolitionists are returning to the charge with an identical bill. They are ready to do it again later, if need be, perhaps in order to embarrass some of their colleagues with a show of party discipline.

But let us reverse the vote, we retentionists, let us try to bring up this question again in the house. Then we will listen to lessons on the respect due to democracy, and so on.

I greatly regret having to disappoint some of them because I was, and I am still, for retention, and I challenge anyone among abolitionists to prove that their method and their philosophy have improved the situation. Statistics compiled only recently by Mr. Roland Perron, former assistant director of the Montreal police force—statistics for his area—show that, from 1944 to 1955, there was an average of 7.6 murders a year, and from 1956 to 1966, according to the same source, there was an average of 17.2 murders a year. "Not only, commented Mr. Perron, do we not have the death penalty, but life sentences do not have the meaning implied by that term, and to date, in 1967, there have been 23 murders, and the year is not over yet."

I recall saying in my speech that the death penalty must be carried out to protect society. In my opinion, that is not revenge but social good and the abolition of that penalty would deprive society of security and encourage disrespect for the law. Therefore, it is not matter to know what is good for the criminal but rather what is necessary for society.

Can any abolitionist show me any method or procedure which has led to any improvement since then? Do the Sicotte, Darabaner, Marcotte cases among others prove that those criminals have more respect for the law? If not a single criminal has been hanged for so long, which in my opinion brought about that increase in crime, why not try to be more strict for the same length of time and let the law run its course and the sentences be carried out, because punishment is the price of an evil deed and the capital punishment is the price of the capital crime.

England has tried the same experiment with abolition, and the English people are now living in insecurity. I repeat that future generations will probably judge with severity certain tendencies to do away with the concepts of fault and repentance. It is such an attitude which enables to discharge a culprit too readily and to give him the possibility of committing other crimes, and I feel that this early discharge restricts the effects.

His Excellency Fulton J. Sheen is considered as one of the most progressive bishops in the United States. His T.V. programs are followed by millions of people. Now that we are experiencing an increasingly alarming outbreak of crime, I think that the following text of His Excellency Fulton Sheen is relevant, and I quote:

> Today, because of a few social workers, a few incompetent judges, some weak minded thinkers and some cry-baby women, we show compassion not to the victim but to the aggressor; not to the police officers but to the drug peddlers.

● (5:50 p.m.)

> The new saviours of a perverted society say: "And I do not condemn you. Go and sin even more." May the magistrates and social workers who deny that there is a difference between right and wrong learn, without being themselves victims of crime, that any criminal is not necessarily a "sick person".

If, in this house, there are hon. members whose parents or dear ones have been brutalized, raped before being killed, I am sure to find them among the retentionists, not out of revenge but because they are disappointed to see that the whole judicial process was set in motion and that, when the time came to carry out the judgment, the cabinet, to whom I do not award a medal—because in my opinion parliament voted for the retention of capital punishment—still continued to commute sentences.

We are being served warmed-over hash by being asked to decide upon the same subject once again. I would question the definition of the term "sound democracy", that is, when the minority bows to the wishes of the majority, unless democracy is an empty word used, when convenient, on every other occasion.

It has never been shown that abolition was necessary to maintain law and order, to preserve lives and the security of our society. As I said the last time, to object to the death penalty is not necessarily an indication of great moral strength or social progress, but it might rather be a sign of decadence.

Do I have to repeat that I request the death penalty for capital murder, but not for murder committed under a momentary or blind impulse. I do not agree with those who favour the retention of the death penalty only for the murder of police officers, because every human being is entitled to the same respect for life. If criminals or potential murderers are faced with such a punishment, only then will their fear make them have second thoughts. All the more as a law enforcement officer embodying authority knows, when he is appointed and given a weapon, that he may be called upon to use it, just as a fireman knows that he will have to fight fires; this is their work environment, and it involves some risks, of course, but it is their duty and their job.

As to the five-year trial period, it is nonsense in my opinion; it is more of a trick, because death sentences have been commuted for over five years, and look at the result.

I should like to put a question to the abolitionists who sincerely express their views. What about your Christian charity toward the victims of those murderers? When have you asked for compensation for those victims, their wives and children?

Assuredly, this compensation will not replace the dear departed, and I admit it will involve additional expenditure for the government, but this same government will pay to lodge these same criminals and feed them three meals a day. Is this consistent? When there are so many poor who have nothing else than being poor and who sometimes become those poor souls who must be content with only one or two meals a day.

So, if that is the charitable feeling of the abolitionists toward the criminals, why not ask the Canada medal for services rendered to mankind?

Mr. Speaker, I have voted for retention of capital punishment and I shall again vote for it, because I have the same conscience and the same concept as the last time, and it is not a question of simply reflecting the opinion of the majority of my electors. Possibly because I come from the same environment, I have the same way of thinking, and before putting us in the wrong, let us first be shown that new methods have been developed that might improve the situation.

In addition, my similar vote will repudiate the idea that Mr. Ronald Lebel of the Canadian Press has of the 51 Liberal members from Quebec when he published in *La Presse* of May 8, 1967 an article entitled "Will capital punishment finally be abolished?", in which he said:

> In 1966, when put to a free vote in the commons, a resolution sponsored by four ministers requesting the abolition of the death penalty was defeated by 143 votes to 112. At that time, the prime minister refrained from expressing his views; only two ministers did so, one in favour of the resolution, the other against it. But what influenced the balance of the vote most, was the opposition of 51 Liberal members from Quebec. They were personally in favour of abolition but believed they would better reflect the general opinion of their mandators by opposing it.

He probably meant the electors.

> Those same members could claim this time that their mandators—

He makes the same error again.

> —have changed their minds. All in all, it is better to vote as the leaders of the party do.

[Mr. Thomas (Maisonneuve-Rosemont).]

Mr. Speaker, I will leave you to appreciate the false picture Mr. Lebel has given his readers of his fellow citizens in Ottawa. As far as I am concerned, the cabinet and I are on a different wavelength. I surveyed the population in my riding, throughout local newspapers, and a very large majority of the replies I received favoured the retention of the death penalty. So, it is their feelings, similar to mine, that I now express by totally disagreeing with the cabinet, under the present circumstances. Now, I may say that, taken as a whole, the activities of this government have my support, and I admit that blunders have been made, but mainly in attempting to solve problems, not in ignoring them.

I would take this opportunity, then, to offer the cabinet this suggestion that I made last year; so, it is my turn to serve them rehash. I will have the audacity if not the courage—this can reduce your popularity, sometimes—to remind them that, if they are there, it is only because we are here in greater numbers.

The hon. members opposite do not have that problem or those responsibilities. Why not consider the problem of the method of execution? Hanging is certainly a rather barbaric and mediaeval system. It should be changed and I am certain that everyone in this house is ready to discuss the matter and to co-operate in the development of a more humane method.

Talking about humanity, I am anxious to see the end of those matters which, I admit, are rather thorny. I come from the working class and as statistics show that the city of Montreal—my home city—unfortunately comprises 25 per cent of all the unemployed in Canada, when I receive people in my office on week-ends, I find that my constituency is sorely afflicted. I think it is more urgent to look after human capital than political capital and I feel that the death penalty, abortion and divorce are secondary problems compared to the plague of unemployment which breeds all kinds of evils, including separatism.

In concluding, Mr. Speaker, may I say that I have no intention of attending a school for "enfants terribles", but sometimes certain causes produce certain effects, and I have expressed my opinion in my usual straightforward way. Although I do not rise often in

this house under such circumstances, I think that I still do so too often.

[*English*]

Some hon. Members: Question.

Some hon. Members: Six o'clock.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: Order, please. It being six o'clock, it is my duty, pursuant to provisional standing order 39A, to inform the house that the questions to be raised at the time of adjournment tonight are the following: The hon. member for Victoria, B.C., (Mr. Groos), Veterans Affairs—maintenance of preference in defence establishment appointments; the hon. member for Gaspé (Mr. Keays), Northern Affairs—*Grande Hermine*—trip to Gaspé following Expo; the hon. member for Springfield (Mr. Schreyer), Indian Affairs—inability of Indians on reserves to obtain advanced training.

It being six o'clock the house will now proceed to the consideration of private members' business as listed on today's order paper, namely, private bills, notices of motions (papers), public bills.

PRIVATE BILLS

PRINCIPAL LIFE INSURANCE COMPANY OF CANADA

The house in committee on Bill No. S-11, respecting Principal Life Insurance Company of Canada—Mr. Lambert—Mr. Batten in the chair.

• (6:00 p.m.)

On clause 1—*Extension of time.*

Mr. Barnett: Could the hon. member in whose name this bill stands give us some indication of the results of the consideration of this bill in the standing committee?

Mr. Lambert: I am quite happy to report back to the house. I believe that there was distributed today the minutes of proceedings and evidence, No. 9, of the standing committee on finance, trade and economic affairs, which reports in toto the evidence given before the committee by the superintendent of insurance and by three of the officers of the corporation who were questioned at length by the members of the committee who were present at the meeting. The bill was agreed to after considerable examination, in particular the examination of the vice president and director, Mr. Dennis R. Stewart. He was questioned about where the Principal Group invested their money and indicated it was invested in Canada, apart from some holdings of one of the mutual fund companies which has a minor portion of stock holdings in its portfolio that are really based in the United States. Other than that there is the report of the committee, which was unanimous, recommending the adoption of the bill. If there are any more details hon. members wish I have some material here and I would be quite happy to inform hon. members on it.

Mr. Barnett: I gather, Mr. Chairman, from what the hon. member for Edmonton West said that the minutes of evidence were just distributed today. I checked my files and I did not see them, so now I understand why that happens to be the case.

This bill was dealt with and referred to the committee during the period I was absent at the United Nations. I would appreciate some explanation of the reason for its introduction. If I understand the situation correctly, the bill involves the extension of the life of this company. From my reading of the bill I gather that the company has not actually commenced active business. Certainly one of the questions in my mind is why this company, having been previously incorporated, did not begin business and why it, not having complied with the original terms of its charter, should apply for an extension of time. If my understanding is not correct, I would appreciate being enlightened by the hon. member for Edmonton West.

Mr. Lambert: I am quite happy to do so. I refer the hon. member to the proceedings in this house on Thursday, November 2, when second reading was given to the bill. At that time the reasons were given. I trust the hon. member does not want me to read what was said then. If I may, I should like to refer him to page 3806 of *Hansard* for that date.

Briefly, what happened was that in 1965 this company was granted its charter. By statute it is required to commence its business within two years. The certificate was dated the end of 1965, so the company would have had to commence business by the end of June, 1967. However, certain events intervened in 1965 just after the incorporation of this company which caused certain governments to take action to insist upon, and I think rightly so, greater liquidity

reserves. The hon. member for Comox-Alberni will recall that in the summer of 1965 there was the Atlantic Corporation debacle, as well as other events. The net result was that the Alberta government insisted that there be much greater reserves for some of the companies that were then operating within the Principal Group. At the time of the incorporation of this company it was known as the Collective Group. It was indicated that there would have to be $500,000 paid into the share capital and $500,000 paid in reserves, which amounted to $1 million.

The company group had prospects of picking up a good portion of the money, and it was going to put up the balance. The money that they had available was required within their own other operations as a result of the statutory changes which I outlined in my speech on second reading. There was no complaint about that. In addition, of course, the money supply has tightened up. The company has now complied with the requirements of the province of Alberta and of the province of Saskatchewan, where one of its member companies operates. The company does not foresee, even at this time of relative scarcity of money, that it will not be able to meet the requirements which still exist for the obtaining of the certificate to commence business. It will be seen that the extension is for two years. If the company does not come up with a certificate to do business, then the company will die and that will be it.

Although the expiry date has passed, the petition and all the necessary steps with regard to the commencement of the legislative process in the other place had been taken long before the expiry date. I believe that with the consent and encouragement of the superintendent of insurance this bill was introduced to extend the life of the company. If there are other matters that the hon. member wishes to examine, I will do my best to satisfy him.

Mr. Barnett: I wish to thank the hon. member for Edmonton West for his explanation and also for having referred me to the debate in *Hansard* on November 2 when he introduced the bill for second reading. He certainly has answered the questions I had in mind as to the reason for the company not having become registered to engage in business prior to the original expiry date. From what he said I gather this was largely because of factors in the insurance world—

[Mr. Lambert.]

• (6:10 p.m.)

Mr. Lambert: Rather in the financial world.

Mr. Barnett: Yes, in the financial world is perhaps more correct, as the hon. member suggests—factors lying outside the immediate control of the people interested in establishing this firm.

On checking further into his remarks on second reading of the bill I note he mentioned that the company is an entirely Canadian-owned and that its officers are all Canadians living in or around the city of Edmonton in the hon. member's own province of Alberta. I point out this latter fact to indicate to him something of which he is probably aware, namely, that there has been debate about the enlargement of insurance companies' activities in relation to the question whether or not they are Canadian-owned and controlled companies. Apparently this question, which has been raised by a number of members in other debates, is answered to the extent that one could say that the profits of any of these companies once they commence business will remain in Canada, which I suppose could be said to be a mark in their favour.

However, Mr. Speaker, despite the unanimous agreement of the standing committee, which may or may not have included a desire to establish new insurance companies—indeed, they may have been more concerned with whether the company was in a sound position to transact insurance—I think there is some area for consideration in committee of the whole house of the general question of the advisability and necessity in the public interest of an expansion of the number of insurance firms which are presently operating in the country. Probably the hon. member for Edmonton West has heard me express some views on this subject in earlier discussion in this house. He may be aware of my general view that it is neither economically necessary nor desirable, at this particular stage of the development of our country, that this sort of financial institution should come into being. Along with other hon. members I have felt that the suggestion that competition is a desirable thing per se does not necessarily apply in situations of the kind that are presented to us in this bill.

Having said that, Mr. Chairman, I will resume my seat so as to enable any other interested members of the committee to pursue the details of the bill and to question the sponsor about what course of action the

house in committee of the whole should take on the report of the standing committee.

Mr. Cameron (Nanaimo-Cowichan-The Islands): Mr. Chairman, as my colleague from Comox-Alberni has pointed out, this company is apparently planning, and said so before the committee, to confine its investments to the Canadian economy. I hope this will continue to be its policy.

One of the things I have found difficult to understand is the precise relationship between this insurance company and the investment fund with which it appears to be linked in some way. The investment fund is, of course, invested almost entirely in the United States. The principal growth fund, of which 41 per cent is in United States stocks, has assets of about $900,000.

I wonder whether the sponsor of the bill, the hon. member for Edmonton West, would explain to me in more detail what is the relationship between this company he is sponsoring and the investment fund, trust fund, mutual fund, or whatever it is called. I notice there have been two insurance companies of this kind in recent months that are definitely linked to one of the mutual investment funds, and I am probably not bright enough or informed enough to know exactly what is the connection between these two types of financial organizations.

If the hon. member for Edmonton West would explain to me the nature of this relationship I think it would clear up some of the doubts I have in my mind about this insurance company. I have, of course, grave doubts about all private insurance companies. I think they are an unnecessary element in our economy, but at the moment that is beside the point. Perhaps the hon. member could tell me what is the link between the investment fund and this insurance company he is now sponsoring.

Mr. Lambert: Mr. Chairman, I am not too sure what the hon. member has in mind. If he examines the testimony he will see it was clearly pointed out that there is no possibility of cross-investment. In other words, it is not possible for the mutual fund to invest in the insurance company, nor is it possible for the insurance company to use the money of its policyholders for investment in a mutual fund or in any of the securities of the associated companies. This is prohibited. I think Mr. Humphrys was suggesting that there should be legislation to this effect, but this is prohibited by the law of the province of Alberta. There is no possibility of cross-investment between the First Investors Corporation, Associated Investors of Canada and the Collective Mutual Fund Limited. I think that is the point that would worry the hon. member, but he will find this clearly stated in the evidence before the committee.

Mr. Cameron (Nanaimo-Cowichan-The Islands): That answers me to some extent, Mr. Chairman, but I should still like to know what is the interest in this insurance company of the other companies with which it is associated. As Mr. Humphrys said before the committee, this company, if formed, would be a member of one of a group of companies that are under common ownership. The life insurance company would be owned by a holding company, which also owns some other financial institutions.

• (6:20 p.m.)

Mr. Lambert: Mr. Chairman, if I may refer to the material I supplied to all members of the committee, the holding company is known as Principal Group Limited. There are as subsidiary companies the First Investors Corporation Limited, Associated Investors of Canada Limited, a number of other companies, and the Collective Mutual Fund Limited. All the shares of Principal Life Insurance Company of Canada would be owned by the Principal group and not by any associated companies; otherwise there would be cross-investing which is prohibited.

As Mr. Stewart points out, the purpose of this company is to write up insurance business. The savings certificates, registered retirement savings plans and investment certificates are to be sold by First Investors Corporation Limited and by Associated Investors of Canada Limited. The registered retired savings plans would provide for payments to be made over 15 or 20 years and would have a fixed value on maturity. In the event that the purchaser of one of these contracts dies and there is an insurance clause in his contract, the unpaid balance of the certificate is collected from the insurance company and credited to the beneficiaries of the estate, who would collect the whole amount of the contract. At the present time the portfolio of First Investors Corporation Limited and Associated Investors of Canada Limited contains securities valued at approximately $60 million odd. Speaking subject to correction, and I believe that Mr. Stewart confirms this in his testimony, the Principal Group has $27 million of insurance

laid off with another company. They propose to write that insurance with their own group.

It must also be pointed out that securities' salesmen cannot act as insurance salesmen; that is prohibited under the laws of Alberta. Insurance salesmen will not be selling these investor contracts. There is adequate protection in that regard. The company proposes, along with this business, to develop the life insurance business, the sickness and accident insurance business, as is indicated in the incorporating bill.

When the company was incorporated it said that it would retain the general accident and life insurance business and the type of business—I forget the name that is used for the type of business with regard to investment certificates.

Mr. Barnett: Is the hon. member referring to the group security attached to the savings securities? Is that what the hon. member has in mind?

Mr. Lambert: If the hon. member for Nanaimo-Cowichan-The-Islands will give me back my copy of the transcript of the committee proceedings I shall be able to answer the hon. member. The term I am seeking is "creditors' risk insurance".

Mr. Cameron (Nanaimo-Cowichan-The Islands): I am still uncertain as to the purpose for the link between these two companies. The purpose of this bill is to revalidate a previous application for incorporation. The hon. member did not tell us, so far as I am aware, why the company wishes to do this. He suggested that they will be in the general insurance and casualty insurance business and that under the laws of his province they are not allowed to sell simultaneously life insurance policies and investment certificates. Again I ask, why is there to be a link between the two companies? What is the purpose of it? What is to be gained by this link of life insurance companies? This is the second time within the last few months that this sort of application has come before the house. I should like to know what prompted the companies to take this action. Was it hoped that the life insurance company would promote business for the investment fund or that the investment fund or trust, whatever it is called, would promote business for the life insurance company? If not, I do not see the purpose of this link.

Mr. Lambert: Mr. Chairman, the bill of incorporation is more or less in standard form. The powers granted to the company were granted under the Canadian and British Insurance Companies Act. As a matter of fact, any prudent solicitor would advise the present step and I should find any solicitor deficient who failed to advise his clients to seek the powers sought here.

Business operations will not begin immediately. A sales force must be organized and it must be a separate sales force. That is why I raised the question of the distinction which exists with respect to licensing in the province of Alberta. The sales machinery must be organized and it must be separate from the investment certificates sales force. True, economies are to be gained, as indicated by Mr. Stewart, in that I.B.M. computers have been installed. An extensive operation is involved here and First Investors Corporation Limited and Associated Investors of Canada Limited carry on business not only in Alberta but also in the maritimes and Saskatchewan. They carry on other operations too.

May I say that the progress made by this group of energetic and able businessmen in Edmonton has been steady, as indicated by the transcript with respect to 1965, part of which I read into the record. Progress has not been phenomenal; otherwise one might suspect puffery. Investments have been made in mortgages in Alberta as well as in British Columbia. I understand that the businessmen in question have provided funds for the construction of senior citizens' homes in British Columbia. They try to borrow money on a long term and invest on a shorter term. That is why the feature of the long-term investment certificates is included.

A mixed portfolio of securities is carried and a review of the evidence given before the committee of the other place will show that this company is quite as good as other companies of its kind. It does not claim to be any better than most. However perhaps I may refer to something which will commend itself to the hon. member for Comox-Alberni and to the hon. member for Nanaimo-Cowichan-The Islands. In 1962 they purchased Associated Investors Limited from American interest who had bought it from its Canadian holders in 1960—the Canadian company, which was privately owned, being faced at the time with a serious estate tax problem. The company was bought up by United States interests, but was repurchased by the Edmonton people, who now have it moving along very well. I think this is one act which

is commendable. If there is anything else I can explain, fine.

• (6:30 p.m.)

Mr. Barnett: I do not know that this is germane to the bill, but I was interested in the remarks made by the hon. member for Edmonton West about the prohibition which, if I understood him correctly, exists under the law of Alberta in connection with life insurance. I understood the hon. member to say that the company was entering into an arrangement whereby in the event of the death of a purchaser the insurance policy would pay off the balance owing. Does this mean that when a person dealing with an investment firm enters upon an agreement he turns to someone else to get insurance coverage in the province of Alberta? I ask this because in other areas insurance coverage is often provided without question. Does the hon. member mean that the buyer will have the option either to deal with the insurance company associated with this group or to go to an outside insurance company?

By way of illustration, there is provision in the retiring allowances legislation applicable to members of parliament for insurance coverage which is acquired almost automatically. Is it this sort of activity which is prohibited under the Alberta law?

Mr. Lambert: No, it is prohibited to sell these investment contracts and at the same time to sell standard life insurance on the basis of group or endowment policies—the standard form of policy sold by life insurance companies. If the hon. member would refer to page 176 of the evidence he will find that Mr. Stewart, the vice president of the company, indicates the precise nature of this type of insurance.

I am personally aware of the type of contract under which a man enters into an agreement of 20 years or so, paying so much per annum. The purchaser pays in instalments and receives a guaranteed rate of interest, completing a certain stated amount of contributions by the end of the maturity date of the certificate. Suppose a man pays for three years on a ten year certificate and then dies. If he had been making an annual payment he would, of course, have contributed only three instalments out of the ten in the contract. There is, at the option of the purchaser, a provision in this contract that for a return of an additional amount each year he can be covered in the event of death occurring. In these circumstances, if he dies at the end of three years, group insurance will then pay up the balance of the investment contract and the estate will take over the complete amount. On the other hand if the purchaser does not wish to do this, all the estate will get is the accumulation of the payments he has made. It is an additional feature, but it is not the sale of life insurance.

Mr. Barnett: The hon. member is really pointing out that whereas in the past this group insurance risk arrangement has been placed outside by the investment company, if this insurance company becomes operative it will then take over this function within its own group of companies.

Mr. Lambert: That is so, and they feel that because of the facilities they now have, electronic equipment and so forth, and their knowledge of group security business, they can reduce the overhead. In addition, by obtaining the funds allocated to the insurance company, they will be accumulating capital. The insurance company will be allowed to make those investments which are permitted to it under the Canadian and British insurance companies legislation and, as we know, there is a very strictly supervised investment requirement. This provides for the principal group a wider base of operation, a sounder base of operation and an additional outlet for the placement of capital, because as we know these insurance companies can place money in realty, mortages, and other things. So it expands the operation within the whole group.

Mr. Cameron (Nanaimo-Cowichan-The Islands): I notice that on November 2 the hon. member for Edmonton West had this to say—he did not expatiate on it to a great extent.

> I have indicated to hon. members what is the purpose of this bill. I wish to point out again that the company is entirely Canadian owned and operated. The principal group has been operating for 10 to 12 years in Edmonton and they have another associated company which operates in the United States.

The hon. member did not tell us what kind of company this was. Is it an investment company or is it an insurance company? What is the nature of the association? What I am mainly concerned about is this: While the hon. member has told us, and while Mr. Stewart has said in the committee, that the investments of this company would be entirely in Canada, I am wondering about the link with this investment trust—whether it differs very greatly from other mutual investment

funds in Canada which have a large investment in the United States.

At this juncture in our economic affairs in Canada, this is something we have to look at very carefully. Can the hon. member tell us exactly what is the nature of this association with a United States company? What assurance can he give us that the investment company which owns this insurance company is not going to benefit from the insurance company to the extent of being able to invest funds gathered by the insurance company outside the Canadian company? Can he give us any assurance that this investment group will follow a policy of investing in the Canadian economy rather than in the United States?

• (6:40 p.m.)

Mr. Lambert: This is very simple, Mr. Chairman, in that first of all the company that is wholly owned and operating in the United States goes, I believe, by the name of Collective Mutual Fund Limited. I am subject to correction here. At the moment I just do not have the precise name, but I will say that it is absolutely prohibited by the Alberta act to have investments from the insurance company in a mutual fund.

The hon. member should know that the only investments which are permitted to an insurance company formed under a federal charter are those permitted under the Canadian and British Insurance Companies Act. Not only is there the sanction of the law so far as the province of Alberta is concerned, but there is also the supervision of the superintendent of insurance, and if I remember rightly it was stated by Mr. Humphrys that he would view this with some disfavour; and of course we know the power of the superintendent of insurance. At the moment I am working from memory and cannot put my hand readily on the passage in the evidence, but may I say that the American operation is a very small portion of this whole group. It is minute, really.

Clause agreed to.

Clause 2 agreed to.

On the preamble.

Mr. Lambert: Mr. Chairman, with regard to the title I would just like to draw attention to a passage in the report of the committee. For some inexplicable reason in the French version of the bill the title does not conform with the title of the company in the preamble. If we look at the French version of Bill S-11—

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

[*Translation*]

—we see that the bill is entitled:

Loi concernant la Principal Life Insurance Company of Canada—

—on the first page as well as in the heading. The preamble reads as follows:

Considérant que la Principal Life Insurance Company of Canada, en français, la Principale du Canada, Compagnie d'Assurance-Vie—

There we see that the company was incorporated under a French name at the beginning. So the committee recommends to the house that the title of the French version of the bill be replaced by the following:

Loi concernant la Principale du Canada, Compagnie d'Assurance-Vie.

I have been told—I do not know if that is correct or not—that it is not necessary to introduce a formal amendment for this.

Naturally, I will abide by the ruling of the Chair, and if the Chair decides that it is absolutely necessary to introduce an amendment, I am ready to do so. However, senior officials have told me that it is not necessary and that all this is simply an administrative matter.

[*English*]

The Chairman: May I suggest to the hon. member for Edmonton West that while the name as outlined in the preamble is correct both in English and in French, the title of the bill in French is not correct, and I have here a note to that effect. I think it might be a better practice if the hon. member were to make a motion for the proper amendment in the French version of the bill. If he has not a copy, I could send him one.

Mr. Lambert: I take it that you require the amendment in writing, Mr. Chairman?

The Chairman: Possibly I could say to the hon. member for Edmonton West that since I do have notification that the alteration was made, maybe I could deem that the hon. member has sent me the written amendment.

Mr. Lambert: All right.

Preamble agreed to.

On the title:

The Chairman: Shall the title of the English version carry?

Some hon. Members: Carried.

Mr. Lambert moved:

That the title in the French version be "Loi concernant la Principale du Canada, Compagnie d'assurance-Vie".

Amendment agreed to.

Title as amended agreed to.

Bill reported.

Mr. Deputy Speaker: When shall the said bill be read a third time? By leave, now?

Some hon. Members: Agreed.

Mr. Lambert moved the third reading of the bill.

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

Some hon. Members: On division.

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

THE EXCELSIOR LIFE INSURANCE COMPANY

The house resumed from Tuesday, September 26, consideration of the motion of Mr. Stanbury for the second reading of Bill S-8, respecting the Excelsior Life Insurance Company.

Some hon. Members: Stand.

Mr. Deputy Speaker: This is a resumed debate. Therefore the bill could stand only by unanimous consent of the house. Is there unanimous consent for Bill S-8 to stand?

Some hon. Members: No.

Mr. Deputy Speaker: Is the house ready for the question?

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, in addition to my grave doubts about the value of private insurance companies in our economy I have really very serious doubts about this one which, according to the evidence given before the Senate banking and commerce committee on Wednesday, June 7 of this year, is 70 per cent owned in the United States. In his evidence on that occasion Mr. Humphrys had this to say:

The major share interest in the company is owned by a United States life insurance company, the Aetna Life Insurance Company. The major interest of about 70 per cent was acquired in 1960.

Then somewhat amusingly, I think, Mr. Humphrys added:

However, the management of the company remains Canadian. The majority of the directors are required to be Canadian and, in fact, 9 of the 12 directors are Canadian citizens resident in Canada.

• (6:50 p.m.)

Well, I imagine they would be. People who want to collect the savings of the Canadian people and ship them across the line might well have Canadians do the collecting for them. But, Mr. Speaker, we are facing now, as the Minister of Finance (Mr. Sharp) told us the other day, an economic crisis. A very large part of the cause of that crisis has been the irresponsible action of those who have had the control of the savings of the Canadian people in various forms, and have invested it outside the country. There are the chartered banks which have involved themselves in the spot loan business in New York to the tune, I believe, of about $500 million, since we passed the amendment to the Bank Act. There are also the mutual funds which again invest a large part of their collections in the United States economy and not in the Canadian economy. Life insurance companies, both foreign and Canadian, follow a policy of directing a very large proportion of funds under their control outside the Canadian economy.

Simultaneously we are told that the Canadian economy requires great infusions of foreign capital. Only recently the Minister of Finance was in New York impressing upon his audience at the Economic Club, as I believe it is called, in New York—which is composed of senior executives of a great many financial institutions such as the Chase National Bank and the First City Bank of New York—how greatly Canada requires investment from the United States in order to keep our economic momentum going. He did not mention that under his supervision the economic momentum had come to a full stop.

An hon. Member: He prays for it.

Mr. Cameron (Nanaimo-Cowichan-The Islands): He prays for it, yes. Stability in the United States may create stability in Canada. I suggest that if we are to incorporate companies whose business it is to collect the savings of the Canadian people, those companies should not only be Canadian owned but should also be controlled in respect of the direction in which the investment of the funds under their control takes.

I myself am convinced that before very long the government of Canada, no matter how long it drags its feet, will have to deal with the question of the draining off of the savings of the Canadian people which find

lodgement in the funds of insurance companies, and which should be kept within the Canadian economy for the development of the Canadian economy. It is unfortunate that the present government is not very much interested in the development of the Canadian economy. The Minister of Trade and Commerce (Mr. Winters) not very long ago at a meeting of a committee told me that this was only one of his concerns. He said that he was concerned about our export trade. The export trade may or may not be of some value; but there is one export which we should not be making, and that is the funds and savings of the Canadian people.

I object very strongly to a company with 70 per cent United States ownership coming before this parliament and asking for a licence to collect the savings of our people, to be invested at the company's discretion. In all fairness I should say that the Canadian companies are not much better than the American companies when it comes to investment policies. Nevertheless, this is a straight invitation to a continuance of this hemorrhaging of capital, which has been going on between ourselves and the United States for many years now, and which has created virtually all the problems with which our unfortunate Minister of Finance (Mr. Sharp) is coping today. He apparently is not going to cope with this in the sensible way, which is to put the plug in the drain, rather than to ask the Americans to turn on the tap and fill the pitcher, a condition which is created by such companies as these which collect our savings and invest them in the United States economy.

Apparently the whole purpose of the government is to direct the Canadian economy in such a way that it will serve the interest of the industrial complex of the United States. I think it is time we began to put a stop to this, and made it very plain to our United States friends that they are not welcome to come here to collect the savings of our people for investment purposes of their own. If we are to accept the proposition, which I do not accept, that private life insurance companies are a valuable adjunct to our economy, then we must insist that they become Canadian companies and invest the savings of the Canadian people, which are entrusted to them in the development of the Canadian economy.

I would hope that this house would not agree to the incorporation of The Excelsior Life Insurance Company. The representatives

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

of this company in their presentation to us stressed the fact that it is a very old company, incorporated in 1889 in the province of Ontario under the Canadian and British Insurance Companies Act, although it is a provincial company. Really, that is quite irrelevant. It does not matter what this company was; it is what it is today that is important. Today it is a United States company, a foreign company, and its policies will be dictated by the interests of those in the United States who own and control it. It is all very well to have a number of Canadians acting as directors and taking part in the management echelons of this company, but they will act on behalf of the foreign owner of this company, or will not be in a position to act for very long because they will be out on their ears.

I would be very much surprised if we found that this company were to depart from what unfortunately has been the rule with regard to all insurance companies, to invest an inordinate proportion of their savings in the United States. When this government has been brought almost to its knees by the financial crisis which it has allowed to develop, precisely because of this sort of carelessness, this to me would not seem to be the time to be authorizing a continuance and extension of this dangerous trend, which has brought us to this condition.

I was humiliated when I read the speech of the Minister of Finance, which the officials in his department so kindly sent to me. I was humiliated that the spokesman for Canada should have to go down to New York and assure our United States friends that we really are quite stable up here, although we are having a little difficulty now. As a Canadian citizen I am ashamed that a representative of our government should have reduced us to the position where we have to overcome the effects of companies such as this, by going hat in hand to beg from our friends in the United States.

May I call it seven o'clock, Mr. Speaker?

Mr. Deputy Speaker: Order. The hour for consideration of private members business has expired. It being seven o'clock I do now leave the chair. The house will resume at eight o'clock.

At seven o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

CRIMINAL CODE

AMENDMENTS RESPECTING DEATH SENTENCE AND LIFE IMPRISONMENT

The house resumed consideration of the motion of Mr. Pennell for the second reading of Bill No. C-168, to amend the Criminal Code.

Mr. Steven Otto (York East): Mr. Speaker, I have been listening very intently, sir, to most of the arguments presented during this debate. Most of the time this house deals with legislative matters respecting finance, transportation, defence and other things, but from time to time we must deal with things that are primarily philosophical in nature, and the bill before us is one which falls into that category.

During this debate we have geared our thinking to what is the new code, and the mores based on our present society. One argument put forward by those in favour of the abolition of capital punishment relates to the sanctity of human life. That is a grand phrase: the sanctity of human life. I realize full well that there are many members in this house who honestly and truly believe in the sanctity of human life. There are untold millions in the world who follow the philosophy that life is sacred. I find it rather strange and difficult to understand some of the proponents of this philosophy who seem to feel that life is only partially sacred. They seem to feel that the taking of the life of a criminal is something that we should not do. At the same time many of these people who argue this point of view support the theory of euthanasia, abortion and other moral theories. If life is sacred it cannot be partially sacred. Sanctity is an absolute term.

What exactly do these people mean when they say life is sacred because of the philosophy of human life and, therefore, we must do away with capital punishment, when at the same time they say in all seriousness that when old people are beyond cure of diseases they may have they should be allowed to die? These people are also those who promote quality population. One cannot be two-sided in this respect. I sometimes wonder if we are being asked to adjust our philosophy to fit this argument. How otherwise are we to accept it?

Obviously life is sacred to the living. If one argues that life is sacred he must also argue that all forms of life should be preserved. This philosophy on the part of those who accept those ideas is difficult to understand. In any event this is a matter for us to consider in so far as capital punishment is concerned. We must decide just exactly what capital punishment is and why it should be imposed. Is it confined to murder or to rape? What manner of things should be considered in relation to the death penalty?

I am not saying that capital punishment should or should not be associated with those things with which it is associated today. Today one's wife does not belong to the husband, nor does one's soul belong to another. It is in terms of our present society that we must decide what justifies punishment of this type. Is capital punishment justifiable in respect of the taking of one's property, as it was at one time? This is no longer the case. Is capital punishment justifiable in respect of the deprivation of property, as it was at one time? This is also no longer the case.

We are faced now with another problem. We no longer possess a complete philosophy which complies with our modern thinking and modern problems. We are still going by the old rules and the old code. Consequently we have a Criminal Code which states that a criminal shall be put to death for having done this or that. We have not examined the situation to find out whether the criminal mores today justify capital punishment.

In reality I do not have too much faith in the argument of sanctity of life. There is a natural abhorrence on the part of the human animal to the killing of its own kind. Hon. members will acknowledge that most species of animal life today do not kill their own species. We have very few animals in the world today which are truly cannibalistic. Man is still an animal species and it is natural that he does not want to kill another of his kind. I have in mind of course a rational man; I am not referring to the irrational man who does commit murder.

Up to this time we have said as a society that we will elect someone to decide, or appoint someone else to deal out the punishment. Killing has always presented a problem. We do not as a species of animal like to kill our own. By and large the human animal does not kill, so long as he is rational and follows his normal instincts. However, those who argue that capital punishment is a deterrent should take note of the fact that it is not a deterrent.

In my many years of practice I have yet to meet one individual who contemplated the

punishment that awaited him while committing a criminal offence. These individuals are always convinced they will not be caught. Consequently they do not contemplate the punishment. Indeed, this is the philosophy adopted by soldiers during a war. Not one of them ever imagines there is a bullet for him. They feel that death may come to others, but not to them. This is the natural feeling of the human animal. Therefore capital punishment as a deterrent holds very little weight for the argument in favour of it.

• (8:10 p.m.)

At the same time I find it very baffling to hear those who support the argument that capital punishment remains a deterrent to the criminal who is incarcerated. If it is not a deterrent, then it is not a deterrent. I shall try later to explain what I think will be the advantage of leaving in the bill that section as it now is. I am inclined to think that capital punishment was never meant to be a deterrent as much as it was meant to be a matter of vengeance. There is a human trait concerned in this aspect of the matter. Man alone, of all creatures on earth, has vengeance and carries vengeance in his heart.

No other creature is a vengeful creature. Vengeance in itself is not to be condemned. It is a human quality. The Lord God was a vengeful God originally. There was originally no limit to vengeance. This is why, when society first began, if one of a neighbouring tribe stole your goods you were not limited to punishing that man in reason; you could at that time kill his whole family, his whole tribe, or do anything. There was no limit to vengeance, until the rise of the Sumerian culture about 4,500 years ago. The Sumerians were the first to place a limit on vengeance. They said: You can take an eye for an eye or a tooth for a tooth. But prior to that, for 2,000 years there was no limit to the vengeance one could exact. The question now is: Have we advanced far enough to say that vengeance shall not be included in capital punishment? It is the relative of the person murdered or the child raped who wants vengeance. He is the one who says: Do you mean to tell me that this murderer will get away scot-free? I want him punished. Therefore vengeance has a great deal to do with what is commonly called deterrence. I believe that vengeance is 90 per cent of the reason for capital punishment and deterrence is about 10 per cent.

Then there is the question of what will happen, after this bill is passed, to those criminals who have been incarcerated. This raises another philosophical question. If you put a man in jail and confine him there for the rest of his natural life, what you have done is make an animal out of a human being. I say this because one of the great instincts of man is that he must have hope and freedom, or at least hope for freedom. We could say that today many of our freedoms do not seem too secure, but there is the hope that they will be. What will happen when we say to a man: Because you have committed murder you are incarcerated for the rest of your life; you will never be released, and if you are never released you are no more than an animal? Indeed, Mr. Speaker, this person will be treated as an animal and will think of himself as an animal. But human nature being what it is, there will always be hope.

I dare say there will be more convictions after the passage of this bill because juries will not be as hesitant to convict a man of murder. As long as juries are composed of 12 men good and true who have to decide on a man's guilt or innocence, in many cases they will have an abhorrence to finding a man guilty if the death sentence is the only result of that verdict. Also, the ultimate sentence could make crown counsel hesitant in his prosecution of a man charged with murder. But once we are sure there will be no capital punishment, juries will be more inclined to find guilty a man charged with murder, and therefore we will have in our jails more prisoners serving life sentences.

However, Mr. Speaker, I do not think you can relate this argument to the fact that you do not have capital punishment. In the United Kingdom more people are now convicted of capital crimes. The fact is that juries have been more inclined to bring in a verdict of guilty. The same thing will happen here.

The argument has been raised as to the possibility of mistake when convicting a man of murder and sentencing him to death. In other words, the argument is that capital punishment should be done away with because of the possibility of mistake. The theory put forward is that our administrative processes could make a mistake and because of this an innocent man could be found guilty. But this is not an argument to be entered into in this debate. It is an argument in support of the very old-fashioned administration of justice. Today we have such sophisticated ideas about telling the truth and testing the validity of statements that it seems we should still trust a jury to decide whether or not a man is guilty, even though it may be

influenced by counsel, highly paid or otherwise, in reaching its verdict.

This is a moral argument that the administration of justice needs reform, and I agree 100 per cent. I have discussed this matter with the Solicitor General. I refer to the question of allowing the capital punishment clause to remain in the bill in the event of the murder of a policeman or a person such as a warden performing his duty. Without this provision the abolition of capital punishment will be meaningless. We have not been able to convince our administrators of law and order that we know why criminals act the way they do. They are not sure that we have made any advances in dealing with criminality. They are not sure that this sytem will work and they do not accept the abolition of capital punishment. Without their acceptance you have no law, because if the administrators of law and order do not believe in what the legislators have done, they will find other methods to get their way.

If we consider completely abolishing capital punishment we must consider the reaction of the administrators of law and order. If we incarcerate people and put in their care and control prisoners who could be a threat to the lives of those administering our prison system, in a very short space of time those prisoners would be treated as animals and subjected to such cruelty on the part of our prison administrators as we have never seen before. This is a normal reaction. It has happened before, it has happened in the armed forces. I am sure that many hon. members have examined prison camps of the last war at or just behind the front lines and have found that the treatment afforded prisoners was atrocious. But this is the reaction of prison administrators who do not believe we have found a way of curing the problem of criminality. And we have not. Therefore we have to include this class of people in the bill, to make it workable. The reason I am in favour of the bill—

Some hon. Members: Hear, hear.

Mr. Otto: —and the reason I shall vote for the bill is that I do not believe capital punishment is a deterrent. I have explained why this clause must remain, namely in order to satisfy the administrators, and not us. We must satisfy the administrators that they are protected. This clause will not protect them, but it will make them feel more protected.

I know that at the present time we spend little time, energy and research in the whole field of criminology. It was said only a short time ago that we spend more on convicts' shoes than we do in the whole field of research into criminology. This deficit has to be remedied. We are now living in a society that is very complex, and many people cannot adjust to it. We do not know why they turn criminal.

• (8:20 p.m.)

I recall reading a short time ago about a brother and sister team of doctors in New York who had done 14 or 16 years of research in the field. They have now said they can predict criminal tendencies in a child as early as seven years old. There has been some work started, but we have not done anything in this area. Consequently, if we do have our jails filled, and we are going to have them filled, we will be faced with the problem of what we are going to do in this field of criminology. The only thing we will be able to do will be to spend more time and money in this field, otherwise we will be faced with an insoluble situation.

I should like therefore to support this bill, because when we have this situation we will then be faced with another philosophical problem as to whether we should establish the Devil's Island type of camps, whether we should send these people to Alaska or what we should do with them. I say that what we should do is to spend more time and more money in the whole field of criminology research. For the reasons I have outlined, I wish to support this bill and I hope that it carries.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, this is the first opportunity I have had within the House of Commons —perhaps not the first opportunity but the first time I have taken advantage of the opportunity—of speaking on this very important matter. There was an opportunity in 1961 and another one in 1965. I did not speak in 1965. At that time we were discussing a private member's bill and I felt that, while this was a bill and this was a subject which should be left to the individual member's conscience to decide, I did not feel at that time it was possible for the leader of the government to divorce his personal position from his official position. Although I held strong views on the subject, I did not give utterance to those views. I am venturing to do so tonight, Mr. Speaker, although I know that members are understandably anxious to have a decision taken on this matter.

This bill, Mr. Speaker, has been introduced by a minister of the government and in that

sense the government has taken responsibility for the bill. However, this does not mean, as I understand some members are worried lest it might appear to mean, that this is in any sense not a free vote.

Some hon. Members: Oh, oh.

Mr. Pearson: Mr. Speaker, every member in this house, on this side and indeed on the other side, has the right and the duty to vote with regard to this bill as his own conscience dictates.

Mr. Horner (Acadia): That is hogwash.

Mr. Pearson: The results of this bill—

Mr. Horner (Acadia): Tell your whip.

Mr. Pearson: Every member in this house has a right to express his opinion and try to influence the opinions of others, because that is the very essence of debate, the very essence of parliamentary activity. The proof that this vote is a free vote is the fact that it is not a matter of confidence or no confidence, whatever the result of this vote may be.

This bill is different in two important respects, as all hon. members know, from the bill that was voted upon a year and a half ago. This bill provides for a five year term, and that is a very important distinction I believe over the previous private member's bill. It does, as we all know, exempt from its provisions the murder of police officers and prison guards. The bill, from the point of view of those of us who believe in the abolition of capital punishment, is admittedly a compromise, but in the circumstances I believe it is a reasonable compromise. I would be the first to admit that as a compromise it does put those of us who believe in the total abolition of capital punishment in a position of some logical difficulty. There is no doubt about that. My own resolution of this particular difficulty on this bill in its present compromised form, is that it does provide a further, very important restriction on the exercise of capital punishment, if not the complete abolition of the death penalty. I am certainly prepared to accept it and be grateful for it. I do not wish to prejudice the possibility of not having three quarters of a loaf of bread by taking the stand which would prevent having any loaf at all.

The bill, Mr. Speaker, will dispose of this question for five years if it is carried. At the end of that time the decision can be reviewed in the light of the results that have occurred during that period. If the bill should fail to carry, then the matter is settled so far as the present government is concerned. Of course, every member of the house has the right to introduce any private bill on any subject at any time.

Mr. Bell (Carleton): Would the right hon. gentleman permit a question? In the event the bill fails to carry, would the government carry out the law of Canada?

Mr. Pearson: Mr. Speaker, if this bill should be defeated, and I hope it will not be, the law of Canada will be carried out.

Mr. Horner (Acadia): You said that the last time.

Mr. Pearson: In this debate, Mr. Speaker, we have all been confronted with the deepest issues in human existence, life, death and society. I do not believe any of us need to apologize, and I do not believe any of us do apologize, for taking the time of this house to debate these fundamental issues. The issues have been argued with sincerity and conviction, and indeed with emotion, in an entirely non-partisan way on both sides of the house.

We have heard statistics used to support the retention of the death penalty in Canada. We have heard statistics used to support the abolition of the death penalty. I have no intention tonight of taking up the time that would be required to examine the statistics for my own argument. Let me say, Mr. Speaker, as others have already said before me, that so far as I am concerned personally I am convinced from the study I have made over a long period of time that capital punishment is not effective enough as a deterrent to murder to justify its retention. In my opinion, its unique deterrent value, its adequate deterrent value, is the only valid reason I can find for retaining the death penalty for any crime. It seems to me that the death penalty stands or falls on that argument, although there are of course other related considerations which affect the issue, some of which I will mention. I think the retentionists as well as the abolitionists accept this position, that the basic question we have to settle is the deterrent value of the capital punishment that some of us wish to abolish.

Mr. Fulton: No, we never accepted that position.

Mr. Pearson: If any other members used other arguments to justify their position, of course I respect those arguments. So far as I

am concerned, and I think a good many on the other side of the argument are concerned, the deterrent value was the important part of the issue. We are told if the state can legally and morally kill, it is not to punish the guilty on the savage and primitive theory of an eye for an eye, a death for a death, but to frighten others from crime who might otherwise be tempted to imitate the guilty.

If this is a logical and moral position for those who advocate the retention of capital punishment, and if they believe in the deterrent value of capital punishment, then why do they not go further and insist that executions be held with a maximum of publicity to increase the fear and the deterrent value? That is in fact what used to be done. Surely it can be argued logically that if the death penalty is required because of the need to make an example of murders, maximum publicity should be part of the process, as was once the case not so very many years ago.

• (8:30 p.m.)

To me, Mr. Speaker, the balance of evidence shows that the existence or absence of the death penalty does not make any measurable statistical difference to the person who is unaware that he is going to kill until the moment of frenzy or obsession or passion hurls him into his terrible calamity. Those who commit tragic murders of that kind are not hanged now, because in 1961 we made a change to the law exempting from the penalty of execution those who commit non-capital murders of that type.

We are told, Mr. Speaker, by experts on the subject that a large number of murders are committed by persons with neither a previous criminal record nor with calculation or planning for their crime. So is there any real evidence that the threat of the death penalty frightens murderers, either of the kind who would not be hanged in any event or those from the ranks of the professional criminals who plan their crimes? I submit there is no evidence which would justify the use of capital punishment as a deterrent for that kind of murder.

Indeed, Mr. Speaker, as has so often been pointed out in this and in previous discussions, at a time when pickpockets were still executed in England other pickpockets worked the crowds that gathered to watch the execution.

An hon. Member: That is an old one.

Mr. Pearson: Yes, it is an old one, but there is a moral attached to it. Even if it cannot be proven that the death penalty reduces the number of murders by its horrible example, then some retentionists argue—and it is an impressive argument—that while those who murder have obviously not been prevented by the fear of execution and death, there must be many other potential murderers who have been restrained by that fear but whom naturally we never know about.

This argument in favour of the death penalty, Mr. Speaker, means, as I understand it, that the greatest and most final of all punishments rests merely on a possibility that no one can prove. Surely, Mr. Speaker, a possibility which cannot be determined is too frail a foundation for Canadian justice in any form, but especially in such an absolute form as capital punishment. Death does not involve degrees or probabilities; it is definite, final and absolute. I think it was the first Earl of Strafford who said "Stone dead hath no fellow".

Mr. Lambert: So is the victim.

Mr. Pearson: Yes, it is the same for the victim as for the murderer, but I will come to that later.

Mr. Lambert: Where is the greater crime?

Mr. Pearson: Surely that kind of punishment should not be administered in the name of a possibility that cannot be determined by any society which calls itself civilized.

Death is also final in another sense, Mr. Speaker. There is no possibility of rectifying a mistake which may have been made in a death sentence; and we know that such mistakes can be made, have been made, and will be made. While the law is simple and blunt and irreversible—and in the case of the death penalty has an awful finality about it—the human spirit is infinitely complex, a collection of constantly competing needs and wants and emotions which no law can perfectly control.

Fortunately, Mr. Speaker, most of mankind manages for most of the time to keep all these clashing forces that operate within a single personality in a kind of balance and under some control. But when an overpowering primal emotion breaks loose, no instinct, not even that of life or death, can oppose the tyranny of that irresistible force. Therefore a murder can occur. So for capital punishment to really be a deterrent, human nature would have to be as stable and cold as the law itself. And human nature, Mr. Speaker, is far from that. When this kind of human nature

does exist in an individual, that individual is less likely to commit a murder.

I have tried to show that in dealing with this issue we should all be concerned—as I see it, primarily concerned—with the protection of society from the crime of murder. But we are also concerned—and this concern has been voiced by many speakers in this debate —with certain fundamental moral and social values in our civilization and in our society.

There can surely be no argument that the final justification of any law is in the good it does in the society in which it applies. As Sir Winston Churchill, who was not an abolitionist, said in the British House of Commons many years ago, when he was Home Secretary—and I am quoting from the speech he made at that time:

> The mood and temper of the public with regard to the treatment of crime and criminals is one of the most unfailing tests of the civilization of any country. A calm dispassionate recognition of the rights of the accused, and even of the convicted criminal against the state; a constant heart-searching by all charged with the duty of punishment; a desire and an eagerness to rehabilitate . . .; tireless efforts toward the discovery of creative and regenerate processes; unfailing faith that there is a treasure, if you can find it, in the heart of every man. These are the symbols which . . . mark and measure the stored-up strength of a nation . . . proof of the living virtue in it.

Armand Camus put it more succinctly, if less eloquently, when he wrote:

> —Every society has the criminals it deserves.

In every capital conviction leading to execution, Mr. Speaker, it is not the condemned alone who stands under judgment. The whole of our society and our most fundamental human values are also being measured. Murder for which, it is argued, the death of the murderer is required is often, indeed is far too often, the end result of a lifetime of tragedy; the final liquidation of a human being who has never had or been able to find a place in society.

• (8:40 p.m.)

Mr. Grafftey: Hear, hear.

Mr. Pearson: The law itself has no way of taking into account those factors of life, personality, heredity and environment which in every individual are parcelled out unequally at birth and which may determine his fate, that fate of which we are all, wrongfully, supposed to be the master. The absolute responsibility of an offender who is to die cannot be precisely measured in any human system of justice, any more than the responsibility of society in the offender's crime can be completely measured or understood.

Some hon. Members: Hear, hear.

Mr. Pearson: And so, Mr. Speaker, we recognize the impossibility of absolute justice. Yet death itself is the absolute condemnation. Its sentence postulates that the man is absolutely guilty and that the society which judges him is absolutely innocent; for the death penalty can admit of no qualification or imperfection. It is too final for that.

I repeat, Mr. Speaker, we know that neither our society, nor our judges and juries are without imperfections; and our imperfect society often makes it possible for the criminal with wealth to put his defence in a way which is not open to the poor or friendless man.

If, as no one can doubt is the case, the death penalty in any form is now considered too gruesome and degrading an example to be carried out in public; and if, as I believe is the case, the death penalty makes no demonstrable difference to the deterrence of murder in our society; if it does no service to society and if it involves the possibility of a mistake for which no rectification is possible, then I must ask myself what other reason there could possibly be for retaining it.

Mr. Alkenbrack: For the murderers of policemen.

Mr. Pearson: We know that the execution of a murderer will not restore the victim to life, comfort or solace his family, help them in any way, or bring comfort to his friends. So why ought we to retain it?

An hon. Member: There is no alternative.

Mr. Pearson: I believe the only logical explanation left for retaining capital punishment in our society is a desire for retaliation—

Some hon. Members: No, no.

Mr. Pearson: —and for revenge.

Some hon. Members: No, no.

Mr. Pearson: It is to make the punishment fit the crime.

Some hon. Members: No, no.

Mr. Pearson: The criminal kills, so he must be killed.

Some hon. Members: No, no.

Mr. Pearson: Well, Mr. Speaker, I cannot believe that this is an adequate reason in any society that aspires to become truly civilized.

An hon. Member: You have it in the bill.

Mr. Pearson: Retaliations do not protect society from anything. Indeed, such brutal revenge as the death penalty can feed the appetites for brutality and sadism that remain in our society. This is the one and major reason why the death penalty has been abolished from so many political societies.

From this I believe it can logically be argued that if society executes an offender only for retaliation, to make the punishment fit the crime, a closer look will reveal that it is not only the offender but society as well that feels the cruel corrosion of that retaliation. I feel this more strongly, because a criminal impulse is often the result of illness of mind or body, or both, and needs treatment rather than punishment.

An hon. Member: And protection.

Mr. Pearson: Guilty—

An hon. Member: And protection.

Mr. Pearson: Guilty and insane. What is insanity under the law, as it now stands? I do not say this because I am soft on criminals, but because all history proves the ineffectiveness of punishment alone as a cure for crime or as a protection for society. I base my argument not on sentiment but on the record. I believe that crime must be treated, not on the gallows or in the gas chamber, but in the slums, in the ghettos and in the clinics, at the source. And that source is the most intricate and mysterious and precious of all mechanisms, the individual personality and the influence of heredity and environment which affect it.

So, Mr. Speaker, we are deciding in this debate more than the question of capital punishment; we are deciding, as I see it, how civilized we want Canadian justice to be.

Mr. Nielsen: That was decided one year ago.

Mr. Pearson: I believe that no decision taken by this house can measure more accurately the nature and degree of our civilization than the decision we take on this issue. And we are not truly civilized when the desire for revenge and retaliation, as old as man, is stronger than the desire to reform and restore. Retaliation, even the final retaliation of death, will not correct murder in the nature of man and therefore is not, in my view, an acceptable principle for any law; nor is it a necessary or humane ingredient of our system of criminal justice.

Even if it were otherwise acceptable, capital punishment is not an equivalent retaliation for murder. Our present law considers premeditated murder more serious than murder from an unplanned and unanticipated emotional explosion, and makes a distinction between the two kinds of murder with the application of the punishment of death. But capital punishment is death through a premeditation more calculated than any crime of murder could possibly be.

Mr. Fulton: You are retaining it.

Mr. Pearson: For there to be equivalence, the death penalty would have to punish a criminal who had warned his victim of the date at which he would inflict a horrible death on him and who, from that moment onward, had confined him at his mercy for months. Few murderers have ever been so horrible in their deliberation as an executioner.

I do not believe, Mr. Speaker, that such mental barbarity—and that is not too strong an expression—should have any place in the Canadian system of justice. If it cannot be removed entirely at this time, and I wish it could be, then surely it is a worth-while step forward to reduce it as much as possible, as we are doing in the bill before the house.

An hon. Member: Discrimination.

Mr. Pearson: I believe that all Canadians, to some degree, are morally diminished by the doctrine of legal retaliation as employed in the death penalty.

A few years ago, in an article in the *New Statesman,* Anthony Storr made the following statement:

> The criminal cannot be regarded as a different kind of animal with different instincts; for he is also human, and subject to the same laws and the same forces which determine the desires of every one of us.
>
> It is tempting to treat him as something utterly foreign from ourselves and so avoid looking into our own depths—
>
> To condemn him as inhuman is to fall into the trap of treating him as he treated his victims: as a thing, not a person, a thing on whom we can let loose our own sadistic impulses, not a fellow creature who might, even yet, be redeemed.

If society restrains its emotions in such a case and spares the offender's life, he could be examined—if only in an effort to learn

why he and his kind behave so terribly. In this way, the true purpose of the law, to protect society and correct the offender, would surely be served more effectively than by killing the offender. If, as is said, crime does not pay, the experience of history shows that punishment of crime pays even less, unless it is coupled with successful corrective measures for the offender and with alteration of the circumstances in which he offended.

• (8:50 p.m.)

As the South African writer Alan Paton once wrote:

An offender must be punished. I don't argue about that—

None of us do.

—But to punish and not to restore, that is the greatest of all offences... If a man takes unto himself God's right to punish, then he must also take upon himself God's promise to restore.

Some hon. Members: Hear, hear.

Mr. Pearson: It is often argued, and it has been argued in this debate, that opponents of capital punishment are swayed only by emotion, that they are weakly sentimental. I suggest the opposite is the case. I respect the views of those who feel they must oppose this bill. But as I said earlier, in my personal opinion there can only be one reason left for wanting to retain capital punishment if it is not proven to be an adequate deterrent—and it has not been so proven. And that reason is retaliation. And retaliation is based not on reason but on emotion. Who, then, is really swayed by emotion and who is really being sentimental? To the degree that sentimentality may be considered a state of mind relying more upon emotion than upon reason, I suggest it is the defenders of the death penalty who are the sentimentalists.

If it could be proven that capital punishment was an effective and unique deterrent to murder, then even the most emotionally vulnerable diehard humanitarians would find themselves forced to espouse the other, the emotional argument, in its thinking, and I do not believe that emotion should dictate our actions in this matter. We should, instead, do all we can to discourage throughout our whole system of justice and correction, in our police force, in our courts and in our persons, this kind of retaliatory emotion. If we cannot yet eliminate capital punishment entirely from the Canadian system of justice, if we have not yet achieved that degree of civilization, then let us at least take the important step toward that time which is now open to every one of us in this house.

Some hon. Members: Hear, hear.

Mr. More: I should like to ask the Prime Minister a question. Mr. Prime Minister, the hon. member for York East (Mr. Otto) spoke just previous to you, and I notice that you—

Mr. Speaker: Order. The hon. member has to address the Chair.

Mr. More: I wish to ask the Prime Minister through you, Mr. Speaker, whether he agrees with the hon. member for York East that the reason for maintaining capital punishment in the cases specified in the bill is that our law officers and administrators would otherwise take brutal retaliatory measures against these people. This was the statement the hon. member made in explanation of the reason for maintaining these exceptions in the bill. I believe it to be a reflection on those concerned, which should be cleared up at once.

Mr. Pearson: Those views as expressed by the hon. member are certainly not my views, and I do not agree with them.

Mr. Thompson: I would appreciate the privilege of directing a single question to the Prime Minister. In the event that Bill No. C-168 becomes law and that at some time in the future a person is found guilty, in due process of the courts, of murdering a policeman or a prison guard, would the government commute the death sentence or would it obey the Criminal Code as amended by the measure before us?

Mr. Pearson: The hon. gentleman knows that the royal prerogative is exercised in a particular way as a result of the particular recommendation made regarding the circumstances of the case. If there were a recommendation to mercy from the jury in connection with the murder of a police officer or anyone else, that would be one situation; if there were no such recommendation, that would be another.

Mr. Muir (Lisgar): I should like to ask the Prime Minister this question: If, as he says, capital punishment amounts to retaliation, why are those who murder policemen to be hanged?

Mr. Pearson: I thought I explained that, Mr. Speaker. I believe in total abolition, but I am willing to accept a bill which does not go as far as total abolition, although it goes

toward that idea. I hope we shall have total abolition before long.

Some hon. Members: Hear, hear.

Mr. Sherman: I should like to ask the Prime Minister a question with respect to a point on which I am not fully satisfied at the moment. Does the Prime Minister believe that life imprisonment should, in fact, mean life imprisonment?

Mr. Pearson: It is impossible to give a categorical answer to that question, but the hon. member may know that the law was changed not long ago to the effect that in the case of commutation of a death sentence to one of life imprisonment the criminal cannot be released except upon the approval of the governor in council. So there is that protection.

Mr. Fulton: It is not in the law.

Mr. Pearson: If it is not in the law, then I think it was done by administrative action. I think there should be that kind of protection, perhaps other kinds of protection, to avoid the premature release of those sentenced to imprisonment for life.

• (9:00 p.m.)

Hon. E. D. Fulton (Kamloops): Mr. Speaker, I intend to vote against this bill, and—

Some hon. Members: Hear, hear.

Mr. Fulton: —a number of hon. members on both sides of the house intend, I believe, to do the same thing. I think it is essential that before a vote is taken—and, speaking personally, I hope it will be taken tonight —those who feel in conscience bound to vote against this measure should have the case put for them.

I do not wish to arrogate to myself the right or the ability to speak for all of them, or to express precisely every point that those who will vote against the bill may have in their minds and in their hearts when doing so, but I think it essential, in view of the speech of the Prime Minister (Mr. Pearson) that the case, at least in part, for those who intend and feel they have to vote against the bill, should be put. This should be done, so that when we take the vote, which as I say I hope will be tonight, we will take it with a balance of views having been expressed for and against the bill. That is my intention, sir, because I think there are very important views and considerations which should be put into the minds of hon. members of the house at this stage, as they approach the responsibility of voting; and there should be stated the reasons on both sides, so that the country may assess fairly what was in our minds when they judge what we will have done here.

I am going to attempt seriously not to make an emotional speech or to allow myself to be carried away by what I think were the unfortunate implications of the Prime Minister's speech. I will content myself with saying simply that I think it was an unfortunate speech because I believe the Prime Minister perhaps unwittingly—I hope unwittingly—attempted to put those of us who feel we have to vote against the bill in the position of uncivilized barbarians and as opposed to progress. That is the case I wish to refute.

I have just four points I want to make, some of them related specifically to what the Prime Minister said, others related to the general case. The Prime Minister started by stating that those who argue in favour of the retention of capital punishment accept as the basis for their position that its deterrent value is the main if not sole justification for its retention. Sir, I reject this. This is not a proper or indeed even a fair assessment of the position of those who believe capital punishment should be retained in the interests of society, although certainly many of those who believe in retention think that one of the justifications is its deterrent value.

But on the basis of my studies, and certainly speaking for myself personally, and I believe speaking for many of those who have not yet spoken, and for those who have spoken, we base our position not so much on the deterrent value, which is difficult to prove —indeed that I have always admitted—but rather on the basis of what must be the sanction for society's most important law.

At this stage I do not want to go into a great deal of detail on the philosophical argument about laws and their sanctions, but I think it important to summarize this argument, and I do so as follows. Any law of important application with respect to the welfare of society and the conduct of human beings in the area of which we are speaking must have a sanction as its basis. The importance of law and the expectation that the law will be observed are measured directly by the sanction behind the law. Surely there can be no argument that the most important law to society, if we are to have an ordered society, if we are to preserve the very basis

of society, is that no individual can take it upon himself as a matter of his own conscious judgment and decision to take the life of another; because if we were to admit for a moment that any individual had that right, or could be justified under any circumstances in making that decision and carrying it out, we would be destroying the very basis of an ordered society. This therefore in my submission is the most important law that society may enact, must enact in its own preservation—the law that says human life may not be taken by another individual.

The question then is simply, what sanction does society place behind that law? How important does society, or parliament acting on behalf of society, think that law, that principle is? I maintain society is entitled to say, indeed parliament on behalf of society should say, that this law—this principle—is so important that he who defies it has forfeited his right to live in society because he has challenged the very basis of its continued and orderly existence. That, as I see it, sir, is the reason for the law of capital punishment.

I do not expect that those who believe in abolition will accept perhaps the logic of what I am saying. I respect their right to disagree and to advance the contrary points of view, but I do ask of them, as I ask of the Prime Minister, and as I ask of my colleagues in this house as they assess their position and examine the position of those who feel we have to retain capital punishment, that they understand that that is the basis upon which we believe that capital punishment must be retained: The preservation of the basis of a lawful and ordered society.

I come then to the question of the basis, of the background of this bill, and whether one should vote against it or not with respect to the position taken by the government.

I am not going to traverse again all the arguments that have been made, the arguments arising out of the fact that just last April, just 16 or 17 months ago, a substantial majority decision of this house was taken, on a free vote, that capital punishment should be retained. I understand the motives and the positions, and would appreciate and accept the motives and the positions of individuals who believe in abolition, in constantly bringing forward private members bills or private members motions to that end; but I do not understand and I do not accept the right of a government constantly to attempt to bludgeon the House of Commons into submission, notwithstanding the clear and unequivocal expression of the majority opinion of the house.

Some hon. Members: Hear, hear.

Mr. Fulton: And I resent the fact—I resent it personally, and I think I resent it on behalf of all who feel as I do—that the government feels it must embark on a crusade to abolish capital punishment, a crusade that leads persons like the Prime Minister to say that those who oppose him are somehow barbarians and uncivilized people.

Miss LaMarsh: He never said that.

Mr. Fulton: That was inherent in his speech. Nothing could prove more conclusively, as we assess the background of this bill, that it is the determined objective of the government to abolish capital punishment than the speech of the Solicitor General (Mr. Pennell) himself in introducing the bill.

I respect also the motives and the emotions of the Solicitor General as an individual; but I submit to you, sir, and to him and his colleagues that he cannot here act as an individual—that he must act here as a responsible member of a responsible government, responsive to the will of parliament. If that becomes unacceptable or untenable to him, there is but one honourable course for him to follow. I say that in the light of his words, which prove to me so clearly that this is a course embarked upon by the government to abolish capital punishment.

I refer to his words which will be found at page 4077 of *Hansard* for November 9, which include the following:

> I recognize the fact that this bill may not be an ideal arrangement, but it seems to me that in its present form it is the most promising measure which can be introduced at this moment.

Promising, for what? Obviously, for the abolition of capital punishment. That is the objective of the government. Then a few sentences later the minister said:

> I believe also that it affords us the best opportunity to move forward and, if passed, certainly will be a gain on the position we now occupy under the law.

• (9:10 p.m.)

In other words what the minister is saying—he nods, and I respect him for his assent—and saying on behalf of the government, is that they do not accept the law as it now is and that they are dedicated to changing it, notwithstanding the fact that 16 months ago parliament showed that it preferred and approved of the law as it now is. I suggest to you, sir, that it is not appropriate and that it is not open for a government

after an interval as short as this one to say to parliament, as in effect it is saying, that parliament was wrong then, and that the government is going to force us to change our minds.

In very fact the government is saying that it is going to force parliament to change its mind, because now we have a government bill; it is not a private bill. Private crusaders I respect, but private crusaders cannot bind government supporters. The government says it is a free vote—sure. But what they really are saying to their supporters is: "This is a government bill, chaps, and it will be very embarrassing if you vote against a government bill".

In other words, this is a government measure, and I completely reject the attitude that they alone are right and that they alone are the humanists. I uphold the right of those who feel as I do, and who will vote as I will, to maintain that we also are humanists, that we respect the sanctity better, than that of the case put forward by am now thinking of the families and friends of society and that we will do as we do because we believe it is in the interest of the greater good of society and that more will be achieved in the interest of greater good by our vote than will be achieved if we accept this bill.

Third, I say that in much of the argument which has been advanced in support of this bill and in support of the principle of abolition—in the argument used by the Prime Minister tonight—it is inescapable that those who use the argument do not understand the present position of the law. They use an argument which might be applicable if the amendment of 1961 had never been made. They overlook, however, the fact that capital punishment is not now applicable, and will not be the sentence imposed upon a person who kills in a sudden fit of passion, upon the moron who may not be technically insane but is not responsible for his actions, or upon the one who kills on an unexplainable impulse. The present law does not provide the penalty of death for these persons, even though they have killed.

So much of the argument advanced by those who have taken the abolitionist position in this debate overlooks that fact. Thus, we find the Prime Minister tonight making the maudlin appeal to emotion which he made when he used the words which I have taken down. He said that if we reject this bill we will be supporting—and here are the words I have taken down—"the idea of the final elimination of the human being who has never been able to find his place in society". As I say, the Prime Minister spoke as one who simply does not know or, if he knows, fails to give recognition to, what the law is as of today; because as I say, after the 1961 amendment the law does not impose the penalty of death upon those who kill because they have been unable to find their place in society.

The present law does not impose the penalty of death upon those who are unable to restrain their impulses because of some innate lack in themselves; it does not impose the penalty of death upon the moron. These people are not liable to the death penalty. We took care to ensure that in the amendment we made in 1961. We took care to ensure that the penalty of death for those who kill is confined to those who kill as a result of a deliberate and premeditated plan, or those who commit the crime of killing in the course of carrying out some other deliberate and premeditated crime.

So, in effect capital punishment today as the penalty for murder is confined to those who kill in the course of carrying out a deliberate and premeditated act, or who counsel or aid in such killing.

I say, sir, that so long as this is an imperfect society—and I imagine it will be until the good Lord summons us all to that kingdom over which He is the head, and where laws will no longer be imperfect, and where human beings will have been translated into the realm of perfection—we will have, as we have now, the human being who is prepared to commit a deliberate and premeditated killing for his own gain, or because he has some objective which is opposed to the over-all good and ultimate aim of society itself.

Speaking as one who has not been uninterested in the past, and who is still extremely interested in the present, in the principle of reform and rehabilitation, I cannot bring myself to deprive society of the protection of capital punishment as the fate of, for instance, the person who as head of a mob operation which is subverting the very welfare of society in its peddling of narcotics and drugs says, "X is in the way, boys; rub him out." That is said: "Rub him out." X then ends up in a grave of quicklime.

I am not being sensational when I say these things, as anyone within reach of my voice knows. This does happen in Canada. I think we would be very much better off if we were to devote our attention, energy and ingenuity to finding ways to control and

eliminate these rackets rather than reviving a pointless debate on capital punishment.

Mr. Speaker, I said I would endeavour to remain unemotional and speak factually. I believe I have spoken factually, even though I may have brought a certain amount of emotion to bear on the arguments I make on behalf of myself and the others who intend to vote against this bill. I say that the moral justification of our case is equally good, or better, than that of the care put forward by the Prime Minister.

Mr. Bert Leboe (Cariboo): Mr. Speaker, I had not intended to speak tonight, or even at all, on this bill. However, on the invitation of the Prime Minister tonight I rise to defend the position which I will be taking in the vote which is to follow. Someone has asked when it will be. I do not know when it will be. Perhaps the Prime Minister has spoken at the half way mark in the debate, for all I know. The fact remains that previously in debate on this subject the Prime Minister had taken the position which I think was quite correct. That was to refrain from entering a debate on the subject. I say this for the simple reason that there is more power vested in the Prime Minister and in his office than in that of any other individual in Canada. Naturally in a position of this kind, with the power that the Prime Minister's office has the position of those surrounding him becomes somewhat hazy. There is no doubt that the position taken by the Prime Minister is, in my mind, the right one, but I regret very much that he saw fit to enter the debate at this particular time.

• (9:20 p.m.)

We are speaking about something that is neither fish nor fowl. Even the Prime Minister spoke as though this was an abolitionist bill. Yet, as we see it tonight, we recognize it as something that indicates that capital punishment is in fact a deterrent, although many of us do not recognize that fact. Many of us believe that capital punishment is in existence for the protection of society, and feel that it should be retained on that basis. The Prime Minister said that three quarters of a loaf was better than none. He also indicated that he hoped the whole matter would soon be disposed of, but it is my understanding that if this bill passes the situation will remain unchanged for five years.

It seems to me that if this government remains in office for very much longer we will be presented with an amendment which will shorten the duration of this bill. We will be faced with another bill advocating the complete abolition of capital punishment, sponsored by this same government.

Much has been said about police officers and guards. I feel that in this regard there is great discrimination against others who have suffered at the hands of those who wilfully murder and kill. Let us consider protecting these people, as well as guards and policemen. There are many who are absolutely powerless to avoid their own demise, because of the inability to protect themselves from someone who might become a killer. As a result of this bill these killers will spend their time in prison, for how long no one knows.

Someone suggested that retentionists were here arguing on the basis of revenge and retaliation. I think the Prime Minister used these expressions. Let me deny most emphatically that we are here on the basis of attempting to be revenged. This matter does not concern individuals; it concerns the people of Canada. In our democratic structure we in the House of Commons must make decisions, therefore we cannot argue from the point of view of personal revenge. This whole matter is not viewed from a personal position in any way, but from the point of view of representatives of society.

Surely it is absolutely impossible to be completely just through our penal reform system. A convicted murderer could be 65 or 70 years of age. Time will run out on such an individual. But a convicted murderer 16 to 20 years of age who is sentenced to imprisonment for the remainder of his life may well spend 60 years in prison. That person would be no more than a vegetable. The man 65 or 70 years of age might be quite content to stay in prison, eat three meals a day, have proper exercise and a warm place to sleep. That individual no longer wants to play baseball or hockey. I point this out to support the argument that we cannot mete out punishment without having differences.

Mr. Sherman: Would the hon. member permit a question?

Mr. Leboe: Surely, we have lots of time.

Mr. Sherman: Would the hon. member outline to the house the number of murderers of his acquaintance who are at the present time over 65 years of age?

Mr. Leboe: I certainly cannot, as I am not acquainted with the statistics regarding murderers. I have not made such a study my

habit. There are murderers who are over 65 years of age. Murderers can be of all ages, depending upon the circumstances at a given time. I need not refer specifically to age 65. There is still a great deal of difference between an individual between 15 and 20 years of age who is sentenced to life imprisonment and one who is between 55 and 65 years of age.

It is my belief that we should be more concerned about the results of crimes, and I am now thinking of the families and friends of individuals who are brought to trial, convicted and sentenced to life. What happens to the wives and children of such men? What are we doing about looking into the situation surrounding those people who are the innocent sufferers? Something should be done in their behalf, and this is much more important than spending hours and hours in this house trying to save the necks of premeditated murderers.

There is one more point I should like to make. If we believe, as the Prime Minister has suggested, that if we are going to retain hanging we should hang the condemned in the open for all to see, then we should also force our prisoners to live in glass houses on the main streets, where everybody can see them incarcerated.

• (9:30 p.m.)

Before taking any final step we should make certain we have maximum security prisons. No one can stand in this house today and say that we have such in Canada. There is no prison in Canada from which prisoners cannot escape. They have been escaping from all prisons regularly, over the years. We must have maximum security prisons for the protection of society. If this bill should pass, there is nothing facing a convicted murderer other than life imprisonment. Certainly this is no deterrent to an individual who decides to shoot his wife. I believe that many innocent people will die if we pass this bill and abolish the death sentence. I suggest that those who have argued in favour of total capital punishment have been arguing in favour of just that, rather than for this bill, which is neither fish nor fowl. More innocent people would die because we have failed to protect society. Therefore I say we should vote against this bill. I say this because so many people in the house have been arguing the case for the total removal of capital punishment and have not been considering the bill that is before us.

Mr. F. J. W. Fane (Vegreville): Mr. Speaker, I have been waiting for quite a few days for an opportunity to speak on this bill. The bill before us does not cover the whole gamut of capital punishment, technically, but provides only for the taking away of protection from people who are not able or qualified to protect themselves. This bill provides protection for those people who are equipped with the means of protection, namely policemen and their affiliates and penitentiary guards and their affiliates. It takes away all the protection from people such as corner grocery store operators, bank employees and, down in this part of the country, the caisse populaire employees, post office and express office employees, small boys and girls, women, and other people in isolated situations such as farmers.

The bill we are considering takes away the protection of these people who have not the means with which to protect themselves and simply have to stand around and wait. If this bill passes, very little punishment will be meted out to the criminals liable to murder this type of person. The murderer will serve an average of eight years, ten months and one day of a life sentence. When we get around to imposing a life sentence, that means a life sentence, then we can think about doing away with capital punishment, which is the sentence those who commit premeditated murder should suffer.

The bill before us removes the first two clauses of section 202A of the Criminal Code and leaves only the last two clauses. It removes the clause which says:

> Murder is capital murder or non-capital murder.
>
> (2) Murder is capital murder, in respect of any person, where
>
> (a) it is planned and deliberate on the part of such person,
>
> (b) it is within section 202 and such person
>
> (i) by his own act caused or assisted in causing the bodily harm from which the death ensued,
>
> (ii) by his own act administered or assisted in administering the stupefying or overpowering thing from which the death ensued—

And so on. This debate at this time is very, very unnecessary. We are debating a half-baked, ill-prepared bill that does not do anything to protect people. It really is a shame that the government should have conned the Solicitor General (Mr. Pennell) into presenting a half-baked bill like this. I cannot understand why this government would try to destroy the minister who is the most highly respected of any minister in the cabinet.

That is what the government is trying to do, destroy the Solicitor General. I cannot

understand how a smart man like the Solicitor General, for whom I have infinite respect, allowed himself to be conned into presenting a thing like this to the house, especially so soon after parliament had given a decision on the matter, some 16 months ago; and that decision was to be one the government would live up to.

Where are we going from here? I must make some reference to a few of the very wonderful speeches I have heard. I was very happy to hear the speech of the hon. member for Kamloops (Mr. Fulton) and the hon. member for York-Humber (Mr. Cowan), who really did a bang-up job in his remarks on this bill. We must not forget the speeches of the hon. members for Grenville-Dundas (Mrs. Wadds), Winnipeg South Centre (Mr. Churchill) and Prince Edward-Lennox (Mr. Alkenbrack), along with those of a number of others.

When dealing with this subject we must consider the type of person who commits premeditated murder. Premeditated murder is committed by a person who is fully prepared and very willing to commit such a crime. In the first place, Mr. Speaker, premeditated murder is committed by people who go out on a criminal expedition, robbery or what have you, armed with a hand gun, sub-machine gun, sawed off shotgun, switch blade knife, brass knuckles or any other lethal weapon that you can think of.

Mr. Mackasey: Bazooka.

Mr. Fane: No, I think a bazooka is too big. Those people who go out on a criminal expedition unlawfully armed with these weapons should, if they commit murder, be charged with premeditated murder and punished accordingly. The only way to punish this kind of person is to keep him out of the way for good, so that he cannot commit this type of crime again. He should not serve a sentence of only eight years, ten months and one day, but should serve a life sentence. A sentence of short duration is not very final.

The Prime Minister mentioned that the death penalty has an awful finality about it. Does anybody not think there is an awful finality about the person who is murdered? I believe this is something that must be considered. I shall take a little different tack from a lot of those who have spoken, Mr. Speaker. I am going to suggest to the government a way to make it possible to bring in the total abolition of capital punishment.

I am against the bill at this time, but that does not mean that this or any other government should not get down to the business of properly organizing the laws of this country and making them work, putting teeth in them, so that we remove the desire of people to commit this type of crime. Then is the time we can talk about the abolition of capital punishment. This is something we must consider.

• (9:40 p.m.)

Before we start to talk about abolishing capital punishment we have to do what the Prime Minister (Mr. Pearson) suggested, and that is make it impossible for persons who are prone to commit murder to have the weapons with which to commit these crimes. We should really put teeth in the law, and say that anyone carrying hand guns unlawfully, or any of these other weapons I have mentioned, receives a mandatory sentence of ten years in prison. The ten year term would be imposed consecutively to any other sentence received. Of course, if the person were hanged first, then he would not have to serve the ten years, so he would get a break that way.

This is one way in which we could make it possible to introduce a bill proposing the abolition of capital punishment; but we surely cannot do that legitimately at this time. We cannot take this course because crime is rampant in this country. One thinks immediately of the inoffensive tailor who was killed in Toronto the other day. The organized crime that is coming into Canada from somewhere certainly does not help the cause of the people who want total abolition of the death penalty. Of course we are not now talking about total abolition. However, if this bill were passed, then the government would come back and want us to vote on total abolition, and probably they would make that stick.

Personally, I think the best way out of this situation would be for the government to withdraw this bill now, before we get a chance to vote on it. In this way, the government would indicate they realize their error in bringing before the house a bill which is not going to do anyone any good. As I have said, the bill just removes protection from the people who need it most. I maintain that policemen, prison guards and the affiliates of these two classes of people have protection. They all go into these positions with their eyes open. They know what to expect, just as members of the Canadian Armed Forces know what to expect. They do not need the

special protection that the ordinary citizen needs who is not permitted to carry side arms. They do not need the protection that the housewives, the corner grocery store operator and all these other people I have mentioned need.

How would one feel if he went home some day and found his wife had been shot? How would he feel if he found her lying on the floor in front of the door, dead, because she refused to buy something from one of these itinerant peddlers with which this country is so full at this time? What would we think if our children were murdered? What would we think of so many of these things? These people do not have the protection afforded to policemen and guards. We are only second class citizens, and the first class people are the ones who have the protection.

This is the way I look at it, and I certainly cannot support this bill as it is now. I do believe, as I have said, this is an excellent opportunity for the government to withdraw the bill and save the minister, the most highly respected in the government, from embarrassment and shame.

Hon. Allan J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, my participation in this debate will be very brief. I understand that there has been a disposition on the part of many hon. members to reach a decision on second reading of this bill today. The hon. member for Kamloops (Mr. Fulton), even though he spoke against the bill and put forward the arguments of those who support his point of view, expressed the wish that a decision could be taken on this bill this evening. We have had very important participation in the debate from all sides of the house. At the same time, in expressing this wish, I do not want to deprive any hon. member at this stage of the opportunity of making any comments.

With this objective in mind, I should like to move, pursuant to section 6 of standing order 6, seconded by the Solicitor General (Mr. Pennell):

That the house continue to sit this day until the motion for the second reading of Bill No. C-168, an act to amend the Criminal Code, be disposed of.

Mr. Churchill: Would you read out the rule, please, Mr. Speaker?

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

Mr. Churchill: Is this the rule, sir, that is adopted by the house unless ten members rise to oppose it? This is what I want to know.

Mr. Speaker: That is correct. The rule to which the hon. Minister of National Health and Welfare (Mr. MacEachen) has referred is standing order 6, subsection (6).

Mr. Churchill: If anyone objects, sir, I think you have then to ask the question, and I object.

Mr. Speaker: The minister, is making his motion, referred to the standing order and hon. members are presumed to know what the situation is. If ten members rise, then of course the question is not put.

And ten members having risen:

Mr. Speaker: The question is not put.

Mr. R. A. Webb (Hastings-Frontenac): Mr. Speaker, my remarks tonight will be very brief.

An hon. Member: They had better be.

Mr. Webb: Why had they better be? We are not yet living under a dictatorship. The first thing I want to say is that this publicizing of a free vote is one of the biggest farces that this parliament has ever seen. I would point out that the Ottawa *Citizen* refers to the fact that only three Liberals split with the party. Now, there was no free vote, Mr. Speaker.

Mr. Speaker: Order, please. I have to remind the hon. member that he cannot reflect on a vote; he can only comment on the matter now before the house, which is the second reading of the bill.

Mr. Webb: Thank you, Mr. Speaker. I cannot help but say to you that there was also a directive sent out to hon. members, and it certainly was carried out this afternoon by the hon. member for Rosedale (Mr. Macdonald), to see how this vote would turn out.

• (9:50 p.m.)

Mr. Macdonald (Rosedale): On a question of privilege, Mr. Speaker, earlier today I indicated that under no circumstances were my inquiries with respect to the question of capital punishment dictated by any person in this party other than myself and my own particular interest in the question. Therefore I do not think the hon. member has any right to suggest, as he has just suggested, that I was in any way participating on behalf of the ministry, and I would ask him to withdraw that allegation.

Amendments Respecting Death Sentence

Mr. Speaker: Order, please. There was nothing unparliamentary in what was said by the hon. member; there is no necessity for him to withdraw. But I would once more remind him that there is a very specific matter before the house, which is an amendment to The Criminal Code having to do, I believe, with capital punishment. That is what the hon. member should discuss.

Mr. Webb: Thank you, Mr. Speaker. The only thing I would ask the hon. member for Rosedale is: To whom was he referring?

Mr. Macdonald (Rosedale): In answer to that question—

Mr. Speaker: Order, please. Is the house ready for the question?

Some hon. Members: Question.

Mr. Webb: No, Mr. Speaker.

Mr. Speaker: Order. The hon. member should make his speech.

Mr. Webb: Thank you, Mr. Speaker. I am sure everyone was impressed this afternoon with the speech made by the hon. member for York-Humber (Mr. Cowan). He gave many examples and statistics, and quoted from the Bible in support of the retention of capital punishment. I should like to ask the minister, for whom I have high respect, why it is that Britain, which has tried abolition, is now asking to bring back capital punishment. The Prime Minister (Mr. Pearson) suggested in his remarks that people who voted for the retention of capital punishment were barbarians. In my opinion those who vote for the retention of capital punishment are more sympathetic to human life than those who vote against it.

My only other point is this. A year and a half ago I visited a prison in which was confined a man and his son who had committed a bank robbery while armed. I visited the father first of all and I asked him: "Why didn't you shoot somebody, since there were seven or eight people in the immediate proximity?" He replied: "Mr. Webb, the only thing that bothered me was that I didn't want to see my son hang. I didn't care about myself, but I did not want my own son to hang". This is the reason I will vote for retention.

Mr. H. W. Herridge (Kootenay West): I shall be quite brief, Mr. Speaker. I rise to speak on this bill as one who believes in the abolition of capital punishment.

[Mr. Macdonald (Rosedale).]

An hon. Member: Let us vote then.

Mr. Herridge: I am going to have my say now. I have listened to the debate with great interest. On the whole I think it was most constructive from both points of view. There is very little left for me to say, except that regardless of the attitude hon. members take on this vote I think we all respect very much the sincerity and attitude of the Solicitor General (Mr. Pennell).

I am opposed to capital punishment for two particular reasons, and this is why I have risen and do not worry, Mr. Speaker, I have my eye on the clock. My first reason is that I am not willing to ask another human being to accept a responsibility that I would not undertake. My second reason is that with regard to the person who premeditates murder I believe a long prison term would be a greater deterrent than to have his life suddenly extinguished. Those who commit murders as the result of crimes of passion, and so on, are the type who do offer some opportunity for rehabilitation. That is all I wish to say, Mr. Speaker.

Mr. J. H. Horner (Acadia): Mr. Speaker, I have been attempting to catch your eye and have my say, as one would want on such a bill, that strikes at the conscience of every member of this house. We realize this subject bothers some more than others, but this being a free vote and we being a democracy I feel I should put forward a few thoughts.

One particular thought that has not been advanced is this. A number of speakers expressed a desire to know why the government had brought in this bill 18 months after the house had ruled decisively against what is proposed in the bill, and had voted in favour of capital punishment as the law now stands. This subject has been discussed and I do not intend to deal with that particular aspect of Bill C-168.

One of the points raised by the Prime Minister (Mr. Pearson) caused me to think a little, and perhaps it is this which has provoked the sentiments I am about to utter. He said that no punishment is a deterrent. He said that in this particular case capital punishment is no particular deterrent. If we are to think for a moment about what constitutes a deterrent, and whether punishment is a deterrent, I think we would find that the real test of a deterrent cannot be ascertained unless that deterrent is carried out fairly and decisively.

The fact of the matter is, Mr. Speaker, that ever since 1961 the deterrent of capital punishment has not been carried out. Therefore, if in five years time we look back and say that the number of murders committed over that period is no higher than the number committed in the previous six years, then I suggest the comparison is not valid, because the deterrent of capital punishment was not exercised during that six year period.

May I call it ten o'clock?

Mr. Speaker: Order, please. Will the minister announce the business?

Mr. MacEachen: Mr. Speaker, we on this side would be agreeable to allowing the hon. member and any other hon. member who might want to participate in the debate to finish their remarks, in the expectation of a vote.

Mr. Horner (Acadia): Mr. Speaker, I thought the house had decided on whether or not it wanted to sit after ten. I do not want to go against the wishes of the house.

BUSINESS OF THE HOUSE

Mr. Starr: Mr. Speaker, before the adjournment motion is put I should like to ask the government house leader what business we will be discussing tomorrow and the early part of next week.

Mr. MacEachen: Tomorrow, Mr. Speaker, we will take the committee stage of Bill No. C-161, an act to establish a department of corporate and consumer affairs; the second reading of the act to amend the Emergency Gold Mining Assistance Act; third reading of the Industrial Development Bank bill; and the resolution stage of the amendment to the Post Office Act. On Monday we shall call a supply motion.

• (10:00 p.m.)

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the house under provisional standing order 39A deemed to have been moved.

VETERANS AFFAIRS—MAINTENANCE OF PREFERENCE IN DEFENCE ESTABLISHMENT APPOINTMENTS

Mr. D. W. Groos (Victoria (B.C.)): Mr. Speaker, the other day, on November 13, I asked the Minister of National Defence whether there had been any change in government policy with respect to veterans preference in the taking on or laying off of hourly paid personnel at H.M.C. Dockyard and other defence establishments. The question was brief and I should have been glad of an answer at that time. In your wisdom you ruled it out of order and so I placed it on the late show. I am grateful for this opportunity to put the question again to the correct minister.

I asked this question because I met a number of men in my riding who had been laid off from the dockyard—as they felt, unfairly. Perhaps I ought to rephrase that. They did not feel they had been laid off unfairly, but they felt that when it came to rehiring time, the veterans preference was not being applied. They understood that this was as a result of a recent directive dating back to the end of last March.

I wonder whether the veterans preference means anything any longer with respect to hourly paid personnel who are employed by this government. I think the veterans preference does mean something; I have always supported it, and I hope this government in its hirings and firings today continues to recognize the service that the veterans did for their country.

Mr. J. E. Walker (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, answering the question of the hon. member for Victoria (B.C.) regarding the government's policy as it relates to veterans preference, I should point out that there are now 25,000 employees who previously were prevailing rate employees, but who now are civil servants, with all the rights and privileges that go with that classification. I should also point out that this transfer was made with the assistance of my minister, the Minister of National Revenue (Mr. Benson), after there had been considerable pressure by and many requests on the part of the prevailing rate employees.

With respect to the regulations of the Public Service Commission, which is an independent body, those regulations which apply to all civil servants now apply at their own request to those who previously were prevailing rate employees and who are now civil servants. I should also say that the retention of all civil servants in times of lay-off is on a merit basis. According to the regulations of the independent Public Service Commission, questions of merit do not take into account veterans preference. Veterans preference is still applicable, as it

has always been applicable, in connection with employment in the public service. But the regulations in connection with lay-offs do not take veterans preference into account. I can only suggest that inasmuch as this whole matter of the public service is handled by the independent Public Service Commission, any further representations in this connection should be made to that independent body.

NORTHERN AFFAIRS—"GRANDE HERMINE"—TRIP TO GASPÉ FOLLOWING EXPO

Mr. J. R. Keays (Gaspé): I am very happy to note, Mr. Speaker, that we now identify the hon. member for Gaspé with the *Grande Hermine*. I rise tonight in consequence of the announcement made by the hon. member for Quebec East (Mr. Duquet) on November 8 under the authority of the Minister of Indian Affairs and Northern Development (Mr. Laing) to the effect that the replica of Jacques Cartier's ship now at La Ronde in Montreal on the Expo site is to be moved to the shipyards in Quebec for protection against ice pressures during the winter.

We are all glad that protection of this kind is to be provided, but I am disturbed by the fact that the hon. member for Quebec East should have been authorized to make the statement he did. It seems the government is now definitely committed to the use of this ship as part of the development of the Cartier-Brébeuf park in Quebec city.

I know that during the summer the minister had an opportunity to visit the beautiful Gaspé peninsula, where I am sure he was able to admire nature at its best and became convinced that we have not forgotten the historic event which happened there with the landing of Jacques Cartier in 1534. I am sure all hon. members believe this event should be commemorated to a far greater extent than it has. We in the Gaspé believe there is now a wonderful opportunity to restore history and place those events in their proper perspective.

I believe no centennial project has caused more controversy among the people of the province of Quebec than the restoration of the ship *Grande Hermine*. Incidentally, I am very happy that the minister is here tonight to reply in person. I strongly hope he will reconsider the decision which has been reached because it does seem to me we are embarking on a dangerous course from a historical point of view, one which is likely to cause a distortion of history. The fact that Jacques Cartier landed at Gaspé deserves commemoration in itself. As the minister heard from the president of our historical society during his visit to Gaspé, there is great danger of our rewriting history and placing Quebec city as the landing place of the great explorer.

• (10:10 p.m.)

Naturally the reasons given are that we are trying to commemorate the first winter spent by Europeans in this land; but it seems to me much more important that we should commemorate the greatest event, which was the discovery of Canada and the landing at Gaspé in 1534. There is a danger that we are going to distort history. I feel the policy of the government should be determined by the facts of history and be conducted so as to avoid its distortion.

I would like to ask the minister how the government can remain indifferent to the appeal of 3 million people from the province of Quebec, how it can remain indifferent to 505 municipal corporations, 79 boards of trade and 13 historical society groups. All of these have appealed to the government to reverse the decision that has been reached. I hope these appeals will have their effect and that the decision will be reversed.

A further reason for reversing the decision is that we do not yet have the appropriate land in Quebec city to receive the ship. Apparently the city of Quebec has not yet given the land to the federal government. When we think of the enormous expense this development is going to incur, possibly in the neighbourhood of many millions of dollars, then for economic reasons also the decision should be reversed.

The provincial government's policies are those of decentralization and the building up of uneconomic regions. If the government reverses its decision I hope there will flow from it to the Gaspé peninsula and the lower St. Lawrence an opportunity for better development of the tourist industry. Sending the ship to this area would benefit the region. I thank the minister for having stayed in the house tonight, and I do hope he will make some encouraging reply.

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development): Mr. Speaker, on rising I first want to compliment the hon. member for Gaspé (Mr. Keays) on his persistence in this matter. He has been faithful and continuous in his representation of the aspirations of the people of Gaspé to receive a recognition, which frankly I believe has been overlooked by the people of Canada, and probably by the province

of Quebec. I wish to put on record that I have not seen an area more capable than the Gaspé of attracting visitors in the numbers that I think we should attract from another country, nor have I seen people as competent as the people there to handle the tourist trade and provide the services which tourists want.

I have advised my own people that I want something done in that area, and that we want as much co-operation as we can get from the province of Quebec. To that end the possibility of a national historic park of some dimensions is under very active consideration. I think we have a considerable amount of support from people of influence in the province of Quebec, and I would hope we could make an announcement in respect of that at an early date. I am sure the hon. member knows there is some commemoration there now of Cartier's visit.

I must say to the hon. member that I indicated to the people of Gaspé, when I was there, that we would not be sending the *Grande Hermine* to Gaspé for the reason that it is not a replica of the ship in which Cartier landed at Gaspé, but a considerably larger ship. We have already removed the *Grande Hermine* from La Ronde area of Expo, and now it is on its way to Davie Brothers shipyards at Levis in the province of Quebec. We have made arrangements for the ship to be berthed at that site for the winter. It is our further intention that the ship be installed at Cartier-Brébeuf national historic park in the city of Quebec, if the city is able to make the necessary arrangements to expropriate the additional amount of land required for this park.

I should like to advise the hon. member that on my behalf I did authorize the hon. member for Quebec East to make an announcement at Quebec city a week ago. I did this for the specific reason that I thought an announcement of this nature might assist us in the negotiations which are taking place between us and the mayor of Quebec city, and his council, in respect of the acquisition of property there.

I should like to congratulate the hon. member for his persistence in this matter and to assure him that we are giving as much consideration as we possibly can to a national historic park in Gaspé. Also I should like to assure him that I deeply appreciate the ability of the people there to provide the kind of service he has in mind.

Proceedings on Adjourment Motion

INDIAN AFFAIRS—INABILITY OF INDIANS ON RESERVES TO OBTAIN ADVANCED TRAINING

Mr. Ed. Schreyer (Springfield): Mr. Speaker, I am glad to see the minister so pleasantly disposed at this late hour. Perhaps he will be as receptive to the matter which I wish to present to him now as he was in respect of the matter raised by the last hon. member.

It is now about three weeks since I asked the Minister of Manpower and Immigration (Mr. Marchand) whether he was aware that many of the residents of certain Indian reserves across the country are finding it much more difficult, if not impossible, to be accepted into the manpower training programs this year as compared to last year. I had thought that perhaps this was the result of a change in policy or a change in the regulations. I have since found out that there has been no deliberate or specific change in the manpower program policy or in the regulations. It seems, however, that there has been a shift in the application or interpretation of the regulations in respect of the manpower training program.

The shift in application has had the result that many residents of the Indian reserves have not been accepted into the various training programs, which at least theoretically are offered and available to them. I refer specifically to level four of program five which is the basic literacy skills upgrading course. Last year when this course was offered on the Indian reserves with which I am familiar there was a fairly substantial enrolment. I am advised by the chiefs and councillors involved that this year if the basic literacy skills course were offered under the aegis of the manpower branch in one reserve alone, for example Alexander, there would be between 40 and 45 local people who would enrol. Apparently, however, they are not being accepted.

In order to give the minister some indication of my understanding in this regard, my information is that they are not being accepted, not because of any change in policy but rather because of a change in the application of that policy; in other words, because of a change in the interpretation given to it by the regional offices and the officers in the field. I am sure the minister is well aware that Indian people, like any other people, would be much more satisfied if they could avoid welfare payments. In this particular instance it seems that there are only two alternatives. They can be accepted into some of these manpower training programs

and thereby obtain a living allowance thereunder while they learn a skill or learn the basic literacy skills. If that is not available many of these people will have to revert to welfare. It is true that adult education programs can be of value to these people, and I know that the department of Indian affairs stands ready to offer adult educational courses. However, there is no provision for living allowances. This means that some of these people by taking advantage of the offer, will have to go back on welfare. They might make more of an achievement if they were able to avoid this and enrol in a skill upgrading course, while at the same time earning a living.

• (10:20 p.m.)

I ask the minister to prevail upon his colleagues to change the situation to that which existed last year.

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development): Mr. Speaker, I want first to thank the hon. member for Springfield (Mr. Schreyer) for raising this matter, which has been discussed on a great number of occasions through correspondence from a number of people in Canada, probably because of the manpower regulations. I have been told that in my own area, in the province of British Columbia, for a period of time we were taking in only about one half the number of Indians we took in last year. No doubt the hon. members question relates to the experience at the Fort Alexander reserve, although we have had complaints from other areas in northern Ontario.

We are dealing here with education in respect of this very difficult part of my responsibility, namely the education of Indians. In this field of Indian Affairs I require the support of everyone in the House of Commons, and so far I have received that support, for which I am grateful.

Let me assure the hon. member that in the general field of education we feel we are doing a very good job at the present time. We now have in federal schools some 32,000 Indians, and 29,000 in non-federal schools, making a total of nearly 62,000. This means an increase from 47,740 to 61,395 in the period 1962 to 1966. There is an increase in enrolment in universities from 131 in 1966 to 240 in 1967. Contrary to the figures presented by the hon. member, we have had an increase in enrolments in vocational schools from 1,234 to over 2,000. There were also some 724 Indians taking upgrading courses in 1966. The budget in 1966 of some $102 million was applied to education to the extent of 50 per cent.

The hon. member has referred to specific problems regarding Fort Alexander Indians. He was concerned about a level four course under the Manitoba system. Because of this situation, in the case of Indians not qualified under manpower, we are prepared to purchase training places for them when they are available. In the meantime, if necessary, we are prepared to set up courses at this level on the reserves, as far as our resources will allow. We will of course purchase wherever possible such courses from the province.

Under the present policy we cannot pay training allowances, as the hon. member pointed out, but students recruited from the unemployed will in most cases, if not in all, be in receipt of welfare at the provincial rates. This does, however, lead to a number of anomalies, such as Indians receiving allowances different from those paid other persons qualifying under manpower. Let me assure the hon. member that we are aware of this situation, and if we can work within the manpower scheme, we intend to do so as quickly as possible. If we cannot, we will find other means of upgrading these courses as far as possible. I thank the hon. member for bringing this matter to our attention.

Motion agreed to and the house adjourned at 10.27 p.m.

HOUSE OF COMMONS

Friday, November 17, 1967

The house met at 11 a.m.

DOMINION-PROVINCIAL CONFERENCE

REQUEST FOR PROGRESS REPORT ON CURRENT MEETINGS

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I wish to direct a question to the right hon. Prime Minister. Will he give us a progress report on discussions with the provinces of his government's austerity program? Can he say, in view of his declared intention to proceed with the medicare program next July 1, whether his government is prepared to give consideration to the situation of Canadians in those provinces that will be unable to proceed with the program next July 1 but who will be required to pay taxes to support the medicare program in other provinces?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, so far as the meeting is concerned the only progress report I can give is that it is proceeding satisfactorily and that discussions are very frank and friendly, as we always say.

Some hon. Members: Oh, oh.

Mr. Pearson: I have had a word with the Minister of Finance, who is chairman of the meeting. The meeting, I expect, will finish today and the minister will be able to make a report which will be a little more than a progress report on Monday, I hope. In making that report I shall call his attention to the question asked by my hon. friend.

Mr. T. C. Douglas (Burnaby-Coquitlam): A supplementary question, Mr. Speaker. Since parliament already has taken a decision with respect to the coming into effect of medicare on July 1, and since there have been some different opinions expressed by provincial representatives about the advisibility of proceeding with the program, may I ask the Prime Minister to give the house his firm assurance that the government will proceed with medicare in conjunction with any provinces that express the desire to go ahead and which comply with the conditions set out in the legislation.

Mr. Pearson: Mr. Speaker, I am not in a position to add anything to what I have said. In this sense we are not making any proposals to alter our legislation, and the legislation does impose certain obligations on the federal government.

Mr. Douglas: A further supplementary question, Mr. Speaker. Since the medicare program is an important part of the government's legislative program may I ask the Prime Minister whether the government is doing anything to persuade the provinces as to the advisability of proceeding with medicare as a forward step in Canada's social progress.

Mr. Pearson: We have had more than one conference, Mr. Speaker, with provincial ministers on this matter. The subject is being examined. It has been brought up at the conference which is going on now and I cannot add anything to what I have said, certainly, until this conference which is now going on has completed its work.

Hon. Marcel Lambert (Edmonton West): In the light of the discussions which have taken place at the conference so far and some of the statements made by provincial representatives, would the Prime Minister not agree that it is now even more imperative to hold a conference with the provinces to establish priorities in connection with expenditures?

Mr. Pearson: This is one of the subjects which is being discussed at this meeting, the question of priorities.

Mr. David MacDonald (Prince): In view of the announcement this morning that the provincial finance ministers are agreeing in some measure to support the federal austerity program, is a certain flexibility being contemplated in order that areas such as the Atlantic region may not be wholly deprived and unemployment there increased as the result of such a program?

Mr. Speaker: Order. I would think the hon. member's question is in the nature of a representation; it is also much too general in character.

Inquiries of the Ministry

WATER RESOURCES

REQUEST FOR STATEMENT ON ESTABLISHMENT OF INVENTORY

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to address a question to the Minister of Energy, Mines and Resources, and I do so at the request of many people in universities and other places. In view of the increasing support for a national water policy and the urgent need for an inventory of Canada's water resources before a water policy can be established, will the minister take the first opportunity to inform the house what progress has been made to date in the taking of an inventory of Canada's water resources?

[*Translation*]

Hon. Jean-Luc Pepin (Minister of Energy, Mines and Resources): Mr. Speaker, in a recent reply to a written question, I reported to the house on this aspect of the water problem, and I also referred to it in recent speeches.

I shall send the hon. member for Kootenay West some material on this question.

SHIPPING

SAGUENAY RIVER—INQUIRY AS TO WINTER NAVIGATION

On the orders of the day:

Mr. Alcide Simard (Lac-Saint-Jean): Mr. Speaker, I should like to put a question to the Minister of Transport.

Can he confirm whether there will be winter navigation on the Saguenay river? If so, will his department provide ice-breakers services to keep the channel open on the river this winter?

[*English*]

Hon. Paul Hellyer (Minister of Transport): I shall take this very complicated question under advisement.

HOUSE OF COMMONS

PRESENCE IN GALLERY OF JAPANESE FOREIGN MINISTER

On the orders of the day:

Hon. Paul Martin (Secretary of State for External Affairs): May I call your attention, Mr. Speaker, and that of all members of this house to the presence in the Speaker's gallery of the distinguished minister of foreign affairs for Japan, Mr. Miki.

Some hon. Members: Hear, hear.

[Mr. Speaker.]

EXTERNAL AFFAIRS

RUSSIAN PROTEST RESPECTING INCIDENT AT OTTAWA EMBASSY

On the orders of the day:

Mr. Howard Johnston (Okanagan-Revelstoke): I wish to address my question to the Secretary of State for External Affairs. Has any reply been sent to the rather stiff formal protest received from the Soviet government concerning the recent demonstration at the Soviet embassy in Ottawa?

Hon. Paul Martin (Secretary of State for External Affairs): It is a fact that the government of the Soviet union did deliver a note to our ambassador in Moscow. I have not had the full opportunity to deal with this aide memoire with the care it deserves and will require, but it does contain one submission with which I wish to deal forthwith. The note contains these words:

> There are all the reasons to state that the preparation and holding of this provocation went on with the obvious connivance of Canadian official authorities.

Mr. Speaker, the record is clear, and has been made clear to the Soviet ambassador in Ottawa, that in no way could it be suggested that Canadian authorities had in any way contributed to the incidents which took place at the Soviet embassy here a week ago. I made a statement in this house. That statement still stands. I expressed regret over the incident. We recognize our obligations under the convention regarding the protection of embassies in our capital, but there is not the slightest basis or justification for the allegation in the Soviet note.

Some hon. Members: Hear, hear.

Mr. Johnston: As a supplementary question, in consequence of serious repercussions from the demonstration, are discussions still going on and can the minister report any progress as to steps that will prevent the recurrence of any such unfortunate incident?

Mr. Martin (Essex East): Yes, Mr. Speaker; we have made suggestions to the civic authorities of Ottawa.

Hon. D. S. Harkness (Calgary North): In view of what the minister has said, is the government going to reject this note in so far as it alleges that these demonstrations were carried out with the obvious connivance of Canadian official authorities?

Mr. Martin (Essex East): I have just indicated that there is no basis for that statement and we will certainly reject that part of the note. The complete formal reply is a matter that I am now considering.

Mr. R. Gordon L. Fairweather (Royal): Mr. Speaker, in his answer the Secretary of State for External Affairs said he had discussions with the police of Ottawa. As a supplementary question I ask what special plans are being made to protect consulates in other Canadian cities; and have discussions been initiated by the hon. gentleman's department toward that end?

Mr. Martin (Essex East): This matter has been anticipated and my information is that in Moscow, for instance, this has been done with the co-operation of the Soviet authorities.

Mr. Fairweather: I said consulates in Canadian cities that are affected.

Mr. Martin (Essex East): Yes, that matter too is covered.

HOUSING

OPPORTUNITY FOR DISCUSSION OF MOTION TO SET UP COMMITTEE

On the orders of the day:

Hon. E. D. Fulton (Kamloops): Mr. Speaker, I would like to ask the right hon. Prime Minister whether his attention has been drawn to notice of motion No. 52, appearing on page 34 of today's order paper, in the name of the hon. member for Gaspé. It requests the setting up of the standing committee on housing to study the whole field. In view of the importance of this subject and the position of this resolution on the order paper, would the Prime Minister consider setting aside some period out of the time normally allotted for government business for debate on this motion, in order that this committee may be constituted at an early date?

Right Hon. L. B. Pearson (Prime Minister): I will look into that matter, Mr. Speaker.

Mr. Reid Scott (Danforth): As a supplementary question, Mr. Speaker, dealing with the setting up of this committee and relating to an answer the Prime Minister gave on November 15 about representatives at the forthcoming federal-provincial conference on housing, in the event that it is possible to set up this committee by the time the conference is held would the Prime Minister give consideration to members of the committee attending the conference in some capacity other than sitting in the public gallery?

Mr. Pearson: Mr. Speaker, I think this conference should be conducted in the normal way applicable to such conferences, and I indicated that yesterday.

TRANSPORT

DISCUSSIONS IN WASHINGTON BETWEEN CANADIAN AND U.S. MINISTERS

On the orders of the day:

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, can the Minister of Transport report to the house on the conclusions of his talks held yesterday with his counterpart in Washington, the secretary of transport?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, there was a most encouraging and worth-while initial contact with Mr. Boyd, the secretary of transport in the United States. What I am now assured of is close personal working relationships with him and maximum co-operation between the two departments which are responsible for similar problems. I think this will guarantee that information from each country is made available to the other, and to the extent that independent research is done we will try to make it as complementary as possible to supplement the knowledge which is already available. I thought it was most worth-while, certainly from our standpoint; I am sure it will assist us in the important work of trying to take on the problem of auto travel safety, and it will also assist us so far as air safety regulations are concerned.

Mr. Grafftey: With the realization that the minister had only a certain amount of time to discuss these matters with his counterpart I should like to ask, as a supplementary question, whether the minister does not now feel, even after the brief discussion with the secretary, that it is more important than ever to develop Canadian standards.

Mr. Speaker: Order. The hon. member is asking for an expression of opinion.

Mr. Thomas M. Bell (Saint John-Albert): Mr. Speaker, may I ask whether the minister had any discussion with his United States counterpart in respect of satellite co-operation, and when we might expect a progress report on this very important matter, certain

aspects of which the committee on transport and communications is now considering.

Mr. Hellyer: There were no direct discussions on that subject, but I can assure my hon. friend that this is a matter which is presently under discussion by the government and that some decision will be announced in the not too distant future.

TRADE

WHEAT—SALES AT LESS THAN MINIMUM PRICE UNDER AGREEMENT

On the orders of the day:

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): Mr. Speaker, I should like to direct a question to the Minister of Trade and Commerce in reference to a recent statement he made to the effect that Canadian wheat would be sold below the floor price of $1.95½ per bushel. Would the minister inform the house whether such sales of wheat have been made, to what countries and under what conditions?

Hon. Robert Winters (Minister of Trade and Commerce): Mr. Speaker, this is the type of information which I do not think it would be in the best public interest to disclose in parliament at this time.

Mr. Rapp: Mr. Speaker, I have a supplementary question. Could the minister answer by saying yes or no?

Mr. R. R. Southam (Moose Mountain): Mr. Speaker, I should like to ask the Minister of Trade and Commerce a supplementary question. In view of the whole situation in respect of the short money supply in western Canada due to loss of markets and low quotas, has the minister changed his mind in respect of the answer he gave me a week ago last Tuesday in respect of cash advances or more money being made available under this legislation?

Mr. Winters: Mr. Speaker, I do not think I should answer this question on the basis of the assertions made by the hon. member. Some of the markets have become stronger in recent weeks. There has been some increase in quotas. The answer to the last part of the question is no.

[Mr. Bell (Saint John-Albert).]

HEALTH AND WELFARE

COMMITTEE CONSIDERATION OF BILLS RESPECTING CIGARETTE SMOKING AND ADVERTISING

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I should like to direct this question to the Minister of National Health and Welfare. Some days ago the minister said that he would report his decision this week concerning the reference of the subject of cigarettes, advertising and health to a committee. Could he make that report today?

Hon. Allan J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, I hope to have a reference sent to the standing committee dealing with the general question which has been raised by my hon. friend.

HIGHWAY SAFETY

REQUEST FOR APPEAL BY PRIME MINISTER FOR OBSERVANCE OF SAFE DRIVING WEEK

On the orders of the day:

Mr. P. V. Noble (Grey North): Mr. Speaker, I should like to direct this question to the right hon. Prime Minister. Would the Prime Minister, our most influential citizen, make an appeal by television to the people of the nation for their effective observance of safe driving week, December 1 to December 7?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I shall be very glad to do that. Perhaps I might associate with myself in that appeal the second most influential man in the country.

FINANCE

NEW U.S. GUIDE LINES ON CAPITAL EXPENDITURES ABROAD

On the orders of the day:

Hon. J. W. Monteith (Perth): Mr. Speaker, I should like to address this question to the Minister of Finance, but I wonder whether possibly the Prime Minister or the Minister of Trade and Commerce might answer it. Has the government been informed of new United States guide lines governing capital expenditures abroad by United States owned companies, as announced yesterday by the United States secretary of commerce and reported in this morning's *Globe and Mail*? What is Canada's reaction to the situation, in view of Canada's protest with regard to the earlier guide lines a year ago and the suggestion that the new move is even more restrictive in its effect?

Hon. Robert Winters (Minister of Trade and Commerce): Mr. Speaker, naturally our reaction is one of regret. We always regret any restrictions on the free movement of goods or capital. We have been in touch with the United States authorities. There is no indication that this new measure will have any substantial adverse effect on the plans the companies have developed. Our own guiding principles, of course, for the operation of foreign owned subsidiaries in Canada are outstanding and there is every indication they are being adhered to.

Mr. Monteith: Does the minister imply that the discussions have taken place since these new United States guide lines were announced as reported in the press this morning?

Mr. Winters: I do not get the implication of that question.

Mr. Monteith: There were new guide lines announced yesterday—

Mr. Speaker: Order, please.

SPORTS

INQUIRY AS TO GRANT TO TORONTO UNIVERSITY HOCKEY TEAM

On the orders of the day:

Mr. Stanley Haidasz (Parkdale): Mr. Speaker, I should like to ask the Minister of National Health and Welfare whether he can inform the house that he has approved a grant recently requested by the intercollegiate athletic union to enable the University of Toronto hockey team to participate in the world student games—

Mr. Speaker: Order, please. I have some doubt as to whether this involves a matter of urgency. If the hon. member feels the information is important and should be given to the house now I have no objection to the minister answering the question.

NORTHWEST TERRITORIES

FAILURE TO APPOINT FRENCH SPEAKING MEMBER OF COUNCIL

On the orders of the day:

Mr. Roger E. Régimbal (Argenteuil-Deux-Montagnes): Mr. Speaker, my question is directed to the Minister of Indian Affairs and Northern Development and relates to the recent announcement of the names of persons appointed to the Northwest Territories council. Will the minister explain his failure to appoint a French speaking member to the council in replacement of Mr. Vallée, who was on the previous council?

[*Translation*]

Mr. Speaker: The question is out of order.

[*English*]

THE CANADIAN ECONOMY

REPORTED REQUEST TO PROVINCES TO REDUCE PRODUCTION

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I should like to direct my question to the right hon. Prime Minister in view of the absence of the Minister of Finance. Is the federal government pressing the governments of British Columbia and Ontario to cut production to help ease the economic crisis, as reportedly indicated by the attorney general of British Columbia?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, we have already brought to the attention of the government of British Columbia that we hoped they would join other governments in this country in exercising financial restrictions during this particular period.

UNITED NATIONS

CYPRUS—INQUIRY AS TO DISCUSSIONS ON SETTLEMENT

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I address my question to the Secretary of State for External Affairs. Has the minister anything to add in respect of the Cyprus situation, in view of the discussions yesterday at the United Nations in which Canada was involved?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I can add nothing more than to say a cease fire was arranged as a result of the efforts of the United Nations force and the officers of the United Nations. This only highlights the importance of the discussions which are taking place between Canada and other countries involved in an effort to reach an arrangement which may avoid these situations.

Mr. T. C. Douglas (Burnaby-Coquitlam): May I ask the minister what progress is

being made toward reaching a political settlement of the Cyprus situation, in view of the fact that it is now some two years since this difficult situation began, and in view of the fact it has been anticipated for some time that the United Nations would press for such a political settlement.

Mr. Martin (Essex East): Mr. Speaker, I cannot say there has been any great progress toward a political solution. The prime ministers of Greece and Turkey and the ministers of foreign affairs of these two countries have carried on exchanges. It would be wrong to say that these exchanges have yielded thus far a political solution.

Mr. Douglas: May I ask if any representative of the United Nations is sitting in on these discussions between the foreign ministers of Turkey and Greece?

Mr. Martin (Essex East): UN representatives did not sit in on these discussions, but of course the United Nations and other countries concerned including Canada are aware of the nature of these exchanges. As I mentioned two or three weeks ago, Canada as a member of the security council is discussing with the Secretary General and other countries concerned some suggestions which might lead toward a solution, if acceptable.

Mr. A. D. Hales (Wellington South): Mr. Speaker, would the Secretary of State for External Affairs indicate whether the cost of maintaining Canadian forces in Cyprus is born entirely by the Canadian taxpayer, or does the United Nations assist in any way.

Mr. Martin (Essex East): Mr. Speaker, I dealt with this question a few weeks ago but the hon. gentleman, because of illness, was away and perhaps my response was not brought to his attention. In answer I would simply say yes. Canada is paying its way except for certain limited contributions that come out of the United Nations voluntary fund. We believe that unfair as this may be, it is our concept of our responsibility in this situation.

CANADIAN POSITION AS TO ADMISSION OF RED CHINA

On the orders of the day:

Mr. Heath Macquarrie (Queens): Mr. Speaker, I have a question for the Secretary of State for External Affairs. It has reference to the question of China's representation in the United Nations, which I understand is to be taken up early next week. Is it the minister's intention to go to New York and promote personally his one China, one Taiwan policy?

Hon. Paul Martin (Secretary of State for External Affairs): As to whether I will be there, Mr. Speaker, that is not settled. But there is no change in the Canadian position from last year.

ADMINISTRATION OF JUSTICE

INTRODUCTION OF AMENDMENTS TO JUVENILE DELINQUENTS ACT

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, I direct my question to the Solicitor General based on an answer given to a question yesterday as reported at page 4330 of *Hansard*, when the Solicitor General indicated that he had circulated a discussion form of bill to the attorneys general of the provinces, also inviting comment from other interested bodies. Will he circulate this document to members of the house, similar to the course followed by his colleague the Minister of Indian Affairs and Northern Development in circulating a like document with respect to proposed amendments to the Yukon Quartz Mining Act?

Hon. L. T. Pennell (Solicitor General): This is a reasonable request, Mr. Speaker, and I shall be glad to see that it is done. There may be a slight delay because we are producing the discussion paper in one our own department and have a limited staff, but I will pursue the matter.

NOVA SCOTIA

REQUEST FOR PROGRESS REPORT ON DISCUSSIONS RESPECTING STEEL PLANT

On the orders of the day:

Mr. Robert Muir (Cape Breton North and Victoria): Mr. Speaker, my question is for the Prime Minister. May I ask the right hon. gentleman whether he is in a position to give the house a progress report—and I should hope it would be a progress report—regarding the meetings he or his cabinet colleagues have held with hon. Mr. Smith, premier of Nova Scotia, with respect to the steel crisis at Sydney.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, my colleagues and I met the premier of Nova Scotia last evening. I had to leave but my colleagues continued discussing matters with him. The premier made a preliminary report to us on the discussions he

had been having with Dosco. Those discussions were to have ended on November 15 but there has been an extension of that time and they are to be resumed on Monday, I believe.

We will keep in touch with him as to the progress these discussions are making, and as soon as they are completed we will be in a position to discuss with the premier the details of what can be done in this very difficult and serious situation.

Hon. Robert L. Stanfield (Leader of the Opposition): A supplementary question, Mr. Speaker. Am I to understand that the government of Canada is leaving it entirely to the government of Nova Scotia to reach a decision on its own, and following that to have discussions with the government of Canada as to what assistance the federal government might provide?

Mr. Pearson: If that were the case, Mr. Speaker, and it is not the case, we would not have been spending hours last night with the premier of Nova Scotia. These discussions with Dosco were initiated by the premier of the province in which the steel company is situated. I think that is the proper way to proceed. We are keeping in touch with him as the discussions go on, and we have assured him of our desire to help in every possible way.

Mr. T. C. Douglas (Burnaby-Coquitlam): A supplementary question, Mr. Speaker. May I ask the Prime Minister whether he or his colleagues have given any assurance to the premier of Nova Scotia that the federal government will be prepared to accept, in principle at least if not in detail, financial assistance to enable the steel plant to continue beyond April, 1968.

Mr. Pearson: Mr. Speaker, this is a very important aspect of the discussions which we are now examining with the premier.

Mr. Muir (Cape Breton North and Victoria): Mr. Speaker, may I ask the Prime Minister whether it is his intention to attend the "Parade of Concern" and assembly to be held at the Forum in Sydney this coming Sunday in regard to the steel crisis, at which time he would be in a position to voice words of encouragement as to what is in the future for those affected.

Mr. Pearson: Mr. Speaker, the government will be represented at this meeting by the Minister of National Health and Welfare, and I have no doubt there will be other members of parliament there.

Mr. Muir (Cape Breton North and Victoria): A supplementary question, Mr. Speaker. In view of the fact that prior to November 8, 1965 the Prime Minister visited many parts of this country, could he not stretch a point and go to Sydney this week end?

CONSUMER AFFAIRS

REQUEST THAT FROZEN FOODS BEAR DATE OF FREEZING

On the orders of the day:

Mr. Max Saltsman (Waterloo South): Mr. Speaker, I should like to direct my question to the Registrar General and ask the minister whether his attention has been drawn to the request of the Consumers Association of Canada asking that the frozen food industry undertake to stamp all its products with the date of freezing, as a protective measure for consumers. If his attention has been drawn to this request, what action does the minister intend to take?

Mr. Speaker: Order, please. I suggest to the hon. member that this question might be placed on the order paper. In any event, I understand there will be discussions about this matter later today.

[*Translation*]

CANADIAN NATIONAL RAILWAYS

PROSPECTIVE LAY-OFFS IN QUEBEC AND MARITIMES

On the orders of the day:

Mr. Albert Béchard (Bonaventure): Mr. Speaker, I should like to put a question to the hon. Minister of Transport.

In view of the massive C.N.R. lay-offs, mostly family heads with several years' service, in the lower St. Lawrence and Gaspé area, would the hon. minister intervene with the C.N.R. authorities and ask them to continue employing everyone and cancel the lay-off notices until such time as a solution has been found which is agreeable to both parties?

[*English*]

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I have already spoken with the management of the company. I would be pleased to do so again. Each time I have urged on them the importance of giving full consideration to the human requirements of their employees.

The basic reasons for these lay-offs I have outlined in the house on previous occasions. I think the best cure is to maintain in the future the level of bulk movements of all kinds which was the case late last year. I think this should be possible in the not too distant future in the normal course, as the projections for bulk movements increase. Unfortunately there may be a short period of time when the activity will not be as high as it was previously, and this does have a serious dislocating effect. I can assure the hon. member that everything I can do will be done, and I shall be glad to again make representations to the management to see that they give full consideration to the needs and aspirations of their employees.

Mr. Thomas M. Bell (Saint John-Albert): A supplementary question, Mr. Speaker. In the minister's discussions with railway officials including, I believe, the president, was he assured that the reasons were as stated and not ones of new policy by management, as has been suggested in the press?

Mr. Speaker: Order, please. I would think this question is argumentative.

[*Later:*]

Mr. J. R. Keays (Gaspé): Mr. Speaker, my question is supplementary to the one put to the Minister of Transport by the hon. member for Bonaventure. In view of the refusal of the C.N.R. to continue the transportation of live chicks to the lower St. Lawrence region, which naturally is of grave concern to our area, would the minister consider making representations to the C.N.R. to revert to this practice so that at least one more employee in the lower St. Lawrence may be provided with work?

Mr. Speaker: Order. The hon. member has made a representation to the minister. I assume it has been noted.

Mr. Keays: Ten o'clock, Mr. Speaker.

NATIONAL PARKS

SASKATCHEWAN—INQUIRY AS TO SECOND PARK

On the orders of the day:

Mr. J. E. Pascoe (Moose Jaw-Lake Centre): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development. The question is urgent because of the need for winter work. Has the minister's department dropped earlier plans for the establishment of a national park in southwest Saskatchewan; and if so, will the minister explain the reason for this change in plans?

Mr. Speaker: Order, please. I do not think this can be asked as an oral question. If the hon. member believes it is urgent he can give notice for consideration of the matter at the time of adjournment.

Mr. Pascoe: With all due respect, Mr. Speaker, I emphasize that it is a question of winter work out there.

Mr. Speaker: Order, please. The hon. member realizes that the matter can be discussed within a few days at the time of adjournment.

CANADIAN FILM DEVELOPMENT CORPORATION

INQUIRY AS TO ESTABLISHMENT AND OPERATION

On the orders of the day:

Mr. David MacDonald (Prince): Mr. Speaker, my question is to the Secretary of State. Three quarters of a year ago this house approved a bill establishing the Canadian Film Development Corporation. I wonder, in view of the passage of this length of time, when we might expect the government to set up this corporation.

Mr. Speaker: Again I doubt whether this is a matter of urgency. We have already waited a few months, and we might wait until the hon. member receives a reply if he places his question on the order paper.

Mr. MacDonald (Prince): On a point of order, Mr. Speaker, I realize that it may not seem to be a matter of urgency to the government, but it is certainly a matter of urgency to many people in the country. A month ago the minister indicated to me in the house—

Mr. Speaker: Order, I am not saying it is not a matter of urgency. I suggest to the hon. member that the question could be put on the order paper.

Mr. MacDonald (Prince): On a point of order, Mr. Speaker, a month ago the minister stated, in response to a question of mine, that within a week the establishment of such a corporation would be announced. After the passage of a month I wonder if she has that answer available.

Hon. Judy V. LaMarsh (Secretary of State): Mr. Speaker, all I can say is "The best laid schemes o' mice and men, gang aft a-gley".

POLLUTION

FEDERAL REPRESENTATION AT PROVINCIAL CONFERENCE IN TORONTO

On the orders of the day:

Mr. H. E. Gray (Essex West): Mr. Speaker, I have a question for the Minister of National Health and Welfare. Yesterday, in answer to a question of mine, he informed the house that federal officials had not been invited by the Ontario provincial government to attend the conference on pollution which is to be held between December 3 and December 5 in Toronto. In view of the urgent need to continue active co-operation between these two levels of government, would he advise the province of Ontario of the availability of his officials to work with the provincial officials on this matter?

Mr. Speaker: Order. The hon. member has made his representation to the minister.

Mr. Gray: Ten o'clock, Mr. Speaker.

ADMINISTRATION OF JUSTICE

REQUEST FOR DEFINITION OF TERM "LIFE IMPRISONMENT"

On the orders of the day:

Mr. D. V. Pugh (Okanagan Boundary): Mr. Speaker, may I ask the Solicitor General a question on the phrase "life imprisonment"? I would ask the Solicitor General whether legislation is being prepared to amend and define "life imprisonment" and parole in respect thereof.

Mr. Speaker: Order, please. I have the impression that this matter has been discussed in the house during the last few days, and I wonder whether it might not wait until next week when the general matter is again before the house.

STEVEN TRUSCOTT—CONSIDERATION OF GRANTING OF PAROLE

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Solicitor General. My question is supplementary to an answer to a starred question which he gave two days ago.

In view of the fact that many persons who have been sentenced to life imprisonment have been paroled after serving fewer than ten years, and in view of the fact that the length of time in prison before parole is determined by the governor in council, will the government reconsider the case of a parole for Steven Truscott?

Hon. L. T. Pennell (Solicitor General): Mr. Speaker, I believe the decisions in the cases referred to by the hon. member were taken prior to the change in the regulations under the Parole Act. Therefore the circumstances which now apply to the Truscott case did not apply at the time the earlier decisions were taken.

Mr. Knowles: Ten o'clock, Mr. Speaker.

Mr. D. V. Pugh (Okanagan Boundary): I have a supplementary question Mr. Speaker. I think now my question might well be in order and the Solicitor General would be prepared to answer it. It relates to the definition of the term life imprisonment. Can the minister tell us whether there is any legislation in preparation with regard to this matter?

Mr. Pennell: Mr. Speaker, I am groping in my mind to recall the question posed by the hon. member. I believe it referred to the length of life imprisonment and the matter of parole. In the case of capital murder every person serving a sentence of commuted life imprisonment for capital murder may have his case reviewed at the end of ten years in prison. At that time if the parole board, after reviewing the case, does not recommend a parole the matter ends there; but if it does approve it the matter is referred to the governor in council, which has the ultimate decision.

Mr. Pugh: May I ask, Mr. Speaker—

Mr. Speaker: Order, please. I suggest respectfully to the hon. member that my accepting the question of the hon. member for Winnipeg North Centre, which dealt with a specific case, does not mean the hon. member's own question is in order. I have allowed it, but I point out to the hon. member that this is a matter which we have been discussing and will continue to discuss next week.

GRAIN

REQUEST FOR INCREASE IN CASH ADVANCES

On the orders of the day:

Mr. Ed. Schreyer (Springfield): Mr. Speaker, perhaps the right hon. Prime Minister could reply to my question in the absence of the Minister of Trade and Commerce. I should

like to know whether the government is continuing to give consideration to the advisability and feasibility of increasing the amounts available under the cash advance legislation, or whether the government has made a determination not to increase the amounts.

Mr. Speaker: Order. I doubt that this can be asked as an oral question at this time. I suggest to the hon. member it should be placed on the order paper or discussed at the time of adjournment.

[*Translation*]

INDUSTRY

QUEBEC—RURAL DEVELOPMENT FUND ASSISTANCE FOR SIDBEC DEVELOPMENT

On the orders of the day:

Mr. Auguste Choquette (Lotbinière): Mr. Speaker, I would like to direct a question to the Minister of Forestry and Rural Development.

Both the Quebec premier and the leader of the opposition in the Quebec legislature have issued statements with respect to a steel-works development project in Bécancour. Now, is the minister in a position to reply to the question I put on the order paper some time ago, namely, have Sidbec officials applied for ARDA funds toward the development of a steel complex in Bécancour?

Mr. Speaker: Order, please. The hon. member has just stated that this question was put on the order paper. I would think that the hon. minister, if he wishes to reply, would do so by placing his answer on the order paper.

[*English*]

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. George Muir (Lisgar): Mr. Speaker, I have a question for the Minister of Trade and Commerce. I am sorry he has had to leave the chamber, but perhaps my question can be taken as notice. In view of the very serious labour situation which is developing in the transport industry, particularly on the railroads, I wonder whether the minister can assure us that large sales of wheat will be made shortly in order to improve this situation.

Mr. Speaker: Orders of the day.

[Mr. Schreyer.]

CORPORATE AND CONSUMER AFFAIRS

PROVISION FOR ESTABLISHMENT OF DEPARTMENT, APPOINTMENT OF PERSONNEL, ETC.

Hon. John N. Turner (Registrar General) moved that the house go into committee to consider Bill No. C-161, to establish a department of corporate and consumer affairs.

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

The Chairman: House in committee of the whole on Bill C-161, to establish a department of corporate and consumer affairs.

On clause 2—*Minister defined.*

Mr. Gray: Mr. Chairman, when this bill was being considered by the house during the second reading stage I suggested to the minister that it appeared from the wording of the bill, and more particularly from the minister's own remarks in support of it, that the primary purpose of the new department would be to serve the consumer interest. I said this was the primary reason for including under the jurisdiction of the new department a number of business regulatory functions. It appeared from the minister's remarks that the regulatory functions were included to help protect the consumers.

I therefore suggested to the house that in view of this fact it would be appropriate to change the name of the department so it would be called the department of consumer and corporate affairs instead of the department of corporate and consumer affairs. I said to the house that I would be prepared to propose an amendment to achieve this change so as to indicate to the public at large that the government, through the creation of this new department, will exercise its jurisdiction as fully as possible to serve the interests of the consumers of this country.

It is obvious that all of us are concerned about the rise in prices and inflationary pressures. Certainly, as the minister pointed out, he does not have within his immediate personal control the principal levers of fiscal and monetary policy. But I think it is clear that if the authority given to this new department is used creatively and constructively it can do much to ensure that the dollar earned by the citizens of this country will go as far as possible and that this department will have an effective role in dealing with the cost and price spiral which concerns every one of us today. I therefore move, seconded by the hon.

member for Hamilton West (Mr. Macaluso) with respect to clause 2:

• (11:50 a.m.)

That Bill C-161, to establish a department of corporate and consumer affairs, be amended by substituting for the words "corporate and consumer affairs" in clause 2 thereof, the words "consumer and corporate affairs".

For the convenience of the Chair I would indicate that I am prepared to move similar amendments with respect to each clause of the bill where such an amendment would be appropriate to effect the change I have mentioned, to make sure that the word "consumer" comes first in the name and activities of this new department.

Mr. Nielsen: Without intending any refletion on the Chair, I wondered at the departure from the common practice of recognizing first a member of the opposition when we begin discussion of any piece of legislation in the committee stage. It becomes obvious from the amendment why this should have been so. The minister sits there obviously satisfied with the amendment advanced by his colleague.

Mr. Herridge: It is a good amendment.

Mr. Nielsen: The amendment is as phony as the bill.

An hon. Member: Listen to this.

Mr. Nielsen: It is a dead give away. During the debate on the resolution stage we said this bill was a mere sham. We said the purposes intended by the provisions of the bill could have been accomplished by incorporating into the ministerial functions of the Registrar General the provisions of clause 6 of the bill, because that clause is the only legislation that is new. Now we have a dead give away of the emptiness and sham of this legislation, and of the whole idea of cloaking the minister in some kind of white knight armour so he can ride to the aid of the consumer. As I say, the amendment is as phony as the bill is phony.

Mr. Macaluso: The hon. member ought to know about phoniness.

Mr. Nielsen: Does the hon. member wish to rise in his seat? From what I have heard in this house he is a greater expert than any other member in phoniness.

Mr. Macaluso: On a question of privilege, I do not object to being called an expert. If the hon. member wishes to make a charge of phoniness against me I can do likewise against him. I ask him to make his charge at the present time or to withdraw his statement right now. I ask him, Mr. Chairman, to withdraw his statement.

An hon. Member: Sit down.

Mr. Nielsen: This spurious question of privilege, is as phony as the amendment. Changing the name of the department by reversing the order, in the name, of "consumer" and "corporate", does nothing. What kind of emptiness are we being asked to swallow by this sort of manoeuvre? Is the government doing it because it feels it was hurt at the resolution stage by remarks such as those that were made by the hon. lady in the N.D.P. who took part in the debate? Is it because of that kind of criticism that the government has done this? Does it think the amendment will gain for the department greater acceptance on the part of the public and give the minister, perhaps, a slightly shinier image? Is that why they are reversing the order of "consumer" and "corporate" in the name? The amendment is phony. It is empty.

Mrs. MacInnis (Vancouver-Kingsway): Mr. Chairman, of course we shall support this amendment because for some time we have wanted to emphasize the importance of consumers; by changing the name of the department we do not believe there will be any change in the intent or content of this bill. After all, a rodent exterminator is still a rat catcher. This bill to set up a department of corporate and consumer—or consumer and corporate—affairs is still what it was; its provisions have not been changed, and I have not heard of any amendment which will remove the sort of woolliness and vagueness that its provisions contain.

I believe the minister is alarmed because he has aroused such high hopes across the country about what this bill is to do. Speaking at Antigonish the other day he said, in part that the poor include the aged on fixed incomes, farmers with insufficient land or resources, low wage earning urban dwellers, members of minority groups and the regionally depressed. One of the purposes of the new federal department of consumer and corporate affairs is to bring aid and legislation to this field, he said.

The newspaper report of his remarks has already made the change in the name of the department. It refers to the department of consumer and corporate affairs. I suggest that even at that time, when making the

remarks I have just alluded to, the minister had decided that it would be sensible to change the name of the department, and no doubt he asked one of his supporters to bring forward the amendment in order that the consumers of the country may have predominance in the title of the department.

Mr. Gray: On a question of privilege, Mr. Chairman, may I point out to the hon. member that in concluding my remarks when speaking on second reading I indicated that I, myself, intended to move such an amendment. I hope the hon. lady will keep that in mind.

The Chairman: Order, please.

Mrs. MacInnis (Vancouver-Kingsway): I did not say when such an understanding was reached. It may well be that two minds on the government side had the same thought at the same time.

Mr. Gray: On a further question of privilege, Mr. Chairman, so far as I am aware I initiated this concept at this time.

The Chairman: Order, please. There is no question of privilege.

Mrs. MacInnis (Vancouver-Kingsway): The point is that the consumers of this country are beginning to demand that something be done under this bill. We hear frightening forecasts of what is to happen to the cost of living in the coming year. The Canadian Manufacturers Association says that the consumer price index, which in October of this year stood at 150.7, will go up to 154.8 by the middle of next year and that prices are to increase by an average of 5 per cent. Consumers are aware of what is happening, and they expect the minister to put real teeth into the bill.

Consumer protest associations from Montreal and Toronto have tried to approach the minister. I know the Montreal delegation was not successful in seeing him; I do not know what happened to the Toronto delegation. I do know that many other delegations from other parts of the country will come here and attempt to approach the minister.

In my remarks I shall talk about that part of the bill which affects the consumer. The other part also is important, but that will be dealt with by other members who will speak after I have spoken. We in this party have little quarrel with the provisions that are in this part of the bill. Our quarrel is that so much is left out. As a matter of fact, these things in the bill were recommended by the consumer affairs committee. Our quarrel is with what is not in this bill.

• (12 noon)

What are the areas in which consumers need protection? Briefly, they are four—safety and quality, packaging and labelling, information and the cost of living. So far as the first two are concerned, they are looked after fairly well in the bill.

This is because the functions of consumer protection governing these matters are, with the exception of the food and drug directorate, being transferred to this department, and over the years, I must admit, an increasing amount of protection has been afforded by the government in this direction. I do not mean that consumers can afford to go to sleep. They cannot. But I do feel these matters are under control.

I wish to turn now to the other two areas, information and the cost of living. I wish to say plump and plain with regard to the cost of living that the consumers of this country are not going to get any special protection under this bill as now drafted unless real teeth, real muscle power which is not there now, can be put into it. I know that in *Canada Month* a few weeks ago the minister was warning us: "Until I have the muscle I don't want to talk too much; I am a weak department; I am the low minister on the totem pole." I suggest there are ways of being a higher minister on the totem pole and of getting more muscle into this bill. Before we have finished we in this party want to suggest ways and means of muscling the minister; I do not say "muzzling" the minister because we do not want to do that. But we want to muscle him to match his words when out on the hustings.

I do not want to see him fall into the category mentioned the other evening by the hon. member for Grenville-Dundas in her eloquent speech who referred to his performance as being all things to all men. I feel that strengthening his position would make it not all things to all women but to all consumers. Of course, a great many consumers are women. We know that according to a recent Gallup poll 45 per cent of the responses which came in put the cost of living as the most important aspect of consumer protection. In comparison, the other matters were very small indeed.

The minister has not been too forthcoming on the question of the cost of living. He was asked, again in *Canada Month*: "What does the N.D.P. want?" He said it wants consumer

programs with teeth; it wants a prices review board. Then we read: "But", says Turner with justifiable triumph, "where is the constitutional authority for that?"

The women who were here the other day said in their brief that if there is no possibility of getting federal action in co-operation with the provinces on this important matter of the cost of living, what in the name of time is the sense of setting up a federal consumer department? If the consumer department is not prepared to deal with the cost of living in any substantial way, what is the use of having such a department? I suggest to the minister that at this stage he must make a decision. Either he must put teeth into this department so it can deal with the cost of living or he must quit pretending that this is a consumer protection department in relation to the cost of living. I think these women were right when they said toward the conclusion of their brief:

> In closing, the onus of proving that prices are exorbitant, and business practices in the retail food and retail drug companies corrupt, should not fall on the shoulders of the housewife. These essential items must be made available to all citizens at a price they can afford to pay.

This is exactly where these women are right, and before we are finished with this debate we shall make our proposal again to establish in this department a prices review board which will be able to take a long look at exorbitant prices, bring offences into the light of publicity and take whatever appropriate measures are required to hold the line in the essentials of life the consumer needs.

The whole committee was concerned about this question in various ways and I think it is time the minister grasped the nettle or told the consumers frankly: I shall not be able to do anything substantial about the cost of living. If he would come out frankly and tell them that, they would know they would have to turn some place else. The consumer is being conned if the bill is left as it is.

The minister is shaking his head and I know he wishes it were different, but changing the name of the department is not going to do anything to put real teeth in this bill.

Now I wish to turn to the other area which is not provided for adequately in the bill and that is the question of giving information. In the committee we were strongly impressed by the role which big advertising plays in raising the prices of goods to the consumer. This is what the committee said on this point:

> A considerable volume of evidence was accumulated by your committee on the economic and other effects of commodity advertising. There is clearly a wide spectrum of opinion on the social benefits of advertising and on the impact of advertising expenditures on the cost of consumer goods.
>
> Although it does not wish to make any recommendations respecting the control of advertising expenditures, your committee was concerned about the volume of advertising whose sole or primary purpose is to create consumer preference for a particular brand of some staple product on the basis of trivial variations.

The minister has also been showing concern about advertising. He has been talking about the need for protecting the consumer on various fronts. But I do not believe he can have expected the results he got the other day when the president of Canada's largest advertising company turned on him and bit him in a very sensitive spot indeed. I quote from the *Globe and Mail* of November 1:

> The president of Canada's largest advertising agency has accused John Turner, Registrar General, of making confusing and contradictory attacks on advertising.
>
> George Sinclair, president of MacLaren Advertising Co. Ltd. of Toronto, said in a speech at London, Ont., that Mr. Turner and other critics of advertising argue that much advertising is useless, that a more discriminating public no longer believes it, and that many people are repelled by it.
>
> Yet at the same time, Mr. Sinclair said, these same critics argue advertising is so powerful it has enabled big business to dictate the tastes and mores of society.
>
> "We are, then, useless and powerful at one and the same time." After these inconsistencies, Mr. Sinclair continued, Mr. Turner "informs us there has been little investigation as to the function of advertising, but that the power of advertising is undisputed."
>
> The critics of advertising are not interested in strengthening democratic institutions but want to substitute a new elite of academics and thought leaders to "control the quality of North American life through state planning."

• (12:10 p.m.)

I want to say that I see nothing contradictory in the minister saying in one and the same breath that the public no longer believes the claims of advertising and that advertising has enabled big business to dictate the mores of society. I believe those two statements are true and that there is no contradiction in them. In being made the object of this attack, in my view the minister has received the biggest compliment of his career to date because he has been attacked by one of those elements which have raised and are now raising the cost of goods to the consumer.

I hope the minister will show his willingness to accept the amendments that we are going to propose. In the way he administers

the new department as time goes on I hope he will also show he is worthy of the attack which was made on him by the advertising industry because it is afraid he may champion the well-being of the consumer. That is why members of the advertising industry turned and bit him. They are not sure yet whether he is on their side. I only hope he realizes that he cannot be on both sides of the fence at the same time. He has to decide whether he is going to support these big advertisers or whether he is going to support the consumers and see that advertising is kept within bounds.

Should the minister be in any doubt about whether or not advertising can be kept within bounds, and if he is really anxious to launch the type of program that some of us in the committee were anxious to see, I wish to tell him that he has a model already at hand. All members of the committee did not agree on what should be done about advertising, but we did agree that it raised prices to the consumer. Some of us felt that curbs should be put on advertising and were prepared to so propose. Others felt that the least which must be done is to give the consumers full information about the kinds, brands and values of the goods they buy.

Mr. Allmand: Would the hon. member allow a question?

Mrs. MacInnis (Vancouver-Kingsway): If it is not too long.

Mr. Allmand: The hon. lady has said that in the committee we found that advertising contributed to raising the prices of goods. Where does she find in the report of the committee that advertising contributes to increases in price?

Mrs. MacInnis (Vancouver-Kingsway): I pointed it out before and I will do it again. Here is what the committee said:

> Although it does not wish to make any recommendations respecting the control of advertising expenditures, your committee was concerned about the volume of advertising whose sole or primary purpose is to create consumer preference for a particular brand of some staple product on the basis of trivial variations.

Earlier the committee said:

> There is clearly a wide spectrum of opinion on the social benefits of advertising and on the impact of advertising expenditures on the cost of consumer goods.

Mr. Allmand: That is not the same thing.

Mrs. MacInnis (Vancouver-Kingsway): And we also had a man from Western Grocers who said in answer to my colleague, the hon. member for Waterloo South:

> You have given a perfect exposition; everybody does it and it is economic waste. If one man does it and gets away with it he can make money and sell goods cheaper.

Mr. Allmand: The hon. lady did not answer my question. The statement she read did not say that advertising had increased the cost of goods.

Mrs. MacInnis (Vancouver-Kingsway): I am sorry, but what the committee said about the impact of advertising on consumer goods is answer enough for me.

Mr. Knowles: Does the hon. member think that advertising does not increase the cost?

Mr. Gray: May I ask the hon. lady another question?

Mrs. MacInnis (Vancouver-Kingsway): Not now. Wait until I have finished and then I will be glad to accept your question. My thread of thought is not as solid as the threads of some other people around here and sometimes it gets broken. I do not want it broken at this stage of my remarks.

I will hedge my statement very carefully by saying that all the members of the committee were not in favour but most of us who made the trip across Canada were convinced that there was a great need for programs during prime radio and television time to give the consumer full information about the pitfalls and the value of the article he or she was buying. If the hon. member for Notre-Dame-de-Grâce wants to opt out of that, please let him do it at the end of my speech.

Mr. Allmand: I agree with that point.

Mrs. MacInnis (Vancouver-Kingsway): A television program has already been launched in the United States by what is known as the Public Broadcast Laboratory. It is a two-hour Sunday night news and cultural program. It began on November 5 and is financed with the aid of a $10 million grant from the Ford Foundation. In the course of the series it is going to present a program examining the credibility of commercials, just the sort of thing our committee was talking about, the credibility of advertising.

On the first show two commercials were shown, one dealing with aspirin and the other with one of the new long cigarettes. The first commercial was designed to inform consumers that all brand name aspirin on the

market contains the same ingredients as aspirin that can be bought under drugstore labels at a fraction of the cost. It showed a man shaving in his bathroom, when a voice said to him, "Oh George, have you got a headache?" "Yes," he said, "these commercials always give me a headache." "Have you any aspirins?" asked the voice and George replied, "Yes, I have got all kinds, every possible kind you can imagine in the medicine cabinet." He went on to mention Anacin, Bufferin and all the other kinds of well advertised aspirin. The commercial ended by pointing out that all these had the same kind of ingredients as the drugstore label aspirin which is much cheaper.

In the second commercial a pretty young girl is offered a cigarette. She breaks it in two, commenting, "This has a far larger proportion of noxious tars in it than the smaller cigarette." This is the sort of program that would be of value in protecting consumers, and I suggest to the minister that he give serious consideration to launching programs of this type.

The minister cannot dodge this issue. He has to make up his mind now whether his department will be one that will genuinely protect the consumer or whether it will be a piece of window dressing to hide from the consumer the fact that he is being given no protection against a rising cost of living and that no such protection is being planned. There is no half way house about it. The consumers are not going to be put off merely by a change of name, even though I must say the change of name is welcome to us. I only hope this is not going to prove to be a case of a bill that failed to protect the consumers.

Mr. Gray: Would the hon. lady answer my question now? I apologize for interrupting her remarks earlier. Is it not a fact that the actual recommendation or comment of the consumer committee to which she has referred did not condemn all advertising but only certain types of advertising, a comment with which I am in agreement? Furthermore, is she feels that all advertising is deserving of condemnation how is it that co-operatively owned businesses, which are so active in this country, advertise so extensively?

• (12:20 p.m.)

Mrs. MacInnis (Vancouver-Kingsway): I think the hon. member is quite correct in saying that there were much greater stricture put on some types of advertising than on other types, particularly the competitive advertising of commodities where the difference was practically non-existent or trivial. However, it was brought out in the committee that large scale promotion and advertising do raise the cost of goods to the consumer. In fact, I myself brought out in questioning that in the ultimate analysis the cost of advertising and promotion is and must be passed on to the consumer. This is why some of us feel measures should be taken to examine advertising and curtail any unnecessary expenditures. I think a great deal of the advertising now considered essential might very well prove not to be so, at least, to anything like the extent that exists at the moment.

Mr. O'Keefe: Reluctantly, Mr. Chairman, but accurately, I must admit that I am at least in partial agreement with my hon. friend from Vancouver-Kingsway. There are abuses in advertising. I believe, however, that on balance a case can be made, and a very strong one, that in effect advertising does not increase prices but in fact reduces them.

As one of the representatives of Canada's only overseas province I welcome this legislation. I am happy that this government, which cares about people, has taken this step.

Mr. Cowan: May I ask the hon. member a question?

Mr. O'Keefe: Mr. Chairman, I would be happy to accept a question when I am finished; I dare not interrupt my train of thought at the moment.

Mr. Cowan: Is not Labrador part of Canada?

Mr. O'Keefe: Labrador is part of Newfoundland. It was brought back to Canada by confederation and is one of the gifts Newfoundland gave Canada for which we were never properly thanked.

I am also happy, Mr. Chairman, that a man of energy, dynamism and ambition is to head this department. One of the problems in Newfoundland, if I may be provincial for a moment, is the very high cost of living which in turn is affected by freight rates. I make a strong distinction between cost of living and quality of life. I think we have the quality of life, but the cost of living seems to be just too much.

It might be pertinent here to recall the opinions offered by the Newfoundland royal commission on transportation, whose report was presented about a year and a half ago.

In one section they pointed out that with the advent of confederation Newfoundland, which once dealt with England and the United States, became a captive market for Canada. In passing, Mr. Chairman, may I mention the fact that if you think of Newfoundland as a separate country and not as a province of Canada, Newfoundland would be Canada's third best customer. Only the United States and Great Britain buy more from Canada than does the province I represent.

Confederation also gave the province a freight rates structure not related to mileage or the cost of the services performed. This structure, said the report, was predicated upon the constitutional advantage created by confederation in favour of the mainland maritimes region, and it also provided a system tied to social need rather than economic reality. The effect on transport between Newfoundland and mainland Canada was serious. It gradually resulted in the elimination of most of the traditional water carriers who could not compete with the railway rates. It has been noted through the years how the C.N.R. reduced its rates in summer when there was direct shipping from Montreal and then raised them in winter when the St. Lawrence closed.

The report of the MacPherson federal royal commission on transportation recommended that the mainland maritime structure be altered by imposing rates related to the cost of operation. But MacPherson made special recommendations that the Newfoundland structure remain intact. I hope this will be the case.

This new department is concerned with both corporate and consumer affairs. The inclusion of the term "corporate" in its title should not, however, mislead the public into believing that the protection of the consumer interest will be a subordinate consideration. The department will in fact be heavily consumer oriented. The relationship between the corporate function and the consumer is obvious because the two are closely interrelated.

Let me try to show, Mr. Chairman, one or two ways in which the new department will have the power to act, and under this minister I know the power will be used, with discretion of course and always with justice.

Many of the recommendations of the joint committee on consumer credit and the cost of living relate to fields which fall within provincial jurisdiction. I am happy to hear that the minister has announced his intention of visiting all provincial capitals to discuss with the provincial authorities a number of pressing consumer problems, along with finding possible solutions to them. It is the hope of the minister, and it is certainly my hope, that this will facilitate his being in a position to ensure that consumer protection is effectively co-ordinated throughout Canada.

One of the most important areas which now need federal-provincial co-operation, in my opinion—indeed, very close co-operation is required—is the acute problem of consumer credit. I should like to deal briefly with the specific subject matter of the problems confronting consumers in relation to credit. The five main problems in this regard, as I see them, are as follows. First of all, there is inadequate knowledge of the cost of credit from various institutions. Second, there is the high cost of credit. Third, there are unfair clauses in conditional sales contracts. Fourth, there is unwise use of credit. Fifth, there is the problem of the refunding of credit cost on prepayment of debt.

How are these problems to be dealt with? Dealing first with disclosure requirements, many provinces—I think most of them—have legislation requiring disclosure of credit costs in prescribed ways, including disclosure of credit costs on revolving charge accounts. The Bank Act and regulations thereunder now require disclosure by the banks of the cost of credit. The provinces and the federal government have co-operated in efforts to make this legislation uniform so that more meaningful comparisons may be made by credit users. The new department will seek to ensure that this co-operation is strengthened and the activity intensified.

The second problem I mentioned is the high cost of credit. Only under the Bank Act, the Small Loans Act, and certain provisions of the Quebec civil code are there limits put on credit costs. In other cases creditors are free to set the cost of credit at a rate which is subject to negotiation. A borrower who is a good credit risk, in comparison with a poor credit risk, will receive a much more favourable rate. One justification for this is that the cost to the lender of administering the loan to the good credit risk may be considerably lower than the cost that may be incurred in administering loans to poor risk borrowers.

Several of the provinces now have unconscionable transactions relief legislation under which relief may be sought from excessively high interest rates. The new department, as I have already mentioned,

will be seeking to augment this protection through action under the Small Loans Act.

The third problem I referred to concerns unfair clauses in contracts. In almost all conditional sales contracts to be assigned by the original vendor to a finance company, there are the following clauses. For example, there is a clause which provides in effect that the goods are not covered by any warranty. Second, there is a so-called cut-off clause which provides that the finance company is not to be affected by equities between the seller and buyer. Third, the buyer is required to sign a promissory note for the amount due under the agreement, and this is a separate, absolute unconditional obligation to pay the purchase price and carrying charges.

I believe clauses of this type should be outlawed. Without these special clauses the law would impose an obligation on the seller to give reasonable satisfaction and, if he failed to do so, the buyer would not have to pay. With these clauses, however, the buyer's obligation to pay is absolute and unconditional and the seller is relieved of the obligation even to supply goods of adequate quality. There is no legislation which prevents the inclusion of these clauses in conditional sales contracts. At present, as we know, it is a case of the buyer beware. The new department, through liaison with the provinces, will seek to remedy this deficiency.

The fourth main problem has to do with the unwise use of credit. A by-product that can be expected as a result of the disclosure legislation is a wiser use of credit. People who are aware of the cost of borrowing may think twice and may borrow up to the limit set by their income rather than beyond and sometimes, to my knowledge, far beyond. I am told that in metropolitan Toronto there is a credit counselling service which is sponsored by the federal government, the provincial government and through private donations. Generally speaking, however, debt counselling is done by lending agencies which are not entirely disinterested in this matter. There is no doubt that the consumer interest can be afforded greater protection in this area through, among other things, consumer education, a matter which will be receiving high priority in the new department.

The fifth point is in respect of the refund of credit costs on prepayment of debts. It has been the common practice in respect of prepayment of debts, where this is permitted by the contract, to reimburse the borrower somewhat less than what he would consider to be a fair proportion and, in some cases, a great deal less. Some of the disclosure legislation which is now in effect requires disclosure of prepayment refund calculations at the time the contract is made. This, undoubtedly, is another field in which greater liaison between the provincial and federal authorities could serve to enhance further the protection of the public interest. The interest of the consumer is and will continue to be the main concern of the minister and the new department. Indeed, it will be the continuing concern of all thinking Canadians, including the representative of St. John's East in Newfoundland.

Mr. Saltsman: Mr. Chairman, I should like my first words to be those of congratulation to the new minister. I wish him well in his position in which he has a very great responsibility to the consumers of this country. We know he is being groomed as the white-haired boy for the Liberal leadership. I believe all of us would suggest that his prospects in this regard are tied in with the success he may have in administering this department and with the satisfaction the consumers of Canada will derive from his ministry.

There is reason for disappointment in respect of this legislation. As my colleague, the hon. member for Vancouver-Kingsway, pointed out, it is not so much what the bill says that is important but rather what the bill has omitted, namely, the teeth necessary to make this legislation effective.

The committee on consumer credit probably was one of the outstanding committees which has been set up by this House of Commons in a long time. Other committees have done effective work, but I like to think that this committee did a great job. I should like to congratulate the joint chairmen and all the members of the committee from all parties for the good work done by the special joint committee on consumer credit. The report of the committee containing its recommendations was hardly a radical document. It was valuable, however, in terms of establishing the idea that from now on the interests of the consumer would have to be a concern of the government. I regret that the government did not see fit to accept the recommendation of the committee that there should be a department of consumer affairs. Instead, the government has brought extraneous matters into this department.

The work of the committee has been very valuable. A great body of information and knowledge was accumulated. Considerable research was done even though the staff was limited. Many misconceptions were cleared away and we were given an opportunity to see the problem more clearly and focus our attention on the real difficulties which are before us. The main point that was established was that business, labour and any other group in society would have to justify their behaviour to the consumers. No one was exempt. This point was made at the very first meeting of the committee when a witness expressed a wish that his evidence be given in camera. At that point the members of the committee decided that the information should be made public and that nothing should be withheld from the public. I believe this was an intelligent and wise decision. I think it is one which the public will applaud.

Publicity was provided concerning the work being done by the members of the committee. This I believe was an aid to the consumers. Some firms suffered as a result of the evidence which was given before the committee; they suffered as they deserved to suffer. Some firms were assisted considerably because the evidence given before the committee established that what they were doing was in the public interest and that their services were superior to those of others. I am convinced that during the period the meetings were being held the fact that the committee was in existence had the effect of restraining prices which might have risen more rapidly than they did. I believe that during that time everyone was looking over his shoulder and wondering to himself what would happen if a price increase were put through and he had to appear before the committee to justify it. These people probably were asking themselves: What would we have to say for ourselves? The representatives of some of the companies have already indicated that this in effect is what happened, that is, that during the course of those hearings prices were restrained.

I regret that this committee has not been reconvened. I think there is a great deal of valuable work which it could be doing. I hope that during the course of this debate the minister will find an opportunity to assure us that he intends to have the committee reconvened as soon as possible so that it can continue some of this work. We were unable, for instance, to look into the matter of automobile prices. The United Automobile Workers wrote the committee requesting that an investigation be made into the high price of automobiles in this country. Because of the other work being done by members of the committee at the time, that investigation was not held. I believe it should be held. There are good reasons for looking into the pricing practices of the automobile companies in this country.

The result of the work of the committee really was that the minister was provided with the shape and outline of a department of consumer affairs with a prices review board. This is the work the members of the committee were doing. They were reviewing prices and practices and, because the work was so valuable and constructive, the minister should seriously consider continuing a program of this kind on a permanent long-term basis by means of a committee or board composed of qualified professionals. I would not want that remark to be interpretated as meaning that we did not have qualified people. Some first class people assisted the committee and I should like to express my appreciation to the staff assigned to help, particularly Dr. Warren James who did an outstanding job on behalf of this group.

• (12:40 p.m.)

We did not have enough people to do the work we set out to do. The committee meetings were very instructive in the early days when we were somewhat amateurish. Most of us came to the committee without any experience in these fields and it was difficult to come to grips with the complicated problems before us. However, as the meetings progressed the committee members became more astute in their questioning and more knowledgeable about these problems. I think this supports the need for more expertise and continuing examination of prices and practices in this country.

The hon. member for Notre-Dame-de-Grâce played a very important role on that committee. He was one of the excellent members there and I recall some of his questions which came to grips with the suggestion of a prices review board. He was very sympathetic to the idea although, as he pointed out, he wanted some evidence that such a review board would produce the desired effect. I should like to quote some of the questions he posed at that time. There seems to be a gremlin around here who is walking away with the significant pieces of evidence I had. The hon. member for Notre-Dame-de-Grâce

in questioning Professor Neufeld is reported at page 124 as follows:

A way should be found to bring public opinion closer to the price-setting practices of all industry. I think you made the comment at that time, "but not this kind of a committee"?

Mr. Neufeld then said "no". Then Mr. Neufeld went on to say:

—I think as I mentioned before, this is an area in which one has to learn as one goes on. My hope would be, perhaps it is a futile one, that the justification in the first instance would be before public opinion. If the public has the information, and if it is known that the major price increases and wage increases must be justified on rational economic grounds then in this way it might be that public opinion will have a greater impact on these prices. That is where I would start to try to bring public opinion to bear on the price setting and wage setting mechanism—

A board would do exactly that because it would operate like the committee and would focus attention on price changes taking place in our society. It would ask for justification for these price changes and thereby provide the government with an opportunity to take action should it find the changes are not justified.

When a member of this party refers to the suggestion of a prices review board, almost invariably somebody asks about wages and whether we should not also look at them. I think we must look at everything, and I do not think the wage earner would be the slightest bit afraid to come before a review board to justify his behaviour. In fact wage earners do this every day of the week through collective bargaining. They must justify their demands, and they do so. It is interesting to note that this position was supported by the vice president of the Canadian Labour Congress, Mr. Dodge.

The minister will have to find new ways of tackling these problems on behalf of the consumers of this country. He should not be constrained by the need to walk on both sides of the fence. I do not know how the minister feels about this limitation on his authority but I would think it is very restrictive.

It has been pointed out that difficulties in respect of consumer and corporate affairs have some things in common. One could say that consumer affairs are related to almost everything else in our economic set-up, but that is not the point. What we must understand is that there is a branch of government for almost every interest in this country and sometimes branches for sectional interests. These interests must be reconciled and only one minister with undivided loyalty can speak on behalf of these interests. It is not the minister's job to balance interests between consumers and corporations. It is the minister's job, on behalf of the consumer only, to argue with the other ministers in the government in order to resolve these problems in cabinet, not in his own mind. Let us not make a Pooh-Bah of this minister, a high executioner on the one hand and a chancellor of the exchequer on the other. This would be an impossible task and one which would not do him credit. Nor could he do justice to the responsibility facing him today.

The minister will also have to be a bit of a radical. He will have to consider government intervention in economic affairs. The old method of leaving the market to itself will not help to solve the consumer problems which have developed for that very reason. Markets operating on their own have in many cases conspired in some way against the consumer's best interest. The minister must look not only with the eyes of the consumer but must rid himself of any dogma he may have. Many different types of economic ideas will be necessary, some coming from the socialist arsenal and others resulting from the valuable experience of free enterprise. The minister should not hesitate to take advantage of either in the interest of the consumer; otherwise he will do a disservice to those he is attempting to help.

Experience in Canada has indicated how important government intervention can be. This nation was built by government intervention in the economy and it is becoming increasingly obvious that many problems can be solved only through government participation. This fact is accepted today by all but a few die-hards. We have accepted what we call free enterprise for a long time and the results have not been as valuable as they might have been. It has often led to high costs, inefficiency and waste instead of productivity.

The minister must consider how to change the direction of market forces and how to direct competition into more meaningful channels in order to achieve lower prices. Competition may not always be necessary. Canadians will have to accept concentration and co-operation in some cases as the most effective way of lowering prices. The real issue in a matter of this type will not be the question of size or concentration but whether that concentration or size will be in the interests of the Canadian people, particularly the consumer.

• (12:50 p.m.)

Through our present combines legislation we have attempted to control the size of market power, but this has become a dead letter. It has completely failed its purpose and has not stopped harmful collusion. It has, on the other hand, prevented Canadian business and consumers alike from coming to grips with the real problem in respect of lower prices of goods and services. It is time the government faced up to the fact that our combines legislation does not serve the purpose for which it was intended and that we will have to find a better way of stimulating the economy and protecting the public interest than now exists. There are better ways. There are two general approaches that could be taken to this problem. One would be to pass more legislation setting up a larger organization for the detailed examination of business activity, to look over the shoulders of everything that is being done. The other way is for the government itself to provide some competition.

There are many things we could do. In consultation with industry we could determine those items of general use for which the Canadian market is big enough to provide maximum efficiency of scale. We could encourage manufacturers in Canada to reduce the variety of their products and go in for longer runs. Our productivity lags far behind what it should be. It lags far behind because of the splintered nature of our economy. Despite a far higher level of capital investment in our secondary industry, we are considerably less productive than those with lower capital investment.

A great deal has to be done in this area. We will have to encourage manufacturers in Canada to reduce the variety of their products and go in for longer runs, as I have already said. They may have to co-operate with each other. Immediately the suggestion of collusion arises and the question is asked: How do you protect the public interest in this case? I think a good case might be made to show that some of our firms must be larger. Then the question will be asked: How will the public interest be protected under these circumstances? I suggest to the minister that he has all the means at his disposal for solving this problem. He has at his disposal means far more effective than the combines legislation to protect the public interest, if only he is willing to use them. In respect of those products which are subject to international competition, I do not think there need be a great fear of abuse. I believe that tariff legislation would protect the consumer in cases of this type while allowing our own manufacturers to reach efficient size and scale.

There are other measures that could be taken. Changes in the patent laws of this country would have a most salutary effect in protecting consumers. It would have a far better effect than the phony combines legislation that really does not work very effectively. For those industries that are not constrained by foreign pressures the minister will have to find new approaches. One of these new approaches, I suggest, is government competition. If competition is the answer in industry and that competition is not forthcoming from the private sector, I suggest it is time the government itself became a competitor in the economy in order to achieve the price reductions and provide the services needed by the consumer.

Again, Mr. Chairman, I do not think any of these decisions can be made unless the minister establishes a prices review board —perhaps it should be called a prices and practices review board—which would examine not only pricing but also the approaches being taken in the market itself. Such a board could examine the price changes that are introduced and decide how effectively measures are working to ensure that the lowest prices prevail. Under some circumstances it may even be necessary that some prices in this country be controlled. But that is a decision which could be made only after a thorough examination of an industry's pricing structure.

Mr. Allmand: Mr. Chairman, could I ask the hon. member a question on that point?

Mr. Saltsman: Yes.

Mr. Allmand: The hon. member said we need a prices review board that would review prices in the way the consumers committee examined consumer prices and practices last winter. Does the hon. member mean by a prices review board a board that would merely examine prices but would not have the power to roll back or fix prices?

Mr. Saltsman: I recognize the difficulty the hon. member raises in any question of prices. I think we need at this stage a board to examine the price changes that are taking place and then make recommendations to the government for corrective action. I do not think such a board would have all the powers necessary to achieve adequate price control under some circumstances, but on the

basis of the board's examination of the situation it could report to the government. One of its recommendations might be for a tariff change, another might be for a patent change. Another recommendation might be that the federal government seek agreement with the provinces on controlling the price of certain items. There are constitutional problems, but I do not think they are insurmountable.

The point is that the government is not in a position even to know what the problem is until such a board is established to examine the changes and practices that are taking place in our society. Then action would become the responsibility of the government and not of the board. Only the government could have this responsibility. The board would indicate the direction and the kind of action that needed to be taken.

We have had today a discussion of advertising. I know there is some disagreement about what is good and what is bad advertising. I think all of us agree that the advertising being carried on at the present time is away beyond what is really necessary to move goods and services and inform the consumer. Even the advertisers themselves would in their lucid moments agree with this.

The question then resolves itself into the following: How do you sort out the good from the bad, rather than deciding whether all advertising is bad or good? The minister faces a very profound challenge in this problem. I am pleased to see that the minister is aware of the problem. I do not think the problem has been solved in any significant way by anyone in North America. This may be one of the most serious challenges facing the minister. I should like to quote from a newspaper article to remind the minister of his awareness of the problem. Referring to the minister, an article which appeared in the Regina *Leader Post* of September 22, 1967, says in part:

> The minister said that Canadians spent 2½ times as much last year on advertising as on higher education, and in the U.S. it has been found by the courts that huge corporations can approach monopolistic power by the weight of their advertising.

That is a good start. The minister is aware of the problem. Now that he has stated the problem and has noted the waste and the fantastic, incredible difference in the amount of money spent on advertising compared with that spent on higher education, he must do something about it. This is a real challenge and we will be waiting to see what sort of programs the minister develops. I point out to the minister that he will not be courting popularity in some circles, but the people will have reason to be grateful for changes that are made which reduce what is a social waste in this area at a time when we need whatever resources we can command for useful and valuable purposes.

Mr. Knowles: One o'clock.

Mr. Saltsman: Perhaps, Mr. Chairman, I might be permitted to complete my remarks at this time.

Mr. Nielsen: Two minutes?

Mr. Saltsman: Two minutes. Let me just say that at this time the minister is on probation. He will be carefully watched. We want to see whether his actions conform to his words. He uses words very well. Let us hope that his actions are equally praiseworthy. But he will have to be one-minded on behalf of the consumer and he will have to be uninhibited. He will have to use his political power as no minister has ever used it before. We hope he will.

• (1:00 p.m.)

Mr. Nielsen: One o'clock, Mr. Chairman.

The Chairman: It being one o'clock I do now leave the chair.

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2.30 p.m.

Mr. Matheson: Mr. Chairman, the future of the free market depends, I believe, on its ability to provide for the needs of all Canadians. I believe it to be the role of government to ensure that the system works to this end. This is not a new idea. In our country a large influence in this direction is the philosophy of Keynes, who in the thirties took this view after having the advantage of training by two great economic giants, Marshall and Pigou.

Keynes was always prepared to adjust his theories to the changing shape of the outside world. He felt that private enterprise and government were two powerful partners for growth. He believed society was made for man, and he favoured the role of the state in the mitigation of economic adversity wherever it appeared, always with the purpose of preserving and enlarging freedom. The bill introduced by the minister, a young, dynamic

and highly educated member of the House of Commons, I think approaches this interesting economic problem in response to the emergencies that we face in Canada arising from a particularly affluent society.

It might be worth while for us to review what it is that we collectively have accepted as our economic goals, objectives that will not be disputed by any member of the house. In 1963 the Economic Council of Canada was created by an act of parliament and established specific goals. Let us ponder them carefully. Full employment; a high rate of economic growth; reasonable stability of prices; a viable balance of payments; an equitable distribution of rising incomes. In short, Mr. Chairman, an optimum economic balance. John Deutsch has been one of the great apostles of this kind of economic balance throughout his years of service to Canada in various capacities. I congratulate the minister on bringing in a bill which I believe both in its style and its content does preserve something of balance.

Professor Galbraith, who is newsworthy as well as very highly respected as an economist, specifically developed the theory of social balance. He followed other theorists such as R. H. Tawney, who in his famous text "Equality" writes:

> —slowly and reluctantly, amid prophecies of moral degeneration and economic disaster, society began to make collective provision for needs which no ordinary individual, even if he works overtime all his life, can provide himself.

This is written by one of the champions of freedom who believes freedom can in fact be enlarged by wise governmental action which is complementary to that great engine of progress, private enterprise.

I have been looking at price trends in Canada and at some of the statistics relating to our problems associated with rising prices. To understand our situation in Canada we must always make comparisons with other countries. The fact is that in recent years the Canadian experience relatively has been highly favourable.

I have been studying the change in the cost of living that has occurred in 27 countries between 1958 and November, 1966. The percentage change has universally been that of increase; in other words, the change has tended toward inflation. The United States has the lowest record of inflation of all these countries with only 14 per cent. Canada is second lowest with 16 per cent. The third lowest of these 27 countries is Australia.

[Mr. Matheson.]

However, sir, I would point out that a country as prosperous as Germany has had an increase of 22 per cent since 1958. Switzerland, which we regard as one of the most stable of world economies, has had a 26 per cent increase. The United Kingdom, with several changes in government and a willingness on the part of government to be radical and to innovate, shows an increase of 27 per cent. There are no less than 11 important countries of the world, including Italy, France, Japan, Israel and Yugoslavia, which have had increases ranging from 34 per cent up to 167 per cent. So, Mr. Chairman, by all objective standards Canada's record has been quite remarkable. Let us bear in mind that we are, after all, a nation of only 20 million people trading in this large international complex of nations and influenced, therefore, by the inflationary tendencies prevailing in all parts of the world.

Personally, Mr. Chairman, I am satisfied that we must judge any economic proposal we bring into this house on the basis of what effect that proposal may be likely to have on the optimum allocation of resources as well as on patterns of saving and investment. If anyone laughs at this as academic, I would argue that in the middle and long run these are in fact the factors that are going to determine the consumption of Canadians and the cost of goods that they will be able to enjoy.

• (2:40 p.m.)

Sir, social imbalance, according to Galbraith in "The Affluent Society", is the natural offspring of persistent inflation. Inflation by its nature strikes different individuals and groups with highly discriminatory effects. The most nearly unrelieved victims, apart from those living on pensions or other fixed provisions for personal security, are those who work for the state. He points out in his text how parts of the private sector can deal with inflation. Private firms can adjust to inflation by increasing prices. Management and labour, by their organization, can protect themselves by increasing prices and wages but others are grievously injured. That is why this bill, that permits the minister to initiate and undertake programs designed to promote the interest of Canadian consumers and to co-ordinate programs, to co-operate with provincial governments—a basic necessity of this department—as well as to undertake research into matters affecting costs, sound balance has been reached in the unremitting struggle against higher prices.

W. A. Preshing of the University of Alberta, said about the Canadian consumer:

> While installed horsepower and output per production worker almost doubled in the two decades from 1920 to 1940, average hourly wages increased by one-third. This rising productivity passing on to the same number of production workers with only limited increases in income caused prices to fall. Business, producing the same products, was forced to lower selling prices, with consequent under consumption contributing to the stagnation of the economy.

That condition also contributed to growing unemployment. Preshing says that the second world war, with its emphasis on research, brought quite a change not only by bringing about changes in old products but by assisting in the creation of new products.

A new state of affairs was therefore brought into being and this has been described in the writings of J. A. Schumpeter. New products were produced and we are now enjoying them every day. I continue to quote from W. A. Preshing:

> The immediate post-war period saw a reversal of the economic conditions outlined above. Incomes, rising faster than productivity, created more discretionary income and helped emphasize the importance of marketing innovation.

An hon. member who preceded me spoke a few minutes ago about the importance of having teeth in the bill. I cannot put my hands on the study but I have read an analysis of the ineffective results gained heretofore by placing too great a reliance on the Criminal Code to contain, control and direct economic activity. I have had some modest experience in this area as a lawyer and I have seen how inequitably in certain instances is the application of the code. We know that the Department of Justice may use sections 303, 304, 306, 323, 324, 349, 350, 351 and 354. From time to time the department prosecutes under those sections.

The code does not afford, I believe, much protection to the consumer. Greater protection lies in multilateral trade. May I quote the basic economic argument enunciated recently by Harry G. Johnson before he left for his chair at the London School of Economics. He said at a convocation in Kingston:

> The problem that will face Canadian policy-makers will be, how to safeguard as much of Canada's trading interests—and through them her prosperity—as can be preserved in a fragmenting international economy.

He speaks of how we are to obtain our greatest material rewards and says:

> It will be of vital importance to Canada for the policy-makers' logical heads to rule their emotional hearts, and for them to stick to the principle that Canada's economic interests lie in freer trade and larger markets.

Let us never forget in the course of our discussion on prices, Canada's great economic accomplishments in the last few years, compared with the accomplishments of other advanced countries of the world.

Jim MacDonald, executive secretary of the National Labour Co-operative Committee, says in *Canadian Labour* of October, 1963, that $200,000 is the approximate amount of money which the average Canadian worker will earn and spend in his lifetime. This reminds me of something written recently by Charles Graham entitled, "The Capricious Consumer". He refers to the sombre conclusions of Thorstein Veblen who was writing in times of unemployment and great economic inequality. In many ways the problems of our affluent society are quite different today. Now it is the capricious consumer who wields a weapon, optional consumption, which manifestly often leads to significant change and development.

One of the problems we discover is that many shoppers do not know how to buy. This has been spelled out most eloquently by Robert Millar in his book, "The Affluent Sheep", which discusses British buying habits. The affluent sheep, the British consumers, have money to spend but do not know how to spend it. The greatest need, apparently, is for consumer guidance. Incidentally it was the Conservative party in the United Kingdom which set up the Molony committee which studied this problem in a fresh and interesting way. The same weakness more or less is to be found in North America's affluent society, as analysed by Vance Packard in "The Hidden Persuaders". That book speaks of the new jungle called the supermarket.

It is clear that those who have given the most serious study to this field of marketing feel that there is abundant need for a department of consumer and corporate affairs. The fact is that the job of protecting the consumer has been scattered throughout many departments. A study in the United States indicates that 83 separate departments of government are concerned with this problem. Many of these departments lack adequate research facilities and cannot look into consumer problems. In this country before now there has been no single voice at a sufficiently high level in the government to speak on behalf of consumers. Now we have an able and articulate voice that will do just that.

There has been, until now, no system for bringing about a coherent consolidation of matters affecting consumer interests. The minister will serve as a high level public

relations officer who is a go-between between the government and organizations who are trying to do something to improve our economy. All these considerations point irresistably to the wisdom of establishing a single agency of government for the protection of the consumers' interest. Actually, *Canadian Labour* of October, 1963, stated:

> All evidence points to the fact that more money spent on consumer services by the federal government would provide a bountiful return in improved health safety, nutrition and cash savings for Canadian consumers.

In Canada on the average we spend 23 per cent of our income on food, 19.9 per cent for shelter, 10.5 per cent on transportation—that in the main means a car—and the fourth item is clothing on which we spend 8 per cent. I should like to leave those figures with the committee for its consideration.

A few weeks ago I was able to talk to an interesting personality, John Kenneth Galbraith, who was speaking at Queen's University. He has developed a new idea in economics and he talks about the concept of "countervailing power". That is what our minister had in mind in this balanced bill which has been brought to the consideration of the house. Galbraith develops the theme about the problem of prices in the modern industrial system.

Neoclassical economists like Paul Samuelson hold that the consumer is king, that he knows what he wants and goes after it. The accepted sequence of such economists has been the unidirectional flow, on instruction from the consumer, to the market and to the producer. The provocative question is now asked, what if that flow should be reversed? Galbraith throws up this challenge in his interesting book "The New Industrial State", which deals with the new circumstances of today. What if the flow of direction and control should be reversed? What if the flow is from the producer to the market and in turn to the consumer? Can we believe in a new technological industrial system which attempts to manage the consumer, which in effect synthesizes consumption.

• (2:50 p.m.)

Actually ours has proved to be a very prosperous system. I could not deny that the United States has done more for its people than any other country in the world, and Canada comes a very close second. In these circumstances, then, part of the countervailing power which perhaps is needed to restore the balance to which I have been referring is precisely the presence of specialists within government who tend to speak and act on behalf of consumers as a class.

In the last analysis, the greatest corporation must be the servant of the consumer and the consumer is the real boss; the businessman really carries out his order. This is the general view. Consumer sovereignty is sometimes spoken of as balloting in the marketplace. Yet some of the finest conceptual thinkers in the field of economic theory today—I mention by way of example Franklin Fisher and Carl Casey—detach themselves from full acceptance of the notion of consumer sovereignty. They recognize this framework described by Samuelson and others but feel there may need to be a countervailing force on the part of the state to assist the consumer to achieve a selection of purposes, to assist in obtaining clear, honest advertising, to cut waste in every possible way, and thereby to preserve and to enlarge real freedom.

This means, according to Galbraith's analysis, that we simply do not live under a pure system of competition. Joan Robinson many years ago made it clear to us that we were really living under conditions of monopolistic competition. Industry in a modern state is never entirely monopolistic; it is bound to respond to various competitive forces, notably those forces which generate from outside the country in the form of competition from multilateral trade. At the same time, however, it may synthesize consumption, control its consumers to some extent through credit agencies, through advertising and so on. Galbraith sees the sequence of planning production, distribution and sales to meet industrial rather than consumer needs.

What we are trying to do, I think, in this new department, is develop expertise to serve consumer and investment interests as they relate to corporations, to develop in Canada a sophisticated countervailing influence to benefit every single person, whether just born or about to retire or to die. Every person in Canada may be served by this consumer specialist and corporation specialist sitting in a position of influence within the government.

Mr. Nielsen: Mr. Chairman, I rise merely to say that since last June when this legislation was first introduced the minister's statement on the resolution stage, his subsequent statements and the debate which has taken place seem to us to have covered the whole subject matter of this bill. We would like to

speed up the procedure and get along with and complete the committee stage this afternoon so that we may move onto and pass the Industrial Development Bank legislation and the Emergency Gold Mining Assistance Act legislation as well. We wish to co-operate to that extent and hon. members on this side intend, therefore, to act accordingly in the hope that hon. members will put all these pieces of legislation through this afternoon.

Some hon. Members: Hear, hear.

Mr. Herridge: Mr. Chairman, I want the committee and the minister to realize that I speak as an old socialist who found himself at one time in a situation described to some extent in this bill. I have lived in complete independence and security all my life, slightly above the social welfare level, until I was elected a member of parliament, so I can well understand the situation mentioned by the minister in his recent speech to the Ottawa-Carleton Liberal Association.

This is a bill to establish a department of corporate and consumer affairs. I think it could also be termed a bill to reconcile the contradictions of capitalism. Or it could be called a bill to handcuff free enterprise for the benefit of consumers. It might even be called a bill to experiment in participation with the consumers of Canada. It is, I think, correct to say that this is more or less experimental legislation.

In the light of all the circumstances, as the Secretary of State for External Affairs would say, and realizing the difficulties which arise with respect to the constitutional problem as between the federal government and the provinces, I am hopeful that this measure will be of some advantage to the consumers of Canada. I may say in this connection that I have received support for the bill on this basis from some of my constituents. We all realize the constitutional problems which need to be resolved and which can only be resolved with co-operation between the federal government and the provinces and the various agencies related thereto. So far as the administration is concerned, this will obviously require close co-operation among any advisory council which is to be appointed, consumers organizations across Canada and all other governmental and private agencies which are willing to take part in an effort to make this legislation a success.

I have risen to speak particularly on one aspect of this matter which concerns me. I believe that the greatest step forward with respect to the control of prices is likely to be through the provision of information and education in an attempt to establish better buying habits on the part of those who lack such habits at the present time. I will tell you why I say this. My wife, at the present time, bakes her own bread. She does so because she enjoys homemade bread. However, she has worked it out carefully and finds that it costs just half as much as bakers' bread. I think it would be a good thing to point out such things to members of the consuming public who require information of this type.

The other day a friend of mine was in a chain store. A lady came along, obviously of extremely modest station judging from her dress, and he noticed she had seven packets of breakfast food in the basket she was pushing around the store. She explained that she had seven children and that each of them liked a different kind of breakfast food. I think it would have been much better had she told her children: Here is a bowl of porridge, eat it, it will do you more good.

There has to be education. There has to be a measure of self-discipline if consumers hope to spend their dollars to the best advantage. The minister was kind enough to give me the notes of his speech to the Ottawa-Carleton Liberal Association entitled "The Troubled Consumer In An Affluent Society". I had an opportunity to read the speech quickly and I want to say at once that I am in accord with many of the statements made by the minister as well as with the proposals he sets out. I want to say without any question at all that I have a great deal of confidence in the minister's ability and if he gets the co-operation of the Canadian people and of all the parties in the house I am sure something can be done to improve the circumstances which we are dealing with this afternoon. On page 12, under the heading "The Troubled Consumer", I read:

• (3:00 p.m.)

Under the new department of corporate and consumer affairs which is presently being considered by parliament, we have an opportunity of opening a second front on the federal war on poverty.

This new department will have the power to co-ordinate federal consumer programs, provide effective consumer protection in matters of fraud, restrictive trade and safety, provide information and research on consumer issues, and in general develop programs to enable the consumers of this nation to gain maximum value for the full range of goods and services they purchase and use. This is an important mandate, and one that can be of special use to the many groups of low income, handicapped consumers—the troubled consumers.

I agree with that approach and I congratulate the minister on giving some thought to the application of this legislation to the circumstances we face at the present time. Then he goes on to say:

For those trapped in the web of poverty it is crucial that they gain maximum use of their income, but they are the ones least likely to have the capacity to do so.

That is true. I have personal experience of that sort of thing.

As study after study shows it is the poor who pay more for consumer goods of lower quality than the average Canadian housewife.

It is the low income consumer who must resort to high cost credit, with little protection or guidance.

How true that is. How often people, unfortunately because of their ignorance, enter into credit arrangements that keep them in poverty for years on end.

It is the resident of our urban or rural ghettos who doesn't have access to outlets where comparative shopping, and a wide range of goods are available.

Everyone knows that those circumstances are described correctly.

It is the uneducated and unsophisticated who are taken in by the unscrupulous seller, who fall prey to unethical advertising, and who too readily get caught in the special kinds of commercial jungles that are spawned on exploitation and fraud.

You know, Mr. Chairman, that phrase reminds me of the early days of the C.C.F. I have heard C.C.F. speakers repeatedly use that type of language, and I congratulate the minister on recognizing the fact that exploitation does exist.

An hon. Member: The C.C.F. doesn't.

Mr. Herridge: The C.C.F. is alive in the N.D.P. and exploitation still exists. The minister goes on:

As a Yale Law Journal study states, "In reality the poor buy different goods and services at different stores for different prices, and this has a profound effect on their standard of living—compounding, preserving and deepening their poverty."

That is a very careful analysis of what is happening today.

That study goes on to point out that:

1. Often it is less expensive to help a family save a given amount through proper consumer behaviour than to help them achieve an equal increase in income.

That is true, especially if the people who are trained have sound buying habits as the result of education and information.

2. Many of the people not reached by present anti-poverty efforts could be helped by a consumer program, and

[Mr. Herridge.]

3. The benefits of increased income may be dissipated through poor spending habits.

Therefore, anti-poverty efforts must not only aim at raising income but also at increasing the amount and quality of goods which that income provides.

I think there is tremendous scope there for co-operation with the various organizations which I have suggested and which are suggested in the minister's speech. Then he goes on to say:

In a society so oriented toward the consumption of consumer goods, where so much emphasis is placed on the possession of things—

It is not only the poor people who place emphasis on that. It is the philosophy of the society in which we live.

—and where there is such a high degree of stimulation, the consumer is faced with the bewildering, tantalizing need to grasp the nearest shiny object—a problem of special severity for the family on limited income. The Canadian living in poverty is placed at great psychological disadvantage in our modern marketplace. He has $10,000 worth of desires—

Stimulated desires, of course.

—$5,000 worth of needs, and $2,000 worth of income. This inequality leads to strange and unfortunate situations.

I am sure most members of the house have seen circumstances exactly like that. In terms of what my comrades would call my Victorian philosophy of life, I might say I am a revolutionary conservative but I have seen situations like that. I was talking to a lady not long ago, with a relatively low income, not as low as described here, who told me she never darned her children's underwear when holes appeared in it. She just threw the underwear out. You cannot endorse that sort of thing whether you are on the poverty level, above the poverty level, or well off. There has got to be knowledge, responsibility and a certain amount of self-discipline.

Mr. Mongrain: Would the hon. member allow a question, a very polite one?

Mr. Herridge: Yes.

Mr. Mongrain: I see that the hon. member is reading the text of the minister's speech. Is the hon. member not under the impression or of the opinion that the Liberals are now tearing a leaf out of the N.D.P.'s program and appropriating it?

Mr. Nielsen: Misappropriating it.

Mr. Herridge: Mr. Chairman, I think it is quite factual and truthful to say that the other parties are tearing leaves out of all our programs. When I hear Conservatives suggest

the socialization of the C.P.R. and even of its subsidiaries, as I did last session, and hear Liberals suggest the nationalization or socialization of Dosco, I do not think there is a very great ideological gulf between many of us today. It is what we are trying to do that counts, not the sort of technical language we may use. I continue with the minister's speech in which he has outlined a consumer program.

He said:

It is for this reason that my own department sees as a first priority the need to mobilize government activity to aid the low income consumer.

1. One obvious answer is information and education. The effects of having more accurate information about products, of knowing where to buy and how to buy and what to buy is an essential condition of making better use of income. Going beyond this, there is a striking need just to begin developing better shopping habits, of teaching consumer skills that are appropriate for the modern marketplace. This would involve counselling and neighbourhood improvement clinics—

I think that is a very good suggestion indeed.

—which would be established in conjunction with provinces, universities and private groups already working in the field.

I can imagine that the consumer organizations would be only too willing to get right in there and work in co-operation with the minister and his officials.

To begin work in this field officials in my department have begun planning a pilot project for consumer counselling. What we have in mind is to recruit the services of retired men and women who have an interest and background in economic or commercial affairs willing to donate their time to public service.

I think that is a creative suggestion and I am sure there are retired persons with knowledge and experience in life who would welcome an opportunity to undertake this type of work. I can think of some in my own district, and I will talk to the minister about that later.

Mr. Nielsen: How about you, Bert?

Mr. Herridge: I do not like the political inference. I continue reading from the minister's speech:

Such individuals may be former businessmen, union or co-op officials, school teachers who would wish to serve in local communities as initiators of a program of consumer counselling. This person would be available to give advice on matters of credit, real estate dealing—

That is very necessary.

—legal protection—

A most necessary thing.

—buying skills and financial management. Most important, they would work with existing agencies in the area such as credit unions, settlement houses, fraternal organizations, church and welfare organizations with a view to establishing consumer programs of counselling, information and training particularly relevant to the needs of low income consumers. In this way they can act as a catalyst for local community action to repair consumer inequalities.

I think those are very constructive suggestions.

Our pilot project will select two or three communities initially and, if successful, can be expanded using the services of dedicated, skilled individuals who have retired from their own occupations. The provinces would naturally have to play an important part in this scheme for it to be successful.

There is no question that if this legislation is going to be successful it has to have the willing co-operation of the provinces and the participation of other organizations and individuals.

• (3:10 p.m.)

2. Our plans also include far more stringent and effective enforcement of the laws dealing with matters of fraud, misrepresentation and restraint of trade. There must be better protection against unethical business practices. We need the co-operation of the provinces to fashion a co-ordinated and efficient system.

I think that is very necessary and fundamental.

3. Finally, the very presence of a consumer-oriented department in government gives us the opportunity to enact new legislation and influence the development of new policies that can improve the position of the new consumer. The proposed action on drugs is an example. There will be others in the fields of packaging, labelling, weights and measures, misleading advertising, safety, etc.

I think that before making his speech the minister perhaps listened carefully to some of the speeches made by members in this group throughout the years. If he did, I give him credit for going to the right source to gather together the best information available.

These general programs I outline are, of course, only one part of the over-all approach required by the existence of millions of "troubled", low-income consumers, both those caught in poverty, and those who because of age, or youthful inexperience, or lack of consumer skills, find the market place restrictive to their ambitions, rather than the asset it should be. No one level of government can provide all the answers and there must be the concerted and co-ordinated involvement of the provinces, municipalities, schools, churches and private groups which have a stake in the consumer's battle.

That is definitely so.

Poverty like war is a complex of problems that will not surrender to scattered action. There must be a dedicated, unified response utilizing the best resources and best minds in the country.

So when we talk about the challenges open to us in this new century, when we think of the greatness that can be ours, we must think in terms of how we build a society open to all citizens, spreading its advantages throughout the population.

That is the philosophy of this group.

The troubled consumer is, of course, only one dimension of the total program of problem solving required in the next generation. There is a large inventory of other issues—the state of our cities—

I quite agree with this.

—the rational development of our resources, the proper use of new communication and new technology, the direction of our foreign policy.

We in this group consider this to be most important.

Each of these require the full mobilization of power and effort in the Canadian community.

I have quoted at length from the minister's speech because I was very pleased to see that he had given some thought to these things which are of advantage to the country as a whole and the people whom we seek to serve. In conclusion I should like to wish the minister every success in the administration of this legislation. I realize it is somewhat experimental in nature, but we trust that as the years go by it will be to the great advantage of the Canadian consumer.

[*Translation*]

Mr. Loiselle: Mr. Chairman, permit me to contribute in passing Bill No. C-161, which will be significant in the future, even though it is claimed that such a department should have been set up during previous parliaments.

I was somewhat surprised to hear the encomiums of the house philosopher, the hon. member for Kootenay West (Mr. Herridge), in contrast to the criticism of certain members of the opposition. Since the minister has the blessings of our great philosopher, I am sure this new legislation will succeed. I agree unreservedly with certain qualities that some hon. members have bestowed upon the incumbent of the new department, but I nevertheless wish him courage, boldness and determination to carry out the program he has laid down. Before taking my seat, I propose to remind him of certain objectives which he has set for himself and of the methods he has outlined during his speech on second reading.

[Mr. Herridge.]

If I am particularly concerned with the bill now before us, Mr. Chairman, it is because I represent a constituency largely made up of workers whose family budget is somewhat limited. I could state that approximately 30 per cent of the people in my constituency live in a state of hardship, want or poverty. I am convinced that the new department of corporate and consumer affairs will do much to enable the housewife to make the best possible use of the available budget.

In the last few years particularly, there has been talk of waging war on poverty. This war on poverty should not be waged only with money and all kinds of subsidies. Social assistance measures, social security measures, assistance to housing must be provided of course, but care must also be taken that subsidies will be used in the best possible way by those who receive them and in this, the new department can do a great deal.

I consider most important the role the new department will play in the field of merchandising. A great quantity of products are offered to the public and the various advertising techniques often risk misleading the consumers. As a matter of fact, when shopping, a housewife must often give much thought and make many calculations to be sure of the quality and quantity of the items she buys. The various representations made by housewives in the last few years prove that a problem exists, and I am glad to note that the new department of corporate and consumer affairs intends to control very closely manufacturers' advertising, and see to it that goods are honestly and completely described.

The department will have to keep a sharp eye on radio and television advertising. Some ads are in bad taste and, above all, create new needs for families. I know quite well that the ultimate purpose of advertising is to promote products to attract consumers. But should we not consider imposing limitations on advertising? Is it desirable, for instance, to advertise a cigarette brand by implying that fashionable people, the boy who is with it, must smoke such a brand? Can we accept that a certain beer should be advertised by suggesting that, when things go wrong, the best way to get out of trouble is to drink that beer?

In that field of advertising, I wish to protest particularly against advertising intended for children. For instance, now the holiday season is coming on. Every year, parents with limited means complain about the fact that some televised programs for children

involve a form of advertising which leads the child to ask for the most expensive toys. The little girl does not merely want any doll for Christmas; she demands a doll which does all kinds of special tricks and which, of course, is very expensive. If the parents cannot afford to buy the doll which was advertised, Christmas day will be disappointing, even if the parents have made great sacrifice to offer their children the toys they could afford. To me, that publicity is but odious blackmail. I would suggest that the new department consider forbidding publicity aimed directly at children, by virtue of the principle that they are not responsible, are easily influenced and unable to understand the need to limit their demands to the possibilities of the family budget.

• (3:20 p.m.)

The department to be created by Bill No. C-161 can contribute a lot to educating the consumer. There again, the experience of the people in my riding enables me to see the numerous possibilities in that field. Where a couple barely has enough for the basic needs, the ability of the mother to manage the family budget can mean the difference between a happy family and a poverty-stricken family. The women consumers must be taught to plan their budget; they must be taught to save, to choose their products and to set up the priorities in the needs of the family.

How should we educate housewives? By means of various publications, radio and television spot announcements, even contacts between housewives and management experts. Some thought could be given, perhaps, to setting up, in less fortunate areas, information centres where housewives could be instructed in budget planning and the best possible use of the limited funds available. Furthermore, such centres could be a clearing house for housewives' complaints against fraudulent advertising or excessive price ranges; housewives could even voice their suggestions to these centres, which would pass them on to the department of corporate and consumer affairs, as suggested by the hon. member for Essex West (Mr. Gray).

Such a campaign for consumer education should not be limited to adults. The department should also educate teen-agers who spend lavishly the first dollars they earn. I come back to the idea I expressed a moment ago: some persons may receive many pensions, several welfare cheques, but if they do not know how to manage their budget, they will always remain as poor and their family will always be indigent.

To conclude, I want to emphasize the task which the department of consumer and corporate affairs will have to perform in the field of credit. I could give a list of many families in my riding which have been defrauded, not to say robbed, by finance companies or door to door salesmen who bring to bear too much sales pressure often on credit, for goods of very dubious quality.

The future head of that department mentioned the reports of the Economic Council which point out that, as a whole, the general provisions of the Criminal Code against fraudulent sales practices constitute, on the part of the federal government, a key legislation to protect the consumer. I am happy to note that the future department will co-ordinate the application of the various measures to protect the consumer against lenders whose honesty is often questionable. There again the department of corporate and consumer affairs will be able to educate the consumers. It is necessary to let the people know, especially those with a low income, about the danger of borrowing too often and too much.

In my remarks, I stressed mainly the role of educator that the future department will play. I am convinced that many people are living in misery because they lack information on all kinds of things and cannot get the most out of the money at their disposal.

The new department, Mr. Chairman, also includes the corporations but, as I mentioned at the beginning of my remarks, I intend to speak of consumer affairs only.

Before concluding, I should like to remind the head of this new department of the goals he had established and the course he intended to follow in his new department. This is excellent, in my opinion, at least at the beginning, and it will help to control and perhaps stop, for some time at least, this price increase about which all the housewives are complaining.

Here is what the minister said, as shown on pages 3232 and 3233 of the official report of last October 18:

> Our goals are simple, and I wish to summarize them.

I am greatly encouraged to see that the minister is taking things so well and that he seems certain of the future of his department, because his list of goals is quite long. In fact, he has a great many. As he seems to be so very hopeful, I wish him all the success in the world and, as I said at the beginning, his courage and determination will help him

to reach his goals. I continue to quote from his speech:

> We wish to ensure, first, that the Canadian as a consumer is afforded full protection against fraud, deception and unfair trade practices; second, that he is offered the maximum standards of quality, safety and protection in the services and goods he buys; third, that he is provided with full and accurate information on which to base his purchases; fourth, that he is given strong and active representation in the councils of government; fifth, that he becomes involved in debates and discussions on those decisions affecting his vital consumer interests; sixth, that he is able to make maximum use of the amazing storehouse of riches in the Canadian market. To do this, we are trying to build a department that will, first, make use of the best of modern organizational and program methods to get the best value for the dollar spent in government services.

In conclusion, Mr. Speaker, I want to say that I hope the department will be set up as soon as possible, in order to help those who, according to certain figures, make up between 30 and 40 per cent of our population. As I said at the beginning, in my own riding, whose population is mostly made up of the working class, at least 30 per cent of the people are deprived of the necessities of life. I venture to hope that, thanks to the measures to be taken, these people will now be protected against a certain exaggerated publicity and that it will be possible to teach them to draw up their budget in the best possible way, so as to regenerate family life.

[*English*]

Mr. Johnston: Thank you, Mr. Chairman. I had a great deal of sympathy at the beginning of the debate this afternoon for the hon. member for Yukon who protested that his party had lost its traditional place. However, that sympathy evaporated a moment ago when the hon. member pointed out that the members of his party had said all they want to say in this debate and therefore the rest of us should remain silent. This inability to face the reality of Canadian politics as they exist at the present time exemplifies one of the factors involved in the failure of that member's party to increase its support in the country. This is one of the factors which will have to change very soon if those hon. members wish to achieve greater success.

Mr. More: That is good advice coming from one from your part of the country.

Mr. Johnston: The amendment before us at the present time strikes me as being a mistake. I opposed the resolution introducing this bill to set up a department of consumer affairs on the grounds that it was not really necessary. I now find that the amendment is compounding that error.

Let me enlarge on the reasons for my feeling that it is an error and a compounding of an error. One of the things the Registrar General will have to learn during his rapidly advancing political career is how to recognize an attack. Certain qualities he brings with him to his political career, which were outlined to the house the other evening by the hon. member for Grenville-Dundas and I shall not repeat them at this time caused people such as the hon. member for Vancouver-Kingsway to rush to his assistance. That hon. lady rushed to his assistance the other day when we were debating the resolution. She had some suggestions for him which she felt were important. In any event he should recognize an attack, no matter how attractively packaged, advertised or presented. I know of no one who can do these things better than the hon. member for Vancouver-Kingsway. As a result, I am afraid he accepted one suggestion she presented the other afternoon and it appears now in the amendment.

• (3:30 p.m.)

I think the emphasis here is most dangerous. The hon. member for Yukon has pointed out correctly that the amendment is phony. He did a very good job of pointing out in the debate on the resolution that the legislation is phony. I have to agree with the hon. member when he says this. I suppose what the amendment will do is fool some of the public a little more into assuming that the government, by laying its massive hand on various aspects of industry, will actually protect the public. This is something I very much doubt.

I was impressed by an article which appeared in the *Globe and Mail* of last Wednesday. It was written by Mr. Bruce Hutchison who at the present time works out of my province. The article is entitled "World Corporations Seen As Way To Revolutionizing Life." Mr. Hutchison bases his article on conversations he had with Anthony Wedgwood Benn and George W. Ball during a recent trip to Britain. I should like to quote at some length from the article because I believe it contains some things which are very pertinent to the amendment and the bill before us this afternoon. Mr. Hutchison says that Mr. Wedgwood Benn:

> —begins with the remarkable pledge that the Labour government is totally committed to "the success and profitability" of private enterprise in Britain. He adds that "no previous British government, of any party, has hitherto entered into such a commitment."

Of course, he has correctly defined the political situation in Britain at the present time, where the government that calls itself Labour is nothing of the kind but is working in any way it can to stave off a disaster that has been at least partially produced by the excesses of the policies for which Labour has usually stood. The article goes on to say:

> While the British economy must always be "mixed," with deep intervention by the state, "the profitability of a mixed economy is an essential prerequisite of economic growth and commercial success." So much for the myth of pure "socialism" and the evils of profit still nourished by a dwindling group of nostalgic socialists of Canada.

I feel that this bill and the amendment are part of the last gasp in Canada of that approach to profit. Mr. Wedgwood Benn did not stop there, because the article continues:

> But Mr. Wedgwood Benn lifts it to a new and unfamiliar level where the thinking of the Canadian government, the Opposition and the New Democratic party has not yet arrived.

You notice, Mr. Chairman, that the Social Credit party was omitted there, because we arrived at approximately this level back in 1935 and have stayed there ever since. The article goes on to say:

> In a word, he has grasped the fact that modern technology is basically revolutionizing the world economy, and man's entire way of life, in a totally unexpected fashion and making most of his economic and political notions quite obsolete.

This is the appeal I make to the minister this afternoon, namely, that he recognize an obsolete suggestion when it is handed to him. I refer to the suggestion that we set up a department purporting to protect the consumer and then this afternoon go through the legerdemain of shifting the title around. We must recognize that this will not protect the consumer. We must also recognize the obsolescence of the approach in which the minister and the government are involved at the present time. This article goes on to say:

> The first phase of this revolution proclaims itself in vast, privately owned international corporations, most of them based in the United States. Already "they have established such superiority over their international competitors that no single European country, even if it merged every company in a single field into one monolithic industrial group, could alone stand against them. I am certain that corporations like those hold the future of the world's high-technology industries in their hands."

Finally, we have a quotation from Mr. Ball, the other source from which the writer drew the information for his article:

> With a daring but typical lunge into the unknown, Mr. Ball proposes some international authority, established by treaty, to license and control the new corporate colossi so that they may nourish man's wealth without abusing his natural rights and his differing national aspirations.

It is in this field that the problem lies. For this reason, if we must have this bill at all, and if the official opposition lies down before the challenge of the presentation of the bill, for goodness sake let us at least defeat this amendment and leave the word "corporate" as one of the first words in the title. If we are to protect the consumer now and in the future, attention must be given to the overwhelmingly important problems on the world economic scene and not to the size of the package and whether or not it has a dish towel in it.

This is why I regret that the tremendous variety of women's organizations which sprang up about a year ago to bring to governmental and public attention the abuses that were going on in this area have felt that their only objective should be to turn the whole matter over to the government. Surely any member who has sat in this House of Commons for any length of time and has had to work through the levels of governmental bureaucracy in order to solve the simplest problem knows that this is not the only way to keep track of the number of ounces in a box of soap, that an aroused public, an educated public concerned about the abuses that they wish prevented will always be needed. If we think the enormous effort of government can be focused on some of these small packages, we are looking at the wrong end of the problem altogether.

I listened this afternoon with interest as usual, to the hon. member for Kootenay West who gave us a variety of examples where the public has not been sufficiently educated or sufficiently careful in its shopping or purchasing habits. The hon. member referred to a lady from this area who confessed to being negligent in repairing her children's underwear. I was rather surprised that he should have raised this sensitive topic in the house at this time, but he did. One really cannot mind that because the hon. member for Kootenay West always looks after his constituents in a way that any member could well copy.

• (3:40 p.m.)

The only thing I criticize is his conclusion. He seemed to feel that the good lady should get busy with needle and thread and that he should in some way reprimand her for a statement that he found surprising. I would say to him and to all the members of the

party he represents that they should "get with it" just a bit. He should have recommended the lady as a recipient of the centennial medal for her contribution to the Canadian economy because she is on the right track. We know that manufacturers have given us great variety, usefulness, beauty and ease in our present society, articles such as instant coffee, paper tissues, automobiles, and other products which move us and assist us. Within two years they will be providing us with disposable underwear which the good lady will not need to darn nor wash because it will be made of paper.

The hon. member for Kootenay West should recognize the great economic advantage to his own constituency of such a move. This is part of the technological revolution described in this article. Especially in view of the construction of the vast hydroelectric projects and in view of the vast forest resources of his constituency, the hon. member should write a letter of commendation to the lady for being ahead of her time. Perhaps she is approaching the immediate situation in a rather uneconomical way but she is looking to the future which is coming sooner than we think.

Mr. Herridge: Would the hon. member permit a question? Does he not realize that the first person I consider is the small farmer?

Mr. Johnston: Yes, of course, but the far-sighted policies of the Social Credit government of British Columbia have placed forest reserves on most of the lands in the province which are unfit for agriculture and in fact have moved some of the marginal land which was unfit for agriculture back into forest reserves. Therefore in really vast areas of the province we must be concerned not about the agricultural industry, which is important to some parts of his constituency and very important to mine, but with the forest industry.

Last of all, Mr. Chairman, I suggest there is a strange anomaly in this government moving in a variety of pseudo fashions to present itself as the great protector of the consumer and at the same time enabling the introduction of lotteries on the Canadian scene, because if anything removes purchasing power from the hands of the consumers who need it most lotteries will do it. If we pass this bill this afternoon and it becomes the law of the land, we shall have to take a very good look at the other bill when it comes before us.

[Mr. Johnston.]

Mr. Nielsen: Mr. Chairman, as usual the hon. member for Okanagan-Revelstoke applied a new version of the twist to the words I used when I rose last to speak very briefly and appealed to hon. members to pass this legislation as well as the other two pieces of legislation listed for discussion today. We on this side want to co-operate and expedite the business of the house, but if we are to listen to the kind of accusations made by the hon. member for Okanagan-Revelstoke we will not get very far because members on this side will be compelled to participate. His speeches are usually pompous and most of them are empty of content, empty of any constructive contribution and completely devoid of any thinking. Perhaps if he could stop the practice of mumbling in his beard we might understand him. I will simply say that his speeches can be compared to a steer. They have a point on each side with a lot of bull in between.

I say once again that we on this side are prepared to deal conclusively with this legislation this afternoon. It was first debated on June 16 when the minister's estimates were being considered and later on October 7, October 18 and October 19. Eight members of the New Democratic party have participated in the debate, two members of the hon. gentleman's party have spoken, and several members on this side. We feel that all useful contributions have been made, and we are prepared to pass the bill so that the minister can start doing the job which everybody thinks he should be doing.

Mr. Orlikow: Mr. Chairman, may I begin by expressing some amusement at the usual arrogance we have come to expect from the hon. member for Yukon. Having made his speech some days ago and received the front-page publicity he wanted, having made his speech today—

Mr. Knowles: And having nothing more to say.

Mr. Orlikow: —and the members of his party not being particularly interested in this important piece of legislation which affects the welfare of every consumer in this country, he is prepared to let this bill go forward without further discussion. The hon. member for Yukon is a member of a party which since I have come here has filibustered many other issues, a party which yesterday would not permit a vote on an important issue, a party which kept the debate on the flag going for weeks. I do not think we should have to

listen to lectures from members of that party when some of us want to discuss in detail and clause by clause a bill which will have an important effect in protecting the rights of the consumers of this country.

Mr. Churchill: Tell us more about the Conservative party. I like that.

Mr. Orlikow: It is pretty hard to find any adherents of the Conservative party in my part of Winnipeg so I cannot tell the hon. member much about it. They are gone like the ancient dinosaurs.

Mr. Churchill: Like the New Democratic party in Winnipeg South Centre.

Mr. Webb: The hon. member is here only once in a while so he has to make a speech.

Mr. Orlikow: The hon. member who has just interjected, and who usually interjects at what he considers to be appropriate times when it would be much better for him to keep quiet, should not speak about my attendance here which I would compare at any time with the attendance of 99 per cent of the members of his party who today are conspicuous by their absence.

The bill now before us is an important one. I join with some of my colleagues who have expressed their concern and disapproval of the idea of placing under one department and one minister the responsibility of protecting the interests of the consumers and the responsibility of regulating corporations. It seems to me it is like putting a lamb and a lion in one pit. We know who survives in that kind of situation.

It seems to me also that the corporations have enough representation in the house. They have good representation in the Department of Trade and Commerce and they have good friends in the Department of Industry, as they should. I think that the consumers of this country could well have a department in which the minister and his staff would have one job, to protect the interests of the consumers.

Our society works through various groups which organize and band together to make their views and desires known to governments and to the community as a whole. This is as it should be. The working people of this country are represented by their trade unions and by two trade union federations. The manufacturers are represented by the Canadian Manufacturers' Association. The farmers are represented by the National Farmers' Union and by the Canadian Federation of Agriculture. I could go on naming the interest groups which have representation and organizations. When something happens that affects them they are very quick to come here to tell the government and the various political parties what they think should be done. And so they should, Mr. Chairman. Unfortunately, the consumers have not been able to organize and to make their desires felt.

• (3:50 p.m.)

The proposal to set up this department is one with which the members of this party agree. We have a very young, presentable, and if one reads the press reports, a very able minister. He has been travelling across the country making speeches about what he thinks he needs to do in his job and about some of the problems faced by consumers. This is all to the good. Some of his ideas are excellent; they ought to be, because they have been put forward for a number of years.

I want to refer to some of the things that the minister indicated his department will be undertaking. Unlike my colleague from Kootenay West, I am not going to quote the minister verbatim in one of his speeches, copies of which seem to arrive on our desks three or four times a week.

Mr. Churchill: He did not make a speech at Edmonton though. We missed that.

Mr. Orlikow: That may be. I cannot keep track of them. However, I do want to quote from two articles which appeared in the *Financial Post* for April 15, 1967. They concern some of the things that the minister sees his department undertaking. For example, he is going to increase his investigation and research staff. The combines investigation department has been told to recruit more economists and lawyers; the actual investigation staff will probably be doubled. That is an excellent idea. I wonder what will happen to this proposal, Mr. Chairman, in light of the austerity program of the Minister of Finance.

The minister is also planning to put more teeth into our existing law. For example, if the minister has his way directors of companies who are guilty of flagrant price fixing may face criminal charges. As the minister says: "Why should only trade unionists go to jail?" That is a question I have been asking for two or three years now.

I want to know what the minister has been doing since April. Where is the legislation that will spell out the authority he is to be given to do this sort of thing? It is not on the order paper.

Mr. Nielsen: He is waiting for us to pass the bill.

Mr. Orlikow: Nonsense, we do not have to pass the bill. The minister is in office and has staff, and he could have got on with it a long time ago.

There is also going to be an extension of the combines legislation to cover service industries. According to the *Financial Post* it is no secret that the minister would like to launch an investigation into professional sport, the activities of the National Hockey League and the Canadian Football League.

It should not be very difficult for the minister to do this, Mr. Chairman. All he has to do is to talk to the former member for York West, Mr. "Red" Kelly who, when he decided it was time to stop playing hockey and to become a coach, was told in no uncertain terms by the Toronto Maple Leafs that they owned his contract for life and that he could not do anything until they gave permission.

So I ask, where is the legislation? I remember the former member for Port Arthur, before I came to the house asked a former minister of justice when the government would amend the legislation so that it would be impossible for the National Hockey League to sign to contracts youngsters of 12 and 13 years of age, contracts which tied them to particular hockey teams for the rest of their lives, if they wanted to play hockey for gain. Talk about slavery in the United States before the civil war. We have slavery here in Canada, Mr. Chairman. Why is the minister waiting all these months before taking some action in this regard?

The article goes on to say that the legislation will open the way for injured parties in price fixing cases to sue in civil courts for damages. I remember, Mr. Chairman, when certain electric companies in the United States—Westinghouse, General Electric and several others—were prosecuted in that famous case, and some of their officers were treated like ordinary people who broke the law and sent to jail for a month, something which we have never done. I suggest the minister should look at this possibility. I cannot think of anything which would make directors and officers of Canadian corporations think more seriously about obeying our laws than this kind of action, instead of patting them over the wrist with a $25.000 fine.

When this action was taken in the United States, Mr. Chairman, it was followed up with something even more salutary. It was followed by the electric utility companies, both co-operative and private, going to the courts of the United States and suing these large companies which had mulcted them and the public, by fixing rates far higher than they ought to for generators and other equipment which the electric utilities had to buy. The companies were sued in the courts for the amounts which these utility companies felt they had overpaid. Speaking from memory—and I think I am correct—under United States law I think you are permitted to sue not only for damages but for triple damages. The minister is kind enough to help me by confirming what I say. I ask once again, where is the draft of this legislation? Why is it not on the order paper?

I could continue to quote from the article, but I think I have made my point, Mr. Chairman. The minister has said all the right things, and they are very nice to hear. Perhaps they help him a great deal in his quest for the leadership of the Liberal party. I do not mind if he is successful in that quest; I am not too worried about that; but I do wish he would spend some time in Ottawa running his department. I wish the minister would get on with his job.

An hon. Member: Oh, oh.

Mr. Orlikow: Someone opposite says "oh". I should like to come to some specifics. Ever since I came to the house in 1962, and even before that, members of the house from all parties—Conservative, N.D.P., Liberal—have been putting on the order paper private bills to amend the law so as to put some sort of check or restraint on the sort of thing that happens to ordinary citizens who find themselves in difficulty and have to borrow money.

I want to give credit—he is a Liberal, though I do not understand why—to the campaign conducted over the years by Senator Croll, a campaign which has been very successful.

Mr. Prud'homme: He is a Liberal.

Mr. Orlikow: Precisely; that is the point I am making. I wish members over there would listen to Senator Croll. As a result of this campaign and as a result of the large number of bills which have been put on the

order paper and debated in the house over a period of many years dealing with this subject, the government finally got busy and established the joint committee on consumer credit. I was on that committee initially, but was replaced later by my colleague from Waterloo South. This committee had a large number of meetings running over several years. It made a very detailed report, and if the minister has been too busy travelling across the country making speeches to read it, I would commend that report to him.

This report was tabled in February of this year. I am not going to read the whole report because it runs to well over 100 pages, but there are some very specific recommendations made in the report in respect to changes in the legislation which, if adopted, would protect to a large extent the ordinary people in this country. I just want to give one illustration of the kind of robbery—I realize, of course, it is not legal robbery—that affects people who can ill afford it.

• (4:00 p.m.)

The *Financial Post* of three or four years ago carried the story of a recently landed immigrant who became the victim of a mortgage broker. He borrowed and received $1,500 from the broker, but to get that amount he had to sign a note and promise to repay $2,350. The extra $850 represented the arranging fee. After paying the prescribed $35 a month for three years the immigrant found that he still owed $1,580, which was more than the amount he had originally borrowed. He thought he was paying an interest rate of 7 per cent, but the actual interest rate turned out to be 30 per cent.

This instance is not new, nor is it isolated. There are thousands like it every year. That is the sort of thing which the joint committee on consumer credit looked at and made recommendations about. I shall read into the record a few of those recommendations. The first one, to be found on page 3 of the report on consumer credit, reads as follows:

> We endorse the principle of what is popularly known as "truth in lending": that is, the principle embodied in the disclosure bills that have been repeatedly introduced in the Senate and in the House of Commons. Specifically, we recommend that every person, firm or corporation, including every chartered bank, carrying on the business of extending consumer credit, shall be required by law to disclose to the consumer the total cost of that credit, expressed both as a lump sum and in terms of simple annual interest.

The second recommendation reads:

> The principle of "truth in lending" should be extended to provide protection for all potential borrowers, whether or not they are at the point of committing themselves to a purchase or a loan. For this reason it is essential that all advertising of credit should truthfully and accurately state the total cost of the credit to the consumer.

Stopping there for a moment, Mr. Chairman, I wish to tell the minister that in discussing these matters previously I have illustrated my remarks by referring to advertisements which appeared in Winnipeg newspapers. I am sure that similar advertisements appear in newspapers of other cities. I am speaking of advertisements which urge people to borrow up to $5,000 and which say that repayments are to be as little as $50 a month. One is not told for how many months he must pay. I suggest to the minister, and I agree with the committee, that this kind of advertising is immoral, unjust and ought to be stopped.

The fourth recommendation of the committee was the following:

> We recommend that the Parliament of Canada extend the protection accorded to borrowers under the Small Loans Act so as to include loans up to $5,000 rather than loans up to $1,500, with appropriate interest ceilings.

The sixth recommendation is:

> Consumers are sometimes compelled to pay for faulty or defective goods, or even for goods they never receive. This is particularly hard on the consumer when, as occasionally happens, the purchaser of his obligation to pay has no knowledge of the original transaction. To prevent situations of that kind, we recommend that every bill or note given in connection with a retail credit transaction be required to be so marked on its face.

I could go on and on because the committee brought in many excellent and essential recommendations. But where are they reflected in the legislation? I know that in the area of consumer credit the jurisdiction is divided between the federal government and the provinces. I also know that a number of provinces already have acted on the basis of this study and on the basis of their own studies. Speaking from memory, I think I am right in saying that in this area of consumer matters the province of Nova Scotia has passed legislation, as have the provinces of Manitoba and Ontario. But where is the federal legislation?

Apart from the time the minister spends campaigning for the Liberal leadership he ought to devote his full time to working out the details of this legislation.

Mr. Knowles: Was he not told to stop?

Mr. Orlikow: He was told to stop campaigning for a while. He, his department and

his assistants ought to be working out the details of this legislation, and they ought to spell out in that legislation the unanimous all party recommendations of the committee.

The time has long passed for the minister to go running around making his nice, popular speeches which he has made to groups across the country. The time for action has come, and that action ought to be not only in the field of consumer credit. I shall not repeat the arguments advanced by my colleagues from Vancouver-Kingsway and Waterloo South, but they argue that the government and the department ought to set up a prices review board. I do not expect the minister to accept that argument. After all, the prices review board might feel it necessary to call before it General Motors or the Chrysler Corporation and ask them to give to the people of Canada a statement which would show the financial records of the last few years, which would show the investment in Canada and which would show the corporate net profits of those concerns in Canada.

I do not know what those profits are; none of our laws require that disclosure. It is sad when we in Canada must find out from the United States what the three top officers of the Canadian Pacific Railway Company earned in the year for which they reported. The figures as disclosed revealed that they earned almost $300,000, or an average of $100,000 for each of them. And how did we learn that? We learned it because of the United States regulations. United States law requires that any company wishing to sell shares or borrow money in the United States must file a detailed financial statement, which is to include the salaries of its top officials, with the securities and exchange commission of the United States.

The people of Canada wish to know what are the profits of the automobile manufacturers. I do not object to the principle of the Canada-U.S. auto pact; we ratified that auto agreement and under its provisions we agreed to forgo almost $50 million a year in tariffs. That $50 million, Mr. Chairman, went to the auto manufacturers.

I know that today more people than ever before are working in automobile factories in Canada, and this is good; I know that we are making more automobiles than ever before in Canada, and this is good; but we also know that cars made in Canada, by Canadian automobile makers, are shipped to the United States and sold in cities like Buffalo more cheaply than similar cars are sold in Canada.

[Mr. Orlikow.]

Clearly, then, one of two things is happening. The cars are being sold in the United States at a loss, which I do not believe, or, if they are being sold more cheaply in the United States than similar cars are sold in Canada, the profits which are made in Canada are exorbitant. I think the people of Canada are entitled to a full disclosure on a year to year basis of the financial position of every company operating in this country.

• (4:10 p.m.)

The minister in that interview which I quoted from the *Financial Post* said this was something he would like to see. Well, many of us on this side of the house would like to see it. But we do not have the authority to draft the necessary legislation and we certainly do not have the authority to induce the government to bring in the legislation. However, one would expect a minister responsible for a new department charged with that responsibility to have that authority, and I should like to know where the legislation is.

Turning now to another subject, I raise this question because it has been a source of irritation to many people, particularly those who can least afford the kind of treatment I am about to describe. To indicate that I do not mind giving credit where credit is due, I will point out that back in 1963 the government of the United Kingdom, at that time a Conservative government, brought in legislation which provided that when a person who had made a purchase outside the premises of the seller later came to the conclusion that he had made a mistake, he had the right within 72 hours to inform the company which had made the sale that he did not wish to go through with the purchase. Any money he had paid would be returned.

This is an excellent idea, and the Conservative party of Great Britain which brought in this legislation deserves a great deal of credit. I am sure there is not a member of parliament who has not heard from one of his constituents that, while he was at work, a salesman for the Encyclopaedia Britannica, or a salesman of aluminum doors had called on his wife, given her some persuasive sales talk and got her to sign a contract in which she agreed to purchase volumes of the Encyclopaedia Britannica which would probably never be used, or aluminum doors and windows which could be purchased locally at half the price mentioned in the contract. Some of the provinces have taken action to stop this kind of thing. It seems to me that this is one of the recommendations which the

consumers committee made in its general report. But where is the legislation?

I say to the minister in all seriousness: If he wants to do a job, if he wants to leave his mark in Canada, if he wants to be the leader of the Liberal party, let us have an end to these speeches. We are all for good; we are all against evil. Let us have an end to speeches—

Some hon. Members: Hear, hear.

Mr. Orlikow: —about what the minister intends to do or about what the government intends to do. Let us get down to the cold and realistic facts of legislation—

Mr. Nielsen: Hear, hear.

Mr. Orlikow: —which will spell out precisely what the government intends to do about these important matters.

The hon. member for Yukon said "Hear hear." He wants us to pass the legislation: It is not very good legislation; it will not do much; but let us get it passed. That is how much the hon. member for Yukon is worried about the problems of the consumer. The reason we are speaking about this, the reason we are not letting this go through, is that we are concerned about the affairs of consumers. We do believe the consumer needs a department; we do believe the consumer needs protection; we do believe the government of Canada should establish a department of consumer affairs; we do believe we need a minister of consumer affairs. But we believe we need a minister of consumer affairs who will stop talking and get on with the job.

The Chairman: Is the committee ready for the question?

Mr. Turner: Having spoken on my estimates, at the resolution stage and when we introduced the bill on second reading, as the hon. member for Yukon has already stated, I do not think I need say any more at this point.

With all respect to the committee, most of the questions and points which have been admirably brought up this morning and this afternoon were dealt with by myself in those speeches.

With respect to the amendment introduced by my hon. friend from Essex West, I have stated that this department will represent primarily the demand side of the market place, and I am prepared to accept his reasoning though I do not have particularly strong feelings one way or the other. I have advanced arguments to show that both the corporate and the consumer functions are properly to be found in one department. Therefore we would be prepared to accept the amendment.

Amendment (Mr. Gray) agreed to.

Clause 2 as amended agreed to.

On clause 3—*Department established.*

Mr. Gray: Perhaps I should rise now on a point of order which may facilitate the disposition of this bill. When I spoke on clause 2 and moved an amendment which the committee has now been good enough to approve, I pointed out that I intended to ask for similar amendments to be made to a number of other clauses. I provided notice of these amendments to the Chair and to the representatives of the various parties.

May I suggest to the committee that it might be convenient at this point to agree to the other amendments, which are in exactly the same terms as the one just accepted by the committee, and approve them en bloc? This is of course subject to the new clause, as amended, being accepted by the committee. I have in mind amendments to clauses 3, 4 9, 10, 12(2), schedule II and the long title.

Mr. Knowles: The hon. member asked whether the members of the committee would be agreeable to that course, but I think the Chair should have to say something about this. It seems to me we have to take the clauses one at a time and pass on them in order.

The Chairman: Perhaps I should refer members of the committee to standing order 78:

> In proceedings in committee of the whole house upon bills, the preamble is first postponed, and if the first clause contains only a short title it is also postponed; then every other clause is considered by the committee in its proper order; the first clause (if it contains only a short title), the preamble and the title are to be last considered.

I recognize that the amendment moved by the hon. member for Essex West is one which affects a number of the clauses of this bill. Possibly, by unanimous consent, it would be possible to make the necessary amendments en bloc, but my own preference as Chairman is that they should be made to the clauses as they are brought up for consideration by the committee.

Corporate and Consumer Affairs

• (4:20 p.m.)

Mr. Gray: I accept your ruling, Mr. Chairman. Therefore, with respect to clause 3 I would move, seconded by the hon. member for Waterloo North:

That Bill C-161, an act to establish a department of corporate and consumer affairs, be amended by substituting for the words "corporate and consumer affairs", wherever they occur in clause 3 thereof and in the heading to that clause, the words "consumer and corporate affairs".

Amendment agreed to.

Mr. Churchill: Mr. Chairman, I have been looking at the subclauses in clause 3, and I discover that when the Department of Industry was set up in 1963 it had similar provisions. Clause 2 says that there shall be a minister of corporate and consumer affairs, and clause 3(1) says that there shall be a department of corporate and consumer affairs over which the minister shall preside. Then we have subclause (2) which says:

The minister holds office during pleasure and has the management and direction of the department of corporate and consumer affairs.

Of course ministers hold office during pleasure. That has been established procedure. In subclause (1) we determine that the minister shall preside over the department. Why do we need subclause (2) to say that he shall have the management and direction of the department, and then have the minister's duties set out in clause 5? Although I notice that this was done in 1963, this would not be the first time something has gone through the house without being noted. I keep telling my colleagues that everything put in front of us by this government should be examined under a microscope because errors have crept into every bill that it has presented. This may be established practice, but I think it is a bad practice. I think it should be struck out, and therefore I move:

That clause 3 of Bill C-161 be amended by striking out subclause (2) of the clause.

The Chairman: Shall the amendment carry?

Mr. Turner: Mr. Chairman, I think the hon. member for Winnipeg South Centre anticipated my answer when he suspected that this might be a standard clause, and so it is. Clause 3 is merely a re-enactment of section 6(1) and (2) of the Government Organization Act of 1966 which set up the Department of the Registrar General. I am advised by the law officers of the crown that both subclauses are necessary and complement each other. The first establishes the department over which a minister shall preside. The second gives the minister the active management and control of the department during pleasure, which is an indefinite term depending on the Governor General, and probably a longer term than the hon. member would like.

[The Chairman.]

Mr. Churchill: The fact that this was done in 1966 in another statute does not make it sound any more sensible to me. Has it any firmer ground to rest on than that? I have just been reading an article in the press about information being given to people in public administration by one of our distinguished civil servants. I realize that they are taking over everything we are doing in this country, and that parliamentarians have not the specialized knowledge that is necessary to cope with the problems of government. I recognize my knowledge is limited, but is it necessary that this should be done? Cannot the minister make a decision on this himself, without being instructed what to do by other people within the service?

Mr. Turner: I know that the hon. member would want me to ask for the advice of the law officers of the crown, and accept it if judged apropos and within reason. I can remember the hon. member for Yukon making quite an issue in the house at one time about the referral of administrative decisions, involving legal discretion, to the law officers of the crown.

Basically subclause (1) establishes the department. Subclause (2) establishes the managerial authority and responsibility of the minister over the department. In the opinion of the law officers of the crown they are both necessary to establish the authority of the department, and of the minister over the department. I can say no more to the hon. member but thank him for his very astute question.

The Chairman: Is the committee ready for the question?

Mr. Churchill: Mr. Chairman, I do not want to delay the operations of the committee, and if the minister is satisfied that these instructions are necessary in the bill, providing for direction over himself and the department, then having regard to his youthfulness and need for direction they may be necessary; and so I would like to withdraw my amendment.

The Chairman: Does the committee give unanimous consent to withdraw the amendment?

Some hon. Members: Agreed.

Amendment (Mr. Churchill) withdrawn.

Clause 3 as amended agreed to.

On clause 4—*Deputy minister.*

Mr. Gray: Mr. Chairman, again in line with your ruling on the procedure with respect to amendments I would move:

That Bill C-161, an act to establish a department of corporate and consumer affairs, be amended by substituting for the words "corporate and consumer affairs", wherever they occur in clause 4 thereof, the words "consumer and corporate affairs."

Mr. Churchill: I would just like to ask the minister if this is satisfactory to the law officers of the crown?

Mr. Turner: Yes, indeed.

[*Translation*]

Mr. Lambert: Mr. Chairman, I wanted to ask the hon. member the French name of this department.

Mr. Gray: It is: le ministère de la Consommation et des Corporations.

Mr. Lambert: Very well.

Mr. Gray: I have given the chairman and the other members of this committee French copies of all these amendments. As a member concerned with the question of national unity, I am used to working all the time in the two official languages of the country.

[*English*]

The Chairman: Shall the amendment carry?

Some hon. Members: Carried.

Amendment agreed to.

Clause 4 as amended agreed to.

• (4:30 p.m.)

On clause 5—*Duties of Minister.*

Mr. Lambert: Mr. Chairman, when we discuss the powers and duties of the minister I think I should cite something from an article which recently appeared in a publication which months previously had taken a great deal of trouble to produce a very laudatory article about the minister. I am referring to *Canada Month* for November 1967. I have not had the pleasure of reading the October issue, but I am sure it also must contain a great deal of laudatory material about the minister. In any event, let us take a look at this very short excerpt, which I think must go on the record:

And now the watchful eye of such clever guardians of us has been assumed into heaven and set into the new minister of consumer affairs. This is a minister who could say that today, "because consumers are better educated", governments are expected to perform a better protective role. Which is the same conclusion he would undoubtedly draw from the notion that "consumers are not better educated". In other words, we shall be looked after, come what may.

With not a dissenting vote on the principle of looking after us, from any of our representatives. They all apparently think the same of us.

"Government measures to protect consumers are as old as history," the new minister told the House of Commons. He approvingly conjured up the historical image that "in ancient Athens there were functionaries who paraded fully armed through the marketplace to see that there was fair dealing." And there too, go we.

Today we have a new government department, to lead us. "We have here an opportunity to make the department of corporate and consumer affairs the most advanced of its kind in the western world . . . We are going to do our best to respond to the challenge . . ." said the minister.

With the author I ask: But who will protect us from the minister?

Mr. Prittie: Mr. Chairman, I have a few comments which I should like to make in respect of clause 5(c), which refers to combines, mergers, monopolies and restraint of trade. There are some things which never change around Ottawa. They seem to go on for years and years. I recall that when I first came here in 1962 the royal commission on pilotage was sitting. That commission has not found its way to court yet and is beginning to be something of a joke around here.

At the same time the situation concerning combines and monopolies has not changed very much either. Successive ministers have come and gone and the same questions are asked. We never receive any answers. I have quite a file which includes questions asked first of Mr. Chevrier, and then of the late Mr. Favreau. The answer always has been that something is going to be done about the Canadian combines law. But nothing seems to happen.

Just the other day I saw a newspaper report to the effect that when the Registrar General was speaking, I think in western Canada, he promised something along this line.

Mr. Nielsen: How did he get out there?

Mr. Prittie: That was one of the week ends when they were allowed to travel. I will not take the time today to quote chapter and

verse, but whenever the estimates of the department concerned with combines have come up, I have asked the minister what is being done about this and the reply always has been that something would be done. Some very important speeches have been made on this subject. In one of those speeches the late Mr. Favreau, in October, 1964, before the Association of Canadian General Counsel at Montebello, Quebec promised some real changes. That is more than three years ago now. In the meantime the reports of the restrictive trade practices commission continue to be turned out. I have a drawer full of them in my office. However, very little seems to happen in the way either of a change in the law or in the way of action upon the reports which have been made.

The years go by and nothing happens at all. I should like to suggest that surely the persons who are charged with the responsibility have now had enough time to do all the necessary studies. There is quite a lot of literature on this subject. They have had sufficient time to do the necessary studies and make recommendations. On the general question of the law concerning mergers, monopolies and combines, I believe the thinking of some of us has changed over the years. Bigness in itself is not bad. It may well be that in our Canadian economy a number of mergers should take place. We hear a great deal about the competition which Canadian industry will have to face. This will be intensified when the Kennedy round agreements are implemented. It may be that there is a good case for mergers and monopolies, so that our industries can become more efficient. If that should be the case, I suggest that some of these be allowed to take place. But once it has been done I think there must be some public accountability.

My colleague, the hon. member for Waterloo South, has spoken on this subject at other times. This is I believe where the prices review board comes into the picture. If monopolies are to be permitted to exist, it may be that in some cases in the public interest there should be some place where they will be accountable. It seems that it is in the public interest in some sectors to accomplish as much as it is possible. This is where we are weak. Court cases dating back to 1960 at least show the weakness of our laws in this connection. I cannot understand why in seven years no amendments have been proposed to the house to strengthen that part of the Combines Investigation Act in an effort to promote competition wherever possible. I certainly would like to hear something from the minister concerning this aspect of the responsibilities of his department, before we proceed any further. I should like to know what is happening and what is likely to happen in that regard.

Mr. Chairman, I wonder whether the minister would care to make any comment at this time concerning whatever plans his department may have in respect of the present situation as it relates to combines and mergers. I am wondering whether some legislation is being drafted which will be presented to the house in the near future.

Mr. Turner: Mr. Chairman, in answer to that question, I may say that I believe I expressed our feeling at some length when I spoke on second reading and at the resolution stage. I should remind the hon. member that on July 22, 1966 the whole question of monopoly, merger and restraint of trade was referred by the then minister to the Economic Council of Canada, as one of three references. I would hope that at an early opportunity that particular reference would be reported back to the house, so that we would be in a position to take action along the lines I suggested in my speech on second reading.

Mr. Herridge: Mr. Chairman, in respect of subclause (d) of clause 5, bankruptcy and insolvency, I should like to ask the minister a question, because I have been very interested in this subject over a good period of years. I believe I mentioned previously that, while I was an inspector in bankruptcy, the trustee made a report to the superintendent of bankruptcy which was not true and I refused to sign it. Nothing happened as a result, however. Would the minister tell the house who, under the administration of bankruptcy, is supposed to sign a report from the trustee to the superintendent of bankruptcy in connection with any bankruptcy?

Mr. Turner: It is my understanding that the trustee signs the report to the superintendent.

Mr. Orlikow: Mr. Chairman, in answer to my colleague, the hon. member for Burnaby-Richmond, when he raised the question of possible legislation with regard to the regulation of combines, the minister said, quite properly, that this is one of the questions which has been referred to the Economic Council of Canada. Although he did not quite

say this, I presume he means that we will not have legislation before us until we have a report from the economic council. Has he been in contact with the economic council and, if so, does it appear to be likely that we will have a report from them in the near future. By the "near future" I do not mean next week or next month, but perhaps the spring of 1968. Are we going to have to wait until 1969 or 1970 before getting a report?

• (4:40 p.m.)

Mr. Turner: I think it is important that the government assess the report of the Economic Council of Canada for some of the reasons mentioned this afternoon by the hon. member for Waterloo South relating to the changing economic factors.

Before Dr. Deutsch retired as chairman of that council I had a conversation with him as to the dates upon which the council would report on the references regarding combines, patents, trade marks and copyrights. He advised me that on the present schedule he would not anticipate a report before the fall of 1968.

Mr. Orlikow: I have a great deal of respect for the economic council. At the same time I would urge the minister not to wait until he gets the report before bringing in legislation dealing with combines. This legislation has been on the books almost from the beginning of the career of a former Liberal prime minister, Mr. Mackenzie King, yet its effect has been minimal. As the leader of our party has said on a number of occasions, a fine of $10,000 or $20,000 imposed upon a company which does millions of dollars of business is really a very cheap licence to steal. Surely the government should not have to wait until it receives a comprehensive report from the economic council before it brings in some legislation in this regard. The people of Canada are beginning to doubt, if they did not have illusions before, that this government will really do anything about the combines in Canada which have spread to virtually every field of our economic activity.

Mr. Nielsen: In view of the very few minutes left for discussion at the committee stage I cannot go into the subject of bankruptcy as deeply as I should like. The minister will recall what I said to him some time ago with regard to the number of references to the special bankruptcy fraud investigation function which had been set up in Montreal, Toronto and Vancouver. I believe some 200 investigations had been completed in Montreal by the squad as of last June. From time to time some of these cases have been referred by myself to the R.C.M.P. If my memory serves me correctly some 58 references came from my office to the R.C.M.P. Has the minister these figures available to confirm my recollection, and can he tell whether any prosecutions have resulted from investigation of the matters I referred to the R.C.M.P.?

Mr. Turner: I can give the hon. member general figures, but I have not yet received the information which would relate these figures to the particular inquiries in which he is interested. As of September 28 this year, and we are talking now about investigations and prosecutions in progress under the Bankruptcy Act and the Criminal Code relating to bankruptcy, complaints presently under review by head office for investigation, as well as at regional offices, number 100. Investigations of complaints at the regional office in Montreal number 120, in Toronto 75 and in Vancouver 10. The superintendent of bankruptcy estimated on that date the R.C.M.P. were currently investigating approximately 80 complaints. Cases presently in the hands of prosecuting authorities for prosecution number as follows: for the federal Department of Justice, 35, and the provincial attorneys general, 25.

A few months ago in reply to a question by the hon. member for Notre-Dame-de-Grâce I stated that more than 200 investigations into alleged irregularities in bankruptcies on the part of bankrupts, creditors and trustees had been initiated by the office of the superintendent of bankruptcy. I had this reviewed again by the superintendent of bankruptcy and he advised me that the statistical facilities available to him are still not as complete as he would like. He feels this figure of 200 may appear to be high in view of the fact that the bankruptcy branch had only one officer working directly in Montreal. He reminded me that the bankruptcy branch was assisted by the bankruptcy squad of the R.C.M.P. which at that time had four to seven officers. One of the areas in which I hope we can make some improvement is in respect of statistical services available to the bankruptcy branch.

As to relating those prosecutions and investigations to those cases in which the hon. member for Yukon is interested, that is quite a job, because it requires a great deal of co-ordination between the Department of

Justice, the R.C.M.P., the Department of the Solicitor General, and our department. We will do our best to furnish the hon. member with this information.

Mr. Nielsen: I thank the minister for those explanations. Perhaps very briefly he could tell us whether any of these prosecutions to which he has referred, and which have been completed, have resulted in any suspension of any licences of trustees under the Bankruptcy Act?

Mr. Turner: Before I answer a question like that I should like to be very sure of my information. I can say in the last two years there have been 60 trustees licences suspended for one reason or another.

Clause agreed to.

On clause 6—*Duties re consumer affairs.*

Mr. Nielsen: Mr. Chairman, it is unfortunate that so much time was lost this afternoon. Several amendments that we on this side will be proposing, contrary to the anticipation of my friend from Winnipeg North, either will not be discussed to the extent they deserve, or will result in this bill being put over to another occasion.

In dealing with clause 6 briefly, after very careful consideration of the provisions of this clause, we have concluded that, in order to provide the minister with the kind of teeth to which we referred at the resolution stage and during debate on second reading, amendments are necessary. In subclause (2) of clause 6 we suggest to the minister that in line 3 there should be words which give the power of investigation to the minister. Nowhere in the bill is that power of investigation into irregularities or unlawful practices provided. Immediately following the word "research" in line 3 of subclause (2) we propose that the words "or investigation" should be added. We propose further that in line 7 of subclause (2) immediately following the word "research" the words "or investigation" should be added. Third, immediately following the word "research" in line 9 of subclause (2) we believe that the words "or investigation" should be added. These alterations to subclause (2) of clause 6 will, in our view, provide the minister with the kind of power we believe he should have in order to fulfil completely the intention which we believe lies behind the principle of introducing the legislation.

• (4:50 p.m.)

I therefore move, seconded by the hon. member for Peace River:

That subclause (2) of clause 6 of Bill C-161 be amended by deleting the said clause and substituting in its place the following:—

Three separate amendments could be moved but I am proposing an omnibus amendment, as a result of which the substituted subclause (2) of clause 6 would read as follows:

"For the purpose of carrying out his duties and functions under this act, the minister may undertake research and investigation into matters to which the powers, duties and functions of the minister extend, including price increases, cooperate with any or all provinces or with any department or agency of the government of Canada or any organization or person undertaking such research and investigation and publish or cause to be published, or assist in the publication of, so much of the results of any such research or investigation as the minister deems appropriate and in the public interest, and in particular with regard to price increases, the minister shall report to parliament thereon with appropriate recommendations."

Before sending this amendment to the table I would point out that there are two other amendments which the minister will have noticed while I was reading what we propose as the substituted subclause. We have included a specific reference to "price increases." These three additional words "including price increases" will be added in line 4 of existing subclause (2) following the word "extend." The reason for this addition is quite obvious. The purpose of the bill is to do something about price increases and to give the minister power to do something about them. We therefore feel there should be a specific reference to "price increases" in the subclause. The other alteration the minister will have noted follows the last word of subclause (2), namely, "interest." We have added this phrase, "and in particular with regard to price increases, the minister shall report to parliament thereon with appropriate recommendations."

We feel that parliament should have a continuing interest in this matter and that the minister should be obliged to report to parliament from time to time on the very matters with which the bill will deal through this amendment to the subclause, namely price increases, research and investigation into complaints, and the like.

These are the five alterations we have for the minister's consideration. We hope all these amendments will be made with the approval of the minister. I am sure he sees

merit in them and we hope they will be accepted by the government in this omnibus form. However, if after consideration the minister feels that some of them merit acceptance and others do not, he might indicate this to us. I have prepared individual amendments which perhaps we might agree upon as we go along.

Mr. Knowles: Mr. Chairman, may I rise on a point of order before you put the amendment. It is not a point of order against the amendment but rather it has to do with our procedure. Your Honour called clause 6 and quite properly recognized the hon. member for Yukon, who then proceeded to speak mainly to subclause 2. It so happens that two or three of my colleagues have amendments they wish to move to subclause 1. We have no objection to subclause 2 being dealt with first, provided this does not preclude our right to move amendments to subclause 1. If it does, I would have to give Your Honour notice that we have members who wish to move amendments to subclause 1. I leave the matter in Your Honour's hands, so long as our rights are protected.

Mr. Nielsen: On the point of order raised by the hon. member, Mr. Chairman, we would have no objection to any member of the house going back to subclause 1 and moving an amendment. Perhaps I was a little premature in going to subclause 2 before we had dealt with subclause 1. In any event, since the matter has progressed this far perhaps we could deal with subclause 2 now, with consent, and then go back to subclause 1.

Mr. Turner: Mr. Chairman, on the point of order, I would point out that we are rapidly running out of time this afternoon and I wonder whether it would not meet the convenience of the committee to have introduced and tabled the amendments of the New Democratic party to subclause 1. We would then have an opportunity of considering them, and the next time we discuss this bill we will be in a position to deal with them.

Mr. Nielsen: That is agreeable to us, Mr. Chairman.

Mr. Baldwin: On a point of order, Mr. Chairman, I think Your Honour has already read out the standing order under which we proceed in these circumstances. We are considering this bill clause by clause. I would think there would be no objection to our dealing with any particular part of a clause, whether it be subclause 1 or subclause 2. I offer these comments for Your Honour's assistance.

The Chairman: I do not think there is any objection to amending any part of the clause. The only difficulty is that the Chair is in possession of the amendment to subclause 2 and is not in possession of any amendment to subclause 1. The Chair does not know whether there might be any conflict between the amendments. However, I think the hon. member for Yukon was quite right in discussing clause 6 and moving an amendment to subclause 2. If the hon. member is willing, perhaps the Chair could hold his amendment for the time being and hear the amendment that is to be made to subclause 1.

Mr. Nielsen: That would be agreeable to us, Mr. Chairman. However, if you do not mind my making a suggestion, perhaps Your Honour would put the amendment to the committee, simply to have it on the record, and then we could go back to subclause 1.

Mr. Knowles: Mr. Chairman, I wonder whether we could not agree to the suggestion made by the Registrar General, namely that the amendments my colleagues intend to move be read before we deal with the amendment put forward by the hon. member for Yukon. The hon. member for Waterloo South has an amendment he wishes to move, and so has the hon. member for Vancouver-Kingsway.

The Chairman: Perhaps I could read the amendment, offered by the hon. member for Yukon, rather than putting it from the Chair; then we could hear the amendment of the hon. member for Waterloo South and I could read it to the committee. It has been proposed by the hon. member for Yukon:

That subclause (2) of clause 6 of Bill C-161 be amended by deleting the said clause and substituting in its place the following:

"(2) For the purpose of carrying out his duties and functions under this act, the minister may undertake research and investigation into matters to which the powers, duties and functions of the minister extend, including price increases, cooperate with any or all provinces or with any department or agency of the government of Canada or any organization or person undertaking such research and investigation and publish or cause to be published, or assist in the publication of, so much of the results of any such research or investigation as the minister deems appropriate and in the public interest, and in particular with regard to price increases, the minister shall report to parliament thereon with appropriate recommendations."

Corporate and Consumer Affairs

• (5:00 p.m.)

Mr. Saltsman: At the next opportunity we intend to move the following amendment:

That sub-clause (1) of clause 6 be amended by adding thereto, immediately after paragraph (d) thereof, the following new paragraph:

"(e) establish a corporation on behalf of Her Majesty which shall be empowered to: manufacture, sell, distribute, and promote drugs offered for sale in Canada;

supervise all advertising and promotion activities related to drugs including the distribution of samples and the content of advertising literature."

Mrs. MacInnis (Vancouver-Kingsway): Mr. Chairman, the next amendment that we propose to move is:

That sub-clause (1) of clause 6 of Bill C-161 be amended by adding thereto the following new paragraph:

"(e) be empowered to secure information from any other department of the government to assist in the investigation of consumer complaints."

The second amendment that we propose to move is:

That sub-clause (1) of clause 6 of Bill C-161 be amended by adding thereto the following new paragraph:

"(e) establish a prices review board with authority to inquire into complaints of price increases in essential commodities, to make its findings public and to take joint action with any of the provinces to deal with price increases that cannot be justified.

[*Translation*]

I have the two amendments in both languages.

[*English*]

Mr. Turner: Do I take it, Mr. Chairman, that all the amendments to this clause have been moved?

Mr. Knowles: I believe that is the case, Mr. Chairman, so far as we are concerned. The three amendments that have been read are the three that we wish to move to this clause.

Mr. Turner: I want to reserve my right at the next sitting not only to argue the substance of the amendments but also to argue their admissibility.

Mr. Knowles: The minister does not surprise us.

The Chairman: Perhaps I should point out to the committee that the suggested amendment by the hon. member for Yukon has been read but has not been officially put by the Chair. The same is true of the amendment moved by the hon. member for Waterloo South and the two amendments moved by the hon. member for Vancouver-Kingsway.

[The Chairman.]

Mr. Turner: We might take it as notice of intention to amend.

The Chairman: It being five o'clock and in order that the house may proceed to consideration of private members business, shall I rise, report progress and request leave to sit again at the next sitting of the house?

Progress reported.

BROADCASTING

REFERENCE TO COMMITTEE OF SUBJECT MATTER OF EDUCATIONAL PROGRAMS

Hon. Allan J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, may I ask the consent of the house to revert to motions for the purpose of moving that the subject matter of broadcasting and televising of educational programs be referred to the standing committee on broadcasting, films and assistance to the arts. The committee has considered the white paper on broadcasting but has not had an opportunity to complete its study of educational television. I believe there is a desire among members of all parties to have this done.

Mr. Deputy Speaker: Does the house give unanimous consent for the minister to revert to motions?

Some hon. Members: Agreed.

Mr. MacEachen: I move:

That the standing committee on broadcasting, films and assistance to the arts be empowered to consider the subject matter of broadcasting and televising of educational programs.

Motion agreed to.

Mr. Deputy Speaker: The house will now proceed to the consideration of private members business as listed on today's order paper, namely public bills and private bills.

CRIMINAL CODE

AMENDMENT TO LEGALIZE SALE OF AND INFORMATION RESPECTING CONTRACEPTIVES

Mr. R. W. Prittie (Burnaby-Richmond) moved the second reading of Bill No. C-13, to amend the Criminal Code.

He said: Mr. Speaker, this bill has been a perennial with me. I first introduced a similar bill in 1963, followed by one in all subsequent sessions since. I notice the bill is numbered C-13 this time. I do not know whether that is significant one way or the other.

The explanatory notes in the bill are quite clear. At the present time the Criminal Code of Canada makes it illegal to disseminate any information designed to prevent conception, and this has been on the statutes in the Criminal Code since 1892. I should like to say at the outset that this bill does not deal with abortion in any way at all. This is a distinctly separate subject which is being studied at the present time by the health and welfare committee. The bill simply deals with birth control or family planning, whichever term is preferable. The meaning of the present law is quite clear. It is against the law to give such information, and in recent years the law has fallen into disuse. Prosecutions have been infrequent. I believe the last one was in 1961.

As we all know, physicians regularly give advice on this subject, as well as prescriptions. Druggists sell materials, public health nurses give information, and hospitals, both public and private, supply birth control information to various people. Many cities and counties in Canada are now openly engaged in this practice. Indeed, last year, with the authorization of the minister of health in the province of Ontario, family planning services were made available in the public health clinics of that province. The city of Montreal is now providing this type of service to the citizens of that city. However, as the law reads at the present time, all these people are breaking the law, and that would include also the government of Canada which has purchased contraceptive materials.

My colleague, the hon. member for Springfield (Mr. Schreyer) asked a question which was answered on June 21, 1967. His question, No. 187, reads as follows:

1. What were the government of Canada expenditures in each of the last two fiscal years for purposes of purchasing supplies of drugs and devices of a contraceptive nature?

2. By what departments were these expenditures made and what was the amount in each case?

3. From what drug manufacturing or distribution firms were these purchases made?

In the reply which the hon. member received from the Department of National Defence the amounts were stated. The only point I wish to stress is that the government of Canada is breaking section 150(2) of the Criminal Code.

Mr. Cowan: They are also breaking the law on capital punishment.

• (5:10 p.m.)

Mr. Prittie: I see my hon. friend from York-Humber (Mr. Cowan) here, that implacable foe of the 20th century. I can expect to hear from him later in the debate so I will wait until then.

As I said, Mr. Speaker, the law has fallen into disuse. There have been very few prosecutions—none that I know of since 1961. In these matters that affect the private lives of individuals we in Canada always seem to lag behind other countries. The social mores change but we do not seem to change very quickly. For example, on the subject of divorce, we have studied the subject and made recommendations, but as yet we have no legislation to implement those recommendations. We are at least 30 to 35 years behind everyone else.

Almost every other country in the western world has changed its law on this particular subject of the dissemination of information on birth control. I want to give an illustration of one country that has moved rather fast on the subject, and I am referring to France. France had on the statute books a law almost identical to the one in Canada. In the French presidential campaign of November, 1965 M. Mitterand, one of the candidates, raised this question. There was quite a popular response to it on the part of the French electorate, and early in 1966, shortly after the election, the French national assembly appointed a commission to study the subject. This commission, headed by a French deputy, M. Lucien Nieuwirth, reported early in 1967, and in June 1967 the French assembly actually changed the law of France. All of this happened, Mr. Speaker, within the space of a little more than a year and a half.

I want to give a little background to what has happened in Canada. The first bill that I introduced on this subject and the first bill on the subject to be introduced in the house was in 1963. Following its introduction there was quite a campaign for public support by various groups within the country. But as often happens with private bills, it did not come up for second reading in the session of 1963.

I reintroduced the bill in 1964 and it was actually debated on September 11, 1964. There is an interesting little story in connection with this. It is very seldom that a private member's bill ever passes in the House of Commons. One had passed earlier that year, a bill introduced by the present Minister without Portfolio, the hon. member for Saint Maurice-Laflèche (Mr. Chrétien), to change the name of Trans-Canada Air Lines to Air Canada. By some agreement that got through.

It looked for a while, Mr. Speaker, as though the bill I had introduced on this subject would pass. The government whip of the day informed me that the government were not going to oppose it. Indeed, only one government member, my friend from St. John's East (Mr. O'Keefe) spoke on it very briefly.

Mr. Cowan: The hon. member for Lotbinière (Mr. Choquette) also.

Mr. Prittie: Yes. However, the two members who effectively talked the bill out on that occasion were the hon. member for Roberval (Mr. Gauthier) and the hon. member for Mégantic (Mr. Langlois). I found out later they had misunderstood the bill; they thought it dealt with the subject of abortion, which it did not. However, the bill failed passage in 1964 and it has not been debated in the house since.

Following the new parliament which came after the election of November 1965 four bills were introduced in the house on the subject, one by myself, one by the hon. member for Vancouver-Burrard (Mr. Basford), one by the hon. member for St. Paul's (Mr. Wahn) and one by the hon. member for York-Scarborough (Mr. Stanbury). All four bills were subsequently referred to the committee on health and welfare.

That committee held a series of hearings and heard from all interested parties who wanted to appear. I should like to read the list of the national and local organizations which appeared before that committee. The Anglican Church of Canada, the Association des Medecins de Langue Francais du Canada, the Canadian Bar Association, the Canadian Catholic Conference, the Canadian Unitarian Council, the Canadian Welfare Council, the Community Welfare Planning Council of Manitoba, the Consumers Association of Canada, the Family Planning Federation of Canada, the National Council of Women, the Pentecostal Assemblies of Canada, an organization known as SERENA of Ottawa, the United Church of Canada, the Voice of Women of Canada and the Y.W.C.A. of Canada. All of these groups except the Pentecostal Assemblies of Canada gave support to the idea, though some of them with qualifications. The committee on health and welfare reported to the house, and I want to refer briefly to their report which is dated Friday, November 18, 1966, a year ago tomorrow. Part of the report is as follows:

> Your committee feels that the dissemination of family planning knowledge should be completely available and free from any fear of illegality, as a matter of personal choice.

Then on the following page, page 591, the report continues:

> Medical knowledge and technique are at a level today where intelligent family planning can be carried out relatively easily. The present laws of Canada have made this impossible in its fullest sense. It is the feeling of your committee that family planning is a personal decision of a married couple and the state should not interfere with action or laws in any way to influence such a personal decision.

The committee made some recommendations and I will refer to them a little later on. I want to refer briefly to the submission made to the committee by the Canadian Catholic Conference, which is a conference of the bishops of the Catholic church in Canada. In part, Mr. Speaker, they had this to say:

> In the light of these conditions we consider Article 150, which forbids giving information about contraception as well as the sale or distribution of contraceptives, an inadequate law today. We consider it so quite independently of the morality or immorality of various methods of birth prevention. We believe it a deficient law because it does not meet all the conditions outlined above.
>
> The law is not in fact enforced, and the good of public peace might well be lost by attempts to enforce it. A large number of our fellow citizens believe that this law violates their rights to be informed and helped toward responsible parenthood in accordance with their personal beliefs.
>
> It is our clear understanding, of course, that the modification of the law in question is not to extend to that part of it which has to do with abortion. For our conclusions would be quite different were there question of such direct destruction of human life.

The church is making its view known on abortion to the health and welfare committee, but on this occasion it did agree that section 150 of the Criminal Code should be changed.

It seems to me simply incredible that here in Canada we take so long to do anything. I gave you the example of France, where within a little more than a year and a half the subject was brought out into the open, debated, studied by a French parliamentary committee and the law changed. Many people advocated this change before I came on the scene, but the first bill introduced in this house was by myself in 1963. And here we are, Mr. Speaker, in 1967, four and a half years later, and no change has been made.

To be fair, Mr. Speaker, I will say that some action has been taken on the report of the committee on health and welfare. There was introduced in the Senate on November 1 Bill No. S-22, which deals with this and a number of other subjects. In essence, Bill S-22 recommends that the section on contraception, as it now appears in the Criminal Code, be taken out. This bill also suggests

amendments to the Food and Drugs Act, one of which is in these terms:

Section 3 of the said act is amended by adding thereto the following subsection:

"(3) Except as authorized by regulation, no person shall advertise to the general public any contraceptive device or any drug manufactured, sold or represented for use in the prevention of conception."

The idea there is that the food and drugs directorate will examine the various types of devices which are on the market, will presumably approve some of them and will authorize certain persons, such as doctors, public health nurses, family planning associations and hospitals, to distribute this type of information. I would point out one odd feature of this bill. The food and drug directorate alone had the authority and exercised the authority to approve for sale birth control pills, because they are of a chemical composition. That was done, even under existing law. The food and drug directorate apparently is to be charged with the responsibility for all contraceptive devices, whether made of chemicals or not.

• (5:20 p.m.)

A bill dealing with that has been introduced in the Senate but it has not been debated or passed. In time I suppose it will find its way to the House of Commons.

Mr. Knowles: I thought the Senate had adjourned.

Mr. Prittie: The Senate at present is adjourned but is to reconvene on November 21, I believe. Eventually they will get around to discussing this question. It seems to me, nevertheless, that 1967 will end without the change in the law dealing with the subject having taken place.

For once I wish that we in Canada could be leaders or innovators, rather than imitators in fields of social reform that affect the private lives of individuals. I realize that many hon. members probably feel that the bill which has been introduced in the Senate should take precedence over the one I have presented today. As a second measure I would be prepared to accept the one that is before the Senate, but I still hold the opinion I held originally, in 1963. The section dealing with this matter ought to be removed from the Criminal Code and individuals ought to be left to decide such questions for themselves.

My hon. friend from York-Humber (Mr. Cowan) is here. He was a member of the health and welfare committee and I await with interest the comments he will make on this bill.

[*Translation*]

Mr. Alcide Simard (Lac-Saint-Jean): Mr. Speaker, it is said in the explanatory notes that the purpose of this bill is to exempt from the sections of the Criminal Code referring to family planning, authorized personnel of duly incorporated family planning associations, physicians, pharmacists, or registered nurses and public organizations. Authority is given to these people or organizations to legally sell or distribute means, instructions, medicine, drugs or articles intended as a method of family planning. That is the bill this house is asked to vote on.

Section 150(2)(c) of the Criminal Code is open to all sorts of omissions or transgressions and, in fact, Mr. Speaker, what is happening now is a joke. This is the section that the Canadian government itself has violated through some of its actions toward overpopulated countries. Bad legislation breeds contempt of the law itself. According to Father James R. Robarts, member of the Catholic family court of the Vancouver archdiocese, any legislation, in order to be effective and benefit the community, must be accepted by the majority of the population; otherwise, its violation by a great number of people, even in good faith, breeds contempt of the law.

In September 1964, a bill similar to the one now being considered was introduced in this house, but it failed to meet the unanimous approval of the members. I sincerely believe it is high time we looked into that problem seriously and objectively, if we are not to be accused of denying the individual of one of his most sacred rights, that of having children when he wants and in any number he wants.

According to Teilhard de Chardin, no human being worthy of the name can accept that an outside force or coercion should prevent him from fulfilling himself naturally and normally. To be a father, to be a mother is a wonderful experience, especially when parents know they can give their children all they need.

Still, births that come too close to one another can become dangerous for the mother's health. Too many children can become a heavy burden instead of a great joy. All parents want the best for their children: a good home, good food, a good education, in short, happiness. When parents plan their family, have children when they want them, the family has a better chance of being

happy and healthy. That is why that question must be looked into by society and especially by the family.

The essential thing is to provide for the birth of children under proper conditions and to restore to the couple the joys of freely accepted parenthood. Accordingly, there is no question of exercising mandatory control over the number of children, but to space births so that each child is born into a family that welcomes him and is able to provide for all his needs, including a proper education.

If, on the one hand, we agree that husbands and wives have an inalienable right to attain a spiritualization of love through a dialogue where they can together evolve toward a flowering of their mutual love and, on the other hand, that the child, the fruit of this love, has also the right to be born in an atmosphere and environment conducive to his education and upbringing, we must logically and inevitably infer that both parents are entitled to enlightened information on various contraceptive methods, their use and disadvantages. Furthermore, the doctor must not substitute his conscience to that of his patients by imposing his own moral standards on them.

Now, Mr. Speaker, who can get this instruction, this knowledge? Everyone who so wishes, I would say without hesitating. I would even say that sexual education should be given to children, adapting it to their capacity and development.

Later, when they have grown up, when they are adults, they will be in a better position to understand the great problems relating to the noble role of transmitting life through love freely accepted and given.

All Canadian citizens, rich as well as poor, must have free access to this knowledge which will enable them to perform in peace, love and order, their noble role of procreator intended by God.

Among the long-term measures which might help to improve the lot of needy families, Dr. Mongeau puts the amendment of the law on contraception, the opening of free family planning clinics, the extension of marriage preparation courses to more people, better training for doctors and social workers, so that they can give judicious advice on family planning, as well as a better sex education at home and in primary and secondary schools.

Who should dispense such information? Precisely those who have the competence and training required to inform the people about such matters and who were forbidden by law to do so until now.

Only the representatives of family planning associations regularly incorporated, doctors, pharmacists or registered nurses and the public organizations would be authorized to sell or distribute legally any information, drug or article needed for family planning.

• (5:30 p.m.)

The centres authorized to distribute information on family planning should be oriented towards the essential family values and its preservation; above all, they must endeavour to consider the problems of fertility not only from its technical viewpoint, but within the context of the many conjugal problems to which birth control too often serves as a smoke screen.

At this time, one problem seems to worry many people. How will the young people react to this information on contraceptive? Will it constitute an open door to dissolute ways and the debauchery of minors? To that question, I shall reply with another. Was alcoholism ever checked by prohition laws?

Again, would we revolutionize the problem of premarital sexual relations by hiding the truth from those who thirst for it? As it stands now, the legislation barely covers up the advertising and sale of contraceptive products to which young people already have easy access whenever they wish.

Can it be properly inferred that the establishment of conjugal clinics would greatly increase the incidence of premarital sex among youths? In my estimation, only a sound sexual education can help youth to discover the true meaning of sexuality in marriage. Prohibitions and smoke-screens of all kinds can but further enhance for them the eternal attraction of the forbidden fruit.

In conclusion, Mr. Speaker, as the civil legislators, we must be guided by two major criteria: the natural law and the common good of the country.

Indeed, the determination and justification of any legislation must be based mainly on the natural law. In a certain sense, I think we must put aside our religious persuasion, precisely because there are so many in the country.

A civil law which is to be respected by all the citizens of a country, irrespective of their religion, cannot be based on religious prejudice, but on a principle accepted by the majority of citizens, in this case natural law. But does this mean that the legislator cannot

indirectly make use of the certain knowledge which he derives from his religion? Certainly not, but this knowledge must serve as a confirmation and not as a justification. I shall come back to this later, Mr. Speaker.

The second criterion of a civil law is the common good. Indeed, a law which would only apply to part of the population for example only to Catholics, could be called unfair towards the rest of the people, and therefore would be in no way compulsory.

These very personal remarks have been formulated in the spirit of freedom of conscience advocated by Vatican II. Freedom of conscience does not mean syncretism or eclectism, but being true to oneself, to that verdict which comes from one's very soul and which dictates how one should behave.

There is nothing like examples to explain our news, Mr. Speaker. Now, I am referring to divorce and family planning. The church is more reserved than broad-minded on those two points, and it is right, because its legislation only concerns one group of persons, to wit the Catholics. But civil society, which includes various religious faiths, must draw up legislation taking that multiplicity into account. Consequently, it seems to me that its legislation on divorce or family planning must be more broad-minded, while taking the appropriate measures to control any abuses which are always possible. And let us note that, whatever may be the broadening of such legislation, it can very well not give more freedom to such group of persons.

For instance, the broadening of the divorce law in civil court will be useless to Catholics if they are faithful to their religious convictions, essentially because divorce is not allowed by the religious court.

And, if it is not allowed by the religious court, then conscience does not allow it either in the civil court.

Here is another example, Mr. Speaker. If, for a Protestant, divorce may be granted only on grounds of adultery and if, on the other hand, his religion allows only his motive, he will not be able to petition for divorce on any other grounds, if he is faithful to his religious convictions, even if civil law allows divorce on three or four grounds other than that one.

This leads me to speak of everyone's own conscience. There is a Catholic conscience as there is a Protestant, Lutheran or Orthodox conscience. It seems to me that civil legislators should not be afraid to appeal to that conscience and keep returning to it often. Even if civil divorce is legal for four reasons, for instance, the fact remains that for a person in particular, divorce can be legal for only one of these reasons, his conscience formally prohibiting him to use the other three. We must keep in mind that everyone's conscience is the ultimate standard of any human action. This conscience factor is of prime importance in the face of any legislation and we, as legislators, should not be afraid to appeal to it. We may thus contribute in rousing some consciences, asleep or wavering, which are only waiting for an appeal from outside to come out of its torpor.

I said earlier, Mr. Speaker, that a legislator can use indirectly the sure knowledge he draws from his religious faith and that such knowledge must be a confirmation and not a justification of any legislation at the civil level. In concrete terms, this might be translated thus: I am opposed to abortion, direct or indirect, not because I am a Catholic and my faith forbids it, but simply because such a practice goes directly against natural law which forbids the murder of an innocent. It can easily be seen from the way this is said that my position does not rest fundamentally on my religious faith but rather on natural law. My faith only confirms my opinion.

Here is another example. It seems to me that we should extend the scope of the divorce law. Instead of only one ground, four or five others could warrant the dissolution of a marriage. I am a Catholic and I do not approve of divorce, except in the specific cases determined by the church. But if today I am taking such a position, I am not going against my religious convictions, but I am considering, in the first place, the common good of the country which includes a multiplicity of religions.

Now, I only have to discuss the means of preventing conception. I do not suggest, Mr. Speaker, that I am an expert on the various means, appliances, tablets or contraceptives invented by modern science; I do not have any inferiority complex and I feel all the more at ease to speak about this, because I know that medical science although it is well advanced, is still proceeding by trial and error.

However, I will merely refer to the evidence given by prominent doctors and brilliant chemists. Kindly note, Mr. Speaker that in the following comments, I do not question their sincerity—

The Acting Speaker (Mr. Tardif): Order. I regret to interrupt the hon. member, but the time allowed to him has expired.

• (5:40 p.m.)

[*English*]

Mr. Ralph Cowan (York-Humber): Mr. Speaker, on rising to comment on this proposed bill of the hon. member for Burnaby-Richmond (Mr. Prittie) I would like to ask in the first instance what else is new, when he quotes as an example the fact that the Department of National Defence is spending money on contraceptives although this is against the law of the land? I presume the former minister of national defence had to O.K. those expenditures, and I would point out that he used to sing in the choir of a large United Church in Toronto. I notice that the hon. member for Burnaby-Richmond has been quoting some statements issued by the United Church of Canada in support of his stand on this matter. It is interesting to note that the former choirboy in the United Church in Toronto is following the policy of his church in this regard, even though it may break the law of the land.

The breaking of the law of the land by the Department of National Defence is a poor example to set as one that everybody else should follow. Really we except the cabinet, to set an example to all the people in the observance of the law of the land as passed by parliament. When the cabinet proceeds to kill the intent of the capital punishment statute by commuting every death sentence that is imposed, and then tells us in its self-righteousness that it is exercising the quality of mercy, and that this makes it possible for members of the cabinet to set aside the law of the land, do not forget that the cabinet can also quote the Bible to the hon. member for Burnaby-Richmond when they buy contraceptives against the law of the land by simply saying to him, "Don't let your right hand know what your left hand doeth". When the cabinet is following the injunction contained in the sermon on the mount I say it is very poor policy on the part of the hon. member for Burnaby-Richmond to let the right hand know what the left hand does, among the 25 members of the cabinet. If he had not brought that to the attention of the members of the cabinet they would have followed the biblical injunction, and the other members of the cabinet would not have known what the former choirboy had been doing in the past.

Also do not forget that under the Department of Public Works they were throwing illegal fill into lake Ontario despite the provisions of the Navigable Waters Protection Act. But I am counting on seeing that act enforced in the future because, by order in council, its administration has been transferred from the Department of Public Works to the Department of Transport, and the new Minister of Transport (Mr. Hellyer) happens to be the former minister of national defence. Now since he was buying contraceptives against the law of the land I can see that in his new position as Minister of Transport he may continue to kick the law of the land in the teeth, just to set an example to the people of this nation so that they can see how the cabinet observes the law of the land, so that if the public want to break the law of the land that will be O.K.

I must express sympathy to the hon. member for Burnaby-Richmond in that I have looked up the first occasion when second reading of this bill was called, and I regret to draw the attention of the house to the fact that the second reading of this bill first came on September 11, 1964. Here it is now November 17, 1967, more than three years later. If this country wants a perfect example of the importance that the cabinet attaches to private members of parliament, this is it.

I admire the sincerity of the hon. member for Burnaby-Richmond. I know that he has spent a lot of time and thought on this question and everything he says rings with sincerity, but to think that the cabinet of this nation, which controls the agenda of this parliament from day to day, should never make it possible for him to speak on such a subject in more than three years is a clear indication of the attention members of the cabinet want to pay to private members of parliament, and it is a clear indication of how little attention they do pay to private members of parliament.

I am not one who feels that because a private member of parliament is sitting in the opposition, absolutely no attention should be paid to him, the same way they treat the private members who sit to the right of the Speaker. I maintain that all members of parliament have the same equal rights and, foolish as it may seem, I feel that a private member when elected to this house should represent his people in the same manner as members of the cabinet represent the people who sent them down to this house.

The Acting Speaker (Mr. Tardif): Order. I have been listening very attentively to the hon. member and I am afraid he has gone a little way from the bill under study by the house at the present time.

Mr. Cowan: Mr. Speaker, I am very happy that I have at least one attentive listener. Sir, I would point out that during second reading of this bill on September 11, 1964, the hon. member for Burnaby-Richmond stated that the present law "is a bad law because it is so widely disregarded by such a large element of the population...." He then went on to say:

> We all know that the majority of the Canadian people pay very little attention to this law.

If the great majority of the Canadian people pay little attention to this law, then the passing of this bill which has been brought forward today would not help very many. And since the great majority of the Canadian people pay very little attention to this law, there does not seem any great urgency in passing the bill today.

As the hon. member said, private bills that were introduced dealing with this question of contraceptives were referred to the standing committee on health and welfare, of which he is a member and of which I am a member. It is correct that that committee presented a report to the House of Commons, but as we all know the House of Commons has not been given the opportunity by the cabinet to concur in that report. That report is sitting on the table. That is where they intend to have the report of the new board of broadcast governors—I have forgotten what the new intended name of that body is. It will be sitting on the table, too. It does not have to be concurred in. The report of the standing committee on public accounts, with regard to the manner in which the contingency fund was handled a year or so ago, is also sitting on the table. It has not been concurred in. The fact that the health and welfare committee has brought in a report with regard to four private members bills—

The Acting Speaker (Mr. Tardif): Order. I regret to interrupt the hon. gentleman again, but I do listen to him very attentively. I cannot see what the present bill has to do with fill in lake Ontario, and with other subjects that the hon. member has brought up that actually are not pertinent to the question.

• (5:50 p.m.)

Mr. Cowan: Sir, I was filling in time. I was referring to the report of the committee on health and welfare to which the hon. member for Burnaby-Richmond (Mr. Prittie) had made an allusion. He commented that the committee's report had been sent to the house. I was pointing out the importance the cabinet attaches to that report, and that parliament as a whole has not been asked at all whether it wishes to concur in the report. It has merely been tabled.

I should like to point out that we have many ministerial pronouncements—there is nothing more august or ethereal than a ministerial pronouncement—that parliament is going to be allowed to deal with the question of contraceptives within the very near future. I can only say, since parliament is under promise that it will be allowed in a free vote to deal with the question of contraceptives, that to present this bill on November 17, 1967, after it has lain in abeyance for over three years smacks of a little bit of hypocrisy on the part of those who have allowed it to come forward now, after having been choked off for three years.

We will be discussing this same matter in great detail when the bill is presented on this very earthy subject. We have been told we will have a free vote on it. A free vote is one in which the members of the cabinet go around among the private members asking how they are going to vote before the vote is taken, or the messengers from the cabinet offices ask what our opinion is. That is what a free vote is. We are going to have another free vote on this question of contraceptives. I would suggest that the private member's bill that is being brought forward at this time, and pressed with such fervour by a very, very sincere man, be withdrawn, giving precedence to the bill which will be introduced from the government side of the house. No doubt it will be introduced by the Minister of National Health and Welfare (Mr. MacEachen), since it is a health and welfare subject, and we will have a free vote, as we are now being given a free vote on capital punishment.

Mr. Andrew Chatwood (Grand Falls-White Bay-Labrador): Mr. Speaker, in rising to speak on this bill I should like to say that it has been with interest that I have found that the government intends to bring forward, or already has brought forward, a bill on this subject so that the situation we now have will be corrected. In order to be a good law,

a law must be enforceable. The present situation is one in which sales are being made which are not legal. The explanatory notes state that this section of the Criminal Code makes it an offence to supply any information on the subject of birth control or family planning in Canada. Section 150(3) of the Criminal Code states:

> No person shall be convicted of an offence under this section if he establishes that the public good was served by the acts that are alleged to constitute the offence and that the acts alleged did not extend beyond what served the public good.

This section of the code has been tested in the courts. I believe in 1937 in the Ottawa area a lady who had been giving out family planning information carried on her defence under this section, and it was found that under the laws of Canada, taking that section into account, it is legal to supply such information.

The question of birth control or family planning is something which has been considered by civilizations, down through the years. When we look back quite a number of years ago we find that the methods perhaps were different then. The Greeks or the Romans had methods in their time. One was the wearing of amulets, the tooth of a child, glass from a marble quarry, part of a cat's liver or the womb of a lioness. These, of course, would be difficult to acquire today. In North Africa a Koranic formula was bound to the wrist. In many places precious stones were worn in rings. In the thirteenth century a Dominican friar, and doctor, Albert the Great, recommended that a woman spit three times into the mouth of a frog. When one considers how a frog moves around he can appreciate how difficult that would be. In Japan a pebble of jasper was held in the hand, or dead bees were eaten.

I mention these things to indicate that down through the years this has been a subject of deep concern to all civilizations. The reason for family planning is perhaps twofold; first, on the basis of a whole world proposition and, second, in the way it affects the individual family unit. I would suggest that any legislation we pass on this or any similar matter should be geared to the family unit in order to strengthen it and ensure a better life for our people, if we can. In recent years we have sent food to other countries, the depressed areas of the world. This has not resulted in the desired objective of a better life. It has improved the health of people so that they can die from starvation instead of from disease. Nature itself has a way to take care of population. I should like to cover that further; but to get back to the question of the family life and the necessity that many parents control the size of their families, I believe this is a very real and important thing, and that there should be no legislation to prevent it.

When a husband and wife desire to contain the size of their family unit, in order to ensure that the child growing up has a better life, is better fed and clothed and has a real opportunity to gain a good education which is not curtailed because of a large family, I believe this is something which is desirable, and I believe also that we should do all we can to see that this result is obtained.

An hon. Member: Six o'clock.

The Acting Speaker (Mr. Tardif): Order. The hour provided for the consideration of private members business has now expired. It now being six o'clock p.m. this house stands adjourned until Monday next at 2.30 in the afternoon.

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

HOUSE OF COMMONS

Monday, November 20, 1967

The house met at 2.30 p.m.

NEW MEMBER

Mr. Speaker: I have the honour to inform the house that the Clerk of the House has received from the chief electoral officer a certificate of the election and return of Hon. Charles Ronald McKay Granger for the electoral district of Bonavista-Twillingate.

NEW MEMBER INTRODUCED

Hon. Charles Ronald McKay Granger, member for the electoral district of Bonavista-Twillingate, introduced by Right Hon. L. B. Pearson and Hon. Allan J. MacEachen.

FINANCE

STATEMENT ON REDUCTION IN EXCHANGE VALUE OF STERLING

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, as members of the house will be aware the chancellor of the exchequer announced on November 18 the decision of the British government to change the exchange value of sterling from $2.80 (U.S.) to $2.40 (U.S.), a decision which resulted from special circumstances affecting that currency. In accordance with accepted procedures this change in the exchange value of sterling was made with the knowledge and concurrence of the International Monetary Fund. It was accompanied by the announcement of a number of internal measures designed to make ample resources available for improving the balance of payments and ensuring improvement in the competitive position of Britain.

Given the present day pattern of Canadian international trade and payments, this British action will not have a substantial effect on Canada's international financial position. I stated publicly following the British announcement, and would re-emphasize here, that the government of Canada regards the present exchange parity of the Canadian dollar in terms of the United States dollar, that is, $1 Canadian equals 92½ cents (U.S.), as appropriate and it intends to maintain this rate.

The Canadian government expects to participate in any support provided through the International Monetary Fund, and the Bank of Canada is taking part in important arrangements being made in co-operation with the central banks of other countries. The total of central bank credit arrangements and the support requested of the International Monetary Fund is massive, and I am confident of its adequacy to ensure the position of sterling at its present rate.

• (2:40 p.m.)

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, it is reassuring to have the statement of the Minister of Finance that the devaluation of the pound will not have any financial consequences of great significance for Canada. I am sure all those in the official opposition approve of the support the government of Canada is extending to the pound in these circumstances and to the government of Cape Breton—of Great Britain; Mr. Speaker, I confused two great nations there for a moment.

Devaluation, of course, is the result of a long and difficult period in Britain. I am sure it was not undertaken lightly. I do not propose to make any extensive comments on this occasion, of course the minister must be aware that he has left unanswered a good many questions relating to the increase in competition that this will mean for many of our Canadian industries, both primary and secondary. There will be questions about the effect of this on our prospects for sales of wheat, and whether this will have any effect on our prospects for a world wheat agreement.

Obviously this increases competition generally for our manufacturers, and increases the already urgent need for greater efforts in the area of productivity and an increased effort on our part to cope with inflation. Also there may be some questions as to why the bank rate in Canada was increased 1 percentage point as against half of one percentage point in the United States.

As I say, Mr. Speaker, there are questions on which we and the Canadian people will be seeking information, but as I have said it is reassuring to have the statement of the Minister of Finance that devaluation of the

pound in these circumstances poses no immediate financial dangers for our country.

Some hon. Members: Hear, hear.

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, I had intended to address a question to the Minister of Finance but in view of his statement I can deal better with the matter now. I must say at the outset, sir, that many in different parts of the country with whom I have been in telephone communication this morning do not share the confidence of the minister that the devaluation of the pound will have minimum effects on the Canadian economy.

It may be that these misgivings are shared by the chartered banks, or it may be that the chartered banks are engaged in a bit of a racket, because information came to me this morning that at least one of our chartered banks has issued instructions to its branches to make charges, in the exchange of Canadian for United States funds, in excess of the allowable 1 per cent over the pegged rate. This morning that particular bank charged 9½ per cent, and since then an officer of that bank has informed me that they have received instructions from their main office to increase the charge to 10 per cent.

The question I intended to ask was, what is the implication of this action on the part of the banks. Does it mean that the Canadian dollar is becoming unpegged almost inadvertently, or does it mean that the banks are taking advantage of the uncertainty created by the devaluation of the pound, an uncertainty that is understandable in the sterling area but not understandable in the relationship between the Canadian and the United States dollars? Does it mean that they are merely taking advantage of this to make unjustified charges to their customers, and is the minister going to do something about it; because it is bound to have a profound effect on our financial arrangements.

Mr. Sharp: On a question of privilege, Mr. Speaker, this is not the proper time to ask questions, and I only urge the hon. member who has asked this question to ask it again a little later, because otherwise he might cause needless concern in financial markets.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, one can agree with the statement by the Minister of Finance regarding the action taken by Great Britain in devaluing her pound in so far as it relates to alleviating the financial crisis that Great Britain is in at the present time. I think most Canadians will accept this policy on this basis. However, the reassurance expressed by the minister with respect to the relationship of the Canadian dollar with the United States dollar, and that this step taken by Great Britain will not affect the Canadian economy in any great measure, is something that can well be questioned. It seems to me it is a reminder of what happened in 1963, with the financial crisis we faced just after the election in that year and the assurance that all was well when our own dollar was devalued in relationship to the United States dollar.

I would hope, Mr. Speaker, that as we go into the supply debate and as we look forward to his bringing down the mini-budget, the Minister of Finance will go to much greater length to support his statement in so far as giving reassurance to the Canadian economy and the Canadian dollar that all is well, because we trust that this is not the beginning of another crisis for us in Canada.

DOMINION-PROVINCIAL CONFERENCE

REPORT ON MEETINGS WITH PROVINCIAL FINANCE MINISTERS

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, in response to questions on Friday last the Prime Minister indicated that I would present to the house today a report concerning the meetings we had last Thursday and Friday with the provincial ministers of finance and treasurers. The president of the Treasury Board, the Minister without Portfolio and myself represented the federal government.

The main purpose of these meetings, as was indicated in my letter of October 24 to the provincial ministers, copies of which were tabled in the house on November 1, was to examine the economic and financial situation and to consider its bearing on the financial policies of the federal and provincial governments. It was not our objective to seek agreement on a specific program of action. Given the responsibility of each minister to his cabinet colleagues and to his legislature or parliament, it would have been inappropriate for any of us to have presented or to have committed himself to financial policies which had not first been presented to his legislature or to parliament.

Our intention in calling this meeting was to enable ministers who have a responsibility for economic and budgetary matters in Canada to examine and exchange views upon the economic and financial situation in the country, and to consider together the direction of fiscal policy which seemed to be called for. I hoped that each minister would feel able to

comment upon the economic and budgetary position of his province, and that all of us would feel free to comment upon any problem which had a particular bearing upon the situation. These expectations were realized in what I believe was an entirely satisfactory meeting.

With the permission of the house, Mr. Speaker, I should like to table a copy of the agenda which was agreed to and certain tables of financial information provided to the provincial ministers.

Mr. Speaker: Is it agreed that the minister be granted leave to table the documents referred to?

Mr. Bell (Carleton): Are they to be printed as an appendix to *Hansard*?

Mr. Sharp: The agenda is very brief; it could be tabled. The figures I presented to the provincial ministers are well known to members of this house.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to make some comments on the statement of the minister and the conference that was held between the minister and members of the government and the ministers of finance of the provinces last week. As I understood the minister's previous statement, part of the emphasis was to be on encouraging restraint and reducing the demands on the capital market. Of course it would be pretty difficult for this to have much effect, in any event, on the premiers of the provinces for the balance of this fiscal year because they would already have made their commitments. In any event I see nothing in the budget speech of the minister of last spring which indicates any particular recognition of the need for restraint. Indeed, he indicated at that time that the economy was in a state of rather delicate balance and that because of this the government was taking off some of the restraints on its own public works programs.

The provinces, of course, have great financial responsibilities in meeting problems in respect of education and so on. While they are struggling with these problems the minister has invited them to meet with him, and I presume he exhorted restraint and moderation while at the same time he knows that the government of Canada, his government, is inviting them actually to expand their expenditures. At the moment I do not intend to make any comment on the merits of the government's program on medicare, but it is clear that on the one hand the government is urging the provinces, for the good of the country, to exercise restraint and reduce their demands on the capital market, while on the other hand the same government is inviting them to increase their expenditures by some $1 billion if they all join in, according to the estimates of the minister.

• (2:50 p.m.)

If the government is convinced that the program should go ahead—and this seems to be on the books and not questioned—this makes a farce of consultation. That is the only point I wish to make. The government should not pretend that this is all a matter of consultation, because a great majority of the provinces representing a great majority of the Canadian people have long expressed their views with regard to priorities. Surely there should be genuine consultation between the government of Canada and the governments of the provinces. We must work —struggle if you like—toward the achievement of an agreement on priorities. We must make sure that the financial resources of the country are placed where they are most urgently needed, and we must rapidly improve the process of consultation. This is dictated not only by the recommendations of the Economic Council of Canada but by common sense.

I suggest in all seriousness that this procedure of inviting the provinces to be restrained and cut back on the one hand while at the same time expanding their expenditures obviously may have the effect of greatly increasing spending. This all relates to the believability of the government, and indicates that the government is presenting two faces to the public. Even more serious, this is detrimental to the maintenance and improvement of federal-provincial relations, and will ultimately be destructive of the credibility of the government's intentions and views in respect of the difficulties that have been created in the country with regard to inflation.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, the Minister of Finance has not given out very much information as to what proposals he put before the ministers of finance of the provinces. We are not yet aware of what areas of restraint the federal government intends to follow or what areas of curtailment of current or capital expenditures he is asking the provincial governments to enact. I hope the minister will take an early opportunity, either when he brings down his supplementary budget or on the supply

motion, to indicate to the house exactly what the federal government has in mind when it talks about restraints in both current and capital expenditure. I hope he will indicate the order of priorities the government has in mind for itself, and the order of priorities it is seeking to persuade the provinces to accept.

One thing that did come out of the federal-provincial conference of last week with startling clarity was the fact that the Minister of Finance has used that conference to frighten the provincial representatives and the people of Canada out of proceeding with medicare on July 1, 1968. By producing what seems to me to be a highly suspect estimate of the cost he has endeavoured to prevent the provinces from proceeding with the plan to which this government is committed and which this parliament has endorsed.

It is my hope that there will be an early opportunity for us to discuss more fully not only the advisability of proceeding with medicare but the basis of the very dubious estimate which the Minister of Finance has produced regarding its cost to the Canadian people.

Mr. Raymond Langlois (Mégantic): Mr. Speaker, having read over the minister's statement I must agree with previous spokesmen that it does not contain much information. Apparently everything has gone according to schedule, but we do not know what the schedule was, what was contained on the agenda or what were the federal government's plans or intentions. We do not know what the government has in mind in respect of restrictions, or where they should be applied. We do not know what recommendations were made to the provinces as to where they should apply restrictions.

However, I would ask the minister to keep in mind the statements made by some of the provincial representatives after the federal-provincial conference. I refer particularly to the statements by the representative of British Columbia and Mr. Robichaud, premier of New Brunswick. They seemed quite upset in some respects about what the minister had in mind or had proposed at the conference.

We cannot comment much further on the subject because we do not know what transpired at the conference or what was proposed. I hope that some day soon we will find out what happened, and that the minister will take the earliest possible opportunity to inform the house of the proposals made at the conference so we may comment or criticize the minister's actions in this regard.

[Mr. Douglas.]

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, I find myself in about the same position as other speakers who have taken part in this brief discussion, in view of the fact that the minister has failed to give us any information whatsoever regarding the discussions at the conference. In addition to that, we were given a copy of the minister's statement just after he had begun speaking, so we did not have too much time to give it any consideration following its distribution. We notice that the minister has tabled the agenda of the conference of last week. For some two weeks hon. members of this house have been trying to obtain the details of the agenda so we would at least know what was going to be discussed. However, we were not told, and the agenda has been tabled just today.

We have not been given any information whatsoever on the discussions held or the conclusions arrived at. We have not been told whether there was any agreement between the federal government and the various provincial representatives. Therefore, as far as the whole situation is concerned we are entirely in the dark. Reference has been made today to the statement by the Minister of Finance, his efforts to curtail expenditures, to ease the pressure on the capital market and so on, but it seems to me that very often this government preaches one thing and practises another. We often find that the practice is in opposition to the pronouncements made. It will be interesting to know to what extent the government is prepared to follow the guide lines that have been set out, so the provinces will have at least an appreciation that the federal government intends to do something about this situation.

Mr. Bell (Carleton): Mr. Speaker, on a point of order, might we settle one way or another whether the agenda and the associated documents which the minister laid on the table are to be printed as an appendix to *Hansard*? I have had the opportunity of seeing them and think they ought to be printed so a judgment could be arrived at on the adequacy or otherwise of the documents which were laid before the conference.

Mr. Speaker: Is it the pleasure of the house that the documents referred to be appended to *Hansard*?

Some hon. Members: Agreed.

[*Editor's note: For text of documents referred to above see appendix.*]

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

REGULATIONS RESPECTING RESERVES OF CROWN CORPORATIONS

Question No. 287—**Mr. Caouette:**

1. Have orders in council or regulations been passed concerning the creation and investment of reserves by the agencies and proprietary crown corporations within the meaning of the Financial Administration Act?

2. If so, what are the terms of such regulations or orders?

3. If no such steps were taken, does the government intend to take action under section 84 of the Financial Administration Act or any other act?

Hon. Judy V. LaMarsh (Secretary of State): I am informed by several departments as follows: 1. No.

2. Not applicable.

3. It is not intended to take action under section 84 at this time.

DESTRUCTION OF HISTORIC CANADIAN FILM

Question No. 385—**Mr. Crouse:**

1. What is the estimated value of the million feet of historic Canadian film destroyed when the Canadian Film Institute archives collection burned at Beaconsfield, Quebec, in July 1967?

2. During the past three years, was any request made to the government to transfer the films from the dangerous cellulose nitrate base to safety film and, if so, for what reason was no action taken?

3. What steps are being taken to co-ordinate the preservation of other historic films in Canada?

Hon. Judy V. LaMarsh (Secretary of State): I am informed by the National Film Board as follows: 1. It is difficult to estimate the monetary value of the loss of this historical footage, the full extent of which is not yet known since copies of the destroyed films may be held in other collections. Due to its nitrate base, the film was stored by the National Film Board under a special arrangement with the Canadian Film Institute.

2. The arrangement provided that the board would only make copies on acetate base on the request of the institute which would bear the cost of the processing. During the past three years, some processing was completed. Also, during this period, the Secretary of State received a brief from the Canadian Film Institute outlining an extensive plan for the establishment of a national film archives under the auspices of the institute. Included in this plan was provision for the transfer to acetate film of the C.F.I.'s nitrate film holdings. The C.F.I. proposal, along with a similar proposal received from La Cinémathèque canadienne, is under consideration.

3. The film board, the Canadian Film Institute, the Cinémathèque canadienne and other film organizations are known to be collecting and preserving historical films but no steps are being taken at the present time toward the co-ordination of these agencies.

HOUSING FOR INDIANS IN YUKON

Question No. 451—**Mr. Nielsen:**

1. What was the total amount expended by the federal government for the construction of housing within the Yukon for Indian people for each of the years 1957 to 1967 inclusive?

2. For each of these years, what was the number of new houses constructed and where were they located?

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development): 1. The total amount spent on housing for the Indian people within the Yukon Territory for the fiscal years shown is as follows: 1957-58, $25,500; 1958-59, $8,300; 1959-60, $49,000; 1960-61, $44,000; 1961-62, $33,400; 1962-63, $24,600; 1963-64, $10,700; 1964-65, $31,000; 1965-66, $68,400; 1966-67, $135,000.

2. The number of houses constructed and their locations during the same period are shown on Appendix "A".

Location	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67
Dawson.....	—	5	—	—	2	5	—	—	—	—
Mayo.....	5	—	5	3	1	—	—	—	1	1
Carmacks....	5	—	5	—	3	1	1	1	1	—
Whitehorse...	2	—	3	6	1	1	1	6	2	6
Haines Junction....	2	—	5	2	3	—	—	—	—	4
Burwash.....	—	—	—	—	—	1	—	—	—	7
Teslin.....	—	2	1	—	—	1	—	—	4	2
Ross River...	—	—	—	—	7	—	4	—	—	6
Carcross.....	—	—	—	—	1	—	—	—	—	—
Liard.....	6	—	3	—	5	—	2	5	10	11
Old Crow.....	—	—	—	—	—	—	—	2	—	1
Pelly.....	—	—	—	4	—	—	1	—	4	3

Questions

HIGHWAY AND BRIDGE CONSTRUCTION IN YUKON

Question No. 452—**Mr. Nielsen:**

1. What was the total amount expended by the federal government for new (a) road construction (b) bridge construction, within the Yukon for each of the years 1957 to 1967 inclusive?

2. For each of these years how many miles of new road were constructed?

Hon. Judy V. LaMarsh (Secretary of State): In so far as the Department of Indian Affairs and Northern Development is concerned: 1 and 2.

	New roads		New bridges
Year	Miles	Cost	
1956-57	—	—	$ 477,744
1957-58	—	$ 27,620	369,422
1958-59	12	636,300	937,767
1959-60	30	2,242,237	1,497,107
1960-61	60	1,718,653	567,252
1961-62	121¼[1]	3,177,561[1]	1,154,679
1962-63	88 [1]	2,634,424[1]	522,162
1963-64	55	1,246,100	11,178
1964-65	55	1,107,997	15,722
1965-66	58½[2]	2,266,458[2]	16,777
1966-67	40½	1,917,900	226,025
1967-68 (Estimated)	84	4,900,000	224,000
Totals	604¼	$21,875,250	$6,019,835

[1] Includes grant re Canada Tungsten road—35 miles—$667,000.

[2] Includes grant re Clinton Creek road—26 miles—$633,190.

In so far as the Department of Public Works is concerned: 1. (a) No expenditures for new road construction were made between 1957 and 1967 inclusive. (b) From 1957 to 1966 there were no expenditures for new bridge construction within the Yukon. Four contracts of a total value of $945,000 have been awarded in 1967.

2. Nil.

STATUES OF FORMER PRIME MINISTERS

Question No. 471—**Mr. Bell (Carleton):**

1. Since the answer to question No. 2,613 on May 8, 1967, *Hansard* p. 15498, what action has been taken in respect of the design of monuments of Arthur Meighen and R. B. Bennett and with what result in each case?

2. Are any of the monuments of former prime ministers mentioned in question No. 2,613 yet ready?

[Mr. Laing.]

3. If so (a) which ones (b) when is it anticipated the others will be ready?

4. Have sites been chosen for any of these monuments?

5. If so (a) which ones (b) what is such site?

6. If not, when is it expected such sites will be chosen?

7. Have any plans yet been concluded for (a) the erection on site (b) the unveiling, of such monuments?

8. If so, what is the approximate date for each such (a) erection on site (b) unveiling?

9. Will consideration be given to the commissioning of a statue of Sir Charles Tupper, the only father of confederation other than Sir John A. Macdonald to become prime minister of Canada?

Hon. Judy V. LaMarsh (Secretary of State): 1. Following the rejection of the earlier maquettes, two other Canadian sculptors were invited to prepare submissions. Certain revisions to these new maquettes

were recommended by an expert panel which will inspect the revised designs shortly.

2. No, one sculpture is in the casting stage, one in the final design stage, and two are in the maquette stage.

3. (a) See answer to 2. (b) In approximately ten months.

4. With the help of a consultant, a number of sites suitable for public monuments have been chosen. Only when the sculptures are ready for final approval, can the precise location of each be determined.

5 (a) and (b). See answer to 4.

6. See answer to 4.

7 (a) and (b). Not as yet.

8. See answer to 7.

9. The commissioning of other statues is not under consideration at the present time.

ARDA PROJECTS, CARLETON AND GRENVILLE-DUNDAS

Question No. 473—**Mr. Bell (Carleton):**

1. What projects under ARDA affecting the electoral districts of (a) Carleton (b) Grenville-Dundas, are in progress now?

2. What is (a) the nature (b) the objective (c) the cost, of each project?

3. Are any further projects affecting these electoral districts now under consideration?

4. If so (a) what are they (b) what is the objective of each (c) what is the estimated cost of each?

Hon. Maurice Sauvé (Minister of Forestry and Rural Development): 1. (a) Drainage assistance eastern Ontario, 11 counties. Expansion of Carleton county forest. (b) Engineering,—South Nation watershed stage II. Drainage assistance eastern Ontario, 11 counties. In addition to the above, other projects in Ontario which may affect (a) Carleton (b) Grenville-Dundas are: Farm pond assistance; private land forestry assistance, agricultural drainage assistance in Ontario, farm enlargement and consolidation; field enlargement by removal of fences; small reservoir program for rural water supply; ARDA capital grants fo farm development.

2. Drainage assistance in eastern Ontario, 11 Counties. (a) Drainage; (b) drainage of 966,000 acres in the 11 eastern counties of Ontario. (c) Total, $1,500,000. Federal commitment, $500,000.

Expansion of Carleton county forest. (a) Enlargement of county forest. (b) Acquiring 136,300 acres of submarginal agricultural land for forestry purposes and the benefits accruing therefrom. (c) Total; $30,000. Federal commitment, $11,250.

Engineering—South nation watershed—stage II. (a) Rural water supply and flood control. (b) Construction of two dams and reservoirs and two channel improvements. (c) Total, $109,200. Federal commitment, $54,-600.

Farm pond assistance.

(a) Supplement farm water supply. (b) Under the Ontario farm pond policy, a 50 per cent grant to farmers up to $500 for one pond per 100 acres or fraction thereof, for the construction of an approved farm pond. (c) Total, $1,550,000. Federal commitment, $387,-500.

Private land forestry assistance. (a) Forestry. (b) Assistance in planting, development and management of woodlots on private land. (c) Total, $1,671,040. Federal commitment, $835,520.

Agricultural drainage assistance in Ontario. (a) Drainage. (b) Drainage assistance restricted to lands of high agricultural capability. (c) Total, $6,660,000. Federal commitment, $2,-200,000.

Farm enlargement and consolidation. (a) Land consolidation. (b) Acquire uneconomic farm units to be consolidated with marginal farm units. A farm operator would lease such land with a purchase option at a future date. (c) Total, $7,200,000. Federal commitment, $3,600,000.

Field enlargement by removal of fences. (a) Land improvement. (b) Removal of fence rows on farms having a satisfactory economic potential, up to a maximum grant of $500 per farm. (c) Total, $400,000. Federal commitment, $80,000.

Small reservoir program for rural water supply. (a) Rural water supply. (b) To assist conservation authorities and rural municipalities to improve water supply through construction of some 69 reservoirs. (c) Total, $20,000,000. Federal commitment, $7,500,000.

ARDA capital grants for farm development. (a) Farm water supply and land improvement. (b) Recently approved, this project supersedes farm pond assistance and field enlargement by removal of fences with an additional sum to be used for these purposes. (c) Total, $4,500,000. Federal commitment, $1,125,000.

3. No.

4. See 3.

Questions

TAXES ON IMPORTS OF KAYAKS AND CANOES

Question No. 519—**Mr. Forrestall:**

What has been the total amount of duty and sales tax, separately, derived by the government of Canada from the importation into Canada for home consumption of sporting kayaks and canoes by fiscal year since 1960?

Hon. Judy V. LaMarsh (Secretary of State): I am informed by the Department of Trade and Commerce as follows: Imports of sporting kayaks and canoes are included in import commodity class 591-69—"pleasure and sporting craft n.e.s." and the external trade division of the Dominion Bureau of Statistics has no separate statistics available on imports, amount of duty collected, or sales tax derived by the government of Canada.

CLOTHING ALLOWANCE TO INDIAN SCHOOL CHILDREN

Question No. 565—**Mr. MacRae:**

1. Has the clothing allowance which was normally paid to Indian children in school been discontinued?

2. If so, as of what date?

3. Why was it not considered possible to continue this allowance?

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development): It is understood that this question applies only to Indian children in New Brunswick in general and to those in the Saint John river agency in particular: 1. There has been a change in the procedure for providing suitable clothing to Indian school children in New Brunswick.

2. A change was made as of June 1, 1967.

3. The change was made to conform with provincial practice. For years the Indian affairs branch followed the policy of providing clothing for Indian students in need. On June 1, 1967, the Indian affairs branch adopted the new provincial welfare regulations of New Brunswick as the regulations which should also apply to Indian people of that province. Under these regulations the provision of clothing is available to families who qualify for social assistance.

RECOGNITION OF PARTICIPANTS IN ARMED FORCES TATTOO

Question No. 611—**Mr. Sherman:**

Does the government have any plans for conferring the centennial medal or some other form of recognition on all service personnel who participated in the presentation and staging of the Canadian forces centennial tattoo?

[Mr. Sauvé.]

Hon. Léo Cadieux (Minister of National Defence): It is the intention to present a certificate of recognition to those members of the forces who made a special contribution to our centennial activities but were not awarded a centennial medal.

PURCHASE OF BRUCELLOSIS HIP TAGS

Question No. 628—**Mr. Hales:**

1. On what date did the Department of Defence Production last call for tenders for brucellosis hip tags for the health of animals branch of the Department of Agriculture?

2. What were the names and addresses of the companies who tendered?

3. What was the price quoted by each?

4. Was the contract given to the lowest bidder?

5. Will these tags be made in Canada or in the United States?

6. Will they carry the mark "Printed in U.S.A." or "Printed in Canada"?

7. Did the Department of Defence Production check if the successful tenderer's price constituted dumping into Canada at prices below the fair market value?

8. What is the department's policy regarding purchasing from foreign countries?

Hon. C. M. Drury (Minister of Industry): 1. 19 September, 1967.

2. (a) Ketchum Manufacturing Sales Ltd., 396 Berkley Ave., Ottawa 3, Ont. (b) Kimball Systems Ltd., 85 Advance Road, Toronto 18, Ont.

3. (a) $9,598.80. (b) $12,372,80.

4. Yes.

5. In Canada.

6. Neither.

7. Not applicable.

8. The department purchases from foreign countries when adequate sources are not available in Canada to provide reasonable competition.

DISPOSITION OF OLD POST OFFICE BUILDING, EDMONTON

Question No. 632—**Mr. Lambert:**

1. Has the old post office building and site in Edmonton been declared surplus and been transferred to Crown Assets Disposal Corporation for disposal?

2. If so, on what date and what steps have been taken to dispose of the said property?

3. What offers to purchase have been received, from what persons, corporations or government bodies and in what amounts?

4. Has a decision been reached to accept any such offer to purchase and, if so, when is it expected that the deal will be completed and ownership transferred?

Hon. C. M. Drury (Minister of Industry): In so far as Crown Assets Disposal Corporation is concerned, the answers are as follows:
1. Yes.

2. May 5, 1967. Negotiations entered into with the city of Edmonton, recognized as a priority holder.

3. Offer of $630,000 by the city of Edmonton.

4. Approval given under P.C. 1967-1890 dated October 5, 1967. Executed agreement authorizing the city of Edmonton to take possession mailed on October 19, 1967.

PLANS FOR DEVELOPMENT OF BORDEN, P.E.I.

Question No. 645—**Mr. Macquarrie:**

1. What departments of the government have been involved in planning for the economic development of the town of Borden during and after the construction of the Northumberland strait crossing?

2. Have discussions on these matters been held with officials of the government of Prince Edward Island or the town of Borden?

3. What sums have been earmarked for such program?

4. Has any interdepartmental or intergovernmental body been established to deal with economic, industrial and employment planning for the town of Borden and, if so, what is the composition of such body or bodies?

5. What representations have been received from the government of Prince Edward Island in reference to this matter?

Hon. Allan J. MacEachen (Minister of National Health and Welfare): The Atlantic Development Board and the Central Mortgage and Housing Corporation are involved in financially assisting the province of Prince Edward Island in a study being conducted on the effects of the Northumberland strait causeway, both during its construction phase and the post construction period, upon the Borden-Carleton area of the province.

2. Yes, initially when the study was proposed and periodically during the progress of the work.

3. A total of $65,000 with the Atlantic Development Board contributing $50,000 and the remaining $15,000 being issued by Central Mortgage and Housing Corporation and the province on a 75-25 basis.

4. Yes, an advisory committee has been established to give overall direction to the study. It is composed of representatives from the Atlantic Development Board, Central Mortgage and Housing Corporation, Department of Public Works and the province of Prince Edward Island.

5. Representation was received from the government of Prince Edward Island at the time the study was proposed and has continuing representation on the advisory committee.

TROIS-RIVIÈRES BRIDGE CORPORATION CHARTER

Question No. 647—**Mr. Mongrain:**

1. Was the charter governing the Trois-Rivières bridge corporation a federal charter?

2. If so, was this charter revoked?

3. Who requested that it be revoked?

Hon. John N. Turner (Registrar General): 1. La Corporation du Pont de Trois-Rivières was created by a special act of the legislature of the province of Quebec, assented to 2nd day of February, 1956.

Whereas an act of the parliament of Canada authorizing the construction and maintenance of the said bridge and approving the site thereof was necessary, an act of parliament was enacted, being 4-5 Elizabeth II, Chapter 71, assented to 7 June, 1956.

2. The incorporating act being provincial, the revocation power does not fall within the ambit of the authority of the federal government.

3. Not applicable.

CANADA MANPOWER CENTRES, BURNABY, B.C.

Question No. 649—**Mr. Prittie:**

1. Has the Department of Manpower and Immigration decided to open a Canada manpower centre at 4950 Kingsway in South Burnaby, B.C.?

2. Has the department any plans to establish a similar centre to serve the residents of North Burnaby?

Mr. J. C. Munro (Parliamentary Secretary to Minister of Manpower and Immigration): 1. Yes. The centre will open on 1 December, 1967.

2. The subject is under study at the present time and, if found to be warranted, a Canada manpower centre will be opened in North Burnaby to serve the residents there.

Orders for Returns

POPULATION OF GATINEAU, PONTIAC, HULL, LABELLE COUNTIES

Question No. 675—**Mr. Isabelle:**

What is the present rural and urban population of the counties of Gatineau, Pontiac, Hull and Labelle?

Mr. Jean-Charles Cantin (Parliamentary Secretary to Minister of Trade and Commerce): The 1966 census of Canada shows the rural and urban population of the counties of Gatineau, Pontiac, Hull and Labelle, as follows:

County	Total	Urban	Rural
Gatineau	50,979	26,791	24,188
Pontiac	20,113	4,582	15,531
Hull	95,415	92,223	3,192
Labelle	30,167	11,431	18,736

QUESTIONS PASSED AS ORDERS FOR RETURNS

ASSESSMENT OF PUBLIC SERVICE CANDIDATES BY APPRAISAL PROCESS

Question No. 501—**Mr. Bell (Carleton):**

1. What are the methods or techniques adopted by the public service commission and/or by a responsible staffing officer to assess or establish the merit of candidates in the public service "through an appraisal process", pursuant to paragraph 7(c) of the public service employment regulations?

2. Wherein do such methods or techniques differ (a) from the conventional methods of examination and appointment (b) from the long accepted application of the merit system?

3. Pursuant to what authority is this appraisal process established?

4. In the period prior to the enactment of the Public Service Employment Act, did the former civil service commission or any member or official thereof make any statement or declaration in respect of (a) an intention to designate certain persons as responsible staffing officer (b) an intention to import into the system of recruitment and/or promotion of a new system to be styled an appraisal process?

5. If so, what was the nature of such statement or declaration and where and when was it made?

6. If not, for what reason was such statement or declaration not made?

Return tabled.

GRANTS BY ATLANTIC PROVINCES DEVELOPMENT BOARD

Question No. 650—**Mr. Coates:**

1. What is the present total of grants made by the Atlantic development board to the governments of the four Atlantic provinces?

2. What is the breakdown of grants to each of the four Atlantic provinces?

[Mr. Munro.]

3. What is the total amount by provinces expended by the Atlantic development board to date?

4. How many applications for grants are at present before the Atlantic development board and what is the approximate value of the grants requested?

Return tabled.

• (3:00 p.m.)

[*Translation*]

CANADIAN BROADCASTING CORPORATION

QUEBEC PREMIER STATEMENT—MOTION FOR ADJOURNMENT UNDER STANDING ORDER NO. 26

Mr. Auguste Choquette (Lotbinière): Mr. Speaker, the Quebec premier, Mr. Daniel Johnson, made a major statement over the week-end and I should like, under standing order No. 26 to move, seconded by Mr. Caron from Hull, the adjournment of the house to discuss a definite matter of urgent importance, namely the claim of the Quebec premier who indicated that his government intends to control French language broadcasting and television in Canada.

Mr. Speaker: I doubt very much that the motion of the hon. member is in order; but I believe it would be in order for the house to authorize him to make a few brief comments on the urgency of the debate.

Mr. Choquette: Mr. Speaker, I can easily see the Speaker's ruling will not be favourable, but nevertheless, briefly and objectively, I will point out the reasons why I think a special and urgent debate should be allowed.

In the whole history of broadcasting in Canada, it is the first time, in my opinion, that the leader of a government makes such a far reaching statement; moreover, there is urgency of debate because it would enable us to look thoroughly into the matter of whether the French language can be better safeguarded by the federal government than by the Quebec government.

An urgent debate could also enable us to consider this afternoon the possibility of the C.B.C. taking action more rapidly as far as the development of French-speaking television in our country is concerned.

It is clear that the problem of Canadian unity is due to the fact that in some areas of our country the French fact is a foreign phenomenon.

The urgency of debate arises also from the fact that we could discuss at length the following matter: if the Quebec government exercises its control over the C.B.C., it is possible that the French fact will be limited to Quebec and will not go beyond the borders of Quebec.

And since you will bring up the following argument, namely that the bill is referred to the committee, I will conclude by saying that Bill No. C-163 which is under consideration by the committee on broadcasting, films and assistance to the arts, deals with the administrative structure of the C.B.C. and not with the French fact, which is urgent, and which the federal government must promote without delay.

Mr. Speaker: I have not the least intention of setting forth the argument the hon. member has just mentioned. However, I will remind him that under citation 100 of Beauchesne (3)

"Urgency" within this rule does not apply to the matter itself, but it means "urgency of debate" when the ordinary opportunities provided by the rules of the house do not permit the subject to be brought on early enough—

I remind the hon. member that the house has a supply motion on the agenda today and tomorrow and, in the circumstances, it is not possible to grant his request.

[*English*]

TRADE

WHEAT—EFFECT ON PROSPECTIVE SALES OF DEVALUATION OF POUND

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I had hoped to be able to address a question to the Minister of Trade and Commerce. Perhaps it could be brought to his attention. I should like to ask the minister whether he would report to the house at an early date on the effect of the devaluation of the pound on prospective sales of wheat, and on prospects of achieving a world wheat agreement.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, as it happens the minister is on a trade mission at the moment during which, among other things, he is promoting the sale of Canadian wheat. I am sure he will be in a better position to report on the important question raised by my hon. friend in the light of the information he will gather and other efforts that will be made. So if my hon. friend would wait for a few days until the minister returns, he will be able to report to the house; or if he is unduly delayed the acting minister might make the report.

Mr. Stanfield: Would the Prime Minister indicate when the minister might return to the house?

Mr. Pearson: I think his trip should last about a week.

Hon. Jean-Luc Pepin (Minister of Energy, Mines and Resources): Mr. Speaker, may I complement the Prime Minister's answer by saying there should be no change in demand from the United Kingdom for such a basic commodity as wheat, and also that no wheat exporting country has devalued its currency. Accordingly the current competitive position of Canada will not be affected.

Mr. Stanfield: I have a supplementary question, Mr. Speaker. May I ask the acting minister whether he can give the house any information about the possible effects of the devaluation of the pound on other agricultural products.

Mr. Pepin: Mr. Speaker, I had better take notice of this enlarged question.

FINANCE

MEDICARE—INQUIRY AS TO BASIS FOR COST ESTIMATE

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I have a question for the Minister of Finance regarding his announcement that the medicare program would cost the taxpayers of Canada $1 billion. I should like to ask the minister whether the officials of his department made this estimate and, if not, from what source did it emanate?

Hon. Mitchell Sharp (Minister of Finance): The figure I gave was in reply to a question which was addressed to me at the conclusion of the federal-provincial conference of financial ministers, which was: what was the total cost of a medicare program likely to be? I said that in the first full year of operation, which of course could not be earlier than 1969-70, the best estimate that had been made for me by my officials was that the total cost to the provinces and the federal government would be approximately $1 billion. Since under the legislation we are authorized and required to pay 50 per cent of the cost, the cost to the federal treasury would be approximately $500 million.

Inquiries of the Ministry

Right Hon. L. B. Pearson (Prime Minister): tion, Mr. Speaker. I should like to ask either the Minister of Finance or the Minister of National Health and Welfare whether this estimate is confirmed by the studies that are being carried on by the officials in the Department of National Health and Welfare who have been looking into the whole question of medicare.

Hon. Allan J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, I have had an opportunity today to examine the estimates that have been made. The estimated cost of a medicare program depends upon a variety of assumptions which may or may not prove to be realities. For example, total participation by all the people in every province produces one set of estimates in comparison with a 90 per cent starting target. It is also related to possible changes in fee schedules and the percentage of tariffs that would be followed by provinces in the administration of any program. So the validity of any estimate depends upon the nature of the assumptions.

Mr. Douglas: I have a supplementary question, Mr. Speaker. May I ask the Minister of National Health and Welfare whether these studies give him any reason to change the estimates he gave the house last year regarding the full cost of medicare, assuming that all the provinces came in?

Mr. Speaker: I wonder whether the hon. member would not agree that we are getting into a debate at this point. Perhaps I would allow the minister to answer that difficult question, but I suggest to hon. members that this is not the type of debate we should be having at this time.

Hon. R. A. Bell (Carleton): May I ask a very simple supplementary question. May I ask the Minister of National Health and Welfare which assumption the Minister of Finance made?

Mr. Speaker: Order.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a supplementary question on medicare to the Prime Minister. In view of the fact that the announcement of the government's intention to delay medicare from 1967 to 1968 was made when the Prime Minister was out of the country, is the same thing going to happen this week when the Prime Minister is away?

[Mr. Sharp.]

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the decision in 1967 was made while I was in the country—

Mr. Speaker: Order, please. We are getting into a debate.

Mr. Pearson: I rise on a question of privilege, Mr. Speaker. I think when questions are asked which leave a wrong impression, even if they are grotesquely out of order, there should be an opportunity to put the questioner right.

Mr. Speaker: Order, please. I have suggested to the hon. member for Winnipeg North Centre that the question asked is not in order. Does he have another question?

Mr. Knowles: Arising out of the question of privilege, Mr. Speaker; if the Prime Minister objects to the first part of the question can he not answer the last part? Will there be an announcement when he is out of the country?

Mr. Speaker: Order, please. I should like to state that from a procedural point of view both parts of the question are out of order.

[*Later*]

Mr. Knowles: Mr. Speaker, this is a question of privilege. Earlier this afternoon the Prime Minister made the statement that a statement I had made was incorrect. I believe I have the right on a question of privilege to make the matter clear. My question related to my assertion that a certain announcement had been made when the Prime Minister was out of the country. He replied that my statement was incorrect, that the decision had been taken while he was in the country. I recognize that, but I press my point that the announcement was made while he was out of the country.

Mr. Pearson: Mr. Speaker, I did not say the statement was incorrect. I said it was out of order because the hon. member prefaced his question with a statement which was meant to imply that a very important decision of the government was made in the absence of the Prime Minister and presumably without his knowledge.

Mr. Knowles: Mr. Speaker, the Prime Minister has no right, even though he is the Prime Minister, to put words in my mouth. My question related to an announcement that

was made while he was out of the country. I think my point of privilege is well taken.

Mr. Speaker: I am sure the matter has now been clarified to the satisfaction of all hon. members.

Mr. Pearson: Perhaps I can reassure the hon. gentleman, however suspicious he may have been the last time, that there will be no decision of this kind made in my absence, even with my knowledge.

Mr. Knowles: But will there be an announcement while the Prime Minister is absent?

PUBLIC SERVICE

INQUIRY AS TO AWARD TO DEPUTY FINANCE MINISTER

On the orders of the day:

Mr. Raymond Langlois (Mégantic): I have a question for the Prime Minister which arises out of a press communiqué he issued this morning. It concerns the award of $5,000 which was given to Mr. Robert Bryce, the deputy minister of finance, for service to the country as an outstanding civil servant in 1967. I should like to ask the Prime Minister if the award was based on this gentleman's contribution to the current economic situation in which we have inflation, high cost of living, high interest rates and excessive taxes.

Right Hon. L. B. Pearson (Prime Minister): Perhaps my hon. friend will let me say that this award was made to an outstanding public servant of Canada, who has certainly made an outstanding contribution to governments under both parties. It was given to him for that kind of service for many years, and I would hate to have any member of this parliament cast a slur on that award.

Mr. Langlois (Mégantic): I rise on a question of privilege, Mr. Speaker, because I did not intend to cast a slur on Mr. Robert Bryce as deputy minister. However, I certainly will not accept the suggestion that his conduct of the economic affairs of the country shows an understanding of the situation.

Mr. Speaker: Order. That is not a question of privilege.

Inquiries of the Ministry

CANADIAN BROADCASTING CORPORATION

REQUEST FROM QUEBEC FOR ADMINISTRATION OF FRENCH NETWORK BY INDEPENDENT BODY

On the orders of the day:

Mr. A. B. Patterson (Fraser Valley): I should like to direct my question to the Prime Minister. Has the government received any formal request from the premier of Quebec that the French network of the Canadian Broadcasting Corporation be administered by an independent body which would have representation from the province of Quebec and other provinces with a French speaking population?

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker. The only information I have about this matter is what I have read in the newspapers. It seems surprising indeed, Mr. Speaker, that there should be any objection from anybody that the declared pursuit of national unity is the primary duty and objective of all Canadians and all Canadian agencies, including the Canadian Broadcasting Corporation.

[*Translation*]

Hon. Théogène Ricard (Saint-Hyacinthe-Bagot): Mr. Speaker, may I ask a supplementary question?

Does the right hon. Prime Minister intend to agree to the suggestion of the premier of the province of Quebec and allow the government of that province to propose names of people to be appointed to the board of the Canadian Broadcasting Corporation to represent French Canadians?

[*English*]

Mr. Pearson: Mr. Speaker, I would be glad indeed to get any suggestions the prime minister of Quebec may have as to appointments to the C.B.C.

[*Translation*]

[*Later:*]

Mr. Marcel Prud'homme (Saint-Denis): May I put a question to the hon. Secretary of State? Has the premier of the province of Quebec informed her of his intention to establish, and I quote,

> A French-speaking communication media in Ottawa, by its new legislation on broadcasting, does not ensure equal representation for French Canada in the administration of the Canadian Broadcasting Corporation?

Inquiries of the Ministry

Mr. Speaker: It seems to me that the hon. member is repeating the question which has just been asked by the hon. member for Fraser Valley (Mr. Patterson).

Mr. Auguste Choquette (Lotbinière): Mr. Speaker, I have a supplementary question. I should like to ask the chairman of the committee on broadcasting, films and assistance to the arts whether he intends to call as witness the premier of Quebec for the next sitting?

Mr. Speaker: The question is out of order.

[*Later:*]

Mr. Choquette: Mr. Speaker, my question is urgent due to a statement by the Quebec premier.

In view of the fact that it would cost less than the amounts given the Laurendeau-Dunton commission to extend the French language throughout Canada through repeater stations of the C.B.C. French network, could the Secretary of State say whether the C.B.C. is considering early implementation of such a project?

At ten o'clock, Mr. Speaker.

Mr. Speaker: I do not believe this question is urgent.

[*English*]

FINANCE

INQUIRY AS TO INCREASE IN INTEREST RATE BY BANK OF CANADA

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): My question is to the Minister of Finance. Would the minister outline to the house the reasons the bank rate was raised yesterday one full percentile to 6 per cent, while in the United States the raise was but one half per cent to 4½ per cent, bearing in mind that a few weeks ago Canada had made an unaccompanied increase of one half per cent? Why is there the present spread of 1½ per cent?

Mr. Speaker: Order. The hon. member is asking a question which in my view should be answered by way of a statement on motions. Certainly the question as asked is not in order at this time. Perhaps the question might be asked in some other way.

Mr. Lambert: Mr. Speaker, one is put in a difficult position, as I think you will realize. I fully appreciate the difficulty of the Chair with regard to statements on motions, but this is the only time members in the house can raise questions as to why the change was made. This is my question; why was the change made?

Mr. Speaker: The question as asked now is more nearly in order, and I would certainly allow the minister to answer that question.

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, the change of 1 per cent in the bank rate was made by the Bank of Canada after consultation with me. It is related, of course, to the action of the Bank of England in raising their rate from 6½ per cent to 8 per cent. At the same time the rediscount rate of federal reserve banks in the United States was increased one half of 1 per cent. As the house may or may not know, there is a difference between the operations of the rediscount rate in the United States and the bank rate in Canada. For example, recently the rate on treasury bills in the United States has been well above the rediscount rate in the United States because of the way their facilities are operated.

Here in Canada such a situation is impossible because under those circumstances a bank could go to the Bank of Canada, borrow money to buy treasury bills and make a profit out of it. Our bank rate has to be more related to the market. In fact the change in the market rate since this announcement was made has been about the same in both countries.

Hon. E. D. Fulton (Kamloops): Was there consultation between the two governments, the governments of Canada and the United States, with respect to the amount by which the bank rate would be raised in each country, in accordance with arrangements previously announced that the two rates would be kept closely related?

Mr. Sharp: My understanding is that we were not informed of the actions of the Bank of England in raising the rate to 8 per cent, but we were informed in advance of the intention of the United States to raise their rate by one half of 1 per cent.

Hon. D. S. Harkness (Calgary North): Can the minister inform the house how much effect this increase of 1 per cent in the bank lending rate will have on general interest rates in Canada?

Mr. Sharp: Mr. Speaker, I do not think the change in rates in Canada is consequential upon changes in the bank rate. There would

have been changes in the rates in Canada consequential upon the international moves. What we did was to take the action we thought was appropriate to the situation.

Mr. Harkness: Do I understand, then, from the minister's reply that he expects interest rates in Canada on bank loans and so on will rise by approximately 1 per cent?

Mr. Sharp: No and they have not done so.

Mr. Harkness: May I ask the minister what is the relationship to which he referred when he said the bank rate was raised 1 per cent in anticipation of what the increase would otherwise be?

Mr. Sharp: I did not say that, Mr. Speaker. Perhaps the loudspeaker system is not working very well. Perhaps I could explain the situation in this way, and I shall be brief. Before this action took place on the part of the Bank fo England, treasury bill rates were close to the 5 per cent bank rate. They were trading at about 4.97 per cent. It was felt desirable by the bank and I concurred, since we knew that the action of the Bank of England and of the federal reserve system in the United States would put upward pressure on our rates, that the increase should be appropriate to our situation to enable the Bank of Canada to carry on its operations as intended by the act.

[*Later:*]

Mr. Fulton: Mr. Speaker, may I ask the Minister of Finance a question relating to earlier questions about the existing differential between Canadian and United States bank rates. In view of the differential of one and a half points, by which the Canadian rate exceeds the United States rate, does the minister anticipate that difficulties will be created with respect to what the governor of the Bank of Canada terms as the possibility of an excessive capital inflow?

Mr. Sharp: No, Mr. Speaker. Of course I discussed this very question with the governor of the bank during our consultations about what would be an appropriate rate. He assured me that this was not his opinion and, in fact, this has not been happening. Exchange markets are very orderly and there is no particular movement of funds in either direction. This is what we expected. May I add that in the two countries, as I said earlier, short term rates of interest rose by approximately the same amount and in the United States today treasury bill rates are above the rediscount rate in the United States, which illustrates the difference between the rediscount rate in the United States and our bank rate here.

Mr. H. A. Olson (Medicine Hat): Can the minister say whether there has been any significant or unusual increase in the movement of funds from Canada to the United Kingdom today as a result of devaluation?

Mr. Sharp: None has been brought to my attention, but I will make inquiries.

AGRICULTURE

POSSIBLE CHANGE IN ADMINISTRATION OF P.F.R.A. AND ARDA

On the orders of the day:

Mr. J. N. Ormiston (Melville): Mr. Speaker, my question is for the right hon. Prime Minister. In view of the report prepared by the Economic Council of Canada recommending a curtailment of P.F.R.A. and ARDA programs, can the Prime Minister indicate whether the government is contemplating any policy change in the administration of these two basic agricultural acts?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, we hope these acts will both operate, as they have in the past, at full capacity.

Mr. H. W. Danforth (Kent (Ont.)): A supplementary question to the Minister of Forestry and Rural Development, Mr. Speaker. In view of the importance of the P.F.R.A. and ARDA programs and the recent report of the economic council, will the minister use his good offices to see that the entire matter is referred to the standing committee on agriculture, forestry and rural development for detailed consideration.

[*Translation*]

Hon. Maurice Sauvé (Minister of Forestry and Rural Development): Mr. Speaker, I should like to say that in general the conclusions arrived at by the two experts whose services had been retained by the Economic Council of Canada are substantially the same as those of the federal section of ARDA. I am glad to get such an open support of the new policy which we have initiated and which we intend to develop further in the future.

[*English*]

[*Later:*]

Mr. David MacDonald (Prince): Mr. Speaker, may I direct a question to the

chairman of the agriculture committee. I see he must have stepped out of the house for a moment so may I give him notice of this question. In the light of earlier statements from the economic council on the ARDA and P.F.R.A. programs, will he be convening the standing committee on agriculture at an early date?

PROTECTION OF CHEESE EXPORTERS FOLLOWING EUROPEAN CURRENCY DEVALUATION

On the orders of the day:

Mr. R. R. Southam (Moose Mountain): Mr. Speaker, I had a question for the Minister of Agriculture but in his absence I would like to direct it to the Prime Minister. Since nine countries, including Denmark, are following the lead of the United Kingdom by devaluing their currencies, what steps if any does the government intend to take to protect Canadian cheese exporters who according to current reports stand to lose heavily in competition with Danish exporters?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I will be glad to discuss this matter with the minister who is returning from the food and agriculture conference tomorrow, I think.

BRITISH COLUMBIA

RESTRICTION ON HOURS OF U.S. PORTS OF ENTRY

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Minister of National Revenue. This question is of great regional importance and of national significance. My question is based on the fact that the people of the Kootenays generally and those interested in sports are concerned about the reduction of hours of operation of the United States custom offices at Nelway and Northport. Is it possible for the minister to use his influence with the United States authorities with a view to establishing a more satisfactory service at these United States ports of entry?

Mr. Speaker: Order, please. The question may have national significance, but I remind the hon. member that many such questions are considered at the time of adjournment.

[Mr. MacDonald (Prince).]

[*Translation*]

HEALTH AND WELFARE

SUGGESTED LIMITATION OF CAMPAIGN AGAINST ALCOHOLISM

On the orders of the day:

Mr. Gérard Laprise (Chapleau): Mr. Speaker, I would like to direct a question to the Prime Minister. Could he tell the house whether the government intends to finance a publicity campaign from the proceeds of liquor taxes to inform the public of the dangers of alcoholism?

Mr. Speaker: I think the question is much too general to be asked at this time.

Mr. Laprise: At ten o'clock, Mr. Speaker.

[*English*]

INDIAN AFFAIRS

INQUIRY AS TO CONFERENCE ON ADMINISTRATIVE PROBLEMS

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development. As a sequel to meetings he has had with representatives of the Saskatchewan government is it planned to hold conferences within one month on the question of administrative responsibility with respect to Indian problems?

Hon. Arthur Laing (Minister of Indian Affairs and Northern Development): Mr. Speaker, we were visited by representatives not only of Saskatchewan but of Alberta and Manitoba as well. They wanted to discuss with us all Indian affairs and the responsibilities of the provincial governments in respect of child welfare. They will forward us a letter giving an outline of the kind of discussion they want, and we are now awaiting that letter.

SANDY BAY, SASK.—REPORTED FOOD SHORTAGE

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have another question for the Minister of Indian Affairs and Northern Development. Has he any reports that the Indian community of Sandy Bay in northern Saskatchewan is experiencing a food shortage with planes unable to land because of thin ice, and will consideration be given to using helicopters to bring supplies to the community?

Mr. Speaker: This is a matter of great urgency. The hon. member has made representations to the minister which I am sure will be considered immediately.

EXTERNAL AFFAIRS

PROTECTION OF EMBASSIES AND CONSULATES IN CANADA

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Just what arrangements have been made to protect the embassies and consulates of other nations in Canada from mob violence? I ask this question, Mr. Speaker, because of the assurances given to the house in this regard by the minister last Friday when replying to a question of the hon. member for Royal. Only a few hours after the minister's assurance the United States consulate in Montreal was attacked by a mob of hoodlums and fanatics and no protective arrangements were in evidence.

Mr. Speaker: Order, please.

Some hon. Members: Answer.

[*Later:*]

Mr. Health Macquarrie (Queens): Mr. Speaker, I wish to address a question to the Secretary of State for External Affairs. With reference to the damage done to the United States consulate in Montreal on Friday night, can the minister advise us whether the United States government has been given any indication of the Canadian government's regret for this incident, and is tangible evidence of such regret being considered?

Hon. Paul Martin (Secretary of State for External Affairs): Yes, we have, Mr. Speaker, and this matter is now being examined.

Mr. Nesbitt: A supplementary to the question I asked a few moments ago inquiring what arrangements had been made and to which the minister was unable to reply. Can the hon. gentleman not recall, from Friday to today, what arrangements were made for the protection of consulates?

Mr. Speaker: Order. The hon. member is now arguing a point, not asking a question.

FINANCE

INCREASE IN BANK CHARGES FOR U.S. FUNDS

On the orders of the day:

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, as the Minister of Finance requested I shall be glad to repeat a question that I asked before. Can he explain the action of the chartered banks in making charges in excess of the allowable 1 per cent over the pegged rate? Is he to take some action with regard to this conduct on the part of the banks, which is bound to give rise to the speculation that he quite understandably fears at the present time? The matter cannot be cleared up merely by the minister making the sort of statement he made in the house earlier today.

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, one of my officials in the gallery listened to the hon. member asking his question and made some inquiries. The official found no evidence to support the hon. member's statement.

Mr. Cameron (Nanaimo-Cowichan-The Islands): I bought some American funds myself today.

Mr. Sharp: If the hon. member did he made a bad bargain. He ought to have obtained the funds at a cheaper rate elsewhere.

Mr. Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, I resent this frivolous attitude. I object strongly to paying 9½ per cent for United States funds, and I am told by a responsible official of the bank that these funds are to be supplied at 10 per cent.

Mr. Speaker: Order, please.

Mr. Cameron (Nanaimo-Cowichan-The Islands): I do not care what the minister's officials say. Somebody ought to take this question into account and check the matter.

Mr. Sharp: Mr. Speaker, I checked on the rates that are available. My hon. friend can get, as can anyone else, a rate of one Canadian dollar for 93$\frac{3}{32}$ cents in United States currency. If operations such as described by the hon. member are going on—I shall check into the matter, and I take the hon. member's word for it—they have been carried on in contravention of the agreement reached with the International Monetary Fund. If any quotations such as those mentioned by the hon. member were operating in the market it would be the duty of the exchange fund to intervene to keep the rates within 1 per cent on either side of the pegged rate. So my only suggestion to the hon. member is that he should change his bank.

Inquiries of the Ministry

Mr. Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I ask another supplementary question. I still resent that frivolous attitude on the minister's part.

Mr. Speaker: Order, please.

Mr. Cameron (Nanaimo-Cowichan-The Islands): I have evidence that this is going on.

Mr. Speaker: Order, please.

Mr. Cameron (Nanaimo-Cowichan-The Islands): This is bloody irresponsible.

Some hon. Members: Oh, oh.

INDUSTRY

AUTOMOBILES—INQUIRY AS TO REVIEW OF CANADA-U.S. AGREEMENT

On the orders of the day:

Mr. A. D. Hales (Wellington South): Mr. Speaker, I wish to direct a supplementary question to the Minister of Industry related to a question I asked two weeks ago, at which time he informed the house that United States and Canadian officials were making arrangements to review the United States-Canada car pact. Previously the minister said that the officials would sit down and review the pact. Is it a fact that the United States officials are stalling since the pact calls for decisions by the end of next month?

Mr. Speaker: Order, please. The hon. member is not asking a question; he is presenting an argument. He should ask his question directly.

Mr. Hales: May I ask the Minister of Industry whether the United States officials are stalling so they will not have to meet with the Canadian officials for this review?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, I think the term "stalling" would, in this sense, be unparliamentary.

Some hon. Members: Oh, oh.

Mr. Drury: It is a fact that United States officials have not yet accepted our invitation to start.

An hon. Member: Isn't that stalling?

Mr. Hales: A supplementary question, Mr. Speaker. In view of the efforts which have been made and the pressures which have been generated by protectionists in the United States congress, does the minister intend to press for an increase in production of cars and parts by United States owned companies operating in Canada?

Mr. Drury: Mr. Speaker, we have not yet started the review. Until such time as there is agreement on what the pact has so far achieved, it would be unwise to start making claims for the future.

CONSUMER AFFAIRS

CONSIDERATION OF MOTION FOR INQUIRY INTO CAR INSURANCE

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I have a question I wish to ask the Registrar General in connection with his new interest in consumer affairs, but in his absence possibly someone else might take it as notice. Having in mind a private member's notice of motion introduced today calling for an inquiry at the federal level into the car insurance industry, would the minister undertake to give this matter careful consideration?

Mr. Speaker: I am not sure whether the question is in order. I gather that the hon. member is asking a question about his own notice of motion.

An hon. Member: It is a commercial.

Mr. Mather: Ten o'clock, Mr. Speaker.

COMPANY OF YOUNG CANADIANS

REPORTED SUBSIDIZATION OF PRIVATE SCHOOL IN B.C.

On the orders of the day:

Mr. Howard Johnston (Okanagan-Revelstoke): Mr. Speaker, I have a question for the Prime Minister arising out of a story which appears in the December issue of *Macleans* magazine. Is it the intention of the Prime Minister to investigate the constitutional complexities of subsidizing an unusual private school in Vancouver, British Columbia, with federal funds obtained through the Company of Young Canadians?

Mr. Speaker: Order. I suggest that the hon. member's question should be placed on the order paper.

FINANCE

WHITE PAPER ON TAXATION COMMISSION REPORT

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I have a question for the Minister of Finance. Does the announcement over the week end that there is to be a further conference between the minister and representatives of the provinces with regard to the Carter report on taxation indicate that there is likely to be a postponement of the publication of the government's white paper?

Hon. Mitchell Sharp (Minister of Finance): Not necessarily, Mr. Speaker.

Mr. Lambert: But does this not give the government a further opportunity to consider the appointment of a special joint committee to examine the Carter report before the presentation of a white paper?

Mr. Sharp: I am still not convinced, Mr. Speaker.

Mr. T. C. Douglas (Burnaby-Coquitlam): Can the minister give us some idea when the white paper will be brought down?

Mr. Sharp: I have not found any reason as yet to alter my timetable: as close to the beginning of the year as possible.

Mr. Knowles: Which year?

INQUIRY AS TO RESULTS OF RECENT BOND ISSUE

On the orders of the day:

Hon. D. S. Harkness (Calgary North): Mr. Speaker, my question is directed to the Minister of Finance. In connection with the minister's press release of last week stating that the latest government bond issue has been taken up only in the amount of $225 million rather than in the amount of $250 million, the target figure, can the hon. gentleman inform the house whether this $225 million is all new money and, if not, what proportion of it was taken up by the Bank of Canada?

Hon. Mitchell Sharp (Minister of Finance): I will take that question as notice, Mr. Speaker.

TRANSPORT

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

On the orders of the day:

Mr. J. P. Nowlan (Digby-Annapolis-Kings): Mr. Speaker, I have a question to address to the Minister of Transport. Is the hon. gentleman now ready to make the long awaited announcement in connection with the Digby-Saint John ferry?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I do not have all the details ironed out yet but I am still working on this. If health and weather allow, and I get down to visit the hon. member over the week end, I may elaborate a little in this regard.

Mr. Nowlan: Perhaps this was covered in the last part of the minister's answer, but is the hon. gentleman prepared to make a detailed statement in Nova Scotia, when he does go down there, on the Digby-Saint John ferry?

Mr. Hellyer: I doubt that it will be as detailed as the hon. member would like, but it will be a positive statement indicating my optimism about reaching a solution among the three or four parties directly involved to provide the kind of service between the two provinces which the hon. member would like to see maintained.

Mr. Fairweather: Has the minister permission to travel to Nova Scotia this week end?

Mr. Hellyer: I have applied for my passport, Mr. Speaker.

Some hon. Members: Oh, oh.

UNITED NATIONS

CENSURE OF PORTUGAL OVER INVOLVEMENT WITH ANGOLAN MERCENARIES

On the orders of the day:

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is for the Secretary of State for External Affairs. Canada's ambassador to the United Nations is said to have told the security council that it has a clear duty to take effective action to eliminate the threat of mercenary incursions into the Congo from Portuguese territory in Angola. I should like to ask the minister what effective action Canada has proposed so that the United Nations condemnation of Portugal will not be just an empty gesture.

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I will be glad to deal with that tomorrow.

Mr. David MacDonald (Prince): I have a supplementary question for the Prime Minister. On Thursday of last week, following a

vote of censure against Portugal at the United Nations, I asked the Prime Minister whether Canada had conveyed to Portugal her displeasure over these incidents and the right hon. gentleman suggested he would make an inquiry into this matter. I wonder whether he has something to report to the house today.

Right Hon. L. B. Pearson (Prime Minister): Yes, I think the Secretary of State for External Affairs might be able to deal with this now.

Mr. Martin (Essex East): The hon. member directed this question to the Prime Minister a few days ago. The situation is that on November 15 the security council condemned the failure of Portugal to prevent mercenaries from using the Portuguese administered territory of Angola as a base of operations for armed attacks against the Congo. We recalled in the security council Canada's past and present support for measures to ensure the territorial integrity and stability of the Congo. We criticized the mercenary attack on the Congo and the failure of the Portuguese authorities to abide by previous security council resolutions which requested states not to provide facilities for mercenaries. Our position was made clear in the security council itself.

Mr. MacDonald (Prince): Can the minister inform the house whether or not Canada will be taking action to impose a form of embargo, economic or otherwise, on Portugal in view of the situation in Angola and other colonies at the present time?

Mr. Martin (Essex East): Canada will comply with her obligations under the charter.

ADMINISTRATION OF JUSTICE

YUKON—REQUEST FOR TRANSFER OF JURISDICTION

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, may I address a question to the Minister of Justice. In view of the action unanimously taken by the Yukon legislative council last week in calling for the transference of jurisdiction from the Department of Justice to the government of the Yukon, is it the intention of the government to effect such a transfer of jurisdiction by an appropriate amendment to the Yukon Act?

[Mr. MacDonald (Prince).]

[*Translation*]

Hon. P.-E. Trudeau (Minister of Justice): Mr. Speaker, I cannot reply in the affirmative to this question, but I should say that the situation of the Minister of Justice and his jurisdiction on the Yukon and Northwest Territories are questions in which I am greatly interested and to which I am giving considerable attention.

[*English*]

NATIONAL DEFENCE

NATO—REQUEST FOR COMMITTEE CONSIDERATION OF CONTINUED PARTICIPATION

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I would like to direct a question to the Minister of National Defence. In view of the public announcement by the Secretary of State for External Affairs that the government has decided to remain in NATO under a new agreement, will the minister now have this matter referred to the defence committee for information and consideration?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, we had an invitation to have a joint meeting of the external affairs and defence committees, and I think that the Secretary of State for External Affairs agrees with this suggestion. We have now to work out the arrangements.

Mr. Winch: As a supplementary question, will this meeting be held soon?

Mr. Cadieux (Terrebonne): Yes, Mr. Speaker, soon.

COUNTER MEASURES TO POSSIBLE USE OF SEA MINES

On the orders of the day:

Mr. J. N. Ormiston (Melville): Mr. Speaker, I too have a question for the Minister of National Defence, and I apologize for not giving him notice of it. In view of the fact that many countries are now stockpiling different types of sea mines, what action is being taken to reactivate Canada's mine countermeasure force?

Mr. Speaker: Order. I am not convinced that this is a question which should be asked at this time.

[*Later:*]

Mr. Ormiston: Mr. Speaker, may I rephrase my question to the Minister of National Defence and ask him what action is

being taken to reactivate Canada's mine counter-measure force?

[*Translation*]

Hon. Léo Cadieux (Minister of National Defence): This force does not have to be reactivated, Mr. Speaker, because it is always active.

[*English*]

THE CANADIAN ECONOMY

REPORTED REQUEST TO PROVINCES TO REDUCE PRODUCTION

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I would like to redirect to the Minister of Finance a question which in his absence on Friday I asked the Prime Minister. Despite the efforts of the Prime Minister to be helpful I am still mystified. Is the federal government pressing the governments of British Columbia and Ontario to cut production to help ease the economic crisis, as the attorney general of British Columbia is reported as having said in Vancouver?

Mr. Speaker: Order—

Hon. Mitchell Sharp (Minister of Finance): No, Mr. Speaker.

Mr. Speaker: I was wondering whether this question was in order. I was going to suggest to the hon. member that he should not repeat a question which has already been asked, but I gather that the minister has now replied.

Mr. Barnett: Mr. Speaker, I really feel that the Prime Minister misunderstood the purport of my question on Friday and I thought it was one for the Minister of Finance to deal with.

TRANSPORT

PROPOSED MEETING TO DISCUSS ALTANTIC PROVINCES PROBLEMS

On the orders of the day:

Mr. Thomas M. Bell (Saint John-Albert): Mr. Speaker, I wish to direct a question to the Minister of Transport. Has he agreed to meet the four Atlantic premiers with reference to transportation matters and, if so, when?

Hon. Paul Hellyer (Minister of Transport): I would be pleased to do so, Mr. Speaker, at their convenience to discuss the problem of transportation in its wider aspect for the maritime provinces.

Inquiries of the Ministry

Mr. Bell (Saint John-Albert): Would the minister be prepared at such a meeting to discuss the various promises made by his predecessor before he was called back to the public service—

Mr. Speaker: Order, please. This is argumentative. I wonder whether hon. members would want me to call orders of the day now.

PUBLIC SERVICE

COMMITTEE REPORT ON PENSIONS OF RETIRED CIVIL SERVANTS

On the orders of the day:

Hon. R. A. Bell (Carleton): Mr. Speaker, may I ask the Prime Minister if he can indicate what progress is being made by the government in its consideration of the unanimous report of the joint special committee on the public service, presented on May 8, 1967, in relation to pensions for retired civil servants?

Right Hon. L. B. Pearson (Prime Minister): The matter is still under consideration, Mr. Speaker.

FISHERIES

LOBSTERS—REQUEST FOR INCREASE IN RESEARCH PROGRAM

On the orders of the day:

Mr. David MacDonald (Prince): Mr. Speaker, may I direct a question to the Minister of Fisheries. In view of the continued depressed lobster fishing conditions in district 8 in the Northumberland strait, is the minister giving consideration to stepping up research into the expansion of the lobster fishery in that area?

Hon. H.-J. Robichaud (Minister of Fisheries): Mr. Speaker, I thought the hon. member was well aware that during last summer we conducted a research program on lobster fishing not only for the district referred to, but for the whole east coast, and it is our intention to activate this research further.

NOVA SCOTIA

DISCUSSION RESPECTING CONTINUED OPERATION OF STEEL PLANT

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I direct a question to the Prime Minister. In view of the statement over the week end in Sydney, Nova Scotia, by the Minister of National Health and Welfare to the effect that the government is

doing everything possible to find ways and means by which the steel plant can be kept operating in that city, has the government conveyed to the government of Nova Scotia any definite commitment as to the financial responsibility which it is prepared to assume in order to keep the steel plant in operation?

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker, because the government of Nova Scotia is still discussing with the corporation the possibility of keeping the plant open, the cost of keeping it open and the ultimate viability of the industry, and until these matters are considered by the corporation with the province—and I may say we are keeping in touch with the province with respect to these discussions—it would be impossible for us to make a decision and an announcement of what we might be able to do. But I have been in personal touch with the premier of Nova Scotia over the week end and I have assured him of our desire to be helpful.

Mr. Douglas: Does that assurance of the Prime Minister go beyond April, 1968?

Mr. Speaker: Order. This is debate.

[*Translation*]

HEALTH AND WELFARE

INQUIRY AS TO PROGRESSIVE APPLICATION

On the orders of the day:

Hon. Théogène Ricard (Saint-Hyacinthe-Bagot): Mr. Speaker, I should like to put a question to the Minister of National Health and Welfare.

Since several provincial premiers have acknowledged their inability to accept or join the medicare insurance plan under its present form, does the minister not feel that its gradual implementation, in order to meet urgent needs, would be in the best interest of the majority of Canadians?

Mr. Speaker: The hon. member is asking the minister to express an opinion. Put in those terms, the question is out of order.

[*English*]

SUPPLY

Hon. E. J. Benson (Minister of National Revenue and President of the Treasury Board) moved that the house go into committee of supply.

[Mr. Douglas.]

ALLEGED ECONOMIC MISMANAGEMENT BY GOVERNMENT

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I think I should begin by saying that while I shall have some critical things to say about the government in the course of my remarks this afternoon, I understand that the Prime Minister (Mr. Pearson) is travelling across the ocean later today on official business and I should like to say at the outset we wish him bon voyage and a safe trip; of course, I also add that we cannot give him any guarantee at this time that his government will be here on his return.

Some hon. Members: Hear, hear.

• (3:50 p.m.)

Mr. Pearson: Perhaps I might thank my hon. friend for his good wishes and tell him it might be better if I remained here until tomorrow night at eight o'clock so that I could disprove his dire prediction.

Mr. Stanfield: I simply wish to make it clear that we are not issuing any guarantee concerning the continued existence of the government or in respect of what his colleagues might do in his absence.

To be a little more serious, Mr. Speaker—although of course I was quite serious in my good wishes to my right hon. friend—this is the first opportunity I have had to make a speech on a government measure as the Leader of the Opposition. I believe the house is entitled to hear from me as one of its officers concerning the attitude and approach of my colleagues and myself to parliament today and to parliamentary business. This I intend to do now very briefly but nevertheless also clearly, I hope, with the indulgence of the house.

I come here with a respect and affection for legislatures, parliaments and parliamentary institutions. I had the good fortune to serve for 18 years in another legislature, first as leader of the opposition and then as leader of the government. I should like to say that I take and took the one responsibility as seriously as the other. A familiarity with legislative and parliamentary traditions and practices bred in me a healthy respect for the potential of parliamentary institutions and for their relevance to modern conditions even after 700 years and as well, sir, a realistic attitude toward the limitations of parliament.

Like most Canadians I have followed the affairs of this house with a great deal of

interest but from some distance. So my perspective of parliament has been similar to that of most Canadians. I understand their concern about parliament and I might as well make it clear from the beginning that I share that concern. It is one thing for the people to lose confidence in the government as it is manifest they now have, although happily there is a remedy open to the people and their representatives in that regard; but it is quite another thing when people begin to lose confidence in parliament or in the capacity of parliament to give leadership to the country in dealing with the country's outstanding problems. Such an erosion of confidence would engender frustration, bitterness and in the end despair. Once the people were to lose confidence in parliament they would begin to lose confidence in their country and in themselves. If this were to happen in this most fortunate of countries in the year 1967 it would be one of the scandals of history.

Outside the house I have already said that we intend to be a strong opposition because there is much to oppose in the conduct of this government. There are questions to be asked and explanations to be given which have not been forthcoming, at least in the manner expected by or to the satisfaction of the people of this country. Not only do I say that we wish to be a strong opposition; I say that the present circumstances of this country require an unusually strong opposition, because the weaker the government the greater the need for a strong and informed opposition. But to be strong is not to be obstructive. As I said before, we are in politics to help get things started, not to get them stopped.

If I may speak from a partisan point of view for a moment—I have been speaking generally from the point of view of the public at large—I should like to say that I have no fear of allowing the government to proceed with its legislation. I say to the government through you, sir, let them bring in their program to deal with the present and future requirements of Canada. We will examine that program fully, vote on it in due course and then the people will judge it. I have no political fear of their program because I say to them in as kindly a manner as possible that we have a pretty realistic opinion of their capacity in this regard. Sooner or later they will have to go to the country to defend what they have and have not done. I suppose they will have recourse to that most hackneyed of government election strategies, that is, to blame the official opposition for their failures.

We intend to see that the government is judged on its record, on whatever capacity it has demonstrated to deal with the problems of the country and of course, on the other hand, on the strength of the other alternative that is available. This is a comparison and contrast which we on this side of the house look forward to. In the meantime, however, we want parliament to work. I hasten to assure you, Mr. Speaker, that I do not set myself up as an expert on parliamentary procedure, but we want parliament to work as effectively as it can, realizing of course that it will barely work at all unless good leadership is given to the house by the government.

I should like to make two points in this regard. First, I am not convinced that the most appropriate way for parliament to work is to burden this place with dozens of new rules to cover every possible eventuality. It seems to me there is a real danger that a parliament which is subject to excessive or detailed regulations will lose the flexibility and freedom that may be needed to deal with important issues and with the unfortunate crises which do arise from time to time. Therefore I much prefer that we expedite the business of the house by a consensus of the parties rather than by excessive regulation.

Second, I should like to emphasize that any reform of parliament must be such that it will make government more responsible and more responsive to the house, not less, and will make this responsibility more meaningful. Some of the procedures here may be irrelevant. If that is so, let us discard them. But parliament itself is certainly not irrelevant. We should not water down the basic rights of parliament simply because of their antiquity. In looking at the problems which government and parliament must deal with today, I am convinced that some of these old principles, particularly those relating to the accountability and responsibility of government to parliament, are even more necessary under today's conditions than they have been perhaps at any time during the 700 year history of parliament.

The work before us surely is to find procedures that will make these principles more meaningful and will improve their application to modern problems. I am in favour of confining debate on legislation to that which is necessary in respect of the principle and for scrutiny of the details of bills, but believe

that this must be done through agreement among the parties. I believe we might also consider whether it would be advisable to dust off the rules of relevance and repetition which have been enforced more strictly in the British house than in ours. In saying this, sir, I am not implying any criticism of yourself. I also like the hobby-horse of my colleague, the hon. member for Queens (Mr. Macquarrie), which I believe the Prime Minister has been on for some time. We should like to see some more efficient way than we have at present to conduct votes in this house.

• (4:00 p.m.)

Those are examples of what might be desirable with agreement of the parties. The objective, as I say, must be to emphasize the accountability and responsibility of government to parliament and through parliament to the people. Despite the advances and improvements in communications I think the average citizen feels more remote from institutions such as this and from the people who represent him here than formerly, and I sense there is a growing uneasiness in this house on both sides about the difficulty of obtaining a consensus from the public about the great issues of the day.

There are vehicles in parliament for crystallizing issues and for bringing to a head questions of confidence that are in the minds of the people of the country, and ways of making decisions on these in parliament. I think we should use these vehicles, one of which is the supply motion that has now been moved. Surely to debate supply and to demand redress before voting supply is one of the most ancient and basic prerogatives of parliament. I think also it is one of the most relevant to modern conditions, and I intend later on to move an amendment to the supply motion.

There is a definite question of confidence in the government and the conduct of the government which has led us into present difficulties, and a question of confidence in the capacity of this government to resolve them. This question of confidence has been expressed more and more insistently in the press of this country and by the growing uneasiness of investors. It has been expressed by the growing concern and worry of ordinary Canadians going about the daily business of trying to make a living, to provide for their families and to meet rising costs out of their income. There is most certainly a question of confidence, and nothing could be more clear than the duty of the opposition to raise this and raise it now. Nothing could be more important than that parliament should examine the conduct of this government in the economic field and bring to light the failure of the government and government policies to foster prospects for suitable growth and prosperity equitably shared among Canadians. If parliament cannot discharge this duty and discharge it in a responsible and reasonable way, then surely we are wasting our time here with no sense of a scheme of public priorities and priority problems that Canadians expect us to handle.

It is true that in the course of time we will have a mini-budgetary statement by the minister and at some time a possibility of debating it. If the time comes to vote on that budget we will, of course, vote on the adequacy of the government's budgetary measures. But parliament is also entitled, I suggest, and, indeed, in present circumstances obliged, to examine the government and decide whether on its record it can be entrusted to develop and present measures to deal with economic problems, whether it should be allowed to bring in such a budget and whether the country can stand this government any longer. We must decide in any case, whatever exhortations, forecasts or policies are spelled out by the government, whether the government can any longer be taken seriously. I will return to this matter a little later.

Clearly in this country there is a question of confidence in the government and whether this government, which is in large part responsible for our present economic problems, can be entrusted to solve them. I suggest it is the duty of members of parliament to try to decide this great question of confidence. The indications are surely very strong and clear that the people have substantially less than full confidence in this government, but what must be decided now is whether parliament has confidence.

I want to make it clear immediately that we have great confidence in our society and in the basic strength and future of the Canadian economy. We in Canada have an excellent potential and a strategic position, and there clearly should be no cause for concern about the fundamental capacity of our economy. Having said that I want also to make it clear that I do not minimize the difficulties which confront the government of Canada when dealing with economic matters. I certainly do not minimize those difficulties. But the normal, and I emphasize the word

"normal", problems of the Canadian economy as a whole are neither drastic nor disruptive.

From time to time, of course, as we all know, there are local and regional disruptions which are very important and sometimes disastrous to the regions affected. It is unusual, however, for the whole economy of Canada to be subject to sudden heaves and shifts. The normal problems of the Canadian economy, at least in the world context, I suggest are more moderate than severe. They are more or less predictable, or at least the Economic Council of Canada considers them to be so. It has made some predictions and recommendations.

It is my belief that ordinarily the economy will respond to the steadying influence of consistent government policy and reasonable planning, if these are brought to bear at the right time. So that in terms of our natural capacity to grow and sustain our growth, surely we are one of the most fortunate nations of the world. Good fortune, of course, requires good management, and government policies can improve the performance of an economy and they can impede that performance.

We have no desire at all to contribute to the decline in confidence that seems to be growing in Canada or, to put it more accurately, the decline in confidence that seems to be growing among the Canadian people. We want to try to arrest the decline in public confidence, and the most effective and direct way in which that goal can be accomplished, so far as we know, is to try to remove this government.

What is the outlook for the economy? The government has frequently been warned about the prospect of a levelling off or softening of the economy. Indeed, I think the Minister of Finance (Mr. Sharp) referred to this possibility in the course of making his budgetary speech last spring. That prospect has now become more threatening because of continuing inflation and the growing lack of confidence in this government. We have inflation but we have idle resources in the form of increasing unemployment.

There is no need for me this afternoon to try to place on the record all the indicators as to where our economy is going. I do not think anybody, including the minister, would dispute that the elements are there and that there is already a perceptible slowing down in the economy. The minister might possibly be a little more selective in his statistics so I shall just make one or two references to underline my point.

Suggested Economic Mismanagement

The Economic Council of Canada asserted that a 5 per cent growth rate in Canada for the period 1965-1970 was not only reasonable but would be necessary if we were to develop the employment opportunities required in view of the rapid growth of our work force. Our growth rate in real terms since the spring of 1966, according to the governor of the Bank of Canada, has been hovering between 2 per cent and 2½ per cent. This is roughly half the rate of growth that the Economic Council of Canada has said we require.

• (4:10 p.m.)

Let me hasten to say that a levelling off of the economy is not a serious thing if it is temporary. I do not expect the government of the day to be able to maintain everything on a precisely even keel with a growth of precisely 5 per cent per year. But it is not just this flattening out that has to be considered. This slowing down in the growth rate has been going on apparently since the spring of 1966.

Unemployment is now growing. The reasonable target set by the Economic Council of Canada for unemployment is a figure of about 3 per cent. The economic council recommended that it should not be allowed to go above 3 per cent, if possible. By the end of October the rate of unemployment in Canada, seasonally adjusted, was 4.7 per cent. There were 254,000 Canadians unemployed. This represented an increase of about 35,000 unemployed over September and an increase of about 59,000 over the figure for the month of October, 1966. The rate of unemployment is high in British Columbia, the province of Quebec and the Atlantic provinces.

I do not think other indicators offer very much more comfort. One respected financial commentator has reported that there appears to be a 14 per cent decline in the investment intentions in Canada by Canadian subsidiaries of American corporations, and the indications are that private investment intentions generally are also in decline.

So here we have the general story of the economy, a story of inflation accompanied by a slowing down in the growth of our economy. Ordinarily, in conditions of slack the government of Canada should be in a position to consider measures to stimulate the economy, but this government has by its conduct cut itself off these priorities, these options. Increasing unemployment would ordinarily suggest the need to encourage the economy through some such device as a tax

cut or something else in order to increase the rate of growth and the amount of employment and to cut down the amount of unemployment. Unfortunately, the financial requirements of this government and the inflation toward which the government has contributed so much not only preclude fiscal measures to increase employment but apparently have induced the government to forecast tax increases, which may result in further unemployment.

I do not want anybody to think I am unfair, Mr. Speaker, in attributing a good deal of the blame to the government. Just in case the members of the government did not notice it themselves, I saw a scholarly reference to this subject made by the premier of Saskatchewan in the paper this morning.

Some hon. Members: Oh, oh.

Mr. Stanfield: He said that Canada is threatened by continuing and increasing inflation as well as a soaring cost of living. Then he was quoted as saying:

> Our own party—

Which I do not think is the Conservative party.

> —as the government, must accept responsibility for the primary blame.

Then he said that the federal government must present policies which will restore responsible fiscal leadership. And so on. I do not just take it upon myself to assess the blame. I have been very much influenced by expressions of opinion of that sort.

Some hon. Members: Hear, hear.

Mr. Stanfield: In any case, Mr. Speaker, the government is certainly caught in a box of its own making. Unfortunately, the people of Canada are also caught, against their will and despite the warnings. Perhaps I might quote the following from the Montreal *Star* of November 17:

> We are in for a new and unpleasant experience—inflation, high interest rates and growing unemployment. Until very recently, it was thought impossible to combine these three elements in a single situation.

This government has managed to do it. So we have both inflation and unemployment, and the government seems unable now to work on one problem without making the other worse. But the most tragic fact is that the heaviest burden of all this government's mismanagement falls on those Canadians who can the least afford to bear it. Canadians on low and fixed incomes are usually the first to feel the burden of unemployment and to be the victims of unemployment. They are usually the worst victims of inflation. This burden, as well as being unnecessary, is also profoundly unjust because of all the groups in this wealthy land the ones who most require the assistance of organized society are those who are either very near or even below the minimum margins that are acceptable to a decent and a civilized people. In place of help they are suffering the heavy penalty of disorganized and undisciplined government. I do not need to dwell on this matter, Mr. Speaker. The effects of inflation are well known in this house and to the Canadian people.

In the short term inflation, of course, strains the economy by increasing the gap between what people are accustomed to and what they are able to buy under these circumstances. That is serious enough, but I do not propose to dwell this afternoon on the effects of our high cost of living because I believe this subject has been debated previously during this session.

I want to emphasize particularly, important as these other effects may be, the effect of these conditions on our economy, our outlook and our future. In the longer term inflation could strangle the Canadian economy because as prices rise, as production recedes, our capacity to compete in world markets and to sell our goods declines also. Certainly the degree of inflation which has taken place in this country in recent years has seriously undermined our ability to compete and our ability to move ahead at a satisfactory rate.

Some hon. Members: Hear, hear.

Mr. Stanfield: The rate at which prices have been rising in Canada, particularly in the last two or three years, far exceeds the rate in our great neighbour the United States. Not only is it much greater than in the United States but it is more than double the rate of the rise in the price level which the Economic Council of Canada has said is tolerable for this country.

Let me just mention some figures to remind the house. The Economic Council of Canada stated that Canada's economy could perhaps sustain an average annual price rise of something ranging between 1.4 per cent and 2 per cent. In 1963 the rise was within that span; it was 1.8 per cent. In 1964 it was 2.5 per cent. In 1965 it was 2.9 per cent. In 1966 it was 4.6 per cent, and I understand that this year so far it has been 3.6 per cent. These figures are to be compared with what

the economic council suggested was tolerable. When you compare them with the comparable figures for the United States you see just what damage has been done to our ability to compete.

• (4:20 p.m.)

In 1964, for example, the price increase in the United States was 1.6 per cent as against 2.5 per cent in Canada. In 1966 the increase in the United States was 3 per cent as against 4.6 per cent in Canada. It must be emphasized that the United States has been able to do a more effective job than Canada has done in restraining the rate of price increases despite the fact that it has been involved in the war in Viet Nam, virtually a major war. An examination of the differences in the rate of price increases between our country and the United States indicates that we have lost a great part of the competitive advantage which we derived from the devaluation of the Canadian dollar in 1962. This again is not just my opinion. I might remind the house of an analysis appearing in the London *Economist* of September 30 which reads as follows:

> For the past two years, Canada has failed to match that cost and price performance of the United States. The economy has been overloaded, the limits of capacity too closely approached and a wave of cost and price increases generated which continues to sweep through the economic system after the boom has topped out.

This represents an indictment of this government's fiscal policies which certainly cannot be ignored. The same article refers to the minister's policies in these terms:

> Mr. Sharp, alas, cannot avoid the responsibility for inadequate fiscal action, the need for which he now seems belatedly to realize.

I think this may be a little unfair to the Minister of Finance, and I am not sure that this has been the real problem in the government. Certainly I do not wish the Minister of Finance to think I am picking on him. My criticism is directed against the government as a whole.

Mr. Sharp: I am not sensitive.

Mr. Stanfield: Besides the need for sensible and systematic budgeting policies, the economic council, and others of course, have recommended other important policies in the fight against inflation. The importance of increasing productivity in Canada has been emphasized as a means of fighting inflation. I think we all recognize the importance of this and we are all concerned about the apparently dismal performance of Canada with reference to productivity. I do not think I need document this. I think it is unquestionably so. Indeed, I understand that Canada has ranked fourteenth among the 14 industrial nations of the western world over a period of time, and I think this is something about which we should all be concerned.

Many factors are involved in this but surely the most important factor associated with the question of productivity is the matter of the technical and vocational skills of our people and the rate at which these are being increased. This of course involves general education, which is a provincial responsibility; it involves vocational and technical training and, speaking generally, it involves an upgrading of skills. The Economic Council of Canada pointed to Canada's rather disappointing performance in this regard over the years and urged us to continue making a greater effort. Until last spring this was a shared responsibility in the field of trades and technical training, with the provinces and the federal government sharing the cost. About a year ago the federal government decided to split rather than share the financial responsibility and it announced that as of April, 1967, it would no longer share in the cost of operating vocational training programs associated with the provincial public school systems. On the other hand, it announced it would assume full responsibility for the vocational training of adults. At the same time the government announced new arrangements with regard to post-secondary education, but I am not concerned with that today.

The provinces were to be consulted before these new arrangements for vocational training were announced. Actually, federal officials made tentative arrangements to visit the provinces for the purpose of consultation but these tentative arrangements never materialized. I do not attribute this to any lack of good intention on the part of those involved. Apparently the problem was that this government could not make up its mind and could not decide what it wanted to do. Consequently, the federal officials could get no instructions as to what were the matters on which they were to consult the provinces. As a result the provinces went to that federal-provincial conference in the fall of 1966 not to discuss what should be done and not to discuss what arrangements should be made in this important field of training but to hear what the federal government had

decided to do, apparently just a few hours before the delegates arrived for the meeting. There was no genuine consultation about the main features of the federal decision although there was and has been consultation on matters of definition and detail.

As a result of all this there has been widespread confusion in the field of vocational training during the past year. I might even suggest it has been chaotic. I want to say that officials and ministers, both provincial and federal, have been doing their best to straighten things out and make these arrangements workable. I can only assume that these new arrangements regarding vocational education were devised by people who apparently meant well but had no knowledge of the practical realities, and that these new arrangements were adopted by the government hurriedly at the last moment just prior to the federal-provincial conference. I mention this simply as an illustration of the unfortunate tendency of the government to improvise policies without sufficient consideration and consultation.

I do not wish to weary the house with details more proper to a discussion of departmental estimates, and I hope I will have an opportunity before long to discuss these matters in some detail and some depth. Today I simply wish to draw attention to the confusion created and the consequent detrimental effects on vocational training. I should point out, however, beyond emphasizing the confusion, that this government has substantially reduced and cut back programs for training on the job. The government may claim, of course, and it does claim, that it is spending more money on vocational training than it did a year ago, but it cannot claim that it launched its new initiative after consultation or after careful planning, and certainly it cannot claim that it is providing training for adults, either on the job or in schools, to the full extent that circumstances in our country require. All this is obviously relevant to the problem we are discussing and about which we are worried, namely, the problem of increasing productivity, and consequently it is relevant to our costs of production and therefore to our war on inflation, not to mention unemployment.

However, it is the government's financial policy that I wish to speak about. It has been uncertain, changeable and inconsistent. Again I should like to refer to the *Economist* where the following statement appeared:

> There have been few examples of such a violent swing of the levers of economic control.

• (4:30 p.m.)

After rereading the minister's budget speeches in the last couple of years, in the spring of 1966 and in December, 1966, as well as in the spring of this year, I have to say that the government has been far too complacent about the dangers of inflation. The government has known for some time that an inflationary situation was developing. In fact, the minister himself referred as long ago as the spring of 1966 to the need for restraints. The government has known how much faster prices were rising in our country than in the United States. Surely the government realized the serious effect this must have on our competitive position. Despite the indications, despite the opportunities, the government really did not do anything effective about inflation or do anything to ensure that it would be able to respond to the needs of the economy as those needs might develop. This is the situation in which the government finds itself today.

Earlier this year the minister discussed the possibility of establishing some form of guide lines in connection with this problem in Canada. He dismissed them apparently because of his view that there was not sufficient consensus in the country among governments, business and labour to make them work. However, I suggest that this government and the minister have a rather peculiar attitude toward consensus. The government seems to think that consensus is something to wait for, at least in this regard, but in our view consensus is something the government has a responsibility to try to create.

Surely the important fact in the economy today is not so much that concensus is lacking but rather that more consensus is required. I am sure the minister would agree with that. I do not believe there is any quarrel as to what our goal is. I think, at any rate, our agreed goals are to achieve an adequate rate of economic growth, reasonably full employment and reasonable stability of prices. Clearly, appropriate monetary and budgetary policies are necessary to achieve these aims. These are necessary, but are they enough? Are they enough even if we reinforce them with those recommendations made by the Economic Council of Canada relating to the better planning of the demands of the construction industry, better integration of provincial and federal governmental considerations relating to expenditures and this sort of thing, particularly productivity? These are certainly important suggestions, but I am not convinced that all

these recommendations taken together and applied conscientiously and intelligently would result in a satisfactory degree of price stability, give conditions of reasonably full employment and sustain a satisfactory rate of growth. Certainly they would result in a far better performance than we have had in the last two or three years under this government.

I am not convinced, and I say this frankly, that they would necessarily in themselves yield satisfactory results, because under conditions of sustained economic growth and reasonably full employment there seem to be upward pressures on costs and prices induced by that very human desire we nearly all have to improve our own lot. But are we doomed because of this to suffer so much unemployment or so much price instability? I refuse to accept that, presumably as the Minister of Finance does, although I do not know whether he does. I refuse to believe we cannot find a more civilized way to control inflation and achieve reasonable stability of prices than by bringing about periodically an excessive level of unemployment. I suggest there must be a more civilized way of achieving stability than by producing unemployment.

I appreciate the difficulties in connection with guide lines, but there is general recognition throughout the country that we must work out some practical methods of achieving restraints, not just urging restraint and encouraging it but I think by developing agreement about our goals and support of policies. I think there is some reason to have confidence in the ability of a national government to establish a process of continuing consultation, involving responsible representatives of business, labour and other governments.

The results of this will not be perfect, but I suggest we must try. I suggest we should have been trying long since. Of course, we must proceed in such a way as not to tie the economy in knots or introduce new rigidities. As a beginning I suggest that the federal government must show leadership in terms of both adequately meeting its own responsibilities and encouraging co-operation within the economy. I suggest there does not appear to be any prospect of either of these developing under this government. The government does not appear to be in a position to ask itself what measures would be appropriate to the economic situation today, with increasing unemployment.

Suggested Economic Mismanagement

The question ministers must ask themselves in the present predicament is, how can we get the government out of the jam it is in? The economy suffers both in the short term and in its long term aspects. The government, in its complacency, has allowed inflation to erode the prospect for long term growth. In addition, it has shut off those options which might allow policies resulting in expansion to take place now. The government has, therefore, boxed itself in so that neither the minister nor the country seems to have room to manoeuvre.

I think perhaps the situation of the government today is a classic example of the situation the economic council warned against in its most recent report, page 256. I shall read from it briefly:

> If monetary and fiscal policies are aimed primarily at moderating shorter term fluctuations in the Canadian economy rather than, as we have suggested, at sustaining stable longer term growth of final demand, there is a serious danger that policy adjustments may overdo the needed corrections or have highly uneven, belated and untimely impacts. In other words, policies designed largely by way of reaction to emerging short term instabilities may well contribute to an unfortunate "stop-go" pattern of development, and may even accentuate the instabilities.

"Policies of reaction". There is no better phrase to describe the present economic policies of this government. They have lost the initiative as a result of their own failure of discipline and are left now with no policy but reaction to the problems that confront them. Their problems grow worse. On October 4, speaking in this house, the Minister of Finance proposed, if necessary, to control inflation by allowing the economy to develop a little more slack for a year or two while price and cost increases tapered off. I suggest again, Mr. Speaker, surely there is some more civilized way of achieving price stability than by slowing down the economy and deliberately increasing unemployment. This is a proposal to bail out the government at the expense of those citizens and those regions that can least afford it. It is as self-defeating as it is unfair, because any conscious policy to retard a sector of the economy or a section of the country is bound to depress the general growth of the whole economy.

I do not want to take a lot of the time of the house to emphasize the attention that the Economic Council of Canada has devoted to those areas of Canada where economic growth has been relatively slow. The economic council has emphasized the importance of increasing expenditures in those areas in

such basic fields as education and transportation. This is something that I ask the minister and the government to keep in mind when they consider their future budgetary planning. Whatever possibilities there may be with regard to regional monetary policies in this country, there can be no question that there is a need for as well as a possibility of flexible fiscal policies as they relate to regions.

Some hon. Members: Hear, hear.

Mr. Stanfield: It might well be disastrous to create a deliberate slowdown, through fiscal policies, in areas of slow growth. The affected areas, where such a policy applied, might take years to recover and get going again. I caution the government, even in its present difficulties, to make certain that it does not destroy the efforts which have been made in these areas which are scattered throughout Canada and to make certain that they keep moving ahead at a satisfactory rate. It would be nothing short of tragic if the forward impetus—developed, as I frankly admit, with the help of the policies of this and other governments—which had been generated within the less developed areas should be stopped by federal policies at this time, policies which were born in reaction to immediate situations, to immediate problems, that the government ought to have been able to foresee and to avoid.

• (4:40 p.m.)

On November 10 the Minister of Finance resorted to what apparently is the extraordinary practice of announcing tax increases on motions in the house. Of course, a tax increase is never welcome but it is especially unwelcome now as rising costs and prices already have eroded the budgets of private citizens. We shall judge the minister's financial proposals and deal with them when we hear them, but it is timely to remind the government, Mr. Speaker, that the private budgets and private plans of countless Canadian individuals, families and undertakings are at least as important to this country collectively as the budget and the notions of this government.

Some hon. Members: Hear, hear.

Mr. Stanfield: Already inflation and unemployment have restricted the ability of private citizens to meet the commitments they have entered into and the government should be careful indeed about generating more restrictions of that kind.

[Mr. Stanfield.]

In framing policies to deal with all these problems, in stating economic and social goals and in deciding how we are to try to achieve them, it is essential for the government to have the understanding, co-operation and support of the people generally. It is essential for it to have the co-operation, understanding and support of the organizations and mechanisms through which groups of people protect their own interests, attempt to influence the economy and obtain their own fair share, as they see it, from its progress.

I am not suggesting for a moment that the government must always have a consensus on details or even on major parts of some of the policies which it believes to be required by the economy. Certainly, sometimes governments must do unpalatable and unpopular things, unpalatable and unpopular in the short run at least, so that the long term welfare of our people may be advanced and assured. I do not suggest that we must always have a consensus before the government is entitled to act. But as to the general objectives of government policy and as to the general objectives of social policy there must be co-operation and support and, most of all, these objectives and the means of obtaining them must be understood clearly and fully throughout the country by other governments, by labour and industry and by investors and consumers.

It is obvious that in a democracy this support and co-operation may be attained not by coercion but only by persuasion and by the persuasive force of example, leadership and consultation by the government of Canada.

Some hon. Members: Hear, hear.

Mr. Stanfield: It follows, and I think this is most important, that in a democracy, in a free economy, government and government policy must be believable. This is the basis of confidence and the basis of ability to lead. The regrettable fact in Canada today is that this government is not believed.

Some hon. Members: Hear, hear.

Mr. Stanfield: The Minister of Finance has talked about restraint for 18 months at least; now he talks about cut-backs. But government expenditures continue to expand and there is no noticeable effort to establish priorities among existing or projected programs. The minister knows that this is so. Not only does he know as well as I do, he knows it better than I do. The pages of our newspapers are full of quotations, one after the

other, of the minister's words which testify to the extent to which the spending proclivities of his colleagues rather than the requirements of the economy are the final determinants of fiscal policy for this government. The fiscal policies of this national government have not been decided according to the actual needs of the economy.

Some hon. Members: Hear, hear.

Mr. Stanfield: They have been determined by way of a series of subsidiary and unrelated decisions on spending programs. There has been no coherent policy governing these programs. The only test at any given time has been whether the government can raise revenues by taxation to get its policies under way. Of course, the government has paid insufficient attention to the extent to which it has been building automatically escalating expenditures into the programs it has already adopted.

I wish to make one thing very clear. I am not one of those who regard government expenditure as an evil in itself—far from it. I believe that the services that government can render to modern society are increasing each year in importance and I believe they are increasingly important to the welfare of our people. It is necessary for the government to play an active role in the development of our economy in all its regions.

I think that all I have said is obvious to any person who knows my background. I accept and endorse everything that the economic council has said about the importance of increasing expenditures in the slow growth areas of this country on basic government services, if adequate rates of growth are to be achieved. It is in the interest of those regions and in the interest of the nation that expenditures on such basic services be rapidly increased, as they have been. I hope those expenditures can be increased until the services in these regions approach national standards.

In a country like Canada—in any country, in fact—at any given time there are many desirable services and projects that the government might adopt. In a healthy economy, nevertheless, expenditures must be related to economic circumstances. It is essential to the future expansion of government services that we maintain a healthy and growing economy. If one looks at the matter only from the point of view of what government services can be provided, it follows obviously that the stronger the economy, the more services will the government find it possible to implement.

Suggested Economic Mismanagement

The point to be made and the problem that parliament must face now and during the vote tomorrow night is that Canadians do not take the government seriously and do not accept as serious the declared intentions of the government to deal with the economic problems that we face. I think that this is perhaps something new in Canada. The morning after the minister made his statement earlier this month, government bond prices actually increased and interest rates actually rose somewhat. Why? Because people did not believe that the awareness indicated by the minister would be reflected in the decisions taken by his colleagues.

• (4:50 p.m.)

Some hon. Members: Hear, hear.

Mr. Stanfield: I say to the house with all sincerity that if this government had the confidence of the country there would be no need to give consideration to any tax increases at this time. It should not be necessary to interject here that I cast no doubt—I think I have made this obvious—on the integrity of the minister or of anyone else. The fact is that government policy and government conduct have been so contradictory and inconsistent that nobody knows whom or what to believe any more. In these circumstances it is difficult, of course, to enlist the co-operation of labour, of industry, of investors, or of consumers or other governments in any policy of restraint or in any other policy, for that matter.

The absurdity of the government's position was demonstrated again this afternoon in the statement made by the Minister of Finance reporting on the federal-provincial conference. What could be more absurd than the government of Canada inviting the provinces to participate in bringing about a substantial increase in their expenditures while sending the Minister of Finance to tell them to be good boys and reduce their expenditures? How can the people of Canada take this sort of thing seriously? I doubt that there has been such a situation in the governmental history of our country.

This is a problem which parliament must face and a problem which must be voted on tomorrow night. The question is one of the credibility of this government. It is a matter of deciding whether the country and the country's members of parliament have confidence in the capacity of the government to provide the leadership required in these circumstances and to develop the policies necessary for sustained growth and expansion.

Suggested Economic Mismanagement

I will move an amendment because it is important that we decide this question now before we go any further. I suggest it is in the best tradition of parliament and in the best interests of this country that hon. members should, on this question of confidence, record their confidence or otherwise in the government's ability to foster economic growth and progress.

I call upon hon. members to support the amendment which I now move, seconded by the hon. member for Saint-Hyacinthe-Bagot (Mr. Ricard):

That all the words after "that" be struck out and the following substituted therefor:

"This house regrets that the mismanagement of this government has endangered the rate of economic growth, the prospects of satisfactory levels of employment, and the ability of individual Canadians to meet their own commitments."

Some hon. Members: Hear, hear.

Mr. Stanfield: May I add that I was sorely tempted to substitute two words—"rotten management" for the word "mismanagement".

Some hon. Members: Oh, oh.

Mr. Stanfield: But I could not do that. I, for one, took to heart the urgings of the Minister of Finance to be restrained.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I should like first of all to join with the Leader of the Opposition (Mr. Stanfield) in expressing to the Prime Minister (Mr. Pearson) our good wishes as he departs for overseas and to say we all hope he will enjoy his stay there and that he will return in his usual good health and good humour.

Mr. Pearson: May I thank the hon. gentleman, Mr. Speaker, and apologize to him for leaving to begin my voyage, consequently missing what I am sure will be a most stimulating speech.

Mr. Douglas: While I am on this subject, Mr. Speaker, I should like to say that I think this country owes a great debt of gratitude to the Prime Minister who in the course of this centennial year has, I believe, welcomed more than 60 heads of state and has carried a burden which would be almost insupportable for most human beings. While we disagree in many instances with the Prime Minister on matters of policy I think he should go from this house knowing that he has always had and continues to have the respect and affection of members of this Chamber.

Some hon. Members: Hear, hear.

[Mr. Stanfield.]

Mr. Douglas: I should also like to congratulate the Leader of the Opposition on the first major speech he has made since entering the House of Commons. He has set forth very clearly the state of the Canadian economy and I think no one can disprove the major thesis which arises from his analysis. At the present time the Canadian economy is experiencing a decline in its growth rate to the point where it will be something less than 3 per cent this year in terms of constant dollars. We are witnessing rising unemployment, the highest interest rates in our history and an accelerating increase in the cost of living, all of which have brought the Canadian economy into a most critical situation.

However, as I listened to the Leader of the Opposition I found myself much more impressed with his analysis than I was with his prescription for curing the ills which beset our economy. I was hoping he would set forth some of the detailed proposals which the official opposition might have for coping with the appalling conditions he described. There can be no doubt, as he said, that there must be a more civilized way of controlling inflation than by creating unemployment. What we need to know is: What is the more civilized way of controlling inflation? It is perfectly true that we need to set for ourselves clearcut objectives and that we need a government capable of providing leadership. What we want to know is, what are those objectives and how is it proposed that they shall be attained?

• (5:00 p.m.)

The members of the New Democratic party have been saying in this house for a considerable period of time that in our opinion our economy is badly mismanaged because the government has been following a blind faith in the market, that they have refused to give direction, control and efficient management to the economy, that much of the economic dislocation which faces Canada at the present time is due in the main, first, to a maldistribution of income over a long period of time and, second, to a misallocation of our resources, human, financial and material. From time to time we have set forth several proposals which I want to reiterate briefly before going on to the main subject with which I want to deal.

We have suggested first of all the creation of a Canadian investment board to set priorities for both public and private investment so that scarce capital can be allocated where it is most needed for the benefit of all Canadians.

We believe low cost housing must be a major priority of Canadian investment policy until the shelter crisis is ended. We contend that if capital is in short supply then this country must make a deliberate choice not only with respect to the capital expenditures of governments at all levels but also with respect to capital investments in the private sector.

We must decide whether it is more important to build skyscraper office buildings, supermarkets, hotels and motels than it is to build schools, hospitals more housing and provide more municipal services. We have to decide, if capital is scarce, what items can be postponed without incurring great human suffering and what items must be proceeded with if Canadians in all parts of Canada are to enjoy a good life.

The second thing we have suggested is that Canada should return to a floating exchange rate and a control of capital movements across borders as realistic steps to meet our balance of payments difficulties and to gain control of our own economy. The other day on a television program one of the ministers said he had strong objections to control over any movement either of capital or goods across borders. Yet I notice that in Saturday's press Alexander Trowbridge, secretary of commerce in the United States government, has issued a guide line asking American companies to reduce by one fifth their foreign investments, not only from outgoing capital but from retained earnings of their foreign affiliates. This is certainly a move to control the flow of capital, and if a great, wealthy country like the United States has to direct its capital flow, then certainly the Canadian government should be giving consideration to the matter.

The third thing we have suggested is that Canada should set up a prices review board in order to carry out a frontal attack on the rising cost of living so that government action may be effective in holding the line on the price of basic commodities. Much has been said about inflation, but economists are now telling us we are experiencing cost-pull inflation rather than demand-push inflation, that a good deal of the rise in the cost of living over the past three, four or five years has been due primarily to rising prices and increasing corporation profits, and that the rising cost of living and rising profits were the stimulus that led to the increased demand for higher wages. Certainly the only way we are going to find out whether or not this is true is by setting up a prices review board.

Suggested Economic Mismanagement

In our opinion the rising cost of living has been largely due to the fact that in a very considerable area of our economy we have administered prices, prices that are set by a comparatively small number of corporations in a given industry which are able to manipulate supply and demand, set prices and in many cases to set prices that are not realistically related to the costs involved. We believe the Canadian people would support the idea of a prices review board and that the provincial governments would be prepared to support the federal government if it later found it necessary to ask for concurrent legislation to deal with exorbitant profiteering and unjustified price increases.

The fourth thing we have suggested is the immediate implementation of those recommendations of the Carter commission which call for the taxation of resources-based industries, insurance and other financial institutions, and speculative capital gains, all of which escape their fair share of our common tax burden. We believe that by this means the government can solve some of its financial problems without an across the board tax increase which in our opinion would be disastrous and could tip the scales into an economic recession.

The fifth thing we believe is that the government must set for itself, and seek to persuade the provincial governments and the private sector of the economy to adopt a scale of priorities with respect to current expenditures and capital expenditures.

The Leader of the Opposition spoke, as many Conservative speakers in other debates have spoken, of the need for restraint. I always wait to hear these speakers tell us what things they want to restrain, what expenditures they want to curtail. It is not enough to tell the government, "We think you are spending money like a drunken sailor," to say to the government, "You must restrain your proclivities for spending the taxpayers' money," unless we are prepared to say what things should be reduced and what things should have top priority. I hope that in the course of this debate both the official opposition and the government will give us some idea as to what things they think have sufficient priority that they ought not to be curtailed and what things are of insufficient priority that we could afford to reduce expenditures on them either permanently or temporarily.

Suggested Economic Mismanagement

I would be interested in knowing what the position of the official opposition and the government is with respect to proceeding with medicare. Is it to have top priority?

So far as our party is concerned I can state very briefly our ideas with respect to priorities. We think the top priority for both public and private expenditures ought to be anything that will increase productivity. There can be no better cure for inflation than increasing productivity, and a country whose economic growth rate has dropped to less than 3 per cent per annum is a country that is in economic difficulties. That means directing private and public capital into the development of new industries, into the expansion of existing industries, into geological surveys, into technological research, into anything that will help to increase Canada's production of wealth and increase the number of jobs that are available to Canadians.

• (5:10 p.m.)

If productivity should be our number one priority, then of course education, particularly technical education and vocational training, must have top priority. Housing must also have top priority. We can never get productivity from workers unless they have decent homes in which to live. I maintain that health services and medicare are also part of the requirements for productivity. Unless people have good health the man-days lost because of sickness can be a very serious economic drain on our economy. Therefore, Mr. Speaker, in this party we would place medicare on the list of things which ought not to be curtailed. As a matter of fact we consider medicare to be one of the items which should and must be proceeded with.

I should like to take some time to deal with the statement made by the Minister of Finance (Mr. Sharp) over the week end in which he told the provincial governments and the people of Canada that medicare would cost them $1 billion. I do not know where the Minister of Finance got this figure. I strongly suspect he was using it as a Hallow-e'en mask to frighten the people of Canada as though they were little children saying "trick or treat". Believe me, they have had more tricks than treats from this government. Let us look at this figure of $1 billion as the estimated cost of medicare. That works out roughly to $50 per capita. I ask hon. members to look at this in an effort to see how unrealistic it is.

Let me first of all take the example of the only province in Canada where medicare has been in operation since July 1, 1962. In the province of Saskatchewan, where they have been operating a plan now for over five years, the last annual report of the Saskatchewan Medical Care Insurance Commission gives the per capita cost as $25.22. That figure is up 4.5 per cent from the year before. To be perfectly fair I should point out that this does not include the care and treatment of persons suffering from cancer, because when medicare was introduced in Saskatchewan the government was already providing cancer services and felt that it would be unfair to charge this to those insured and would rather pay it out of general revenue. So to this sum must be added the cost of cancer services which is roughly $2 per capita per year. Therefore if we add that $2 the per capita cost of medicare in Saskatchewan for the year 1966 would be $27.22. That figure of $27.22, Mr. Speaker, is a long way from $50 per capita. The increase from the year before was 4.5 per cent. That was the highest increase. Prior to that the increase was only 2.4 per cent per year. If we add a 4.5 per cent increase or even allow for a 10 per cent increase in the cost, by 1969 it will still be around $30 per capita.

Therefore I ask, what grounds has the Minister of Finance for assuming that a service which can be provided in Saskatchewan for less than $30 per capita will cost $50 per capita across Canada? I should like to point out first that the latest available figures show that the income per doctor in Saskatchewan is more than $3,000 a year higher than the Canadian average, that they are the highest paid doctors in Canada per capita and that the ratio of doctors to population is above the national average. Therefore, what ground is there for assuming that the cost across Canada will be substantially higher than the cost in the province of Saskatchewan? Even if it should be somewhat higher, $32, $34, or $35 per capita, it would still be a long way from the $50 which the Minister of Finance has been talking about.

Let us for a moment look at the estimates of cost which were given to the house by the Minister of National Health and Welfare (Mr. MacEachen) in 1966 as reported on pages 7548 and 7549 of *Hansard*. At that time the minister said:

> If such a program were to be provided in all provinces next year, it is estimated that the cost to the federal treasury for a full year would be $340 million.

The total cost for all of Canada would be $680 million. He went on to say:

> Thus, by redistributing the estimated $600 million and adding another $80 million, all residents of all provinces of Canada will have physicians' services available to them.

The Minister of National Health and Welfare when speaking in the house at that time told us that in the year 1967 the Canadian people would be spending $600 million for medical services. He added another $80 million for the medicare plan to cover those who are not being covered at the present time. So his estimate was $680 million. If we assume that the cost of medicare will go up at the same rate it has in Saskatchewan which is 4.5 per cent or, for the sake of round figures, 5 per cent, then even by 1969 the cost will be considerably less than $800 million. If we double the rate of increase and assume that it will go up by 10 per cent per year and assume the figure is $680 million in 1967, in 1968 the figure will be $748 million and in 1969 it will be $822 million. This is a very long way from $1 billion.

The statement made by the Minister of Finance to the provincial finance ministers was, it seems to me, a deliberate—I almost said dishonest—attempt to convince them and the country that medicare would be inflationary. It is rather significant that the minister who made this statement, according to the press, did not know what the federal government is spending now on medical services and what the people of Canada are paying for medical services. Here is what the *Globe and Mail* of last Saturday had to say:

> When newsmen questioned him about the figure, he said he did not know how much the federal government would save by substituting medicare for medical services it already pays for. Nor did he know what Canadians now pay for health services under private and provincial plans.

Mr. Churchill: Which minister was so ignorant?

• (5:20 p.m.)

Mr. Douglas: According to the press report it was the Minister of Finance. The Minister of Finance ought to be aware of the fact that to describe medicare as being inflationary is fallacious and inaccurate. The Minister of National Health and Welfare, from whose statement I just quoted, told the house that the Canadian people in 1967 would spend $600 million for physicians' services, that medicare would cost $680 million and that only $80 million of that would be new money. In other words, out of the $680 million, which is the estimate given to us by the Minister of National Health and Welfare, $600 million represents a transfer of payments from the private sector to the public sector. This means that the $600 million which would be paid out of federal and provincial treasuries is now being paid by the people of Canada, by those who are sick or by the families of those who are sick. That $600 million is not a new expenditure. It is not inflationary. It is a transfer from the people who are unfortunate enough to be ill to a tax payment levied upon all the people of Canada on the basis of ability to pay.

Therefore, for the Minister of Finance or anyone else to give the impression that medicare is a great, inflationary bogeyman and must be postponed is misleading and dangerous. I suggest it is an attempt to frighten the Canadian people into accepting an imminent announcement by the government that they are going to postpone medicare for another year. I take note of the fact that the provincial treasurer of Ontario, Mr. MacNaughton, said they would like to have medicare postponed forever, and there is a very serious danger that if the government postpones it now it will be postponed indefinitely.

The Minister of Finance has a responsibility to tell the Canadian people in the course of this debate in what regard the economy and the financial situation of this country has changed in the past 12 months so as to make it necessary to postpone medicare on July 1, 1968 when only a year ago he was assuring us there would be no difficulty at all about proceeding with the program. Let me refer the Minister of Finance to what he said as recorded on pages 10608 and 10609 in *Hansard* for December 1, 1966. This is what he said at that time:

> The hon. member for Ontario asked me to explain how we could fix the date of July 1, 1968 when we could not fix the date of July 1, 1967. The answer is that now we have firmly determined that on July 1, 1968 we will proceed with medicare, and we have accommodated all our other decisions to that point.

The hon. member for Ontario then said:

> Even though the situation might be exactly the same in 1968 as it is now?

The minister then replied:

> No. Now we will accommodate our other programs, if necessary, to the introduction of medicare. Now this has first priority.

The Minister of Finance made it even more clear, according to a Toronto *Star* report on

the Liberal conference held a year ago, when he said:

—I would hope that the conference would take note of the government's determination to meet our medicare commitment by July 1, 1968. On this there can be no compromise.

That is pretty specific, and there ought to be no compromise. There are no grounds whatsoever for the fallacious argument of inflationary pressures as a reason for postponing medicare. On the basis of priority surely the health of the Canadian people ought to have a top claim upon government programs and expenditure.

Let me say that in the opinion of members of this party Canada can afford medicare and can afford to start it on July 1, 1968. I do not intend first to tell the government to tighten its belt and stop spending money without indicating where expenditures could be cut. I suggest there are expenditures which the government could curtail and which would pay all the federal government's share of the medicare program without imposing new taxes.

An hon. Member: Let us have a list.

Mr. Douglas: First of all, we keep a brigade and air force squadrons in Europe today which may have had a military role to play 20 years ago but are being kept there today largely for political purposes. Some 20 years ago there was a danger of military aggression by the Soviet union and Germany was prostrate and militarily weak. Those conditions no longer obtain. The Canadian government could withdraw these military forces from Europe. It could also discontinue some of the contributions we are making to NORAD which are no longer relevant in light of the technological changes that have taken place in recent years. On those two programs alone the government could save $300 million. It could postpone the refitting of the *Bonaventure* at a saving of $11,800,000. It could postpone the construction of two support ships which are to cost $49,100,000. It could drop the purchase of 115 CF-5 aircraft, which many consider to be obsolete, at a saving of $215 million. I have already suggested greater savings than it would cost the federal government to carry out medicare in the coming year.

Let me also suggest to the government that it could find tax revenues which it has not even begun to tap at present. We in this party are opposed to an across the board tax increase, first of all because it would impose a burden upon millions of Canadians in the middle and lower income groups whose standard of living in many cases has already been reduced because of rising costs of living and, second, because this could be the final tipping of the scale which might precipitate an economic recession in this country. If the government requires more revenue it could implement some of the recommendations of the Carter commission report. That commission pointed out very clearly that the middle and lower income groups in Canada have for decades been carrying an unduly heavy share of the tax burden. It also pointed out that for decades in Canada we have had freeloaders who have been getting a free ride and who have by special legislation and special concession, including depletion allowances and depreciation allowances, and because of the absence of a capital gains tax, not been contributing their fair share toward paying for the services rendered by the government of Canada. It has also pointed out that on the basis of 1964 tax returns insurance companies should have paid another $75 million had they been on the same tax base as other corporations. It points out that the extraction industries, the mining and petroleum industries, managed to avoid payment of $152 million that would have been paid by manufacturing companies or other business enterprises.

• (5:30 p.m.)

It points out that by restructuring the Canadian tax system persons with incomes of $5,000 a year or less could have a reduction of 10 per cent in their income tax payments, and those earning between $5,000 and $10,000 a year could have a reduction of 7 per cent. It points out that corporations would be required to pay an additional $532 million, $271 million of which would come from foreign investments.

If the government is going to tell us that it needs more money, and the Minister of Finance told us on motions the other day that it is his intention to raise taxes, I say that before any thought is given to an across the board increase in personal income tax the minister ought to look at some of the freeloaders who have not been paying their share, according to the Carter commission report, and who should now be called upon to carry their fair share of the tax burden of the Canadian people.

Some hon. Members: Hear, hear.

Mr. Douglas: Therefore, Mr. Speaker, there can be no possible excuse for this government postponing the implementation of medicare on July 1, 1968. I have pointed out, first, that the cost, on the very best estimate of the Department of National Health and Welfare, is 20 per cent below what the Minister of Finance is talking about. I have pointed out that the implementation of medicare is not inflationary except for a very small part, some 10 per cent, of the total cost. I have pointed out that the government can afford medicare either by making curtailments in other expenditures or by placing some tax burden on those who up to now have been getting a free ride in the Canadian economy.

In my opinion the statements made by the Minister of Finance to the federal-provincial conference last week and his statements to the public constitute a blatant attempt to get out of implementing medicare, largely by the people who never wanted medicare in the first place. Some of the provincial governments have never wanted medicare. Some of my hon. friends in the official opposition were so lukewarm to medicare that one often suspected they did not want it, and certainly many members on the government side have been mildly hostile to medicare.

Mr. Knowles: They have been for it ever since 1919.

Mr. Douglas: Yes, since 1919 they have been for medicare, but we did not get it. When at last the pressure of public opinion compelled them to put it on the statute books they said they would implement it, and they are now trying to bring up the bogeyman of inflation in order to frighten the Canadian people into accepting a further postponement of medicare which could be an indefinite one.

Mr. Churchill: And blame the provinces.

Mr. Douglas: And, of course, blame the provinces or blame inflation, which is even more nebulous. It is an interesting thing that when the economy is booming the government says: This is not the time to put in medicare; it is inflationary. When the business cycle turns and we move into a period of retrenchment they say: We cannot afford medicare. I assume that somewhere between the boom and the bust there must be a 30-second period when it is right to institute medicare.

Some hon. Members: Oh, oh.

Mr. Douglas: But nobody has ever been able to find out just when this 30-second period is. Therefore, Mr. Speaker, I wish to move an amendment to the amendment moved by the Leader of the Opposition, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles), as follows:

That the amendment be amended by changing the period at the end thereof to a comma, and by adding immediately thereafter the following words: "and this house urges the government to take effective steps to meet this situation by the creation of a Canada investment board to set priorities for both public and private investment, by a return to a floating exchange rate and the control of capital movements across our borders, by the immediate implementation of those recommendations of the Carter commission which call for taxing gains now escaping taxation, and by making it crystal clear that medicare will commence on July 1, 1968."

Mr. Macdonald (Rosedale): Mr. Speaker, before the hon. member resumes his seat I wonder whether I could ask him a question. I had the good fortune of hearing him last night on an open-line program and I was envious of his careful footwork. There was one thing that puzzled me then, and I was puzzled by his speech today. Could he tell us what sanctions he would propose for the Canada investment board in respect of any decision it made on priorities? How would the hon. member enforce that decision in respect of provincial governments, private individuals or corporations?

Mr. Douglas: Mr. Speaker, I think the hon. member must know that if you set up a Canadian investment board, to which application would be made when large sums of money were required from the capital market, the board would have certain priorities. If it had to decide upon the floating of a $25 million loan for the building of another supermarket in a community where there were already four supermarkets or applying the $25 million for a housing project or a sewer and water system in a suburban community, the board would have to make this decision in the light of which projects could be postponed. I would think that if it were properly directed by the government it would decide that the sewer and water system or the housing program would have top priority over something which, while very desirable, was postponable. I would think this principle ought to apply to provincial governments, municipalities and the federal government itself.

Mr. Macdonald (Rosedale): How would you enforce that decision? By what sanctions?

Suggested Economic Mismanagement

Mr. Douglas: By giving to the Canadian investment board the right of determining what access there would be both to Canadian capital markets and to overseas capital markets.

Mr. Sharp: Are you going to control the provinces?

Mr. Matheson: He is not answering. He does not want to answer.

Mr. Hellyer: They have that system in some other countries.

Mr. Douglas: The minister of defence—I mean the Minister of Transport; I had forgotten about his demotion—said that they have this system in some other countries, and they have.

Mr. Hellyer: Behind the iron curtain.

Mr. Douglas: If my hon. friend will take the trouble to study the Swedish economy, where they have a very great degree of stability, he will find that they control not only access to the capital markets but a very direct control of the percentage of retained corporate earnings which can be reinvested by a company.

Mr. Hellyer: They do it that way behind the iron curtain.

• (5:40 p.m.)

Mr. Deputy Speaker: Perhaps the house will allow the Chair a few moments to examine carefully the amendment to the amendment moved by the hon. member for Burnaby-Coquitlam.

Mr. Howard Johnston (Okanagan-Revelstoke): Mr. Speaker, I listened to this afternoon's debate, and particularly to the address of the Leader of the Opposition (Mr. Stanfield), with some nostalgia. My memory went back to the time when I was in London in the spring of 1962, having spent a year studying there with the intention of spending another year away from home. I had left in a bank in Canada the funds to pay for the second year of travel, intending, when the end of the study year came, to withdraw these funds and to change them into British pounds and American dollars to pay for the trip the rest of the way around the world. One morning I opened a newspaper to discover that the Canadian dollar had been devalued in order to cope with the financial crisis that had come about through what I had assumed then, and about which I have not had reason to change my mind, was the mismanagement of the then Conservative administration in Canada. So it is not surprising that on a day when we are all contemplating the significance of another devaluation, this time of the British pound, even the new Leader of the Opposition should be impatient to get another chance at the control of the Canadian dollar.

[Mr. Macdonald (Rosedale).]

Mr. Sharp: I hope we can disappoint them again.

Mr. Johnston: I made it home just six days before the election in 1963. One might, I suppose, call my presence here a sequel to the story that I told.

However, I became more optimistic when the Leader of the Opposition spent some time discussing the rules of parliament and expressed a hope that we would see an end to repetitious debate. It struck me that these words might have better been said in caucus than on the floor of the house, and I regretted that he should have rushed into a motion of want of confidence because if his hopes are borne out tomorrow night we will no longer have the opportunity of seeing what he can do about repetition in debate. If in the next six months or so he were able to end that unhappy feature of this institution, I am sure we would have much greater confidence in his ability to solve the financial, economic and other problems of our nation.

My purpose this afternoon is not in any way to bail out the government from the crisis they have brought upon themselves. We in the Social Credit party have been saying for a long time that all is not well with the present monetary system used in this country and around the world. Every time we raise our voices to question the system, we are told that we are the ones who are foolish and who have strange ideas about money, and that all we have to do is sit back and let the system work and everything will be fine. Yet we continue to go from one financial crisis to another no matter how our knowledge of technology and science advances. As a result we feel that we have not been so far wrong through these years.

We have criticized the government for a long time for failing to make available to the public service capital at low rates of interest through the Bank of Canada. Had some of the measures advocated years ago by Social Credit been put into effect, we would not be in such a desperate need for schools, hospitals, sewers and pollution control on which

all levels of the government are now compelled to spend enormous sums of money.

Because the effort was not made earlier and because financing was not directed in the proper places at that time, we are faced now with having to tackle the same problems which we cannot escape in the midst of a financial crisis. We have been concerned through the years about the failure of all administrations at the federal level to tackle the problems of reducing the national debt in order that debt financing should not continue to use up such an enormous portion of the tax revenue that is available to the government each year. While the government does use the Bank of Canada to help to reduce annually service charges on the national debt, in time of prosperity it has not taken the measures that would have used that prosperity to cut back on that drag on federal budgets.

We have said over and over again that taxation has been placed on the wrong areas entirely. Here I feel compelled to speak of the 11 per cent sales tax on construction materials which was ostensibly imposed to raise revenue and, I suppose, to slow down construction, although why one would want to slow down construction at any time in recent years in Canada I do not know. Certainly the housing industry is and has been convinced from the time the tax was imposed that it was a mistake. The constriction of the means of production for the sale of Canadian products abroad was another fact proving that the 11 per cent sales tax on construction materials was a mistake.

There are some things that can be done to restore the confidence of Canadians in the fiscal and monetary policies of the government. Certainly we need urgently a clear statement of the intention of the government with regard to the Carter report, and I do not think the statement we need is quite the one suggested by the leader of the New Democratic party in his sub-amendment, although he may find cause in it to hope for the taxation of corporations and the taxation of some whom he calls freeloaders. Nevertheless, the effect of this report has been to shake the confidence of the Canadian public in the government and in the financial and fiscal institutions of that government.

• (5:50 p.m.)

Corporations can hire economists who can prepare briefs to send to the Minister of Finance (Mr. Sharp) in which they express concern about the recommendations in the Carter report. As hon. members know, these have rained down on our desks over the past few months in an ever increasing flood. However, the individual can only read the newspapers. He can only obtain from the report the suggestion that the individual no longer mattered to the authors of the report. They wrote the report in strange language that refers to a tax unit with one child or a tax unit with two children. There is certainly little in the report to inspire the confidence of the general public when they learn that the commissioners believe that the giving of a gift is an exercise in economic power. We are moving again into the Christmas season when gift giving is habitual which perhaps, as the commissioners would put it, is an exercise in economic power. I am sure most of the people giving gifts feel they do so for other reasons. So we need a statement of intention from the government, not just to calm the fears of the corporations, the mining industry or the oil exploration industry but also to calm the fears of the average Canadian who finds himself written up in that report as some sort of cog in the machinery that must always remain equal to every other cog in the great fiscal machine.

I was disappointed in the address of the Leader of the Opposition because he did not look beyond the borders of Canada for factors involving the crisis in confidence in the government and its financial policies. He did not look to external affairs where we know that the government has lent its good name to policies which are adventures that would tax the resources of this country and, in fact, of all the United Nations. The government has failed to point up the folly of the move to take over southwest Africa, for example, on a date that coincides pretty closely with the introduction of medicare. Anyone who knows the activities of this government with regard to the trade sanctions against Rhodesia must question their wisdom in embarking on or assisting in policies that are contributing nothing at all to stability in today's troubled world.

When we come to medicare we do come to another field. We have heard a great deal about that this afternoon. Again the leader of the New Democratic party assures us that this money is being spent now and that it is not going to come as an extra payment from anybody because it is already being spent each year. I assure him there is a powerful psychological difference between money that is spent by individuals and that which is discovered to be an increase in one's taxes. We all live in the confidence of continued

good health, and although this is not always borne out it is still the way people carry on from day to day, looking optimistically to the future. When the bill for medicare is spelled out in the form of taxation, then it is truly significant to the taxpayers of the country.

We know from the experience of other countries that this is not a static bill. These costs rise in surprising ways beyond the intention of those who originally implement the measures. This brings us back to the example of Britain and the crisis in confidence in their economy and in the wisdom of their government that the people are facing now. We might ask, what is it that has brought that great country to this point? We know that one of the causes is the fact that the bill for the welfare state has come in. They felt they had the resources to embark on this adventure and are finding now that, along with other factors, this bill has brought them to the point they find themselves today.

Mr. Knowles: Six o'clock.

Mr. Sharp: Is it six o'clock, Mr. Speaker?

Mr. Deputy Speaker: Is it the wish of the house to call it six o'clock at this time?

Some hon. Members: Agreed.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to provisional standing order 39A, to inform the house that the questions to be raised at the time of adjournment tonight are as follows: the hon. member for Winnipeg North Centre (Mr. Knowles), Public Works —Ottawa—height of proposed national defence headquarters building; the hon. member for York-Humber (Mr. Cowan), Health and Welfare—Quebec—application of federal funds for hospital purposes; the hon. member for Halifax (Mr. McCleave), Drugs —complaints respecting vitamin contents of certain preparations.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

[Mr. Johnston.]

SUPPLY

The house resumed consideration of the motion of Mr. Benson for committee of supply, and the amendment thereto of Mr. Stanfield, and the amendment to the amendment of Mr. Douglas.

ALLEGED ECONOMIC MISMANAGEMENT BY GOVERNMENT

Mr. Deputy Speaker: Order, please. If hon. members have no comment about the subamendment moved by the hon. member for Burnaby-Coquitlam (Mr. Douglas) the Chair is prepared to rule on the validity of that subamendment. Shall I proceed?

Some hon. Members: Agreed.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, how may we have an indication of whether it is necessary to argue?

Mr. Ricard: Wait a minute, and you will find out.

Mr. Knowles: That might be too late, but if anyone had raised a point of order about the subamendment, we could deal with it. In this instance, Mr. Speaker, in case there is any doubt about it, perhaps I could call your attention to citations 201 and 202 of Beauchesne's Fourth Edition, citation 201 of which reads in part:

> The object of an amendment may be to effect such an alteration in a question as will obtain the support of those who, without such alteration, must either vote against it or abstain from voting thereon, or to present to the house an alternative proposition either wholly or partially opposed to the original question.

We do not regard the latter part of that sentence as having any bearing on the matter, but I suggest that the first part of the sentence does have a bearing, namely that the amendment proposed by my leader seeks to alter the original amendment in such a way as to make it more acceptable to us.

Particularly relevant is subparagraph 3 of citation 202 which says in part:

> Since the purpose of a subamendment is to alter the amendment, it should not enlarge upon the scope of the amendment but it should deal with matters that are not covered by the amendment; . . .

I contend that the subamendment is directly relevant to the amendment and does what the citation says it ought to do. It deals with matters that are not covered in the amendment itself. The amendment proposed by the

Leader of the Opposition (Mr. Stanfield) reads as follows:

This house regrets that the mismanagement of this government has endangered the rate of economic growth, the prospects of satisfactory levels of employment, and the ability of individual Canadians to meet their own commitments.

Our contention is that the amendment is all right, as far as it goes, but it ends up in the air. It says what is wrong, but it does not say what is to be done about the unfortunate situation. We propose to complete the thought, as it were, by adding to that sentence our suggestion of what should be done to meet the unfortunate state of affairs described by the Leader of the Opposition. Our subamendment is to the following effect:

—and this house urges the government to take effective steps to meet this situation by the creation of a Canada Investment Board to set priorities for both public and private investment, by a return to a floating exchange rate and the control of capital movements across our borders, by the immediate implementation of those recommendations of the Carter Commission which call for taxing gains now escaping taxation, and by making it crystal clear that medicare will commence on July 1, 1968.

We contend that the first two or three of those suggestions are answers to the endangered rate of economic growth and the prospects of satisfactory levels of employment. We contend that the last suggestions, "making it crystal clear that medicare will commence on July 1, 1968," is at least one answer to the difficulty that individual Canadians are having in meeting their commitments. It is our belief therefore that the subamendment completes the very good sentence that the Leader of the Opposition presented in his amendment. It was fine as far as it went, but it ended up in the air. We have brought it down to earth with precise suggestions about what should be done about the unfortunate state of affairs described in the amendment.

Mr. Stanfield: That is gilding the lily.

Mr. Deputy Speaker: Order, please. I ought to point out to the house that the Chair is intervening in this regard because of the provisions of standing order 50 which reads in part:

Whenever Mr. Speaker is of the opinion that a motion offered to the house is contrary to the rules and privileges of parliament, he shall apprise the house thereof immediately.

In this instance the Chair is not saying that the subamendment is out of order. The Chair, however, wishes to take the opportunity of saying that there is doubt about whether this type of subamendment ought to be accepted.

When the subamendment was moved by the hon. member for Burnaby-Coquitlam, there was concern about whether it was in the proper form of a subamendment, and whether it could be moved at that time. There has been an opportunity during the dinner hour to discuss this form of amendment. May I be bold enough to suggest to hon. members that perhaps subamendments ought to be moved in more clearcut form than the one in which this subamendment is offered. The question is this: Is this a real subamendment? The Chair is doubtful, and for that reason there was delay, or caution, in ruling whether the subamendment was acceptable.

The Chair is of the opinion that not only must there be relevancy in content, but also in form. Certainly there was doubt in my mind whether the subamendment moved by the hon. member for Burnaby-Coquitlam was relevant, in form, to the form of the amendment moved by the Leader of the Opposition. Again, looking over the subamendment as presented to the house, the Chair is of the opinion that the subamendment consists of four substantive motions. Whether this type of amendment, consisting of substantive motions, can be considered a subamendment is a matter of opinion.

• (8:10 p.m.)

The Chair has some doubt about it, and this doubt exists, but bearing in mind that similar subamendments have been accepted by the Chair on previous occasions, I intend to allow the subamendment. However, the Chair would point out that there is need for some caution when considering whether or not such subamendments should be proposed, or accepted.

Mr. Martin (Essex East): May I ask Your Honour whether in the consideration which I know you have given to this matter it has been fully appreciated not only that the subamendment introduces a proposal which is not fully consistent with the form of the amendment, but that likewise—

Mr. Deputy Speaker: Order, please. The Chair has made a ruling in this regard, as I think the minister will recognize. It has been made carefully after due consideration and I hope the house will accept it.

Suggested Economic Mismanagement

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, I consider it a singular privilege to be replying to the maiden speech of the Leader of the Opposition (Mr. Stanfield) and I should like to add my congratulations to those of my leader, and others who have spoken, on his election to the leadership of his party and on his election to this house. We have all been waiting anxiously for the hon. gentleman and we are very happy to see him here, now.

As I said, this was the hon. gentleman's maiden speech in this house and I thought, as I listened to it, that it was a singularly timid maiden. I though it was curious that he should be so timid. After all, he has had some experience in another chamber. However, this is an occasion, after all, and I should like to congratulate the hon. gentleman on his maiden speech. We have already heard the contributions of two former provincial premiers to this debate—the former premier of Nova Scotia and the former premier of Saskatchewan. We listened carefully to both of them today and I say to the Leader of the Opposition that I hope he has just as long an experience as the leader of a party in opposition as the hon. gentleman who spoke after him.

Some hon. Members: Hear, hear.

Mr. Sharp: I do not intend to say very much about the speech made by the leader of the New Democratic party (Mr. Douglas) because essentially it was the same speech as I have listened to on many other occasions. I gained very little that was fresh by the way of ideas.

Mr. Mackasey: He first gave that one in 1934.

Mr. Sharp: I was about to say that perhaps he did, in his speech and in the doubtful subamendment he made at the end, indicate somewhat more clearly than he ever did before how truly socialist the N.D.P. remains.

I know the party is making valiant efforts to move toward the Liberal position in the centre of the road, but sometimes they turn back; they have their little moments when they remember their original faith, and there must be some members of the party who feel it would be nice to be pure again, and these must have felt great satisfaction when they saw included in this amendment a proposal for the creation of a Canada investment board which would tell the provinces how much they could spend, how much they could borrow—because that is much the same thing—tell private industry it could only raise money for certain purposes, and so on.

I sometimes wonder, when I listen to such talk about having control over the private sector as well as the public sector, whether it does not really mean that the hon. gentleman's party would like to limit competition —to ensure that one of their friends would have an opportunity of building a shop somewhere and that competition in that area would be limited.

Some hon. Members: Oh, oh.

Mr. Sharp: These are possible interpretations, and they indicate where this party which pretends to occupy the centre of the road is really leading; it is a party which is really interested in complete control on the socialist model, no matter what its pretensions may be.

I turn now to the speech made by the Leader of the Opposition. I was listening to the hon. gentleman speaking today as he was talking about the unemployment which unfortunately still exists in the province of which he was premier. I thought back to the years between 1957 and 1963 when he was still the premier of that province, and I wondered whether he was making the same protests then—whether he was standing up and criticizing the then prime minister of Canada for permitting what was then the highest rate of unemployment ever seen in that part of the world.

I imagine that today he might have pointed to the contrast—there is, unfortunately, higher employment in the maritimes than any of us would like to see—but that a tremendous improvement had taken place, because of his own administration, if you like; with the combination of a good Liberal administration in Ottawa and the administration in Nova Scotia a great change had come about in that province. When a government of his own persuasion was sitting on this side of the house, there was not the same degree of co-operation.

The hon. gentleman made a serious motion of want of confidence in the government by amending the supply motion. This, as he said, is the traditional way in which the opposition expresses grievances and asks for redress. As I was listening to him, I thought back to the statement which the Leader of the Opposition made just before he came into this house, when he said something to the effect that it was the patriotic duty of Canadians to

topple this government. As I listened to the speech of the Leader of the Opposition it occurred to me he would have to make a far more cogent and far more stirring appeal before he could hope to topple this government and replace it by himself and his assorted followers.

Some hon. Members: Hear, hear.

Mr. Sharp: As far as I could judge, listening to the speech, it was a stirring call for caution. I suggest the Canadian people will take a great deal more convincing before they are ready to heed his advice. I am sure that all of us, both in this house and in the country, will be waiting to see what is going to happen—waiting for a clear indication of the kind of government which the hon. gentleman would provide if he were given the opportunity to do so. Until he gives such an indication I suggest he make no more stirring calls to the patriotic duty of the Canadian people.

• (8:20 p.m.)

The speech that the Leader of the Opposition delivered was a very well thought out speech, if I had any criticism of it, it was that it inclined to vagueness. It did not have very many specifics in it, and I suggest that the country is not going to place its confidence in his party until it shows that it has more by way of policy to offer this country. At the present time it seems to be barren of policies but full of good intentions.

I would suggest to you, Mr. Speaker, that the policies of this government, which have been criticized so strongly in the amendment, are policies that have in fact brought Canada to the highest level of its prosperity in the whole history of this country, a country that has, and I hope will continue to have, an enviable reputation among the countries of the world. Let me cite as evidence of this, not any member on this side of the house but someone that the Leader of the Opposition has quoted and who has been quoted by many hon. members opposite, the governor of the Bank of Canada. Let me read from the speech, often quoted in this house, that he made in Winnipeg on November 1 to the Canadian Club. Let me read just what the governor said. It may be recalled that the governor, in the course of that speech, had some advice to give the government, which we have adopted; but let me read what he said about Canada:

> Our real output has increased by over 40 per cent and we have greatly strengthened the economic foundations of the country. We have added greatly to our manufacturing capacity and demonstrated our ability to sell more manufactured goods in world markets. We have produced some large grain crops and have had, until recently, unusually favourable markets in which to sell them. We have continued to seek out and develop a wide variety of forest and mineral and power resources. We have added significantly to our infrastructure in the form of roads and other means of transportation. We have provided greatly increased facilities for general and technical education. And at the same time as we have done all these things we have raised our standard of living rapidly: personal consumption per head has risen by nearly a quarter since the beginning of this decade.
>
> —Our basic problem is how to cope with prosperity and add to high levels of output already attained: our present difficulties do not arise out of any basic economic weakness or shortage of resources.

This is the view of a man who has been quoted on all sides of the house for the things he has said in advice to this government, and to this parliament and to the country. This is the view of the governor about the tremendous accomplishments of this country during the period that we have been in office, and for a little bit when the previous government was in office. But when the Leader of the Opposition says, "This house regrets that the mismanagement of this government has endangered the rate of economic growth," what he is talking about is a rate of economic growth that has never been surpassed in our history, and seldom been surpassed anywhere else.

Some hon. Members: Hear, hear.

Mr. Sharp: Now, Mr. Speaker, we have a problem and it is a very serious problem, and I have been the one in this country who has recognized this problem more quickly than the Leader of the Opposition, and more quickly than anybody else in this house. It is my responsibility to do so. But let me say, Mr. Speaker, on this point, because this is a question that has been raised and I am sure will be raised many times about my budget in the spring, when it has been suggested that somehow or other I miscalculated or that I brought down a budget that was inappropriate to the circumstances of the time. I would like to cite as an authority one that will appeal to my hon. friend, the Leader of the Opposition, and that will certainly appeal to many of his supporters. It is one that is often cited, namely the government of Ontario.

Suggested Economic Mismanagement

Let me read from this year's budget speech given by the provincial treasurer of Ontario. This is what he said:

> The expenditure programs in the budget this year have been designed to meet many of these requirements and at the same time to provide an expansionary stimulus to the over-all level of economic activity. In addition, to the extent that our provincial budget will, through borrowing, return a larger flow of funds to the economy than is withdrawn, we shall add a positive thrust to the prolongation of the economic boom which has prevailed since early in 1961. These provincial actions, by themselves, cannot ensure that our full potential is reached. We believe that the federal government should also design its fiscal and monetary policies with a view to stimulating economic expansion.

In other words, Mr. MacNaughton in that speech, and in fact in many of the speeches he made at that time, recommended that we should run a budgetary deficit this year, one that was designed to stimulate the economy, just as the province of Ontario itself ran a substantial deficit this year. Mr. Speaker, I believed this was the kind of budget that was appropriate to the circumstances; and I still believe that, and so does the provincial treasurer of Ontario whom I met and talked with the other day.

Our present problem is very different and I hope my hon. friend, as he learns more about the finances of Canada, since I know he mastered so well the finances of Nova Scotia, will begin to understand the nature of the inflationary problem we face. It is not the tradit onal kind of inflationary problem, as I think he understands to some extent because, as I will say subsequently, I agree with many of the things he said in his speech. I would like to make it clear that the kind of inflationary problem we are dealing with is a completely unprecedented one. It is one that is universal, that is international. It exists in other parts of the world as well as here, and it arises out of what I have called, and many people are now calling, an inflationary psychology. It is one of those peculiar situations we have never seen before, when rising interest rates are an accompaniment of easy money policies, and when prices and wages have continued to rise even after some slack developed in the economy. That is our problem. It is to be found in an exaggerated form, of course, in the United Kingdom, and I hope the kind of measures we are taking here will prevent the kind of problems that have arisen there, and have swept the finances of the world.

I say to my hon. friends in the N.D.P. that the kind of policies they are now advocating

[Mr. Sharp.]

is exactly the kind of policies that have helped to bring the United Kingdom to its present state. But even in a less exaggerated form we find these problems in the United States. We find there the same sort of problems that we have in Canada, and from whose effects we cannot escape. I have said it before and I repeat: A few weeks ago I had the privilege of being in Rio de Janiero and meeting with the ministers of finance of the whole world. We spent many hours discussing just the problems that we are discussing here. They are to be found throughout the world, and no one knows exactly how to deal with them because we have never had an experience like this before. But we are beginning to learn something about it. I say to the hon. Leader of the Opposition, and to this house, that the kind of policies we are advocating has a greater chance of success than any alternative has.

When I made my statement to this house a week ago Friday I was astonished at the reaction of the party that is led by my hon. friend. I made a statement that had the effect of steadying financial markets, but when I made that statement it was met on his side of the house by charges that somehow I was producing chaos in financial markets. The hon. member for Kamloops (Mr. Fulton) got up and made a most outrageous speech, asking questions of a kind that surprised me, knowing how responsible he usually is. The right hon. member for Prince Albert (Mr. Diefenbaker) got up in his first utterance in this house since reverting to the position of a private member. He thought he had found a great issue on which to attack the government. I was very much struck, when I was looking at Mr. Arthur Blakely's column in the *Gazette* on November 15, to read the following:

> • (8:30 p.m.)
>
> Even Mr. Stanfield found the temptation almost irresistible.
>
> The last thing he wanted to do, he said, was to cause any uneasiness. All the same, "people must be wondering how serious things really are," he said.
>
> Some opposition criticisms were aimed exclusively at Mr. Sharp and the government, which is par for the course. Others, however, were likely to raise doubts about the Canadian economy at least as alarming as any they created about Mr. Sharp.
>
> What about the "serious national crisis" which, according to the opposition, had caused Mr. Sharp to opt for a tax increase? If in fact it really exists, no one has yet succeeded in finding it, measuring it, or defining its outer limits.

What about that "chaos" in the stock and bond market which the opposition Cassandras were sure would result from the announcement having been made when the market was open?

Here, fortunately, some evidence is available for scrutiny.

The stock and bond markets, on Friday at least, seemed to take Mr. Sharp's announcement in stride.

The bond market even improved slightly, though there could be no assurance that the improvement was more than temporary.

But of panic, chaos and confusion there was not a trace to be found.

Perhaps I may say to the Leader of the Opposition that when I watched the hon. member for Prince Albert rise in his place I wondered whether he was still the spiritual leader of the party.

Mr. Hales: You once had one who looked into a crystal ball.

Mr. Sharp: The hon. leader went on to say some very interesting and constructive things in his speech. I cannot quote him exactly because I do not have the transcript of his speech, but I listened as carefully as I could and I believe he said something to the effect that there should be a more civilized way to deal with these problems of inflation. He then quoted me, and since I felt he must have misquoted me I went back and had a look at *Hansard*. I refer to page 2809 of *Hansard* for October 4. The Leader of the Opposition suggested I had said I was determined to produce some slack in the economy. This was not what I said. I should like to take this opportunity to deny it, because I believe the same thing has been said elsewhere. At page 2809 this is what I said:

It has been a really quite successful transition except for one thing, Mr. Speaker, and that is that the rate of increase in costs and prices is still much too high. I feel that we must—and we will—find some way to bring this inflationary movement under control even, if necessary, by letting the economy develop a little more slack for a year or two while price and cost increases taper off.

Some hon. Members: Oh, oh.

Mr. Sharp: Let me go on:

We would certainly prefer to avoid the sacrifices of production and income which this would, of course, involve, but if we cannot collectively and individually exercise the restraint that is called for in wage and price increases in the present situation, then there would appear to be no escape from an essential cooling off period.

Mr. Stanfield: Is my hon. friend suggesting that I misquoted him?

Mr. Sharp: No, I am just saying he said there should be a more civilized way of dealing with this, and I suggest I am on his side. I suggest also that he may have misunderstood what I said because he said I was in favour of creating some slack.

Mr. Stanfield: I understood my hon. friend to say that I misquoted him.

Mr. Sharp: I am very sorry if I did. I must have said it inadvertently. I do not know what he said exactly, although I believe he created a wrong impression of what I said and therefore I am correcting that. We are seeking a more civilized way of dealing with our problems which I suggest depends a good deal on the consensus that we can arrive at in this country on the importance of the problem and the correct steps for dealing with it. If we are to get that consensus we must be clear that both the government and this parliament accept their share of the responsibility for adequate fiscal measures and adequate fiscal policies.

In my statement last Friday I did something which I believe had never been done before. Eighteen months in advance of the course of a fiscal year I stated a firm objective for government expenditures and for cash requirements. I said we were going to limit the increase in our expenditures to 4½ per cent over the present year. When I was looking at these figures of expenditures and thinking about the discussions I had had with the provinces I thought it might be relevant, since the hon. gentleman understands the importance of this problem, having had some experience in his own province, to remind him of his figures of expenditure. I do not know whether it is realized that the gross expenditures for Nova Scotia rose from 86.9 million in the year 1957-58 to $300 million in 1967-68. That is a percentage increase of 245 per cent. Federal expenditures in the same period increased by approximately 74 per cent. So, I suggest that when I call for restraint on the part of the provincial governments. I am talking about a problem which is a serious one in the national interest.

Mr. Stanfield: Mr. Speaker, would my hon. friend permit a question? Is he suggesting that the increase in Nova Scotia was inappropriate in the circumstances there?

Mr. Sharp: No, I did not. I ask the same question my hon. friend asked; that is, whether the policies we are pursuing are

inappropriate for Canada. The hon. gentleman went on and made a statement, which I did not quite catch, about the need for more revenues. I do not wish to misquote him, but I believe he said something to the effect that he doubted whether increased revenues were needed under these circumstances. If he did not say that, then I have misunderstood something he said—although one or two of my officials confirmed my understanding.

I should like to refer to the article in the *Economist* to which he referred, in which he picked out some sections which I also read. I should like to draw his attention to what the article said about the kind of policies we should be following. I will just give one sentence, which is sufficient:

> There is in fact no recourse but fiscal restraint for Canada in the country's present circumstances.

This is the policy we have been advocating and for which I must say we have had precious little support from the opposition. If I may, I should like here to consider the question of what are appropriate policies. This is not a simple question as I believe my hon. friend understands although I think he oversimplified the problem in his presentation. As he knows, the United States has been having great difficulty in getting their tax increases through. They have been advocating 10 per cent increases in personal and corporate income taxes for many months which the president so far has been unable to get congress to approve.

The other day Bruce Macdonald, writing from Washington, made a very interesting comment on the differing approaches of the Canadian and United States governments to this problem. Let me read the final paragraph of that article as reported in the *Globe and Mail* of November 18:

> In the view of some informed sources here, the very failure of the boom to materialize is likely to cause the administration to shift its ground once again. Instead of arguing that a tax increase is necessary to avert another inflationary rise, it is expected to revert to the position adopted in Canada, namely that a tax increase is necessary to halt rising costs and prices caused by last year's economic strains and to take some of the present extreme pressure off the financial market.

• (8:40 p.m.)

That is the policy I have been advocating throughout the period since we began to experience difficulties in the financial market. My hon. friend said he does not understand government policy. I will be charitable and say that this is because he has not been here very long and has not absorbed the atmosphere. I believe that when he is around a little bit longer and reads the statements made from time to time by the Minister of Finance and other ministers he will see we have taken a consistent line suitable to the circumstances.

[Mr. Sharp.]

The Leader of the Opposition in the course of his remarks also criticized the flexibility of our policy. He called attention to the changes that had been made. I make no apology, and none whatever is needed, for the flexible fiscal policy we have adopted under these circumstances. Indeed we would be open to charges of Neanderthal thinking about economic affairs if, simply for the purpose of appearing to be consistent, we had stuck to any particular line laid down for any particular period of time. There is no apology needed. Circumstances have changed and this government has had the intelligence to change its policies. Perhaps I should say that when I was talking with my provincial colleagues they endorsed this statement. They were very happy that the federal government had been prepared to shift its policy a number of times during the last two years in response to the changes in circumstances.

The Leader of the Opposition said that we must work out practical proposals for restraints. I am sure that is what he believes and certainly that is what I believe. He says he is looking for a more civilized way of controlling inflation; so am I, and so is the government. To apply at this time to present circumstances the kind of policies that have been applied in the past to different circumstances would be the height of folly.

I do not believe it is in Canada's interest to produce unnecessary unemployment; and why would I? That would be an invitation to disaster, and the Leader of the Opposition knows it. We are seeking by a combination of policies, that is, expenditure policies, taxation policies and voluntary restraints to attain our objectives with a minimum of waste and unemployment. Surely this is an objective that we all share.

I submit that the Leader of the Opposition has said nothing in his speech to convince either this house or the people of Canada that the government should change its course. Certainly he brought forward no alternative ideas whatever for consideration. As I listened to him today he agreed that essentially the present situation should be met as I have advocated. He agreed with the

government's assessment of the present situation, and he agreed that there is a possible conflict of goals. He is seeking for means of attaining stable prices and high employment. That is exctly what this government is trying to do. He suggested that the way out of this painful dilemma is through following a policy of developing restraints. I do not think I am misquoting what he said, and if I am, perhaps he might clarify it now or at any time he wishes. I think those are the words he used. He suggested we should develop a process of continuous consultation. That is the prescription I place before this house, as I have done on a number of occasions. Certainly it is the prescription I offered this house on October 4.

Such a policy of restraints, as the Leader of the Opposition knows, requires leadership on our part. I refer particularly to the government, but I also include this house of parliament. We must have leadership to restrain our own expenditures and to exercise a modest fiscal restraint by tax measures to keep our budget deficits and cash requirements within reasonable limits. Each of these actions will require hard decisions on the part of the government and on the part of this house.

I have appealed before, and I now appeal to the new Leader of the Opposition to support these hard decisions, rather than criticize them for temporary political gain. He has addressed this house on a very high level today. He has appealed to us to co-operate in giving better government to the country. I welcome this co-operation and I hope this will be demonstrated in the attitudes and actions that he takes in future.

We are prepared to take these hard decisions, as I indicated in my statement a week ago Friday. However, the Leader of the Opposition seems unwilling to do so, although this is the logic to which his own position leads. I am sure the hon. member, as premier of Nova Scotia for 11 years, must have been faced with circumstances under which he had to take tough and hard decisions. I doubt whether he would have survived as long as he did, had he not been able to do so.

Mr. Stanfield: Even in respect of tremendous Liberal problems.

Mr. Sharp: I am sure the hon. gentleman even had to face the presence in Ottawa of a Conservative administration. But he overcame that among these things and survived for 11 years. He survived even hardships of a kind I could hardly imagine, because I was not in parliament during those years of bad administration.

It is my hope, as I am sure it is the hope of most Canadians, that the Leader of the Opposition will provide that kind of leadership to his party which will allow him to make these hard decisions, even in support of hard decisions on the part of the government. His followers may say that he must not do so and must take advantage of the government's embarrassment. I am sure the hon. gentleman, with the lofty ideals he holds in respect of Canadian politics, and in view of the way he was introduced here politically, will find himself able to resist those blandishments on the part of the estimable people around him.

A policy of developing restraints which he has advocated and I have advocated, is the civilized way out. He seeks that way, as I do. We need a consensus in this house and in the country. I hope we may look to the Leader of the Opposition as a man who is willing to make these tough decisions. If he proves to be such a man he will help to give leadership to the country, even though he may appear to be giving support to the government. I suggest, in conclusion, that the hon. gentleman has still to demonstrate that leadership.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I have noted the use of a curious word throughout the minister's speech, and that was the word "leadership". I am wondering whether the minister was preaching for a call. Since he admitted knowing so much about the relationship between the government of Nova Scotia and its premier, now the Leader of the Opposition, and the administration under the distinguished leadership of the hon. member for Prince Albert (Mr. Diefenbaker), I am wondering whether the minister relied for his information on that dubious source, the "Martin bureau of statistics". It was all part and parcel of the same record.

• (8:50 p.m.)

The minister has been saying that one of the difficulties today is a sort of inflation psychology. He quoted selected passages of the introductory remarks of a speech made by the governor of the Bank of Canada. I would have liked the minister to quote from some of the later passages of that speech, because he would have seen that not only did the governor of the Bank of Canada wave an admonitory finger at the Minister of Finance, but he shook a big stick at him.

Suggested Economic Mismanagement

The minister has talked about the inflation psychology. He is a man who has been aware of this inflation psychology and has approved of it, because he has said repeatedly in this house that he approves of an inflationary movement of perhaps up to 2 per cent per annum. Yet, Mr. Speaker, this is what the governor of the Bank of Canada said in Winnipeg. This passage will be found at page 16 of the text of the governor's speech:

It is curious that one should feel obliged to argue the case against inflation, but the view is seriously put forward by some that a certain degree of continuous price rise is not inherently undesirable and is perhaps a necessary "trade-off" for keeping the economy operating at all times at levels of unemployment which do not exceed an acceptable figure.

I trust the minister will listen to these words.

I completely disagree with this view and I believe that harm has been done by the respectability it has been given in Canada and elsewhere.

By whom? By the Minister of Finance and by the administration of which he is a member.

Mr. Macdonald (Rosedale): Did the governor of the Bank of Canada say that?

Mr. Lambert: The governor of the Bank of Canada said this.

Mr. Macdonald (Rosedale): Did he attribute that view to the minister?

Mr. Lambert: If the hon. member had been listening he would know that I said this view was supported by the minister and by the administration.

Mr. Macdonald (Rosedale): Not in the speech you just read.

Mr. Lambert: The hon. member is trying to cavil too much. I have said that in the past the minister has said this. If the hon. member had been here, instead of trying to work out some other statistics, he would have known this.

Let me continue to read from the speech of the governor of the Bank of Canada:

Continuous cost and price rises are not only undesirable in themselves, but they can undermine our ability to keep the economy operating reasonably close to its potential in terms of real output. The most obvious danger is that if we fail to keep our costs under control we will price ourselves out of export markets and lose out to import competition at home, so that the growth of the economy will be seriously impaired. Inflation has other grave disadvantages as well. One cannot but be impressed by the futility of a system in which everyone must try to protect himself against rising prices, and by the inequity involved in the severe penalties inflicted on those who are unable to do so because they have little or no bargaining power. It is not the strong but the weak who suffer from inflation.

[Mr. Lambert.]

I am sure none of us disagrees with those remarks of the governor. I hope the minister and his advisers have listened to the remarks of the governor of the Bank of Canada with respect to his refusal to accept the validity of creeping inflation. The Minister of Finance talks about inflation.

Here is another quotation:

The price inflation and the cost inflation are harming Canadians in several ways. Their effects are inequitable—

Mr. Sharp: That is a great authority.

Mr. Lambert: Yes, I think so. I continue to quote:

—giving gains to the economically strong and injuring the economically weak. They are eroding the competitive position of Canadian industry in competition with producers and traders in the United States and elsewhere. They are producing feedback effects through their influence on the demands which labour is making for wage settlements substantially larger than the increases in productivity that are going on. And finally, they had led to a belief on the part of investors that prices will continue to rise and that the purchase of long term bonds and mortgages exposes one to a risk of continued erosion of the real value of his investment which must be offset by current rates of interest far higher than what we had known before.

Who is the author of those remarks? It is the Minister of Finance, in a recent speech in New York—on November 14, as a matter of fact. But what I find curious about this is that he seems to have been converted to these views, or at least converted to saying them publicly, in the last several months and not before. But he was saying other things left, right and centre last year and we had many debates, including motions, with regard to inflation. Row upon row of docile government supports voted and said "This is all right," after the minister and his associates had said there was no such inflation and everything was under control. As a matter of fact, we had some rather stimulating budgets because it was felt that the pressure had been taken off the economy.

In regard to the replies the minister gave to members of the New Democratic party, and the replies that were given by the Minister of National Health and Welfare (Mr. MacEachen), I am wondering whether there was not some equivocation in the replies we got today.

There is no doubt in my mind that the Minister of Finance is advocating a postponement of medicare. We have heard around this building today that there is a serious division in the cabinet with regard to medicare; and well there might be between the program advocated by the minister, on the one hand, and others of his colleagues who seem to have adopted the philosophy of "We will try to find the money somewhere, somehow." I am just wondering about that rather nonsensical answer the Minister of National Health and Welfare gave us as to what he deemed to be the cost of medicare. It was quite a performance. We know there is division between the two ministers as to whether the program shall begin on July 1, 1968, or whether perhaps—and this may be the suggestion of the Minister of Finance—a limited medicare program shall come into effect. In any event, Mr. Speaker, that goes to the question of the degree of restraint.

I want to talk about some other things before I come back to this idea of restraints and what I think should be done at this time to encourage Canadians to assume their responsibilities in order to get ourselves off of, frankly, a rather sticky wicket. We went through a rather sticky six or seven months in 1962. Referring to the same speech of the minister in New York, I must say I am glad to see that he feels the efforts undertaken at that time were rather successful. I do not know whether he has ever told his colleagues this because the Secretary of State for External Affairs (Mr. Martin) and some of his other colleagues thought that we had sold Canada to the devil, and there was some panic with regard to that.

• (9:00 p.m.)

Mr. Côté (Longueuil): We did not have the same Speaker in the house at that time.

Mr. Lambert: This is the statement that the minister made:

> We weathered quite successfully a short but very sharp exchange crisis in 1962 that was the culmination of a readjustment—a necessary readjustment—in the valuation of our currency relative to others.

Mr. Sharp: It was an unnecessary crisis.

Mr. Lambert: I am wondering whether the minister would have said the same when a similar situation existed in 1964 at the time of the Russian wheat sales. A crisis was building up at that time and the government's goose was saved as a result of the great prospective influx of foreign exchange. It must be remembered that at present we are not yet out of the woods. True enough, we learn as we go along. Even tonight I read that some bankers were being quoted as saying that the increase of 1 per cent in the bank rate, as well as that of 1.5 per cent in the United Kingdom would be reflected in further inflation. As a matter of fact these banking authorities were quoted as saying that this could conceivably push up the inflationary pressure, resulting in an 8 per cent increase in the cost of living. This indicates a lack of unanimity among financial experts.

Some great problems are coming up as a result of this. The Leader of the Opposition dealt with them in detail this afternoon. I will not go into them any further, except to say that we will face considerably greater competition from goods coming from abroad at the same time that we are supposedly going to face the effects of the Kennedy round starting in 1968. If both these events occur simultaneously, by next spring many a secondary industry in this country will wonder about the effects, because prices may go down as a result of goods coming in from a number of countries. According to the latest evening reports, nine countries have already devalued their currencies, and it was indicated on the seven o'clock news that others were considering it. We may find ourselves in an economic island, and we are not by any means out of the woods yet.

This afternoon I asked the Minister of Finance whether, as a result of the forthcoming conference with the provinces concerning the Carter commission, it was the government's intention to reconsider the pleas that have been made from a number of sources, particularly from this side, that the whole Carter report—and I would add the Smith and the Parent reports—be referred to a special joint committee of the Senate and the House of Commons for study, before the government comes up with a white paper. My reason for this is simple. The publication of a white paper by the government commits it to a certain stand and a certain view. The minister indicated that the white paper would be referred to the finance committee for examination and the calling of witnesses. I would suggest it be referred to a special joint committee of the Senate and the House of Commons. As a result of this examination recommendations may be made which the government may find itself compelled to accept, in spite of the fact that it does not like to step back and change. It has done it so often in the past that it is now reluctant to do it.

Suggested Economic Mismanagement

What is the infernal hurry in implementing the recommendations of the Carter commission? I suggest it would be the height of fiscal folly for the federal government to start off on its own orbit on the basis of the Carter report with the provinces of Ontario and Quebec basing their taxing and fiscal policies on their own respective commission reports. If we want to have some cohesion and some degree of co-operation between the federal and provincial governments, then their respective taxing policies must be dovetailed. This can only be done through a study of the three reports and any other information that is available. I believe there are anterior reports made by some of the other provinces, but basically the Parent and Smith reports set the pace for the provinces. Why should these reports not be considered together? Let us get started off on the right foot. There are enough strains in intergovernmental relationships without imposing a brand new set of them, because each level of government decides to go off into its own orbit with regard to taxation.

The Prime Minister indicated to me that the participants in last week's conference spent a good deal of the time studying priorities. It seems to me that, notwithstanding the representations that my colleagues and I have made for at least two and a half years with regard to priorities, the government is finally admitting that it is at least considering them.

I draw the attention of the house to a short article which appeared in the Canadian Tax Journal of this year written by R. M. Burns, director of the Institute of Intergovernmental Relations at Queen's University. The article is entitled "Government and Society: The Question of Public Expenditure". I will not quote from this article at length. Frankly it is a plea that we should consider not only the raising of revenues but the manner in which we handle our expenditures. In other words, it is a question of determining the priorities of our expenses. I wish I had time to read it in extenso but I will limit myself to putting one paragraph on the record. It reads as follows:

> —there has been a much greater involvement in activities of a continuing and growing nature, often connected with some form of redistribution of the nation's income and thus effectively altering the form and character of our society.
>
> If the programs and policies which make up this new involvement are part of a deliberate plan, then we can judge the situation for what it is and accept it or reject it accordingly. But a very good case can be made for the view that they are not, and never have been, a matter of deliberate policy in the aggregate but rather the end result of a number of often isolated situations which have been considered only in themselves and not in relation to any developed objectives.

• (9:10 p.m.)

Further along, I read:

> No longer, as in the present manner of individual conduct, is it going to be enough always to attempt to increase our income rather than regulate our outgo. Mr. Micawber may have a message for us all.

Now, Mr. Burns, and I share his views, here regrets that the Carter commission as well as the Smith commission in their consideration of the tax structure failed to look at the question of expenditures. All they considered really was the matter of raising revenues. This has a diminishing marginal utility. In Canada, Mr. Speaker, there has been evidence of a financial malaise for some time. We have only to look at our bond prices, to look at the decline in the forecast of capital expenditures for the forthcoming year and the sort of hedging against the uncertainty of the future, to realize the situation. I make no apology for my own reaction or that of my colleagues with regard to the minister's announcement last Friday. It was couched in the vaguest possible terms and was made at a time when the market was open.

Now, regardless of what the minister says, it was the wrong time for such an announcement. It would have been very simple for the minister to have said, "I propose to present a supplementary budget on the night of November 27" or November 29, whatever the date may be, and let it go at that. He would have obtained far greater marks. May I suggest to him that he has not got off scot free as a result of his announcement of last Friday morning. A newspaper which is known for its support of the Liberals, and which is headed by Bruce Hutchison—I am referring to the Vancouver *Sun*—headed up its editorial of Monday, November 13 with this, "The Valley of Humiliation". It reads:

> Finance Minister Sharp's week end announcement of new taxation to stem the inflationary tide means the government has at long last screwed up its courage to face the dangerous economic and financial crisis facing the nation.
>
> That a ministry already deep in political troubles is willing to do so is proof enough to a concerned public that the crisis is indeed extreme. For once the savage invective of John Diefenbaker is fully justified.
>
> The people have a right to know ... just what is behind this abrupt decision.

This editorial goes on to refer to a previous editorial written on August 15 in which it was stated this government is spending far beyond its means, and there is no assurance that it intends to stop doing so. I should like to quote one more paragraph from this editorial:

> The public remembers Mr. Sharp saying not long ago that we had all better hold down our expenses and our desires for more or we'd all lose our jobs. He had better himself remember that the same goes for him and for the government he represents.
>
> For without a real demonstration of sacrifice on the government's part it is doubtful the House of Commons will accept a tax increase. Nor should it.
>
> Without it, parliament will be justified in throwing the government out of office.

Mr. Sharp: I am waiting to hear the opposition recommend real reductions in expenditures.

Mr. Lambert: I suggest that is negative thinking. The reduction of expenditures is a slow means of curbing this situation. I should like to see the government take some positive action toward increasing the rate of productivity.

Mr. Matheson: How?

Mr. Lambert: Oh, I see the hon. member for Leeds (Mr. Matheson) has come to life.

Mr. Matheson: By spending more money?

Mr. Lambert: You do not increase productivity by encouraging people to spend more money. I suggest to you that there is open to the government a course of action that would result in restoring some of the activity that was going on at the time this administration came into office in 1963. In their haste to dismantle anything that was worth while, they did away with the National Productivity Council. At that time, the National Productivity Council was concentrating on getting labour, management and government together to see how productivity could be increased.

Perhaps the minister has heard tonight the reaction in the House of Commons in Britain in regard to prices there. The general secretary of one of the powerful trade unions of Britain has said that, in so far as Britain is concerned, it has 18 months for management and labour to get together to cure this problem of productivity. Now, the Minister of National Revenue (Mr. Benson) might pooh-pooh the idea—

Mr. Benson: What about the economic council?

Mr. Lambert: The economic council is fine as an advisory body, but it is in an ivory tower.

Mr. Benson: What about the productivity council?

Mr. Lambert: The productivity council had its proper sphere in which the economic council is not acting at this time.

Mr. Benson: It is the same.

Mr. Lambert: All right; the Minister of National Revenue can pooh-pooh this all he wants. I know from people who had to deal with the National Productivity Council that this was being developed, and the proof of that is in the words uttered by the opposition in the latter days of 1962.

Mr. Benson: I wonder if the hon. member would permit a question?

Mr. Lambert: I have the floor, and I intend to keep it.

Mr. Speaker: Order. The hon. member for Edmonton West has the floor.

Mr. Lambert: I suggest one of the things the government could do would be to organize additional activities for the economic council. Perhaps the structure of it may have to be changed somewhat in order that this could be done, but the economic council could undertake active discussions between governments, management and labour in order to ascertain if something could be done about productivity. The Minister of National Revenue knows full well that manufacturing productivity has been on the decline in Canada for the last three or four years, and in relation to the United States is still about 30 per cent below that country. As long as we have that disparity in manufacturing productivity, then talk about parity of wages, talk about active competition with the United States, is utter nonsense.

We are facing direct economic aggression from countries abroad. They, too, have to survive as a result of the Kennedy round. The governor of the Bank of Canada and the minister himself have been talking about the excessively high wage increases that have been negotiated in 1966, and are still coming about, without any compensating increase in productivity.

• (9:20 p.m.)

This is where one of Canada's greatest ills lie. They lie in the declining productivity of

our industry, which do not match government expenditures. Lord only knows, there are expenditures at every level of government and not just at the federal level. One only has to study the report of the Tax Foundation to see readily that the provinces and municipalities incur their own expenditures in this regard. It might be interesting to look at what Mr. Burns has to say, to illustrate what I have just said. I will use the table of figures that he has included in his article. They are for 1966-7 and 1965-6, in any event, let us look at them. He says:

> In 1950, which is a reasonable year for measuring immediate post-war "normalcy", federal non-defence expenditures on goods and services were equal to 2.7% of the gross national product. In the same year, provincial expenditures were 3.0% and municipal 4.6%. But in the current increase in governmental activity it has been the provinces and the municipalities that have exercised their claims. Between 1950 and 1965, the federal share of non-defence expenditure on goods and services rose to 3.3% of the gross national product or by 22%. The provincial percentage rose to 4.3% or by 43% while that of the municipalities went to 7.9% or up by 71%.
>
> If we look at total government expenditure (exclusive of intergovernmental transfers) which rose from 22.1% of the gross national product in 1950 to 31% in 1965, we find that the share of the government of Canada rose from 11.5% to 13.4% or by about 17%. The share of provincial governments went up by 59% from 5.6% to 8.9%. The municipal share increased from 5.0% to 8.7% or about 74%.
>
> The figures in themselves are not important. They are but a reflection of our changing demands—

I terminate my remarks by making a plea to the minister and the administration. First, do something constructive to enable management, labour and government to solve problems of productivity and to bring about greater co-operation between the three levels of society to deal with problems of policy. Such action ought to deal with the problem of parity of wages across the country as well as with all sorts of other things. It would be a step in the right direction in dealing with problems of productivity. Lack of productivity is one of the root causes of inflation.

Second, the government must, of course, show an example by restraining its expenditures. It should not try to fool the country and this house with stories of great cut-backs on estimates which are really puffery. As I said in a speech last week in this house, the government can start with initial estimates of $15 billion and pare those to $11 billion and leave the impression that expenditures are to be reduced by $4 billion. The government would still end up with $11 billion in expendiures when, in the previous year, expenditures had run at about $10 billion. There would be no gain.

Last week's conference between the Minister of Finance and provincial representatives was a step in the right direction.

Mr. Olson: Hear, hear.

Mr. Lambert: It was the first time that such a conference had been held.

Mr. Olson: Hear, hear.

Mr. Lambert: I caution, hon. members and Mr. Speaker, that most decisions of government ought not to be taken at dominion-provincial conferences. That pattern ought not to be set at such conferences, since this house would become a mere rubber stamp. This is the dilemma we face. I agree with what the Leader of the Opposition said this afternoon. There must be consultation with the provinces.

I suggest, when we take steps to increase our productivity, that everyone in this country will benefit. We shall compete more effectively abroad than we now do. Incomes will increase and a whole panoply of benefits will accrue to Canada. Ultimately the government will benefit and it will be able to establish on an economically sound basis programs of social justice, which we all want to do our best to provide.

Look at Britain, Mr. Speaker. There is a classical example. For the last 20 years Britain has engaged in activities which have been way beyond her capabilities. One segment of the population believes in fiddling while London burns; another segment is so hidebound in doctrinaire restrictive practices that it cannot see that only if goods are produced will there be employment; they are more interested in tea breaks. Management over there refuses to innovate and refuses to take steps to really compete abroad. The net result has been the morass in which Britain now finds itself. I do not know, but it seems to me that Britain tried to move too fast in certain sectors and had not the economic structure on which to build many of the fancy programs it has. Our tendency, unfortunately, has been to follow Britain down that road. To that extent I feel that there has been mismanagement with regard to the financing of this country. The position we are in today is, certainly, not the result of good management.

Mr. John R. Matheson (Parliamentary Secretary to Prime Minister): Mr. Speaker, in joining this debate I shall try to meet the challenges posed by the amendment of the Leader of the Opposition (Mr. Stanfield) and the subamendment of the hon. member for Burnaby-Coquitlam (Mr. Douglas). In brief, the Leader of the Opposition charges the government with economic mismanagement.

Mr. Monteith: Hear, hear.

Mr. Matheson: During his speech he said, as I recall, that he hoped to speak later and in greater depth on the budget. I take it that we, on this side, may regard ourselves as quite safe until the mini-budget debate.

When the Leader of the Opposition attacks the government for mismanagement I say, at the outset, that he is attacking the most professionally competent Minister of Finance we have had in Canada's history.

An hon. Member: Boo.

Mr. Matheson: Certainly, he has had the best education in economics.

Mr. Monteith: How about your colleague, the hon. member for Davenport (Mr. Gordon).

An hon. Member: And the ex minister of transport.

Mr. Matheson: He has held a high position in industry and is well aware of the responsibilities of public office. From searching through budget debates sedulously I am satisfied that never have the Canadian people had as lucid and as technical explanations of Canada's financial affairs as we have had since our present Minister of Finance (Mr. Sharp) assumed his office.

• (9:30 p.m.)

I will be very brief in my remarks with respect to the subamendment moved by the hon. member for Burnaby-Coquitlam (Mr. Douglas). In effect, he urges the government to set certain priorities for public and private investment, to implement the recommendations of the Carter commission immediately, apparently without even studying or assessing their contents, and to give this country a guarantee that medicare will commence on July 1, 1968. Then, consistent with the other socialist recommendations contained in his speech, the hon. member suggests we finance all these things simply by cutting costs; he moves immediately to his favourite theme, that we should cut our expenses in connection with NATO, NORAD, refitting naval vessels, the provision of military aircraft and so on. The leader of the New Democratic party, whom my friend from Vancouver-Quadra (Mr. Deachman) called "the last of the big spenders", is quick to call for defence cuts of all kinds, notwithstanding the fact that we have an extended defence policy, a smaller force and a budget which is the same as it has been for a number of years in terms of amount, though in terms of buying power it is worth a great deal less—defence has been hit far more by spiralling costs than have most other departments, yet the hon. member now urges us to pull out of our major responsibilities.

Speaking on my own behalf and not on behalf of the government, it is my opinion that having cut 20,000 men off the strength since 1963, and with still further cuts forecast, and with a defence expenditure amounting to 2.8 in terms of the gross national product, a whole percentage point lower than it was, we ought to be very cautious about making further cuts in this area. Our present spending puts us in the same category as Denmark and Luxembourg—at the bottom of the list of NATO nations.

While unification has enabled major economies to take place—it has certainly enabled us to reduce the number of people engaged in the administration without cutting too deeply into our operational forces—and while there are still some savings in store, the real economies already have been achieved; further reductions must be at the expense of bone and muscle. Personally, I hope that when this area of government expenditure is under review we can at least count on the support of the official opposition.

Mr. Stanfield: You mean there is no support in the country?

Mr. Matheson: Perhaps it is worth while looking back on the economic events of the past few years. I like the assessment of David W. Slater in the *Queen's Quarterly* for spring, 1967. The author says that six features of Canadian economic performance during the last decade and a half can be counted as outstanding successes. First, except for a period of four or five years the country had quite an impressive attainment of full employment. The second outstanding success, he tells us, is the full-fledged

Canadian participation in remarkable post-war growth in world trade and output, particularly among the highly developed countries. Third, Canada has been remarkably free from serious persistent deficits or surpluses in her over-all external balance of payments. Later, Dr. Slater writes:

> A fourth success has been Canada's comparatively favourable experience in adapting to a huge expansion of the urban-industrial-commercial-administrative activities of her people. The rates of urban growth in Canada have been extraordinarily high during the last two decades, compared with other industrial countries.

Any serious analysis of the way in which Canadians have been migrating to the larger residential centres would disclose the kind of economic pressures which have been imposed on all concerned, with resulting heavy burdens on both federal and provincial governments.

The fifth success, Dr. Slater says, has been achieved by improving educational activities in Canada, in further reducing inequalities of opportunity and in adapting the social welfare system to a modern industrial-urban society.

Finally—and this is of great importance in our centennial year when we think of our country as a unity—the author states:

> The prairies, and now Quebec and perhaps the Atlantic provinces, seem to be full and hopeful participants in the modern economic growth processes. And Canada has worked up some fairly successful mixtures, uniquely adapted to her circumstances, in blending public and private power and public and private enterprise.

I think it is one of the characteristics of the party which I have the honour to support that we have not been doctrinaire. We have been most anxious to harness and stimulate private enterprise and to encourage economic freedom in every way, while at the same time carrying out a wise public policy. We see the government and industry as partners.

Dr. Slater looks at the failures of the past decade and a half, and here he says the greatest failure lies in our inability to reduce the relative shortfall in Canadian productivity, and in the persistence of levels of living below those which prevail in the United States.—The second notable failure, he says—and fortunately this situation now has been corrected—was the high level of unemployment between 1958 and 1962. We hope these conditions will never be repeated.

The Leader of the Opposition spoke about mismanagement, and my mind was immediately attracted to something which was said by the hon. member for Okanagan-Revelstoke (Mr. Johnston) who remarked of the hon. gentleman's speech: "He did not look beyond the frontiers of Canada for factors which influence the Canadian economy". I think it is characteristic of the Minister of Finance as well as of his colleague the Minister of Trade and Commerce (Mr. Winters) and as well, indeed, as of the ministry as a whole, that to a remarkable degree there has been attention paid to the the external forces. John Deutsch recently said:

> As more trade barriers are dismantled (and this is the main objective of the Kennedy round), there will be still more chances for industries to specialize and gain the economies of scale.

I would so much like to have heard the Leader of the Opposition, who comes from the maritimes, dilate on this matter which is of such great importance to Canada and its future.

• (9:40 p.m.)

It is a fact that in many ways President Kennedy's hopes for an Atlantic free trade area have been disappointed. The exclusion of Britain from the common market began a period of increasing doubt and suspicion between the United States and Europe. This suspicion was reflected and aggravated by the tough bargaining attitudes which developed at Geneva. After four years of bargaining, the GATT negotiations and the Kennedy round finally came to a conclusion, which, on a simple arithmetical basis, I think means an average reduction of approximately one third in tariffs between industrial countries throughout the world, spread over the next five years. Despite this failure to reach the 50 per cent this does open up, I think, exciting new possibilities.

Since world war II Canada's greatest achievement economically—and this, is the reason for the comparative success of the last 15 odd years—has been our integration into the expanding world economy. This, has been very much the policy of this government. I hope it is a policy that will be supported in his "in-depth" speech on the mini-budget by the Leader of the Opposition.

Canada has already been an active participant in reconstructing a viable, rational, internationally oriented world economy. We made our contribution at Bretton Woods. We have been active in GATT; and although it has caused some suffering in sectors, Canada has been prepared to make sacrifices to see our economy shift to an international position. Canada has resisted the temptation to

[Mr. Matheson.]

retreat to a nationalistic autarchical system. I think there may be a danger that we lose confidence in the attractiveness of an aggressive, outward looking policy. Certainly Canada lost that confidence in the mid-1950's, and this has been commented upon by economists of several western powers.

Some people say that the dominant trend today is not toward a more liberal and expansive economic system, but toward fragmentation. They see a failure on the part of the United States and the United Kingdom to win acceptance of a reformed monetary system. This morning I was listening to a news report. Someone from the United Kingdom was commenting on Britain's huge disappointment with respect to recent attitudes of France in international affairs, in defence arrangements, and particularly in international monetary arrangements. France's failure to assist in an effective scheme for increasing international monetary reserves has placed certain countries of the world, now notably the United Kingdom, on the brink of international monetary collapse. I think that this is the real way, in the middle and long run, that Canada can make a positive contribution to productivity growth, and I think this is a view reflected by the ministry.

I notice that the Secretary of State for External Affairs (Mr. Martin) in Vancouver on January 18, 1967, said:

> One of the most striking features of the past few decades has been the extent to which the interests of nations have become interdependent. We have always, of course, been affected by the actions of others. But now the earlier simple and limited relations between states have given way to a complex and pervasive system of interrelationships which any government ignores at its peril.

No one, I am sure has been more conscious of this than the Minister of Finance. No one has been more active in trying to develop for our country outward looking policies. The limitations to which this is possible depend on many factors outside our frontiers.

The Minister of Forestry (Mr. Sauvé), speaking in Montreal on March 1, 1967, said:

> We live in an interdependent world—and a world which through technology and communications is becoming more interdependent. We can only live independently, and successfully in that world, by learning to take advantage of the benefits which interdependence offers us.

The Minister of Forestry has his Ph.D. in economics. When we examine this government we can see no shortage of technically qualified economists. There are at least six who have had considerable education in this field.

Now, sir, recently we have heard public utterances by Harry Johnson, who left the senior chair in economics at Chicago to assume the senior chair in economics at the London School of Economics. He has spoken of the trend toward regionalism of world trade which bears, as he sees it by definition, a threat to Canada's trading interests. He sees the great problem facing Canadian policy makers as being the problem of safeguarding as much of Canada's trading interests as can be preserved in a fragmenting international economy.

I heard and spoke briefly with Dr. Johnson at Queen's University on May 20, 1967. May I summarize what he said to that convocation gathering—and I believe his advice is something we should bear in mind as we look forward to this challenge of not only increasing productivity but strengthening Canada in the world society. Dr. Johnson said:

> Three years ago, I took the position that the world economy stood at a crossroads, with respect to the three major components of international economic organization—the international monetary system, international trading arrangements, and the promotion of the economic growth of the less developed countries.
>
> In the field of international monetary organization, it was clear that the advanced industrial nations of continental Europe were no longer happy to hold United States dollars as international reserves in place of gold, the supply of which commodity had for long failed to grow rapidly enough to satisfy the need for international reserves of a growing international economy.

I seem to remember that the Minister of Finance in one of his addresses to this house, spoke of a danger of growing international illiquidity. Dr. Johnson stated:

> In the field of international trade, the formation of the European economic community—the common market—was threatening to divide the western world into regional trading blocs, discriminating against trade with each other and incidentally against the trade of the less developed countries.

Then finally Dr. Johnson concluded with reference to the underdeveloped countries, when he said:

> —it was clear...that the amount of development aid the developed countries were likely to furnish to the less developed was likely to fall short of what would be required—

Kenneth Galbraith, who has given top level advice to successive American administrations, but who nevertheless remains a very enthusiastic Canadian, discussed in *Weekend* Magazine of March 25, 1967, the

possibility of wider trading arrangements among our country, Britain and the United States, seeing this as a possible step towards the ideal of an Atlantic community, which through France's attitude is not now possible, but eventually I hope may be. He sees this not as something that will diminish Canada in its influence but as something that is within forseeable possibility, perhaps the policy most clearly designed to increase our gross national product in Canada and to increase the productivity of the individual worker. *Weekend* magazine carried a report of an interview with Dr. Galbraith, during which he was asked whether there was any real interest in Britain in such a proposal. He replied:

> I think there is. There are a substantial number of people in Britain who fear the notion of a little Britain. They don't think it has a future as an "off-shore island"...
>
> My impression is that Professor Franck, who has been in England in recent months, has found quite a few people who are rather anxious to talk about the idea of an Atlantic trading community.

I hope that the Leader of the Opposition, who comes from a part of Canada which I am sure could only benefit from such a development, will lend his full support to this general approach which is calculated to strengthen our economy and preserve our interests.

• (9:50 p.m.)

I see many reasons for encouragement in spite of these disappointments, to which I have referred. I am looking at the Fourth Annual Review of The Canadian Economy From The 1960's To The 1970's published by the Economic Council of Canada in September of this year. It shows the growth and volume of merchandise exports for the period 1950-60 standing at 4.6 per cent. In the period from 1961-63 it is 7.4 per cent. Now, in the period 1963-66 it is shown as 11.1 per cent. Not bad. What about merchandise imports? We see there an increase from the period 1950-60 of 5.2 per cent, dropping down between 1961 and 1963 to 3.3 per cent, but rising dramatically in the period between 1963 and 1966 to 13.8 per cent. Not too bad.

When we look at the employment by regions we find that in 1961 unemployment as a percentage of the labour force is 7.2 per cent. Yet, in 1966 we find it is down to a figure of 3.6 per cent which, some economists tell us, is tantamount to full employment.

The hon. member for Edmonton West (Mr. Lambert) spoke of the Productivity Council. I have searched carefully and I can find no evidence on my own or from any person's comments that there have been any useful suggestions whatsoever from the deliberations of the Productivity Council. Again he spoke of the declining productivity and I think it is fair to say there has never been a decline in productivity. But there has been less improvement in productivity than increase in wages. Of course, that is a rather disturbing fact. The Economic Council of Canada, which was established in 1963, set up what I regard as manifestly wise objectives which, to a large measure, have already been achieved—full employment, a high rate of economic growth, reasonable stability of prices, a viable balance of payments and an equitable distribution of rising incomes. We need more of the same.

The fact is that by all standards we enjoy one of the highest standards in the world, and it improves dramatically year by year. I have attempted to find current figures for the year 1967, but have been unable to do so. Looking at the record of growth for the economy for the period from 1963-66, however, I find that wages, salaries and supplementary labour income percentages moved from 8.8 in 1963-64 to 11.1 in 1964-65 and to 12.9 in 1965-66. Not bad. I find that personal disposable income percentages increased from 5.7 for the period 1963-64 to 10.3 for the period 1964-65 and to 10 for the period 1965-66. Very good. When we look at the other side of production we find that profits before taxation for the same three year period are respectively 15.1 per cent, 7.9 per cent and 0.7 per cent.

This is the challenge which faces us. The hon. member for Edmonton West speaks of the financial malaise. I have been looking at the figures published by the Canadian Chamber of Commerce and I find that personal consumption expenditures have increased from $25,926 million in 1962 to $35,272 million in 1966, the last period available. The gross national product has increased from $40,575 million in 1962 to $57,740 million in 1966. Even if we take these figures and reduce them to the constant 1957 prices we discover that the increases in expenses of governments at all levels have increased less than the prices for the same period, although not by very much. Prices have increased by 125 per cent. Government expenditures have increased by 123 per cent. We know that the federal government, and I believe other governments as well, are now engaged in a most serious attempt to improve the situation by substantially cutting their own costs.

Mr. Speaker, I ask the following question which has been suggested by the motion of the hon. Leader of the Opposition and by the speaker who followed: Are we running out of prosperity? I say categorically that we are not. The employment performance in recent years has been excellent. From the early 1960's to the later 1960's there has been an expansion of one million jobs in Canada. Just how good this is is shown by the fact that this increase in a million jobs in under four years is more than the increase in the whole decade of the 1950's. It is also larger than the increase over the whole 17 years from 1929 to 1946. My authority for this statement is *Canadian Business* of January, 1967. This publication states:

> The projected growth rate of employment is greater in Canada than in all other industrially advanced countries over the medium-term future. The favourable employment outlook also means a rise in real income per capita. This is so because the number of workers will rise in relation to both the younger and older people outside the labour force.
>
> Average annual growth since 1963 has been more than 6% per year in volume of output. There has never been a more prosperous time in Canada. Result has been that this country has moved into the front ranks of economic expansion among industrially advanced nations since 1963.
>
> Canadian exports have reached record levels since 1963. Volume of exports has grown about twice as fast as the volume of total output in this period.

In other words, as I say, we are moving competitively into the international society. There are these dangers about increasing prices and wages and declining profits. We must face this problem collectively, and if we do so wisely the future is very bright. There has been an upsurge in exports of wheat and happily an even more dramatic upsurge in exports of highly manufactured products. We are lucky that our farmers and the needs of the world have contrived to help Canada enormously in these past years.

Mr. Pugh: What is the date of that document?

Mr. Matheson: The report I have is from *Canadian Business* for January, 1967. This contains the latest statistics which are available.

Mr. Speaker, may I call it ten o'clock?

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the house under provisional standing order 39A deemed to have been moved.

27053—284½

The Acting Speaker (Mr. Tardif): At 6 p.m. three questions were announced for the business at the time of adjournment. It is now the understanding of the Chair that the government has requested that the question listed for tonight in the name of the hon. member for Winnipeg North Centre (Mr. Knowles) be deferred until another sitting. Is there agreement of the house that this question be deferred?

Some hon. Members: Agreed.

HEALTH AND WELFARE—QUEBEC—APPLICATION OF FEDERAL FUNDS FOR HOSPITAL PURPOSES

Mr. Ralph Cowan (York-Humber): Mr. Speaker, on November 3 I asked a question of the Minister of National Health and Welfare (Mr. MacEachen). Following his reply that he would like to discuss the matter with the Minister of Finance (Mr. Sharp) and make a reply later, I stated I would like to discuss the matter at ten o'clock.

• (10:00 p.m.)

The point to which I directed my question on November 3 was one which I raised in this house in the month of October of this year having to do with the application of federal funds for hospital operating purposes in the province of Quebec. You may remember that in October I asked a question regarding four hospitals in the province of Quebec about which the affairs of the board of governors had come to my attention during a visit to Montreal. I outlined to the house how these hospitals were months behind in receiving their remittances from the Quebec hospital insurance commission, and that the boards of governors were in desperate straits in trying to meet the financial commitments of the hospitals.

Since I made those comments regarding the four hospitals in Quebec, of which I have personal knowledge, I have received the annual report of the Montreal Children's Hospital for the 12 months ending December 31, 1966. Being a member of the Canadian House of Commons I can only ask how our federal funds are being handled, once they are transmitted to the minister of health for Quebec. I assume I am not allowed to ask how the province of Quebec handles the money it presumably directs toward the hospitals in that province, that being a provincial matter.

However, upon reading the report of the Montreal Children's Hospital, and stating quite flatfootedly that I know a little bit about hospital financial operations from personal contact over 18 years, I can come to but one conclusion, namely that the province of Quebec is bankrupt. There is no other possible way to explain the actions of that province in refusing to meet the needs of the hospitals of Quebec as outlined by individual hospitals to the Quebec hospital insurance commission once a year in their annual proposed budgets.

To bear out my statement that the hospitals of Montreal and throughout Quebec are being deliberately starved by the province of Quebec hospital insurance commission I would like to read from page 24 of the annual report of Mr. Eliot S. Frosst, the president. He is writing about the year ending December 31, 1966 and states:

> The year just past has been one of the most trying and difficult years in the history of the hospital. Lack of space—badly congested areas, combined with what has been a constant struggle to meet our financial commitments have produced these conditions. Neither of these conditions is new—but last year at this time we had hoped that before another year had elapsed we would be able to report that ... a better understanding of our financial needs had been reached with the province. Unfortunately we are no further ahead than we were a year ago.
>
> Although our treasurer, Mr. Lennox, will report on our financial position, I think that after six years of operation under the Quebec Hospital Insurance Service a few words on my part seem necessary. We are not unmindful of the problems confronting the governement in the operation and financing of the Quebec hospital insurance plan. However, our statements show that the hospital does not have the necessary working capital to finance the annual shortfall between our operating expenses and the budget approved by Q.H.I.S. For the years 1961-64, Q.H.I.S. has paid the hospital, based on final audits, our actual shareable costs, less only about 3.5 per cent. The hospital can finance this reduction from donations it receives from a generous public. The hospital is, however, in no position to finance the shortfall for approximately two years until the audit is completed. The budgets for the last two years have been cut by approximately 25 per cent. It is our duty to practice economies wherever possible and a determined effort is being made towards this end.
>
> However, the hospital cannot possibly cut its expenses by 25 per cent and still maintain the standard of patient care that has made it one of the leading pediatric teaching hospitals on the North American continent.

It is the general practice throughout the ten provinces which are participating in this hospital scheme, in which the federal government participates, that toward the end of each fiscal year they submit a budget for the coming year. These budgets are approved and accepted in four to six weeks by the provincial commission. During the year for which the budget has been submitted checks are sent out semi-monthly to cover expenses that have already been approved. I know of no province in the Dominion of Canada, except the province of Quebec, where hospitals are complaining about a delay in receiving moneys from the department of health. This involves money received from the federal department of health, representing our shared costs of provincial health schemes.

The language used by Douglas Lennox, chartered accountant and honorary treasurer of the hospital, in the same report, bears out Mr. Frosst.

> In my report last year—

That was for 1965.

> —I outlined the difficulties involved in financing the operations of the hospital during 1965. The report of the president this year has informed you that these difficulties have not only continued during 1966, but have increased to such an extent that the financial position of the hospital is now extremely grave—
>
> In 1966 our operating expenditures exceeded revenue by $2,521,905. Of this amount we consider that $2,075,391 should be reimbursed by Quebec hospital insurance service and a claim has therefore been lodged for this amount. Together with the balance of similar claims relating to prior years, the total amount which we believe should be reimbursed by the service amounted at the end of the 1966 fiscal year to $3,066,411. The corresponding amount at the end of 1965 was $2,416,731.

He goes on to state as follows:

> Lacking other resources we have been forced to delay payments to suppliers, with the result that accounts payable at the end of 1966 amounted in total to $1,523,282 as compared with $637,803 at the end of 1965. This means, for the bulk of our suppliers, that we are now ten months behind in paying for goods and services without which the hospital cannot continue to operate. I cannot emphasize too strongly our gratitude to our creditors—

Mr. Speaker, when a province has to withhold moneys from the sick and the dying for some reason not made clear to the hospitals, and certainly not made clear to the taxpayers of Canada who are contributing moneys to the hospital scheme for the province of Quebec, there is something drastically wrong with the financial administration of the province concerned. I have already said that the province of Quebec is bankrupt because—

The Acting Speaker (Mr. Tardif): Order. I regret to interrupt the hon. gentleman but the time allotted to him has expired.

Mrs. Margaret Rideout (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, the system between ourselves and the Quebec government in respect of hospital insurance is as follows. Early in the year the province sends us an estimate of their approved costs for the year. This estimate is reviewed by us and may be amended if we consider it unreasonable. We calculate the normal hospital insurance contribution to Quebec based on the amended estimate. This estimate is sent to the Department of Finance, with a copy to the Quebec hospital insurance authorities. On receipt of our estimates, the Department of Finance estimates the value of 14 points of personal income tax to Quebec, deducts this estimate from our total estimated contribution to Quebec under hospital insurance and makes monthly payments for the balance over the fiscal year.

If during the fiscal year the estimate of the hospital insurance contribution is changed, or the estimate of the value of the 14 income tax points, the new amount owing to Quebec is calculated and the payments are spread evenly over the balance of the fiscal year. After the close of the fiscal year the final contribution for the year under hospital insurance is determined in the usual way by the Department of National Health and Welfare, and the final value of 14 income tax points is determined by the Department of Finance. The final amount payable to Quebec for the year is then calculated by the Department of Finance and the current payments are adjusted upward or downward to compensate for this final adjustment.

We have been assured by some Quebec hospitals and by the Quebec hospital insurance service that regular semi-monthly payment cheques, based on one twentyfourth of the approved budgets, are being sent out to the hospitals on a regular basis. We receive monthly reports from Quebec on their payments to hospitals, and a review of these reports for 1967 indicates that the actual payments being made to the hospitals are almost identical with the estimates on which the federal contribution was calculated.

• (10:10 p.m.)

We wish to confirm that we have had verbal assurance from the Quebec provincial authorities that bi-monthly payments representing one twentyfourth of the original approved budget are made regularly to the Montreal Children's Hospital. We also have verbal assurance from the authorities of the Montreal Children's Hospital that such payments are received regularly. The monthly reports received from Quebec on their payments to hospitals are global reports not showing payments made to individual hospitals.

It would appear that the root of the problem is in two areas: first, the actual hospital costs are running in excess of the approved budgets, and second, final settlements for previous years between the Quebec hospital insurance service and each individual hospital are subject to long delays because of the difficulties encountered in verifying the actual hospital costs and assessing the reasonableness of over-expenditures in excess of approved budgets.

DRUGS—COMPLAINTS RESPECTING VITAMIN CONTENT OF CERTAIN PREPARATIONS

Mr. Robert McCleave (Halifax): Mr. Speaker, on May 23 of this year the food and drug directorate of the Department of National Health and Welfare issued proposed changes which cover the addition of vitamin and mineral nutrients to drugs. In other words, these changes deal with vitamin supplements, treating them as drugs and not as food supplements. Yet, as Mr. S. A. Smith, the president of the Canadian Health Food Dealers Association has stated in a round robin letter:

> Vitamins and minerals, with a couple of exceptions, are harmless, nontoxic food nutrients and should be freely available to the public without being told to consult a physician before using. Those with toxic effects should be regulated.

It is a truism that what is one man's meat can well be another man's poison, but those who take vitamin supplements usually find the level which best suits them and, just as those who eat bread, do not gorge incessantly or indiscriminately.

The minister himself, in a round robin letter of September 27, which begins "Dear Sir or Madam"—I wish he would make up his mind—dealt with the avalanche of protests which have come to his office in connection with these regulations. He said in part:

> It is true that the amounts of vitamins presently used in vitamin preparations have not been shown to be toxic.

Toxics are being sold, but without anywhere near the precautions surrounding the sale of vitamins. I refer of course to cigarettes. It would make more sense to me if the

Department of National Health and Welfare had taken some steps to prevent me from the folly of smoking cigarettes rather than putting certain conditions on the use of vitamin supplements, if I should ever take them up.

Since I have a number of questions, it would be unfair to expect the parliamentary secretary to answer all or many of them, and I think that this matter could be considered by the committee on health and welfare. They are as follows: first, what evil or what problem was being overcome by this decision of the food and drug directorate? Second, what scientific studies were made to justify bringing in these regulations? Third, who was consulted? Fourth, were requests made for such action and, if so, who made them? Fifth, will the effect not be to increase costs for those who take the higher doses of vitamin supplements, especially the older and poorer people?

I hold no brief in this matter. As I said, I do not take vitamin supplements myself, although inadvertently some of them might be slipped into some of the things I do take. I have always admired the work of the food and drug directorate, but has it gone too far, as is suggested by some of the criticisms that have come into the minister's department? I am puzzled, sir, and so are thousands of other Canadians. I hope that the minister, the parliamentary secretary, or the department will provide answers, if not now then before the committee on health and welfare.

Mrs. Margaret Rideout (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I rise to answer the hon. member's questions, but first I must admit that perhaps my answer is longer than it should be. I ask the indulgence of Mr. Speaker and his permission to conclude my remarks because if they are taken in part they might be misinterpreted. I do agree with the hon. member for Halifax (Mr. McCleave), and perhaps he does need some vitamins, but he is not aware of it. If I may be permitted to ask your indulgence, Mr. Speaker, I should like some extra time, if I need it, in order to conclude my remarks.

As part of its continuing program to protect Canadian consumers against health hazard and fraud in the advertising and sale of drugs, the food and drug directorate of my department recently proposed certain amendments in the regulations pertaining to vitamins and minerals in drugs. These proposals were circulated to drug manufacturers as trade information letter No. 284, dated May 23, 1967. These manufacturers were requested to submit comments not later than October 1, 1967. Numerous constructive suggestions on these proposals have been received. I understand that the Canadian Health Food Dealers Association has played a major role in eliciting comments from individual consumers, many of which have been received by members of this house and by officials of my department as signed form letters. Since there appears to have been considerable misunderstanding by some consumers in regard both to the intent and effect of the proposed regulations, I should like to make a statement on this matter.

Available evidence indicates that most Canadians are well fed, and will not benefit from use of dietary supplements containing vitamins and minerals. Nutrition authorities agree that the best way to assure nutritional health is to eat well balanced meals. I certainly have, sir. However, since some individuals feel that they benefit from dietary supplements, provision is made for their sale in the food and drug regulations.

The present regulations, enacted a number of years ago, set minimum and maximum limits on the amount of vitamins in preparations which can be advertised to the general public. They were enacted under authority of section 9(1) of the Food and Drugs Act to prevent the consumer being misled as to the value, merit and safety of products containing either insignificant or excessive amounts of nutrients. Preparations which contain vitamins at levels above the specified amounts cannot be advertised to the general public and must, at the present time, carry on both the inner and outer labels the statement, "Note: for therapeutic use only". This cautionary statement is intended to inform consumers that high potency vitamin products should not be used to supplement the ordinary diet but are intended for treatment of vitamins deficiency states. Because of their nature, such conditions should be treated under the direction of a qualified physician.

It has become evident that the levels of vitamins and minerals presently permitted in products which can be advertised to the general public provide considerably more than the daily intakes required. Amounts of these nutrients in excess of those actually required are of no value to consumers. The advertising to the general public of products containing excessive amounts is considered likely to

create an erroneous impression of their value. Furthermore, it is well established that ingestion of excessive amounts—

The Acting Speaker (Mr. Tardif): Order.

Mrs. Rideout: May I finish, please?

The Acting Speaker (Mr. Tardif): I am sorry to interrupt the hon. member. The rules are not made by the Speaker; they are just upheld by the Speaker.

Motion agreed to and the house adjourned at 10.20 p.m.

APPENDIX

AGENDA AND FINANCIAL TABLES—DOMINION-PROVINCIAL CONFERENCE

MEETING OF MINISTERS OF FINANCE

NOVEMBER 16–17, 1967

OTTAWA

Agenda

1. Economic and financial situation and outlook:
   - (*a*) current situation
   - (*b*) outlook
2. Objectives for fiscal policy:
   - (*a*) general
   - (*b*) special aspects and problems
3. Fourth Annual Review of the Economic Council of Canada
4. Consultations on reforms of the tax system
5. Other matters

GOVERNMENT OF CANADA

SUMMARY OF FISCAL SITUATION, 1967–68[1] AND FISCAL LIMITS FOR 1968–69[2]

Item	1967–68 Est. ($ million)	1968–69 Limit ($ million)	Change ($ million)	Change (%)
Budgetary Revenue	9,100			
Budgetary Expenditure	9,850	10,300		4.5
Budgetary Deficit	750			
O.A.S. Revenue	1,485			
O.A.S. Expenditure	1,370			
O.A.S. Surplus	115			
Loans, Investments and Advances	955			
Total Cash Requirements	1,590	750		

[1] In his statement to the House of Commons on Oct. 4, 1967, the Minister of Finance stated that budgetary revenues and expenditures would be approximately 1.5% higher than the original estimates contained in his Budget of June 1, 1967. He also stated on Oct. 4 that the total cash requirements were estimated not to exceed $1,590 million.

[2] In his statement to the House of Commons on Nov. 10, 1967, the Minister of Finance stated that budgetary expenditures in 1968–69 (apart from Medicare and the writing off of Expo deficits) would be held to $10,300 million and that local cash requirements (apart from unforeseen changes in foreign exchange reserves) would be held to $750 million.

GOVERNMENT OF CANADA

SUMMARY OF BUDGETARY AND OLD AGE SECURITY EXPENDITURE
1967-68

Type of Expenditure	($ million)	($ million)	(% of total)
NON-DEFENCE EXPENDITURE			
1. Major Statutory or Contractual Obligations			
(a) Transfer Payments to Provincial or Municipal Governments			
Revenue Equalization Payments	555		
Share of Federal Estate Tax	48		
Share of Income Tax on Power Utilities	7		
Statutory Grants	32		
Established Programmes Act	85		
Canada Assistance Plan (and Categorial Grants)	198		
Hospital Insurance Plan	424		
National Health Grants	32		
Hospital Construction Grants	20		
Health Resources Fund	31		
Trans-Canada Highway	60		
Post-Secondary Education	108		
Vocational Training Capital Grants	120		
Vocational Training Assistance Act	50		
Municipal Grants-in-Lieu of Taxes	42		
Forgiveness of Municipal Development Loans	19		
Urban Renewal Grants	13		
Sub-total		1,844	19.8
(b) Transfer Payments to Persons			
Old Age Security Payments	1,370		
Family Allowances and Assistance Payments	565		
Youth Allowances	49		
Occupational Training or Mobility Grants	59		
Sub-total		2,043	22.0
(c) Other Contractual Obligations			
Public Debt Charges		1,271	13.7
2. Other Selected Expenditures Under Statute or Agreement—			
Price Supports for Farm Products	109		
Feed Grains Freight Assistance	22		
Subsidies for Storage of Wheat	33		
Provincial Crop Insurance Programmes	5		
National Transportation Act Freight Rate Subsidies	110		
Maritime Freight Rates Subsidy	15		
Atlantic Provinces Ferry Deficit	21		
St. Lawrence Seaway Authority Canal Deficits	12		
Dominion Coal Board and Other Coal Subventions	26		
ARDA Shared-Cost Programmes	18		
Emergency Gold Mining Assistance Payments	15		
Misc. Fed.-Prov. Resource Development Agreements	17		
Contribution to Unemployment Insurance Fund	74		
Designated Area Incentive Payments	29		
Sub-total		506	5.5

GOVERNMENT OF CANADA

SUMMARY OF BUDGETARY AND OLD AGE SECURITY EXPENDITURE
1967-68

Type of Expenditure	($ million)	($ million)	(% of total)
3. Other Expenditure by Department (Other than items listed above)			
Agriculture	136		
Atomic Energy	69		
C.B.C.	144		
Energy, Mines and Resources	91		
External Affairs and External Aid	216		
Finance	55		
Fisheries	51		
Forestry and Rural Development	42		
Indian Affairs and Northern Development:			
Indian and Eskimo Education	68		
Other	164		
Industry	131		
Manpower and Immigration:			
Purchase of Training Services	31		
Other	83		
National Health and Welfare	75		
National Research Council	122		
National Revenue	118		
Post Office	304		
Public Works	219		
Solicitor General	155		
Trade and Commerce	31		
Transport	428		
Treasury Board	184		
Veterans Affairs:			
Allowances and Pensions	315		
Other	92		
Other Agencies	241		
Sub-total		3,615	39.0
Total Non-Defence Expenditure		9,279	100.0
DEFENCE EXPENDITURE			
Defence Production	44		
National Defence	1,688		
Total Defence Expenditure		1,732	
Increases in statutory expenditure over original forecast and allowance for supplementary estimates less estimated lapses		204	
Total Budgetary and Old Age Security Expenditure		11,215	

HOUSE OF COMMONS

Tuesday, November 21, 1967

The house met at 2.30 p.m.

NEW MEMBER

Mr. Speaker: I have the honour to inform the house that the Clerk of the House has received from the chief electoral officer a certificate of the election and return of Douglas M. Caston, Esquire, for the electoral district of Jasper-Edson.

NEW MEMBER INTRODUCED

Douglas M. Caston, Esquire, member for the electoral district of Jasper-Edson, introduced by Hon. Robert L. Stanfield and Hon. Marcel Lambert.

FINANCE

INQUIRY AS TO PRESENTATION OF SUPPLEMENTARY MEASURES

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would like to direct a question to the Minister of Finance and ask if he is in a position to give the house a definite date on which he will be presenting his supplementary or mini budget.

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, it is my intention to present this message on Thursday, November 30.

Mr. Stanfield: Will these proposals be put forth in a form which will permit a budget debate? What arrangements will be made to debate these proposals?

Hon. Allan J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, if I may answer this I wish to say I have had some discussions with the other house leaders, and I hope the conclusion of these discussions will indicate a method of dealing with this problem, including a possible allocation of time for the debate.

INDUSTRY

COPPER—PRICE INCREASE BY NORANDA COMPANY

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I direct a question to the Minister of Finance regarding the action of Noranda Mines Limited in substantially hiking the price of copper despite the fact that its profit position this year improved by some 6 per cent over last year. I should like to ask the minister two questions. First, does he consider this move to be inflationary in contravention of the restraints he asked all parts of the economy to observe? Second, what action, if any, does the government intend to take?

Mr. Speaker: Order. I suggest to the hon. member that in respect of the first part of his question he is asking for an expression of opinion from the minister. The second part of the question would appear to be in order.

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, yesterday I was made aware of the reported increase in the price of copper by the Noranda mine. I was a little astonished to read in the *Globe and Mail* this morning an article dealing with this move on the part of the company in which the following appeared:

> This is an inflationary world; if the government will stop spending so much we could help to keep the price of copper down—

The reason I take exception to this statement is that I understand the Noranda company is going to tie in the price of copper with prices in the United States and not in Canada. I can assure the hon. gentleman that I intend to investigate the situation.

Mr. Douglas: I have a supplementary question, Mr. Speaker. I wish to thank the minister for the answer he has given and ask him whether, following the investigation, the government will make public the results of his inquiries as to whether this increase is justified in the light of the company's favourable profit position.

Mr. Sharp: I shall be prepared to answer further questions.

[*Translation*]

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Gérard Laprise (Chapleau): Mr. Speaker, I have a question for the Acting

Prime Minister. Could he tell us whether the trip to France contemplated by the member for Lotbinière (Mr. Choquette) is for the purpose of collecting funds to promote national unity in Canada?

[*English*]

EXTERNAL AFFAIRS

VIET NAM—DISCUSSIONS WITH JAPANESE FOREIGN MINISTER

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, my question is directed to the Acting Prime Minister. I should like to ask him whether he discussed with the foreign minister of Japan when he was in Ottawa a few days ago the question of Viet Nam, particularly as it relates to the present initiative of Japan toward the cessation of hostilities.

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, as my hon. friend knows the foreign minister of Japan was here on Friday. We did have an opportunity for an extended review with him about a number of matters, including the conflict in Viet Nam. He went to great pains to explain his own proposal for ending the war in Viet Nam, which involves a system of mutual guarantees. Consideration was given to the Canadian proposal for an end to the bombing, and we in turn gave an undertaking that we would seriously consider the details of the Japanese plan. We will be in consultation with his government.

TRADE

CONSIDERATION OF PROPOSED TARIFF CUTS FOLLOWING CURRENCY DEVALUATION

On the orders of the day:

Mr. A. D. Hales (Wellington South): Mr. Speaker, I have a question for the Minister of Trade and Commerce but in his absence perhaps the Minister of Finance would care to answer it. In the light of the British devaluation of the pound, is the government giving consideration to its commitment to cut tariffs under the Kennedy round agreements?

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, it is the government's intention to carry through on its commitments.

Mr. Hales: Will the minister or the government be making an announcement as to how the devaluation of the British pound will affect the anticipated benefits or harmful results of this agreement?

[Mr. Laprise.]

Mr. Sharp: Mr. Speaker, the resolutions to implement the Kennedy round are on the order paper, and this may be discussed when they are considered.

NATIONAL DEFENCE

NATO—INQUIRY AS TO PROPOSED MILITARY REDUCTIONS

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, will the Minister of National Defence advise the house whether Canada is among the NATO member nations which plan military reductions, as mentioned by General Lemnitzer in his address to the NATO assembly meeting yesterday?

Hon. Leo Cadieux (Minister of National Defence): Mr. Speaker, I have not seen General Lemnitzer's statement; therefore I cannot comment on it.

Mr. Lambert: Mr. Speaker, then will the minister advise the house whether Canada is planning any reduction of the military strength of its NATO forces?

Mr. Cadieux (Terrebonne): Mr. Speaker, this question is under review and will be the subject of further discussion at the December 13 meeting which is to take place in Brussels.

BRITISH COLUMBIA

RESTRICTION ON HOURS OF U.S. PORTS OF ENTRY

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, could the Minister of National Revenue answer the question I raised in the house yesterday?

Hon. E. J. Benson (Minister of National Revenue and President of the Treasury Board): Mr. Speaker, the matter raised by the hon. member is being looked into by officials of my department, who will consult with the United States officials involved.

FINANCE

INQUIRY AS TO CANADIAN CONTRIBUTION TO U.K. SUPPORT

On the orders of the day:

Hon. E. D. Fulton (Kamloops): Mr. Speaker, I should like to ask the Minister of Finance whether he can indicate to the house the extent of Canada's contribution to the support being given Great Britain through the I.M.F.?

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, I calculated that under the I.M.F. arrangement the Canadian contribution in various forms would be approximately $91 million. In addition there will be an arrangement among the central banks and we will be taking a proportionate share of the total obligation. It has not been customary to reveal these obligations of the central banks, and I hope I will not be pressed on the matter. We are taking our proportionate share of the total support being given.

Mr. Fulton: Is that support in the form of an outright advance or a credit which can be drawn on from time to time?

Mr. Sharp: In the case of the I.M.F. of course, resources would be made available to the United Kingdom government to be called upon from time to time as required. This would take the form of part of the gold in the I.M.F. and other forms of quotas we have subscribed. In the case of the arrangement among the central banks, this would be in the form of a stand-by to show the massive support behind the present rate of the United Kingdom pound sterling.

Hon. Marcel Lambert (Edmonton West): Will the minister advise whether any part of the $250 million payment made by Britain to the International Monetary Fund includes any part of the previous advances that Canada undertook to assist Britain in 1964?

Mr. Sharp: I am sorry that my memory is not sufficiently accurate to answer the question now. I should like to take it as notice.

POSSIBLE EFFECT OF DEVALUATION ON CANADIAN GRAIN PRICES

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, perhaps my question should be directed to the Minister of Trade and Commerce but in his absence I will direct it to the Minister of Finance with the hope that he can provide an answer. Is the minister in a position to indicate what effect the devaluation of the pound will have on the price Canadian farmers will receive for their wheat, particularly in relation to the Chinese wheat agreement, since payments by the Chinese are made in sterling?

Hon. Mitchell Sharp (Minister of Finance): I do not expect it will have any effect, Mr. Speaker. These transactions with China are made in sterling but they are hedged, and I do not think there is any reason to expect that the western farmer will suffer on the Chinese market as a result of the devaluation of sterling.

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, in view of the fact that flax will now cost the British 50 cents a bushel more and wheat will cost 28 cents a bushel more, will the minister acting on behalf of the Minister of Trade and Commerce contact the wheat board to determine whether a conference is now taking place between representatives of the wheat board and Great Britain in order to assure that Great Britain will continue to purchase our wheat and flax at those levels?

Mr. Sharp: As the hon. gentleman knows, the wheat board and the British mills are in almost continuous consultation. There would be no need to call a special conference for this purpose. I expect our wheat will remain just as competitive in the British market as it has been hitherto in relation to United States, Argentine or other varieties of wheat. I do not think there is any reason to anticipate either lower prices or smaller sales as a result of devaluation.

Mr. Woolliams: A further supplementary question, Mr. Speaker. Could the minister assure the house that there is a contract with Canada under which Great Britain will continue to purchase our wheat at this time?

Mr. Sharp: Mr. Speaker, there are contracts between the British mills and the wheat board. The British government does not buy wheat; I think the hon. gentleman should know that. He is a good western member, has been for a number of years, and I should think over the years he should have absorbed something about wheat trading. In any event, our contracts are being fulfilled. Our sales to Britain are made in dollars, of course, and not in sterling.

[*Later:*]

Mr. Korchinski: Mr. Speaker, earlier the Minister of Finance indicated that the price the farmers will receive for their wheat will not be affected because of hedging. I wonder if the minister can say now that this hedging will cover all future sales including the negotiations now under way with China?

Mr. Sharp: Mr. Speaker, I can only say that this is the policy of the Canadian Wheat Board.

Inquiries of the Ministry

INCREASE IN BANK CHARGES FOR U.S. FUNDS

On the orders of the day:

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, my question is for the Minister of Finance. I wonder whether he is prepared today to give the house the information he gave me yesterday when he very kindly invited me over in order to apologize for the manner in which he had answered my question.

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, I hasten to make public the apology that I made privately to my good friend from Nanaimo-Cowichan-The Islands. I discovered that in the confusion over the week end some of the banks were not aware of the outer limits of trading and in order to be completely safe had charged a little bit extra. But today the hon. member will be able to trade in the British pound in the normal trading limits. I would be prepared to pay that extra bit out of my own pocket just in order to show the depth of my apology.

Mr. Herridge: Mr. Speaker, would the minister tell us whether the Canadian Imperial Bank of Commerce was one of the sinners yesterday?

TRANSPORT

REQUEST FOR COMMITTEE CONSIDERATION OF REPORT ON ATLANTIC PROBLEMS

On the orders of the day:

Mr. Robert C. Coates (Cumberland): Mr. Speaker, my question is for the Acting Prime Minister. In view of the continuing problems in the field of transportation in the Atlantic provinces, will the government give consideration to referring the special study now in their hands in this field to a committee of the house, as was promised by the former minister of transport during the debate on legislation in this field in September of 1966?

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, in view of the researches which will be required to completely deal with this question, I will take it as notice.

CONSUMER AFFAIRS

MEAT PACKING—EVIDENCE BEFORE U.S. CONGRESSIONAL COMMITTEES

On the orders of the day:

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, my question relating to consumer affairs is directed to the Registrar General. I would ask the Registrar General whether officials of his department are following in some detail the testimony now being put before the relevant congressional committees in the United States regarding irregularities in the meat packing industry?

Hon. John N. Turner (Registrar General): Yes, sir.

CANADIAN CONSTITUTION

CONSIDERATION OF BILL OF RIGHTS AT PROVINCIAL CONFERENCE

On the orders of the day:

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I have a question for the Minister of Justice. In view of the announcement by the prime minister of Ontario that the confederation of tomorrow conference will discuss the question of a bill of rights, which I understand to be an essential feature of the federal government's proposals for constitutional change, will the minister discuss with his colleagues the importance of the minister's personal attendance so as to be able to explain to the conference the federal government's proposals on a bill of rights?

[*Translation*]

Hon. P.-E. Trudeau (Minister of Justice): Mr. Speaker, the member should know that the federal government is not invited to that conference; it is an interprovincial and not a federal-provincial conference.

Nevertheless, I hope that members of his party will attend the conference to get better information on the special status. It seems that his own party shilly-shallies on that matter.

Some hon. Members: Hear, hear.

INQUIRY AS TO FEDERAL REPRESENTATION AT MONTREAL MEETING

On the orders of the day:

Mr. Auguste Choquette (Lotbinière): Mr. Speaker, over the week-end will be held the sittings of one of the most important nationalist organization in the history of French Canada, and I should like to put a question to the Acting Prime Minister.

In view of the fact that six ambassadors from various countries will take part as observers in these discussions, will Canadian diplomacy be represented in some way, possibly by its most distinguished head?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the government will not be represented. Under these conditions, there can be no question that Canadian diplomacy will be represented as such.

As for the attendance of diplomatic observers, I may add that it is the duty of foreign diplomats to be informed of what goes on in the countries to which they are accredited.

Furthermore, foreign diplomats and Canadian diplomats cannot be present on the same footing, since this is essentially an internal matter.

[*English*]

NATIONAL DEFENCE

REPORTED AGE DISCRIMINATION IN APPOINTMENT OF FEMALE TEACHERS

On the orders of the day:

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I have a question for the Minister of National Defence. In view of the fact that the Department of National Defence accepts applications from male teachers up to the age of 60, will the government grant the request of the Canadian Teachers Federation to remove the discrimination against women teachers over the age of 40 whose applications to teach in defence department schools are not accepted?

Mr. Speaker: Order. The question should be placed on the order paper.

REPORTED STATEMENT BY SCIENCE COUNCIL CHAIRMAN ON NEW WEAPONS

On the orders of the day:

Mr. Howard Johnston (Okanagan-Revelstoke): Mr. Speaker, my question is for the Acting Prime Minister. Can the hon. gentleman reassure the house that the remarks of Dr. O. M. Solandt, chairman of the Science Council of Canada, suggesting that Canada's armed forces should become the leading specialists in the application of modern science to the problems of warfare, are not government policy? Would he also reassure the house as to Dr. Solandt's comment that this course of action would "provide weapons for which there might well be a substantial market in other countries"?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I doubt that this is a proper question to put on orders of the day. Dr. Solandt is a distinguished Canadian, but he is not in the service of Canada as an official, nor is he a member of the government. I do not think we are called upon to comment on statements made by individual citizens.

I have not seen the statement. Now that my hon. friend has directed my attention to it I will be happy to read it, but I do not in any way withdraw what I said about the propriety of the question.

[*Later:*]

Mr. Johnston: I have a supplementary to my earlier question which I believe is proper.

Mr. Speaker: Order, please. I have some serious doubts about the hon. member's question. I was deliberating whether it should be allowed, and I must say the point of order raised by the Acting Prime Minister was well taken. Certainly the question could not be asked in that form.

Mr. Johnston: With all due respect, Mr. Speaker, since Dr. Solandt is chairman of the Science Council of Canada, which I believe is a body this parliament set up—

Mr. Speaker: Order, please. I have made a ruling on the point of order, and I believe the hon. member cannot ask the question which he raised originally.

WATER RESOURCES

PEMBINA RIVER—REPORT OF INTERNATIONAL JOINT COMMISSION

On the orders of the day:

Mr. George Muir (Lisgar): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Is the minister now in a position to send me a copy of the report of the International Joint Commission on the Pembina river, which has been received by the government?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I will be very glad to do so as soon as the report has been cleared by both sections of the commission.

AGRICULTURE

REQUEST FOR COMMITTEE CONSIDERATION OF P.F.R.A. AND ARDA

On the orders of the day:

Mr. David MacDonald (Prince): Mr. Speaker, my question is directed to the chairman of the agriculture committee. I asked the question yesterday but unfortunately he was absent at that time. I should like to ask him

today whether he will convene the agriculture committee very shortly so we may discuss the report of the Economic Council of Canada on questions related to ARDA and P.F.R.A.

Mr. E. F. Whelan (Essex South): My reply as chairman of the committee can only be that we cannot meet without an order or reference from the house, and as of this time we have no reference or order from the house. However, I will be only too glad to call a meeting if this subject matter is referred to the committee.

Mr. MacDonald (Prince): Mr. Speaker, I have a supplementary question—

Mr. Speaker: Order, please. I caution the hon. member that he cannot ask questions of chairmen of committees except, generally, speaking, as to whether a committee will sit. I suggest to the hon. member that detailed questions cannot be asked of chairmen of committees regarding the operations of the committees.

Mr. MacDonald (Prince): Mr. Speaker, I have a supplementary question for the house leader on this matter. Could the house leader indicate to the house whether he intends to place the necessary information on the order paper in order that this committee may be convened?

Hon. Allan J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, I will be glad to discuss the matter with the Minister of Agriculture and the chairman of the committee.

FISHERIES

REQUEST FOR STATEMENT ON MEETING WITH ATLANTIC PROVINCES MINISTERS

On the orders of the day:

Mr. H. Russell MacEwan (Pictou): Mr. Speaker, I have a question for the Minister of Fisheries. Has the minister any report to make to the house on his recent meeting with the fisheries ministers of the four Atlantic provinces?

Hon. H.-J. Robichaud (Minister of Fisheries): I have nothing to add to the joint release that was issued at the close of that meeting. It was a very profitable meeting, and it will probably be followed by another meeting early in the new year.

[Mr. MacDonald (Prince).]

INDUSTRY

CLOSING OF TORONTO PLANT BECAUSE OF AUTOMOBILE AGREEMENT

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): I should like to direct a question to the Minister of Labour following a question I asked some two weeks ago or more with respect to the closing of the Perfect Circle Manufacturing Company and the laying off of its staff as a result of the United States-Canada auto agreement. I want to ask if any arrangements have been made for the payment of transitional assistance benefits to these employees.

Hon. J. R. Nicholson (Minister of Labour): Mr. Speaker, my memory is reasonably good but I have no recollection of any such question having been put to me. I will have to take it as notice.

FINANCE

MEDICARE—INQUIRY AS TO ESTIMATED COST

On the orders of the day:

Mr. R. Gordon L. Fairweather (Royal): I have a question for the Minister of National Health and Welfare which follows a couple of questions yesterday on the cost of medicare. I now ask the minister what is the estimated cost of medicare or, in the phraseology I use, what will be the additional expenditure over and above the cost of existing plans?

Hon. Allan J. MacEachen (Minister of National Health and Welfare): I would be very happy to answer that question in detail, and I invite my hon. friend to put it on the order paper so I can do so.

Mr. Fairweather: Thank you.

UNEMPLOYMENT INSURANCE

REQUEST FOR PRESS RELEASE ANNOUNCING NON-INCLUSION OF TEACHERS

On the orders of the day:

Hon. Michael Starr (Ontario): I should like to direct my question to the Minister of Labour. In view of the fact he advised the house that school teachers will not be included in the proposed Unemployment Insurance Act amendments, and since this fact has not been widely publicized, will he issue a press release to that effect so all teachers will know of the intentions of the government?

Hon. J. R. Nicholson (Minister of Labour): Mr. Speaker, I am quite sure they all know it by this time. I have been in communication with the teachers federations as well as other organizations. Furthermore, I do not know where the rumour originated in the first place.

LABOUR RELATIONS

BRITISH COLUMBIA—REQUEST FOR REPORT ON COASTAL STRIKE

On the orders of the day:

Hon. E. D. Fulton (Kamloops): I have a question for the Minister of Labour. Before putting my question may I be permitted to say on behalf of all members, I am sure, but in particular those from British Columbia, that we read with personal regret the announcement of his intention not to run for parliament again. We extend to him personal good wishes for the future which, as I said to him in a note a moment ago, might start tonight.

Is the minister in a position to report on progress with respect to the strike on the coast of British Columbia to which reference was made in the house recently?

Hon. J. R. Nicholson (Minister of Labour): Mr. Speaker, the minister's attention has been directed to other matters of late, particularly the slowdown in the port of Montreal, which has taken most of his time except for a few hours last evening.

EXTERNAL AID

REQUEST FOR FEDERAL CONTRIBUTION TO PENSIONS OF TEACHERS

On the orders of the day:

Mrs. Grace MacInnis (Vancouver-Kingsway): My question is directed to the Secretary of State for External Affairs. Will the government give consideration to the request of the Canadian Teachers Federation that the federal government make a contribution to the pensions of teachers working in the government's external aid program?

Hon. Paul Martin (Secretary of State for External Affairs): I have already dealt with that.

Mr. Speaker: Order. This question should be placed on the order paper.

Inquiries of the Ministry

POSSIBLE USE OF SURPLUS FUNDS FROM CENTENNIAL COMMISSION

On the orders of the day:

Mr. David MacDonald (Prince): My question is directed to the Acting Prime Minister. In view of the announcement yesterday of a $1 million surplus by the centennial commission, is the government giving consideration to using this money for the continuance of its worth-while efforts in the centennial international development programs or other forms of external aid?

Mr. Speaker: Order. This question should be placed on the order paper.

CAPITAL PUNISHMENT

INQUIRY AS TO REPORTED POLL CONDUCTED AT EXPO

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): My question is for the Solicitor General and would normally be placed on the order paper, but it is related to the capital punishment debate which may be resumed very soon. The question is, was a public opinion poll conducted at the Canadian pavilion at Expo on the question of whether we should abolish capital punishment? What department of government was responsible for the survey, and what were the results?

Hon. L. T. Pennell (Solicitor General): I visited Expo, Mr. Speaker, and I personally did not observe that any such poll was conducted. I have no knowledge whether there was such a poll, other than by remarks made during the course of the debate.

Mr. Churchill: Will the minister check to see whether such a poll was held and if the results were 19,000 votes in favour of abolition and 5.5 million against?

NOVA SCOTIA

REQUEST FOR PROGRESS REPORT ON DISCUSSIONS RESPECTING STEEL PLANT

On the orders of the day:

Mr. Robert Muir (Cape Breton North and Victoria): My question is for the Acting Prime Minister. In view of certain items appearing in the press today regarding negotiations being conducted between Dosco and the government of Nova Scotia, I wonder if the Acting Prime Minister is in a position to provide any information, so far as the federal government is concerned, with regard

to these negotiations. If he is not, possibly the Minister of National Health and Welfare would be in a position to provide information.

Hon. Allan J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, the flow of information between the government of Nova Scotia and the government of Canada has been very frequent and full. However, there has been no recent opportunity to discuss the negotiations with the members of the government of Nova Scotia.

[*Later:*]

Mr. J. M. Forrestall (Halifax): Mr. Speaker, I think my question is a supplementary, and I would direct it to the minister from Nova Scotia. In the negotiations with Hawker Siddeley and Dosco, particularly with Dosco, has any mention been made of the two shipyard facilities at the port of Halifax?

Mr. MacEachen: Mr. Speaker, I am not in a position to give any information on that particular aspect of the negotiations.

HEALTH AND WELFARE

MEDICARE—REQUEST FOR REASSURANCE AS TO STARTING DATE

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): May I direct a question to the Minister of Finance. In view of the fact that in his address last night the minister gave no indication of the government's intentions with regard to medicare, and in view of the understanding that this matter was to be discussed in cabinet this morning, I want to ask the minister if he is now able to assure the house that the government intends to proceed with medicare as of July 1, 1968 with those provinces which are desirous of proceeding.

Mr. Speaker: Order, please. I suggest to the hon. member that the question he is asking now is part of the subamendment he has placed on the record, and therefore the question should not be asked now.

Mr. Douglas: I rise on a point of order, Mr. Speaker. The minister has already spoken in the debate and has given no indication of the government's intentions. I am therefore asking the government if they are prepared to make a statement before the vote is taken. I believe, Mr. Speaker, that is a proper question.

Mr. Speaker: Order. The hon. member for Kootenay West.

[Mr. Muir (Cape Breton North and Victoria).]

EXTERNAL AFFAIRS

MIDDLE EAST—REPORTED STATEMENT AT MEETING OF NATO PARLIAMENTARIANS

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I should like to direct my question to the Secretary of State for External Affairs. Was Jean-Eudes Dubé, Canadian president of the NATO parliamentarians conference, expressing government policy when he proposed yesterday in Brussells that members of the Atlantic alliance might encourage Israel to be generous to her Arab neighbours, in view of the fact that there are fears Israel will sacrifice future gains to the advantage of the moment?

Hon. Paul Martin (Secretary of State for External Affairs): The Canadian government's position is well known. We believe the matter of the withdrawal of Israeli troops must be considered in conjunction with the other basic issues involved.

CYPRUS—REQUEST FOR STATEMENT ON PRESENT POSITION

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): I should like to ask the Acting Prime Minister in his capacity as Secretary of State for External Affairs, in his present philosophic mood, what is the situation with regard to Cyprus and a possible conflict between Greece and Turkey. What are the safety factors in so far as our Canadian troops are concerned on that island?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the situation in Cyprus has been a matter of some concern for the last few days. The Canadian government, in consultation with other governments, has been considering ways and means of discouraging any developments that would add to the situation. We have already put forward certain views and submissions which are now being considered by the parties involved. Beyond that, until I have had some reaction from the countries concerned as well as from the Secretary General, I prefer not to say anything more.

Mr. Churchill: May I put a supplementary question to the Minister of National Defence. Have any steps been taken to ensure the safety of Canadian troops in Cyprus if war does break out?

[*Translation*]

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, we are considering at the moment the various plans which could be followed in the case of an eventual conflict.

[*English*]

Mr. D. V. Pugh (Okanagan Boundary): Mr. Speaker, I have a supplementary question for the Minister of National Defence. Would the minister comment on whether these plans are being discussed with the United Nations authority that placed the troops there?

[*Translation*]

Mr. Cadieux (Terrebonne): Mr. Speaker, those things are under consideration at the present time.

SUPPLY

The house resumed, from Monday, November 20, consideration of the motion of Mr. Benson for committee of supply, and the amendment thereto of Mr. Stanfield (p. 4468) and the amendment to the amendment of Mr. Douglas (p. 4473).

[*English*]

ALLEGED ECONOMIC MISMANAGEMENT BY GOVERNMENT

Mr. John R. Matheson (Parliamentary Secretary to Prime Minister): Mr. Speaker, the Leader of the Opposition in his maiden speech charges economic mismanagement. Indeed, he was sorely tempted, he said, to substitute the words "rotten management". Does his charge have substance? I believe it does not.

Let me present, Mr. Speaker, some representative views of our economic progress. I should like to refer to the newsletter of the Canadian Chamber of Commerce dated January, 1967, which makes reference to the fact that in 1966 Canada's national output in real terms rose by 6 per cent to 7 per cent over 1965. It was confirmed that total employment increased more in 1966 than in any previous post-war year.

According to "Canadian Farm Economics" for February, 1967 the economy is now effectively fully employed and cannot readily draw on slack resources for expansion. On the basis of this the conclusion is reached that a more moderate rate of real growth in 1967 than in the previous year is indicated.

If I may refer to the *Globe and Mail* for July 4, 1967 there is a lead article dealing with the economic forecasters of the government of Ontario. The headline is "Ontario expects 7 per cent more growth this year; optimistic about 1968."

Suggested Economic Mismanagement

In the *Financial Post* for July 29, 1967, in an editorial headlined "The Nation's Business", it is stated there are fresh reasons now for confidence.

I should also like to quote the mid-year review of private and public investment in Canada prepared by the Dominion Bureau of Statistics under date of August, 1967. There we read:

> The strengthening in investment plans has occurred in both the business and the housing and social capital sectors.

I should also like to refer to the cautious statement by the Minister of Finance in his remarks on the budget on October 4, 1967, which are to be found at page 2808 of *Hansard*. The Minister of Finance said:

> —I would still expect the gross national product this year to increase by 7 per cent or a bit more—

The Toronto *Telegram* for October 11, 1967 reports the prediction of Mr. Donald B. Marsh of the Royal Bank of Canada. Under the heading "Our economy will expand at faster rate in 1968", Mr. Marsh predicts a 1968 gross national product—total value of goods and services sold—of 8½ per cent to 9 per cent higher in value and 5 per cent higher in volume than in 1967.

Looking at the Vancouver *Sun* for October 13, 1967, I discover the encouraging prediction of Dr. Harry L. Purdy that the odds are ten to one against recession. The Winnipeg *Free Press* for October 31 reports part of the speech of the newly appointed chairman of the Economic Council of Canada, Dr. Arthur J. R. Smith, in regard to the possibilities of economic growth in the years ahead. According to this gentleman we can look forward for many years to rapidly expanding economic potentials, "to future potentials of truly extraordinary dimensions".

These are, I submit, representative views of informed Canadians about the conditions we are now facing, Mr. Speaker. Professor Harry G. Johnson, speaking to the Canadian Club of Toronto on November 5, 1962. discussed the long run problem of slow economic growth. His topic was "Canada in a changing world". Remember, Mr. Speaker, the year was 1962. Professor Johnson said:

> The two real problems have been and remain foreign competition—specifically European and Japanese competition—and domestic stagnation. These two problems are obviously interrelated. I interpret them basically as manifestations of a fundamental trend in the world economy, a trend sure to continue—the spread of industrialization.

Suggested Economic Mismanagement

In that address he described the post-war industrial revolution which has occurred in Europe, the oil, electricity, chemicals and plastics revolution, and the industrialization of underdeveloped nations, most apparent in the rapid emergence of Japan as an advanced industrial country. The question as I see it now is, do we really wish to enter the big league of progress or simply fade into the obscurity of a new phase of North American opulence, laziness, and then decadence? I am all for getting out into the world whatever may be the risks.

Even more, I believe right now that if we have the will we can be unique builders in Asia and in Europe. We as no other country could start the movement to cause anxious mankind to work together for good. I rejoice that the Prime Minister is in London today. I hope while we still have him at the helm he will visit several world capitals for serious policy discussions. No man that Canada has produced more truly epitomizes faith and hope and charity. This great human personality whom each of us knows as a parliamentary colleague and friend should not be wasted.

No, Mr. Speaker, this is not a time of despair but rather a time of challenge and opportunity. The great work of this centennial parliament is not ended; it is coming at last to its full fruition. We rejoice that the new Leader of the Opposition has joined us to share in its glory.

Mr. Churchill: I wonder whether the hon. member would permit a question?

Mr. Matheson: Of course.

Mr. Churchill: The hon. member mentioned the Prime Minister and said "so long as we have him at the helm...". Would he give an indication to the house how long this is going to be, because he seems to have some doubt about the Prime Minister continuing.

Mr. Matheson: Mr. Speaker, I have never heard of any prime minister continuing indefinitely, but I think we are particularly favoured in Canada in having this great world citizen heading Canadian affairs at this momentous time. I hope his great talents will be used to the full. I can think of no respect in which he could serve Canada more now than by making visits to important centres of the world to hold high level discussions with influential world personalities.

Mr. Churchill: That was not my question.

[Mr. Matheson.]

• (3:20 p.m.)

[*Translation*]

Hon. Théogène Ricard (Saint-Hyacinthe-Bagot): Mr. Speaker, yesterday afternoon, the Leader of the Opposition (Mr. Stanfield) moved here in this House of Commons a non-confidence motion reading as follows:

> This house regrets that the mismanagement of this government has endangered the rate of economic growth, the prospects of satisfactory levels of employment, and the ability of individual Canadians to meet their own commitments.

Mr. Speaker, I had the privilege of seconding that motion. In fact, I was convinced that the Canadian people have lost confidence in this government and that it was the duty of any member to take all the means available to overthrow the government. I agree with the Leader of the Opposition that it is our patriotic duty to overthrow this government as soon as possible.

I am convinced also, on the basis of conversations with my constituents, that the citizens of Canada, in general, agree with us and share our desire to see another government replace this incompetent, weak and wretched government.

A few minutes ago I heard the hon. member for Leeds (Mr. Matheson) say that several people were congratulating the government and that others had faith in the future of Canada.

We also have faith in the future of Canada. We are convinced that a great future is in store for Canada, but we do not share with the hon. member for Leeds the opinion that the present government is able to manage the affairs our country, as it thinks it can.

In his speech yesterday, the Leader of the opposition gave several reasons why the Canadian people have lost confidence in the present government. I shall not repeat all the reasons for which they have lost their confidence in the government, but I should still like to mention a few which serve as a basis for speaking as I do.

First of all, the Canadian people are not gullible, they can make allowances. Canadians have drawn a parallel between the actions and the words of the present government, and they have realized, without too much trouble, that there is quite a margin between the words and the acts of the Pearson government.

The people also know that promises have been made during election campaigns only as a lure for Canadians and in order to get votes.

That is why today, having seen the actions of the government which had promised a sort of paradise on earth, the Canadian people have come to the conclusion that the government no longer deserves their confidence.

Mr. Speaker, may I recall, for example, some of the promises which were forgotten as soon as they were made.

At the top of the list, to mention only a few, there is the post of Minister of Agriculture for eastern Canada which, I repeat, was promised during the 1963 and 1965 election campaigns and which has never been created.

The 10,000 scholariships promised to students have also never been granted.

The 7 per cent bonus for bilingual civil servants has not been paid as promised. Our secretaries, who are bilingual, are still waiting for the 7 per cent bonus which the Liberal government had promised to give bilingual civil servants. This is another promise which has not been fulfilled. If my information is correct, the reason why the secretaries of members of parliament have not received this 7 per cent bonus is that a senior member of the cabinet objects strenuously to these secretaries, whose services the members find so useful, being given what was promised them.

Medicare which had been promised for July 1, 1967, was put off a first time, and I would not be at all surprised—even if we were categorically promised today that the plan will come into force on July 1, 1968—if it were shelved once again.

Some time ago, the Minister of Finance (Mr. Sharp) had made us aware of the fact that the department wanted to reduce expenditures. Well, if we look at the facts as they are, we can only note that not only are government expenditures continuing at the same rate but that, in some cases, they are increasing.

Everyone also knows, Mr. Speaker, that even within the cabinet there are conflicts and disagreements now that filter through to the public.

Those are the reasons which have led the Canadian people to lose confidence in this government.

Another promise was made by our friends opposite, namely full employment. However they never fulfilled that promise, because in the Montreal and Quebec areas, we are now experiencing a rather alarming rate of unemployment.

Suggested Economic Mismanagement

I remember, Mr. Speaker, in what circumstances our friends opposite came into power in 1963. They went across the country instilling doubt and fear in the minds of people, launching a denigration campaign on the solvency of Canada and stating that the devaluation of the dollar would lead Canada to bankruptcy.

We have evidence of their sincerity, since after four years in office, they took great care not to reinstate the dollar to its former value.

As I said a moment ago, the thing that mattered in 1963 and in 1965 was to gain votes, and all means were good for that.

It is fitting also to recall that our friends opposite had left us, in 1958, a very poor legacy. We inherited unemployment, while in 1963, our country was in a prosperous economic situation. Through daring measures, through the continuous and strenuous work of the then ministers we had given new impetus to our economy.

All our friends opposite had to do was to follow the road we had mapped out for them. They did just that and that is why, if we enjoy today a degree of progress, we owe it to legislation passed and implemented by the previous government.

Mr. Speaker, I said that unemployment in the province of Quebec is a disquieting problem. I am not the only one to stress that situation because barely a few weeks ago the chairman of the executive council of the city of Montreal, Mr. Lucien Saulnier, sounded a warning and thus tried to get the support and co-operation of the government to undertake or continue works which would have created jobs and alleviated unemployment.

• (3:30 p.m.)

On a few occasions I have myself asked in this house whether the government would be ready to make a financial contribution with a view to extending the subway. The amazing thing is that even though the Prime Minister is aware of the present unemployment, his answer was very brief, but to the point. It was a flat refusal.

I renewed my request a few days later and asked the Minister of Manpower and Immigration (Mr. Marchand) whether he would not take the necessary steps, meet with the chairman of the executive committee in an attempt to come to an agreement and find a way to provide jobs for the unemployed in Montreal. His answer was also quite clear: If

Mr. Saulnier has anything to discuss with me, he is always welcome.

These are very definite answers I admit, answers that are slightly tinted with arrogance and almost show unconcern by our friends opposite over a solution to the unemployment problem.

It is known that by mid-October 1967, 4.7 per cent of the labour force was unemployed in the province of Quebec compared to 4.1 per cent in September 1967, 3.7 in 1966 and 2.4 in 1965. This is indicative of the increased unemployment in the province of Quebec.

On November 13 last, more than 4,000 railroad employees were unemployed. I would not be surprised if this number had increased since, and we would be justified in suggesting that this large number of unemployed is due to the poor management of the Department of Transport which has increased freight rates too markedly.

Another fact which causes concern is that, compared to last September, there are 42,000 fewer jobs in October. This year, 33,000 employees in the construction industry, 12,000 in the Montreal area, have lost their job and 18,000 jobs have also been lost in the manufacturing industry.

Since 1966, the number of workers has gone up by 172,000 whereas the number of new jobs has increased by only 113,000. That is very disturbing to the people who are concerned with the well-being of those who must go to work every day to earn their living.

But it does not seem to concern unduly the members of the cabinet because, at different times, I asked them, as did many other members, what means the government intended to take to create new jobs with a view to helping the unemployed in the province of Quebec in particular, and throughout Canada as a whole. We were always told that this would come in due course, without being given any other details.

In fact, Mr. Speaker, I think that the government does not have any plan ready and one fine day, we shall wake up as we did in 1956, in the midst of a depression and unprecedented unemployment, although our hon. friends opposite will have been warned, as they were in 1956, by the economists.

Mr. Speaker, I would still have many things to mention and discuss, but since others have also things to say and suggestions to make, I shall be brief. However, I should like to recall that during the sixties, there were,

on this side of the house, some Liberal members who claimed that they had the solutions and the answers to all questions.

I still recall, Mr. Speaker, the speeches made then by the hon. member for Essex East (Mr. Martin) and Messrs. Chevrier and Pickersgill, former members for Laurier and Bonavista-Twillingate.

Not one day would go by, Mr. Speaker, without those three hon. members making a concerted attack on the government, scrutinizing every lay-off they could find across the country, with the result that they spread panic in the people's minds.

I recall hearing at that time, in this house, Mr. Chevrier, the former minister, give a list of 25 different projects that, if implemented, he thought would remove unemployment overnight and benefit the Canadian people as a whole.

In closing, I would like to ask my friends opposite to rummage in their old bag of tricks, their old files from the time they were in opposition, and to resurrect those wonderful projects. If they were sincere at the time, Mr. Speaker, they should put their sincerity to the test today for the benefit of the labour force in this country.

[*English*]

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I am sure all hon. members are pleased to have heard the first speech made by the hon. Leader of the Opposition (Mr. Stanfield) in the house. Canadians generally and members of parliament in particular are keenly interested in the viewpoints of the hon. gentleman since, as hon. members well know, there has been a lot of talk throughout the country and in the press that there is a new look within the Conservative party.

Yesterday afternoon I listened intently when the hon. gentleman was making his speech and I also read his speech very carefully this morning to see if it was possible to find out what new direction, what new philosophy and new purposes the official opposition now had as a result of the change in the leadership of their party. It was a rather fruitless exercise, Mr. Speaker, because there was not very much that was very interesting in the speech he made yesterday. I thought that when I read it perhaps it would be better than it seemed when I listened to it but, alas, the same result was apparent after reading the speech very carefully.

• (3:40 p.m.)

I was interested in the remarks of the hon. gentleman when he referred to rule changes which ought to be made in the house, although they did not involve setting up new regulations as much as finding ways and means so that the House of Commons could expedite the business of the country at the national level. He seemed to be of the opinion that there should be a greater attempt to expedite the business by consensus rather than by rules and regulations so that we would have the kind of flexibility we ought to have in order to meet the contingencies which arise in the country and come before this house from time to time. I find myself in agreement with this contention. He also suggested that we should dust off the rules of relevancy and repetition. I suggest that here too is an area where we could possibly make some improvements so far as debates in this house are concerned. The hon. gentleman went on to suggest that there should be agreement between the parties as to timetables and that sort of thing.

I realize that the hon. gentleman has not been in the house for a long time and in case some of his own members have not told him I think I ought to mention that the government house leader has been trying to do this for months without any apparent co-operation or inclination to co-operate on the part of the official opposition.

An hon. Member: That is not right.

Mr. Olson: It is all very well to use nice phrases about offering to co-operate and so on, but I am far more interested in the action that follows assertions of this kind. I wonder whether the hon. gentleman has done his homework in respect of the Broadcasting Act, because this was in fact debated in this house after he took over the leadership of the party. If this is the kind of co-operation the house can expect, it is certainly no improvement.

For example, Bill No. C-163 was debated in the house all day on Wednesday, November 1 and again all day on November 3 end November 6. The hon. member for Saskatoon (Mr. Brand) attempted to move an amendment to do precisely what the government had announced a few days before it was going to do as soon as the bill passed the second reading stage, in other words, send it to the standing committee on broadcasting. Is that the kind of co-operation the hon. gentleman is offering when he talks about a consensus to get business through the house? Again, that same broadcasting bill was debated all day on Tuesday, November 7. At this time another member of his party, the hon. member for Lambton-Kent (Mr. McCutcheon), moved an amendment. What was the wording of that amendment? Precisely what the Secretary of State (Miss LaMarsh) had announced she was going to do, that is, send the bill to the standing committee on broadcasting as soon as hon. members would stop talking on it so that it could be sent there. Is this co-operation?

Again, the bill was debated all day on November 8. The net result was that it was in fact sent to the broadcasting committee after five full days of debate, filibustering and all the attempts to move amendments to do exactly what was under way. Mr. Speaker, we do not need that kind of co-operation. The thought occurred to me when the hon. gentleman was offering co-operation whether it was just his personal co-operation or whether he could include all the members of his party in that offer. For example, I wonder whether he is able to guarantee the co-operation of the hon. member for Winnipeg South Centre (Mr. Churchill)—

Mr. Churchill: Certainly.

Mr. Olson: —because over the years he has been notorious for holding up business of the house when we wanted to get on with it. I wonder whether the hon. gentleman can guarantee the co-operation of the hon. member for Acadia (Mr. Horner), the hon. member for Edmonton-Strathcona (Mr. Nugent), and so on.

Mr. Stanfield: Mr. Speaker, may I ask my hon. friend a question?

Mr. Olson: Certainly.

Mr. Stanfield: Does he think he is now contributing to the possibility of working things out?

Mr. Olson: I am trying to draw the attention of the Canadian people to the kind of farce the house was exposed to yesterday afternoon because so far as I am concerned actions speak louder than words. No matter how fine-sounding the words may be, if there is no follow-up to give effect to those words they are so much superfluous rhetoric.

The hon. gentleman also mentioned, as reported in *Hansard* on page 4459, that he

was not afraid of the government bringing forward its programs and its policies. He said that the Canadian people can judge them on that. With that I agree. Then he went on to say:

> I should like to say that I have no fear of allowing the government to proceed with its legislation.

Earlier he had said:

> As I said before, we are in politics to help get things started, not to get them stopped.

Mr. Speaker, I say he has that all wrong, because so far as legislation is concerned it seems that, although the government introduces legislation, when the debate will stop so that we can vote on it is up to the opposition. So far as the broadcasting legislation is concerned we have seen what the new look of the Conservative party is. However, while the hon. gentleman was in fact the leader of the party at that time, he was not in the house. He could not take his seat, of course, until after the election on November 6. We do hope that now he is in the house and sitting on the front benches he will in fact give effect to these promises. I believe that those of us who have been here for quite a number of years, however, will wonder with some concern whether or not the party opposite is capable of discipline in co-operating with the government to get the business through the house.

I have given the record of performance in this regard so far as co-operation in the house is concerned. I should like now to speak about another matter or two raised by the Leader of the Opposition. He had quite a lot to say about such things as the loss of confidence in the government, in parliament, and so on, by the people of Canada. He had things to say, for example, about export markets. As reported on page 4462 of *Hansard* he said:

> Certainly the degree of inflation which has taken place in this country in recent years has seriously undermined our ability to compete and our ability to move ahead at a satisfactory rate.

Then some hon. members said "Hear, hear." They were hon. members from the other side who have not done their homework because that statement is not in accordance with the facts.

Mr. Muir (Cape Breton North and Victoria): Your thoughts do not mean very much in view of the mess the country is in.

Mr. Olson: If I might give some statistics, Canada's share of exports has been steadily expanding. Our export growth has been a major expansionist force in advancing the Canadian economy. Canada's exports increased by 18 per cent from 1965 to 1966 and by a further 11 per cent from January to September, 1967, a period of nine months. For the whole calendar year exports are expected to reach $\$11\frac{1}{4}$ billion, up from $\$10\frac{1}{3}$ billion in 1966 and $\$8\frac{3}{4}$ billion in 1965. Thus, in the space of two years Canada's exports have grown by 28 per cent compared with the growth in world exports of 17 per cent. In fact, during this same period Canada's exports have risen faster than those of any other major trading nation. The hon. gentleman and his colleagues do not bother to look up the facts before making these statements. Canada's share of world exports has been expanding and presently comprise 5 per cent of total world trade compared with 4.6 per cent in 1965 and 4.4 per cent in 1963.

• (3:50 p.m.)

A particularly notable feature of Canada's recent performance is the strong growth in sales to the United States. Yesterday the hon. gentleman complained about Canada's position relative to the United States, yet our exports into that market have been going up substantially faster than the movement the other way. In the past two year period Canada's sales to that market have grown by two fifths whereas United States total imports have grown by one quarter. Thus Canada's share of the United States import market has been expanding steadily.

There was a substantial increase in exports of automotive products and this contributed in an important way to the improved position in the United States market, but new gains have also been made in other categories. It is noteworthy that the sharpest gains in Canada's exports continue to be made in the highly competitive field of fully manufactured goods. That is one thing the hon. gentleman complained about.

An hon. Member: What about wheat?

Mr. Olson: I will get around to that subject in a moment or two. If the hon. gentleman would like to look at an answer to a question I placed on the order paper some two or three weeks ago in respect of wheat he will find that since 1963 there has been a progressive improvement in the export sales of wheat and flour by Canada, unprecedented in the history of our participation in trade.

An hon. Member: What about this year?

Mr. Olson: I will get around to that in a moment. I suggest to hon. gentlemen opposite that they should do this house and the people of Canada the courtesy of doing their homework by looking at the statistics before they come here and make misleading statements designed to create gloom and doom, which in my view is a disservice to Canada generally.

Mr. Hales: Mr. Speaker, would the hon. gentleman permit a question?

Mr. Olson: Well, all these interruptions really have no value because they are based on nothing.

Mr. Hales: I am sorry to interrupt the hon. member but I wanted to ask him a question about exports before he moves to another subject. Will the hon. member not agree that the great increase in Canada's exports is due to the devaluation of the dollar brought about in 1962?

Mr. Olson: There may have been some relevance in that regard, and I do not doubt that, but I was not talking about 1962, 1963, and 1964. I was talking about the tremendously significant expansion in exports in 1965, 1966 and 1967 when the initial impact of that devaluation must surely have passed. I was talking also about exactly the same period to which the Leader of the Opposition directed his complaints, and that is what is relevant to this debate.

Before turning to another subject let me place a few statistics on the record so hon. gentlemen will not have so much trouble digging them up for themselves. I have before me a table indicating the percentage of exports of major trading nations. These percentage increases give a clear picture of the situation in 1966 compared with 1965. Canada's share was up 18 per cent compared with the world, 10 per cent, the United States, 11 per cent, the United Kingdom, 7 per cent. We were even ahead of Japan whose share increased 16 per cent. West Germany's increase was 13 per cent. Canada was in the lead.

From 1966 to 1967 we find that Canada's increase was 11 per cent, the world was up 6 per cent, the United States was up 7 per cent, the United Kingdom was up 8 per cent, Japan was up 9 per cent, and West Germany was up 11 per cent. In other words, even on the comparison between those two years Canada was in the lead. What does the Leader of the Opposition mean when he says that we are seriously undermining our ability to compete and move ahead at a satisfactory rate? Does he suggest that being the world leader is not satisfactory? Is that what he means, or did he make this kind of statement without knowing what he was talking about, which is more likely?

Let me turn to another matter. The hon. gentleman had something to say about the gross national product and productivity. I suggest that he have a look at some of the very excellent sources of information in this regard such as those published by the Dominion Bureau of Statistics. That bureau has published the Canadian Statistical Review, catalogue number 11-003. It has also published National Accounts, Income and Expenditure, catalogue number 13-201; Annual Supplement to the Monthly Index of Industrial Production, catalogue number 61-005; Indexes of Output Per Person Employed and Per Man-hour in Canada, Commercial Industries, catalogue number 14-201, and others.

Mr. Bigg: Would the hon. member permit a question?

Mr. Olson: No. I will not permit any questions at this stage because I want to place statistics on the record in respect of what happened when the party the hon. gentleman leads was in office. I refer to statistics in respect of the gross national product, the per capita gross national product, productivity indexes, etc.

First of all, let us have a look at the gross national product in the years 1958 to 1966 to see what the the record of performance was. Using constant 1957 dollars, according to the Dominion Bureau of Statistics the percentage changed from the previous year. In 1958 it was up 1.2 per cent, the first year the Progressive Conservatives were in office. In 1959 it was up 3.5. per cent; in 1960 it was up 2.4. per cent; in 1961 it was up 2.6 per cent, and in 1962 it was up 6.7 per cent. We then came to the end of that era.

Let us see what the record shows for the period 1963 to 1966 using again constant 1957 dollars. In 1963 it was up 5.1 per cent; in 1964 it was up 6.4 per cent; in 1965 it was up 6.9 per cent, and in 1966 it was up 5.9 per cent. In other words, for the whole period since 1963 there has been a greater increase, using constant dollars year by year, than in any of the six years when the hon. gentleman's party was in office, with the exception of one year.

Let us look at the per capita gross national product at market prices.

Suggested Economic Mismanagement

An hon. Member: What about the increase in taxes?

Mr. Olson: Mr. Speaker, I realize it is difficult for hon. members opposite to accept these facts because they have never been very good at standing on their record. In any event, let us look at the per capita gross national product figures, again using constant 1957 dollars. Let us see what happened in so far as the change from previous years was concerned. In 1958 it was down 1.6 per cent and in 1959 it was up 1.1. per cent. It did not quite make it back to where we were in 1957, but it came back 1.1 per cent. In 1960 the change was .2 per cent, two-tenths of 1 per cent. In 1961 it was up .5 per cent, one-half of 1 per cent. In 1962 it was up 4.8 per cent. When we look at the period from 1963 to 1966 what do we find? The figure was up by 3.3 per cent in 1963. In 1964 it went up by 4.6 per cent. In 1965 it went up by 5.1 per cent, and it was up by 3.6 per cent in 1966.

• (4:00 p.m.)

Some hon. Members: Oh, oh.

Mr. Olson: I know hon. members opposite do not like to hear these figures. Here again, with the exception of one year the whole record of performance indicates that there was more than double the rise in the per capita gross national product since 1963 compared with the six years before. There were some complaints made about productivity and the manner in which Canadians generally have performed during the last three or four years. Therefore I should like to read to hon. gentlemen opposite some statistics from the productivity indices that relate to output per person employed.

This index uses 1949 as a basis of 100 and is for persons employed in agriculture. We find that in 1958 the index figure was 191, based on 100 for 1949. These figures are for output per person employed in agriculture. The figure was 196 in 1959, 206 in 1960 and it fell to 187 in 1961. I understand that, because that year there was a drought in western Canada. In 1962 the figure went up to 224. What happened after 1962 in so far as output per person employed in agriculture was concerned? In 1963 the figure went up to 250. It was 244 in 1964, up to 276 in 1965, and in 1966 it was up to 338. This represents a fantastic increase in the output of Canadians.

I do not appreciate hon. gentlemen opposite saying that Canadian workers are not able to compete in international markets and using this as a basis to find want of confidence in the government. The statistics show that statements of that kind are absolutely not true.

Some hon. Members: Hear, hear.

Mr. Olson: Let us look at the figures for output per man-hour during those years. I shall read the figures for total commercial industries. Again 1949 is used as a basis of 100. In 1958 the figure was 152, in 1959 it went up to 158; it went up to 162 in 1960 and to 167 in 1961. In 1962 the figure was 174. Those were the years of a Conservative government. What happened after that? In 1963 the figure really started to move up. In total commercial industries the output per man-hour rose to 183 in 1963, to 188 in 1964, to 198 in 1965, and to 207 in 1966.

The kind of irresponsible statements made by hon. members opposite simply cannot go unchallenged in this house. These figures are available to hon. gentlemen opposite, and when they make statements such as these they do nothing but damage to the confidence of the Canadian people in themselves and their ability to produce and compete in the international markets.

You can study all these figures with respect to productivity, output per man-hour, total and percentage increases in export trade and so on, and you will find all the figures are up. Then if you look at unemployment you find it is down. Unemployment is the only thing that has gone down since 1963. Let us look at the unemployment figures. It is important that we look at them because the Leader of the Opposition had almost the audacity, I might say, to say that there must be a more civilized way of dealing with inflation than having large scale unemployment. What a thing to say after the record of his party when in office.

Let us look at the record in this respect. In 1958 the annual average unemployment in Canada was 432,000. In 1959 it was 372,000. In 1960 it went up to 446,000. In 1961 it went up to 466,000. In 1962 it came down a little to 390,000. Those are the figures from 1958 to 1962. What has happened from 1963 to the present time? In 1963 the figure was 374,000. In 1964 it went down to 324,000. In 1965 it went down to 280,000. In 1966 it went down to 267,000.

An hon. Member: Our policies were taking effect.

Mr. Olson: If the hon. gentleman has any genuine concern about this problem he will have to repudiate all the actions of his party when in office, because the record shows absolutely clearly that there were higher levels of unemployment in Canada during the six years his party was in office than at any time either before or since, barring the 1930's.

Mr. Hales: Who put it on our doorstep?

Mr. Olson: It is very strange that the hon. member should ask that question because the highest level of unemployment was in 1961 after his party had been in office four years. I ask him: Who put that on their doorstep? These figures do not tell the whole story. You have to look at the percentages because there were more people in the labour force. If hon. gentlemen opposite will bear with me I will read the statistics of the percentage of unemployment. The annual average for 1957 was 4.6 per cent. That was the year the Conservatives were elected. The very next year the figure rose to 7 per cent. Then it went down a little to 6 per cent in 1959. It went back up to 7 per cent in 1960. It was 7.1 per cent in 1961 and came down a little to 5.9 per cent in 1962. That is the record of their performance during those years, and yet they complain about unemployment.

Mr. Ricard: It is 6 per cent in the Montreal region right now.

Mr. Olson: That is about the average or a little less than the average for that whole period. My hon. friend tells me that during the Conservative term of office the unemployment figure for Montreal was 14 per cent. At any rate, it is 6 per cent now which is less than the average for the whole period of six years when my hon. friends opposite were in office.

Let us look at what has happened since 1963 when there was a change of government. The percentage of unemployment in 1963 went down to 5.5. In 1964 it went down to 4.7 per cent. In 1965 it went down to 3.9 per cent. In 1966 it went down to 3.6 per cent. These are the facts. These are not figures taken from nowhere. Hon. gentlemen can look at the figures of the Dominion Bureau of Statistics and find all these facts. I suggest they should do exactly this before they try to spread gloom and doom about the state of affairs of the Canadian economy.

Mr. Danforth: Mr. Speaker, would the hon. gentleman permit a single question?

Mr. Olson: Well, perhaps.

Mr. Danforth: The hon. member spoke of the reduction in unemployment. Has he the figures available of how many hundred thousand dollars per job it cost the taxpayers of this country to give those people work?

Mr. Byrne: Would you rather have them unemployed?

Mr. Olson: I do not quite understand the relevance of that question in view of what was said by the Leader of the Opposition, namely, that there must be some more civilized way of relieving the situation.

Some hon. Members: Hear, hear.

• (4:10 p.m.)

Mr. Olson: He said that without taking the trouble to look up the government's record of performance during these past few years. All I am trying to do is to draw his attention, in the most kindly terms I can, to the fact that there are records available to him on which to base his remarks, and I think it would be well for him to look up some of them from time to time.

The Leader of the Opposition also spoke about priorities. The word "priorities" has been permeating his discourses over television and radio, and many members of his party have used it in the past several weeks. As a matter of fact it has been the theme of his new lieutenant from western Canada, the premier of Manitoba. However, as intently as I listened yesterday afternoon and as carefully as I scrutinized his speech this morning, I could not find in it one statement regarding what should be put on the list of priorities.

Mr. Ricard: It is up to the government to do so.

Mr. Olson: The question is: Does he know or is he afraid to say so? On page 4466 of *Hansard* he is recorded as having said the following:

> Certainly, sometimes governments must do unpalatable and unpopular things, unpalatable and unpopular in the short run at least, so that the long term welfare of our people may be advanced and assured.

Does the Leader of the Opposition include himself among those who must do some unpopular and unpalatable things in the short run for the sake of the welfare of the Canadian people in the long run? I believe that this is the position that a responsible Leader of the Opposition should take. Let anyone try to find any of these priorities.

Suggested Economic Mismanagement

The opposition is absolutely lacking in any suggestion as to what the priorities should be.

I think I have satisfactorily proved that there is very little substance in the amendment moved by the hon. gentleman. He said that the house regrets that the mismanagement of the government has endangered the rate of economic growth. We are at the top of the list so far as the world is concerned, and yet he says the government has endangered the country's economic growth. He said the government has endangered the prospects of satisfactory levels of employment and the ability of Canadians to meet their own commitments. We have had a record performance in productivity and in world trade during these past three, perhaps four years, that has been unequalled by any other nation. Yet the hon. gentleman moved an amendment which is designed to undermine the confidence of the Canadian people in their own economy. So far as I am concerned, this is not acceptable.

Let me say in conclusion that the most charitable thing that can be said about the hon. gentleman's speech in which he allegedly supports the want of confidence motion is that it is a conglomeration of nauseating rhetoric without rhyme, reason or direction and that it is completely sterile of purpose and barren of substance.

Mr. Dinsdale: Whose quotation is that?

Mr. Olson: It presumes that Canadians are naïve and perhaps even stupid enough to accept that kind of assertion. I do not accept it and I do not believe that Canadians accept such an assertion. Indeed, I think they resent it. Something far better than this will have to come forth before any Canadian in any part of Canada can genuinely demonstrate any confidence in what the hon. gentlemen opposite might do if they ever, God forbid, get a chance to form a government.

Mr. Churchill: Will the hon. member permit a question? He called upon the Leader of the Opposition to repudiate his party. Will the hon. member give complete instructions on how to repudiate a party, a skill at which he is highly adept, and on how to desert a sinking ship?

Mr. Olson: The member for Medicine Hat never called upon the Leader of the Opposition to repudiate the members of his party. What he asked was whether or not the Leader of the Opposition was speaking only for himself or for all the members of his party, because certainly their record of performance in giving co-operation in the house both before and after the election of the leader of that party has left something to be desired.

Mr. Bell (Saint John-Albert): Mr. Speaker—

The Acting Speaker (Mr. Rinfret): Is the hon. member rising on a question?

Mr. Bell (Saint John-Albert): No, Mr. Speaker.

The Acting Speaker (Mr. Rinfret): The hon. member for Villeneuve has the floor.

[*Translation*]

Mr. Réal Caouette (Villeneuve): Mr. Speaker, I join with the members who spoke yesterday and today to congratulate the Leader of the Opposition (Mr. Stanfield) for his entry into the house and for his recent election. No doubt the Leader of the Opposition will learn in Ottawa things he did not know when he was premier of Nova Scotia. However, he is to be congratulated for his election at the head of the Conservative party and also as representative of his constituency.

Mr. Speaker, I have listened attentively to the previous speaker, the hon. member for Medicine Hat (Mr. Olson) and it was pretty good. All the figures the hon. member for Medicine Hat mentioned a while ago, he used to quote them exactly in the same way against the government when he was sitting here within the ranks of Social Credit. All these figures would have been used against the government if the hon. member had remained the representative his electors sent to the House of Commons. In fact, it would be sufficient simply to recall his speeches since 1963 to realize that he has apparently lost his sense of direction since his caper to the Liberal party.

Mr. Speaker, the hon. member for Medicine Hat knows very well that the party now in power, just like the preceding one three years ago, does not offer the necessary solution the solution required to solve the problems we are no facing.

• (4:20 p.m.)

When the hon. member quotes percentages, such as rates of unemployment of 2, 3, 4 or 6 per cent, the Canadian people do not understand so well, but the unemployed know only too well that they are out of work in a country where everything has yet to be done, where almost everything has to be developed

and created, where any unemployment is abnormal.

Since the hon. member criticizes the Conservative leader and his party's policy when they were in power from 1957 to 1962, I must tell him one thing: a study of the political or economic history of western Canada reveals that western farmers, who have wheat to sell every year, started to live decently after the defeat of the St. Laurent government by the Conservatives in 1957. The latter are the ones who actually passed pieces of legislation designed to help western farmers. On the other hand, that does not mean that everything is perfect. At that time, the Conservatives neglected the people in eastern or central Canada. That is why I say that a speech, like the one the member for Medicine Hat (Mr. Olson) made, is the kind of speech he would have made against the government if he had still been with the Social Credit party, because he was elected as a member of that party. The people of Medicine Hat never voted for a Liberal candidate. Indeed, in the last election, the Liberal candidate came last, way behind the other candidates in the Medicine Hat riding. Had the electors of that riding wanted a Liberal member, they would have voted for the opponent of my friend for Medicine Hat, they would have voted for the Liberal candidate. But no, they supported the Social Credit party, voting for the present member for Medicine Hat. He turned his back on his electors; the electors did not turn their back on the Social Credit party in the Medicine Hat riding.

Mr. Speaker, it does not mean that every thing that the Liberals do is bad, not at all, but there are things they should do, that they do not do and things they do which they should not do. Besides, the same thing happened when the Conservatives were in power. The amendment reads as follows:

> This house regrets that the mismanagement of this government has endangered the rate of economic growth, the prospects of satisfactory levels of employment, and the ability of individual Canadians to meet their own commitments.

And the leader of the N.D.P. moves a subamendment which reads as follows:

> —and this house urges the government to take effective steps to meet this situation by the creation of a Canada investment board to set priorities for both public and private investment, by a return to a floating exchange rate and the control of capital movements across our borders, by the immediate implementation of those recommendations of the Carter commission which call for taxing gains now escaping taxation, and by making it crystal clear that medicare will commence on July 1, 1968.

Those policies, as suggested in the subamendment, have been implemented in England, for instance, with health insurance, with the recommendations of the Carter commission. They have also exercised a control over priorities in the case of public and private investments. All that was done in England. And recently, England was unable to cope with the situation while the Prime Minister of the Labour government, which is the New Democratic government of Great Britain, was trying to borrow $250,000,000 from the International Monetary Fund, the comptrollers of this fund answered him: Take it easy, we are not prepared to grant you a loan immediately.

Within a few days, while England was confronted with a new serious financial problem, about ten persons met in Paris and decided about the future of England. It does not matter whether the Labour party, the Liberals or the Conservatives are involved, because it changes absolutely nothing. These ten persons met in Paris and compelled England to devaluate its monetary unit, after which it was granted loans of about three billion dollars. The orders did not come from the English people. No. They did not come from the English workers, the English farmers, the English manufacturers. No. These orders came from the ten financiers who met in Paris, from ten financiers who were representing, it seems, the richest countries in the world.

And what is being done here in this house? We are proposed controls or the setting-up of a Canada Investment Board, responsible for the establishment of priorities, they call for the implementation of the Carter commission recommendations, and for compulsory medicare as of July 1, 1968.

However, the leader of the N.D.P. did not say where the government could get the necessary funds. He tells the people when he comes to Quebec or elsewhere: Cut down the expenditures for national defence, and then you will be able to take control or implement medicare. That is one way; however, it does not settle the problem.

Suggested Economic Mismanagement

Britain's problem, with regard to world markets, was not only a financial problem, but also a problem of production; in fact, Britain could not export because it had no purchasers.

As a result of restraints imposed on credit and on the economy in the last few years, the British government has generated mass unemployment. Now, by generating unemployment and reducing production, it was obvious that the cost of production would become prohibitive and Britain could not be competitive on international markets. That is why the financiers forced it to devaluate the pound sterling in order to enable it to sell its products at a better price than it had until now and, at the same time, to become more competitive on the world market. That is the game of finance. Some people made money out of the devaluation of the pound sterling. Others lost money. Some time previously, we saw our Minister of Finance (Mr. Sharp) go to New York and kotow to investors, telling them: Do not be afraid, because the situation is stable in Canada.

I heard the Minister of Finance say practically the same thing when we studied the renewal of the charter of Canada's banking institutions last winter and last spring. He told us then that the banks were authorized to ask for a higher interest rate in order to make loans to smaller people, to help the needy, in short those who are really destitute in Canada.

But today, what does the government announce? Impending tax increases and credit restrictions. Projects have been abandoned because we do not have the credit or the funds required.

Mr. Speaker, the Minister of Finance of Canada, this sovereign country, went to New York hat in hand to ask the financiers' permission to act and realize some projects here in Canada. Three days earlier, it was Mr. Johnson, the premier of the province of Quebec, who went on his own pilgrimage to New York to meet the same financiers and tell them: "Do not worry about the economic or political climate of our province. It is not dangerous, because we enjoy political stability."

• (4:30 p.m.)

Mr. Speaker, our political stability is exactly the same as that of England at the present time. We are told that England wants to borrow $3 billion, in order to stabilize its economy again. Any stability founded on debts is no real stability. These debts can remedy the present situation, but England will have to repay them. This may help her out of a bad situation today, but she will find herself in a position ten times worse in a few years. That is how finance works.

Mr. Speaker, we are talking of implementing medicare on July 1, 1968. That is what the hon. member for Burnaby-Coquitlam (Mr. Douglas) wants.

We have suggested a medicare scheme which does not seem to please everybody, but which would, for example, respect the individual far more than the plan which the government wants to foist on us.

We suggest the establishment in Canada of a group insurance plan, similar to that now popular in private enterprise. In my business, this insurance plan is available; all my employees, their wife and children are covered under a plan. Each one is free to choose a convenient plan. They are also free to select another insurance company if they find it more advantageous.

Competition exists and some companies offer a better deal. We thus respect the individual and his freedom of choice. Every Canadian could likewise be covered if the government rather than implementing a compulsory medicare plan which would be paid by the entire population would pay a maximum premium to insure all Canadians through existing private companies, either the Société des artisans canadiens-français, the Blue Cross, the London Life or the Sun Life, as all those companies are competing with one another. The Canadian citizen, with a government coupon, which coupon would only apply to medicare, would choose the plan through which his wife, his children would be insured for medical care, hospitalization, drugs, etc. It would cost the government less to proceed that way than to impose medicare on everyone and to make it compulsory to belong to one plan under which everything would be decided.

Very well, Mr. Speaker, we want our people to have medicare, but not a socialist medicare, not one decided upon by the government. Let the individual be free to choose. And the only way to give him the freedom to

choose is to give him the financial means to do so.

In Canada, there is not one insurance company which would not accept such a plan, because its freedom would be respected, as well as the freedom of doctors, hospitals and patient, the most important person in this entire set up. That is what the Créditistes have been advocating. But all we hear about is the famous federal plan under which the government will make decisions in place of the people.

Now, when the government makes decisions in place of the people, see how things are run. No government organization can compete with private enterprise and with personal initiative.

All kinds of programs have been tried in Europe and they end up by saying: Competititve systems must be used, capitalist methods are needed in order to provide competition and improve our productivity, etc. It was recognized in Czechoslovakia hardly two months ago. This means they are returning to personal initiative and private enterprise. Why? Because the state organization was a mess. We know that all state organizations are the same, they are a mess.

Mr. Speaker, the subamendment is clearly contrary to the Social Credit principles and we shall vote against it. That is clear.

Let us now go on to the amendment moved by the leader of the Progressive Conservative party which reads as follows:

> This house regrets that the mismanagement of this government has endangered the rate of economic growth, the prospects of satisfactory levels of employment, and the ability of individual Canadians to meet their own commitments.

Mr. Speaker, I have read the speech of the Leader of the Opposition and if he were in the place of the present Prime Minister, I wonder what he would do in the present circumstances. That is what I would like to know.

The Leader of the Opposition has been premier of his province, which is losing almost all its industries. I do not know whether it is because he was there, but nevertheless Dosco is about to close its doors and the province of Quebec is the one that will save it.

I am pleased with the election of the Leader of the Opposition but if he comes here to sing the same old song like the others, that will not change the result very much. It is very well to tell someone: You did wrong, you did wrong; but what would we do in his place? The Leader of the Opposition can put this question to me, but if we were the government, would I tell him: Let us begin by tidying up our national finances. Let us consider carefully our own problems

Mr. Speaker, a father of twelve children does not look after the needs of his 20th neighbour's wife before providing for the needs of his wife and children. Let us start by providing for the needs of wives and children, our own people in Canada. That is what I want to tell the Leader of the Opposition, because his speech does not contain positive proposals.

He simply tells the government that the rate of economic growth, the prospects of satisfactory levels of employment and the ability of individual Canadians to meet their own commitments are all endangered. He did not have to come to Ottawa to tell us that, because we have known for a long time that everything is endangered.

What also constitutes a danger, Mr. Speaker, is that the value of the goods and services produced in Canada will total about $67 billion this year for instance, whereas the total national revenue of the Canadian people will reach about $48 billion. So, there will be $19 billion worth of goods and services which consumers will be unable to purchase, because they lack the required purchasing power. That is a simple mathematical problem, yet it is one we refuse to consider or to face. However, solving this problem would facilitate the marketing of our tremendous production to the advantage of Canadian people who need it, and it would ensure a sustained economic growth, inasmuch as consumers would be able to meet their own needs.

That is a solution and that is the only way to satisfy the consumers, because they will have bought products made by industry, by the farmer, by the worker, etc. In fact, when the products sell, industry is working. It is when industry stops producing, it is when the products no longer sell that industries shut down or decrease their production. It seems to me that it is not necessary to be in one party more than in another to understand those realities, in short that situation.

Mr. Speaker, here in parliament as well as outside among the economists and others, people think in terms of dollars and of the

monetary system. We do not think in terms of our physical possibilities, of our fantastic possibilities to produce goods and services in Canada.

What do the Créditistes propose? Not to start by taking a trip to New York, no. Just a little trip to the Bank of Canada, right at home, to say to its president: You will determine the actual difference between the total production of Canada, over a given period of years, and the national revenue for this same period. After having assessed the difference between the two, if the purchasing power exceeds production, taxes will be imposed to drain the surplus purchasing power. If production exceeds purchasing power, a national dividend should be distributed to all Canadian citizens.

• (4:40 p.m.)

That is the solution: to put purchasing power on a par with the existing production. I am not talking about productivity but about the existing production. At the moment, there is a gap of $19 billion between the national production and the national revenue for this year. This would allow for a dividend of about $900 per Canadian citizen. That is the difference.

Mr. Speaker, the Créditistes have, of course, been laughed at because of this national dividend. They have been laughed at, but has anyone suggested any other solution?

During election campaigns, we hear the Liberals stating in the province of Quebec and elsewhere—moreover, the Conservatives do the same—that Social Credit would create inflation. The Minister of Finance himself said so.

Mr. Speaker, Social Credit does not necessarily create inflation, it now exists with the Liberal party in power. Inflation started when the Conservative party was in power. We had inflation as an aftermath of the 1914-1918 war, when the Conservative party was in power. Social Credit did not create inflation. The increase in interest rates, for example, gives rise to inflation.

When one buys a small house for $15,000 at 8¼ per cent over 35 years, at the end of 35 years—I asked the other day an official of the C.M.H.C.—after 35 years, the purchaser will have paid $46,059.30 for his small $15,000 house. That does not include the municipal and school taxes nor the repairs he will have to make to his small home during 35 years. The amount is $46,059.30. This means about $32,000 in interests only, on a $15,000 home.

Mr. Speaker, if that is sound accounting, I wonder what can we call a robber, in the world, or a robber, in Canada.

In his Encyclical *Quadragesimo Anno*, Pope Pius XI said in 1931—it was not yesterday, it was 36 years ago—that:

> Those who control money and credit are masters of all our lives and no one dares breathe against their will.

We have just seen some examples of it in England, a country a thousand years old, which did everything in the world, a country which was the most powerful in the world, at the time of the British Empire, today, is on its knees before a group of ten people in Paris, asking for the permission to live in its own country. Pope Pius XI was right when he said that those who control money and credit are masters of all our lives and no one dares breathe against their will.

The hon. Minister of Finance went to New York to ask for the permission to breathe as did the premier of Quebec. Does that mean that the Canadian people build Canada with their hands, with the sweat of their brow, with their intelligence, and are still unable to cash in on all that wealth, all those assets.

The same Pope said:

> For then only will the economic and social organism be finally established and attain its end, when it secures for all and each those goods which the wealth and resources of nature and technical achievement can give.
>
> These goods should be sufficient to supply all needs and an honest livelihood for all and each.

Can we pride ourselves at the present time in Canada to supply an honest livelihood to all Canadian citizens whom we represent? Poor people can yet be found all across Canada, in a country which is called the richest in the world in natural resources. We are told about millions and hundreds of millions invested in the development of a waterfall, of another natural resource, but on the whole, when we consider the poor people all

across Canada, I think that it is time for the government to consider the wide scope of the problem.

It is no solution to the problem to go to New York, Washington, Paris, Belgium or England. Our problem must be settled right here in Canada. Our own financial means must be used to develop what can be developed. That is the solution. I am convinced this is the only way to correct our economy.

In spite of all the speeches and complaints of the opposition or anybody else, as long as no solution is found to our monetary problems, we shall experience more depressions, more tax increases and additional taxes, systems designed to crush the small people instead of helping them, as always.

We changed the Tories for the Liberals, and the Liberals for the Tories. What did that change? Even in Saskatchewan, they decided at one time to change for the C.C.F.; did that make any difference? Absolutely none. That is why my excellent friend is here in Ottawa today, you see, because nothing did change down there. Now, people would like to effect some changes in Canada, but nothing will be changed, absolutely nothing. If power were held by the people, and not by a political party, the people would regain control over the economy. People hold the power when they have actual purchasing power, not when their pockets are empty. At this time, they have absolutely no control and no power.

The Créditistes, Mr. Speaker, have a solution. Strangely, enough, that solution has been applied by the Liberals and by the Conservatives as well.

In 1939, when war was declared, the Liberals were in power. There was no money in circulation in Canada. People were poor. Goods were destroyed because there was no one to buy them, and there was no one to buy them because people had no money. As soon as the war was declared, almost $200 million were found through the Bank of Canada. It was new money, at that time, two Liberal members asked the then minister of finance, Mr. Ilsley, to create the same amount of credit through the Bank of Canada. Two Liberal members, Mr. Arthur Slaght, I think, and Mr. Gerry McGeer, told minister Ilsley: Apply the same policy in peace time to help Canadians develop their country.

The minister of finance answered: "No, I cannot do that, because the creation of $200 million through the Bank of Canada, constitutes a reserve for the chartered banks and gives them the right to multiply that reserve immediately by fourteen.

Mr. Speaker, that is the system we must change. During the war, the money paid our soldiers in the army, for training and so forth, was a sort of dividend. It could not be given to them before the war, but it could and was during the whole duration of the war. 800,000 young men were removed from the production of useful goods, in Canada, and were clothed, fed, boarded and paid on top of that. There was no money problem; it had been solved.

Mr. Speaker, with respect to all the bombs we dropped on the Germans at that time, do you think we sent the bill to Hitler and said: "You will either pay for these bombs C.O.D. or we will not drop them." We dropped them all on his head free of charge. Canada was never paid for that.

And at that time, we were enjoying a better standard of living in Canada than we had had during the depression, from 1929 to 1939. We were living better in spite of that devastating war. We were living better during those years than during the period from 1929 to 1939.

I have lived through 1929-1939. I saw what happened at that time and that is why, in 1939, I espoused the social credit doctrine; that is also why I keep on fighting to make that doctrine understood. I am not in the least seeking power, but I ask those who are in power to give results, to consider the solution seriously; if they put their heart in it, they cannot but recognize that it is consistent. After that, let it be put into force. Then we will vote for the government because it will produce something other than tax increases when the people are already paying too much and are being overly pressed.

• (4:50 p.m.)

Mr. Speaker, all this is to point out that supply motions, amendments or subamendments, while the same tampering is going on within the same system, do not change anything. For the past six years, I have been

sitting in parliament; I spent 3½ years here as from 1946, and we have been advising the government to study the financial situation and to consider our physical possibilities. We have those possibilities and we can apply the principle which we are advocating, that is to make financially possible what is physically possible, to see that there is a constant balance between the purchasing power and production available to buyers, to Canadian consumers.

We are now witnessing a frantic increase in wages and prices. An increase in wages is followed by an increase in prices, and so on. Why is that? Because those increases, without any exception, are directly included in the price of products and are unavoidably leading to price increases.

And the Créditistes, what do they advocate? The $19 billion margin between national production and national revenue, once they are created by the Bank of Canada, are not included in the price of goods, do not bring about an increase in prices, but raise the purchasing power of the Canadian consumer. That is what we want: increase the income of the Canadian citizen without increasing the cost of production or prices. It is the only solution. If there are others, I would like to hear about them, but I do not want to hear that an increase in taxes will alleviate the situation of the Canadian people. His wallet may be lightened but his standard of living is certainly not improved.

People already feel that they are too heavily taxed. It is not with tax increases or new taxes that we will satisfy the people. But if the government, together with its Department of Finance, the Bank of Canada, its economists, its sociologists and its mathematicians considered—and it does consider it—the total production and the total national income in Canada, it would see right away that there is a gap between the two. That gap should be filled with a national dividend paid directly to all citizens of Canada in order to increase their income without increasing prices. Then, instead of financial crises such as those we are witnessing today in England and in other countries—and note that the same thing will happen here if we follow in their footsteps we will enjoy economic stability. We are assured that the dollar will not be devaluated in Canada. However, should the American government ask the Minister of Finance (Mr. Sharp) to come down to New York, you would see him rush down there. If he is ordered to devaluate the Canadian dollar, he will do it. If this is deemed economical—for it might be seen later on that, by not devaluating our dollar, we would no longer provide any serious or significant competition to Great Britain—we will probably follow England's example.

I do not want that; however, under the present system, we are being led, involuntarily or not, it matters little, toward this situation, because some people, who may not even be from Canada, are giving orders and demanding results favourable to their own interests, without caring anything about the Canadian people. They are the ones who count, and the peoples, the sovereign peoples, the free peoples, nobody cares about them, as stated by Rothschild. That great international banker said: Give me control over the issuance of credit in a country and I do not care who makes the laws in that country. That is exactly the situation in which we find ourselves.

Mr. Speaker, the time has come for us to assume our responsibilities, as representatives of the Canadian people and of the people's will, so as to put some order in our national finance and spare Canada a frightful economic disaster which will plunge us into a kind of depression such as we experienced from 1929 to 1939. We do not want any more of that, nor do the people. Let us stop playing petty politics, like the Leader of the opposition was doing yesterday when he said that the Liberals have done everything wrong and that they would do everything right.

Let us make alternative proposals. If we have nothing to propose, let us keep quiet and stop introducing amendments as silly as the one which was moved by the Conservatives.

[*English*]

Mr. Thomas M. Bell (Saint John-Albert): Mr. Speaker, I am not certain that the leader of the Creditiste party told us how he was going to vote tonight, but he did indicate some reluctance to divorce himself from his old debt-free money friends, namely, the hon. member for Medicine Hat (Mr. Olson), that great statesman, and the President of the Privy Council (Mr. Gordon). However, I take

note of his concluding words about the crisis in the country and I hope that he will have found reason before he votes tonight.

Generally, Mr. Speaker, I do not pay much attention to what the hon. member for Medicine Hat says. He spouts off from time to time. He did when he was on this side of the house. I am one who feels that one should be around here quite a while before setting oneself up as an authority on the rules. Today I was dumbfounded to hear the hon. member say some of the things he did, and so I went back over the record. I just happened to have in my desk the record of the budget debate of June 6, 1967, the budget on which many of today's problems were predicated. I do not want to take up much time on this matter because I wish to deal with the economy of the Atlantic provinces which is in such a deplorable condition owing to the mismanagement of the government. However, just glancing at page 1209 of *Hansard*—and this is the fellow who had the nerve to get up and criticize us—this is what the hon. member said about the budget of his own party:

> Turning now to the minister's speech I would like to ask him to give us some good reasons why he brought in the budget at this time—

Farther along he said:

> Surely the minister—

The Minister of Finance (Mr. Sharp).

> —is not prepared to admit that he, his advisers and his party are so bankrupt of ideas—

He also said:

> —I think the minister has left the Canadian economy and Canadian business in an even more uncertain position than before it was introduced.

By "it" he meant the budget. He also said:

> I think it is well for us to be reminded once in a while of the fact before we swallow this kind of conclusion—

Farther along he said:

> If there is any time in Canadian economic history when we ought to be at least balancing the budget, if not budgeting for a surplus . . . surely it is—

This time.

Mr. Olson: Yes.

Mr. Bell (Saint John-Albert): I suppose we are going to be subjected to more of this, Mr. Speaker, now that he is over there with his newfound friends, but I deplore this type of thing. Further, I think it was not proper for the hon. member for Medicine Hat and the Minister of Finance to call attention to the newness of the Leader of the Opposition (Mr. Stanfield). This is almost unparliamentary. According to our etiquette we certainly do not do those things. The Secretary of State for External Affairs (Mr. Martin), who was in the chamber a moment ago and is dean of the house, has never called attention to the fact that he is the senior member of the house. One is forced to conclude from these vicious, hatchet-like attacks on the Leader of the Opposition that his speech must have been very effective indeed.

Mr. Olson: I wonder whether the hon. member would permit a question?

Mr. Bell (Saint John-Albert): I have limited time, Mr. Speaker, and I do not plan to listen to the hon. member for Medicine Hat. I may say that this is the first time in 15 years in this house that I have refused to answer a question during the course of a speech.

I now want to deal with the economy of the maritimes, Mr. Speaker, and I want to show in no uncertain way why the government has failed to produce any sort of relief for us. I want to tell, giving chapter and verse, why ministers and parliamentary secretaries have been booed at meetings across the maritime provinces. I want to tell why there are soup kitchens in Moncton called "Hellyer soup kitchens." To make it easier for hon. members to understand I will use football parlance, which may bring the situation home to the Prime Minister (Mr. Pearson), and say that the Liberals have failed to pick up the ball in the Atlantic economy.

I refer hon. members to the last report, volume 2, No. 3, of the publication periodically issued by APEC, which points out that despite six years of "rapid economic expansion" APEC finds "practically no change in the relationship of personal income per person in the region to the Canadian average." Second, the report reveals a slowing of the economy of the Atlantic provinces in the first half of 1967, and it goes on to say that there are at least 2,000 fewer people employed than in the same period in 1966. It uses the phrase "alarming proportions" to describe the migration movement from the Atlantic provinces.

In the brief time I have today I intend to show how Liberal mismanagement has failed to assist transportation and industry in the Atlantic region. I think it is vital to show that there is a link between transportation

and industry, but this has not been recognized by the government. When the pressures are on, and they certainly exist in our national economy at the present time, the weakest part of the body shows up. We are being hit in the transportation sector because this government has failed to do anything about the problem.

• (5:00 p.m.)

If one needed a prepared speech in this debate one could use the speech that the premier of New Brunswick, Louis Robichaud, made last week. I do not know why he made that speech. There was speculation in the first instance that he made it because the election is over and now he is in a position to be critical of Ottawa. However, I think he now knows there is going to be a change in Ottawa and that it is his duty to blast away. The whole speech deplores the situation. I should like to quote from the speech he made last Friday:

> New Brunswick contributes next to nothing to the inflationary processes. Our wages are not high and our labour unions have not been unreasonable in their wage demands.

In addition, a speech was delivered yesterday by Premier Campbell of Prince Edward Island. I shall only quote part of it because time is limited. He said:

> —the trouble with the present system is that federal development activities have been fragmented and unco-ordinated.... But for the weaker provinces, the end result is to increase economic disparities and to mitigate against equal opportunity for all Canadians.

These are two premiers who have always apologized for the government in Ottawa. Now they are taking up the cudgels to fight this situation.

I should like to direct the following questions to the Minister of Transport (Mr. Hellyer). Why did he not try to do something with regard to the freight rate increases about which we have been speaking for some time? Were they not inflationary? Did he make any effort to see that these rate increases were held back during this serious inflationary period? Why did the savings in costs have to start in the maritimes? It was a few weeks after the lay-offs in the maritimes before they came into effect in other parts of Canada. To my mind we have had no explanation of this action. In the discussions with the heads of the railways was mention made of any change in policy? When business picks

up again, if it ever does without a change of government, will the men laid off be rehired by the railways or were the lay-offs simply the result of a new policy of efficiency on the part of the railways?

Does the minister realize that these freight rate increases in the maritimes affect the smaller areas where efforts have been made to bring in industry? As everybody can imagine, if these increases are maintained they will not affect the large cities where there are other modes of transport. The difficulty is that the cost of the smaller areas will be increased. I think we should have a statement of some kind concerning the overall responsibility of the railways in respect of transportation. We all want to see efficient railways. We have said so on many occasions in committee. I should like to know whether these actions have been taken in the name of efficiency, because they are to the detriment of the areas which were promised decent transportation at the time of confederation.

The history of transportation and industry in the maritimes is well known to members of the house. In the former case a bill was considered last year and this year with which we are all familiar. At that time many promises were made by the former minister of transport in an effort to get the bill through the house. We took him at his word. These promises have been indelibly written into the record. I do not intend to put them on the record again at this time. In the maritimes we were told that if the bill were put through new legislation would be brought in immediately. Nothing has happened yet. Then in September we were confronted with rate increases. Everyone knows what has happened. We went after the minister and he began to realize that the situation was serious and something should be done. Finally, a statement was made which has been met with no satisfaction at all.

I believe the minister has been hoodwinked by the railways. We say to him that he will have to stand up to the railways and find out what the situation is in the maritimes. When we ask the transportation commission for a statement we are told that we do not have the facts right. I wonder whether hon. members realize that in one case in Truro a toy manufacturer has demonstrated that there has been an increase of 527 per cent in the rate he pays on the toys he manufactures there. Yet this is said to be insignificant.

I should like to deal now with the problem in respect of industry. We know the story. The legislation was changed a short while ago in the hope that it would help to alleviate the problem in respect of areas such as the maritimes which need industry so badly. At that time the minister made reference to the slow growth areas and we thought something was coming. The other day he gave a detailed reply to a question I asked and failed even to recognize the term "growth centres" and failed to accept the fact that in Saint John which I represent eight industries have been lost, four having gone to other parts of the maritimes as a result of the incentive program.

I should now like to state my proposals. First of all I propose that the committee on transport and communications take a trip to the maritimes in order to investigate at first hand the situation that now confronts us. I believe the transportation bill should be referred to that committee. I think the committee members should leave immediately and go there as they did on their western trip to see what the different problems are at first hand.

Some hon. Members: Hear, hear.

Mr. Bell (Saint John-Albert): Second, I suggest that a meeting of the premiers be convened immediately. We have been given inconclusive answers in the house. I believe a meeting should be set up with some of the leaders from the federal government so that they can get right down to business in respect of the complaints which the premiers have made in their recent speeches.

Some hon. Members: Hear, hear.

Mr. Bell (Saint John-Albert): As a third proposal, I think there should be a reassessment of the promises made in this house by the former minister of transport. I believe this should be done in order to get to the crux of the problem. I suggest that before he does another thing the new Minister of Transport should look at *Hansard* and go back over the debates in order to see what promises were made. Every one of them is in the transportation field. They start with freight rates and causeways and go through everything which affects the maritimes. If this government plans to stay in office any longer it should get down to business and consider the promises that have been made.

As my fourth proposal, I think there should be a new regional fiscal re-examination made in an effort to deal with these problems bit by bit and promise by promise, because when we do get action in respect of them it is always too late. I believe there should be a system of priorities in respect of highways—I do not hesitate to use the word —because of the problems we have in the Atlantic region in regard to where highways fit into the picture. Immediate attention is needed in respect of co-ordinating the Atlantic Development Board and APEC. They have run into a conflict of ideas. APEC recently made a proposal in this regard and the Atlantic Development Board has expressed a willingness to co-operate with the Economic Council of Canada.

Very serious consideration must be given to the full potential in relation to these matters. The main thing is that there must be no delay. We must have the legislation that was solemnly promised to us. In the maritimes we must all unite and in this regard I call on all members on both sides of the house to stand together in an effort to see that the government moves.

• (5:10 p.m.)

The onus may be on us, but I know what the railway people are saying. They are saying: We have brushed them off again. The government hopes we will forget about it and go home. The government knows there will be a little squeak and a little squawk here and there, but it is happy because there are no more meetings. Let me tell the minister of external affairs, the senior man on the front benches, that this will not pass over and that we mean business this time. He is too good a politician not to realize that when maritimers get angry they mean business.

The Minister of Finance (Mr. Sharp) is not this type of politician and perhaps cannot make the same type of speech, even though he spent some time in the gallery watching the proceedings before he entered the house. He may not appreciate this fact, but the minister of external affairs with his years of experience knows that when you disregard the grass roots of maritime politics it is not even safe to cross the Quebec border into the maritimes.

In closing let me say that the desperate plight of the maritimes is apparent to everyone. The inflationary effect of the freight rate increase on existing industry has been readily demonstrated by the illustrations I have given, and I have not even referred to the deterrent effect it has on new industry attempting to locate there. The Department

Suggested Economic Mismanagement

of Industry has failed miserably to understand the problems of the maritimes. This was made clear the other day by the premier of New Brunswick who, I suggest, is almost always an apologist for the government here in Ottawa. The Atlantic Development Board program has provided absolutely no stimulus and the area development program has had an even worse retarding effect.

Transportation is our weak spot and when inflationary pressures develop, as they have now, this vital segment is affected drastically. The importance of the link between transportation and industry has been proven and it is useless to pretend to assist our industrial sector unless transportation costs both within and without are given vital consideration in relation to these remedial measures.

The government set up the industrial incentives program to assist industry on the one hand and on the other hand permits inflationary transportation costs to drive industry out of the market. In this way our potential and future markets have been taken away from us. The onus is on all of us to remember what has been done and to point out the seriousness of the program the government has placed before us. We must lay our cards on the table. I do not think I can depict my feeling in any more serious way than by saying I was asked a traditional question the other day, although not an historical one. Someone asked me how things are in lower Canada. I did not reply in this way, but I thought that conditions in lower Canada, meaning the maritimes, are very low at the moment.

Mr. B. S. Mackasey (Parliamentary Secretary to Minister of Labour): Mr. Speaker, this is my first opportunity to welcome the new Leader of the official Opposition to the house. I am sorry I did not have the opportunity of listening to his speech yesterday, but of course I read and reread his words of wisdom this morning. I must confess I have come to the conclusion that in the best Tory tradition he had not one single, solitary suggestion to make to help the Minister of Finance to solve Canada's particular problems.

Mr. Churchill: Read it again.

Mr. Mackasey: I do not need to read it again and hon. members opposite know that. In fact, I might be better off to get rid of it.

The reason I am speaking without notes is that I have a weak spot for the Leader of the Opposition. This is true for several reasons. I suppose the first is because my granddad was chased out of Ireland as the result of persecution and a potato famine and went to Halifax where members of the Mackasey family still live. The second reason is that I have a great deal of affection and admiration for the two members from Nova Scotia who sit amongst the Liberal ranks. I think it is quite safe to say that the opposition would be the first to endorse the suggestion that the present Minister of National Health and Welfare (Mr. MacEachen), who comes from Nova Scotia, is undoubtedly one of the finest ministers ever to grace that portfolio.

[Mr. Bell (Saint John-Albert).]

Mr. Knowles: Explain.

Mr. Mackasey: We certainly understand the persuasiveness of hon. member from the maritimes who has just sat down, because week after week during our caucus meetings we are subject to the persuasive talents of the present Minister of National Health and Welfare and the parliamentary secretary, the hon. member for Antigonish-Guysborough (Mr. Stewart), who look after that province like it has never been looked after before in Canadian history.

Some hon. Members: Oh, oh.

Mr. Mackasey: As I said in my opening remarks, I particularly like the new Leader of the Opposition. There is something about the Leader of the Opposition that appeals to me, and it might well be that Nova Scotia charm. Rather than castigate the hon. member I want to help him by giving him a few words of advice.

Mr. Churchill: Watch out.

Mr. Stanfield: I am delighted.

Mr. Mackasey: When he has been in the house a few months perhaps he will realize that I am one of the less belligerent members of this place. I am a great believer in cooperation. The first piece of advice I give him is not to be so gentle with the socialists who sit so close to him.

The other day wonderful words of welcome were placed on *Hansard* when the hon. gentleman took his seat for the first time, but I could not help wonder about the propriety of the remarks of the leader of the New Democratic party when he reminded the house that the Leader of the Opposition had left Nova Scotia in a state of ruin. I think those were his words. He suggested that the hon. gentleman had fled to greener pastures. I thought it was unfair of the hon. member

to place on the record so soon what many people in the maritimes may be thinking. I thought it was unfair of the leader of the socialist party to suggest that possibly the Dosco situation, the phasing out of the coal industry, might have had something to do with the decision of the hon. member to seek the federal party leadership within a matter of months after the re-election of not the Tory party but the Stanfield party in Nova Scotia. In any event, this is a problem the people of Nova Scotia will have to resolve.

I suggest that the hon. member for Burnaby-Coquitlam (Mr. Douglas) was quite out of place in making those remarks. The Leader of the Opposition made a fine retort. Let me say in a spirit of co-operation that had he been around a little longer he might have suggested to the leader of the N.D.P., when he accused him of ruining a province, that it was only a question of the pot calling the kettle black. If ever a province was ruined in the history of Canada it was the province of Saskatchewan during the 16 years of socialist government headed by that hon. member.

Mr. Knowles: It was 20 years.

Mr. Stewart: Yes, it took 20 years.

Mr. Mackasey: By way of welcome to the hon. member, and we are all entitled to a few words of welcome, I would suggest that he remind the leader of the N.D.P. that at least he was able to get elected to this house in his own province, which is more than the leader of the N.D.P. was able to do. Chances are that the Progressive Conservatives will win the by-election in Nova Scotia created by the departure of the Leader of the Opposition, which was not the case in respect of the hon. member for Burnaby-Coquitlam. Therefore my first suggestion which is intended to be helpful is that the hon. gentleman not be too easy with our good friends in the socialist party.

We are faced not only with an amendment but with a subamendment which was introduced by the N.D.P. I suppose when one looks at the subamendment in light of the answer the leader of the N.D.P. made last night to a question posed by the hon. member for Rosedale (Mr. Macdonald), which was a classic socialist reply, one will see that the leader of that party has not strayed too far from the Regina manifesto. No only is he going to regulate government spending but he is also going to dictate the number of supermarkets that can be built with private capital in any community. When challenged by several members on this side on whether or not this was an invasion of private industry or the right of an individual to invest his capital as he sees fit, the hon. member pointed to Sweden as the perfect example of a country where such a system is working.

• (5:20 p.m.)

I am getting a little tired of Sweden being held up as an example to Canada. I went to the library and picked up two papers. The first one was *Business Week* for June 25, 1966, which carried an article entitled, "Now The Swedes Feel The Pinch". It is too lengthy to read into the record since it refers to the many problems of that great socialistic Utopia. I shall not refer to all the statistics in the article but it reads in part as follows:

> —there are 120,000 applicants on a waiting list for new apartments in Stockholm alone. For some persons, the waiting time to get a new housing unit can stretch up to ten years and beyond. The shortage results from several factors, including rent controls—

Naturally private enterprise is not overly interested in building in Sweden and the government has not been able to keep up with the demands. The article goes on to point out that inflation is costing that country from 8 per cent to 11 per cent year in and year out.

In an article entitled "Inflation In Utopia" which appeared in *Time Magazine* in April, it is pointed out there is a grave possibility of Sweden pricing itself out of world markets because of labour unrest, because of the threat of inflation and because of a tremendous drop in productivity. We do not have to go to Sweden when we need examples. We have Saskatchewan where the principle of the subamendment was put into effect under the guidance of the present leader of the New Democratic party. What happened in Saskatchewan? We all know that while other provinces in the west had booming economies and added dramatically to their population, the province of Saskatchewan dwindled in population to such an extent that it lost seats in redistribution. While the hon. member was preoccupied with nationalizing box factories, soap factories, the potash industry lay dormant until foreign capital was attracted to it by private enterprise. This is the record of socialism, not in Sweden but in Saskatchewan. When the hon. member suggests, therefore, that the Leader of the Opposition left the province of Nova Scotia because of the ruin facing him, he may have been accurate but he should have been the last person to get up in this house and call the pot black.

Suggested Economic Mismanagement

There is one other reason why I feel nobody is devoting too much attention to the subamendment. Frankly, none of us are too sure if the philosophy contained in the subamendment is going to be the philosophy of the New Democratic party next week or two months from now. I am not exaggerating. Their financial critic, who is a very enlightened gentleman and never ceases to learn, appeared on television and said that foreign capital was really what we needed. He had a little argument with his leader on that statement, but that is not unusual. When I say that is a prime example of that party changing its philosophy from week to week, I can give one more example.

Mr. Cameron (Nanaimo-Cowichan-The Islands): I should like to ask the hon. member what program it was on which he alleges he heard me say that?

Mr. Mackasey: I am going to say a little more, sir, and the hon. member can ask all his questions at one time. I should like to give another example of the New Democratic party changing its philosophy, as they might do a week from now or a month from now. I can point to their "special status" for my own province as an indication of the way that the philosophy in the sub-amendment might be changed. I can recall the leader of the New Democratic party getting up at a conference a couple of months ago and saying, "We endorse special status for the province of Quebec." I could read editorials from *Le Devoir*, written by Claude Ryan who took that statement at face value, endorsing the New Democratic party. I can recall the hon. member for Greenwood (Mr. Brewin) getting up in the house and defining this special status some months ago. I can also recall the hon. member for Greenwood writing a letter to the editor of *Le Devoir* reminding French Canadians that his was the party that first recognized special status for the province of Quebec and asking them not to forget it.

What happened last week end, Mr. Speaker, to the New Democrats? They suddenly discovered that perhaps special status is not the way to infiltrate the working classes of the province of Quebec or to harness resentment in the province so as to get their members elected. They now know that this is a fallacious argument so far as the province of Quebec is concerned. Therefore last week end the hon. gentleman admitted his party had made a mistake and that they were going to send 30,000 people across the country to find out what the people really want. They are now disowning all of a sudden the special status philosophy.

Mr. Douglas: Nonsense.

Mr. Mackasey: How can we seriously consider any subamendment moved by that party, Mr. Speaker, as including any degree of responsibility?

An hon. Member: Hypocrites.

Mr. Mackasey: I would not say they were hypocrites; I would say they have been misguided.

I have devoted too much of my time to this insignificant party, but I did want to point out this practical example of how the philosophy of this party changes from week to week, from month to month, from convention to convention. First of all they tried to ride into this house on the coattails of the farmers. When they found this failed they then lent their wholehearted support to the trade unions. When this failed they tried to harness resentment in the province of Quebec by endorsing the special status theory and lending support to other contentious issues in the province. Finally, Mr. Speaker, the day of judgment has now come and they have decided that they do not endorse special status after all.

So I repeat, Mr. Speaker, how can we take the subamendment seriously? How do we know that all members of that party think alike? In this regard I think of those who support the Regina manifesto and of those such as the member from Waterloo who supports liberalism. I think there are as many philosophies in that party as there are members. You would think there would be some consensus of opinion on such an important subject as special status. Somebody should tell the hon. member for Greenwood to stop writing letters to the editor trying to point out to French Canadians that they were the first party to discover special status for the province of Quebec.

I should now like to turn to the amendment moved by the Leader of the Opposition. I thought he made a good speech. It was one that pleased me because of the great degree of partisanship to be found in his remarks. Obviously he forgot to refer to the government party as "rotten" and he got that expression in as a kind of supplementary. I do not disagree with the type of speech he made. After all, this is not a Sunday school; this is the highest forum of debate in the land. This is what the House of Commons is all about.

The hon. member served notice yesterday that he is going to be partisan, so in this case I know he will not mind or take exception if members on this side of the house, as was the case a little while ago, tee off by dealing with some of the obvious misconceptions that were apparent in his speech.

Mr. Churchill: The hon. member for Medicine Hat (Mr. Olson) is not a true-blue Liberal.

Mr. Mackasey: We have to be generous and understand that this was the Leader of the Opposition's first speech. We must be tolerant and realize he has not had time to do much homework or get around to finding some solutions to the problems facing the country, even though he may next time or the time after that.

In the meantime, Mr. Speaker, since the hon. gentleman offered no suggestions and put forward no reasons why the government should be defeated tonight or any plans for administering the country and solving our economic ills if he formed a government, we can only presume he had some other purpose in mind—apart, of course, from his patriotic duty, something that touches the hearts of all of us. We are all here to do our patriotic duty. Patriotic duty is something we can all understand. We hear it is the patriotic duty of the members of the opposition to throw us out of office. What would they do then? Nothing in the speech of the Leader of the Opposition indicates what he would do if he came to power. All he did was to make a fine speech endorsing the conclusions of the Minister of Finance (Mr. Sharp), and endorsing his summary of what the problems of Canada are.

• (5:30 p.m.)

What would happen if we were defeated tonight and went to the people? The Leader of the Opposition should realize that the people of Canada do not need a particularly long memory to remember the Tory régime of six or seven years ago. The problems that face Canada today result from the longest economic boom in Canadian history, while the problems in Tory times were chronic unemployment and a disunited and unimaginative cabinet which could not cope with the problems of the day.

Mr. Starr: Would the hon. member permit a question?

Mr. Mackasey: Yes, if the hon. member asks an intelligent one.

Suggested Economic Mismanagement

Mr. Starr: When he speaks about the long period of economic boom can he tell us in what year that boom started?

Mr. Mackasey: The hon. member thinks I will say it started in the last year they were in office. If that were so, this did not register with the Canadian people because the hon. member's party went into that election with the biggest majority in the history of Canada and the people lined up before the polls opened to make sure they threw the Tories out. These are the facts.

Mr. Monteith: The Irish in the hon. member is coming out.

Mr. Mackasey: The hon. member for Saint-Hyacinthe-Bagot (Mr. Ricard) spoke about the increase in unemployment to 4.5 per cent. What were the rates of unemployment in the maritimes in those years? In the province of Quebec the rate of unemployment was from 12 to 14 per cent. These days are gone.

Mr. Flemming: Would the hon. member permit a question?

Mr. Mackasey: No, no questions.

Mr. Martin (Essex East): I have never seen the opposition so touchy.

Mr. Mackasey: I am speaking to the Leader of the Opposition in a spirit of co-operation and I say to him he should not fall into the trap of presuming that the problems of the Tory party can be solved by a new leader. I say this with full respect for his integrity and his image, and that image is important. However, it is naïve to think that that is all that is wrong with the Conservative party. If through a miracle the hon. member were to form a government tomorrow, whom would he call upon? The same cabinet ministers who destroyed his party? We see here the hon. member for Kamloops (Mr. Fulton) who was a cabinet minister then, the hon. member for Victoria-Carleton (Mr. Flemming) who was a cabinet minister and also the hon. member for Ontario (Mr. Starr). I also see the hon. member for Winnipeg South Centre (Mr. Churchill), who is so quiet for a change, who was a cabinet minister at that time, and so was the hon. member for Queens (Mr. MacLean). It is the same old gang. I doubt that the people of Canada want to give the reins of government to these people. Does anyone think for a minute that a new leader will rectify these problems? Of course not. I think that the reason the Leader

of the Opposition wants an election is to get rid of the old gang so he can perhaps change a few of them. But let us not try to deceive the Canadian people by telling them that all is well with the Tory party just because they got rid of their leader.

Mr. Flemming: The hon. member is an authority on that subject.

Mr. Starr: Why are the Liberals trying to get rid of their leader?

Mr. Mackasey: We are not trying to get rid of our leader. He can be with us until 1980. The hon. member for Ontario should be aware of the fundamental difference between the Conservative party of the Diefenbaker days and the present Liberal party. Unlike the Tories prior to 1962, there is no movement in the Liberal party to get rid of our leader. As the hon. member for Medicine Hat said, the Tory party members can meet every morning for a free breakfast and try to indicate organization, but I say that they need a new research team. The hon. member for Kamloops has lost weight on the job, running here and there trying to round up speakers. He will have to get a large research team and supply his speakers with some information and some facts. Obviously the Leader of the Opposition will have to find someone in parliament to write his speeches rather than someone outside parliament, someone who is aware of Canada's problems and aware of parliamentary procedure, because it is obvious from his speech yesterday that he does not have sufficient information.

We have heard much about the high rate of taxation in Canada from the opposition. I have some statistics on this subject. In the year 1966 the per capita disposable income, what is left after personal taxes are paid, was the highest in the history of this country, 50 per cent higher than when the Tories were in power. In fact it was 118 per cent higher than in 1949. So it is not hard to point out with a certain degree of accuracy that we have an affluent society.

Mr. Nesbitt: What about the inflation?

Mr. Mackasey: We realize there is inflation, but the Minister of Finance will do something about it. Let us not forget the time when the present Minister of National Health and Welfare, who as I said, has been one of the greatest ministers in Canadian history, brought in the imaginative first step toward a guaranteed minimum income for Canadians when he added to the old age pensions according to a needs test. How responsible was the opposition about spending money in that debate? All they wanted to do was make sure that E. P. Taylor was included in that increase. They wanted no needs test for anyone. Is that the type of party of which the Leader of the Opposition can be proud? When and where did that party ever take a stand against spending in any of the legislative measures that have been adopted by the house in the last few years? They have not. It is the same old gang. All they have changed is the leader. The only kind thing we can do to the Leader of the Opposition—and I want to be kind to him because he is a fine person from a fine province—is to defeat his amendment and give him an opportunity to sit in the house with the same old gang for a while. The worst thing for him would be to be shoved out into the street and to have to face an election. This would be tough on him.

I do not want to be partisan so I will point out to the hon. gentleman that there is a fundamental difference between today and 1962 when more than one out of every ten Canadians was out of work. In those days there was no manpower department to which to turn for help. There was no economic council to rely upon for information, and the members of the opposition constantly refer to the council which we set up. At that time there was no Department of Industry, there were no designated areas and no tax write-offs to stimulate production and diversify the economy of the country.

In case members from the maritimes, including the Leader of the Opposition, are not aware of this fact, let me inform them that as a result of the introduction of the designated areas program by the Minister of Industry (Mr. Drury), no less than 236 projects have come into being in the maritime provinces since 1963, with a total capital investment of $667,781,000. These are fantastic figures and they refer to programs which have been instituted since 1963. I am referring only to the maritimes. There have been over 800 such projects across Canada. It was only two weeks ago that the hon. member for Kamloops spent 20 minutes pleading that his area be designated. He realizes how well this program works. He is hoping that this legislation, which was not available in his time,

might do something for an area of the country which he neglected badly when he was minister. There have been 809 projects which have produced over $1,760 million in assets since this government has come into power and since we established a Minister of Industry.

• (5:40 p.m.)

The hon. member for Edmonton West (Mr. Lambert) tried to arrive at a solution and said that productivity in Canada has fallen and we must do more research. This is like saying that we are against sin. However, I did feel this struck a responsive chord. I think we need more research and development. I looked up the figures for research and development in 1959. I chose this year rather than 1958 in order to give the opposition a chance to get acclimatized and push research and development. There was less than $150 million spent in those days on research and development leading to technological change and increased productivity. I do not like the inference that the working man in this country is less productive than the working man in the United States. Given the same opportunity, given the same set of circumstances, the working force of this country is second to none in the world.

Then I looked at the figure for research and development in 1963 when the Minister of Industry took it under his wing and decided to do something about it. From a figure of less than $150 million it has risen to over $200 million since the present Minister of Industry took charge of his department. In 1965 the amount devoted to research and development by Canadian industry, as a result of the initiative and prodding of the Minister of Industry, reached over $300 million. These are the last accurate figures because these figures are available only in odd years. I am told that for the year 1967 they will come close to $400 million. This is concrete evidence of the efficiency of this government.

Mr. Lambert: Will the hon. member answer a question? Why has productivity fallen?

Mr. Mackasey: We have the problem of inflation today which is the result of the longest economic boom in the history of this country. It differs from the main problem of the opposition which was as chronic unemployment, a problem they could not solve despite their ability to railroad through any piece of legislation they felt was necessary. We will overcome the problem of inflation. However, since I started out in a conciliatory fashion and since my message is directed to the Leader of the Opposition, I would suggest he take advantage of the supper break to suggest to some of his members that they stay out of the house at voting time because the worst fate that could befall the hon. member would be to go to the people of Canada today while the sad record of the Tory years from 1958 to 1962 still rankles in the minds of the one out of ten people in this country who were unemployed in those days.

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, I do not intend to spend too much time on the speech of the hon. member for Verdun (Mr. Mackasey). I know the party clown is always brought out at a certain point. However, I do wish to point out that tonight he was guilty not of a lie—I will not say that—but of the sort of thing that the late Benjamin Disraeli said of another much more esteemed Liberal when he said he had been guilty of a terminological inexactitude. When the hon. member for Verdun attributed a statement to me on television, he was guilty of that terminological inexactitude. As I say, I do not intend to take too much time on that story. One of these days I shall go down to Verdun and find out why the hon. member is so terrified of the New Democratic party that he spends almost the whole of his time trying to tear it to pieces.

I have a rather difficult task tonight, Mr. Speaker, in dealing with the speech of the Minister of Finance (Mr. Sharp) because, for one thing, he is not in the house, and for another, after our touching little love feast today I might find it difficult to be as venomous as I should be. Although I may find it difficult, I shall try to bring up all my resources of venom. Sincerely, though, I was shocked when the Minister of Finance of a country in its present condition would stand in his place and make a flippant, frivolous speech such as we heard from the minister last evening. If he thinks he can solve the problems of this country by playing the Merry Andrew, he is very much mistaken. I suggest to him that a man who should be standing in sackcloth and ashes should not be putting on the cap and bells of the court jester. For one thing, he is not very good at it. He is rather clumsy, rather heavy. It is quite inappropriate for a Minister of Finance who is presiding over an economy that has reached the state under his direction that ours has reached today.

Suggested Economic Mismanagement

I was interested, Mr. Speaker, in the insolent way in which the Minister of Finance remarked that he was not going to deal with the speech of my leader. He said this, as recorded on page 4478 of *Hansard*:

> I do not intend to say very much about the speech made by the leader of the New Democratic party (Mr. Douglas) because essentially it was the same speech as I have listened to on many other occasions. I gained very little that was fresh by the way of ideas.

This interests me, Mr. Speaker, because the main burden of the speech by the leader of this party last night was on the question of medicare. He was asking the Minister of Finance to explain the preposterous figure of a billion dollars that he had produced only a day or two before and about which my leader had no opportunity to speak. I quite understand that the Minister of Finance does not want to deal with the speech of the hon. member for Burnaby-Coquitlam (Mr. Douglas). He does not want to have to explain this billion dollar figure because, of course, it would cause even more trouble within the Liberal cabinet which is obviously and notoriously split right down the middle. The Minister of National Health and Welfare (Mr. MacEachen) was obviously very unhappy when he was asked how he accounted for this sudden change in the estimated cost of medicare. He answered in such a way as to throw some confusion into the issue.

No wonder the Minister of Finance did not want to deal with this speech. Incidentally, our irrepressible friend from Verdun interjected himself at this point and, displaying his ignorance, said that the hon. member for Burnaby-Coquitlam gave that one in 1934. In 1934 the Liberal party had only been promising medicare for 15 years. There had been no question whatever of a billion dollars, so I do not know how the member for Verdun happened to hear it in 1934. However, it was nice, comic relief from the party clown.

I am concerned about a minister who will pluck a sum out of the air which he is unable to connect by the slightest filament of connection with reality, who runs away from the question when he is asked upon what he bases his estimate. This, Mr. Speaker, is considered terror tactics which the nazis used and called schreklichheit—frightfulness. The Minister of Finance has been using this to frighten the people of Canada so they will encourage the provincial governments to pull his chestnuts out of the fire.

I cannot think of anything more contemptible, Mr. Speaker, than a minister of the crown charged with responsibility for the enactment of government policy which has been endorsed by this parliament, trotting around the country persuading the governments of the provinces to refuse to co-operate with the policy that he has presented to this house. This, to my mind, is one of the most contemptible things we have ever seen. If the Minister of Finance, as he obviously does, does not believe in medicare then let him have the guts and say so. Let him not pretend that he is anxious to bring in medicare but that the provinces might not approve, the minister having scared the daylights out of them by using a completely fictitious figure he is unable to justify in any way at all. This is the ultimate in dishonesty, Mr. Speaker.

• (5:50 p.m.)

I heard one of the members of the Liberal party who was with me on a television program the other day say that only over his dead body would medicare be abandoned or postponed. I am afraid that we are going to have a lot of funerals in the Liberal party because it is quite obvious that the Minister of Finance has decided to scuttle the program and he has not the guts to get up and do it himself. Instead he twists the arms of the provincial premiers and scares the daylights out of them by producing fictitious figures.

I now go to the speech of the Minister of Finance. I am interested to see that the minister wants a consensus when things are going wrong. As reported on page 4481 of *Hansard* he had this to say:

> I am very sorry if I did. I must have said it inadvertently.

This was when the minister was suggesting to the Leader of the Opposition that the Leader of the Opposition had misquoted or misrepresented him. I do not think the Minister of Finance got away with that one, because I have a very distinct recollection of his suggesting to the house that he felt it might be necessary to allow a little slack to develop in the economy. The minister went on:

> I do not know what he said exactly—

The Minister of Finance apparently has many lapses about things he does not know exactly; yet he is prepared to get up and make categorical statements about them. He went on:

> We are seeking a more civilized way of dealing with our problems which I suggest depends a good deal on the consensus that we can arrive at in this country on the importance of the problem and the correct steps for dealing with it. If we are to get

that consensus we must be clear that both the government and this parliament accept their share of the responsibility for adequate fiscal measures and adequate fiscal policies.

It is an odd thing, Mr. Speaker: the minister always wants a consensus. He wants to rope parliament in when things are going badly. If by accident, as has occasionally happened, oddly enough, something good happens while the Liberal party is in office, he then wants to take all the credit for it, but when things are going wrong we must all be roped in in a consensus.

The minister says he does not believe in unemployment. I am rather inclined to reply to that by quoting the famous phrase of Geroge Bernard Shaw when a lady of somewhat aesthetic taste said "I accept the universe", and George Bernard Shaw said "By God, you'd better". Although the Minister of Finance does not believe in unemployment, unemployment is here and he had better have a look at it. He may not like it. I do not expect he likes it any more than any other rational person does, but he certainly has to believe in it.

One of the most fantastic statements made by the minister in his fantastic speech was a remark that appears on page 4480 of *Hansard* in connection with the policies presented to this parliament by the leader of the New Democratic party in the subamendment that he presented. The sapient and learned Minister of Finance had this to say:

I say to my hon. friends in the N.D.P. that the kind of policies they are now advocating is exactly the kind of policies that have helped to bring the United Kingdom to its present state. But even in a less exaggerated form we find these problems in the United States.

Exactly how that got tagged on, Mr. Speaker, I do not know; it seems the minister is a little confused there.

I am amused and horrified if this is a serious statement of the minister's understanding of the state of affairs in Great Britain. I suspect it is the same short sort of shocking ignorance displayed by the minister yesterday when he had not even taken the trouble to do what I did yesterday morning—find out the attitude of the chartered banks to the possible effect of the sterling devaluation on the Canadian economy. So the minister had, rather unfortunately for him, to apologize to me and to admit that I had been right. Unless he was just being a complete clown—and sometimes I wonder about that—to suggest that the policies we are putting forward are those that have created the problems in Great Britain is the most irresponsible nonsense I have ever heard from a minister of the crown.

I should have liked to ask the minister—unfortunately he is not here—about a statement by a British Columbia cabinet minister that appeared in the Vancouver *Province* and was reported in the *Globe and Mail* for November 13, 1967. I will say right at the start, Mr. Speaker, that I have no more faith in Mr. Bonner than I have in the Minister of Finance. However, Mr. Bonner said:

The federal government is pressing British Columbia and Ontario to cut production to help ease a national economic crisis, Attorney General Robert Bonner said yesterday. Mr. Bonner said British Columbia and Ontario are being singled out in talks at the national level to hold back the pace of production. "But any representations in this way are being received with very serious reservation."

If this is true, Mr. Speaker, and the Minister of Finance is seriously suggesting to provincial governments that the way to solve this problem is to cut back on production, then we have proof positive that he does consider rising unemployment as the way in which to solve the appalling crisis into which he has managed to manoeuvre himself. I hope that at some time I will have a chance to get an answer to this question raised by Mr. Bonner from the Minister of Finance.

I now want to deal with a matter brought up earlier today in connection with the rise in the price of copper that was announced by the Noranda company. I know the Minister of Finance made some brave statements here today about looking into the matter and about how he was going to deal with it. I suppose he is going to say: "Naughty, naughty, mustn't do that; we don't like you doing that". Does the minister think that Noranda will listen to him, having had the most fantastic increase in profits of probably any company in Canada? According to the *Globe and Mail* for November 21 the profit of Noranda Mines amounted to $33.86 million, or $2.84 a share, compared with $32,-351,000 in 1966. I do not think that this company will listen to the Minister of Finance while they are riding so high.

Mr. Speaker: Order, please.

Suggested Economic Mismanagement

DOMINION-PROVINCIAL RELATIONS

BILL OF RIGHTS—HOUSING—TABLING OF CORRESPONDENCE RELATING TO CONFERENCES

Mr. John R. Matheson (Parliamentary Secretary to Prime Minister): Mr. Speaker, I should like to ask leave of the house to revert to motions for the purpose of tabling certain documents, if I may. The first document I wish to table on behalf of the Prime Minister (Mr. Pearson) is a series of correspondence with the provinces relating to the proposed federal-provincial conference on a constitutional bill of rights for Canada.

The second series of documents I wish to table, again on behalf of the Prime Minister, is correspondence with the provinces relating to the forthcoming federal-provincial conference on housing and urban development in Canada.

Mr. Speaker: Is the house agreed that we revert to motions for the purpose of tabling the documents in question?

Some hon. Members: Agreed.

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

Mr. Bell (Carleton): Mr. Speaker, I believe it was agreed earlier that the documents dealing with the dominion-provincial conference on the bill of rights would be printed as an appendix to *Hansard*.

Mr. Speaker: Is that agreed?

Some hon. Members: Agreed.

[*Editor's note: For documents referred to above, see appendix.*]

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.

SUPPLY

The house resumed consideration of the motion of Mr. Benson for committee of supply and the amendment thereto of Mr. Stanfield (p. 4468) and the amendment to the amendment of Mr. Douglas (p. 4473).

[Mr. Speaker.]

ALLEGED ECONOMIC MISMANAGEMENT BY GOVERNMENT

Mr. Cameron (Nanaimo-Cowichan-The Islands): When we rose for the dinner recess I was discussing the shocking action of the Noranda company in raising the price of copper. In this connection I should like to quote from a statement made by Mr. James Thomas, vice president of Phillips Cables Limited of Brockville, who said:

> The increase is definitely inflationary. The company is not a Noranda customer and will not be immediately affected, but the increase and subsequent additions will mean a 20 to 30 per cent increase in the cost of wire and cable.
>
> This is inflation of the worst kind. This can affect the whole building industry. The economy cannot afford it.

This afternoon, when this particular situation was brought to the minister's attention, he said in somewhat vague terms that he intended to look into it and do something about it. I admit I am a little dubious about what he is likely to do, since this government has consistently rejected the proposal which this party has put forward for a long time for the setting up of a prices review board. It would be too lengthy a process to establish one to deal with this sort of situation. I believe it is time the minister considered something more effective than merely warning or pleading with these rapacious corporations to avoid adding to our economic difficulties; he should be consulting the provinces in which these companies are located and urging them to use their constitutional powers to establish price controls over these basic industries. Otherwise they will get completely out of hand.

The minister was quite satirical yesterday—at least he thought he was satirical—about the proposals made by the leader of this party with regard to the control of private industry. In this connection he made one of the cheapest and snidest comments ever made in the course of a cheap, snide and frivolous speech, when he said this:

> I sometimes wonder, when I listen to such talk about having control over the private sector as well as the public sector, whether it does not really mean that the hon. gentleman's party would like to limit competition—to ensure that one of their friends would have an opportunity of building a shop somewhere and that competition in that area would be limited.

There, I think, is an example of the cheap, flippant, frivolous attitude of this Minister of Finance. He is apparently wholly ignorant of the fact that he is directing investment in Canada every day—and directing it very

badly—by way of unjustifiable and unjustified depreciation allowances which force our scarce capital into a certain sector of the economy, which ties us more closely to the United States market and renders us less able to manage our own affairs.

When we propose that there should be an investment board to enable the government to determine the direction of our economy and the investment which will decide that direction, the minister should take this more seriously than he does now. I say to him that he will encounter continued trouble unless he does something of this sort. I should like to spend a moment or two of the few that are left in pointing out how shocking it is that the government of a country like Canada can reduce it to the situation in which we find ourselves today—a country which has continually rising production, and enormous personal savings that rose by the end of the second quarter of this year to the phenomenal figure of $3,940,000,000. This, in addition to the retained earnings of the corporations, makes our constant plea that we require foreign capital, and require our ministers to go to New York and beg for it, highly suspect.

In this week's *Financial Post* the president of the Toronto chamber of commerce draws attention to the fact that Canada has now grown up and that we are ourselves a source of investment capital. He did not say where the capital goes, but I have been doing some analyses and have discovered just where it is going. I found that a very large part of it is going to the United States, and to pay for a rapidly rising volume of imports—$8,620 million in 1965, $10,102 million in 1966, and at the rate of $12 billion this year. We have been pouring money across the line in the form of interest, dividends and equity and portfolio investments. Much of this money has gone in the form of interest and dividends to the United States owners of equities and bonds, and there is not much we can do about that. But a large proportion of it represents the savings of Canadians which are being invested in the United States by those who have control of those savings—the various financial institutions of this country.

I say to the Minister of Finance that if he can bring himself to inquire, however reluctantly, into the activites of the chartered banks he could make some inquiries about the volume of Canadian savings which those banks are funnelling into the New York call market, enabling them to make an extremely handsome profit and to pay the high interest rates on deposits about which the governor of the Bank of Canada had to take action a week or ten days ago.

It is time the Minister of Finance began to look at some of the basic problems associated with this financial crisis. I am still not at all sure that there will not be repercussions as a result of the devaluation of the pound, and I notice that my views are supported by many who have been making statements in the press today and yesterday. It is time the minister began to consider doing what we have been suggesting to him for a long time—negotiating for a return to a floating exchange rate. In addition, if for no other reason than to protect the currency of our United States neighbours, we shall have to impose exchange controls to prevent American funds passing into Europe in the form of euro-dollars, escaping the control of the United States and adding to its difficulties. These are the sort of thing we feel should be done in this crisis.

• (8:10 p.m.)

We do not know what the minister is going to do in regard to fiscal measures but we are told by the usual informed sources that there is going to be up to a 10 per cent increase in the personal income tax. The minister has not taken any care to allay that idea and I would suggest, Mr. Speaker, he will find that this suggestion for an increase in the personal income tax will not sit very happily on the shoulders of the Canadian taxpayers as long as he persists in protecting those interests that he feels he has to please, I presume to help him in the struggle for the final seat of power.

Mr. Knowles: Isn't he there now?

Mr. Cameron (Nanaimo-Cowichan-The Islands): No, he isn't there now. There is a higher spot yet, and I suspect he will find that his policies in catering to certain people today, by refusing to accept the Carter commission report recommendations on depletion allowances and on taxation of insurance companies, are not going to sit well with the less favoured members of the community.

Finally, Mr. Speaker, I would like to reiterate my shock and dismay that the Minister of Finance, who has presided over the economy until it has got into this position, should have seen fit to come before the house last night with a singularly frivolous, flippant, and cheap speech, the sort of speech one expects from some of the other members of

Division

his party but not from a responsible minister of the crown, not from a minister of the crown directly charged with the direction of our economy and the protection of Canadian economic welfare. It makes me wonder if I have to revise my opinion of the capacity of this minister.

I had thought that although he and I might always differ within the basic philosophy, that at least he was competent within the narrow range of his frame of reference. Now that I find he is not prepared to deal seriously with the problems he has been howling about across the country, I am forced to doubt his capacity to fill the job that the Canadian people are paying him to fill.

In case the Minister of Finance feels he lacks the constitutional power to deal with the earnings of corporations in this country, I would remind him of the ill fated and very foolish move he made with regard to the 5 per cent refundable tax, which indicated he had complete constitutional power to interfere in the distribution of the profits of corporations. Of course it was an imbecilic sort of proposal. He was paying 5 per cent on it, and had tied his hands to return it into the economy whether or not it was economically justified. So, Mr. Speaker, I hope that next week, when he is going to present his budget, we will have a more serious speech from the Minister of Finance than we had last night.

Mr. Speaker: Order. It being 8.15 o'clock p.m. it is my duty, pursuant to section (4)(d) of standing order 56 to interrupt the proceedings and put forthwith the question on any amendment now before the house.

The house divided on the amendment to the amendment (Mr. Douglas), which was negatived on the following division:

YEAS

Messrs:

Barnett
Brewin
Cameron (Nanaimo-Cowichan-The Islands)
Douglas
Fawcett
Germa
Gilbert
Grégoire
Herridge
Howe (Hamilton-South)
Knowles
MacInnis (Mrs.)
Mather
Mongrain
Orlikow
Prittie
Saltsman
Winch—18.

NAYS

Messrs:

Addison
Aiken
Alkenbrack
Allmand
Andras
Asselin (Richmond-Wolfe)
Badanai
Baldwin
Ballard
Basford
Batten
Beaulieu
Béchard
Beer
Bell (Carleton)
Bell (Saint John-Albert)
Benson
Berger
Bigg
Boulanger
Bower
Brand
Brown
Byrne
Cadieu
Cadieux
Cameron (High Park)
Cantelon
Cantin
Caouette
Cashin
Caston
Chatterton
Chatwood
Choquette
Chrétien
Churchill
Coates
Code
Comtois
Côté (Dorchester)
Côté (Longueuil)
Côté (Nicolet-Yamaska)
Cowan
Crossman
Danforth
Davis
Deachman
Diefenbaker
Dinsdale
Dionne
Drury
Duquet
Émard
Enns
Ethier
Fairweather
Fane
Faulkner
Flemming
Forest
Forrestall
Fulton
Godin
Goyer
Granger
Grafftey
Gray
Greene
Grills
Groos
Guay
Gundlock
Habel
Haidasz
Hales
Hamilton
Harley
Hees
Hellyer
Honey
Hopkins
Horner (Acadia)
Howe (Wellington-Huron)
Hymmen
Irvine
Isabelle
Jamieson
Johnston
Jorgenson
Kindt
Klein
Korchinski
Lachance
Laflamme
Laing
LaMarsh (Miss)
Lambert
Langlois (Chicoutimi)
Laniel
Laprise
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Legault
Lessard
Lind
Loiselle
Macaluso
MacDonald (Prince)
Macdonald (Rosedale)
MacEachen
MacEwan
MacInnis (Cape Breton South)
Mackasey
MacLean (Queens)
Macquarrie
MacRae
McCleave
McCutcheon
McIlraith
McIntosh
McKinley
McLean (Charlotte)
McLelland
McNulty
McQuaid
McWilliam
Madill
Marchand
Martin (Essex East)
Matheson
Monteith
Moore
More
Morison
Muir (Cape Breton North and Victoria)
Muir (Lisgar)
Munro
Nasserden
Nesbitt
Neveu
Nicholson
Nielsen
Noble
Noël
Nowlan
Nugent
O'Keefe
Olson
Orange
Ormiston
Otto
Ouellet

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

Pascoe
Pelletier
Pennell
Pepin
Pilon
Prud'homme
Pugh
Racine
Rapp
Régimbal
Reid
Ricard
Richard
Rideout (Mrs.)
Rinfret
Robichaud
Rochon
Rock
Roxburgh
Rynard
Sauvé
Scott (Victoria (Ont.))
Sharp
Sherman
Simard
Simpson
Smallwood
Smith
Southam
Stafford
Stanbury
Starr
Stefanson
Stewart
Tardif
Teillet
Thomas (Maisonneuve-Rosemont)
Thomas (Middlesex West)
Thompson
Tolmie
Tremblay (Matapédia-Matane)
Tremblay (Richelieu-Verchères)
Trudeau
Turner
Valade
Wadds (Mrs.)
Wahn
Walker
Watson (Châteauguay-Huntingdon-Laprairie)
Webb
Whelan
Woolliams
Yanakis—207.

• (8:40 p.m.)

Mr. Speaker: I declare the amendment to the amendment lost.

Mr. Stanfield: Mr. Speaker, I did not vote on the subamendment. Before leaving the country the Prime Minister requested me to pair with him in his absence. I thought it proper to meet his request. Had I voted on the subamendment I would have voted against it.

[*Translation*]

Mr. Gendron: Mr. Speaker, I was paired with the hon. member for Charlevoix (Mr. Asselin). Had I voted, I would have voted against the subamendment.

[*English*]

Mr. Speaker: Is the house ready for the question on the amendment?

Some hon. Members: Question.

Mr. Speaker: Is the house ready for the question immediately, without the ringing of the bell?

Some hon. Members: Agreed.

The house divided on the amendment (Mr. Stanfield) which was negatived on the following division:

Division

YEAS

Messrs:

Aiken
Alkenbrack
Baldwin
Ballard
Barnett
Beaulieu
Bell (Carleton)
Bell (Saint John-Albert)
Bigg
Bower
Brand
Brewin
Cadieu (Meadow Lake)
Cameron (Nanaimo-Cowichan-The Islands)
Cantelon
Caouette
Caston
Chatterton
Churchill
Coates
Code
Danforth
Diefenbaker
Dinsdale
Dionne
Douglas
Enns
Fairweather
Fane
Fawcett
Flemming
Forrestall
Fulton
Germa
Gilbert
Godin
Grafftey
Grégoire
Grills
Gundlock
Hales
Hamilton
Hees
Horner (Acadia)
Howe (Hamilton-South)
Howe (Wellington-Huron)
Irvine
Jorgenson
Kindt
Knowles
Korchinski
Lambert
Laprise
MacDonald (Prince)
MacEwan
MacInnis (Cape Breton South)
MacInnis (Mrs.)
MacLean (Queens)
Macquarrie
MacRae
McCleave
McCutcheon
McIntosh
McKinley
McLelland
McQuaid
Madill
Mather
Monteith
Moore
More
Muir (Cape Breton North and Victoria)
Muir (Lisgar)
Nasserden
Nesbitt
Nielsen
Noble
Nowlan
Nugent
Orlikow
Ormiston
Pascoe
Prittie
Pugh
Rapp
Régimbal
Ricard
Rynard
Saltsman
Scott (Victoria (Ont.))
Sherman
Simard
Simpson
Smallwood
Smith
Southam
Starr
Stefanson
Thomas (Middlesex West)
Thompson
Valade
Wadds (Mrs.)
Webb
Winch
Woolliams—105.

NAYS

Messrs:

Addison
Allmand
Andras
Asselin (Richmond-Wolfe)
Badanai
Basford
Batten
Béchard
Beer
Benson
Berger
Boulanger
Brown
Byrne
Cameron (High Park)
Cantin
Caron
Cashin
Chatwood
Choquette
Chrétien
Comtois
Côté (Dorchester)
Côté (Longueuil)
Côté (Nicolet-Yamaska)
Cowan
Crossman
Davis
Deachman
Drury
Duquet
Émard
Ethier

Division

Faulkner
Forest
Goyer
Granger
Gray
Greene
Groos
Guay
Habel
Haidasz
Harley
Hellyer
Honey
Hopkins
Hymmen
Isabelle
Jamieson
Johnston
Klein
Lachance
Laflamme
Laing
LaMarsh (Miss)
Langlois (Chicoutimi)
Laniel
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Legault
Lessard
Lind
Loiselle
Macaluso
Macdonald (Rosedale)
MacEachen
Mackasey
McIlraith
McLean (Charlotte)
McNulty
McWilliam
Marchand
Martin (Essex East)
Matheson
Mongrain
Morison
Munro
Neveu
Nicholson
Noël
O'Keefe
Olson
Orange
Otto
Ouellet
Pelletier
Pennell
Pepin
Pilon
Prud'homme
Racine
Reid
Richard
Rideout (Mrs.)
Rinfret
Robichaud
Rochon
Rock
Roxburgh
Sauvé
Sharp
Stafford
Stanbury
Stewart
Tardif
Teillet
Thomas (Maisonneuve-Rosemont)
Tolmie
Tremblay (Matapédia-Matane)
Tremblay (Richelieu-Verchères)
Trudeau
Turner
Wahn
Walker
Watson (Châteauguay-Huntingdon-Laprairie)
Whelan
Yanakis—119.

• (8:50 p.m.)

Mr. Speaker: I declare the amendment lost.

Mr. Stanfield: Mr. Speaker, I did not vote on the amendment. As previously indicated, I agreed to pair with the right hon. Prime Minister (Mr. Pearson). Had I voted, I would certainly have voted for the amendment.

[*Translation*]

Mr. Cadieux (Terrebonne): Mr. Speaker, I was paired with the hon. member for Calgary North (Mr. Harkness). Had I voted, I would have voted against the amendment.

[*English*]

Mr. Herridge: I was paired with the President of the Privy Council (Mr. Gordon) who was unable to be present.

[Mr. Speaker.]

[*Translation*]

Mr. Gendron: Mr. Speaker, I was paired with the hon. member for Charlevoix (Mr. Asselin). Had I voted, I would have voted against the amendment.

[*English*]

EXPROPRIATION OF FARMLANDS BY CANADIAN NATIONAL RAILWAYS

Mr. F. J. W. Fane (Vegreville): Mr. Speaker, my grievance today has to do with the laws and the making of laws in Canada, with particular reference to the law of expropriation. Before I proceed with that part of my grievance, I should like to say that I have always understood that Canada, as a democracy, is governed by laws that are made to provide the greatest good for the greatest number of citizens. After being a member of this parliament for almost ten years, I wonder how much attention parliament actually pays to democracy in making the laws to provide the greatest good to the greatest number? I think very little. A great many of our laws appear to be made with a view to political expediency and providing for the wishes of certain classes of people in our country and without any apparent regard for the well-being or interest of the greater number of people who may be concerned.

At times one appears to be justified in feeling like the character Mr. Bumble in one of Charles Dickens' works who remarked so aptly, "The law is a ass, a idiot". There are times, very many times, when one wonders if that is not perfectly true. Until I became a member of parliament almost ten years ago, I used to think that the laws were all made with a view to carrying out the democratic principles we are supposed to have in this country. However, since coming into a full understanding of the way some of the laws are forced on the country, without any regard at all for the feelings of the majority of Canadians, I have begun to wonder just where we are going.

An example of this is shown by the present government in the present debate on the emasculated capital punishment bill, under the provisions of which our nation is to be divided into first and second class citizens, so far as protection is concerned. If this bill on capital punishment is approved, then as I have already stated, God forbid, it will certainly divide us all into first and second class citizens. This is not the will, Mr. Speaker, of the majority of the people of Canada.

• (9:00 p.m.)

The second example is the bill that was finally passed on January 27, 1967 and which is now law. That was the bill to amend the Railway Act and to set up Mr. Pickersgill's empire, he now being chairman of the Canadian Transport Commission. That bill along with the Canadian National Railways Act and the Expropriation Act, gives the Canadian National Railways almost carte blanche to do anything it pleases, without reference to parliament or regard for the welfare of any people who may be involved or who get in the way of the ambitions of the railway, whatever they may be. Certainly the Canadian National Railways Act and the Expropriation Act taken together makes this sort of thing possible.

While speaking of the Expropriation Act, which is chapter 106 of the Revised Statutes of Canada, I should like to make particular reference to two cases which occurred locally but which have national implications, inasmuch as under the existing law the same thing can occur anywhere in Canada. But before I deal with these cases, Mr. Speaker, I should just like to tell the house that I was formerly an executive officer of a rural electrification scheme in Alberta, and as such it was my duty to invoke expropriation laws in that province. This I did according to law and justice. When this electrification line was constructed I had to get permission from certain farmers for the line to cross their land. Four farmers in the area did not agree. I therefore went to court, for which provision had been made, and got authority to expropriate sufficient area to place seven or nine power poles—I forget the exact number now—on each quarter section, each half mile. The farmers received payment in advance of the poles being erected; but when the farmers finally wanted to receive the power they had to pay the money back. Nevertheless everyone was happy; there was no trouble.

However, Mr. Speaker, this is not always the case. On October 4 I made a speech in this house about expropriation—that is a nice way to put it; I call it theft—by the Canadian National Railways of certain lands in the Fort Saskatchewan settlement area immediately north of the North Saskatchewan river. A few days following that speech, which is reported at page 2819 of *Hansard*, just to show that this situation is not confined to the province of Alberta or to my particular area, I received a telephone call from a lady in Toronto. She complained that her house, which was a solid brick house on a full sized lot, had been expropriated and that her house had been demolished without her permission. She had been offered $10,000 for her property, a property which would sell in the city of Toronto, I am told, Mr. Speaker, for between $30,000 and $40,000. Eventually she had to go to court to establish her rights. I understand from her that she paid more for this property than the $10,000 that she was offered.

As I say, Mr. Speaker, this situation is not peculiar to Toronto or to my constituency; I could quote a number of other instances of this kind. I might say, however, that as soon as I received this lady's complaint I contacted her member of parliament, the hon. member for York East (Mr. Otto), told him about the matter and he is now looking into it. I am sure that with his efforts she will receive a proper settlement for her property.

A different situation arises in connection with the areas of farm-land taken over by the C.N.R. in the Fort Saskatchewan settlement, which is just north of the town of Fort Saskatchewan in Alberta. Actually, the town itself is not in my constituency but the settlement is. The C.N.R. took over part of the farms of 23 farmers. This is the finest farmland in Canada, and it was expropriated to enable the railway to build a spur line to the government subsidized Imperial Oil Company fertilizer plant which is located five or six miles south of the town of Redwater in my constituency.

• (9:10 p.m.)

Now, Mr. Speaker, everyone approves of having a railway line put through there, but these people are disgusted and up in arms at the cavalier way the C.N.R. took over this farming area. They gave the owners of the land no warning. The farmers knew this plant was being built but they were given no intimation that the line would pass through their land or be routed in this fashion. Now it is an accomplished fact.

I suggest it is a pretty poor state of affairs when the C.N.R., a crown corporation and a child of the government of Canada, can take over private property without making any proper arrangements to do so or to arrive at an appropriate settlement. I am told that the only survey made to decide whither this line was going was done from an aerial photograph. An Edmonton official of the C.N.R. drew a straight line between the point at which they wanted to join the main line of the Canadian National, and the plant. That is where the spur was built. It did not have to

be built there. They could have built it in half a dozen different places. Apparently they did not even consider these possibilities. They found, when they got the line built, except for the fill across the river, perhaps a quarter of a mile long, over 400 feet wide and a matter of a hundred or more feet deep, that no soundings or tests had been made to find out whether the fill would stay. They had a lot of extra work to do because the banks of that river were filled with springs, and the fill would not stay. I do not know what was done eventually, but I did see an article recently which said this spur was in use.

I mentioned earlier that the first intimation to the farmers in the area that their land was being taken from them was by way of a letter from the manager of Canadian National real estate in Edmonton. This letter informed them that the C.N. was building a spur through their property and that a certain amount of their property would be required for this purpose. They were each told more or less how much it would be. I have a number of these letters. They are all the same, except that the location marked at the top is different.

When I made my speech to the house on October 4 I did not have copies of these letters, but they were sent out to all the property owners and farmers, supposedly free citizens of this so-called democratic nation, telling them that their property was to be confiscated. The company called it expropriation but I call it plain, ordinary theft.

I will read the letter which was sent to Mr. and Mrs. Robert Lamoureux whose land was desecrated and destroyed as a farm as a result of this action by the railway. This letter was dated April 27 and reads as follows:

Mr. and Mrs. Robert Lamoureux
Box 51
Fort Saskatchewan, Alberta
Dear sir and madam:

Re: Parcels A & B of river lot 4, and parcel C of river lot 2, of plan 1996 C.L., Fort Saskatchewan.

You have probably read in the newspapers of Imperial Oil Limited's multi-million dollar fertilizer plant to be built near Redwater, Alberta. A rail line to this plant will be built by CN and from studies which have been made, it has been found necessary to acquire a right-of-way across your above noted property as shown on the attached sketch.

For reasons of expediency, the railway has deposited in the land titles office, Northern Alberta land registration district, a plan under the provisions of the Expropriation Act and the Canadian National Railways Act.

[Mr. Fane.]

Our representative will call on you as early as possible within the next month to discuss this matter and to arrange settlement for the property taken.

The deposit of the plan need not affect your use of the property outside the right-of-way shown on the attached sketch and it will not be necessary for you to postpone any action on the balance of your lands, such as spring seeding.

Yours truly,

J. H. Tilley
Manager of Real Estate

Mr. Speaker, all these people need to make Jesse James and his gang look like Sunday school teachers is two guns each and a horse. This is appalling. This letter was the first information these people received that their land was to be taken and that a spur line was to be built through their property along the route described. They did not get a chance to say a word about what was happening to property on which some of them had lived all their lives, as no doubt had their fathers and grandfathers. This settlement was originally named Lamoureux; it was named after the ancestors of the people who are there now. Six families named Lamoureux are involved in this situation.

Mr. Woolliams: That is Mr. Speaker's family.

Mr. Fane: As I said earlier, there were several different routes which could have been taken. If the spur had to be jointed with the line at the one spot which had now been chosen, there was no need for it to pass through these farms; it could have been routed a quarter of a mile north along the old Victoria trail. It could even have been placed on the trail itself, which is already government property and is not used a great deal. In any event it could have been built alongside it. This would not have disrupted the farming operations and it would have made for greatly improved public relations between the people concerned and the Canadian National Railways, and maybe between those people and the parliament of Canada.

• (9:20 p.m.)

No settlement was made before the takeover or before the spur line was begun, nor were any efforts made to reach such a settlement. Ten days after that letter was written, an agent of the C.N.R. went around to see some of these people. Two of them were missed out entirely, according to a letter that I have from the C.N.R. However they were busy on their farms, and could not take the time to go out and make a deal. They employed in Edmonton the firm of Farm Surface

Rights Consultants Limited to look after their interests. This firm is looking after the interests of these people, as well as their interests in connection with the building of a pipe line and another railway spur, the second one in Saskatchewan.

The C.N.R. could very easily have saved millions of dollars of taxpayers' money if the management of the railway had used their heads, made a proper survey and routed this spur in a sensible place. If it is ever possible to do so we must find out how much it is actually going to cost before we can see how many millions of dollars were wasted through this stupid, idiotic placing of the spur line.

That line has now been completed, and the railway company is trying to make settlements with the farmers whose farms have been destroyed. What hope is there of making any kind of a reasonable settlement? I do not know how the railway will be able to make a settlement after the destruction it has caused, after the inconvenience to the farmers, and all the other things that enter this expropriation. The C.N.R. management will probably offer the farmers the assessed value in the municipal district, but that will certainly never, never be accepted.

Besides all the value of the land that has been taken away, just think what it means to a farmer to have a railway line crossing his farm at an angle and destroying all the existing set-up of fields, shelter belts, and all his planned farming operations, dividing one end of his farm from his farmstead, his granaries and his other installations. It is an appalling situation for these people whose land has been desecrated by something like this that appears to have the approval and the protection of the laws of Canada. I cannot say, much as I would like to, that it is approved by this government, because probably this government did not know about it. Members of the government may have known, but it is possible they did not. I did not know that things like this could be done, and I have lived there all my life.

The railway company was supposed to provide crossings at proper places. It has not done so. It was supposed to provide underpasses for cattle. It has not done that either. But it has made crossings where it is impossible to use them. That is the kind of arbitrary action that the railway company has undertaken there. It just is not right, Mr. Speaker. It violates the rights of the free citizens of Canada. It makes me wonder what Canada is coming to when a child of the government can undertake actions like that and veritably steal the land from the farmers and desecrate their private property.

Just think, Mr. Speaker, we have 105,000 Canadians lying dead over in Europe because they fought to protect the rights of the people of Canada. Is their memory to be treated in this way? We have to get busy and get our laws changed, make them good for something for the majority of the people and not just for a company like the Canadian National Railway, which is the child of the government and therefore is actually the government.

It amounts to the fact that we have dictatorship in Canada. We are not a free country. We are not a democratic country any more. We have a dictatorship here, and this dictatorship is conducted by crown corporations like the C.N.R. As that lady said in her letter to the *Journal*, "If you think you have rights in Canada, try dealing with the Canadian National Railways". Parliament has to do something to amend the laws, to make it mandatory that things like this cannot be undertaken without consultation with and approval by the whole of parliament. This has happened because some half baked act was pushed through parliament to make it easy for somebody to destroy private enterprise and take over from private enterprise.

I just do not know what this country is coming to. I do not want anybody to think that I am blaming the present government for this situation, because this was in effect before it came into power. But I do blame the members of the government for forcing the new railway legislation through parliament without due consideration being given to the amendments to that act, bill—I have other words for what it has turned out to be. I blame members of the government for refusing to accept the amendments that were proposed from all parts of the opposition in the House of Commons. When we in the opposition try to amend government legislation we are not doing it for our own good. We are doing it with the interests of the people of Canada at heart.

I think my time is almost used up, Mr. Speaker, and I would like to thank you for allowing me to get this off my chest. I am terribly worried about the situation in this country of ours. I know that the government is also involved with the Expropriation Act. To realize this, all you have to do is to hear about the troubles that have arisen in the

national parks, with the government trying to destroy the long term leases—

Mr. Laing: Careful.

Mr. Fane: O.K. Art—with the government trying to destroy the long term leases and the private ownership of property that has existed since before the parks were started. I refer hon. members to a speech on this subject made by the hon. member for Bow River (Mr. Woolliams) on May 15, 1967. I hope when I sit down, Mr. Speaker, you will see the hon. member for Bow River who I know is ready, waiting and willing to carry on from where I leave off.

• (9:30 p.m.)

The Acting Speaker (Mr. Rinfret): The hon. member for Kootenay West. Is the hon. member rising to speak to the same grievance raised by the hon. member for Vegreville?

Mr. H. W. Herridge (Kootenay West): Yes, Mr. Speaker; it is the same grievance. Mr. Speaker, I support very faithfully the ideal put forward by the hon. member for Vegreville (Mr. Fane). It is not very often that I find myself in support of the same things as the hon. member for Vegreville, because I am a progressive, I believe he has a grievance which is a genuine one, and one which affects many farmers across this country in respect of expropriations by crown corporations and other organizations. I know, so far as my own constituency is concerned, that in a minor way, many farmers have had the same complaints he has mentioned concerning the railroads, and other bodies.

I should like to give an example. I admire people who stick up for their rights. I was visiting in a rather isolated part of my constituency in which a lady lives who came from England about 65 years ago. She lives alone on a cattle ranch which she has had for over 50 years. She also has quite an area to timber. One day she discovered that a large logging company was constructing a road through her property without her permission. This was three or four miles from her home, on her own property. She immediately felled a tree across the road with a chain saw. The following morning when the men came from the camp she was sitting on the fallen log with a rifle in her hand. She said, "If any of you try to cross this road I will shoot." The men were sympathetic to her cause. The manager had to come in by helicopter. She was not concerned about the matter of compensation, but she was concerned about having her rights recognized. That company signed in a legal and proper manner an agreement to cross her property.

There are many instances such as this, but in most cases the people are afraid to stand up to the crown corporations, the railroads or organizations of that sort. I fully appreciate the grievance of the hon. member, because this type of thing has been brought to my attention a good number of times by the people whom I have the honour to represent. This is something which is of particular concern in the province of British Columbia. The farmers organizations there are trying to get the government of British Columbia to pass an act in respect of the expropriation of property, so that there will be a proper procedure and so that the farmers will receive adequate compensation for the damages they suffer.

This is a subject which should be the concern of both the federal and provincial governments. I suggest that one way to meet this problem is to have it placed on the agenda of the next federal-provincial agricultural conference, so that it can be discussed by the ministers of agriculture from the various provinces. I think this is a step which should be taken. First of all, it would help to point out the importance of this matter and would provide an opportunity to obtain the views of the various agricultural ministers across Canada. If this were to be done, a notice of intention should be sent to the Canadian Federation of Agriculture, the provincial federations of agriculture, the farmers unions, and so on, so that they will know what is going to happen, and so that they will have an opportunity to present their views to the provincial ministers before they come to Ottawa for this conference. If this were done I believe there would be co-operation between the federal and provincial governments in an effort to bring about similar legislation across the country to cover the matter the hon. member for Vegreville has mentioned.

I should like to deal with another matter which is related to this. It is a similar problem. I am referring to the question of hunting and fishing on private property.

Mr. Woolliams: That has nothing to do with it.

Mr. Herridge: Oh, yes; this has to do with the expropriation of eminent rights of the owners. This situation has developed in recent

years. Generally speaking, farmers who have many acres of land on which there are game welcome persons who wish to hunt on their property, provided their rights are respected by the hunters and provided no damage is incurred. This is a problem which also has concerned provincially the British Columbia federation of agriculture. I believe it is a matter which should concern the minister. I am sure he knows all about it and is interested in the matter. I hope we will hear from him on this subject.

In the province of British Columbia there has been considerable co-operation between the game associations, the rod and gun clubs and the farmers. These organizations in some cases agree to undertake to police the hunting and fishing on private property. What is really required, however, in this country is a national code of ethics for this purpose. I suggest that this is another matter which should be placed on the agenda of the annual federal-provincial agricultural conference, in an effort to see whether something can be done about getting general acceptance of a national code of ethics for hunting on private property. If this were done, it might be possible to have legislation passed by all the provincial governments in this regard.

These matters have intensified throughout the years. I appreciate what the hon. member for Vegreville said, because I have had a good deal of experience in my own riding in respect of expropriation without adequate compensation, without notice and with a complete disregard for the rights of the person who held the property. I believe these matters can be satisfactorily settled if they are approached in the manner I have suggested; that is, by placing them on the agenda for the federal-provincial agricultural conference, and by giving the organizations ample notice of the meeting so that they will have an opportunity to present their views to the provincial ministers before they come here, or to the federal ministers concerned. I am confident that if we can develop this sort of co-operation between the federal and provincial governments, and the owners of the land concerned, through their organizations, we will be able to do something to cure the evils mentioned by the hon. member for Vegreville.

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, I should like to join with the hon. member for Vegreville in respect of his grievance concerning expropriation. In my introductory remarks, however, I should like to say that in order to develop the country we must have reasonable expropriation laws. Whether we wish to build a trans-Canada highway or a railroad we must have the right, according to the law, placed in the crown, in the federal government, or in the provincial government or at the municipal level, to be able to expropriate private property.

I think the first question which should be asked is: What is the problem, and why have the hon. member for Vegreville and other members risen tonight to make some complaints to the crown in this regard? I think the first thing we must do is re-examine the rights in respect of expropriation. I have made several speeches on this subject. I must come to the conclusion that the law on expropriation has made the crown—the state —all powerful. Whether the expropriation is on behalf of the railways, the Department of Public Works or any other department of the crown, it always seems to me that they should have that right, but that the right should be spelled out very carefully in the law for a public work or for some other reason. If the crown is unable to make a proper settlement with the individual in question, then it should be the crown that should have to commence the action and obtain the evidence at the expense of the crown, or at the expense of the railway as the case may be.

• (9:40 p.m.)

I am quite certain that if this was somewhat legalistically automated we could save a lot of the expenses to the individual. Sometimes we overlook those matters raised in the Bill of Rights, particularly in section 1. I am one of the members of the House of Commons and of the legal profession who believe the courts have shied away from the Bill of Rights and have failed to give the proper interpretation intended by parliament. It is interesting to note that the Bill of Rights was approved by all members of this house when it was passed on August 10, 1960. Let me read what is in this part to which I refer and which I think we sometimes overlook. It reads as follows:

> It is hereby recognized and declared that in Canada there have existed and shall continue to exist without discrimination by reason of race, national origin, colour, religion or sex, the following human rights and fundamental freedoms, namely,
>
> (a) the right of the individual to life, liberty, security of the person and enjoyment of property—

We are here dealing with the enjoyment of property, and I intend to list a few things I think should be done. First of all the right to expropriate by the crown should be spelled out. The courts assessing the amount of compensation in respect of expropriation should be those courts in the provinces in which the land is situated, probably the Supreme Court Trial Division or the Court of Queen's Bench in the province. The cost and the onus of bringing on litigation should be on the crown. Citizens would then be able to come to the courts with their realtors or appraisers and present their cases at very little expense.

In the 15 minutes left at my disposal I should like to deal with a subject I have brought to the attention of this house on other occasions, and I am happy to see that the minister responsible is in the house. Perhaps he realized that I intended to speak tonight in reference to national parks in Canada. I have already set out what I feel should be done in respect of the expropriation laws. Nothing has happened in Canada to equal what has happened in reference to the taking over of property of individuals in national parks.

Land is owned in national parks in four ways. Some land is owned in fee simple, although there is very little of that. Some land is owned on the basis of 99 year leases. Some land is owned on the basis of leases in perpetuity, generally for 42 years with the right to renew the 42 year lease and with the right to renew again. Some land is owned with a 42 year lease and 21 year renewal. Some land is owned on the basis of other short term leases. This government in recent years has run slipshod over the rights of the occupants of Banff, Jasper and other national parks in Canada.

An hon. Member: And Waterton.

Mr. Woolliams: Yes, and someone says Waterton. I have had something to do with these matters as a member of parliament because Banff national park is located in the constituency of Bow River which I represent. This government has been able to use its propoganda machine through the newspapers of this country, which is a source which will soon dry up, to build up this wilderness theory as though it was something new. Every Canadian and every member of parliament, no matter where he lives—in a national park or outside—believes that parks were established in Canada to preserve nature in its natural surroundings. However, in order for people to enjoy these parks they must come to them and they must have facilities. They must be able to find motels, hotels and other such accommodation. At the present time there are 1,700,000 people visiting Banff national park annually. This park does not have the accommodation to meet that demand.

In the last while we have heard a great deal from the hon. member for Medicine Hat (Mr. Olson). Over the years he has been just as critical as I in reference to the government's action in respect of the national parks, and what is being done to the people who serve the tourists. I dealt with this problem on November 18, 1966. At that time I said very much what I intend to say tonight, only along different lines. I referred to the misrepresentation on the part of the crown and the duress used to get leases cancelled and take property rights from people. What did the member for Medicine Hat say on that occasion? He said this:

> The minister may say we have camping grounds. I took photographs of those grounds last year; they are good grounds, but when you have half a mile of cars lining up waiting to get in—
>
> Mr. Olson: I agree. I have seen that.

Although he spoke tonight with great affection in support of the Liberal party, as a new member, when dealing with this subject he said that he agreed with me and had observed the same things.

During the last election campaign the Prime Minister (Mr. Pearson) came to Calgary and met in the Palliser hotel with various Liberals in different positions in the city of Calgary. They pointed out the abuses that had taken place in respect of individuals in national parks under the present minister. I am sure if Senator Cameron was a member of this house rather than of the other place he would be able to put this grievance to the house more ably than I—and he is a Liberal senator. At that time the Prime Minister said the government was going to give these people a fair and just hearing.

A standing committee of this House of Commons visited Banff for two days and Jasper for one day. The government has taken the position that these leases in perpetuity, in respect of motels, restaurants, hotels and other establishments, were not granted legally to these people who have been serving the tourists for years. When the members of the committee were in Banff they discovered a beautiful brief which set out the crown's position. I have a photostat

of page 6 of this volume, in which we find this most unusual statement:

> On normal renewals of perpetual renewal leases, the department can probably be forced (legally) to issue renewal leases also containing the perpetual renewal clause, i.e. on a normal renewal of a perpetual renewal lease we cannot legally force the lessee to take less.

It refers to something less than a perpetual lease and means less than what was originally granted.

The hon. member for Medicine Hat suggested today that we ought to do our homework. I have done mine. I went back to the motel in Jasper. When we had the deputy minister before the committee I asked him about this statement and he stated that this was the legal opinion given the department of northern affairs by the Department of Justice. I suggest to the minister tonight that his department has flaunted this legal opinion received from the Department of Justice.

I have dozens of letters dealing with the sale of a motel or other property by one individual to another on the basis of one of these leases in perpetuity. The individual writes the department for consent to transfer the lease in question. The department delays answering for a number of weeks, to frustrate the sale, and finally answers by saying they will agree to the sale and the transfer if the purchaser will accept a 42 year lease and give up the lease in perpetuity. The brief filed with the standing committee by the department of northern affairs in Banff set out this legal opinion it received from the Department of Justice, to the effect that it could not refuse to renew these leases. This is misleading of the worst type and duress of the worst kind, because it is carried on in the name of the Queen.

I have in my hand a letter to Mr. H. Lloyd MacKay, barrister and solicitor in Banff, dated March 13, 1967 which reads as follows:

> RE: Lot 13, Block 21, Banff townsite,
>
> John Herbert Owen—lease.
>
> Reference is made to your letter dated February 7, 1967 concerning the above subject matter.
>
> I am advised that it is beyond the statutory power of the minister to grant a lease on land in Banff National park, which in effect, would be renewable in perpetuity. This provision is in essence what was requested in Mr. T. B. McMeekin's letter of July 22, 1966.
>
> Therefore, the department is only prepared to grant Mr. Owen a new lease in the form offered in the general superintendent's letter to Mr. Owen, dated June 14, 1966.

This letter is signed by E. H. Weeres, townsite manager, Banff national park. He was referring to a 42 year lease. That letter is one of the many examples with reference to what is happening to the land in the Banff national park.

When the minister appeared before the committee I told him that people cannot get money in order to finance their enterprises because even the Industrial Bank will not lend them money, and nobody else will do so when there is no security of tenure. How can these people hope to serve the 1,700,000 people who are coming into Banff? Surely we need American dollars in this country at this time, particularly when the pound sterling has been devalued and even the United States dollar is being questioned by France, as I heard tonight. I believe there is even some question as to our Canadian dollar. The best way of obtaining American dollars is through the tourist industry, which is one of the greatest industries in Canada.

• (9:50 p.m.)

I do not have much time to place my case before the house because not much time was left to me. However, I should like to quote from the Edmonton *Journal* which has been not too unfriendly to the government, as the minister knows.

Mr. Laing: I wish the hon. member would give me five minutes to answer him.

Mr. Woolliams: The minister can have five minutes to speak on this matter when he brings in his legislation. I must speak now. I see the minister has a bill on the order paper. He is going to set up a special corporation. Do you know, Mr. Speaker, what the minister is doing? Mr. George Steer, Q.C., one of the leading lawyers in Edmonton, who has been a Liberal all his life and has held positions in the Liberal party, met the citizens of Banff and Jasper and said to the minister in their presence that the minister is acting illegally and contrary to the advice of the Department of Justice. Yet, in spite of that he is breaking the law and is using duress and misrepresentation of the worst kind to browbeat the owners in Banff and Jasper.

The minister is asking for five minutes to answer me, he had 25 minutes when he was in the committee. In fact, I think he had most of the morning. He did the talking and we tried to answer the questions.

An hon. Member: What did he say?

Mr. Woolliams: He never said very much. There is one thing he will not do. He has been invited to speak to the council in Banff. He refused, and when he met some members

of the organization, he browbeat them and said to them that unless they apologized to him for their remarks he would not listen to their grievances. What kind of minister is he? The minister knows as well as I do that he has used duress and misrepresentation to browbeat the people in Banff and Jasper. Even more than that, he has had his own propaganda boys writing articles to back up his position.

Mr. Laing: Will the hon. member answer one question?

Mr. Woolliams: No, because I have only five minutes. I will listen to the minister when he brings in his legislation, which is to make legal what he is now doing.

Mr. Laing: I will tumble the hon. member's arguments with one question.

Mr. Woolliams: I have the floor and I intend to keep it.

Mr. Speaker: Order, please. The hon. member for Bow River has the floor.

Mr. Woolliams: Thank you very much, Mr. Speaker. I should like to read from the Edmonton *Journal*, and I know the minister is most anxious that I read it. It reads in part as follows:

> This newspaper has said repeatedly that Mr. Arthur Laing's national parks policy is not a valid policy so far as it governs commercial leases. Here's a case in point:
>
> An Edmonton group planned a 77-unit motel at Jasper, assembled $450,000 in cash, arranged $550,000 in mortgage funds, obtained the parks department's approval of a site in Jasper town—then cancelled its plans. The reason given: no compensation when the lease expires. The money is still available; so is the building site. But until there is compensation for cancelled commercial leases, say the investors, they won't go into Jasper.

There is a shortage of facilities both in Jasper and in Banff, and the minister knows it. I saw this summer in July, and I have seen for five consecutive summers, even when we were in office, people lining up for a mile and a half to get into the camp grounds in Banff. I have heard from the R.C.M.P. in these areas that sometimes more than 100 or 200 visitors must leave Banff each day and drive over to Calgary, because they are unable to get any reservations in July and August. There is a great shortage of facilities, and the minister and his department know it. The fact is that nobody will put money into these parks except for certain "friends", and I wish I had more time to deal with these friends. Nobody will put money into the parks to enable the people to build motels, hotels, restaurants and other facilities for the tourists.

Mr. Laing: I know now why the hon. member will not answer a question.

Mr. Woolliams: I will listen to the minister when he brings in his legislation. I do not intend to waste any more time with him. On the face of it, this looks like pressure play. If the minister wishes to ask questions, let him ask Senator Cameron. Although Senator Cameron is a Liberal senator he went to the Prime Minister and told him that the present Minister of Indian Affairs and Northern Development is the worst minister who has ever headed that department. If the minister will not answer any questions, then I am prepared to answer them because I am presenting the true facts to the people in western Canada.

I say to the minister through you, Mr. Speaker, that he is afraid to meet these people from the parks. He does not dare meet them because, as I have said, he has used misrepresentation and duress to get the cancellation of leases which were granted by the crown in perpetuity. This was a sacred contract by the crown, and yet these leases in perpetuity were cancelled, and the people were told there was no consent to any transfer, unless they took a 42 year lease in place of the same. The minister knows exactly what happened. In fact, in Waterton in July and August signs were put up on restaurants saying "closed because of crown regulations by Arthur Laing". That is what met the American tourists in western Canada this year.

We have a real grievance. I can understand why the minister is upset. He does not want to hear the truth in this chamber because he has allowed his department to run rough-shod over the people who have served the tourists who bring American and other dollars into the Banff and Jasper national parks.

Mr. Laing: Will the hon. member now answer a question?

Mr. Woolliams: No, Mr. Speaker, because I want to finish reading this article. It is now nearly ten o'clock. The minister will have time to speak on this matter when he brings in his legislation very soon. This is the club to end his good friend, Mr. Steer's lawsuit, and to test its validity. I have asked the minister whether he is ready to test his right,

even though he will not listen to the Department of Justice. Will he test his right in the Supreme Court of Canada and let the crown pay to find out whether the minister is right? In answer he told me that he had no intention of doing so.

Mr. Speaker: Order, please. It being ten o'clock it is my duty pursuant to paragraph 4(f) of section 56 to interrupt these proceedings and put forthwith the question on the motion now before the house. Is it the pleasure of the house to adopt the said motion?

Mr. Knowles: On division.

Motion agreed to on division and the house went into committee, Mr. Batten in the chair.

SUPPLY

The house in committee of supply, Mr. Batten in the chair.

The Chairman: It being after ten o'clock, shall I rise and request leave to sit again at the next setting of the house?

Some hon. Members: Agreed.

Progress reported.

• (10:00 p.m.)

BUSINESS OF THE HOUSE

Mr. Starr: I wish to ask the government house leader what he intends to bring before the house tomorrow, Thursday, and Friday?

Mr. MacEachen: Tomorrow, Mr. Speaker, we will call the second reading of the capital punishment bill. For the remaining days of the week, we will call the Gold Mining Assistance Act; the Post Office Act; the Industrial Development Bank Act and the C.N.R. bill. These will be the items that will be called for the remainder of the week, but not necessarily in that order.

Mr. Starr: Mr. Speaker—

Mr. Speaker: Order, please. It being after ten o'clock we can do no further business unless we have the agreement of the house. The hon. member might state what business he has in mind.

Mr. Starr: Before the house rises, I want clarification of the answer given by the government house leader. When he enumerated the other pieces of legislation to follow the capital punishment bill, can we take it for granted he meant that after all the stages of the capital punishment bill had been completed, this other business would follow?

Mr. MacEachen: I would reserve the right possibly to call any of these items on Thursday. At present I hope we will be able to continue with the capital punishment bill, but I am not certain.

Mr. Knowles: In connection with the debate on the capital punishment bill tomorrow, I wonder if between now and tomorrow the house leader would canvass the possibility of getting agreement to postpone private members hour, if there is a possibility of concluding the second reading by six o'clock.

Mr. MacEachen: Yes, I will be glad to consider that suggestion.

DOMINION-PROVINCIAL RELATIONS

BILL OF RIGHTS—TABLING OF CORRESPONDENCE RELATING TO CONFERENCE

Mr. John R. Matheson (Parliamentary Secretary to Prime Minister): With the permission of the house, Mr. Speaker, I should like to make a brief explanation with regard to the papers that were tabled by me at six o'clock this evening on behalf of the Prime Minister. I should like to explain that the premier of British Columbia has requested that his reply to the invitation to attend the federal-provincial conference on a constitutional bill of rights for Canada, which he accepted, be not tabled, as he regards its contents as confidential.

It being five minutes after ten o'clock the house adjourned, without question put, pursuant to standing order.

APPENDIX

BILL OF RIGHTS—CORRESPONDENCE RELATING TO PROPOSED DOMINION-PROVINCIAL CONFERENCE

[*Translation*]

GOVERNMENT OF QUEBEC
OFFICE OF THE PRIME MINISTER

November 14, 1967.

The Right Hon. Lester B. Pearson, P.C.
Prime Minister of Canada,
Government of Canada,
Ottawa.

Confidential

Mr. Prime Minister:

My colleagues and I have taken cognizance of your letter of August 15, 1967 proposing that a special federal-provincial conference be held early next year to consider the possibility of giving Canada a constitutional Bill of rights providing especially a wider definition of and greater guarantees for the official languages.

Quebec has long been wishing that the rights of French in Canada be enlarged and that their observance be guaranteed by the constitution. Consequently, we can only rejoice at any initiative likely to produce such a result and I can assure you of the active participation of our government in the conference you propose.

However, I wish to draw to your attention that the changes that you seem to advocate will be difficult to implement unless the whole constitutional question is considered and resolved. Indeed, it is difficult to see how such a Bill of rights could be included in our constitution before the latter is repatriated. The unfortunate experience of the Fulton-Favreau formula has shown that such repatriation cannot be effected until agreement is reached on the outlines of constitutional reform.

I must add that even if it were possible to guarantee even more fully the rights of French under the constitution, the basic problem concerning Canada's future would still be far from being solved.

Our government deems it necessary to discuss a Bill of rights within the framework of a comprehensive study of our constitutional structures, rather than as a preliminary step to that study, as implied by your letter. Fortunately, the Confederation of tomorrow Conference which will be held in Toronto at the end of the month, will give us the opportunity to undertake such a comprehensive study, thus enabling us to consider both questions at the same time and to make the necessary parallels.

Finally, I point out that, pursuant to its election platform, our government intends to include in the Quebec constitution a charter stipulating the fundamental rights and essential freedoms of man. As stated in your letter of February 10 last, the provinces do have an obvious interest in the matter.

Yours sincerely,

Daniel Johnson

[*English*]

GOVERNMENT OF NEWFOUNDLAND
AND LABRADOR
THE PREMIER
ST. JOHN'S

August 30, 1967.

Confidential

Right Hon. L. B. Pearson, P.C., M.P.,
Prime Minister of Canada,
House of Commons,
Ottawa.

My dear Prime Minister:

Thank you for your letter setting forth your thoughts on a special Conference to consider the possibility of establishing a constitutional Bill of Rights for Canada. As always, my colleagues and I will do anything within our power to assist you and you may count on our full co-operation in this matter. I stand ready to come to a conference whenever you should choose to call it.

With kindest regards,

Sincerely yours,
Joseph R. Smallwood

PREMIER'S OFFICE
PROVINCE OF
PRINCE EDWARD ISLAND

September 28th, 1967.

My dear Prime Minister:

I have received your letter of August 15th outlining your proposal for the establishment of a Constitutional Bill of Rights for Canada.

I would expect the Legislative Assembly to convene in Prince Edward Island by mid-February, and I would, therefore, indicate my preference for a mid-January Conference along the lines suggested.

Yours very truly,

Alexander B. Campbell,
Premier,
Prince Edward Island.

Rt. Hon. Lester B. Pearson, P.C., M.P.
Prime Minister of Canada,
Ottawa, Canada.

NOVA SCOTIA
THE PREMIER
HALIFAX

August 25, 1967.

Dear Mr. Prime Minister:

In the absence of Hon. R. L. Stanfield I acknowledge your letter of August 15th concerning a special Federal Provincial Conference.

I think you may take it that Nova Scotia would be prepared to attend such a conference and that a date not later than early February would be satisfactory. A date later than early February would be likely to be inconvenient to Nova Scotia.

Yours sincerely,

G. I. Smith
Acting Premier

The Rt. Hon. Lester B. Pearson
Prime Minister of Canada
Ottawa, Canada

CN TELECOMMUNICATIONS

H. J. Clarke, general manager—directeur général, Toronto local time—heure locale

FREDERICTON NB

RT HON LESTER B PEARSON PRIME MINISTER OF CANADA

HOUSE OF COMMONS OTTAWA ONT

WITH REFERENCE TO YOUR PROPOSAL TO CONVENE A CONFERENCE TO CONSIDER THE POSSIBILITY OF ESTABLISHING A CONSTITUTIONAL BILL OF RIGHTS FOR CANADA. I WISH TO REPLY THAT NEW BRUNSWICK WOULD BE PLEASED TO SHARE IN SUCH A CONFERENCE. UNDOUBTEDLY THIS IS AN AREA THAT COULD PROVE TO BE A MOST EFFECTIVE WAY TO ADJUST OUR CONSTITUTIONAL FORMS AND GUARANTEES TO SERVE THE NEEDS OF THE CANADIAN CONFEDERATION AS WE ENTER OUR SECOND CENTURY OF NATIONHOOD. YOU SUGGEST A MEETING IN EITHER JANUARY OR FEBRUARY 1968. MAY I SUGGEST A MEETING IN THE FIRST FULL WEEK OF FEBRUARY WOULD BE MOST ACCEPTABLE IN VIEW OF THE PLANNING FOR OUR LEGISLATIVE SESSION, AND THE ACTUAL OPENING OF THE LEGISLATURE WHICH NORMALLY WOULD OCCUR ABOUT MID FEBRUARY. I DO NOT OBJECT TO THE TABLING OF THIS COMMUNICATION.

LOUIS J ROBICHAUD PREMIER OF NEW BRUNSWICK

(38).

ONTARIO
OFFICE OF
THE PRIME MINISTER AND PRESIDENT OF THE COUNCIL

Confidential

Toronto, Ontario, September 14, 1967.

My dear Prime Minister:

I have your letter of August 15, 1967.

Certainly the Government of the Province of Ontario would be happy to meet to consider the possibilities of embodying a Bill of Rights in our Constitution.

I would be glad to meet with you, as you suggest, and I would suggest that some date in February of 1968 would be most convient.

Yours sincerely,

John P. Robarts

The Right Honourable L. B. Pearson,
Prime Minister of Canada,
Parliament Buildings,
Ottawa, Canada.

MANITOBA
OFFICE OF THE PREMIER
WINNIPEG 1

August 26, 1967.

My dear Prime Minister:

I wish to acknowledge your letter of the 15th in regard to the holding of a special federal-provincial conference to consider the establishment of a constitutional Bill of Rights for Canada. I note that you are considering the holding of such a conference at a date in January or February next.

I shall consult my colleagues and write to you again shortly to let you know our prefer-

ence as between the two months you have mentioned.

Yours sincerely,
Duff Roblin.

The Right Honourable Lester B. Pearson, P.C., M.P.,
Prime Minister of Canada,
East Block,
Ottawa 4, Ont.

MANITOBA
OFFICE OF THE PREMIER
WINNIPEG 1

September 4, 1967.

My dear Prime Minister:

Since writing to you on August 26th in regard to your suggestion that a special federal-provincial conference might be held to consider the establishment of a constitutional Bill of Rights for Canada I have had an opportunity of consulting my Cabinet colleagues.

It is our recommendation that the month of January would be most convenient for the Manitoba government in setting a date for the proposed federal-provincial conference.

Yours sincerely,

Duff Roblin.

The Right Honourable Lester B. Pearson, P.C., M.P.,
Prime Minister of Canada,
East Block,
Ottawa 4, Ont.

SASKATCHEWAN

Room 226,
Legislative Building
October 4, 1967

The Right Honourable
L. B. Pearson,
Prime Minister of Canada,
OTTAWA, Canada.

My dear Mr. Prime Minister:

Federal-Provincial Conference
Canadian Constitutional
Bill of Rights

I have your note in connection with the above. If you convene such a Conference, I will try to be present.

Failing this, we will send our Attorney General.

With kindest personal regards,

Yours sincerely,
W. Ross Thatcher.

OFFICE OF THE PREMIER
EDMONTON

September 26th, 1967.

Confidential

Right Honorable L. B. Pearson,
Prime Minister of Canada,
Ottawa, Ontario.

My dear Prime Minister:

My colleagues and I have had an opportunity to consider carefully the contents of your letter of August 15th in which you propose a conference early in 1968 to explore the possibility of establishing a constitutional Bill of Rights for Canada. We are much interested in such a conference and favor a date as early in January as possible.

It might be helpful if I indicated to you at this time our general thinking on this important matter. We agree fully with your observation that "the traditional rights and liberties of citizens are maintained at as high a level in Canada as in any country of the world." This fact, in our view, minimizes the practical need for a constitutional Bill of Rights in that it will do little more than confirm within the Constitution itself a fact of Canadian life that already exists and which is in little, if any, danger of being challenged.

The entrenchment of these unchallenged rights in the Constitution itself has a number of far-reaching implications which in our view require the most serious consideration. In a sense it means circumscribing the parliamentary and legislative powers of the federal and the provincial governments in that the constitutional Bill of Rights would supersede the present right of Parliament and legislatures to legislate in this field.

It is doubtful under present circumstances if unanimity could be obtained for the proposition that such an overriding provision should be inserted into the Constitution. There also is the question of whether such an addition to the Constitution should precede the adoption of an amending procedure.

It is a matter of sincere regret that the amending procedure agreed to unanimously by the federal and provincial governments and endorsed by most of the provincial legislatures, was rejected by Quebec which province thereby prevented its enactment.

Consideration also should be given to the fact that a constitutional Bill of Rights raises the danger of subversive groups challenging society's right to call their actions into question even when they obviously are designed

to undermine the foundations of our free and democratic way of life. The protection of society against flagrant abuses of fundamental rights is readily available as long as such rights gain their legal status through enactments of Parliament or the provincial legislatures. The situation would be very different if subversive elements could claim immunity from prosecution on the ground of an entrenched constitutional right.

In your letter you make specific reference to the question of language and the matter of language having an official status. In this matter it is our firm view that no attempt should be made to give official status to the French language by means of a constitutional provision other than the existing guarantee given to the Province of Quebec at the time of Confederation that French will be recognized, together with English, as an official language in Quebec.

The Government of Alberta does not accept the proposition that Confederation was a union of two races and two cultures. We hold the historic fact to be that Confederation was a union of provinces and that in the negotiations leading to Confederation the concept of the union being one of two races, two cultures and two languages was not a factor and certainly was in no sense a condition of the union.

The fallacious concept of relatively recent origin that Confederation was other than a union of provinces has done more to create divisions in Canada than it has to bring about national unity. The fact that almost one-third of Canadians are of neither English or French origin points up the serious disruptive long-range consequences which would result from designating French as a second national official language.

We, therefore, would be opposed to any amendment to the Constitution which would give further credence to a concept which we submit has no validity in history or in fact.

I make these observations at this time because I feel in all fairness you should know the considered opinion of the various provinces when assessing the desirability and possible value of the type of conference you have proposed.

Very sincerely yours,

(Signed) Ernest Manning
Premier.

This letter also sent to Premier of Quebec.

[*Translation*]

Ottawa, November 1, 1967.

My dear Premier,

Needless to say that I am aware of the circumstances which have kept you occupied lately and that I understand quite well why you have been unable to answer immediately my letters of August 15 and September 27.

In those letters, I invited your government as well as those of all the other provinces to a federal-provincial conference whose object would be to consider the principle and terms of a constitutional bill of rights. Most provinces have already answered and I would be quite pleased if you were now in a position to let me know your opinion.

We would like to hold that conference early in 1968, which seems generally acceptable to the other premiers. May I expect to hear from you in the near future?

Yours truly
(Signed) L. B. Pearson

Hon. Louis J. Robichaud,
Premier of New Brunswick,
Parliament Bldgs.,
Fredericton, N.B.

[*English*]

Similar letters sent to the Premiers of Quebec, Saskatchewan, New Brunswick and Prince Edward Island in English and to the Premiers of Quebec and New Brunswick in French.

Ottawa, September 27, 1967.

My dear Premier:

You may recall that following the discussion I had with you and the Premiers of the other Provinces at my house on July 5th, I wrote you on August 15th to propose and invite you to participate in a Federal-Provincial Conference on a Canadian Constitutional Bill of Rights to be convened early in 1968. I have already received a number of replies but before proceeding further with arrangements for this important meeting, I would appreciate having at an early opportunity an

indication of your response to the detailed proposals contained in my letter.

Yours sincerely,

Original signed
by
L. B. Pearson

The Honourable L.-J. Robichaud,
Premier of the Province of New Brunswick,
Parliament Buildings,
Fredericton, New Brunswick.

Similar letter sent to all Provincial Premiers in English and to the Premiers of Quebec and New Brunswick in French.

Confidential

August 15th, 1967.

My dear Premier:

You will recall that, in the course of the discussion I had with you and the Premiers of the other provinces following our lunch together at my house on July 5th, I said I would be writing to each of you about my proposal to hold a special Federal-Provincial Conference to consider the possibility of establishing a constitutional Bill of Rights for Canada. I had referred earlier to this possibility in the House of Commons on May 10th. I have now discussed the matter further with my Colleagues. We believe that a conference on a Bill of Rights could be a most constructive step in working toward the kind of modification in the constitution of Canada in the field of fundamental rights for all Canadians that seems clearly to be necessary as we move into the second century of our federal existence.

At the present time, the traditional rights and liberties of citizens are maintained at as high a level in Canada, I am sure, as in any country of the world. One cannot, however, but be aware of the fact that the formal guarantees of these rights and liberties are not endowed with the full constitutional sanction that seems to be desirable. The Canadian Bill of Rights passed in 1960 emphasizes the legal rights of citizens in respect of life, liberty, security of the person and so forth and also states a number of the basic political rights, including freedom of speech and the press, freedom of assembly and freedom of religion. It constituted as much protection in the matters it dealt with as could be given at the federal level without constitutional amendment. However it is, of course, statutory and has therefore no force against the possibility of future action by Parliament. Obviously, as a federal statute it is not binding in any way on Provincial Legislatures.

The federal Bill of Rights of 1960 provides for equality of all citizens before the law and has other guarantees against discrimination. Most provinces also have anti-discrimination laws covering employment and other matters. These egalitarian rights are, as in the case of political and legal rights, not protected in any formal constitutional manner. So far as economic rights are concerned, few have been enunciated in any legislation in Canada and in the society of today it is worth considering whether they require some form of definition and guarantee.

Beyond the rights to which I have referred, which could, perhaps, be regarded as basic for any society of free people, we have to consider rights that are special to a country like Canada, which was founded on two distinct linguistic and cultural groups. To refer only to one matter, I think we have in the last few years become aware, in all parts of Canada, that language has a special importance as the instrument through which the cultural identity of a people is preserved and developed. We have not, I think, adequately considered whether, and, if so, what, constitutional consequences should flow from this fact. At the present time, the provisions in the British North America Act on language are extremely limited. I think we should consider whether we need to provide a broader definition and more extensive guarantees in respect of the official languages.

This brief outline of some of the matters that have to be considered will indicate how important and basic a discussion of a Bill of Rights could be for any future examination or our constitutional framework in a more general way. If we can achieve agreement on essential rights and on the way to define and protect them in all parts of Canada, I think we shall have made the most important single step that is required for the achievement of a satisfactory constitutional framework.

When we spoke on July 5th, I said I would suggest that the conference be either late in 1967 or early in 1968. On a matter as fundamental as this, it may be difficult to have adequate preparation in a matter of weeks. I am wondering, therefore, whether a meeting quite early in 1968 would meet with general convenience. It would be most helpful if you

could let me know whether a date in January or February would suit from your point of view and, if so, whether you have any particular preference.

What I have in mind is a meeting for a few days in the first instance of myself with you and your fellow Premiers along with the Minister of Justice and the Attorneys General. I would visualize that, after our initial conference, there might have to be further meetings of the Minister of Justice and the Attorneys General. I would hope that those sessions would lead to a further definitive conference later in the year at which decisions on substance and method could be taken.

Yours sincerely,
(signed) Lester B. Pearson

The Honourable Louis J. Robichaud, Q.C.,
Premier of New Brunswick,
Fredericton, New Brunswick.

HOUSE OF COMMONS

Wednesday, November 22, 1967

The house met at 2.30 p.m.

[*Translation*]

PRIVILEGE

MR. CAOUETTE—VOTE ON MOTION OF NON-CONFIDENCE IN GOVERNMENT

Mr. Réal Caouette (Villeneuve): Mr. Speaker, I rise on a question of privilege.

Since the news writer of *Le Devoir* reports on the front page today that:

Last night, Mr. Caouette contributed to save the government—

I wish to set the facts in their true light and make clear that I voted last night against the government, that is for the amendment of the Conservative leader, and that if the news writer of *Le Devoir* always informs his readers as he did today, he is completely misleading them.

[*English*]

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

POTATO PURCHASES BY NAVY

Question No. 551—**Mr. MacDonald (Prince):**

1. How many bushels of potatoes were purchased for the Royal Canadian Navy between March 31, 1964 and April 1, 1965, and March 31, 1965 and April 1, 1966?

2. What was the total cost of such purchases for each year?

3. What was the total number of personnel on strength in the Royal Canadian Navy (a) on April 1, 1965 (b) on March 31, 1966?

Hon. Léo Cadieux (Minister of National Defence): 1.

	31 Mar. 64 1 Apr. 65	31 Mar. 65 1 Apr. 66
Fresh potatoes	46,329 bushels	43,169 bushels
Instant potatoes	17,243 lbs.	15,070 lbs.

2. $105,857; $124,366.

3. (a) 19,756; (b) 18,439.

YUKON MAIL CONTRACTS

Question No. 560—**Mr. Nielsen:**

1. Since November 1965, how many contracts for the carriage of mails into and within the Yukon have expired?

2. How many of such expired contracts have been renewed without calling for public tenders?

3. What contracts were so renewed, at what contract price, and to whom was each granted?

4. How many of such expired contracts went to public tender call?

5. For what contracts were public tenders called, who was the lowest tenderer and to whom was the contract awarded in each case?

Hon. Jean-Pierre Côté (Postmaster General): 1. Five.

2. Four.

3. Mayo and airport, $825.00 p.a., C.P. Airlines; Keno Hill and Mayo, $4,368.00 p.a., O. F. Hutton; Whitehorse and Alaska Highway, $10,420.00 p.a., British Yukon Navigation Co.; Whitehorse and S.L.B., $1,738.53 p.a., W. S. Stuart.

Note: The Dawson and Granville contract expired on the 30th September 1966, and was allowed to continue under temporary arrangement pending its discontinuance on the 20th November 1966.

4. None.

5. None.

*POSTGRADUATE STUDIES BY ARMED FORCES MEDICAL OFFICERS

Question No. 578—**Mr. Lambert:**

1. In each of the calendar years 1960 to 1966 inclusive, how many medical officers in the Royal Canadian Medical Corps or in each of the navy, the army or the air force, as the case may be, were sent on courses of postgraduate specialist medical study and how many did complete such studies?

2. On return to full time duty, how many of the above officers completed their terms of duty to comply fully with the conditions applicable to post graduate study and of these how many have since (a) retired or (b) left on voluntary request?

3. Of the remainder, how many since their return to duty have retired (a) on voluntary request including those making reimbursement for undischarged balances of fees and expenses (b) for other reasons?

4. How many formal applications for release or retirement were pending as at October 1, 1967 from (a) any in the above group (b) any who have returned to duty since January 1, 1967?

5. What are the criteria being used for the granting or rejection of any such applications for release?

[*Translation*]

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, the answer to this question is rather long and includes many figures. I understand that the hon. member

for Edmonton West would agree to consider the answer as read and have it printed in *Hansard*.

Mr. Speaker: Agreed?

Some hon. Members: Agreed.

[*Editor's note: The answer is as follows.*]

1. Post graduate courses for medical officers in the Canadian Forces Medical Service vary in length from one to four years dependent upon the requirements of the service, and may be undertaken in civilian training hospitals, accredited D.N.D. and D.V.A. hospitals, U.S. naval and military hospitals as well as at selected university centres.

In 1960, there were 29; 1961, 37; 1962, 36; 1963, 33; 1964, 45; 1965, 38; 1966, 30 undergoing such training. So far, 58 medical officers have successfully completed post graduate training and examination to the fellowship, certification or diploma level.

2. Of this 58, 57 have, or are in the process of completing the term of duty applicable to the training received. (a) five, (b) three.

3. (a) one, (b) none.

4. (a) four, (b) none.

5. Criteria used for granting or rejecting an application for release by a medical officer is as follows: (a) medical officers undertaking post graduate training outside service resources are obligated to serve for a period of five years for each year of training, including the training year. The period of obligated service commences from the date of enrolment if the medical officer is a direct entry, or from the date the officer has completed the initial obligatory service required under the terms of the undergraduate subsidization plan applicable to him; (b) a medical officer who is granted release "on request" prior to three years from date of completion of post graduate training, is required to refund full pay and allowances, less income tax, received during the period of training and any fees or other costs directly attributable to his training. If release "on request" is granted after three years but prior to the officer concerned having completed the period of obligatory service, he is required to refund that part of the cost incurred that is equivalent in ratio of the number of years still to be served to the total number of years of obligated service; (c) each request for voluntary release is considered on its merit and, as a policy, release is granted only when "special and unforeseen circumstances" prevent the officer concerned from continuing to serve. In considering voluntary release requests under these circumstances every effort is made to give a fair and just decision that is consistent with the needs of the service and with the welfare of the officer concerned.

[Mr. Cadieux (Terrebonne).]

[*English*]

ARMED FORCES RANK OF SENIOR CORPORAL

Question No. 580—**Mr. Lambert:**

1. Is the rank of senior corporal or its equivalent in use in the navy, the army or the air force and, if so, since what date?

2. Have effective promotions or appointments to this rank been made in all three branches of the armed services and, if not, in which ones?

3. What are the significant responsibilities of the rank to classify it ahead of the rank of corporal and what is the pay differential?

Hon. Léo Cadieux (Minister of National Defence): 1. Senior corporal is an appointment, not a rank. It is held by an incumbent "whilst so employed", and is relinquished when the appointment is vacated. The appointment is applicable to members of the navy, army and air force, effective from 1 October, 1966.

2. No, up to the present time only army establishments have been allotted such positions. Studies are in progress to ascertain which establishment positions within the navy and air force can be designated senior corporal.

3. The appointment, senior corporal is for the purpose of designating a corporal with responsibility to exercise command over men in an operational or combat situation. The pay differential between corporals and senior corporals is $10 per month.

ALLOCATION OF MARRIED QUARTERS, ARMED FORCES BASES

Question No. 582—**Mr. Lambert:**

1. Was a change made in the method of allocation of permanent married quarters on Canadian forces bases for armed services personnel and, if so, what was the effective date of such change?

2. Why was the points system based on the number of dependents, among other criteria, abandoned and a first come first served system instituted?

3. Have protests been received from the affected personnel and of what nature?

4. What is being done to rectify the alleged inequities of the new system?

Hon. Léo Cadieux (Minister of National Defence): 1. Yes, a common married quarters allocation system for the Canadian forces was introduced May 16, 1967. It replaced the two different point systems in use by the army and R.C.A.F. and adopted the allocation policy in use by the R.C.N. for more than seven years.

2. The point system was abandoned because it filled available married quarters mainly with senior personnel with long service and discriminated against junior rank, lower paid men with less service. In addition, positions on the roster were never assured as a newcomer to the base with more points could take precedence over someone who had been there for some time. The first come, first served system permits members with varying lengths of service and income levels to be treated equitably without fear of displacement and provides increased opportunity for junior men in the lower income brackets to occupy married quarters.

3. Initially, the first come, first served allocation policy was questioned by some officers, warrant officers and senior N.C.O.s who, under the point system, enjoyed an advantage over the junior lower rank, lower paid men with less service. However, the new system appears to have gained general acceptance and support as being the most equitable method possible.

4. Several inequities in the system have been corrected; if others become apparent, steps will be taken to correct them. There are provisions in the system to safeguard the interest of all categories of married servicemen, such as: (a) a married member without children or one child is permitted to compete for a two bedroom home only, thus protecting the larger homes for larger families. (b) the available married quarters are distributed among the different rank groups in direct proportion to their numbers, thus ensuring an equitable distribution among all ranks. A member then competes on a first come, first served basis for the married quarters apportioned to his rank group.

ANTI-SUBMARINE HYDROFOIL SHIP

Question No. 591—**Mr. Dinsdale:**

1. How much (a) time (b) money, has been expended on the all-Canadian anti-submarine hydrofoil ship?

2. What was the original estimate of the cost of the project?

3. When is it anticipated the hydrofoil ship will be placed in service?

Hon. Léo Cadieux (Minister of National Defence): 1. (a) Initial design leading to construction of the anti-submarine hydrofoil ship commenced in May, 1963; (b) As of 1 October, 1967, $39.6 million, including that spent on the weapons system.

2. The first estimate based on the present configuration of the ship and its weapons system was $20.7 million in August 1964.

3. The prime contractor's current plan is to launch the ship in Sorel in the autumn of 1968 and to begin sea trials approximately six weeks after launch.

CONTINUATION OF ATTRACTIONS ON PARLIAMENT HILL

Question No. 592—**Mr. Dinsdale:**

1. Does the government intend to retain the centennial flame as a permanent feature of parliament hill?

2. Will the changing of the guard ceremony be featured on parliament hill during the summer months of 1968?

3. Is it being planned to have summer concerts on the hill during 1968?

Hon. Judy V. LaMarsh (Secretary of State): I am informed by the Departments of Public Works, National Defence and my department as follows: 1. When the decision was taken to provide a centennial flame the decision was that the flame should not be maintained in perpetuity but should be for the centennial year. That decision has not been varied.

2. As in the past, a decision on whether or not this ceremony will be performed on the hill in 1968 will be made in the spring.

3. No.

ARDA PROJECTS IN QUEBEC

Question No. 609—**Mr. Forest:**

1. Did the federal government, through ARDA, contribute financially to the establishment of camping grounds in Mont Orford provincial park in the province of Quebec?

2. If so, in what amount and in what proportion to the share of the provincial government?

3. Since 1961, what projects have been accepted in the provincial counties of Stanstead, Brome and Missisquoi, and what amounts were promised or paid for each?

Hon. Maurice Sauvé (Minister of Forestry and Rural Development): 1. There has been no direct contribution toward the cost of building camping grounds. Federal ARDA, however, has paid $7,500 for the preparation of a comprehensive plan for the development of the camping facilities.

2. Not applicable.

3. The following projects have been approved for the provincial counties of Stanstead, Brome and Missisquoi:

Questions

County	Project No.	Year approved	Description	Federal cost
Brome	5045	1963	Classify-evaluate main resources of Brome region	$ 48,000
Brome	24077	1966	Research on resources development	16,814
Brome and Stanstead	5044	1963	Classify-evaluate main resources of Rouge valley	49,400
Missisquoi	5013	1963	Improve the watercourse of Rivière-du-Sud	17,254
Missisquoi	5107	1964	Corriveau watercourse improvement	2,789
Missisquoi	24010	1965	Camp site, St. Armand Est.	3,975
Stanstead	24073	1966	Camping area, Mont Orford. Preparation of a plan	7,500

COST OF SEARCH AND RESCUE OPERATIONS

Question No. 629—**Mr. Groos:**

Taking into account both the direct and the indirect expenditures, what were the approximate costs to the Department of National Defence attributable to its search and rescue operations on behalf of (a) non-military aircraft (b) non-military vessels (c) non-military ground parties, during the years 1966, 1965 and 1964?

Hon. Léo Cadieux (Minister of National Defence): See reply to question No. 255 at page 2071 in *Hansard*, dated June 28, 1967.

BASE FOR NEW AIRBORNE REGIMENT

Question No. 630—**Mr. Lambert:**

1. Has a decision been reached as to the location of the base for the new airborne regiment, the formation of which was announced some months ago?

2. If so, where?

Hon. Léo Cadieux (Minister of National Defence): 1 and 2. No decision has been reached as to the location of the Canadian airborne regiment.

ARMY TRANSPORT PLATOON, EDMONTON BASE

Question No. 631—**Mr. Lambert:**

1. Is consideration being given to the basing of an army transport platoon with an air capability at Canadian forces base Edmonton and, if so, what would be the nature of such a unit in the way of personnel and equipment and the purpose thereof?

2. If such a decision has been taken, when is it proposed to complete the establishment of such a unit?

Hon. Léo Cadieux (Minister of National Defence): 1. One transport helicopter platoon, R.C.A.S.C., has been located at C.F.B. Edmonton (Namao) since 31 August 1966. This unit is equipped with four CH113 helicopters, and has a personnel establishment of nine officers and fifty-six men. The main function of the unit is to provide air transport for logistics and casualty evacuation purposes.

2. Not applicable.

[Mr. Sauvé.]

EXPO '67 DEFICIT

Question No. 635—**Mr. Coates:**

1. What is the estimated deficit from Expo '67 and how much of this estimated deficit is the responsibility of the government of Canada, the government of the province of Quebec and the city of Montreal?

2. In determining the estimated deficit, what amount was estimated as salvage from existing facilities that can be disposed of?

Mr. Jean-Charles Cantin (Parliamentary Secretary to Minister of Trade and Commerce): 1 and 2. Expo 67's deficit cannot be determined until agreement has been reached among the three sponsoring governments as to the disposition of assets and properties. Negotiations are currently in process and considerable progress has been made towards that end.

The final net cost of the exhibition will be shared as follows: government of Canada, 50 per cent; government of the province of Quebec, 37½ per cent; city of Montreal, 12½ per cent.

AGRICULTURAL WORKERS FROM CARIBBEAN ISLANDS

Question No. 636—**Mr. Orlikow:**

1. Did representatives from the Department of Manpower and Immigration visit the Caribbean islands in 1967 to recruit Caribbean workers for agricultural work in Ontario?

2. (a) How many Caribbean workers have entered Canada since January 1, 1967, for agricultural work in Ontario (b) how many of those workers are still employed in agriculture (c) how many of those workers have returned to the Caribbean islands (d) who paid their fares from the Caribbean islands and back to the Caribbean islands from Canada?

3. Was each Caribbean worker entering Canada for agricultural employment required to make a commitment by the Department of Manpower and Immigration, that he would work for one employer and, if so, for how long?

4. Was the contract that each Caribbean worker had to sign prepared by the Department of Manpower and Immigration?

5. (a) Were instructions issued by the Department of Manpower and Immigration concerning hourly wage rates, daily and weekly hours of work and other employment conditions for the Caribbean workers while in Canada (b) were officials of the Department of Manpower and Immigration assigned to investigate whether the hourly wage rates, daily and weekly hours of work, authorized by the department, were observed by employers (c) how many violations of the wage and hourly conditions were discovered by department officials?

Mr. J. C. Munro (Parliamentary Secretary to Minister of Manpower and Immigration): 1. No. Representatives from the Department of Manpower and Immigration visited the Caribbean islands in 1967 to negotiate with the islands' governments the terms for the temporary entry of workers to Canada.

2. (a) 1077; (b) None to the knowledge of the department; (c) 1053; (d) Transportation costs based on the economy return air fare from Kingston, Jamaica, to Toronto have been paid by the employers.

3. Workers were required to work for one employer at a time. However, after harvesting the crop of one employer, a worker could be hired by another employer provided that his stay in Canada would not exceed four calendar months.

4. Before the movement started in 1967 an agreement was prepared in consultation with employers and their associations, the Caribbean islands' governments concerned and the Department of Manpower and Immigration. This agreement was signed by the worker, employer and Caribbean governments' representative.

5. (a) The Department of Manpower and Immigration prepared guide lines as to the minimum wage rates and minimum weekly earnings. Daily and weekly hours of work in this highly seasonal industry were not specified, with the exception of minimum weekly earnings. (b) Officials of the Department of Manpower and Immigration were not assigned to investigate wage rates or hours of work. However, officials of the department assisted the Caribbean liaison officers in settling any complaints by workers and the employers. (c) None were discovered by the officials of the department.

PUBLIC SERVICE PERSONNEL AND SALARIES

Question No. 654—**Mr. Southam:**

1. How many people were employed full time in the public service of Canada in the years 1963, 1964, 1965, 1966, and to October 31, 1967?

2. How many of those employed in each of the years 1963, 1964, 1965, 1966, and to October 31, 1967, were English-speaking, French-speaking or bilingual?

3. What was the total salary cost of the public service of Canada in each of the years 1963, 1964, 1965, 1966, and to October 31, 1967?

Mr. Jean-Charles Cantin (Parliamentary Secretary to Minister of Trade and Commerce): 1. Information is not available concerning the number of full time employees under the public service of Canada. However, the number of employees excluding casuals, in the public service for the specified years, as at October 31, is: 1963, 325,730; 1964, 327,942; 1965, 331,495; 1966, 348,567; 1967, information not available.

2. This information is not available.

3. The total annual payroll, for each of the specified years, is: 1963, $1,625 million; 1964, $1,698 million; 1965, $1,814 million; 1966, $2,048 million; 1967, information not available.

PURCHASE OF NAVAL GUNS IN ITALY

Question No. 659—**Mr. Harkness:**

1. Has the government of Canada entered into a contract to secure naval guns from Italy?

2. If so, what number of guns are being purchased, what is the type of gun, and what is the cost?

3. What is the specific use which is to be made of these guns?

4. Was consideration given to producing these guns by the facilities which were installed in the early '50s at Sorel at the cost of the taxpayer for the purpose of producing naval guns and, if not, for what reason?

Hon. Léo Cadieux (Minister of National Defence): 1. Yes.

2. Five 5 inch 54 calibre automatic gun mountings, at an estimated cost of $8 million.

3. Four of these gun mountings will be employed in the surface and bombardment roles in the new helicopter destroyers, the fifth is for training and logistic support.

4. Yes.

ADOPTION OF METRIC SYSTEM

Question No. 668—**Mr. Caouette:**

1. Is a government committee studying the possibility of adopting the metric system in Canada and, if so, where does the matter stand?

2. Does the government intend to introduce legislation in order to adopt this system in Canada?

3. Was Canada represented at the annual meeting of the standards organization which was held in Moscow and, if so, what was Canada's position?

Mr. Jean-Charles Cantin (Parliamentary Secretary to Minister of Trade and Commerce): 1. The implications of the metric system for Canada are under review by an interdepartmental committee.

2. Metric has been a legal system of measurement in Canada for many years.

3. Yes. Canada supports the objectives of the international standards organization, and is represented on many of the technical committees.

*EXPENDITURE ON VISIT OF PRESIDENT DE GAULLE

Question No. 669—**Mr. Smallwood:**

1. What was the total federal government expenditure on President de Gaulle's visit to the province of Quebec?

2. How many persons were included in the president's entourage?

3. Were these persons quartered in the Queen Elizabeth hotel, Montreal, at Canadian taxpayers expense?

Mr. John R. Matheson (Parliamentary Secretary to Prime Minister): Mr. Speaker, the answer to the first part of starred question No. 669 is as follows: To November 15, 1967, expenditures have totalled $7,369.80. This covers the official party only and a few small bills are yet to be paid. The answer to the second part of the question is that the official party numbered 19, plus the Canadian ambassador and his wife, the states visits escort officer and three R.C.M.P. officers.

The answer to the third part of the question is as follows: President de Gaulle, his wife, and five members of the party were quartered in a private residence in Montreal. The remainder of the official party and the Canadian officials were quartered in the Queen Elizabeth hotel at government expense.

REFERENCES FOR NURSERY AIDE TRAINING

Question No. 670—**Mrs. MacInnis (Vancouver-Kingsway):**

1. Does the Canada manpower centre in Toronto select students to enrol for nursery aide training at the College street adult education centre?

2. If so, how many students has it referred to that centre to date?

3. How many of these are recent immigrants to Canada?

4. What are the qualifications necessary for being selected, as to (a) age (b) academic standing (c) marital status?

5. In what other Canadian cities does Canada manpower refer students to nursery aide training programs?

Mr. J. C. Munro (Parliamentary Secretary to Minister of Manpower and Immigration): 1. Yes.

2. Fifty-eight since April 1, 1967.

[Mr. Cantin.]

3. Eighteen (defining "recent" as an immigrant within the past four years).

4. (a) There is no age limit except that the trainee must be at least one year older than the regular school leaving age in the province. (b) The entry requirement determined by the province is grade 10 or equivalent and mature enough to be responsible for the care of children. (c) None.

5. Hamilton and Winnipeg.

GRANTS TO COLOMBO PLAN COUNTRIES AT EXPO

Question No. 680—**Mr. Godin:**

1. Was Canada called upon to provide special grants to certain countries which are members of the Colombo plan and which took part in Expo '67?

2. If so (a) what were the countries involved (b) what was the amount provided to each of these countries?

[*Translation*]

Hon. Paul Martin (Secretary of State for External Affairs): 1. No. Canada has been providing both grants and loans to members of the Colombo Plan and also to various other nations involved in Expo '67 under its regular External Aid Program. However, no special grants whatsoever have been made to Colombo Plan countries or any others in recent years.

[*English*]

CANADIAN FORCES SUPERANNUATION ACCOUNT

Question No. 690—**Mr. Knowles:**

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?

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?

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?

Hon. Léo Cadieux (Minister of National Defence): 1. (d) $2,577,016,944.

3. (d) $91,732,917.

4. (d) $46,141,806.

See reply to question No. 2,233, page 10701 of *Hansard*, dated December 5, 1966, for the remainder of the reply.

[*Translation*]

MOTIONS FOR PAPERS

Mr. Albert Béchard (Parliamentary Secretary to Secretary of State): Mr. Speaker, motion for papers No. 31 is acceptable to the government.

Mr. Speaker, I ask that the remaining notices of motions be allowed to stand.

[*English*]

CONTRACT SIGNED BY FARM WORKERS FROM CARIBBEAN

Motion No. 31—**Mr. Orlikow:**

That an order of the house do issue for a copy of the contract form signed by the Caribbean workers brought to Canada for employment in agriculture.

Motion agreed to.

EXTERNAL AFFAIRS

CYPRUS—REQUEST FOR STATEMENT ON PRESENT POSITION

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Acting Prime Minister. In view of the very disturbing reports from Cyprus in recent hours can the minister give the house any indication of conditions there, and indicate what initiatives his government might be taking in order to forestall further deterioration of the situation?

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, as my hon. friend knows some of the Canadian participants in the United Nations force did run into some trouble with one group of the Cypriot population. The commander of the United Nations force and the commander of the Canadian contingent of that force have registered protests, as has the government itself.

With regard to the efforts being made to resolve the problem which, as I told the hon. member for Winnipeg South Centre yesterday is one that has been causing concern, the Canadian government has taken an initiative with two other countries. This initiative is now the subject of discussion with the governments of Turkey and Greece. I saw the ambassadors of Turkey and Greece last evening. Our ambassador in Athens has had discussions with the minister of foreign affairs for Greece within the past 24 hours. Likewise, our ambassador in Ankara has had some conversations with the foreign minister for Turkey, and I myself have also been in touch with the latter. Our ambassador at the United Nations has been instructed to discuss this matter with the Secretary General, and the steps we have undertaken, if acceptable, I think will greatly contribute to the stabilization of the situation.

Mr. Stanfield: Mr. Speaker, is consideration being given to the position of the Canadian contingent in relation to measures to be taken to afford some protection for that contingent in the event the situation there should further deteriorate, creating further danger?

Mr. Martin (Essex East): As my hon. friend will be aware, once the Canadian government and the parliament of Canada approve Canadian participation in a United Nations force, the command and the course to be followed by that force is determined by the commander of the United Nations force, on instructions from the Secretary General and the security council. This will be the procedure observed in this case as it has been in other circumstances.

As my colleague the Minister of National Defence pointed out the other day, contingent plans in this situation have been made. I would not want this last reply, however, to indicate that I do not believe an improvement has not resulted from the efforts that have been made within the past 48 hours. I think the situation has improved.

Hon. Gordon Churchill (Winnipeg South Centre): A supplementary question to the Secretary of State for External Affairs. Did the minister receive information directly two days ago from the United Nations authorities or from the Canadian commander in Cyprus that three Canadians were beaten up and held by the Cypriots, or did he derive his information today from the *Globe and Mail* as we did?

Mr. Martin (Essex East): Mr. Speaker, I learned of that from our high commissioner in Nicosia.

Mr. Churchill: A further supplementary question, Mr. Speaker. I ask the Acting Prime Minister, would it not have been better to inform the house yesterday with regard to the peril in which our Canadian soldiers are in Cyprus rather than leaving it in mid-air, when the minister had the information?

Mr. Speaker: Order, please. The question is argumentative.

Inquiries of the Ministry

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I have a supplementary question for the Acting Prime Minister. I ask, first, with whom has the Canadian commander lodged a complaint? Is it with the government of Cyprus, the government of Turkey or the government of Greece? Second, with regard to the reports that the Prime Minister of Canada is conferring with the Prime Minister of Great Britain, what initiatives are being proposed? Has the minister any information regarding this matter?

Mr. Martin (Essex East): The protests were lodged with the Turkish-Cypriot leadership. With regard to the discussions the Prime Minister will have on this and other questions, the Prime Minister will make a report, of course, when he returns; but as my hon. friend will appreciate, the proposals that are now being discussed with the countries concerned respecting the Cyprus situation are in the stage of proposals and negotiations. Until we have had reactions from all concerned it would be inappropriate to go any further.

Mr. Douglas: A further supplementary question, Mr. Speaker. In view of the fact that press reports seem to indicate that a full scale military action is imminent, may I ask whether the minister on behalf of the Canadian government and the Secretary General on behalf of the United Nations have made it perfectly clear to both the Greek and Turkish governments that they will be held responsible for the safety and security of the Canadian and other United Nations forces in Cyprus?

Mr. Martin (Essex East): Yes, sir.

Mr. W. B. Nesbitt (Oxford): I have two supplementary questions, Mr. Speaker. Perhaps they would be more appropriately directed to the Minister of National Defence. Has the Canadian government made arrangements to evacuate Canadian forces from Cyprus should this prove necessary? Second, do the Canadian forces serving in the United Nations command have authority to defend themselves with their side arms if they are attacked?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, I think I can answer these two questions in a general way by saying that the plans we have are co-ordinated with the United Nations and the command in Cyprus.

Mr. Nesbitt: A supplementary question, Mr. Speaker. Could the minister tell us whether the Canadian forces serving in the U.N. command have instructions to defend themselves with side arms, if necessary, if they are attacked?

Mr. Cadieux (Terrebonne): They are under the command of the general put there by the United Nations, and no doubt they would follow the instructions issued by the commander of the force.

Mr. Nesbitt: What are those instructions?

Mr. Churchill: Mr. Speaker, my question relates to the Canadian soldiers in Cyprus. I ask the Minister of National Defence, in what condition are the Canadians who were beaten with rifle butts? Are they in hospital? Were they seriously injured, or were these just minor injuries that they suffered?

[*Translation*]

Mr. Cadieux (Terrebonne): Mr. Speaker, my information is the same as that which my hon. friend read in the newspaper. I understand from this article that these people have not been seriously hurt.

[*English*]

Mr. Churchill: May I ask another supplementary question, Mr. Speaker. Can the Minister of National Defence not find out directly whether these men have been seriously injured?

[*Translation*]

Mr. Cadieux (Terrebonne): Mr. Speaker, we have looked into this matter and the report read by the hon. member is correct. They were not seriously hurt.

[*English*]

Hon. E. D. Fulton (Kamloops): I have a supplementary question, Mr. Speaker. Can the minister tell us what are the instructions issued by the command of the U.N. forces to the Canadian troops with respect to their right to defend themselves?

Mr. Cadieux (Terrebonne): These general instructions include the right of Canadian troops to defend themselves.

[*Translation*]

FINANCE

INQUIRY AS TO CANADIAN CONTRIBUTION TO U.K. SUPPORT

On the orders of the day:

Mr. Réal Caouette (Villeneuve): Mr. Speaker, may I put a question to the Minister of Finance? It is a most serious question.

In view of the serious financial problems the government must face and the many restrictions Canadians will have to support, can the Minister of Finance tell us where he will find the funds to supply over $100 million to Great Britain?

Mr. Speaker: I do not think this question is in order. It is much too general in character and could easily be put when we are considering the budget in a few days.

Mr. Caouette: Mr. Speaker, on a point of order.

The Prime Minister stated upon his arrival in London that Canada will supply more than $100 million to Great Britain within a few days. It seems to me that the minister could tell us, for instance, whether these $100 million will be taken from the funds of the Bank of Canada?

[*English*]

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, this does not involve any drain upon the Canadian treasury or upon the Canadian people at the present time. It is the pledging of credits through the International Monetary Fund and through the central banks to support the pound. I do not anticipate that the money will be needed.

NATIONAL SECURITY

DISTRIBUTION OF PAMPHLETS RESPECTING SEPARATIST GUERRILLA ACTIVITIES

On the orders of the day:

Mr. R. N. Thompson (Red Deer): I should like to direct my question to the Acting Prime Minister. In view of the fact that pamphlets are presently being distributed in Quebec by the F.L.Q. urging separatists to form Cuban-style guerrilla bands in the backwoods for armed raids on Quebec cities and towns and giving specific instructions in the handling and acquisition of arms, would the minister inform the house of the results of his promised careful investigation of Cuban radio and other subversive activities of a similar nature?

Hon. Paul Martin (Secretary of State for External Affairs): I will, Mr. Speaker.

Mr. W. B. Nesbitt (Oxford): I have a supplementary question, Mr. Speaker. Can the minister tell us now whether he has any information that these pamphlets are emanating from the Cuban embassy here in Ottawa?

Mr. Thompson: I have a supplementary question, Mr. Speaker. I should like to ask the minister of defence whether his department has located the arms stolen recently from the Winnipeg armories, or whether he has any news to report on this incident.

Mr. Speaker: Order, please. I gather that the question was asked and the matter discussed at the time of adjournment a few days ago.

[*Translation*]

SHIPPING

MONTREAL—INQUIRY AS TO FEDERAL INTERVENTION IN DISPUTE

On the orders of the day:

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I have a question for the Minister of Transport. Is the minister aware of the lay-off of 130 longshoremen in the port of Montreal yesterday, and the serious difficulties resulting from the rigid application by shipowners of certain recommendations of the Picard report?

Has the minister received communications either from longshoremen or shipowners, and what are his intentions in this matter? Is it his intention to intervene in this difficulty?

[*English*]

Hon. Paul Hellyer (Minister of Transport): I know there are problems with regard to the port which are not new but which have been developing over recent days. I know every effort is being made to bring the parties together in the hope that the movement through the port can be re-established to its proper level so that shippers will be able to rely on the effectiveness of the operations of the port. I sincerely hope this can be achieved, because Montreal is one of the most important outlets of Canadian produce and anything that detracts from its effectiveness would have long range consequences which would be detrimental to all of Canada.

[*Translation*]

Mr. Valade: Mr. Speaker, I would like to ask a supplementary question.

Could the minister tell us if he intends to intervene before the conflict turns into a general strike? Does he not feel that it would be appropriate for the government to consider the possibility of keeping the port of Montreal open during the winter?

Inquiries of the Ministry

[*English*]

Mr. Hellyer: I do not think the two things are directly related. One is an industrial dispute which really comes within the responsibility of my colleague the Minister of Labour at this stage. As to the other, as my hon. friend knows we make every effort to keep the ice out of the river so as to prevent flooding. This enables ships to take advantage of the channel which has been opened up.

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, my supplementary question deals with winter navigation.

Can the minister tell us if he intends this year to operate an icebreaker in the Saguenay in order to facilitate winter navigation on that river as far as Chicoutimi?

Mr. Speaker: The hon. member is repeating a question asked a few days ago.

[*English*]

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I have a supplementary question for the Minister of Labour. In answer to a question I asked him last week he indicated that he was bringing together the longshoremen's association and the Shipping Federation of Canada in the hope some agreement could be reached with regard to the implementation of the Picard report. May I ask the minister if he has been able to effect any agreement between these parties, or if he is planning to resort to appointing an administrator for the port?

Hon. J. R. Nicholson (Minister of Labour): I met with the representatives of the shipping federation and the stevedoring companies for some little time on Friday last in Montreal. I had hoped to meet with the representatives of the longshoremen's unions directly concerned, but that meeting did not materialize, through no fault of mine. I was there, ready to meet them. I might say they have since been in communication with the officials of my department and a meeting between the shipping federation and the unions did take place on Monday. I am sorry to say it was not too successful. The situation is tense and at the moment it would be difficult to appoint an administrator agreeable to both sides. I think an arbitrator would be more helpful.

[*Translation*]

Hon. Théogène Ricard (Saint-Hyacinthe-Bagot): Mr. Speaker, I should like to put a supplementary question to the Minister of Labour.

[Mr. Valade.]

Is he aware that large quantities of apples from Quebec orchards intended for the Great Britain market are piling up in the warehouses of Montreal harbour, and would the minister grant a very special attention to that problem, in order that Canadian producers may not incur heavy losses?

[*English*]

Mr. Nicholson: I thank the hon. member for having made these representations, but I would suggest that it might be more helpful if the apple producers directed their representations to the unions concerned and to the shipping federation.

Mr. Valade: I want to direct a question to the Minister of Labour following the answer he gave. Can the minister inform us if in his talks with the parties concerned he is going to discuss the security of the longshoremen? I think this is one of the problems, and it would be helpful to discuss that.

Mr. Nicholson: I take it that the hon. member is talking about the safety of the longshoremen rather than security. On that score, the collective agreements in force contain a provision dealing with the safety of the workmen. The Picard committee amended the collective agreement. The parties have rights under the agreements that can be enforced through grievance procedures. I think this matter can be safely left to both parties, who are experienced in enforcing their rights under collective agreements.

CANADA PENSION PLAN

INQUIRY AS TO REFUNDS TO EMPLOYERS

On the orders of the day:

Mr. A. D. Hales (Wellington South): I have a question for the Minister of National Revenue which concerns the Canada Pension Plan. Is the minister now in a position to make refunds to employers who have contributed large overpayments to the Canada Pension Plan?

Hon. E. J. Benson (Minister of National Revenue and President of the Treasury Board): Technically, yes; legally, no.

Mr. Hales: Has the minister or his department established a formula which could be used to make these refunds?

Mr. Benson: Mr. Speaker, as I indicated there is no technical problem now in the way. The problem is a legal one. We do not have any authority to do this, and we cannot

do it until we have had consultations with the provinces and the legislation has been changed.

Mr. Hales: Has the minister made arrangements with the provinces to discuss this issue, and would he also advise the house if he would be prepared to table his letter to the province of Quebec?

Mr. Benson: Mr. Speaker, as was indicated by my hon. friend I have written to the premier of Quebec, but I have not as yet received a reply from him.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. E. Nasserden (Rosthern): Mr. Speaker, I have a question for the Minister of Finance. Is it the intention of the government to appoint a superintendent of lay-offs to accommodate the government's plan to slow down the economy?

OLD AGE SECURITY

POSSIBLE LOSS OF INCREASE TO WAR VETERANS ALLOWANCE RECIPIENTS

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to direct a question to the Minister of Veterans Affairs. It relates to a matter of particular concern to the recipients of war veterans allowances. In view of the 2 per cent increase in old age security and guaranteed income supplement, and questions asked of the minister in the house and put to him personally, is he now in a position to inform the house how this 2 per cent increase will affect recipients of war veterans allowances?

Hon. Roger Teillet (Minister of Veterans Affairs): Mr. Speaker, the 2 per cent increase in O.A.S.-G.I.S. will not affect war veterans allowance recipients. I am informed that by amending the regulations it will be possible for us to refrain from deducting those amounts from their allowances, and I have so recommended.

AGRICULTURE

FOOT AND MOUTH DISEASE—PROTECTION AGAINST INFECTION FROM U.K.

On the orders of the day:

Mr. J. H. Horner (Acadia): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. Can the minister assure the house and the country that ample precautions are being taken to prevent the outbreak of foot and mouth disease in this country in view of the fact that it is so widespread today in Britain?

Hon. J. J. Greene (Minister of Agriculture): Mr. Speaker, I can assure the hon. member that such is the case. Fortunately, the situation to date is under control in Canada.

FINANCE

INQUIRY AS TO RESULTS OF RECENT BOND ISSUE

On the orders of the day:

Hon. D. S. Harkness (Calgary North): Mr. Speaker, I have a question for the Minister of Finance. Is the minister now in a position to answer the questions I asked him on Monday last with regard to the amount of new money raised by the last dominion government bond issue, and the amount taken up by the Bank of Canada?

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, I thank the hon. gentleman for giving me an opportunity to answer the question. The hon. member may recall that in announcing the bond issue I reserved the right to allot a total of $250 million plus or minus up to 10 per cent, and the Bank of Canada agreed to acquire a minimum of $50 million. In the event we decided to issue on December 1 a total of $225 million.

Proceeds of this bond issue, together with the proceeds of the sale of $125 million of 364-day treasury bills to be offered at competitive tender on November 28 and delivered on December 1, will be used to redeem $100 million of 303-day treasury bills due December 1, 1967 and to purchase from the Bank of Canada for cancellation $105 million par value of government of Canada bonds due January 15, 1968. The remaining proceeds amounting to approximately $145 million will be used for general purposes of the government of Canada.

It has not been the practice to disclose the actual amount of Bank of Canada participation in new issues—this has been the practice for years—although holdings of the Bank of Canada are of course reflected in their regular weekly and monthly financial statements, which are issued through the regular channels.

Inquiries of the Ministry

INCREASE IN BANK CHARGES FOR U.S. FUNDS

On the orders of the day:

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, my question is for the Minister of Finance. Has he received the letter from the gentleman in Calgary, who has forwarded me a copy, in which the minister is informed that on November 20, 1967 a certain bank was asking an exchange rate of 9¾ per cent on the purchase of United States funds? If the minister has read it and has had an opportunity to investigate the accuracy of the statement, is he prepared to proceed against the bank for its flagrant breach of the law?

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, I have not seen the letter the hon. member refers to. I shall certainly investigate it, and if it is in breach of the law I will take the necessary action.

Mr. L. R. Sherman (Winnipeg South): Mr. Speaker, I have a supplementary question for the Minister of Finance. Is the minister aware that although the published rate of exchange as between the Canadian and the United States dollar, according to Manitoba newspapers yesterday, was 1.07½ in Canadian currency for $1 United States, the Canadian dollar was being discounted in some Manitoba banks at rates ranging to as much as 9¼ per cent? Specifically this was the case in two chartered banks in Swan River, Manitoba. Can the minister shed any light on the reason for this?

Mr. Sharp: All I can suggest, Mr. Speaker, is that any discount of this kind is completely unjustified and unmerited.

Mr. Cameron (Nanaimo-Cowichan-The Islands): A further supplementary question, Mr. Speaker, based on another communication I have had. I should like to ask the minister whether he can assure the house—

Mr. Speaker: Order, please. The hon. member must realize that we have a very short question period today.

Mr. Cameron (Nanaimo-Cowichan-The Islands): I know, Mr. Speaker, but this is a very important matter.

Mr. Speaker: Would the hon. member kindly resume his seat. I have to caution him that he cannot ask questions about all the letters he receives, which I am sure must be numerous.

[Mr. Sharp.]

Mr. Cameron (Nanaimo-Cowichan-The Islands): This is a totally different matter, Mr. Speaker. This communication contains the allegation that the Bank of Canada was aware of these breaches of the law. I should like the minister to be able to assure the house that this is not the case.

TRANSPORT

REQUEST FOR COMMITTEE CONSIDERATION OF REPORT ON ATLANTIC PROBLEMS

On the orders of the day:

Mr. Robert C. Coates (Cumberland): Mr. Speaker, I have a question for the Acting Prime Minister. Is the hon. gentleman now in a position to answer the question I raised yesterday, when I asked whether the government would give consideration to referring the special study on transportation in the Atlantic provinces to a committee of the house?

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, I can say that we will give consideration to that.

Mr. Thomas M. Bell (Saint John-Albert): Mr. Speaker, I have a supplementary question on the same matter for the house leader. In his duties as over-all chief of committees has the house leader had a chance to consider the proposition which was made yesterday that the transportation committee visit the maritimes, as it did the west, so as to look over the serious transportation problems there? I ask this question knowing the minister's great interest in the maritimes.

Hon. Allan J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, I thank the hon. member for adding the designation "over-all chief of committees" to my responsibilities. I will be very glad to give consideration to any move of the committee that would bring it to the Atlantic provinces.

HEALTH AND WELFARE

REQUEST FOR SUPPORT FOR WORK OF DR. GORDON MURRAY

On the orders of the day:

Mr. L. M. Brand (Saskatoon): Mr. Speaker, I have a question for the Minister of National Health and Welfare. In view of the tremendous importance of the experimental work in the field of neurosurgery being carried out by Dr. Gordon Murray of Toronto, and in view of his recent disclosure of the serious shortage of funds necessary to carry

on this very important work, has the government any plans to see that the necessary funds and facilities are made available to this distinguished Canadian surgeon?

Mr. Speaker: Order. This question very closely resembles one asked by the hon. member for Simcoe East the other day, and I do not think it can be asked at this time.

Mr. Brand: On a point of order, Mr. Speaker, with all deference I would hesitate to question your judgment in this regard, but I submit that this is a new question in that I am asking for the provision of funds in view of the disclosure made yesterday by Dr. Murray.

Mr. Speaker: If the hon. member is right the matter might be discussed at the time of adjournment.

INDUSTRY

CLOSING OF TORONTO PLANT BECAUSE OF AUTOMOBILE AGREEMENT

On the orders of the day:

Hon. J. R. Nicholson (Minister of Labour): Mr. Speaker, yesterday the hon. member for Burnaby-Coquitlam asked me a question that he had put to one of my colleagues a day or two earlier in connection with an application for assistance that was made to the adjustment assistance board by employees of Perfect Circle Company Limited of Don Mills.

I am pleased to be able to assure the hon. member and other members that this application has been referred to the board and will be dealt with at their sitting which opens on December 1. If the application is approved the workers will be eligible for transitional assistance benefits from the date of lay-off; in other words the assistance will be retroactive. In the meantime those employees who are entitled to unemployment insurance will get it in the usual way.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I thank the minister for the promptness of his reply, but may I ask him this question. If the hearings are held early in December at what date will the retroactive payments likely be made?

Mr. Nicholson: Mr. Speaker, I can only say that this particular board, which is chaired by an experienced chairman, acts very promptly.

Inquiries of the Ministry

COPPER—PRICE INCREASE BY NORANDA COMPANY

On the orders of the day:

Hon. Jean-Luc Pepin (Minister of Energy, Mines and Resources): Mr. Speaker, questions have been asked in recent days about the action taken by Noranda mines re the price of copper, and I have some information to give on this subject.

At the request of the Minister of Finance and the Minister of Trade and Commerce, officials of the Department of Trade and Commerce were in touch with Noranda earlier today. The company announces that effective today until further notice the domestic price of 51 cents Canadian replaces the E. and M. J. based price of 50.96 cents Canadian, which price has applied since Monday. E. and M. J. means New York Engineering and Mining Journal, Mr. Speaker. This, and the assurances given to officials, indicates that the company will not be applying the formula announced earlier which would have led to a much higher price in December and subsequently.

Mr. T. C. Douglas (Burnaby-Coquitlam): A supplementary question, Mr. Speaker. Would the minister explain what the change in price means? Am I correct in assuming that the price formerly was 47¼ cents and now it is 51 cents?

Mr. Pepin: I only gave the house information I had. I was not commenting on it. The price up to recent days had been 47¼ cents. I understand that it was very much feared that the price could have gone up to 60 cents. Again I am only repeating information that I have received.

Mr. Douglas: May I ask a supplementary question.

Mr. Speaker: Order, please. We have already passed the time that is allotted for questions.

[*Translation*]

Mr. Réal Caouette (Villeneuve): Mr. Speaker, I rise on a point of order. I was the only one of my group who put a question within a 30-minute period today. The hon. member for Portneuf (Mr. Godin) got up about ten times and tried to be recognized in order to put a very simple question.

Mr. Speaker: Order. I shall be pleased to recognize the hon. member for Portneuf tomorrow. I should, however, like to point

out to the hon. member that, while one member of his party was recognized during the oral question period, not a single member was recognized on the government side.

Mr. Caouette: That is because they do not have any questions to put, Mr. Speaker.

[*English*]

CRIMINAL CODE

AMENDMENTS RESPECTING DEATH SENTENCE AND LIFE IMPRISONMENT

The house resumed from Thursday, November 16, consideration of the motion of Mr. Pennell for the second reading of Bill No. C-168, to amend the Criminal Code.

Some hon. Members: Question.

Mr. J. H. Horner (Acadia): Mr. Speaker, until the Prime Minister (Mr. Pearson) spoke in this debate last Thursday I had not intended to speak. Nevertheless, intentionally or unintentionally, his remarks provoked me to such an extent that I feel I must say something. His entire speech was weak. It had little substance and put forward few arguments in support of the bill. In so many words, he said that he favoured the complete abolition of the death penalty and that retaining it for those who murder guards and policemen was a compromise. He also said that the vote, when it comes, will be free. We shall see how free it is when we see how successful have been those on this side who have tried to persuade those on the government side to vote against it. Members on the government side will not vote readily against the wishes of the Prime Minister and the Solicitor General (Mr. Pennell). I shall be convinced it is free only after the results of that vote are apparent. We shall compare the performances of hon. members in this house. We shall note how some of them have voted on this bill and how they voted on the bill that came up 18 months ago, which dealt with the same subject matter; and we shall then see whether pressure has been applied.

The Prime Minister also said that once the house decides the matter, the law of the land will be upheld. He said much the same sort of thing 18 months ago, after the bill then before the house had been defeated. It may be argued, of course, that since the cabinet has the right to commute sentences, the law of the land has been carried out. When one remembers the Santa Claus killer, who wielded a machine gun in Montreal two years ago and killed two policemen, for which crime he was tried, convicted and sentenced to death, and when he recalls that after this the cabinet commuted that sentence to life imprisonment, he wonders whether the law of the land is being upheld. I find it hard to believe that this cabinet will uphold the law of the land, since, after the decision of the house 18 months ago, it has persisted in commuting death sentences.

Approximately one year ago—it may have been this spring—a policeman in Alberta was shot in cold blood. The sentence of the murderer was commuted. In commuting that sentence the cabinet has shown that it cannot be trusted to uphold the law of the land, even as it might be if this bill were to carry. Certainly anyone who is somewhat sceptical about the government's intentions—and I am sceptical about the government, period —might be pardoned for not believing that the government intends to uphold the criminal law.

The Prime Minister said that the onus is on the retentionists to prove that the death sentence is a deterrent to murder. Why, then, does he include in this bill the death sentence for convicted murderers of policemen and prison guards? Surely it is to deter would-be murderers from killing policemen and prison guards. He includes in this bill a tidbit of the retentionists' philosophy, so to speak, and thus answers his own argument.

In his speech the Prime Minister implied that retentionists are not civilized, that they are barbarians. In so many words he said that if we do not pass this bill we shall show the world that Canada still is a barbaric country.

An hon. Member: A mentally barbaric country.

Mr. Horner (Acadia): That is a poor, negative attitude for the Prime Minister of the country to hold. I do not for a minute accept as true his accusation that retentionists are barbarians.

He also said that he believed punishment in itself to be an ineffectual deterrent. I say that one has only to consider his children. If one says to his children that if they are disobedient they will be punished, and if he punishes them when they are disobedient, then the threat of punishment becomes a deterrent to future mischief. Only when the punishment is not meted out does it lose credibility. Take another example, in the commercial field. Those supplying electricity say, "If you do not pay your bill your electric

power supply will be cut off." People know that is true; they know that power will be cut off. They pay their bills knowing that the threatened action will be carried out if they do not pay. I would expect the electric company to say to me "We will not tell you that we will cut off your power unless we are prepared to cut it off. There is no use telling you we will cut if off if we are not prepared to do that." If people know that the punishment is not going to be put into effect, then its deterrent value is destroyed. This is what has happened with respect to the government's handling of capital punishment. Members of the government can quote statistics to prove their case, but how effective a deterrent can capital punishment be if there is widespread knowledge that the government will not carry through?

• (3:20 p.m.)

The Prime Minister (Mr. Pearson) also said that our duty is to protect society, to create a society in which we can all live. That is also my aim; but I firmly believe that crime is becoming more widespread in Canada today, and that murder is becoming more widespread. One can quote the former commissioner of the R.C.M.P. to that effect. Now we have a weak kneed government, a soft government which cannot enforce the will of the country and the wishes of parliament. Members of the government now come to us and say, "Because we are weak kneed, because we are having a lot of internal troubles, we cannot carry out your wishes. We would like you to make the job easier for us. In this bill we will give you a titbit, in the hope that you will let us off the hook and allow us to live with our weaker inner selves."

Anyone who is the prime minister of this country, or anyone who occupies the position of solicitor general has some unpleasant tasks to perform, and to perform those tasks he must be strong. He must be capable of performing the job or he should not be given the job. If he cannot carry out the wishes of parliament, then he should withdraw from his job. If the Prime Minister cannot carry out the wishes of this parliament, then he should not expect to remain the leader of this parliament and of this country. This is the way I look at the matter, and the way most Canadians look at it.

In many positions in life one will find that very distasteful tasks have to be performed. One must measure up to these or else let someone else do them. It is as simple as that. Members of the government cannot come back to parliament 18 months after the last capital punishment debate and say, "Please help us out. We are not capable of carrying out your previously expressed wishes. Let us stay in office. Let us hold on to our jobs, but make them jobs we can perform." In other words, they want a little softer task.

This bill proposes a five year trial period, and the house and country are assured that if the bill passes we will not hear any more about the subject for another five years. But if the bill is defeated, who is to say members of the government will not bring in another bill, with another titbit to offer to members of parliament, to retentionists, and to all concerned? To me, a five year trial period is not worth-while because during that period only the lives of policemen and prison guards are to be safeguarded. While I have the greatest respect for policemen and prison guards, I value their lives no more than my own, than those of my family, my children, and of the rest of the people of Canada. The five year trial period does not make the bill any more attractive.

The house has debated this question on a number of occasions. In 1961 it passed legislation differentiating between what is commonly called first and second degree murder, capital murder and non-capital murder. That was a very worth-while and progressive step. I agree wholeheartedly that anyone committing a murder in a fit of passion, or on the spur of the moment should not be sentenced to hang. But anyone who deliberately and cold bloodedly commits a murder should be prepared, and in many cases is prepared, to lose his own life. One has only to think of the number of cases where suicide has followed the committing of the dastardly crime of murder.

The bill passed by the house in 1961 has not been given a fair working trial. If the present bill passes, then what are we to compare it with five years from now? We have no recent figures in Canada for comparison purposes. In 1961 we differentiated for the first time between capital and non-capital murder. That created an altogether different picture with respect to murders committed prior to that date and murders committed since that date. But since 1963 there has been no real application of the 1961 bill, and in my estimation a two year trial period is not long enough.

To summarize, Mr. Speaker, I say a deterrent cannot be effective unless it is carried out. A deterrent hinges on two things. The first is that a person must be apprehended,

and I have full confidence in our R.C.M.P. and other police forces throughout Canada, provincial and municipal. They have as good a record as police forces anywhere else in the world with respect to the apprehension of criminals. I would imagine that anyone about to commit a crime in this country would ask himself: Will I be caught?

The second factor is the punishment itself, whether it be life imprisonment or a death sentence. There is no question in my mind that the death sentence can be an effective deterrent only if the government intends to carry it out; but we know that this government since 1963 has had no intention of carrying it out. Yet in the last three or four years some of the worst crimes ever committed in the history of this country were perpetrated. However, the government had no stomach and was not capable of carrying out its job. Because of this widespread knowledge the deterrent is ineffective.

This bill proposes that the death sentence be supplanted by life imprisonment as the major deterrent. How long is life imprisonment? Last Thursday we were told that the average life imprisonment sentence totals eight years ten months and one day. Is this good enough? At the end of that time those under life sentence are turned loose in society again, and on a number of occasions they have not even been examined by psychiatrists before being released from prisons and mental hospitals.

Only the other day it was stated that there is no psychiatrist serving at the Prince Albert penitentiary, a federal prison, and that there is no psychiatrist in the city of Prince Albert. It can well happen that a person will be paroled without even being interviewed by a psychiatrist. Not so long ago a terrible crime was committed in Saskatchewan. A young man was released from a mental institution, possibly without being interviewed by psychiatrists before being released. In fact I am certain he was not interviewed by psychiatrists, and shortly after his release he committed one of the worst crimes northern Saskatchewan has ever known.

I can tell of an incident in my own constituency. A number of years ago a prisoner was released from Prince Albert, and within two days he did away with his own family, consisting of his mother, his father and three little children. Was that man interviewed by a psychiatrist? Without much difficulty a psychiatrist could have ascertained what his attitudes to society were. Psychiatric services are not available in many of our prisons, and I believe life imprisonment is not a good deterrent if it means only eight years ten months and one day.

• (3:30 p.m.)

This is not a good protection for society because we can be given absolutely no guarantee whatsoever as to the behaviour of these people when they leave the institutions. We can only form a judgment in this regard from what has happened in many cases in the past. I do not particularly blame society for this, because I know it is difficult to ascertain the intention of anyone leaving a mental institution or prison. From past actions, however, our judgment must be that this is not a good protection for society.

Therefore, I have no hesitation in voting against this bill. There is nothing to convince me, as a representative of the people in my area, that by voting for this bill I would be creating a better place for them to live or that I would be in any way protecting them.

[*Translation*]

Mr. Réal Caouette (Villeneuve): Mr. Speaker, I wish to say a few words on this Bill No. C-168 before the vote and before the house decides, definitely I hope, on this matter, that is to say capital punishment in Canada.

About a year and a half ago, a free vote was taken in the house and the result confirmed the retention of capital punishment in the country.

Since that time, murders have been committed and in spite of the wish and will of the house expressed by a majority vote, the government has nevertheless seen fit to ignore it, so that there has been no execution in Canada since 1962.

Now, the purpose of this bill is, and I quote:

> —to confine the imposition of the death penalty in relation to murder to the murder of police officers and others employed for the maintenance of the public peace, acting in the course of their duties, and to the murder of prison guards and other officers or permanent employees of prisons, acting in the course of their duties, for an experimental period of five years.

Mr. Speaker, I believe that since the practice of commutation was instituted, that is to say since 1962, a period of five years, there have not been any executions in Canada; nevertheless, the number of capital murders has not diminished for all that. Those who intend to kill continue to kill, and they will continue after Bill No. C-168 is passed.

For a month, I have been holding a referendum on capital punishment in my constituency; to date, I have received 1316 replies. I asked the people: "Are you for or against the death penalty?" Out of 1316 replies, 754 were in favour of retaining the death penalty, 502 were for abolition and 60 were uncertain, undecided.

Mr. Speaker, this breakdown is strangely similar to that of the first free vote we had in this house, a year and a half or two years ago, on capital punishment.

What I find inconsistent in this bill is that, for a trial period—a period of five years —death sentences will be limited strictly to the murder of police officers, guards and other officers or permanent employees of prisons acting in the course of their duties.

Let us suppose, for instance, that the Prime Minister of Canada, wherever he is, is attacked by a gangster and that his body-guard is killed. The gangster or killer would then be executed. But if he did not kill the body-guard and the Prime Minister himself were killed, the same killer would be sentenced to life imprisonment. He would not be executed, he would not be hanged.

I find this bill illogical. Besides, the government has all it needs; it has been doing it for five years now. Why come again before the house with this bill when the matter was voted upon democratically in this house? The reasons still hold which moved the members to vote against the abolition of the death penalty a year and a half ago. Moreover, neither gangsters nor murderers have changed in their behaviour.

Now, I agree that the legislation should provide that the guilt of a murderer must be proven beyond any doubt before he is sentenced to hang. As a matter of fact, Mr. Speaker, I agree that there is room for improvement in the present act. However, I am not in favour of abolishing capital punishment outright, except for murderers of prison guards or employees. I feel that every Canadian, without exception, is entitled to the same protection, to the same treatment, as any policeman, any prison guard or employee. Simple and elementary justice calls for the same treatment for the whole population.

If a murderer kills a police officer or a prison guard, he cannot be hanged twice, of course, but let him be hanged if the murder is really capital murder and there is not the shadow of a doubt. However, let us do the same in the case of the Prime Minister, a member of parliament, a worker in the Noranda mine, a white collar worker or a farmer. These people are entitled to life just like any police officer or prison guard, and no murderer has the right to make any attempt on anyone's life. Therefore, I submit that Bill No. C-168 should not have been introduced in the house. The vote taken in the house a year and a half ago should have been abided by; it was unequivocal, it seems to me. We had received all explanations; hon. members had expressed themselves freely. Today, some hon. members have changed their minds because, in my opinion, pressure has been put on them. And then they were told: Listen, let's try it for five years. And in five years, the law will stay the way it will be after this bill is passed.

Mr. Speaker, the number of murderers and bandits is increasing in Canada. Today, and for five years now, they tell themselves: No one is hanged, every sentence is commuted to life imprisonment. In the case of life imprisonment, the murderer is paroled after 12, 15 or 20 years. There have been typical cases in Quebec. A man who had murdered a young girl was put in prison, sentenced to death but later on paroled, and he killed four other young people. He was arrested again, imprisoned and sentenced to death a second time, and once again his sentence was commuted to life imprisonment. They say: The man was insane. He is jailed and his execution is put off from month to month. It is not put off but the sentence is merely commuted.

Mr. Speaker, the individuals who try to kill their neighbour know what they are doing. Recently, there was a holdup in Rouyn-Noranda, my home town. A gangster broke into the Montemurro and aimed his gun at one of the employees and pulled the trigger. Fortunately, the gun did not go off. There was no shot, but the gangster actually said: I will kill you. He knew exactly what he was doing.

• (3:40 p.m.)

Mr. Speaker, it is said of those people who are ready to kill anyone, anywhere, even when they are in a tight spot: Oh, they were in a tight spot! Why? Because they had placed themselves in that situation. Those are premeditated assaults, and we are going to pass a legislation which will mean this: Gentlemen, kill whoever you want, except policemen and prison guards, kill the Governor General of Canada, the Prime Minister (Mr. Pearson), the Leader of the Opposition (Mr. Stanfield), the hon. member for Shefford (Mr. Neveu), or anyone else, you will not hang,

but keep your hands off a prison guard or a policeman.

Mr. Speaker, the members of the Ralliement créditiste are absolutely free to vote according to their conscience. But, as far as I am concerned, I shall definitely vote for the retention of capital punishment, not in a spirit of revenge against the individual who attacks his neighbour or kills someone, but for the sake of justice in Canada.

Mr. Speaker, several persons suggest that hanging is obsolete and horrible. Surely, it is horrible. But what of the bandit who kills the father of 4 or 5 children, for instance, or the criminal who killed two Montreal policemen, in the performance of their duties, after taking the trouble of dressing up like Santa Claus—on the occasion of Christmas, on top of it all—giving young children the impression that Santa Claus can be dangerous since their father was murdered by a bandit dressed up as one?

Mr. Speaker, that murderer knew what he was doing when he dressed up as Santa Claus. He knew very well what he was going to do at the bank he went to rob; he knew very well what he was doing when he shot five or six times with his revolver, or rather with his submachine-gun, the policemen stretched out on the ground. A tommy-gun is not an ice cream cone, nor is it a pair of velvet mitts. He knew the tommy-gun was loaded, what it could cause.

And now, it is going to be claimed that vengeance moves us to sentence him to hang? If that is the way we are going to reason things out, then I say this: Why sentence a thief to five years in a penitentiary? Is it for vengeance that we condemn the thief? Why not close down all the prisons in Canada and say to the thief: We do not want revenge for ourselves, old boy. You stole, yes; only, we want no part in vengeance, and sentencing you to five or ten years in the pen would be vengeance. And so you are free; but try not to repeat your thefts, try not to steal again. Would it be logical to abolish our prison system or judicial system to that extent? Abolishing hanging is the same thing.

The execution of a murderer is no more by way of a reprisal than the sentencing of an armed robber, let us say, to 10 years in jail, with hard labour. It is the same thing. Some will say: Well, we killed him, but it satisfied nobody. Perhaps this is true, but it certainly got rid of a public menace within society. It is in that spirit, Mr. Speaker, that I will vote for the retention of the death penalty.

[Mr. Caouette.]

I understand the arguments advanced by the Prime Minister the other day and submitted by him to public scrutiny and to the house to influence as much as possible the members on the government side and perhaps also, some members of the opposition. Everyone is entitled to his own opinion, I agree. However, Mr. Speaker, there are serious dangers involved in abolition, or retention of the death penalty only for murderers of policement, jail guards or permanent jail employees while on duty.

At this stage, I repeat what I said earlier. Since 1962, there has been no hanging in Canada. Has the number of murders decreased? No. Bandits remain bandits; murderers continued to kill right and left. Therefore, we have proof that commutations or abolition of capital punishment have not deterred the murderers from killing people around them, when they were in a tight situation, if you like. However, when they are in a tight situation, it is because they decided to get into such a mess. Then, let them suffer the consequences or let them pay for the results of their actions.

Mr. Speaker, the Solicitor General (Mr. Pennell) should not have presented this bill when we have lots of important matters to discuss since there is no hanging pending, at the present time, in short, when all death sentences have been commuted. However, we could have easily—and it was much more urgent—discussed the economic situation which prevails now in Canada in order to improve living conditions and to decrease the number of Canadian citizens who become robbers and bandits for many reasons, but especially because they cannot earn an honest and decent living in their own country. Such things are seen among juvenile delinquents who are willing to work and seeking jobs, who want to prepare their future, but who do not stand a chance and are led astray, commit acts of vandalism and eventually become criminals. That is the situation today.

Mr. Speaker, it is not with pieces of legislation such as Bill No. C-168 that we shall improve the situation in Canada, and the Solicitor General is aware of it and he knows that we have proof in that connection. If someone could give me proof that the number of murders has decreased in the past five years, compared to the five year period before 1962, I would readily accept the bill, but such is not the case. There were just as many murders since 1962 as before that date, when murderers were hanged. Since 1962, no

hanging has taken place since all sentences have been commuted. As a result, murderers have kept on killing.

So, Mr. Speaker, capital punishment at times does keep people from murder, from acts of vandalism, out of fear of the noose. When a man does not fear the noose, when he is sure he will only be put in prison, he tells himself that the state will give him bed and board and dress him properly, even if the clothes do have little stripes, but still, he will be dressed decently. Indeed, he will not be cold in winter, nor too warm in the summer. He may even have air-conditioning in some areas. Who knows, after this bill, we may even vote him a new uniform.

Mr. Prud'homme: The old army uniforms.

Mr. Caouette: The old army uniforms; that might help him even more. All this to say that abolishing capital punishment is an injustice toward the wholesome Canadian people, it is pure and simple injustice. That is why I am opposed to such abolition. The five year trial has been made. We have been making it since 1962 and we know the results: Assaults, murders occur every day and every week in Montreal, in Toronto, in Vancouver and in small places, as in the case I mentioned a while ago when an attempt was made right in the city of Rouyn.

Mr. Laprise: It is worse than in Viet Nam.

Mr. Caouette: My friend from Chapleau (Mr. Laprise) says it is worse than in Viet Nam. It is similar.

• (3:50 p.m.)

Mr. Speaker, if we are to fight crime, vandalism, there are other solutions than the introduction of inoperative bills, legislation which will not serve the best interests of the people, will give security to bandits at the cost of their freedom, somewhat like behind the iron curtain, but in any case, they will have security. If the bandit is sick in jail, he even benefits from medicare. It costs nothing to be attended by doctors, to enter hospital; and drugs are supplied free! Do you realize that these people will be treated better than most of the honest people in our society?

Mr. Speaker, that is why I shall vote against Bill No. C-168 and I maintain that the government and the Solicitor General should have invited parliament to study bills which would assist the Canadian people as a whole, bills concerning, for instance, the economic or social fields, rather than have us discuss for days and weeks a bill to abolish the death penalty which, besides, has not been applied for five years, since 1962.

The government could have kept on doing the same thing, since nobody ever raised the matter in the house. Furthermore, we could have considered more important and more urgent matters than that. I shall continue to oppose the bill and, although we are forced to discuss it, I wish the minister would revise his stand and send back to the committee Bill No. C-168 for further consideration.

Let the house study it and decide, once and for all, what we could do with it, but only when we have nothing else to do. As long as economic and social matters in our country remain as unstable as they are at the present time and a source of problems as serious as those with which we are faced today, let us stop examining and discussing less important matters, when there are so many important problems to be solved in our country.

That is my point of view, Mr. Speaker, and I think it is shared by several other members. We do not make it a political issue. To us, it is a matter for all Canada, a patriotic matter, if you wish, in brief, a matter of life and death for all Canadians. So, let us put partisanship aside and let us act simply as Canadians; let us work in the best interests of our population. Let us stop this discussion. Let the minister withdraw his bill, and let us start considering measures that will develop our country and make Canadians happier and more aware of the fact that this wealthy country is theirs, that they are the beneficiary of a cultural, economical, political and social heritage, if we, their representatives, take our responsibilities and spend our time in legislating for the welfare of the people, instead of enacting laws that punish them to the benefit of murderers.

[*English*]

Mr. Heath Macquarrie (Queens): Mr. Speaker, I have not yet made up my mind how I will vote on this bill, and it is only recently that I made up my mind that I would make a few comments about it. I agree with those who have suggested that there was in fact no need for this measure to be put before us. It is a matter of just a few months ago when the Prime Minister (Mr. Pearson) produced a list of impending legislation as long as, if not as wise as, the book of Ecclesiastes. Much of this legislation we have never seen on the order paper, and of much we do not know even the title.

I do not say that this measure is not important. Of course it is tremendously important. But I think we are all realistic enough to know that for some time we have had in this country *de facto* abolition. I think we know, too, that had nothing been brought before this parliament, this government as long as it remained in office for no matter how many more or how few months would have commuted every single death sentence no matter how heinous the crime which brought about the conviction. I think we all know this in our hearts.

There is something slightly unrealistic about what we are doing now, and also perhaps something slightly insulting. I believe all of us 18 months ago gave to this matter the full measure of our thought. We consulted our conscience with sincerity and arrived at our decision only after the deepest reflection. I find it rather disturbing to have the measure thrust before us once again, no election having intervened and the self-same parliament which dealt with the measure some time ago taking it up again.

Also, Mr. Speaker, I must observe as a realist that I have no belief that the government, the executive armed with the commutation authority, is overly solicitous of the attitude of the legislative branch, namely of parliament. I was sorry that the Prime Minister (Mr. Pearson) spoke the other night—

An hon. Member: Obstruction.

Mr. Macquarrie: I am disturbed, also, at the tone this debate has been taking. People who are getting to their feet are being told to sit down. I resent the suggestion that giving my views is in any way obstruction. We are not responsible for this measure having been brought before us, and I will not be accused of obstruction because I am giving my views on it. Let those who have brought this measure before us take that into consideration. The other night I heard several members being told to sit down. We are not going to sit down until we have expressed our honest views. We did not bring this measure before the house and do not take responsibility for its being on the order paper at the present time.

As I say, Mr. Speaker, I was very sorry that the Prime Minister spoke as he did the other night. Believing that true greatness in any man requires a measure of humility, I hope that the Prime Minister regrets his reference to mental barbarism. I certainly regretted hearing him make it. We differ on this important question, but nothing is gained by the intellectual arrogance which casts condescending opprobrium upon the views of those who differ.

I was disturbed also by the suggestion that it is up to the retentionists to prove their case. In a matter of this kind you do not advance proof. I have consulted and have been consulting for years the findings, facts and figures of the sociologists and criminologists. We know that there is nothing that leads clearly to proof. You do not, in dealing with questions of human behaviour, come up with one answer which is totally right and another which is totally wrong. Indeed, some cynics say that sociology is all data and no conclusions, and yet much of our knowledge in this field is sociological.

• (4:00 p.m.)

I should also like to say that many highly civilized communities have had second thoughts about the death penalty. I do not think the people of the United Kingdom are a group of mental barbarians. Many of the people there are disturbed about the effects of abolition.

I was impressed by the suggestion that the death penalty is invoked for punishment and revenge. I cannot believe that it is there merely for punishment, and I hope it is never there for revenge. It is there because some people, applying their best mind and their best heart to the question, believe that it offers a greater measure of protection for society. I presume that the bill itself is offering a better measure of protection to a portion of society, namely those who are police guards and wardens.

I wonder how we can find proof of the validity of the argument when we seek to evaluate the deterrent value of life imprisonment as against the death penalty. If the Solicitor General (Mr. Pennell) would consult the great files down through the years of those unfortunate and tragic individuals who pleaded with the persons who had the authority to commute their death sentence, he would see the difference they discerned between continuing imprisonment and the termination of life by the state. If that were not sufficient, I would think that on grounds of logic the Solicitor General might consult his own bill because, as many speakers have mentioned, if the punishment for the killing of police guards does not enhance the deterrent force, I see no reason for its being there. Otherwise, if the deterrent force were equal,

the thing to do would be to sentence murderers of police guards and wardens once again, to life imprisonment. This seems to me to be the logical conclusion.

I am also concerned that the public is not receiving an adequate report of this debate. The hon. member for York-Humber (Mr. Cowan) holds views, many of which I oppose very strongly. My attitude on many public questions is diametrically opposed to his. However, the other day he placed on the record some very disturbing statistics. I have been scanning the newspapers of this country and have found that very few Canadians who depend on the newspapers for their information will realize what in fact and in practice the expression "life imprisonment" has meant, and this is extremely important.

The matter of the state taking the life of an innocent man is what troubles the retentionists most, and is their tenderest point. This is something which would cause any thoughtful person the greatest pangs of conscience. We know that it has happened and it is something which brings sorrow to the heart of any decent person. But we also know, as Lord Justice Darling once said, that while perhaps an innocent man may hang, many guilty ones escape. I would say to those on the other side of the argument that an equally disturbing crisis in conscience faces them, and it is this: What happens to society after the individual who has killed one or more of his fellows is released into society and again takes the life of one or more of those to whom the state should give protection.

Who has a conscience problem then? I would not call anyone who allowed this to happen a mental barbarian. I would extend to him my greatest sympathy because he would bear a terrible burden. If in this debate we entertain for a moment the idea that life imprisonment in fact means life imprisonment, we deal with a delusion which could indeed be extremely dangerous. It is extremely dangerous in this country because we know that the facilities within our institutions for any sort of mental health reform are shockingly and pitifully inadequate. So the placing of a person in one of our institutions is not a sure-fire recipe for the reorientation of that man's attitude toward society. This is a very serious problem. When the Solicitor General will move to act in that field he will have the support of all of us because it is tremendously important.

The agonizing part of the problem is the protection of our society. We live in a permissive age. Sometimes I have the feeling that the motto for our time might be: Nothing is anybody's fault. Sometimes it is the Oedipus complex that is blamed, or the fact that one is a fourth child and the other three were preferred, or else that at Sunday school one had an incompetent teacher. Of course we know there are all sorts of environmental factors, but have we yet reached the stage of viewing man as having no individual responsibility? Do we not consider that when a man takes arms against society he is never responsible for it? This is the question we must ask ourselves, and we must look inward for the answer. I think it is degrading to suggest that the human species is nothing more than something which responds to external stimuli. Psychologists say that man in all his actions and reactions is just a little higher than the ape. One can produce predictable patterns of behaviour. But some of us believe also that man is a little lower than the angels and that he wants to be given responsibility. This is not to say that when we force men to uphold the law we should accept the terribly condescending label of mental barbarians. But surely sometimes we must ask the individual to accept responsibility for his action.

I am concerned that this bill may be passed in a feeling of euphoria because it is contemporary. I have never thought that being contemporary is one of the cardinal virtues, that it is the thing to do and that you are on the side of the angels when you are progressive. I have read editorials which say that men with conscience have to vote for abolition. It is said that thoughtful people are abolitionists, and that it is only the poor, insensitive, hardhearted people and the barbaric die-hards who, when they search their conscience, come up with an answer different from that of the Solicitor General.

This is the element that is creeping into this debate, and I do not like it. I place people like the former minister of justice on a par with any member of this house in so far as sensitivity to human problems is concerned. There is no room for this kind of condemnation. We are looking for an answer, and I must confess, in all humility, that I am not yet sure of my own answer.

• (4:10 p.m.)

I do not like the bill. I am afraid it does not take into consideration the protection of society, which is surely a fundamental of law. However I hate to be so narrow minded that I would not say that, perhaps for five

years, let the matter be tried. So I may end up, not being an abolitionist nor a retentionist but an abstentionist. I do feel that it would have been better in many ways for this measure to have been brought up at a later date in a new parliament after it had been tested a little more by public opinion. We are in an age where we are reacting against what went on in earlier days. I heard the Prime Minister talk about the barbaric practices of the 18th and 19th centuries. Nobody wants them back. Nobody wants to hang a pickpocket, although sometimes we are disturbed when a bright young man who steals a boat gets a sentence which is longer than the man who murders.

There is a law of motion known as Newton's law which says that every action produces an equal and opposite reaction. I wonder if that is not a law that applies equally to public emotion. We are perhaps reacting rather too strenuously against some of the viciousness and the callousness of earlier days. But humans are still free, and we are moving a little further on the way toward dismantling society's basic protection. For all of these reasons, and they are only some of the ones in my mind, I find it impossible to support this measure. I regret its introduction at this time because I feel there are other ways in which this house could be more gainfully, more usefully employed.

Mr. Robert McCleave (Halifax): Mr. Speaker, the day the government moves to introduce into this house a measure to help the victims of murder will be the day I shall become an abolitionist. This will be the day when the abolitionists achieve a balanced sense of the values of human life, and show those feelings in a practical measure. Until that day, and it certainly is not today, sir, I shall be a retentionist. We are only being asked to expand our consciences for murders, and not their victims. The question really rests on the sense of justice of the people at large. The punishment of the taker of human life on the basis of eight years, ten months and one day in jail, even if it leads to his rehabilitation, does not satisfy the community desire for justice. The public acceptance of the idea that justice is being done in all criminal cases is surely the foundation of our society. We do not satisfy that basic appetite by considering a measure whose sponsor says that hanging is wrong in principle, but applies it anyway in certain cases.

[Mr. Macquarrie.]

I am making these very brief remarks, sir, despite the experience I have had of actually seeing a hanging.

Some hon. Members: Question.

Mr. Donald MacInnis (Cape Breton South): It is regrettable, Mr. Speaker, that members on both sides of this question find it necessary, for the second time in a short period, to face the same problem. It is regrettable also that members presently sitting opposite are so impatient they are now asking for the question to be decided, when only a few short days ago it was that side of the house which refused to face the issue. But refusing to face an issue is something this government has been doing continually for a number of years. The fact this measure has been introduced for a second time is made quite evident by the Prime Minister's (Mr. Pearson) approach on Thursday last, his indication that he will get on with the job of giving leadership on this particular question, and that the government will settle the question of capital punishment if parliament will make their job somewhat easier. I believe his statement amounts to exactly that.

Parliament made a decision on this matter, but the Prime Minister and his government have not had the intestinal fortitude to carry out that decision, despite all their pronouncements about respect for parliament. This government has absolutely refused to carry out a decision made by this house, but comes back with the appeal: We will see that your decisions are carried out, provided you make our decisions easy enough. The hon. member for Queens (Mr. Macquarrie) has made a most eloquent speech and one to which I think the Solicitor General (Mr. Pennell) should have paid close attention. No doubt the Solicitor General recalls that he showed the nation how emotionally upset he was when the decision went against his wishes last time. After listening to the remarks by the hon. member for Queens he must realize that this emotion is not only on one side of the question, but on both sides. I have every respect for the minister. However, there was no real need for him to show emotion. The government has complete control of this situation and have been exercising that control for a number of years. It would be a different matter if the Solicitor General were placed in a position where the decision of parliament had to be carried out.

When I say the government has complete control of this situation, I mean they have

the power to commute sentences and have been commuting sentences. There was absolutely no need for the government to introduce this subject for the second time. According to the polls I have seen, the most recent of which being the one conducted at Expo, the people of Canada favour retention of the death penalty. As I have said, the government has complete control of this situation. The Prime Minister described as barbaric those people who favour retaining the death penalty. While I cannot do so with the eloquence of the hon. member for Queens, I should like to say this attitude on the part of the Prime Minister is most unfair. I believe it is unfair, too, to those judges in the country who have been properly carrying out the law of this country over a period of years by imposing the death sentence on those convicted of murder.

Since this subject has been introduced for a second time, it is very difficult to avoid repetition. I should like to refer for a moment to one strong abolitionist in the house who has quoted the Bible to illustrate that capital punishment should be abolished. I would remind him that we can point to many passages in the Bible which support the imposition of the death sentence upon a murderer. I must say this same member—and this struck me as rather strange—said there are people who are too cowardly to commit suicide, so they murder someone, realizing that they will be put to death for it. This is the way they choose to commit suicide. This is the most ridiculous argument I have ever heard, and it was put forward by a member of this house in favour of abolition. What makes the argument even more ridiculous is the fact that anyone contemplating suicide who adopts this method is going to wait a long while before achieving his desired result under this government, because it has commuted every sentence. I ask the Solicitor General to consider that so that he does not get emotionally upset if the vote goes the way it should go and we retain capital punishment.

• (4:20 p.m.)

I have many friends in police forces whom I respect greatly, though I do not know any prison guards. In Cape Breton we are not interested in prisons and do not have much use for them. However, I do not know how the government can bring in a measure to protect two classes in our community, yet completely disregard other people about whom the Solicitor General might become far more emotional should they be the victims of a murderer. Such cases touch the emotions much more than the murder of policemen or prison guards. I submit that if we are retaining capital punishment in cases of murders of policemen or prison guards, we should also include, as other members of the house have indicated, friends and relatives.

The hon. member for Queens also referred to the charge of obstruction; and there was a bit of obstruction this afternoon. Because members are on one side of the argument they are asked to sit down, to shut up, and there are cries of "Question". I will accept the charge of obstruction from the other side of the house for the very reason that I am going to throw it right back at the government.

This government has been obstructing parliament ever since it reintroduced this issue. This government has been delaying important matters while parliament debates a matter it has already decided. This is the most obvious form of obstruction the house has ever been faced with. While the government saddles the House of Commons with this issue, on other questions it charges obstruction.

The government has been concerning itself with convicted murderers, at the expense of many innocent and law abiding citizens who today are faced with problems requiring prompt attention. Time and again the Prime Minister and other ministers of the crown remind us of the value of the time of the house. I am using the time of the house now to point out to the government that this is the most blatant case of obstruction in the house that I have ever witnessed. As I have said, repetition in this matter is inevitable; yet the government refuses to deal with the problems facing our law abiding citizens.

I could take up the time of the house to give the minister many reasons why this particular issue should never have been allowed to come before parliament. The government talk of their concern about this question, but I suggest that the greatest concern the government could have shown was in connection with an event that occurred in the city of Sydney last week end, when over 20,000 people gathered to express their anxiety over a problem that the government could and should be dealing with, instead of devoting time to convicted murderers. This issue has been decided, yet the government has not in any way, shape or form carried out the wishes of this parliament or the law of the country.

Hon. members opposite say that capital punishment is barbaric. What is barbaric about it? What have the retentionists accomplished by voting in favour of retaining capital punishment? The matter is out of their hands completely; it is within the control of a government which to my knowledge has commuted every death sentence. There may be some still awaiting the death penalty, but not one hanging has taken place since this government came into office.

No one on that side of the house can claim the retentionists have any control over capital punishment. The government has absolutely refused to exercise the law. By introducing this measure to amend the Criminal Code it is dividing the country into two classes of citizens—policemen and prison guards, and others—and I submit the measure is a complete waste of time. It is an illustration of what obstruction really is.

To bring in a measure which suggests suspending the death penalty on a five year trial basis is ridiculous. Britain legislated for a five year trial period and to date not half of the period has elapsed. After only two years the people in Britain are hollering and screaming for the death penalty to be brought back and carried out. This government goes on its merry way, ignoring the previous decision of parliament, and making decisions which suit their own need about the fate of convicted murderers.

Granted, Mr. Speaker, the life expectancy of the government is not long and perhaps it wants to put something on the record to which hon. members opposite can point in some election pamphlet, and say the Liberals did this and that. In this particular case what they want to do is unacceptable to the Canadian people. The government should concern itself with every-day problems facing the country and should keep in mind at all times the welfare of the relatives of the victims, not the murderer. As was pointed out by the hon. member for Halifax (Mr. McCleave) and the hon. member for Queens, who spoke on this subject with far more ability and knowledge than I, these are matters that should be considered by the minister.

• (4:30 p.m.)

The fate of convicted murderers is in the hands of the government. The government is doing exactly the opposite of what parliament decided on a previous occasion. There is nothing that I or any other retentionist in the house can do to change the approach of the government. It has complete control over

[Mr. MacInnis (Cape Breton South).]

the situation and has not carried out the law or the wishes of parliament. If the government is concerned about the matter, why could it not continue to do what it has been doing in the past. No members on this side of the house who are in favour of retention have, during the question period, asked the Prime Minister, the Solicitor General or the Minister of Justice why certain men who have been sentenced to death have not been hanged. The government is in control. It should not saddle this house with a bill that obstructs other legitimate business which is of vital concern to the law abiding citizens of our country, those citizens who look to this government for guidance.

An hon. Member: Emotional.

Mr. MacInnis (Cape Breton South): Yes, my argument may be emotional, but emotions run high on both sides of the argument.

I ask the government to direct its energies toward bringing economic stability to the country. Let us look after the law abiding Canadian citizen; let us look after those who suffer as a result of murder. Let us do something constructive for a change.

[*Translation*]

Mr. Alcide Simard (Lac-Saint-Jean): Mr. Speaker, I have followed all the speeches and listened attentively to all the speakers who were for abolition or retention of capital punishment.

Since the last free vote we had the opportunity to give hardly a few months ago, my attitude on this most important question has not changed, Mr. Speaker.

Let me refer to an article published in *L'Action* on October 23 under the title:

Let us become police officers or prison guards.

I quote:

Such an argument is probably put forward in Ottawa, as it was in other countries, but it is absolutely inconsistent. Let us think it over. If it is true that by maintaining the death penalty against murderers of police officers and prison guards, these persons are protected and this provides for the utmost limitation in the number of victims, why is it that the same argument could not apply to murders in general. If it is admitted that the death penalty can be effective in these two cases, how does one conclude that it is not in all other cases?

By introducing in the commons this legislation which is as inconsistent as it is dangerous, the federal cabinet by implication recognizes that capital punishment represents a protection for a group of society, so that it constitutes also a protection for all society; thus, it should be maintained completely in all cases.

Now, Mr. Speaker, what does the Criminal Code provide in the circumstances?

"202a (1) Murder is capital murder or non-capital murder.

(2) Murder is capital murder, in respect of any person, where

(a) it is planned and deliberate on the part of such person,

(b) it is within section 202 and such person

(i) by his own act caused or assisted in causing the bodily harm from which the death ensued,

(ii) by his own act administered or assisted in administering the stupefying or over-powering thing from which the death ensued,

(iii) by his own act stopped or assisted in the stopping of the breath from which the death ensued,

(iv) himself used or had upon his person the weapon as a consequence of which the death ensued, or

(v) counselled or procured another person to do any act mentioned in subparagraph (i), (ii) or (iii) or to use any weapon mentioned in subparagraph (iv), or

(c) such person by his own act caused or assisted in causing the death of

(i) a police officer, police constable, constable, sheriff, deputy sheriff, sheriff's officer or other person employed for the preservation and maintenance of the public peace, acting in the course of his duties, or

(ii) a warden, deputy warden, instructor, keeper, gaoler, guard or other officer or permanent employee of a prison, acting in the course of his duties, or counselled or procured another person to do any act causing or assisting in causing the death.

All murder other than capital murder is non-capital murder.

Every one who commits capital murder is guilty of an indictable offence and shall be sentenced to death.

Every one who commits non-capital murder is guilty of an indictable offence and shall be sentenced to imprisonment for life.

Notwithstanding subsection (1), a person who appears to the court to have been under the age of eighteen years at the time he committed a capital murder shall not be sentenced to death upon conviction therefor but shall be sentenced to imprisonment for life.

Consequently, Mr. Speaker, I move, seconded by the hon. member for Kamouraska (Mr. Dionne):

That Bill No. C-168 be not read for the second time now, but that all further consideration of the said bill be deferred until the Canadian people approve its principle by a referendum.

The Acting Speaker (Mr. Tardif): I shall read the amendment while waiting for a ruling from the Chair.

Mr. Simard, seconded by Mr. Dionne, moves:

That Bill No. C-168 be not read for the second time now, but that all further consideration of the said bill be deferred until the Canadian people approve its principle by a referendum.

• (4:40 p.m.)

[*English*]

Mr. Pennell: Mr. Speaker, I have not had an opportunity to study this amendment. I wonder if debate could be continued and I would reserve the right to study the amendment and voice an argument on it to the house at a later date.

Mr. Knowles: Same here.

The Acting Speaker (Mr. Tardif): Actually this amendment was read on a provisional basis.

Mr. MacInnis (Cape Breton South): On a point of order, Mr. Speaker, do the remarks of the minister mean that the debate is going to continue today and will go into another day? Is he not anticipating a vote?

Mr. Pennell: I am in the hands of the house. If hon. members wish to express their views I am certainly willing to listen to them with respect. It is not for me to determine whether debate should continue or not. That is in the hands of the house.

Mr. Mac T. McCutcheon (Lambton-Kent): Mr. Speaker, a year and a half ago I supported the amendment of the hon. member for Rosedale (Mr. Macdonald). I suppose therefore I might be classed as an abolitionist. However, I must point out that I cannot support this bill in its present form. I cannot make a value judgment on human life. When the Prime Minister (Mr. Pearson) suggested in his remarks the other night that those who voted for retention were mental barbarians, I think he was cynically imputing unfair motives to many of us who feel we must vote against this bill in its present form. I say to the Solicitor General (Mr. Pennell): Make it total abolition and I will support it.

Some hon. Members: Question.

Mr. Cowan: Mr. Speaker—

The Acting Speaker (Mr. Tardif): I think the hon. member for York-Humber has already spoken on this question.

Mr. Cowan: I wish to ask if I can speak on the amendment? You have stated that the amendment is provisionally accepted and I am quite prepared to speak on the amendment at this time.

The Acting Speaker (Mr. Tardif): Actually I do not know whether the amendment is

acceptable. The Speaker will be in the chamber in a few minutes and will make the decision.

Mr. Cowan: Mr. Speaker—

The Acting Speaker (Mr. Tardif): Order, please. Since the amendment has not been accepted as yet we shall have to wait until a decision is taken before the hon. member is recognized.

Mr. Cowan: On a point of order, Mr. Speaker, if someone wants to speak on the main motion and has not yet spoken, can he not be heard at this time?

The Acting Speaker (Mr. Tardif): I have already indicated that until a decision is made by the Speaker we are not going to recognize any hon. members.

Mr. Forrestall: On the same point of order, Mr. Speaker, the main motion is still before the house. Is it active and viable? If it is, I wish to point out that I have not spoken on either of the debates during the last year and a half and I would not mind making a few remarks on this, if it is just a question of killing time.

Mr. Speaker: Is the house ready for the question ?

Mr. Knowles: Mr. Speaker, I think we were awaiting Your Honour's return to the chair so that there could be a consideration of the procedural validity of the amendment that has been placed before Your Honour. I do not have the text of it before me in writing, but as I heard it I believe the amendment proposes that the bill be not now read a second time but that further consideration of it be deferred until something else, namely a referendum, has taken place.

It seems to me there are precedents which suggest that an amendment not to read a bill a second time must be one of all out opposition and must not be a motion that offers some other declaration of policy

I now have the amendment before me, thanks to the hon. member for York-Humber (Mr. Cowan) who has supplied me with a copy of it in French, and I suggest it is contrary to citation 393(1) in Beauchesne's fourth edition which says:

> An amendment purporting to approve the principle of a bill and at the same time enunciating a declaration of policy cannot be moved to the second reading.

There is another citation which says that an amendment of this kind must be opposed to the bill in toto, but this amendment is not opposed to this bill in toto. It is opposed to further consideration of the bill—if my comprehension of French is as good as I hope it is—until the Canadian population has given approval to it by answering a question in a referendum. I suggest, Mr. Speaker, that what is placed before you in this motion is a condition, or a substantive proposition, namely that there be a referendum on this question, and that such a proposition, while perfectly proper under certain circumstances, is not valid as an amendment to the second reading of this bill.

Mr. Speaker: Are there any further submissions for the consideration of the Chair, from a procedural standpoint?

[*Translation*]

Has the hon. member who moved the amendment now before the house anything to say about its acceptability?

Mr. Caouette: Mr. Speaker, in my opinion the amendment is quite simple and in no way contradicts or conflicts with the procedure of the house:

> That Bill No. C-168 be not read for the second time now, but that all further consideration of the said bill be deferred until the Canadian people approve its principle by a referendum.

Contrary to what the hon. member for Winnipeg North Centre (Mr. Knowles) has just said, that this amendment goes against the rules of the house, it seems to me that this proposal to defer a bill to the Canadian people by way a referendum in order to know their exact opinion and to find out whether or not they approve of the principle of the bill is entirely in keeping with Canadian parliamentary procedure.

Until the people vote by referendum, let us postpone the study of Bill No. C-168. I do not see at all how that amendment comes in conflict with any rule. The hon. member has the right to move his amendment and to be supported, and it seems to me that the house should have the opportunity to vote on that amendment which suggests that a referendum be held before legislation such as Bill No. C-168 is passed.

• (4:50 p.m.)

[*English*]

Mr. Smallwood: Mr. Speaker, before you give your ruling, may I say that I agree with democracy and would suggest that if you looked for a precedent under the flag debate you might find that we accepted at that time

an amendment similar to that which is proposed now.

[*Translation*]

Mr. Grégoire: Mr. Speaker, I simply want to say a word to show that even if the argument advanced by the hon. member for Winnipeg North Centre (Mr. Knowles) might have seemed, at first, justified, when you read over the motion in its present form, I think that Beauchesne's citation which was just read to us, does not apply to the amendment, as it is drafted now.

The hon. member for Winnipeg North Centre said, and rightly so, that an amendment to prevent the second reading of the bill means in fact a complete rejection of the bill. This is what happens here. The amendment means simply this: That Bill No. C-168 be not read the second time. It is a total rejection. And the second part, Mr. Speaker, simply adds that any new consideration of a bill such as this one cannot be undertaken unless it has been preceded by a referendum. Why was this added? Well, I suppose it is because we have been presented twice with the same problem. We considered this matter, about 1½ or 2 years ago, and it is being reintroduced without having done anything about it. Therefore, it is a pure and simple rejection of the bill and it is requested also that the same matter be not considered again until such time as the Canadian population has been asked to decide through a referendum.

The argument of the hon. member for Winnipeg North Centre (Mr. Knowles) is unacceptable because it is, in fact, a complete rejection of the bill, since the precedent still holds, namely that the matter was considered 1½ years ago. The bill was rejected by parliament and it is felt that the matter should not be raised again unless the public has studied it or has voted on the matter through a referendum.

This is why, in my opinion, the argument of the hon. member for Winnipeg North Centre is unacceptable at the present time, due to the form of the amendment which is entirely legal, which does not violate any precedent and is in accordance with standing orders.

[*English*]

Mr. Knowles: Mr. Speaker, would the hon. member permit a question. Would he deal with my contention that the amendment in effect is a substantive motion introducing a new proposition, namely a referendum?

[*Translation*]

Mr. Grégoire: No, Mr. Speaker. It does in no way imply a referendum. As worded, the amendment does not suggest that the government hold a referendum. It does not provide for a referendum.

The amendement does not suggest at all the holding of a referendum. It simply asks that the bill be not read a second time and that, if the government wishes to reintroduce the question, it should hold a referendum beforehand. However, the government does not have to introduce the bill. In addition, the amendment does not suggest a referendum, but merely provides that any further consideration of the bill be delayed until the question, submitted to the Canadian people, has been approved in principle. It is not suggested that a referendum be held. If the government does not wish to hold one, let it refrain from doing so. The amendment does not mention that the government is required or has to hold a referendum.

If we vote for the amendment, Mr. Speaker, this does not mean that we vote to request or force the government to hold a referendum on this matter. That is not mentioned in the amendment. The amendment under study does not recommend a referendum; it simply requests that the bill be not given second reading at this time, and that the matter be not submitted again to the house until a national referendum has been held. However, the government does not have to hold this referendum.

[*English*]

Mr. Knowles: Would the hon. member permit a further question, Mr. Speaker. If the amendment is not suggesting a referendum, then how can it be said that the amendment calls for a total rejection of the bill? Is it not just a temporary rejection until the referendum has been taken?

[*Translation*]

Mr. Grégoire: No, it means pure and simple rejection, total rejection of the bill. Now, and this is where the precedent set 18 months ago must be taken into account, as the government was confronted with a similar motion 18 months ago, and as the motion was rejected, this amendment adds: Do not come back to us with a bill similar to this one unless you have held a referendum. You do not have to hold one; if you do not want any, then do not hold one. But if you must come back to us with a bill such as this one, then hold a referendum before doing so.

I say, therefore, Mr. Speaker, that this is absolutely pure and simple rejection of the bill. At the same time, it means that if ever the government wants to introduce another bill on capital punishment, it will first have to get the principle approved by the people. But there is nothing in that amendment which compels the government to hold a referendum. There is nothing which calls for one. It is pure, simple and complete rejection of the bill.

Mr. Speaker: Order. After hearing the arguments advanced by hon. members, I am now in a position to express and opinion and make a ruling.

I will refer, first of all, to the argument just advanced by the member for Lapointe (Mr. Grégoire) to the effect that this amendment is in substance a pure and simple rejection of the main motion.

If the member is right, the Chair could not accept this amendment, since we would then have a negation of the principle, and the member should merely vote against the bill instead of trying to do so by way of an amendment.

[*English*]

I should like to refer to the argument presented by the hon. member for Battle River-Camrose (Mr. Smallwood) in which he brought to my attention a precedent. However, I believe there is a distinction in this regard. He referred to the flag debate when we were dealing with a resolution. The type of amendment which is permitted in respect of a resolution is not the same type of amendment which is permitted in the case of second reading of a bill.

I should like to bring to the attention of hon. members citation 394, paragraph one in the French edition of Beauchesne's fourth edition which reads as follows:

[*Translation*]

The principle or relevancy in an amendment governs every proposed resolution, which, on the second reading of a bill, must not include in its scope other bills then standing for consideration by the house. Nor may such an amendment deal with the provisions of the bill upon which it is moved, nor anticipate amendments thereto which may be moved in committee, nor attach conditions to the second reading of the bill.

That, I believe, is the most obvious defect of this amendment. It sets a condition to approval of the bill in principle, and for that reason, I do not think it is possible to accept the amendment moved by the hon. member.

[Mr. Grégoire.]

[*English*]

Some hon. Members: Question.

An hon. Member: Five o'clock.

Mr. Speaker: Is the house ready for the question?

Some hon. Members: Question.

Mr. Cowan: Mr. Speaker, it is now five o'clock. I have been here all afternoon. Was unanimous consent given to abolish the private members hour?

• (5:00 p.m.)

Mr. Speaker: My information is that although there may have been an agreement among hon. members, there is no order of the house for the suspension of private members business. In the circumstances the Chair has no alternative but to call the business for today at five o'clock, namely notices of motions and public bills.

Mr. Thompson: Mr. Speaker, I rise on a point of order. I understood there was an agreement by all parties of the house that we would forgo private members hour in order that we might complete the debate on the capital punishment bill.

Mr. Speaker: There must be more than an agreement by the parties of the house; there must be an order of the house. If there is no order there must be unanimous consent and I understand there is not unanimous consent. If hon. members agree unanimously that we should continue—

Mr. Cowan: No.

Mr. Speaker: There is at least one objection. We will therefore proceed with private members business as listed on today's order paper. We will proceed with notice of motion No. 15, the hon. member for Springfield (Mr. Schreyer).

Mr. Knowles: Mr. Speaker, I rise on a point of order, to ask Your Honour to consider a request. The hon. members for Springfield (Mr. Schreyer) and for Spadina (Mr. Ryan) are away from Ottawa on official business. I believe they are attending the NATO parliamentary association conference in Brussels. I am wondering, therefore, whether the house would be good enough to allow motions number 15 and 16 to stand and retain their place on the order paper until these members return from this official business on which they are engaged.

Mr. Speaker: Is it agreed by the house that private members notices of motions numbers 15 and 16 stand and retain their place on the order paper?

Some hon. Members: Agreed.

Mr. Speaker: Motions 15 and 16 stand. Then, notice of motion No. 19, the hon. member for Winnipeg North Centre (Mr. Knowles).

Mr. Knowles: It was my understanding that we had agreed to carry on with the debate on capital punishment. For that reason I would prefer not to proceed with this motion today. I am not asking for special consideration; I will proceed with it the next day private members' motions are called.

Mr. Speaker: Motion No. 19 stands.

CRIMINAL INJURIES COMPENSATION BOARD

PROPOSED COMPENSATION FOR DEPENDANTS

Mr. Ralph B. Cowan (York-Humber) moved:

That, in the opinion of this house, the government should consider the expediency of introducing legislation for the creation of a criminal injuries compensation board to hear the pleas of persons who have suffered permanent injury or disability as the victims of crime and award compensation to such persons or their dependants as would seem fair in the circumstances, and wherever possible to do so, to impose payment of compensation by criminals to those they have injured.

Mr. Speaker: Does the hon. member have a seconder for his motion, or would he like to suggest a seconder?

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, if there is no seconder, I had not noticed it, but just to allow an hon. member to express his opinions, according to the principles of democracy, I support the motion.

[*English*]

Mr. Ralph Cowan (York-Humber): Mr. Speaker, I am indebted to the hon. member for Winnipeg North Centre (Mr. Knowles) for relinquishing his right to speak at this time during private members hour, because this gives me the opportunity of speaking on a subject that is very, very close to my heart and fortunately running parallel to the discussion we are now having on capital punishment.

As one can tell from the date of this notice of motion, May 9, 1967, I introduced this notice of motion the day after this session began. Hon. members will perhaps recall that the same subject matter was discussed for one hour in June of 1966. At that time it was talked out by a parliamentary secretary to one of the members of the cabinet. That hon. member made the very bright statement that he did not understand the motion. I regret the situation if this parliament must wait until every parliamentary assistant understands what he is talking about before a motion can come to a vote. I sincerely hope that today the parliamentary assistant understands the purpose of this motion.

There have been quite a few speakers on the capital punishment bill who have referred to compensation for innocent victims of crimes. They have stated it is necessary that action be taken under this heading. I refer particularly to the Registrar General of Canada (Mr. Turner) who, if you will look at the remarks he made in support of the abolition of capital punishment, stated that he favored compensation for the innocent victims of criminal acts.

When I listen to all the people running around this house of parliament weeping over the fate of murderers I am filled with disgust, because I weep over the fate of the victims, not the murderers. In speaking on this notice of motion that the government should consider the expediency of introducing legislation for the creation of a criminal injuries compendation board I am thinking in particular of a woman who lives in Scarboro, and who has three or four children. Her husband was an insurance salesman. He was walking along Yorkville avenue in Toronto about a year ago when some words were exchanged between him and a young fellow about 17 or 18 years of age. You may remember that this young 17 or 18 year old jumped up on a parapet about 18 inches high and kicked this husband and father of three of four children on the side of the head, knocking him to the pavement. The impact broke his skull and he died in hospital shortly thereafter.

The man—perhaps I should say the youth —who kicked this insurance salesman, is now under sentence of four years in the Kingston penitentiary. The taxpayers of Canada now have the opportunity to feed him three times a day and give him a warm bed. He also gets proper recreation. In addition to this, the judge said he would send

him to Kingston so he could learn a trade. The taxpayers of Canada are giving this chap an education while he is in Kingston pentitentiary in expiation of his crime. What is the federal government doing for the innocent victims of that crime, the widow and children?

I think also of a milkman in Port Credit in the riding of Peel who was endeavouring to collect an amount owing the dairy for which he worked. He had called three or four times at this particular household where there was a small bill outstanding. This milkman was going about his normal work and an ex-boxer, who was the tenant in the house, the person owing the bill, came out of the house and hit him so hard he died. One might say, well, no doubt the milkman's widow and children receive some workmen's compensation from the province of Ontario, because he was engaged in the performance of his duty. I do not know whether the province of Ontario has stepped into the breach and now pays the widow something under workmen's compensation, but if he was working on commission, as many of these salesmen on milk and bread routes do, it may be that the widow is not getting anything from workmen's compensation.

In any event, why should a widow in a case of this nature, whose husband has been killed by a criminal, have to rely on the small sums paid out under workmen's compensation? Supposing this had been a self-employed farmer who had been killed; how would his widow collect, and from whom? This question of compensation for innocent victims of criminal acts should have top priority, and this federal cabinet should be considering the question today—not whether to abolish capital punishment.

• (5:10 p.m.)

The Solicitor General (Mr. Pennell) in introducing his bill for the abolition of capital punishment—because that is what it amounts to; the cabinet will commute all the sentences of anybody who kills a policeman or prison guard—referred to New Zealand. I am very glad he referred to New Zealand because probably he has read some of the laws of New Zealand. I wonder whether he has read about that great forerunner of this type of legislation which was first introduced in the Dominion of New Zealand some years ago. In New Zealand the federal government makes compensation to the innocent victims of criminal acts on the basis that it is the right and duty of the state to protect all its citizens; and when the state falls down, as is the case when innocent people are suffering because of criminal acts and the state is not giving the necessary protection to innocent souls, the state must pay.

This type of legislation should be on the statute books of Canada. I tell you that there is not a single, solitary more important question in the Dominion of Canada today. I am 65 years of age, and I know that lawyers stand up—they have been standing up all my life and doing this—and say: Oh, think about provincial responsibility, worry about federal responsibility. This is done just so they can put the responsibility on somebody else.

When the murderer is convicted and sentenced to be hanged, the cabinet steps in and, out of their all-pervading mercy, says: We will commute this sentence. I say, don't forget that the taxpayers of Canada are paying for three meals a day, a warm bed, recreational facilities and training facilities for the murderer. When we, the people who worry about the fate of innocent victims, say "You should supply compensation to these victims", what are we met with? Then it is said: Oh, it is a provincial responsibility, the federal cabinet cannot interfere. But the federal cabinet will feed the criminal three times a day, give him warm surroundings, recreational facilities and education. Their attitude is: To hell with the family of the innocent victim.

We have to follow the example set for us by New Zealand and Great Britain. I was fortunate enough a year or so ago to make a trip to Europe with the war veterans committee of the House of Commons. The chairman of that committee, my very good friend the hon. member for Beauharnois-Salaberry (Mr. Laniel), will tell you that when he asked whether I intended to accompany the committee to Europe I said to him: "Mr. Chairman, when I am in London I will not see the committee. I am going to talk to the officials of the compensation board about the compensation of innocent victims of criminal acts."

When that committee was in London—it spent three days in London out of the 17 days on that trip overseas—I never saw the war veterans committee because I was closeted with the officials of the compensation board, asking about the compensation of innocent victims of criminal acts. An interesting thing occurred during those three days in London. On the front page of the London *Times,* in dead centre, which is about as prominent a position as you can get, other

than the top of the page, there was an item about two inches long that during the month of June, 1966, the board administering compensation to the innocent victims of criminal acts had awarded something in the nature of $200,000 during that month. There was also this comment:

> This is the largest amount granted during any one month since the board was first set up two years ago.

The province of Saskatchewan has established a compensation fund for innocent victims of crime. God bless Saskatchewan. They set the pattern for the hospitalization scheme we have throughout the nation, which is of benefit to everyone in this country from St. John's in the east to Victoria in the west. Since Saskatchewan has shown the way, I think the federal cabinet should follow the example, because whether it is a provincial responsibility or no—and this has not been shown to me with any conviction as yet—how can the federal government refuse to give compensation to a citizen of any province under such a heading as compensation for the innocent victims of criminal acts?

Before I leave Saskatchewan and refer to the act of British Columbia may I point out that in that terrible murder in Saskatchewan, where one man is being charged with murder when eight people were killed in one farmhouse—don't forget that is eight murders, but he is only being charged with one—the man has been judged sane and fit to stand trial. Do you realize there was one little, four year old girl in one of those beds, the only person in that house who was not killed? I believe the Lord Himself had something to do with this, to shame the federal cabinet, because that little, four-year-old girl is the first beneficiary of the act of the Saskatchewan legislature. God bless Saskatchewan and God bless the legislature for having passed an act to provide compensation to the innocent victims of criminal acts. Her entire family was wiped out. The mother, father, brothers and sisters of this little four year old girl were murdered and she was left alive and alone. What a shining example of the need for state compensation to the innocent victims of criminal acts.

British Columbia has moved along in this direction. I will not criticize British Columbia, because half a loaf is better than none. They have passed an act in the provincial legislature which provides that the municipalities can reimburse the innocent victims of crime. I referred to this before and pointed out that if you are going to be murdered in British Columbia, be sure you are murdered in Point Grey because they have more money there with which to pay compensation than if you are murdered in Skeena or Osoyoos, for example, or some of the other municipalities. I am not criticizing the legislature of British Columbia. I bless them for having taken one step in the proper direction, which is one more than the federal cabinet of Canada has taken.

The province of Manitoba has taken a step in the right direction on this matter; they are going to offer compensation to the innocent victims of crime. An interesting thing between Manitoba and Saskatchewan is that in Saskatchewan the little girl does not have to wait until the murderer is found and a conviction is registered against him before she can collect. Manitoba plans that they will pay no compensation to the victims until every legal means has been exhausted to bring the criminal to trial. Supposing the murderer of a child's father is never found? Does that mean there is no compensation for that innocent victim because every legal means has not been exhausted, because they have not found the murderer and had a trial? Should all victims have to wait for years, maybe, before somebody comes along 15 or 20 years later and makes a deathbed confession?

The province of Ontario has taken a step in the right direction. I give Premier Robarts credit for this. But I do not like it because it does not go far enough. It does not cover the milkman's family in Port Credit nor the poor widow in Scarboro. The Ontario bill offers compensation to widows and relatives of policemen killed in the performance of their duties, and compensation to those people who might be impressed by the police to aid them in the prosecution of the law. For instance, a policeman going down the street chasing a bank robber or murderer might ask a civilian on the sidewalk to give him help. The law says that he must. If that civilian, having been impressed by the police, is killed or injured the Ontario act will pay compensation to that person or his family.

But look at what happened with the Smith murder, in Downsview. This man was holding up a bank. After he got the money he came out of the bank and a man by the name of Blanc took a rifle or pistol from one of the bank officials, went outside the bank and shot at the fleeing robber whose name was Smith. Smith evidently did not like

being fired at, because he stopped the car, got out and with one rifle shot drilled the brains out of Blanc. Blanc had not been asked by the police to try and stop Smith, and his family collected nothing from the Ontario act. Is this fair? I say that the responsibility is on the federal cabinet and is not on the provincial government. I am getting fed up to the teeth hearing lawyers say this is a provincial responsibility and we should not try to put the responsibility on the federal cabinet.

All we are asked to do is keep the murderers in comfort. We are told that we should not hang them but should rehabilitate them. I have been wondering whether we should take the rifles away from prison guards and police. When the death sentence is commuted and a convicted murderer is put in the penitentiary, we are told the cabinet is trying to rehabilitate him. The Solicitor General says: Are we going to give up hope of ever rehabilitating this poor soul? If the guard has a rifle and the man the cabinet is rehabilitating endeavours to escape, what will you do with the guard if he shoots the fellow during the course of his rehabilitation because he is trying to escape? If we are to rehabilitate these people, as the cabinet wants done, we will have to take the rifles away from police and prison guards so they will not be able to cut a fellow short in the middle of his educational course.

• (5:20 p.m.)

To get back to Mr. Blanc who was drilled through the head, I render thanks unto God for the General Wingate branch of the Royal Canadian Legion. They set out to collect some funds to alleviate the sorrow and the misery in which the widow found herself. I believe the total came to something like $1,700. But what is $1,700 to a widow who has many years of life before her, and what is it to her family? The federal cabinet, which is so anxious to make the life of the convicted murderer serene, quiet and peaceful could not care less about the victim's family and about those who suffer, through no fault of their own, from the crime of the criminal. The cabinet is becoming known as the murderers' friend. I would prefer the cabinet to be known as the friend of innocent victims of criminal acts. I can not make it any more forceful than I have.

In the state of New York and in the state of California similar legislation was passed for the compensation of innocent victims. What are we waiting for? Do we want more examples? We have the example of Great Britain, the site of the mother of parliaments, of New Zealand, and of the states of New York and California, the two states with the largest populations in the whole of the U.S.A.

What more examples do we want? Saskatchewan has given us a great example, and British Columbia has followed in a limited way. So will Manitoba; but I hope that province does not require the victims to get a conviction before they can collect. I hope Ontario will broaden the scope of its act, and I sincerely and from the bottom of my heart ask the federal cabinet to consider the expediency of introducing legislation for the creation of a compensation board. If it will give the cabinet any pleasure, I would be glad to act on that board. There can be a by-election called in York-Humber following my appointment to the board to hear the pleas of persons who have suffered injuries or disability as victims of criminal acts. We would award compensation to such persons or their dependants as would seem fair in the circumstances, and wherever possible it would impose on criminals the payment of compensation to those they have injured.

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I had not intended to speak on this resolution because I was not aware we would reach it this afternoon. However, I cannot help but say a few words in support of it. I think one of the most compelling arguments that is raised from time to time against dealing solely with the question of capital punishment, without relation to the ancillary matters that are raised, is this particular problem. One can hardly discuss the question of capital punishment and the treatment of persons who have committed crimes without discussing their victims.

I think we should start from the premise that both the crime and its consequences are related and should therefore be a matter of federal responsibility. I cannot see how anyone can argue otherwise. Second, I cannot see how anyone can say that it is our concern to deal with, punish or release the person who has committed an offence without at the same time dealing with the innocent victim. I cannot express more strongly than I have heretofore that I support this resolution. It is beyond me why the compensation of victims has not been brought into the laws of Canada, although I realize there are many gaps in our laws.

Perhaps there is a problem of federal and provincial jurisdiction; but if the government

were really anxious to enact legislation in this matter, I cannot see where the problem lies. I say this off the cuff because I have not made a detailed study of the constitutional problems, but I would think it would follow logically that if you are responsible for one half of the problem surely you are also responsible for the other.

Therefore, Mr. Speaker, I hope the government will take this resolution seriously. I am sorry we did not have a vote on the capital punishment bill at five o'clock and that we did not dispose of it at that time. However, having raised this particular question today perhaps we can complete it, because obviously action will not be taken on the other matter immediately. I hope the government will take seriously the proposal for compensation to innocent victims of crime and will give it serious study. We are conducting many studies in the committee on justice and legal affairs. I should like to suggest that this particular resolution be referred to that committee, although I think it would be much easier to refer it if it were in the form of a bill. In any event I give my support to the resolution proposed by the hon. member.

[*Translation*]

Mr. J.-A. Mongrain (Trois-Rivières): Mr. Speaker, it is not every day that I agree with the hon. member for York-Humber (Mr. Cowan), but this time, I think I can say that I agree with practically everything he said, especially with the principle of his notice of motion and with the proposal he has just made to the government to set up that board and appoint him to it, thus leaving vacant the seat for the constituency of York-Humber.

I am sure that if one of us were unfortunate enough to become the victim of a crime, the hon. member would be extremely generous and grant our families or those we would be leaving behind, all the expected compensations.

Therefore, I think that the principle is good: set up a compensation board and then compensate the victims of those crimes.

The hon. member for York-Humber mentioned several cases. Allow me to mention one specific case, news of which reached me last night and grieved me. I mention it because several members from the province of Quebec know the victim.

A week or two ago, gangsters broke into the residence of one of the most distinguished citizens of the heart of Quebec, the St. Maurice valley. Back home, Mr. Jean Crête was known as the king of the "Mauricie". For at least 50 years, he provided work for thousands of family heads, and contributed to charities. His contributions must amount to hundreds of thousands of dollars, perhaps even millions; he was respected by all and exuded nothing but kindness and generosity. He even had another quality which my friends on the right will applaud: he was always an active Liberal. He was of those who were responsible for the election of the Hon. Jean Chrétien. And so, for the fourth or fifth time in the last few years, gangsters broke into his place a week or two ago, and beat him up to get his money and his jewelry. Last night, he died of his wounds in the hospital.

Mr. Speaker, I do not think it is a matter of poverty or indigence in his case, but nevertheless, I would like all the people of the heart of the province of Quebec to mourn the death of one of its most distinguished citizens, and I should say also, one of the greatest Canadians we have known in many years.

With your indulgence, I take this opportunity to express my sympathy to his family and his friends, and I know that in doing so, I meet the wishes of every citizen of that area in the heart of the province.

Well, Mr. Speaker, I feel it is reasonable to support the request of the hon. member for York-Humber, namely that the victims be compensated for the results of crimes commited at their places, especially if one considers that most of them are poor.

• (5:30 p.m.)

The hon. member for York-Humber mentioned the constitutional barrier which could perhaps prevent the federal government from taking action in this field. However, there are several ways of getting round this difficulty.

First, I think that obstacle must be overcome, because it is important that the law be uniform throughout Canada.

If I were to go in the riding of York-Humber, which my hon. friend represents, and were killed in the smallest community there, I wonder, since I come from Quebec, if compensation would be as great as it would have been in Saskatchewan or British Columbia.

So, I think it is important that compensation be the same in every province, at a time when travel is so fast, when opportunities for

travel throughout the country are so numerous and when accidents of that kind may well happen.

And if constitutional barriers exist, I think the government should at least try to call all provincial Ministers of Justice to a meeting, in an effort to make legislation uniform in the ten provinces.

I conclude with those few words, Mr. Speaker, because I do not want to fall into the bad habit that I have noticed since I have been here, that of wanting to kill private members' bills or notices of motions at all costs. On the contrary, I think that when they are as judicious as the one introduced by the hon. member for York-Humber, even those who are not close friends of his should forget the mover and say: He is right and we will support him. That is what I will do myself if I have the opportunity.

[*English*]

Mr. John Gilbert (Broadview): Mr. Speaker, I should like at the outset, speaking on behalf of the members of the New Democratic party, to support the principle set forth in the motion moved by the hon. member for York-Humber (Mr. Cowan). In his speech, he mentioned the example of the widow in Scarborough whose husband had been murdered by a young 18 year old boy. I may tell him that the 18 year old boy was a constituent of mine. I think it should be said that this young boy came from a broken home and had very little family life. He had a previous criminal conviction, but he was making his way in society and was about to be married. He happened to be in Yorkville on the night in question. It was a very unfortunate incident. The altercation between him and the man who was murdered occurred, I understand, when the man was with a group of other men and also happened to be in the Yorkville area at the time.

My friend is quite correct when he says that at the moment we have different pieces of legislation in different provinces across the country covering this situation. Ultimately, this will result in a hodge-podge of different acts covering compensation to the innocent victims of crime. The first point the federal government appears to make is that this matter falls within provincial jurisdiction because the provinces have the duty to enforce the administration of justice. It seems to me the hon. member's point that the federal government has the right and duty to protect the citizens of Canada is a good one. The federal government should therefore have the full responsibility of compensating the innocent victims of criminal acts.

When I heard the different acts set forth by the minister as they apply in the different provinces, I realized the difficulty we are getting ourselves into with regard to compensating the victims of these criminal acts. There will not be the uniformity that is necessary to guarantee the people of Canada proper compensation for the acts that have been committed.

I note one part of the hon. member's motion reads:

> —and wherever possible to do so, to impose payment of compensation by criminals to those they have injured.

I might say, Mr. Speaker, that 18 months ago when I participated in the debate on the abolition of capital punishment I made this point in my speech, that it is not only proper to abolish capital punishment but there is also a duty imposed upon us to compensate the innocent victims of criminal acts. Of course, the best thing the government could do, in my opinion, would be to pass the abolition measure that is before the house now, then follow that up with a bill covering compensation to the victims of criminal acts. This is a very important thing. The hon. member for Parry Sound-Muskoka (Mr. Aiken) suggested referring the subject matter to the standing committee on justice and legal affairs. As the hon. member for York-Humber stated, there is plenty of experience in other jurisdictions to enable us to implement a similar type act without the unnecessary delay of referring the subject to a committee. Therefore, Mr. Speaker, we in this party support the motion and ask the government to take immediate action on it.

[*Translation*]

Mr. Auguste Choquette (Lotbinière): Mr. Speaker, I had a private meeting earlier with the hon. member for Mercier (Mr. Boulanger). The hon. member for Sherbrooke (Mr. Allard) was there also. We discussed in detail the resolution which stands in the name of the hon. member for York-Humber (Mr. Cowan).

I would like to point out, Mr. Speaker, perhaps especially following the comments of the hon. member for Trois-Rivières (Mr. Mongrain), that I have often disagreed with the hon. member for York-Humber—I have sometimes called him a fanatic—who has on occasion behaved like a fanatic.

I heard him earlier use some rather violent expressions in speaking of certain members

of the cabinet, whom he has even accused of helping or being friends with murderers. I think that the hon. member went further than what he actually meant. He chose to resort to strong terms to express the dissatisfaction, well-founded, I think, he feels about certain attitudes.

I congratulate him warmly for the resolution he put on the order paper. I myself drew inspiration from it when I spoke briefly in the house on November 14, 1967, on the bill dealing with partial abolition of the death penalty.

The generous intention which inspires the hon. member for York-Humber deserves to be emphasized readily and with enthusiasm. Indeed, there is a marked tendency today; I wonder whether it is due to the evolution of human sciences. At all events, the hon member for Mercier (Mr. Boulanger) will correct me if I am mistaken; he is well versed in sociology and criminology, and being a psychoanalyst he may be in a position to give explanations concerning the alarming statements I may make. I seek his indulgence and ask him to bear with me when I say that the human sciences have evolved to the point where, sometimes, one wonders if there is not some exaggeration in the way criminals are treated. Human responsibility is a principle that no one will ever be able to eradicate. Freedom of choice is one thing...

Mr. Mongrain: Could I ask the hon. member a question?

Mr. Choquette: With the utmost pleasure.

Mr. Mongrain: The hon. member consulted the hon. member for Mercier and they seemed edified by the remarks of the hon. member for York-Humber. Has he had a chance to discuss with the hon. member for Mercier what impressed him most, the suggestion that a compensation board be set up or the suggestion that the hon. member resign and leave his seat vacant in York-Humber to become a member of the board?

• (5:40 p.m.)

Mr. Choquette: Mr. Speaker, I am sure of one thing: a great number of people would be quite pleased in fact if the hon. member for York-Humber had yearnings other than political yearnings.

Mr. Grégoire: Would the hon. member allow me a question?

Mr. Choquette: With great pleasure.

Mr. Grégoire: Since the problem seems to interest the hon. member for Lotbinière so much would he not take the opportunity of his stay in France to study what is done there in connection with compensation for the victims of criminals and report to us on his return? Perhaps that would be useful to us.

Mr. Choquette: Mr. Speaker, I would even be prepared to collect all the necessary funds in France to carry out an effective propaganda campaign in Canada to have the authorities support the resolution moved by the hon. member for York-Humber. And I will surely take that opportunity to—

Mr. Grégoire: I could give the hon. member for Lotbinière names to help him in his work.

Mr. Choquette: With pleasure. If I may continue with what I had started to say, I think that, at times, we show too much sympathy and we neglect the principle of free will which attends every human act. If human sciences push their conclusions too far, that is to the point of saying that any abnormal act must necessarily be explained away by psychoanalysis, the person who committed it thus being exonerated that will dangerously undermine the bases of any social order.

Mr. Speaker, it is indeed very generous of the hon. member for York-Humber to think of the families of victims of criminals.

When we go to the movies or watch films on television, we are always shown terrifying scenes which should overcome the criminal, but when the time comes for him to pay for his crime, the situation is made so sad, so distressing, that one is inclined to exonerate him for his evil action which is prejudicial to social order.

But the lot of the families stricken by the situation created by the wrong-doers is always overlooked. How many shows or films have we seen in which there is a filmed sequence of three or four seconds when one or two policemen are killed, but when the criminal is shown being led to his cell, then his pitiful lot is overstressed.

That is what is unfortunate, Mr. Speaker, and that is why we must applaud anyone who has a generous thought for the victims of criminals. It would be most appropriate if the present government, somewhat as the achievement of all the social legislation it has passed, were to consider that problem. It is

the present government, the Liberal party, which has put forward all our social legislation. That is fantastic. That is why I would be proud, as a Liberal, if my party and my government were to approve the measure proposed by the hon. member for York-Humber in order that we might at last think about the sad lot which befalls the victims of criminals or their families.

This is why the suggestion of the previous speaker, namely that this resolution or this bill should be deferred to the committee on justice and legal affairs is quite interesting and I would be pleased to support it in order that we may refrain from considering in that committee some legislation which always tends to ease the onus of the guilty, bills which are liable to improve the difficult situation which they have sometimes deserved. As I am anxious to let another of my colleagues, the member for Vancouver Quadra (Mr. Deachman), whose comments will certainly be more interesting than mine, have the chance to express his views, I will close my remarks briefly.

However, may I point out to the member for York-Humber that there is legislation now in force in New Zealand on the compensation granted to the victims of criminals.

Knowing the member for York-Humber as an unequaled statistician, as a man who collects every imaginable or unimaginable newspaper clipping—he is a real book of knowledge—I was surprised to note that he did not mention the fact that there has been since 1963 legislation in New Zealand providing compensation for the victims or the families of the victims of criminals. I will turn over the papers to the member for York-Humber in a moment so that he may complete all the notes he has on the matter and I urge him to continue in the same vein and to speak with all his well-known eloquence so that this measure may be passed shortly.

I am in full agreement with him that the argument claiming that such legislation is exclusively within provincial jurisdiction is a false argument; I agree with him, but if the administration of justice is under provincial jurisdiction, let us then pass the bill which I submitted to the house last year.

Let the power to commute death sentences remain with the lieutenant governor in council and let us relieve the cabinet of this task, of this burden. Let us ask the lieutenant governor in council and the provincial authorities to administer justice completely and thoroughly and when the commutation of death sentences is involved, it will be up to the provincial authorities to do it, because the same argument can be used which is put forward by those who would get rid of that responsibility and who say: This is strictly a provincial jurisdiction. If the administration of justice is an exclusively provincial responsibility, the same argument stands for those who say: Hand over capital punishment to the provinces; this no longer concerns the federal government. I would then suggest to the hon. member for York-Humber that he should reply to those who put forward that fallacious argument by using the argument I have suggested to him.

In closing, my remarks, I say that the most practical solution one can suggest is the creation of a federal-provincial fund. I feel the problem could be solved by establishing such a fund to compensate the victims of criminals. I am of the opinion that asking the provinces and the federal government to cooperate in setting up such a fund would constitute an appropriate and concrete solution to the problem.

• (5:50 p.m.)

[*English*]

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I support this motion. I find myself in agreement with the hon. member for York-Humber (Mr. Cowan) and to my amazement, with the hon. member for Lotbinière (Mr. Choquette). That being so, surely, there must be unanimous agreement in this house about this matter.

The motion contains a useful suggestion and I think the house ought to pass it, so that the government may be informed that the will of parliament is that certain steps ought to be taken along these lines. That would not involve the government in any commitment other than to consider the expediency of introducing legislation for the creation of a criminal injuries compensation board. I have not heard a word against this proposal for the last two years and I think public opinion generally in the country would favour such a step. The jurisdictional problem could easily and quickly be overcome with the provinces. We are informing the government now that parliament as a whole favours action along the lines suggested in the motion. Consequently, we ought to pass the motion. If the government proceeds with the necessary legislation it can count on full support from this side of the house.

Something like this ought to have been done years ago. We should let the government know how the House of Commons feels about this motion and, if the house is agreeable, I submit that we ought to pass it.

Mr. Grant Deachman (Vancouver Quadra): Mr. Speaker—

Mr. Ricard: Do not kill the motion.

Mr. Deachman: With respect to this valuable suggestion we, on this side, consider that its subject matter ought to be sent to the justice and legal affairs standing committee.

Mr. Churchill: But that is a stalling operation.

Mr. Deachman: In a moment or two I propose to move a motion which will have that effect.

Before moving my motion, however, I wish to compliment the hon. member for York-Humber (Mr. Cowan) for bringing before the house a subject of considerable interest, well worth the consideration of the standing committee on justice and legal affairs and worthy of legislation by this house. The idea is not new. Material on it is available from the library, and hon. members who wish to find out what has been done in this regard by parliaments around the world may wish to consult a book entitled, "Restitution to Victims of Crime", by Schafer. The book was published in London in 1960 and gives a summary of legislation of this kind that is in existence around the world. I find that it deals chiefly with civil legislation and that actually there is little legislation to provide for compensation for victims of crimes of violence. That is so until one considers the legislation, or the proposals for legislation in Great Britain. The agitation for it began in about 1959 and continued, in the form of white papers and study papers, until 1964.

In my hand I have a little white paper prepared by the House of Commons in Great Britain entitled, "Compensation for Victims of Crimes of Violence". I do not have time to go into details this evening but I am sure that the standing committe will wish to view this material when discussing this valuable notice of motion. We are following in well established footsteps if we give consideration to a piece of legislation similar to that proposed in the house in Great Britain.

I therefore move, seconded by the hon. member for Lotbinière (Mr. Choquette):

That the said proposed motion be deemed to have been withdrawn and that the standing committee on justice and legal affairs be empowered to consider and report upon the provisions thereof.

Mr. Churchill: You are not the least bit progressive. I am surprised at the Liberal party. This is stalling.

The Acting Speaker (Mr. Rinfret): Is it the wish of the house to adopt the said motion.

Motion agreed to.

BUSINESS OF THE HOUSE

Mr. Churchill: Mr. Speaker, I wish to ask what the business of the house will be, and I direct my question to the Minister without Portfolio, the representative of Newfoundland in the cabinet. I welcome him back to the house. He will now have a chance to make a maiden speech.

Mr. Granger: I thank the hon. gentleman for his welcome and for the opportunity of making a maiden speech, which probably will be a record for its brevity. The business for tomorrow is this. We shall continue the debate on capital punishment. If that is concluded, the schedule will be as outlined by the house leader yesterday, the Emergency Gold Mining Assistance Act, the post office legislation, the Industrial Development Bank Act and the Canadian National bill.

Mr. Knowles: May I ask a question? If we conclude second reading during the day will we continue with the committee of the whole on capital punishment tomorrow?

Mr. Granger: I think the answer to that is, yes.

Mr. Churchill: The minister is a good deal more definite than his colleagues are.

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